

NAPA GREEN CERTIFIED VINEYARDS

Regenerating Carbon, Climate and Community

"Wine producers can lead by showing the world what a low-carbon high life — a good life that is compatible with a sustainable environment — looks like." — Dr. Kim Nicholas

We are facing a climate crisis, and <u>as Greta Thunberg reminds us</u>, natural climate solutions are essential to turning things around. These solutions don't just benefit nature and benefit the climate – they can increase soil health, increase water and nutrient retention and plant availability, increase the quality and yield of grapes on the vine, increase resilience to a changing climate, and ultimately, increase profitability.

A 2018 study focused on natural climate solutions for the United States found that <u>natural climate solutions</u> have the potential to reduce net annual emissions in the U.S. by as <u>much as 21%</u>. This study ranked the potential of 21 natural climate solutions and found that reforestation, improved forest management, cover crops, biochar, hedgerows and other alley cropping, and nutrient management were among six of the top seven natural solutions with the greatest climate action potential.

In addition to the need for urgent climate action, 2020 also brought to the fore a national reckoning conversation about deeply ingrained social inequities and injustices in our society, and <u>specifically within the wine industry</u>. **We cannot have environmental or economic sustainability without social sustainability**.

The Napa County wine industry is in a unique position to gain global recognition as a leader rapidly scaling climate action in the agricultural sector, and making a renewed commitment in both words and action to social equity, justice and inclusion. We recognize that our wine region cannot solve climate change or social inequities, but we have a powerful leadership platform. Our commitment to sustainability sets a standard that is recognized by the global wine industry, beverage sector, and beyond.

As Miguel Garcia, Sustainable Agriculture Program Manager with the Napa County Resource Conservation District (RCD), observes, "There is no reason all of the vineyards in Napa County can't be carbon neutral or negative." Our goal is to assist growers in becoming carbon neutral within two certification cycles (six years) and carbon negative, or climate positive, within three cycles (nine years). Napa Green Certified Vineyards will exemplify agriculture that is giving back to the land and communities.

The new Napa Green Vineyard standards have six key elements. The topics, practices and standards of each element are outlined here:

SOCIAL JUSTICE, DIVERSITY AND INCLUSION

- Leadership & Human Resources
- Workforce Health, Safety & Wellbeing
- o Communication, Training & Advancement
- Neighbors and Community

• CARBON FARM PLANS & REGENERATIVE FARMING

- Carbon Farm Planning
- Soil Sampling and Testing
- o Data Tracking and Online Resource Calculator
- Carbon Farming Action Plan

• IRRIGATION ASSESSMENTS & WATER EFFICIENCY

Water Efficiency Standards – Core & Elective

• PROACTIVE FOREST MANAGEMENT & FIRE RESILIENCE (If Applicable)

Forest Standards – Core & Elective

PROHIBITED & RESTRICTED PESTICIDES

- Prohibited Pesticides List
- Restricted Pesticides List
- Gold Level (Optional)

CLIMATE-SMART BURNING

- Conservation Burn How To
- Flame-Cap Kilns
- Additional Climate Smart Burn Technologies

These standards are both practice- and performance-based. Implementation of standards will be validated by independent third-party auditors. Ultimately, this next level stewardship certification is intended to serve as an adaptable model for other wine regions and farming sectors.

THIRD-PARTY AUDITS

A critical aspect of Napa Green certification is independent, third-party validation that members are meeting the certification requirements. With so many certifications and seals in the marketplace customers have become understandably weary of what these certifications mean and the substance behind the claims. Auditors provide the validation that our members are truly walking the talk, and dedicated to continual improvement.

SCOPE 1 & 2 GREENHOUSE GAS (GHG) INVENTORY

"You can't manage what you don't measure." The Napa Green Vineyard program includes an online Resource Calculator where data must be entered on electricity, fuel, fertilizer, irrigation and frost water use. Emissions conversion factors will generate an annual Scope 1 & 2 vineyard GHG inventory.

This inventory will be paired with Carbon Farm Plan implementation and soil test results to determine the vineyard carbon footprint year over year. The <u>USDA and CDFA COMET-Planner</u> will be used to estimate carbon sequestration, and soil sampling will be used to validate on-the-ground results.

TRANSITION PERIOD

Once enrolled in the Napa Green Vineyard certification all practices do not have to be fully implemented to be certified:

- Implementation of chosen Carbon Farm action items will be ongoing. The baseline Carbon Farm Plan will be reviewed and updated as a part of each three-year recertification cycle.
- If the required data for the Resource Calculator is not yet being collected this data collection must be initiated at the start of certification, and baseline metrics will be calculated at the start of year two.
- There will be a transition period of one growing season for the Prohibited and Restricted Pesticides. Variances are available for exceptional circumstances.
- o In addition, all certified properties will have an Action Plan for practices that need a longer time period or budget cycle(s) to implement. These Action Plans will identify the lead staff responsible for each task and rough deadlines for implementation. The status of the Action Plans will be reviewed annually.

VINEYARD MANAGEMENT COMPANIES

If you use a vineyard management company (VMC) to manage your vineyard operations you must validate and ensure that they comply with the relevant standards when managing your property. The third-party auditor will review VMC materials and practices.

CONTINUING EDUCATION

Since sustainability is a path, not a destination continuing education and improvement is essential. Minimum annual Continuing Education:

- o Eight (8) hours/year for full-time management staff
- o Five (5) hours/year for full-time vineyard team members

This includes virtual workshops, trainings and webinars, as well as the quarterly meetings of the RCD-led "Carbon Farming Networking Group." Each applicable staff member should keep a record of Continuing Education – Title, Date, Hours. *We do not require official CE credits.*

STANDARD REVISION

The latest relevant science and policies will be reviewed annually and inform any necessary revisions to these standards over time. In addition, the Social Equity Working Group and the Pesticide Working Group will continue to meet twice annually to discuss and consider new best practices, resources and science that will inform any revisions or additions to those two elements of these standards. As with the aims of sustainability the Napa Green Vineyard certification program is committed to continuing improvement.

CERTIFICATION PROGRAM COSTS

CERTIFICATION FEES (ONE-TIME)

One-time certification fees are per vineyard property and cover a fraction of the team's time to come onsite and complete Carbon Farm Plan and Irrigation assessments and recommendations reports, provide assistance with other elements like soil sampling, and facilitate the overall certification process (these are one-time fees).

As a part of our Napa Green Winery certification program we have completed >200 Integrated Resource Audits and we've found that smaller operations are not necessarily less-complex. For this reason, we have organized fees based on time rather than acreage. Please note: Once you are certified all staff implementation support (e.g., carbon farm practices, IPM, conservation/low-smoke burning) as well as support for recertification is covered by annual Licensing Fees.

Level I – 10-14 hours: \$800 Level II – 14-18 hours: \$1,000 Level III – 18-22 hours: \$1,200

Based on acreage, site complexity, baseline practices and record-keeping our staff can indicate which Level they believe will apply.

Multi-Property Discount: Growers who certify more than one vineyard (non-contiguous parcels) will receive a stair-stepped 5% discount on Certification Fees for each additional property that is certified, up to a maximum discount of 15%. This will apply to the fees for all properties.

Example: Member enrolls two properties. One property falls in Level 1, and one falls in Level II. The total certification cost would be \$1710.

Invoicing: You will be invoiced for the certification fees once a team member has done an onsite Carbon Farm Plan and/or Irrigation DU assessment. Given the time-required and value of these services and reports you will be charged these fees whether or not you complete the certification process. Invoices are sent via Quickbooks, and we will try to send a direct email when these go out in case the invoice lands in Spam.

THIRD-PARTY AUDITS

Growers will choose from a number of auditors trained to our Napa Green Vineyard standards. The audit will involve Napa Green portal, paperwork and onsite review.

Auditors typically charge hourly (rates range from \$100-150/hr) OR have base level costs depending on the number and/or scale of properties. Auditor time will vary based on complexity and whether the required materials submitted are organized and complete. The initial certification audit will require the most time. A likely range for auditor time is 5-8 hours.

If the Third-Party Auditor is able to review all enrolled properties for certification then there will not be another audit until Recertification (every three years).

However, if due to the number of properties you have enrolled the auditor has to do a random sample review of properties then there will also be annual in-person audits until all properties have been reviewed, with auditor costs.

Auditors will directly invoice clients for their time.

Interim Desk Audits (NO ADDED COST): The interim staff desk audits (end of years 1 and 2) will require an update of the Metric Calculator (water, energy, fertilizer, yield), review of Action Plan and Carbon Farming implementation, Pesticide Use Reports, and validation of burning practices (if applicable). The team will let you know if they have any questions and would like to schedule a meeting or call.

ANNUAL LICENSING FEES

Once certified there are annual fees that go toward ongoing staff support, training workshops and educational events, desk audits, etc. (this is for your TOTAL certified acreage, not per property). Licensing fees will be charged in March of each year. Please note that licensing fees only cover ~30% of our budget.

0-25 vineyard acres: \$450 25-50 vineyard acres: \$775 51-100 vineyard acres: \$1100 101-250 vineyard acres: \$1550 251-500 vineyard acres: \$2000 501-1,000 vineyard acres: \$2550 >1,000 vineyard acres: \$3100

Soil to Bottle Certification Discount: Comprehensively certified members (Vineyard and Winery) will receive a 5% discount on their total Licensing Fees.

RECERTIFICATION

Recertification is every three years. Staff will do an onsite review and work with you to update your Carbon Farm Plan, complete Irrigation assessments as needed, and create a new Action Plan. Annual dues will go toward staff recertification time. An independent, third-party audit is required every three years and should take less time than the initial certification audit.

EXAMPLE OF FEES OVER THREE YEARS

A current Napa Green member enrolls two properties that total 80 acres. Both properties are third-party audited for certification. This member also has a Napa Green Certified Winery.

Start of Certification

Certification Fees: \$1520 Third-Party Audit: \$900

Following Year

Licensing Fees: \$1045

Following Year

Licensing Fees: \$1045

End of Year Three – Recertification

Licensing Fees: \$1045 Third-Party Audit: \$600