

Testimony of Jodi Johnson, CEO, Red Trail Energy

To the 69th Legislative Assembly of North Dakota

In Support of HB 1020 and the \$132 Million Allocation for the Southwest Pipeline Project

January 2025

Chairperson and Members of the Committee,

Thank you for the opportunity to testify today by writing. My name is Jodi Johnson, and I serve as the CEO of Red Trail Energy, a locally owned and operated ethanol production facility located in Richardton, North Dakota. Red Trail Energy is a cornerstone of the regional economy, utilizing locally grown corn to produce renewable energy and providing jobs that support families in our community.

I am here today to express my strong support for HB 1020 and to advocate for the inclusion of \$132 million in funding for the Southwest Pipeline Project (SWPP). Access to a reliable and high-quality water supply is essential for the success of businesses like ours and the continued economic growth and sustainability of southwest North Dakota.

The Economic and Community Benefits of the Southwest Pipeline Project

Red Trail Energy operates as one of the largest water users in the district, and our ability to produce ethanol and co-products like dried distillers grains (DDGS) depends on an uninterrupted supply of quality water. The Southwest Pipeline Project plays a critical role in ensuring that businesses like ours can continue to operate effectively and contribute to the local economy.

Our facility purchases a significant amount of corn—primarily from family-owned farms within a 100-mile radius—injecting vital revenue into the agricultural sector. The SWPP ensures that the region can sustain this level of agricultural and industrial activity by providing reliable water to farms, businesses, and households. Without the necessary infrastructure upgrades and expansions, economic growth in our area could stall, jeopardizing the livelihoods of thousands of North Dakotans.

Ensuring Future Growth and Sustainability

The funding request of \$132 million for the 2025–2027 biennium addresses several critical infrastructure needs, including:

- The expansion of the Southwest Water Treatment Plant, ensuring a long-term solution to the aging Dickinson facility.
- Improvements to the West Zone Transmission Facilities, which are vital for addressing transmission capacity challenges.
- Additional intake infrastructure, ensuring resiliency and sustainability of the water supply.

These projects will not only meet the needs of current users but also pave the way for future economic development, allowing businesses like ours to grow, innovate, and prosper.

Supporting the Broader Community

As the largest regionalized water system in North Dakota, the SWPP serves 33 communities, 13 counties, and more than 58,000 residents. Its impact extends beyond business, supporting rural households, schools, and emergency services. As an active member of this community, Red Trail Energy collaborates regularly with local emergency personnel, further emphasizing the interconnectedness of our industries and public services.

Conclusion

In closing, I urge you to approve HB 1020 and the \$132 million allocation for the Southwest Pipeline Project. By doing so, you will not only safeguard existing industries and communities but also enable future growth and development in southwest North Dakota.

Thank you for your consideration. I am happy to answer any questions you may have.

Sincerely,
Jodi Johnson
CEO, Red Trail Energy
jodi@redtrailenergy.com