



Growth Energy™
Expanding America's Bioeconomy

March 11, 2025

Hon. David Monson
Chairman
House Appropriations Committee
Government Operations Division
State Capitol
600 E Boulevard Ave
Bismarck, ND 58505

Chairman Monson:

Growth Energy is the world's largest association of biofuel producers, representing 97 U.S. plants that each year produce more than 9.5 billion gallons of cleaner-burning, renewable fuel, including two biorefineries in North Dakota. We also represent 130 businesses and groups, including the North Dakota Corn Growers and North Dakota Ethanol Producers Association, working with them and tens of thousands of biofuel supporters around the country. Together, we remain committed to bringing better and more affordable choices at the fuel pump to consumers, helping our country by rebuilding the farm economy, lowering fuel costs, driving American energy dominance, and winning global markets.

Thank you for the opportunity to submit written testimony regarding SB 2020, which provides appropriations for a number of agricultural research programs important to North Dakota farmers. As North Dakota is primed to be a leader in the production of lower carbon liquid fuels, the opportunities to create economic value for those fuels starts at the farm. With the inclusion of certain growing practices, North Dakota corn growers can drive a premium for their crops.

A recent study commissioned by Growth Energy, conducted by Energy Futures Initiative Foundation (EFIF) details a wide variety of on-farm practices that can increase corn growers' profitability in the global carbon economy. Practices such as the use of blue or green ammonia-based fertilizers, the use of renewable fuels, and a number of climate-smart agriculture practices were among those studied by EFIF. As these practices are implemented and carbon intensity (CI) is reduced, the premium for the crops increases. These practices are essential in for North Dakota corn growers to compete in the global carbon economy.

Yet, as the chart below also shows, the implementation of these practices can be costly, and not all of these practices are ready for widespread adoption. Earlier this year, the State Board of Agricultural Research and Education (SBARE) released their priorities and budgetary requests, including a request to fund two full time employees (FTEs) for a program to support farmers'

carbon management practices and “develop advanced farming techniques tailored to North Dakota’s unique agricultural conditions.” This request would total \$525,000 to “focus on practices such as crop rotation, cover cropping and efficient nutrient management.” This research will help North Dakota corn growers implement the premium-creating practices identified by EFIF.

On-Farm Decarbonization Measures

		CI Reduction Potential	Cost	Feasibility	
				Widespread Adoption	Readiness for Adoption
	Corn Yield Improvement	.7%	< zero	High	Near Term
Climate Smart Ag Practices	No-Till Farming	6%	< zero	High	Near Term
	4R Nitrogen Management	4%	< zero	High	Near Term
	Enhanced Efficiency Fertilizers	4%	< zero	Medium	Near Term
	Cover Crops	45%	\$24 to \$64/tCO ₂	Medium	Near Term
Use Low-Carbon Fertilizers	Blue Ammonia-Based Fertilizers	10%	\$29 (with 45Q) to \$100/tCO ₂	Medium	Mid Term
	Green Ammonia-Based Fertilizers	10%	\$0 (with 45Z) to \$526/tCO ₂	Medium	Mid Term
	Use Renewable Diesel in Farm Machinery	<4%	\$127 to 139/tCO ₂	Medium	Near Term
	Use Renewable Diesel for Corn Transport	<2%	\$127 to 139/tCO ₂	Medium	Near Term

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Unfortunately, the text of SB 2020 omitted funding to research the development of these climate-smart agricultural practices for North Dakota farmers. Funding these public resources would not only help North Dakota agricultural producers become more profitable but also enable them to capitalize on the evolving market dynamics and landscape. Several states and nations with which we conduct a considerable amount of trade in the liquid fuels industry are incentivizing lower carbon liquid fuels. California, Oregon, and Washington have low carbon fuel standards while New Mexico is currently in the process of implementation. These programs provide an opportunity for North Dakota corn growers to realize increased profits at a time when the United States Department of Agriculture is projecting reduced farm incomes.

We respectfully request the committee consider the inclusion of funding for this project, which will benefit North Dakota corn growers as the domestic and international fuel markets evolve to demand lower carbon liquid fuels. We thank you for your time and consideration.

Additionally, we are happy to assist the committee with technical questions and thank the committee for its interest in ensuring North Dakota's bioethanol and agriculture industries remains competitive in the future.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Bliley". The signature is stylized and cursive.

Chris Bliley
Senior Vice President of Regulatory Affairs
Growth Energy