



# COMMUNICATOR

DIVERSIFIED | INNOVATIVE | EXCEPTIONAL VALUE



To make things interesting, we like to change up our message from newsletter to newsletter. It can be boring to say the same thing over and over. And, it can be boring to read. One exception is the fall edition of our *Communicator* newsletter. That's when we report the results of the previous fiscal year.

The CEO MESSAGE on Pg. 2 and FINANCES on Pg. 3 carry many of the same ideas this year as they did last year. We can sum those ideas up in one sentence. "Your cooperative has just completed a strong financial performance."

NuWay-K&H Cooperative's most current fiscal year, ending Aug. 31, 2023, was a near carbon copy of last year's fiscal year. In both cases, the value of your company's assets improved, and debt declined.

Please forgive us if we must report the same financial success year after year, but we actually like doing that. We hope you agree.

## PRECISION AG

Replacing Nutrients **(Pg. 8)**

## AG TECHNOLOGY

Carbon Intensity **(Pg. 14)**

## SEED

Managing SCN Resistance **(Pg. 20)**

## ENERGY PRODUCTS

Premium Diesel Prevents Gelling **(Pg. 22)**

# TIRED OF THE SAME STORY? NOT ME!



**KEVIN JONES, PRESIDENT / CEO**

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Boring can be good.

Boring may be negatively associated with lack of change that adds spice to life, but it can also be good when it comes to success.

Reporting one successful year after another may be “boring” to some but “beautiful” to others. With the latter idea in mind, it is my honor to report to you that your company, NuWay-K&H Cooperative, has once again completed a strong financial year. We’ve strengthened our balance sheet, reduced our debt, and continued to retire your equity earlier than before. In fact, in all likelihood, NuWay-K&H Cooperative will be 100% debt-free by the end of this next fiscal year.

For more, read Tyler Olson’s story “FY2023 Results – Consistency Continues” on page Pg. 3.

For even more details on our recently completed fiscal year, I encourage voting members to review our 2023 Annual Report, which will soon arrive in your mail. Along with that report, you will receive a ballot to mark and return to us. As terms are completed and seats open, members have both the right and the responsibility to elect directors to represent them on our board. Please exercise this privilege.

So, what is next for your farmer-owned cooperative? Hopefully, more of the same: Diversity, Innovation and Exceptional Value resulting in more successful year-end reports.



**“Achieving the same level of success in 2024 will require all of us to do more with less.”**

Accomplishing this in our current climate of high inflation and short labor will require all of us to do more with less. It will involve investing in the technology, equipment and practices necessary to do things at least cost and in a shorter time period with the best people. We’re focused on this goal.

We’re also focused on helping you generate value through sustainability while, at the same time, improving our own carbon footprint. See Jeff Crissinger’s article about “Carbon Intensity” on Pg. 14.

None of us want to live boring lives, but I for one am happy to admit that I like reporting boring financial results, especially when they are consistently successful, like NuWay-K&H Cooperative’s 2023 fiscal year.

*Here’s to another boring report in 2024!*



## FY2023 RESULTS

# CONSISTENCY CONTINUES



**TYLER OLSON, CFO**

*Tyler.Olson@NuWay-KandH.com*

Another year is in the books for NuWay-K&H Cooperative. Our auditors, CarlsonSV, performed their physical inventory audits on Sept. 1, 2023, and conducted an in-house review of our financial performance the second week of September. We received our completed, audited financials from CarlsonSV and reviewed them with your board of directors at their September meeting.

Let's review FY2023 and compare it to FY2022. Together, we'll look at some final audited numbers and give more insight into them.



**"Another year is in the books for NuWay-K&H Cooperative."**



### OVERALL P&L

	2023	2022
Sales	\$130.8m	\$124.2m
Gross Margin	\$24.3m	\$22.3m
Total Expenses	\$24.0m	\$22.2m
Other Income	\$2.0m	\$2.9m
Net Margin	\$2.3m	\$3.0m

Our overall company P&L reflects our prior year in many ways and continues to maintain and grow slightly, providing us with the consistency we have been looking to obtain. We maintained volumes and had slight increases in seed, retail store sales, and energy volumes. We were able to manage the rising costs and expenses with offset increases in our gross margin to ensure a successful year and keep the ratios aligned. The gross margin increase is reflective of favorable market conditions in fuels and fertilizers still carrying over from FY2022.

### BALANCE SHEET

	2023	2022
Current Assets	\$26.5m	\$25.8m
Total Assets	\$79.3m	\$77.4m
Current Liabilities	\$22.5m	\$21.6m
Total Liabilities	\$79.3m	\$77.4m

Our balance sheet continues to improve and is fundamental for NuWay-K&H Cooperative's competitive outlook. We continue to replace our rolling stock and maintain our facilities to meet members' expectations, to increase our brand awareness, and most importantly, to keep your cooperative healthy for future opportunities.

**DIVISION SALES VOLUMES & DOLLARS**

	2023	2022
Total Fertilizer (Tons)	36.2k	36.5k
Total Chemical Sales (\$)	9.8m	10.5m
Total Seed Sales (\$)	7.6m	7.4m
Total Energy (Gal)	27.5m	27.2m
Total Retail Sales (\$)	21.4m	21.3m

**FY2024 FINANCING OPTIONS**

We always love cash! But if your timing doesn't align, we still have plenty of access to capital for deferred fertilizer and spring inputs of seed and chemical.

Please contact our credit manager, Kelly Schulte, at 507-639-7173 or your agronomy account manager to learn more and apply for your financing. Rates vary based upon applicant's credit history, current financial standing, and financing program type. Programs include Winfield Secure Financing, Pioneer Bank Solutions, and NuWay-K&H Financing Solutions.

Thank you, members, for supporting your farmer-owned cooperative. Please feel free to reach out to me if you have any questions. We look forward to serving you in the future.



# HELP US SERVE YOU

*Please shovel a path directly to your LP or fuel storage tanks.*



**JUSTIN COYLE, ENERGY OPERATIONS DIRECTOR**  
*Justin.Coyle@NuWay-KandH.com*

With the 2023-24 heating season upon us, here are a couple of reminders to make sure our delivery staff has access to your LP and fuel tanks.

Please shovel a path directly to the tank and clean your driveway after each snow event. Also, observe the height restrictions of our delivery trucks to make sure they can get close enough to your storage tanks. This may mean trimming trees or removing things like entrance signs at the end of your driveway, which might restrict access by our trucks.

Also, Christmas and New Years celebrations may lengthen the weekends, before and after those holidays. Delivery hours may change. Place your LP and fuel orders well in advance of when you need them to save on costly delivery and/or out-of-gas charges.

**LOOKING FORWARD**

During the summer of 2024, NuWay-K&H energy operations employees will be working on replacing

outdated 1st and 2nd stage regulators on systems that we supply. Outdated regulators are defined as regulators that are 25 years old or older. Regulators that fail can cause safety issues. That is why manufacturers recommend these be replaced every 25 years. As we move closer to the summer of 2024, we'll have more information regarding scheduling and cost.

The energy department and employees of NuWay-K&H Cooperative appreciate your business in 2023. Have a safe and happy holiday season.



**“Make sure you place your LP and fuel orders well in advance of when you need them.”**

# NEW TALENT AT C-STORES AND OPERATIONS



**EMILY BOELKE, VP OF HUMAN RESOURCES**

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At NuWay-K&H Cooperative, our Exceptional Value, Diversity and Innovation come from one source: our people. We're famous for telling our customers: "We have no proprietary products. The products we offer can be purchased elsewhere. What sets us apart from our competitors is our people."

We hire and retain the most talented and service-minded people.

In this issue of the *Communicator*, I will introduce you to some new people in our c-stores and in our operations division and tell you about some familiar faces you will see in new places.

With the retirement of Vickie Hoppman, assistant manager Taylor Kelley-Koch has been promoted to manager of our Thornton store. She has been with us for four years. (See story on Vickie Hoppman, page 9.) Britney Watson will become the assistant manager at Thornton. (See more on Britney in this article.)

At the beginning of November, Jeremy Miller resigned his position as assistant manager at our Thompson store. Betsi Gant, an employee at Thompson, is currently training for the position of assistant manager there.

In agronomy operations, Devon Jenniges was hired this past July. (Read more about Devon in this article.)

## **BRITNEY WATSON – ASSISTANT MANAGER AT THORNTON**

Joining NuWay-K&H Cooperative at the Thornton store in August, Britney Watson is currently training for her new position as assistant manager.

Britney grew up in two small Iowa towns, Coulter and Clarion, graduating from Clarion Goldfield Dows High School. Interested in early childhood education and business, she has decided to get some real-world experience before pursuing additional education.

She moved to Thornton two years ago, and as a customer, she was impressed by our retail store. So, she decided to apply for a job. "I love the community and I love the people who work and do business at the store," she says. "They are super nice."

Britney brings an attitude of customer service to her new position as assistant manager. "I try to please everyone the best I can," she says.

Britney's hobbies include doing diamond dot paintings, reading, going on car rides and hiking with her boyfriend, Brandon and dog, Tank.

## **DEVON JENNIGES – AGRONOMY OPERATIONS AT WELCOME**

Our newest agronomy operations employee grew up in Lakefield, MN, lived in Royal, just east of Spencer, IA, and graduated from Central H.S. of Clay County (Clay Central).

After high school, Devon moved to Wells, MN to roof hog barns and learned liquid manure drag lining. Later, he moved back to Lakefield where he worked as an applicator of dry fertilizer, NH<sub>3</sub> and crop protection products.

In July, he signed on with NuWay-K&H Cooperative. "I felt NuWay-K&H offered a better opportunity to grow and learn new things," says Devon, who



acknowledges that he doesn't want to be an applicator all his life. "I'd like to move up and become a facilities manager or a salesman," he states.

Devon is a self-admitted "gearhead" who likes working on snowmobiles, diesel pickups—really anything with motors. His favorite pastime is wrenching and spending time with his family, which includes his seven-month-old son Paxton and his girlfriend, Cassandra. Devon and his family currently live in Mountain Lake.

"I've been around agriculture all my life," says Devon. "I have uncles who farm, and from a very young age, I was in the seat of a tractor."

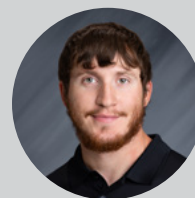


**"We hire and retain the most talented and service-minded people."**



**BRITNEY WATSON**

*Assistant Manager at Thornton*



**DEVON JENNIGES**

*Agronomy Operations at Welcome*

# REPLACING NUTRIENTS FOR 2024



## HANNAH AMMANN AND TYLER BROLSMA, FARMRX SITE SPECIFIC AG SPECIALISTS

*Hannah.Ammann@NuWay-KandH.com and Tyler.Brolsma@NuWay-KandH.com*

In 2022 we saw some record-breaking crops. One would argue we weren't too far behind for the 2023 crop season. With those yields we will further need to look at the data to keep up with nutrient removal. In doing so, we need a compiled set of yield data both past and current as well as up-to-date grid samples.

The industry standard when it comes to grid samples is that they should be taken every four years and during the growing season. This gives you time to plan your fall applications. However, if you feel you've gotten behind make sure to contact your NuWay-K&H agronomy account manager to see which fields need sampling for the next growing season.

We can quickly run our recommendations for replacing nutrients removed by previous crops with both yield and grid sample data, and you can still make provisions for additional fertilizer applications for the 2024 crop season. With a good history of yield data and grid samples, we are also able to create a productivity zone to make the correct recommendations tailored for your fields. In doing so, this can help us be proactive in staying ahead of the yield curve.

### PLANNING FOR FUTURE CROPS

It is always good to plan ahead. In February and March, we'll hold preseason meetings with our Datalink growers to discuss 2023 data, 2024 plans, and further talk about whether you have grid-sampled your fields recently and what timing would be best for summer sampling. That way, we can put a plan in place to satisfy your 2024 data needs to grid sample in the summer of 2024 for the 2025 crop year and beyond, instead of post-harvest season when there is a potential for delay between grid sampling and fall application.

Another consideration is this: fertilizer prices are often lowest in July and August. Having an idea of how much you need at that time can position you to purchase the nutrients you need at a better price.

Talk to your NuWay-K&H Agronomy Account Manager if you want an analysis of the nutrients removed from prior crop years.



**"We can help position you to purchase nutrients you need at a better price."**



## FINANCES AND RELATIONSHIPS IMPORTANT



**VICKIE HOPPMAN**

*Retired Thornton Store Manager*

"I took pride in my work," says Vickie Hoppman, who retired from her job as Thornton store manager on Nov. 10th. "I enjoyed doing the accounting aspect of the job as well as waiting on customers and getting to know my employees."

Vickie views the strongpoints of her 16-year employment with NuWay-K&H Cooperative as finances and friendships. "I was really good at making sure the books were accurate and being friendly with the customers and employees," she states, adding, "Most years were profitable, which was a big plus."

Vickie started at the Thornton store as a cashier. After two years, the manager asked her to help with the books, and for the past 11 years she has managed the store.

Previous to working for the cooperative, Vickie worked for Martin Brothers, a food distribution company in Mason City, where she grew up. "I was a cashier there," she said. Before that, Vickie worked in an office for over 20 years, as a receptionist, payroll and filing clerk, and a variety of other jobs.

In retirement, Vickie looks forward to spending more time with her blended family of eight children, 19 grandchildren and one great granddaughter. (Another great grandson is due in January.) She hopes to do more traveling with her husband Dennis and to spend even more time with her family and friends.



**"I was really good at making sure the books were accurate and being friendly with the customers and employees."**



# A SKILLED TEAM OF SEASONAL EMPLOYEES



## DAVID ANDERSON AND RYAN SCHMIDT, AGRONOMY OPERATIONS DIRECTORS

*David.Anderson@NuWay-KandH.com and Ryan.Schmidt@NuWay-KandH.com*

Do you know that 20 of the employees who serve the agronomy customers of NuWay-K&H Cooperative are classified as seasonal?

As opposed to full-time, seasonal employees may work 6-9 months of the year. In the spring and fall they make up half of our workforce; in summer, they comprise 30% of our team.

Some of seasonal workers are retired from other jobs. They simply want another source of income besides social security, and they want to keep busy.

Others may have full-time jobs but decide to work for NuWay-K&H Cooperative after hours or on weekends—even during their vacation.

Or a seasonal worker may be partially employed elsewhere and supplement their income by working for the cooperative.

Without an exception, however, I can tell you that all of our seasonal employees take great pride in working for NuWay-K&H Cooperative and in being on our team.

Our seasonal employees do a variety of things, from tending applicators in the field to delivering seed and chemicals to the farm. Some with prior experience as applicators even spread fertilizer and chemicals. Sometimes we employ them in non-agronomy jobs like power-washing c-stores and painting or setting LP tanks during summer's 95-degree heat.





**“Without them, we could not do what we do for you.”**

But in all cases, our seasonal employees are grateful for the opportunity to work for our members. Without them, we could not do what we do for you.

As a full-time employee said recently, “If we didn’t have these guys, I would be doing what they are doing and wouldn’t be able to do the job I’m hired to do.”

So, the next time a seasonal employee of NuWay-K&H Cooperative delivers product to your farm or tenders a dry fertilizer spreader in one of your fields, please thank them.

*Thank you to our seasonal employees for all of their work throughout the year.*

## SEASONAL EMPLOYEES

Scott Johnson

Steve Nelson

Tom Claussen

Russell Deling

Philip Burgess

Erwin Atzenhoeffler

Dennis Neuenschwander

David Baysinger

Steve Runge

Lester Sandbo

Jim Paulson

Gordy Salisbury

Brian Mausling

Richard Gleiter

Ray Knaak

Garry Neuenschwander

Gary Franks

Ken Anderson

Cody Fedder

Rich Olsen



# WHAT WE SAW IN YOUR FIELDS

## NUWAY-K&H AGRONOMY ACCOUNT MANAGERS

The biggest thing we saw throughout our territory this year was yield variability that was related to the water-holding capacity of the soil. Heavier soil typically did better. Also, where the rain fell or didn't fall often translated into higher or lower yields.

A precipitation map of our territory over the 2023 growing season accompanies this article. *NOTE: Just because you got more rainfall, didn't always mean you got more yield. Timing appeared to be key, as well as the soil's water holding capacity.*

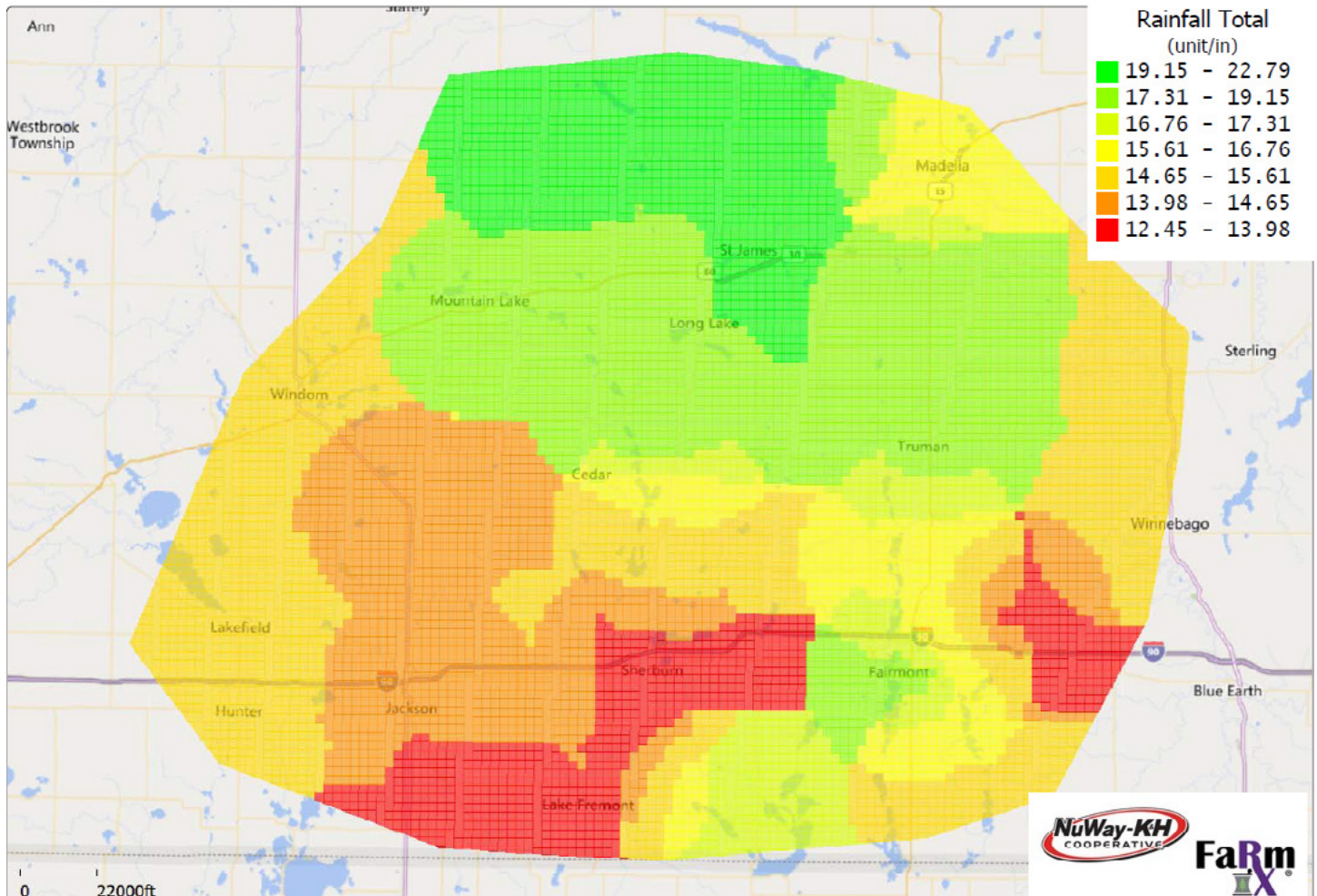
In the areas of lower rainfall, corn-on-corn produced an average of 20-30 bushels less than rotated acres.

Finally, optimum to good fertility levels helped in the droughty areas. Poor fertility levels were more stressed from drought conditions.

### WHAT WORKED AND WHAT DIDN'T

As we walked your fields this summer and weighed trials at harvest, we observed weed control programs that worked well and programs that didn't.

### RAINFALL APRIL 1- AUGUST 31



# NuWay-K&H

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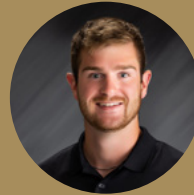
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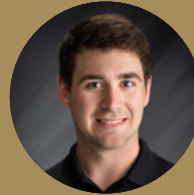
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Pre-emergence weed control programs generally worked well, especially at full rates on both corn and soybeans. Full rates offered longer residual coverage, giving farmers more flexibility in timing post-emergence applications.

Spraying weeds while they are smaller worked better than waiting until the weeds were 4" or taller. The larger the weed the more growing points and the more resistance it showed to the post-emergent herbicide.

Multiple modes of action were more effective than a single mode in controlling weeds. For example, Liberty® and Enlist™ herbicides proved to be an effective combination to control weeds in Enlist® soybeans. *NOTE: These two chemistries are more affordable compared to previous years.*

On the other hand, single modes of action were less effective in controlling weeds, especially in corn. Weeds like waterhemp are building resistance to products like Mesotrione or other Group 27 chemistries.

## PLANNING FOR 2024

This is the best time of year to meet with your NuWay-K&H Agronomy Account Manager to finalize your plans. Prepaying for your agronomy inputs to ensure you will get what you need for the coming year.

If you haven't pre-paid for growing season 2024 fertilizer, now is the time to do so. The same thing applies for chemicals if you want to guarantee a supply of your preferred products for use in the spring and summer of 2024.



**"Multiple modes of action were more effective than a single mode in controlling weeds."**

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TRIMONT, MN | WELCOME, MN |

CLEAR LAKE, IA | WESLEY, IA

# CARBON INTENSITY



**JEFF CRISSINGER, VP OF AGRONOMY SALES / MARKETING**

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Carbon intensity scoring and its potential financial value has become a more engaging topic in recent months. What is carbon intensity, why is it important, and how might it benefit you? Here are a few things you need to know.

## **CARBON INTENSITY DEFINED**

A carbon intensity (CI) score measures the greenhouse gas emissions associated with producing, distributing, and consuming fuel. In the case of agronomy, we are looking at carbon intensity as it relates to growing corn for the ethanol industry. In our region, Valero, POET, and Green Plains are significant players in that industry.

How you produce your corn crop influences your carbon intensity score. Standard corn production carries a score of around 29.1. However, changes to crop production

practices can further lower that score. In the mindset of carbon intensity, the lower the score the better, as it would be considered more friendly to the environment.

Increasing nutrient use efficiency, less tillage, utilization of cover crops, reductions in pounds of pesticides used, and decreases in diesel fuel consumption can all play a significant role in lowering the carbon intensity score of an operation. The good thing with the CI program is that, if you are already doing some of these environmentally friendly practices, you still get rewarded, unlike in carbon offset programs.

## **SUSTAINABLE AVIATION FUEL**

Sustainable aviation fuel (SAF) is a biofuel used to power an aircraft. It has similar properties to conventional jet fuel but has a smaller carbon footprint, which in turn



**“Low CI grain . . . could return  
\$70/A to the farmer.”**

lowers greenhouse gas emissions. This is important because aviation emissions make up 9-12% of the total U.S. transportation sector’s greenhouse gas emissions, prompting the Department of Energy, the Department of Transportation, and the USDA to put forth two broad initiatives:

1. To achieve a minimum of 50% reduction in greenhouse gas emissions using SAF compared to conventional jet fuel.
2. To meet the goal of supplying enough SAF to supply 100% of total aviation fuel demand by 2050, which equates to 35 billion gallons.

Ethanol is at the top of the list when it comes to biofuels that can be utilized to manufacture sustainable aviation fuel, putting corn farmers in a great position.

## **HOW WILL CORN FARMERS BENEFIT?**

Lowering carbon intensity in grain used for biofuels is a provision in the Inflation Reduction Act. In it, there is a Section 45Z tax credit that would provide biofuel producers (ethanol plants) with an added financial incentive to produce low emission fuels. This tax incentive is currently approved for three years, starting Jan. 1, 2025, and running through Dec. 31, 2027. While this is the initial timeframe for the tax incentive availability, many assume that it will get extended beyond the 2027 deadline.

In dollars and cents, this tax incentive will be quite lucrative, with the industry expecting about 5.4 cents per carbon intensity point below the standard score of 29.1. A 220 bu./A corn crop at a potential 0.0 carbon intensity score would equate to \$1.57/bu. worth of value to the ethanol industry, or in this case, \$345/A. The ethanol industry would share some of this benefit back to the grower in order to get access to their low CI grain, along with the production data that is needed to support the score.

It is still undetermined how much of the benefit would be shared down to the corn producer. However, if we use 20% as an example, that would be about 30¢/bu. in additional grain premium. Using the 220 bu./A corn example, that could be about \$70/A back to the farmer. Again, how you farm will determine your CI score and the resulting premium you are eligible for.

There is a lot of development needed to bring this potential value to our marketplace, but the financial incentives for both the ethanol producer and the corn producer are significant enough to drive things forward. As a grower, it is important that you get started learning about how to implement some of these environmentally friendly concepts on your farm, even if it is only on a few acres to begin with. By doing so, you will be better prepared for what is coming and be able to take advantage of the financial rewards more quickly when they arrive.

Contact your NuWay-K&H Agronomy Account Manager to learn more about how we can help lower your CI score.

# BEST LUBRICANT PRICES

## NUWAY-K&H ENERGY ACCOUNT MANAGERS



The Annual NuWay-K&H Oil Sale is in full swing. All packaged or bulk lubricants, including grease, are on sale from November through February.

This is a good time to fill at a discounted price going into spring—and perhaps for the entire crop production season. Most products are reduced in price by \$1/gal. Plus, if you buy 100 gallons of oil, you will receive a \$50 Visa® debt card through the Cenex® “Gift Card for Gallons” program. (By the way, you may earn as many gift cards as you want—one for every 100 gallons purchased.)

If you want to add an oil tote or install your first bulk oil system, winter is a good time to do that. Contact your NuWay-K&H Energy Account Manager.

If you're new to Cenex® lubricants, please reach out to your Energy Account Manager for more information or

“We can set you up with totes and deliver DEF to the country.”

a quote. They can help you find the right products at the best price.

### WINTER FUEL BLENDING

If you have livestock and run diesel equipment throughout the winter, we can help. Read Al Seckinger's article on Pg. 22.

For reliable operation in ultra-cold weather, we can add No. 1 to your premium (No. 2) diesel, creating the specific blend you need.

*Most products reduced in price by \$1/gal during November-February.*





## WINTER LP DELIVERIES

We want our drivers to be safe and our customers to get the propane they need. That's why we ask you to clear a path to your storage tank.

While you're out there clearing a path, please keep an eye on your tank level, even if you are on scheduled delivery, and call us if your tank is under 30%. In fact, make it a monthly habit to check your LP storage tank.

## PROTECT YOUR INVESTMENT

Trading up or buying a brand-new diesel-powered tractor or combine? Using Cenex oil or Cenex premium diesel fuel? Your purchased equipment may qualify for the Total Protection Plan (TPP) warranty.

The TPP provides another blanket of security, even if you have a manufacturer's warranty, to protect against costly repairs.

Contact your NuWay-K&H Energy Account Manager for details.

## WE DO BULK DEF

A lot of growers think we only sell DEF (diesel exhaust fluid) in 2-1/2 gallon or 55-gallon quantities. If they want bulk, they think they need to go somewhere else.

The truth is, we can set you up with totes and deliver DEF to the country—or you can come to a NuWay-K&H fueling location and fill up your totes.

Again, call your NuWay-K&H Energy Account Manager for details.

## SCHOLARSHIP OPPORTUNITIES

As winter approaches, keep in mind that NuWay-K&H Cooperative offers scholarships for both its customers' and its employees' children. Their field of study does not need to be agriculture related.

For more information, set your internet browser to <https://nuway-kandh.com/scholarships/>. Applications must be completed and submitted no later than April 5, 2024.

# NuWay-K&H

## Energy

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**TRIMONT, MN | WELCOME, MN |**

**CLEAR LAKE, IA | WESLEY, IA**

# IMPROVING OUR FACILITIES



## JAKE OLDENBURG, VP OPERATIONS

*Jake.Oldenburg@NuWay-KandH.com*

I want to talk about a few of the projects NuWay-K&H Cooperative has worked on over the summer and which are now complete.

In the spring of 2023, we tore down the Ormsby dry fertilizer plant and entered into a voluntary agreement with the Minnesota Department of Agriculture to clean up the site. There was a big pile of dirt sitting there for some time. That soil has been taken away, and the cleanup is now complete.

At the same time, we rebuilt the anhydrous ammonia ( $\text{NH}_3$ ) plant at Ormsby. One of the tanks was deemed unsafe and the other two were old and small. We removed those tanks and installed two new 30,000-gallon  $\text{NH}_3$  storage tanks, increasing our storage at Ormsby by 6,000 gallons—about one truckload of  $\text{NH}_3$ .

At the Ormsby  $\text{NH}_3$  plant, we also installed a new riser, which is where we fill nurse tanks for



*The new 90,000-gallon propane storage tank at Welcome brings the rail side plant's total capacity to 270,000 gallons.*

transport to the field. Since we deliver these tanks quite a distance—north of St. James and west to the Bergen area—we needed to reduce loading time. So we did some things to increase the efficiency of the loading process. Now, we can load nurse tanks at Ormsby in half the time it takes to load them at our Welcome Operations facility.

In the near future, we will look at Dunnell and Welcome to see if we can reduce loading times there, as well.

We've also added a third 90,000-gallon propane storage tank to our rail unloading facility at Welcome. This new tank will be useable during the 2023-24 winter heating season. We added this tank to bolster our ability to take rail cars of propane, mostly from Canada, and redistribute the product to other locations. The new tank will give us the ability to unload more cars and use that facility to a greater extent.

While there wasn't a lot of corn drying this fall, we were still able to unload 55 railcars during September and October, at the height of the corn drying season. We will bring product in by rail throughout the winter.

So, we've made significant investments in both agronomy and energy with the projects at Ormsby and Welcome.

### **KNOWLEDGEABLE EMPLOYEES BENEFIT YOU**

We probably talk more about our investments in equipment and facilities in this newsletter than we do our investment in people. However, we are committed to making sure we maintain an educated group of employees who will be able to answer questions about the products they are delivering to the country.

In the past, we've made sure our employees understand about the diesel fuel, the seed and the seed treatments we sell. However, we want to do more to help our employees be knowledgeable.



*Part of our new addition to our Ormsby anhydrous ammonia facility, a nurse tank fill riser.*

That's because we believe we can benefit our customers by adequately training and adding value to our employees. We'll be using the agronomy off-season (the winter) to provide our employees with even more educational opportunities.

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**“We’ve made significant investments in both agronomy and energy with the projects at Ormsby and Welcome.”**

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# MANAGING SCN RESISTANCE



## JOHN SANDMEYER, SEED, CROP PROTECTION & NUTRIENTS PRODUCTS DIRECTOR

*John.Sandmeyer@NuWay-KandH.com*

Soybean cyst nematode (SCN) is the leading cause of soybean yield loss in North America, resulting in over 100 million bushels lost yearly, with an average loss of 5.1 bu./A. (Source: BASF)

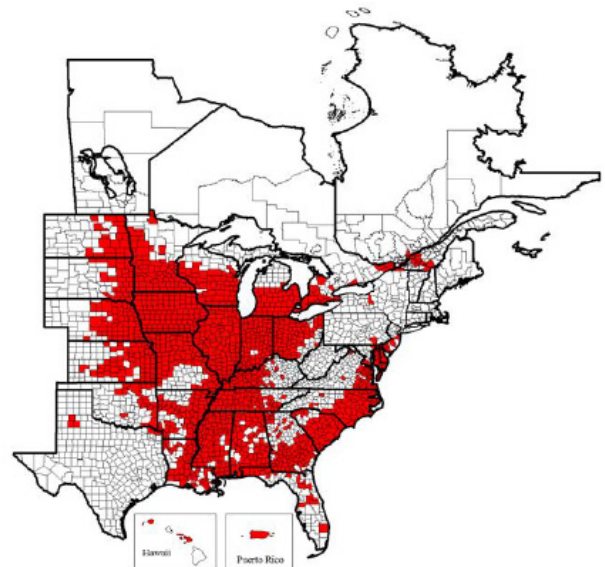
SCN is present in nearly all soybean geographies and continues to spread. With this story I've reproduced a map entitled Known Distribution of SCN. Study it. You will see it includes the state and county in which you farm.

You can expect anywhere from 1 to 2.5 bu./A yield loss for every 1,000 SCN eggs present at planting. Once you have SCN in your field, all you can do is try to manage it by using crop rotation and resistant varieties.

For years we have depended on using seed with a resistant gene (PI 88788) and that has managed our SCN population very well. In the last few years, however, we have seen some resistance to this gene. Studies show that, in Minnesota, SCN is able to overcome the PI 88788 gene 72% of the time.

We have introduced some new soybean varieties carrying the PEKING gene to help manage your SCN populations. Is PEKING the answer? Perhaps, in the short-term. However, Levi Kermes, our seed brand implementation specialist, took cyst nematode samples across 2,000 acres this spring and fall. These samples showed an average of 2,300 SCN eggs at planting and a final average

## KNOWN DISTRIBUTION OF SCN



Tylka and Marett, 2017 Plant Health Progress



**“Along with the use of resistant seed, seed treatments like ILeVO® may prove effective in minimizing yield loss from SCN.”**

count of 5,300 eggs after harvest—an average increase of 195%. Levi's samples included fields planted with both PI88788 and PEKING varieties.

If you have high SCN levels in your fields, it would be recommended to use crop rotation, PEKING varieties AND try seed treatment options like ILeVO® from BASF. Depending on the rate you use, this is a seed treatment that will help with SCN along with SDS (sudden death syndrome).

ILeVO® at a .6-ounce rate per unit will give you protection against SCN, and a 1.18-ounce rate per unit will give you protection against both SCN and SDS. Studies show a 2- to 4-bushel increase by using ILeVO® when there is no SDS pressure in the field.

We must continue to keep an eye on SCN and manage the best we can to minimize yield loss and lost revenue.

*Field of soybeans with yellowing areas due to cyst nematode.*



# PREMIUM DIESEL PREVENTS GELLING



**AL SECKINGER, VP OF RETAIL OPERATIONS**

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**"I have received ZERO calls about gelling with pure Cenex Ruby Fieldmaster SE."**

Okay, let's be honest. Straight No. 2 diesel is actually No. 2 heating fuel. There is no difference.

Modern diesel engines can run on straight No. 2 and it's "okay." But with today's common rail engines and injectors the size of a human hair, the premium diesel NuWay-K&H Cooperative offers is far superior to straight No. 2. As cold winter approaches, there is even more reason



to burn Cenex® Ruby Fieldmaster® SE (seasonally enhanced) in both old and new diesel engines. That is the diesel fuel product we deliver to the farm from November through March.

What does this SE premium diesel offer that No. 2 doesn't? Well, for starters, it offers:

- A detergent
- A lubricity improver
- A cetane improver
- Corrosion inhibitors
- A storage stabilizer
- A demulsifier
- An injection stabilizer

The difference between straight No. 2 and premium diesel is about a nickel per gallon. For that nickel, you get all of the above plus better performance—better mileage and more economical operation of your diesel engine. And, Cenex's Total Protection Plan® will warranty your diesel engine, if you can

prove you're using Ruby Premium Diesel. The value of premium diesel far exceeds five cents per gallon.

### **COLD WEATHER SUPERIORITY**

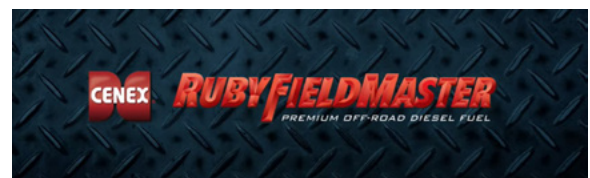
Cenex Ruby Fieldmaster SE offers cold weather protection you will not get if you burn straight No. 2, including lower cloud point and cold filter plugging temperatures.

Gelling at cold temperatures is particularly troubling to diesel engines operating on Upper Midwestern farms. Gelling is commonly confused with icing. Gelling occurs when paraffin wax in diesel fuel solidifies and bonds together at extremely low temperatures. This is known as the fuel's cloud point, which for straight No. 2 diesel is typically around 14°F.

When fuel reaches its cloud point, it will start to visibly become cloudy. Similarly, the fuel's pour point is the point at which wax crystals have formed enough to turn the once liquid fuel into more of a gel-like substance.

Some companies promote products like Winter Diesel 911, Hot Shot's Secret Diesel Winter Anti-Gel or Howes' Diesel Treat® to add to diesel fuel in the wintertime, to prevent gelling. Please, please, please . . . don't add anything to your diesel fuel. It has the potential to cause as many problems as it solves. In some cases, these additives may actually turn diesel into gel.

Instead, use Cenex Ruby Fieldmaster SE in your diesel engines, old and new, over the winter months. I can honestly say, after many years of providing farmers with diesel fuel, that I have received ZERO calls about gelling with pure Cenex Ruby Fieldmaster SE.





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