

Testimony of Gerald Bachmeier
CEO, Red Trail Energy
President, North Dakota Ethanol Producers Association

In Support of SB 2165
January 19, 2023

Chairman Patten and members of the committee:

My name is Gerald Bachmeier, and I am the president of the North Dakota Ethanol Producers Association (NDEPA), which represents North Dakota's six ethanol plants and industry stakeholders. On behalf of NDEPA, I want to voice support for SB 2165, specifically adding \$300 million to the Clean Sustainable Energy Authority (CSEA) fund.

North Dakota's ethanol industry contributes nearly \$1.7 billion annually to the state's economy and provides thousands of direct and indirect jobs. Thanks to North Dakota's innovative private sector and supportive state government, the state's ethanol production capacity is 550 million gallons per year, which is more than five times the production a decade ago.

The North Dakota ethanol industry greatly appreciates your establishment of CSEA during the 2021 Legislative Session. Over the past biennium, it has proven to be an effective tool in enhancing the production of clean sustainable energy, making the state a world leader in the production of clean sustainable energy, and diversifying and growing the state's economy. As implementation of the program continues, it will be essential to ensure all industries have equal access to the funding recognizing the numerous opportunities for all of the energy sectors.

Currently, the North Dakota ethanol industry produces 18 pounds of CO₂ for every bushel of corn processed. While the rest of the nation has talked about carbon capture and

sequestration, North Dakota's ethanol industry has led the nation in doing it. This has provided significant opportunities for the state's ethanol industry as well as creating positive economic impact to the state.

CSEA has played an important role in advancing numerous technologies that provide additional market opportunities and ensure sustainability for North Dakota's ethanol industry. Midwest AgEnergy received a CSEA loan for commercial deployment of carbon dioxide capture and geological sequestration at its Blue Flint plant near Underwood. It's carbon capture and storage project will be operational summer of 2023.

We thank you for your support of the state's ethanol industry in the past and urge your favorable consideration of SB 2165, specifically the additional funding for the Clean Sustainable Energy Authority.