

**Gerald Bachmeier**

President & Chief Executive Officer, Red Trail Energy LLC

**In Support of SB 2152**

**Senate Finance and Taxation Committee**

January 20, 2021

Members of the Senate Finance and Taxation Committee

My name is Gerald Bachmeier, I am the President of the North Dakota Ethanol Producers Association and President and Chief Executive Officer of Red Trail Energy, an ethanol production facility in Richardton, North Dakota.

I support Senate Bill 2152 which will ensure geologically stored CO<sub>2</sub> is not subject to sales and use tax.

Red Trail Energy has been working on a major Carbon Capture and Storage project. This investment will provide an additional revenue opportunity for our company because we can capture and store the CO<sub>2</sub> we would normally vent and improve the Carbon Intensity value of the ethanol we produce. We will receive more for our ethanol from some markets and estimate the economic impact of this project to be tens of millions of dollars per year.

This projects like this will generate additional revenue for the 900+ North Dakota owners of Red Trail and other North Dakota ethanol plants. These investments are good for farmers, communities, and North Dakota.

We appreciate the state's proactive approach to support value-added agriculture, and we believe SB 2152 is a continuation of the effort to bolster our state's rural economy.