

Members of the Senate Finance and Taxation Committee

My name is Jeff Zueger, I am a member of the North Dakota Ethanol Producers Association and the CEO for Midwest AgEnergy. I am here to testify in favor of SB2152 as it supports the continued advancement of CO2 sequestration in North Dakota. North Dakota has established itself as a leader in enabling and supporting the development of Carbon Capture and Underground Storage and this bill will further advance projects in our state.

Midwest AgEnergy is currently developing a CO2 underground storage project at our Blue Flint Ethanol facility near Underwood. This bill is important to the continued development of that project as it is contemplated that our CO2 will be transacted as part of a partnership to develop our project. The CO2 transaction is simply a mechanism to separate the production of CO2 from the storage of CO2 and we believe should not be a taxable event as the CO2 is simply going to be injected into the earth as opposed to being released into the atmosphere as occurs today.

We believe that proactive legislation such as SB2152 will continue to advance a carbon economy in our state enabling extended life of current assets and future projects to expand the states economy.