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El Dorado Nitrogen, LP – Nitrous Oxide Abatement Project

CAR 639

Facility Owner	LSB Chemical, Inc.
Project Developer & Owner	LSB Industries, Inc.
Technical consultant	ClimeCo, LLC
Registry	Climate Action Reserve (CAR)
Protocol	U.S. Nitric Acid Production Protocol (v3.0 August 7, 2025)
Reporting Period	6/24/2025 – 4/11/2026
Report Date	6/15/2026
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1. Introduction/Summary

1.1 Objective and Introduction

The objective of this engagement is the verification of the El Dorado Nitrogen, LP NAP Project (El Dorado) against the CAR U.S. Nitric Acid Production Protocol v3.0 (Protocol) for the purpose of registration with the Climate Action Reserve. AWT assessed the integrity of the asserted offsets to a reasonable level of assurance.

The purpose of this verification report is to provide a third-party evaluation of the greenhouse gas offset credits that were asserted by LSB Industries, Inc. (LSB Industries) and ClimeCo LLC. (ClimeCo) for a Nitric Acid Production project located near Baytown, TX. The reporting period for this verification is June 24th, 2025 through April 11th, 2026. The project abates GHG emissions from a nitric acid plant using secondary and tertiary catalyst systems. The enhanced control technology serves to destroy N₂O emissions that would otherwise have been vented to the atmosphere.

1.2 Verification Scope

The verification scope is an up-front specification that indicates the type of verification to be undertaken including types of GHGs and reporting period, baseline scenario, GHG project description (physical infrastructure, activities, technologies, and processes), and GHG sources, sinks and reservoirs.

1.2.1 Baseline Scenario

The baseline scenario for this project is the production and venting of N₂O off gas from the nitric acid production process. The off gas would be sent through the NO_x-specific selective catalytic reduction (SCR) before being vented to the atmosphere. The baseline emissions are quantified based on Section 5.3 of the Protocol. See Section 3.1.4 for additional information.

1.2.2 Physical Infrastructure

Based on the documentation provided as well as the information obtained from the site audit, the following items make up the physical infrastructure of the system:

- Equipment used in production of nitric acid with N₂O as an off gas
- Equipment used in recovery of nitric acid (absorber column)
- Equipment used for N₂O abatement (secondary catalyst & tertiary catalyst)
- Monitoring equipment used for quality control (CEMS)

1.2.3 Types of Greenhouse Gases

For this verification, Carbon Dioxide (CO₂), Methane (CH₄), and Nitrous Oxide (N₂O) are the only greenhouse gases considered.

1.2.4 Crediting and Reporting Period

The Protocol requires that each reporting period represents a full campaign, defined as the full length of operation of one set of primary catalyst gauzes. The reporting period for this verification is June 24th, 2025 through April 11th, 2026. This reporting period is entirely in the second 10-year crediting period (December 7th, 2020 through December 6th, 2030) in which the project is eligible to receive credits (CRTs).

1.2.5 Project Boundaries and GHG Sources, Sinks and Reservoirs

Upon review of the documentation provided by the project developer and through the site audit conducted, the project encompasses the following project boundaries:

1. Source (B, P) – Emissions from nitric acid production process unit.
4. Source (B, P) – GHG emissions from production of ammonia used in tertiary abatement for N₂O destruction.
5. Source (P) – Emissions from hydrocarbon used for reducing agent, for reheating the off gas, or for combustion fuel for thermal reduction units.
7. Source (P) – Emissions from increased external energy use.

Sinks: Secondary catalyst, Tertiary catalyst

Reservoirs: None

These sources, sinks, and reservoirs are appropriately included as compared to the requirements of the Protocol.

1.3 Verification Criteria

This verification is consistent with the following:

- ISO 14064-3:2019 standard, ISO 14066, ISO 14065, IAF MD4, IAF MD6 and ANAB requirements, policies and procedures.
- Climate Action Reserve's U.S. Nitric Acid Production Protocol (Version 3.0)
- Reserve Offset Program Manual (April 2024)
- Verification Program Manual (February 2021)

Due to the asserted number of CRTs generated from this project (greater than 100,000 tCO₂e/year), the quantitative materiality threshold is set at 1%. This agrees with the guidelines established by the Climate Action Reserve.

1.4 Project Description

The El Dorado Nitrogen, LP – Nitrous Oxide Abatement Project is a N₂O abatement operation located at LSB Chemical, LLC's nitric acid plant in Baytown, TX. The project consists of the operation of a secondary catalyst in conjunction with the installation and operation of a tertiary abatement catalyst. The project transitioned from a secondary catalyst project to a combined secondary and tertiary project with the installation of the tertiary catalyst on 11/15/2024. The secondary catalyst is located immediately below

the ammonia oxidation catalyst where it catalytically reduces the N₂O off gas that would otherwise be vented to the atmosphere. The tertiary catalyst is located upstream of the stack and provides additional abatement beyond the secondary catalyst. The presence of the tertiary catalyst was observed during the previous site visit.

1.5 Level of Assurance

This is a reasonable assurance engagement meaning that AWT will provide a reasonable, but not absolute, level of assurance that the GHG offset assertion is materially correct.

2. Verification Methodology

2.1 Approach

Agri-Waste Technology, Inc. (AWT) follows a consistent methodology for all Climate Action Reserve's Nitric Acid Production verifications.

1. Participant selects verifier. V/V director performs pre-engagement review and assigns team leader based on sector and documents these activities in the internal project description document. The contract can be drafted at this point but cannot be fully executed until the COI evaluation has been approved by CAR. Team leader sends contract to client for signature.
2. Team leader forms verification team as well as negotiates and executes subcontractor agreements (if applicable).
3. Team Leader and COI Auditor prepare Internal Conflict of Interest and Impartiality documents and obtain signatures from all team members. The Team Leader or Team Member under the direction of the Team Leader prepares NOVA/COI form and submits to the COI Auditor for completion. COI Auditor determines if there are issues with COI and completes NOVA/COI form. Team leader reviews the NOVA/COI form, signs the form and submits it to CAR at a minimum of 10 business days prior to beginning any verification services (*submit updated COI form every year*).
4. After receipt of approval from CAR to proceed with the project, the Team Leader executes the contract. It should be noted that steps 4-8 are all occurring somewhat simultaneously. The specific order of completion is not important.
5. Team leader reviews preliminary documentation and any results of previous assessments (if applicable) from aggregator or project owner and discuss goals and constraints. This review includes determining the following:
 - ❖ Nature, scale, and complexity of the verification activity to be undertaken on the client's behalf
 - ❖ Confidence in the responsible party's GHG information and assertion

- ❖ Completeness of the responsible party's GHG information and assertion and the eligibility of the responsible party to participate in the GHG program

As part of the initial review of the project documentation, the Team Leader or Team Member under the direction of the Team Leader performs the Strategic Analysis.

Previous Assessments--If a previous verification has been completed for the client, then AWT would request a copy of the report to review it and make sure that all relevant information is addressed appropriately. Reviewing these reports helps to eliminate any duplicate site/desk audits and includes a review of the conclusion, so that it can be carried forward to the current report appropriately.

6. Team Leader assesses or supervises the assessment of the controls for sources of potential errors, omissions, and misrepresentations, while taking the following into account:
 - ❖ Selection and management of the GHG data and information
 - ❖ Risk of a material discrepancy occurring
 - ❖ Processes for collecting, processing, consolidating, and reporting GHG data and information
 - ❖ Risk that the controls of the organization or GHG project will not prevent or detect a material discrepancy
 - ❖ Risk that the verifier will not detect any material discrepancy that has not been corrected by the controls of the organization or GHG project

As part of the assessment of controls, the Team Leader or Team Member under the direction of the Team Leader completes the Risk Assessment.

7. Team leader prepares or supervises the preparation of the evidence gathering plan.
8. Team leader prepares or supervises the preparation of the verification plan.
9. Team leader holds a kick-off meeting with participants, which includes:
 - ❖ Introduction of the verification team
 - ❖ Review and confirmation of verification process and scope, objectives, level of assurance, criteria, and materiality
 - ❖ Transfer of background information, underlying activity data and results of previous assessments (if applicable)
 - ❖ Review and confirmation of the verification process and schedule
10. Conduct verification activities in accordance with CAR requirements.
 - ❖ Identify emissions sources
 - ❖ Review methodologies and management systems

- ❖ Review project documentation for completeness
 - ❖ Schedule and perform site visit/field audit (if required)
 - If site visit/field audit date changes after NOVA/COI is submitted to CAR, submit revised NOVA/COI to CAR.
 - ❖ Complete desk audit and compile site visit information
 - ❖ Verify emission estimates
 - ❖ Amend evidence gathering plan if any new risks or material concerns that could potentially lead to errors, omissions and misrepresentations are identified.
11. Team leader prepares or supervises the preparation of the list of findings and submits to client.
12. Team leader prepares or supervises the preparation of the verification statement and verification report. The verification statement is a brief, one-page summary that confirms the verification activities and outcomes. The verification report includes the following elements:
- ❖ The scope of the verification process
 - ❖ The standard used to verify emissions
 - ❖ A description of the verification activities based on size and complexity of the participant's operations
 - ❖ A list of diversions from the original evidence gathering plan
 - ❖ A list of the emissions sources identified
 - ❖ A description of the sampling techniques and risk assessment methodologies employed for each source
 - ❖ An evaluation of the participant's emissions report compliance with the protocol
 - ❖ A comparison of the participant's overall emission estimates with the verifier's overall emission estimates
 - ❖ A list of material discrepancies if any
 - ❖ A list of immaterial discrepancies if any
 - ❖ A general conclusion to be reflected in the Verification Statement forwarded to CAR
13. Internal Peer Reviewer reviews the verification report, verification statement and accompanying documents to confirm that all verification activities have been completed, whether the GHG assertion is free of material discrepancy and whether the verification activities provide the agreed upon level of assurance. The *Internal Project Technical Review* is utilized to document the internal review. The internal peer reviewer signs the *Internal Project Technical Review* form, the verification report, and the verification statement.
14. Exit meeting is scheduled, so that the Team leader and participant can discuss the verification report and statement (*participant has up to 30 days to review and to make comments*)
15. Upon approval, team leader uploads the list of findings, verification report and verification statement to CAR.
16. CAR then completes the reporting process

17. Recordkeeping--AWT will keep participants hard and electronic copies for a minimum of seven years to include the following:

- ❖ Participant's GHG emissions report
- ❖ Verification report
- ❖ Verification statement
- ❖ Contact information for the lead verifier and a responsible corporate officer at the participants organization
- ❖ General description of the participant's organization
- ❖ Geographic boundaries
- ❖ Number of facilities and operations assessed in the verification activities
- ❖ GHGs evaluated
- ❖ Sources of emissions identified
- ❖ Assessment of emission factors, demonstrating greater accuracy if not default emission factors
- ❖ Copies of fuel use, mileage or other activity data records used in sample recalculations
- ❖ Verification methodology used based on the size and complexity of the participant
- ❖ Sampling procedures for selecting site visits
- ❖ Dates of site visits
- ❖ Verifier's evaluation of the participants management systems
- ❖ Verifier's estimates of the participants' emissions

2.2 Potential Errors, Omissions and Misrepresentations

AWT assesses risks of potential errors, omissions or misrepresentations and reports relative magnitudes in this section. The risks are utilized to develop the Evidence Gathering Plan. The following Table shows the identified risk categories:

Table 1: Risk Assessment Matrix

SSR	Source	Baseline or Project	Gas	Type of Risk	Relative Magnitude to ER assertion	Notes
1	Nitric acid production process unit (burner inlet to stack)	B, P	N ₂ O	Inherent Controlled Detectable	High High High	This is calculated via the protocol defined equations, defaults, and nitric acid production records.
4	Ammonia used to operate SCR De-NO _x Unit	B, P	N ₂ O CH ₄ CO ₂	Inherent Controlled Detectable	Low Low Low	This is calculated via the protocol defined equations, defaults, and nitric acid production records.

SSR	Source	Baseline or Project	Gas	Type of Risk	Relative Magnitude to ER assertion	Notes
5	Hydrocarbon used as reducing agent and/or reheating the tail gas	P	CH ₄ CO ₂	Inherent Controlled Detectable	Low Low Low	This is calculated via the protocol defined equations, defaults, and fossil fuel usage records.
7	External energy used to reheat the tail gas before entering the tertiary catalyst or NSCR	P	N ₂ O CH ₄ CO ₂	Inherent Controlled Detectable	Low Low Low	This is calculated via the protocol defined equations, defaults, and fossil fuel usage records.

2.3 Amount and type of evidence (qualitative and quantitative) necessary to achieve the agreed level of assurance

AWT examined the GHG data and information to develop an accurate account of the project's GHG assertion. AWT determined whether the project conformed to the verification criteria and any discrepancies were addressed by the client or responsible party. AWT examined whether the verification evidence collected supported the GHG assertion, by evaluating the collected evidence in the assessments of controls, GHG data and information, and applicable GHG program criteria to support the GHG assertion. AWT determined whether the GHG assertion is without material discrepancies and AWT provided the level of assurance agreed upon in the original contract. Any modifications to the GHG assertion were evaluated, so that all evidence supports its findings. Specific data/information provided by the client or responsible party included but were not limited to:

- Description of the procedures and systems used to collect, document and process GHG emissions data at the facility level
- Description of quality control procedures applied (internal audits, comparison with last year's data, recalculation by a second person, etc.)
- Listing of responsible individuals for collecting GHG emissions data at each site and at the corporate level, if applicable
- Information on uncertainties, qualitative and if available, quantitative

AWT reviewed the information and data according to the following:

Table 2: GHG Source and Sinks

GHG Source	SSR	Gas	Baseline or Project	Methods to Conduct Data/Document Checks	Summary of Information Analyzed
Nitric acid production process unit	1	N ₂ O	B, P	Review estimations and data provided by the project developer and compare them to the protocol requirements	1. Nitric acid production records 2. CEMS data 3. Baseline and Project Emissions Aggregation 4. Project Summary 5. Protocol Defaults 6. Monitoring Plan 7. CEMS initial certification and ongoing QA/QC documentation
Ammonia used to operate SCR De-NO _x Unit	4	N ₂ O CH ₄ CO ₂	B, P	Review calculations, reports, and data provided by the project developer and compare them to the protocol requirements	1. Ammonia use records 2. CEMS data 3. Project Emissions Aggregation 4. Project Monitoring Plan 5. Protocol Defaults 6. Emission Reductions Calculator
Hydrocarbon used as reducing agent and/or reheating the tail gas	5	CH ₄ CO ₂	P	Review calculations, reports, and data provided by the project developer and compare them to the protocol requirements	1. Hydrocarbon use records 2. CEMS data 3. Project Emissions Aggregation 4. Project Monitoring Plan 5. Protocol Defaults 6. Emission Reductions Calculator
External energy used to reheat the tail gas before entering the tertiary catalyst or NSCR	7	N ₂ O CH ₄ CO ₂	P	Review calculations, reports, and data provided by the project developer and compare them to the protocol requirements	1. External energy use records 2. CEMS data 3. Project Emissions Aggregation 4. Project Monitoring Plan 5. Protocol Defaults 6. Emission Reductions Calculator

2.4 Implementation of Evidence Gathering Plan

AWT incorporated the following strategy in the implementation of this Evidence Gathering Plan:

An Evidence Gathering Plan was developed to ensure that all data used in the verification was appropriately checked for potential errors, omissions, or misrepresentations. The following provides a

summary of the pertinent items of the Evidence Gathering Plan as well as a description of how the plan was implemented during this verification.

1. **Nitric Acid Production Records** – 100% of the data was reviewed and cross referenced with N₂O gas flow records to ensure mass balances are consistent.
2. **N₂O Gas Flow and Concentration at SCR Outlet** – 100% of the data was sampled and checked in terms of the aggregation of nitrous oxide gas flow and concentration at the SCR outlet.
3. **Operating Hours** – 100% of the data was sampled and checked to ensure it was consistent and reasonable.
4. **Natural Gas and Ammonia Usage** – 100% of the operation data was sampled and checked to ensure project data aggregation was consistent and reasonable.
5. **Historic and Baseline Campaigns** – the historic and baseline campaigns documentation and calculations were reviewed to ensure they were consistent and satisfied Protocol requirements.
6. **Default Variables** – The default variables were reviewed to ensure that they adequately reflect what is described in the protocol.
7. **Emission Reductions Calculation** – This calculation was 100% reviewed and a separate recalculation was made by the verification team using the aggregated flow, gas concentration, and historical records.
8. **Review of Monitoring and QA/QC Requirements** – the records for calibration error testing, interference checks, flow-to-load ratio, leak checks, linearity checks, and relative accuracy test audits (RATA) were reviewed and compared to protocol requirements.
9. **Review of the compliance, permitting information, and emission reduction ownership** – 100% of this documentation was reviewed.
10. **Review Data Checking Mechanisms** – The operating effectiveness of the controls and project developer's data checking process were reviewed, to ensure low risk of control errors.
11. **Crosscheck of Data Aggregation for Data Substitution** – The data aggregations and emission reduction calculations are crosschecked against the raw data files to identify any instances of data substitution. These instances are included in the verification report, if applicable.
12. **Regulatory Compliance** – the regulatory compliance history of the project is reviewed to ensure the project is in compliance with its Title V permit and other applicable regulations. Any identified violations during the reporting period are included in the verification.

2.5 Diversions from the Original Evidence Gathering Plan

AWT made the following updates to the original Evidence Gathering Plan, and the changes are reflected above:

1. The list 'Implementation of Evidence Gathering Plan' was updated to reflect how data was reviewed during the desk audit.
2. The materiality threshold was updated to reflect the project emission quantity.

3. Verification Findings

3.1 Project Description and Findings

The El Dorado project is a N₂O abatement operation located at LSB Chemical, Inc.'s nitric acid plant in Baytown, TX. The project consists of the operation of a secondary catalyst in conjunction with the installation and operation of a new tertiary abatement catalyst. The secondary catalyst is located immediately below the ammonia oxidation catalyst where it catalytically reduces the N₂O off gas that would otherwise be vented to the atmosphere. The tertiary catalyst is located upstream of the stack and provides additional abatement beyond the secondary catalyst. Natural gas and ammonia are also used to aid the abatement process.

The N₂O off gas flow rate and concentration is monitored continuously using a continuous emissions monitoring system (CEMS). The project's data acquisition and handling system (DAHS) is responsible for CEMS data monitoring, performing adjustments such as data substitution, and recordkeeping. The equipment is set up to monitor the Observations of the CEMS and recordkeeping practices were made during the site audit.

AWT's review of the GHG management system took place during the site visit through observations of onsite procedures and interviews with project personnel. The reviews included confirming that the project monitoring was done by direct measurements from the CEMS.

The following table lists the project monitoring equipment in use for both the initial certification and the reporting period. Location and functionality of the monitoring equipment was confirmed during the site visit. CEMS data is automatically recorded by the datalogger and stored electronically. AWT verified that the data management and recordkeeping systems meet the requirements of the Protocol.

Table 3: Project Monitoring Equipment

Monitoring Equipment	Serial Number	Monitored Data Point
Kurz	8816	Stack flow (current, initial certified)
EcoChem	SN653	N ₂ O concentration (current)
Temet*	FXS-02445	N ₂ O concentration (initial certified)

*The Temet analyzer is included because it was used for the CEMS initial certification and development of baseline/historic parameters. The Temet unit was replaced with the EcoChem unit in 2017.

3.1.1 Variances

The project was granted two variances that impacted the project during initial certification and/or the reporting period. A summary of each variance follows accordingly:

1. A variance dated 6/15/2010 grants allowance for the use of the linearity tests conducted in April 2010 to satisfy the Protocol's initial certification requirements. The linearity tests were not performed prior to the September 22, 2009 baseline campaign because the CEMS was installed several years before the project began. The Reserve granted the variance under the following conditions:

- a. The verifier confirms that the April 2010 linearity test was completed as specified, and that the results show compliance with 40 CFR Part 75.
 - b. After April 2010, quarterly linearity tests are required.
 - c. The verifier confirms that all other protocol requirements are met.
2. A variance dated 8/2/2010 waives the requirement for 7-day calibration error tests, daily calibration error tests and subsequent QA/QC (daily adjustments, data validation, quality assurance, and data recording requirements), and daily flow interference checks as part of initial certification and ongoing QA/QC requirements for the first reporting period. The Reserve granted the variance under the following conditions:
 - a. There is sufficient evidence for the verifier to confirm that the flow meter was calibrated properly in-situ prior to operation.
 - b. There is sufficient evidence for the verifier to confirm the relative accuracy of the flow meter throughout the reporting period.
 - c. The verifier confirms that all other protocol requirements are met.
 - d. The variance is limited to the initial reporting period.

The project met the requirements of each variance for the period that they covered. There are currently no ongoing requirements for any variance

3.1.2 CEMS Certification

Section 6.1 of the Protocol outlines the requirements for CEMS installation and certification. The facility is managed by appropriately trained staff members. ClimeCo employees have received proper training to ensure they are aware of the process management protocols as well as the data management protocols. The following tables detail how each requirement was met for the CEMS installation and certification process:

Table 4: 7-Day Calibration Error Tests for Flow Meters and Gas Analyzers

Abatement Equipment	Monitoring Equipment	Serial Number	Testing Date(s)	Test Results
Secondary/Tertiary Catalyst	Kurz	8816	9/15/2009 – 9/21/2009*	Passed**
	Temet	FXS-02445	9/15/2009 – 9/21/2009*	Passed
	EcoChem	SN653	4/18/2017 – 4/25/2017	Passed

*The tests were performed before the baseline sampling period. The Reserve granted a variance to allow the testing results.

**Passed results indicate that the observed calibration errors were within the allowable range defined in sections 3.1 and 3.2 of 40 CFR Appendix A to Part 75

Table 5: Linearity Check for Gas Analyzers

Abatement Equipment	Monitoring Equipment	Serial Number	Testing Date(s)	Test Results
Secondary/Tertiary Catalyst	Kurz	8816	April 2010*	Passed**
	Temet	FXS-02445	April 2010*	Passed
	EcoChem	SN653	June 2017	Passed

*The tests were not able to be performed before the baseline campaign. The Reserve granted a variance to allow the listed testing results.

**Passed results indicate that the error was determined to be less than 5% or less than 5ppm

Table 6: Cycle Time Testing for Gas Analyzers

Abatement Equipment	Monitoring Equipment	Serial Number	Testing Date(s)	Test Results
Secondary/Tertiary Catalyst	Temet	FXS-02445	7/9/2010	Passed*
	EcoChem	SN653	6/7/2017	Passed

*Passed results indicate that the monitoring system can complete at least one cycle of sampling, analyzing, and data recording every 15 minutes.

Table 7: Initial Certification RATA and Bias Testing for Flow Meters and Gas Analyzers

Abatement Equipment	Monitoring Equipment	Serial Number	Testing Date(s)	Test Results
Secondary/Tertiary Catalyst	Kurz	8816	5/18/2010	3.77%
	Temet	FXS-02445	5/18/2010	1.25%
	EcoChem	SN653	4/26/2017	1.13%

RATA testing was conducted by Golden Specialty, Inc. using methods in accordance with 40 CFR Appendix A to Part 75 and U.S. EPA test method 320. AWT verified that the project met all Protocol and variance requirements for CEMS installation and certification.

3.1.3 CEMS QA/QC Requirements

The Protocol requires ongoing daily, quarterly, and annual/semi-annual QA/QC procedures to be performed for the CEMS. AWT reviewed the following evidence to ensure the project satisfied the Protocol requirements:

Daily Requirements

AWT reviewed records of daily calibration error tests that were performed for the N₂O analyzer and the flow meter. AWT verified that all daily testing satisfied the requirements within Protocol Section 6.2.1. For periods when the calibration error test failed, the monitoring equipment was checked again and recalibrated until it passed.

Quarterly Requirements

AWT verified the following quarterly procedures were performed according to Protocol requirements:

- Linearity – Linearity checks were performed for the EcoChem analyzer on 8/12/2025, 11/24/2025, and 2/18/2026. For all tests, the analyzer passed. Tests were conducted by Alliance Technical Group, LLC.
- Calibration Error Tests – The Kurz flow meter has error tests performed daily and thus meets the requirements of the Protocol. See the *Daily Requirements* subheading for additional details
- Leak Check –The Kurz flow meter is a thermal mass flow meter and do not require leak checks.

- Flow-to-Load or Heat Rate Evaluation – The project is exempted from performing this quarterly assessment as the nitric acid plant within the project boundary does not produce electrical or thermal output.
- Data Validation – AWT verified that all the QA/QC results were within the ranges required by the Protocol.

Annual and Semi-Annual Requirements

AWT reviewed the most recent RATA reports for the flow meter and gas analyzer. The RATAs were performed by Alliance Technical Group, LLC. using methods outlined in 40 CFR, Part 75, Appendix A and U.S. EPA test method 320. The results of the tests are presented in the table below:

Table 8: Current RATA Testing for Flow Meters and Gas Analyzers

Abatement Equipment	Monitoring Equipment	Serial Number	Testing Date(s)	Test Results
Secondary/Tertiary Catalyst	Kurz	8816	5/2/2024	0.86%
			5/13/2025	2.44%
	EcoChem	SN653	5/2/2024	2.96%
			5/13/2025	2.82%

The relative accuracy for each instrument is within the Protocol’s allowable threshold for annual testing (<7.5%). The monitoring equipment was given a Bias Adjustment Factor (BAF) to correct for bias found during testing. AWT verified that the BAF was correctly applied to the appropriate raw data. Details of the BAF applied to each flow meter and gas analyzer are presented in the table below:

Table 9: Bias Adjustment for Flow Meters and Gas Analyzers

Abatement Equipment	Monitoring Equipment	Serial Number	Testing Date(s)	Bias Adjustment Factor
Secondary/Tertiary Catalyst	Kurz	8816	5/2/2024	1.006
			5/13/2025	1.000
	EcoChem	SN653	5/2/2024	1.000
			5/13/2025	1.000

3.1.4 Historic and Baseline Campaigns

The El Dorado project relies on historical campaign data for calculating the production parameters used to define the historical maximum average total output of 100% concentration nitric acid. . The Protocol requires five consecutive years of operational data or data from five consecutive campaigns to be used. The El Dorado project uses operational data from five consecutive campaigns lasting from April 2006 – February 2009 to calculate the maximum average historical output of nitric acid and the volume of production cap for a singular primary catalyst gauze.

The following parameters were set as a result of analyzing the historic campaign data:

1. $\text{HNO}_{3,\text{MAX}} = 49.19$ metric tons of HNO_3/hr
2. $\text{CPV}_{\text{cap}} = 210,633$ metric tons of HNO_3

The allowable operating conditions (AOC) were initially established by analyzing the historical period data. However, on 2/11/2015 CAR approved the use of Explosive Limit AOC's and the project developer conservatively chose operating ranges based on the Encyclopedia of Chemical Processes (5th Ed., Nitric Acid, Vol. 17, p. 180) and manufacturer guidance. The resulting parameters are as follows:

1. Oxidation temperature range = 840°C – 920°C
2. Oxidation pressure range = 3.03 bar – 4.86 bar
3. Maximum Ammonia-to-Air Ratio = 10.4%

Prior to the installation of the secondary catalyst, the baseline campaign was conducted during the period of 11/3/2009 – 6/27/2010. The baseline campaign exceeded the CPVcap value at 9:00am on 5/22/2010, therefore only the data that was recorded prior to that time was used for calculating the baseline parameters. The resulting parameters are as follows:

1. $N_2O_{conc,BL} = 2,136 \text{ mgN}_2\text{O}/\text{m}^3$
2. $F_{BL} = 165,227 \text{ m}^3/\text{hr}$
3. $HNO_{3,BL} = 186,595 \text{ metric tons of HNO}_3$

AWT reviewed the historic and baseline campaign data to confirm that the data used followed Protocol requirements and that the resulting parameters were calculated correctly. AWT confirmed that the project operated within the AOC for more than 50% of the baseline and project campaigns. AWT verified that the historic and baseline parameters were the same values used in the previous reporting period. There was no material difference between ClimeCo's baseline calculations and AWT's recalculations.

3.1.5 Project Campaign

The El Dorado project relies on project campaign data for calculating the reporting period specific emission reductions. The project setup utilizes a secondary catalyst situated immediately below the ammonia oxidation reactor (AOR) and a tertiary catalyst located upstream of the stack. Due to this setup, the Protocol requires Quantification Approach 1 to calculate emissions based on the baseline N_2O emission factor calculated for the original standalone secondary abatement catalyst project. The El Dorado project uses operational data from the current reporting period lasting from June 24th 2025 – April 11th, 2026, to calculate the project emissions and emission reductions.

The following parameters were set as a result of analyzing the project campaign data specific to this reporting period:

1. $HNO_{3,MAX,scaled} = 336,081 \text{ metric tons of HNO}_3$
2. $Q_{HC} = 5.10 \text{ quantity (mtonne) of non-methane hydrocarbons used during this campaign}$
3. $Q_{CH_4} = 69.89 \text{ quantity (mtonne) of methane hydrocarbons used during this campaign}$
4. $N_2O_{conc,RP28} = 25.13 \text{ mgN}_2\text{O}/\text{m}^3$
5. $F_{RP28} = 166,900 \text{ m}^3/\text{hr}$
6. $HNO_{3,RP28} = 302,637 \text{ metric tons of HNO}_3$
7. $OH_{RP28} = 6,832 \text{ hr}$

AWT reviewed the project campaign data to confirm that the data used followed Protocol requirements and that the resulting parameters were calculated correctly. AWT confirmed that the project operated within the AOC for more than 50% of the baseline and project campaigns. There was no material difference between ClimeCo's baseline calculations and AWT's recalculations.

3.1.6 Equipment and Vehicles Utilized

There are no emissions associated with equipment or vehicle usage for the project.

3.1.7 Staff and Management of System

The facility is managed by appropriately trained staff members. ClimeCo employees have received proper training to ensure they are aware of the process management protocols as well as the data management protocols.

The facility is governed by a Title V regulatory permit. There are also routine inspections performed by regulatory personnel.

3.2 Site Audit

A site visit was not required for this reporting period due to the following conditions being satisfied (CAR Verification Manual, February 2021, Section 4.5.1)

1. The previous site visit was performed less than 12 months prior to the verification (site visit conducted on 9/9/2025).
2. The current verification is being conducted by the same verification body that conducted the site visit for the previous verification.
3. There were no significant changes in data management systems, equipment, or personnel since the previous site visit.

3.3 Desk Audit

A desk audit was performed to determine if the asserted emission reductions meet all eligibility requirements, contained no existing material non-conformance or misstatements in the reported data and that the project was conducted in accordance with all monitoring and record-keeping requirements.

The desk audit focused on the Monitoring Report and the associated data and documentation provided. Data used in the calculations for this project were sampled according to AWT's Evidence Gathering Plan. The Evidence Gathering Plan was developed using a risk-based analysis of the project data systems and crosschecks.

The desk audit included a complete recalculation of the emission reductions using a tool developed by the verification team. This is further discussed in [Section 3.3.9](#) of this report.

Data substitution was required and performed during the reporting period. Zero hours of flow rate and three hours of N₂O concentration were substituted in total. The data acquisition and handling system (DAHS) is programmed to automatically calculate data substitution values as required by Section 6.3 of the Protocol. AWT verified proper function of the DAHS data substitution and that the values were appropriately substituted.

3.3.1 Eligibility

This project is eligible under the Protocol because it meets all the criteria for a project to be deemed eligible. The following points should be noted with respect to the project's eligibility:

- 1) The project is located in Baytown, TX.
- 2) The project start date is July 1, 2010. (See [Section 3.3.2](#))
- 3) The project is additional. (See [Section 3.3.3](#))
- 4) The project is materially compliant with all applicable laws and regulations. (See [Section 3.3.5](#))
- 5) The project is within its second 10-year crediting period (December 7, 2020 to about December 6, 2030). (See [Section 3.3.2](#))

3.3.2 Start Date and Crediting Period

The start date for the project is July 1, 2010 and the submittal form was completed on August 21, 2010. This date was documented in the original project submittal form file and is consistent with the date on which production first commenced after the installation of the secondary catalyst system along with certification documents for the original RATA and bias tests for the CEMS. The project is within its second 10-year crediting period (December 7, 2020 to about December 6, 2030). This project meets the start date and crediting period requirements of the Protocol.

3.3.3 Additionality Assessment

This project is additional according to the standards of the Protocol because it meets or exceeds the Performance Standard Test and the Legal Requirement Test.

The Performance Standard Test is met because this project is the installation and operation of a combined secondary and tertiary N₂O abatement catalyst at a nitric acid plant. Combined secondary and tertiary catalyst projects automatically pass the performance standard test as defined by Section 3.4.2 of the Protocol.

The Legal Requirement Test is met because there were no laws, regulations or other requirements that require this facility to abate N₂O emissions. After a review of the project documentation provided by the Technical Consultant and a review of documentation that is publicly available (regulatory websites, etc.), there is a reasonable level of assurance that there are no laws, regulations or other stipulations that require this project activity. The Title V permit for the facility was reviewed to ensure the Legal Requirement test was met.

The Additionality Assessment was verified through a review of the documentation provided including interviews of the operation's management, review of applicable laws and regulations, and the Attestation of Voluntary Implementation. Interviews of the project staff were also in agreement that there is no legal requirement to regulate abate N₂O emissions and the project is voluntarily implemented.

3.3.4 Ownership of GHG Offset Credits

Based on the documentation provided and the interviews conducted during the site audit, the emission reduction credits and attributes are fully owned by LSB Industries, Inc. The Title V permit and Attestation of Title were reviewed to verify the ownership of the emission reduction credits. All the interviews and documentation showed that LSB Industries is granted “full, unencumbered legal title to emission reductions and any resulting credits registered. . .” ClimeCo is the technical consultant to the project and does not claim ownership of the credits generated.

3.3.5 Regulatory Compliance

Various documents and databases were reviewed to check the compliance history for the project. There were no violations identified that impacted the project’s reported emission reductions for this data period.

The following documents and sources were reviewed to determine the regulatory compliance of the facility:

- 1) Attestation of Regulatory Compliance
- 2) US EPA ECHO website which provides compliance and enforcement information for listed facilities.
- 3) US Department of Labor OSHA website which provides compliance and enforcement information for listed facilities.
- 4) The Texas Commission on Environmental Quality Records Online tool which provides permitting, compliance, and enforcement information for facilities located in Texas.

3.3.6 Environmental and Social Safeguards

According to the Environmental and Social Safeguards Assessment Form for the project and observations made during the desk and site audit, the project is reasonably assured to not undermine progress on other environmental issues such as air and water quality, endangered species and natural resource protection, and environmental justice, and social issues such as human rights and free and prior informed consent.

3.3.7 Monitoring

There are several key parameters that are monitored for this project to ensure compliance with the Protocol. The following parameters were monitored during the verification period:

- A) Nitric Acid Production Records: The total volume of nitric acid produced during the reporting period was aggregated and provided to AWT for review. The data was based on daily production reports.
- B) Project Emission Monitoring: Off gas flow and concentration records were automatically recorded by the CEMS. ClimeCo aggregated the records and provided them to AWT for review.

- C) Natural Gas and Ammonia Inputs: The volume of natural gas and ammonia used during the reporting period was recorded by the CEMS. ClimeCo aggregated the records and provided them to AWT for review.
- D) Monitoring of Regulatory Compliance: Regulatory databases were reviewed to determine regulatory compliance. This was further verified through site management interviews and the Attestation of Regulatory Compliance. No violations were discovered during the reporting period.
- E) Ongoing QA/QC Documentation: The DAHS automatically performs and logs the daily QA/QC tests. Linearity, RATA, and bias testing were performed by Alliance Technical Group, LLC. Copies of the QA/QC records were provided.

3.3.8 Project Implementation and Management of Data

The nitric acid production operation utilizes a system that relies heavily on automation and automatic record keeping. The process data generated from this system can easily be exported to external computers. All the activities related to the data are handled by highly qualified individuals. The project owner (LSB Industries, Inc.) is primarily responsible for the collection of monitoring and recorded data. The technical consultant (ClimeCo) is primarily responsible for the calculation of Emission Reduction credits. The individuals who have performed this work are also highly trained and qualified to perform these duties.

A Monitoring Plan was developed during the verification activity. This Monitoring Plan is sufficiently rigorous to ensure the proper data is maintained for the project to meet the requirements of the Protocol. The Monitoring Plan is also being properly implemented by the project operations team.

3.3.9 Calculations Review

A review of the asserted calculations was made to check for discrepancies, omissions, or misreporting in the quantification of the Emission Reductions. The calculation checks included a recalculation of Baseline and Project Emissions. The calculation reviews allowed for a reasonable level of assurance that there were no material errors in either the calculations or the data aggregations. Further discussion of this is included in [Section 3.4](#) of this report.

3.3.10 Documentation Review

The following documents were reviewed during the verification process:

- A) Monitoring Plan
- B) Attestation of Title
- C) Attestation of Voluntary Implementation
- D) Attestation of Regulatory Compliance
- E) Title V Permit
- F) Start Date Documentation
- G) Regulatory Compliance Documentation

- H) QA/QC Documentation for CEMS
- I) CEMS data for N₂O production and abatement
- J) Operation records for natural gas and ammonia usage
- K) Project diagram and schematic
- L) Baseline Campaign documentation
- M) Data aggregation spreadsheets
- N) Project Data Report
- O) SDG Reporting Tool
- P) Social Environmental Safeguards Assessment form
- Q) Emission Reductions Calculation Tool

3.4 Accuracy of Asserted CRT Calculations

Emission reductions were asserted by ClimeCo in their Monitoring Plan and calculation spreadsheets. These emission reduction calculations were checked by the verification team to ensure they are free of material errors. See [Section 2.4](#) for information on how the verification team implemented the Evidence Gathering Plan.

The following Table shows the Emission Reductions credited to the Project.

Table 10: Emission Reductions Credited to the Project (June 24, 2025 – April 11, 2026)

	Baseline Emissions (MT CO₂e)	Project Emissions (MT CO₂e)	Emission Reductions (MT CO₂e or CRTs)
Asserted Emission Reductions	598,462	11,815	586,647
Verification Recalculation Emission Reductions	598,462	11,763	586,699

*Typical rounding rules were applied to this result.

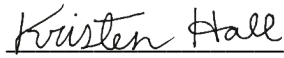
Percent Error is calculated to be 0.01%. Percent error is the difference between the stated reductions and verified reductions divided by the total verified reductions and reported as a percent. There is less than 1% discrepancy between AWT's calculations and the project developer's calculations. The slight difference between the calculated emission reductions is the result of variations in data aggregation and rounding.

$$\%Error = \frac{abs(Stated\ reductions - Verified\ reductions)}{Verified\ reductions} \times 100$$

4. Verification Conclusion

Based on the information provided to AWT and through the verification activities performed,

- a) There are no existing material non-conformance or misstatements in the reported data.
- b) The project meets all eligibility requirements.
- c) A Modified Opinion will be issued for this reporting period. The project was conducted in accordance with all monitoring and recordkeeping requirements, along with the published variances.



Kristen Hall
Lead Verifier

6/15/2026

Date



Hal Langenbach
Internal Peer Reviewer

6/15/2026

Date