

Summary of Activities 2019-2021

Description of the group (how it is governed)

The North Dakota Ethanol Council (NDEC) was established in 2009 by the North Dakota State Legislature to promote the state's ethanol industry. The NDEC is funded by the first ethanol check-off program in the nation. Each ethanol plant pays a three one-hundredths of one cent assessment (check-off) per gallon of ethanol produced and sold in North Dakota.

NDEC consists of one individual appointed by each producer (plant). These include Blue Flint, Underwood; Dakota Spirit, Spiritwood; Hankinson Renewable Energy, Hankinson; Red Trail Energy, Richardton; Red River Biorefinery, Grand Forks; and Tharaldson Ethanol, Casselton. The NDEC holds monthly meetings.

NDEC began contracting with Clearwater Communications for part-time executive director services in March 2010. Clearwater Communications Chief Executive Officer Deana Wiese serves in this capacity.

Program descriptions (2019-2021)

NDEC reviews its mission and long-term goals annually as part of development of its annual work plan and budget, which identifies its priorities for each year.

Mission

Enhance North Dakota's ethanol industry through innovative research, education, promotion and market development in collaboration with industry stakeholders.

Goal One – Cutting-Edge Industry-Driven Research: Encourage North Dakota scientists and academics to conduct research and studies in collaboration with industry to create more efficient production and utilization practices.

- Shared research priorities with ND Corn Utilization Council, Bioscience Association of ND, ND State University and University of North Dakota to ensure research aligns with industry needs and identify ways to partner on ethanol- and ethanol coproduct studies
- Prioritized research that will assist in developing and employing carbon capture technologies

Goal Two – Coordinated Communication and Education Outreach: Provide a unified voice for the North Dakota ethanol industry through audience-specific messaging to educate North Dakotans on the benefits of ethanol.

- Collaborated with Gateway to Science on an ethanol exhibit (funded through NDEC, industry stakeholders and ND Renewable Energy Council)
- Continued as a ND FFA Star Partner, providing outreach to students
- Hosted numerous ethanol facility tours for local, state and federal leaders
- Updated and distributed 2019 and 2020 ethanol industry fact sheets to state and federal leaders, media and other stakeholders
- Provided ethanol industry information to the ND EmPower Commission and Great Plains Energy Corridor for their respective publications
- Supported the Iowa Renewable Fuels Association Biofuels Tour
- Continued ethanol awareness radio campaign

Goal Three – Effective Market Development and Promotion: Initiate promotional efforts and support public policy to increase ethanol demand and advance the ethanol industry.

- Monitored state and federal issues impacting the ethanol industry and kept members informed

- Continued relationships with national ethanol organizations, including American Coalition for Ethanol, Renewable Fuels Association and Growth Energy, which monitor federal issues including the Renewable Fuels Standard (RFS), Unleaded88 and trade
- Supported the Urban Air Initiative in its efforts to get language reversed in EPA's E15 rule that banned the sale of midlevel blends from blender pumps
- Participated in biannual State Renewable Fuels Trade Association Meetings to share best practices with state ethanol organizations in Minnesota, Iowa, Nebraska, Kansas and Illinois, which has resulted in several joint efforts between the states
- Initiated partnerships to increase North Dakota ethanol and distillers grains exports
 - Continued ND Trade Office membership and participated in Ethanol Trade Mission to Brazil in August 2019, along with the Commissioner of Agriculture
- Identified and implemented strategies to increase the use of DDGS in state
 - Participated as a board member in the ND Livestock Alliance and supported its annual Livestock Summit
 - Attended and sponsored the ND Dairy Convention
- Supported Unleaded88 (E15) expansion efforts in North Dakota
 - Coordinated Unleaded88 promotion with Petro Serve USA in Valley City in July 2020 and with Cash Wise in north Bismarck in November 2020
 - Implemented Pink at the Pump® Unleaded88 (E15) promotion in October 2019 and October 2020, 16 retailers participated in 2019 with a 62 percent increase in sales over October 2018 and 18 participated in 2020 with a 34 percent increase in sales over 2019
 - Partnered with the ND Corn Utilization Council on delivery and marketing of the Unleaded88 Expansion Program, which was launched in September 2019 with 12 stations in six communities participating to date

Projected Activities (2019-2021)

Goal One – Cutting-Edge Industry-Driven Research

- Provide producer input into ethanol-related research conducted by other entities, such as the ND Corn Utilization Council, ND State University and University of North Dakota
- Explore value-added market opportunities for ethanol and its co-products, specifically CO₂

Goal Two – Coordinated Communication and Educational Outreach

- Initiate promotional efforts to increase ethanol use in North Dakota
- Collaborate with and assist stakeholder groups in promotional efforts

Goal Three – Effective Market Development and Promotion

- Monitor state and federal issues impacting the ethanol industry and keep members informed
 - Educate state and federal leaders on issues facing the industry
 - Continue partnerships with other state, regional and national ethanol organizations
- Initiate and engage in partnerships to increase North Dakota ethanol and distillers grains exports
 - Continue ND Trade Office membership
- Initiate and partner on efforts to increase the use of distillers grains in North Dakota
 - Continue ND Livestock Alliance membership
 - Participate in statewide livestock development efforts
 - Educate livestock producers on use of distillers grains through partnerships with other entities
- Support Unleaded88 (E15) and higher-level blend implementation efforts in North Dakota
 - Continue efforts with ND retailers and stakeholders

STATEMENT OF PROJECTED REVENUES AND EXPENDITURES
For the Current and Next Biennium
2019-2021 and 2021-2023
(UNAUDITED)

Prepared by North Dakota Ethanol Council

	2019-2021 <u>Biennium</u>	2021-2023 <u>Biennium</u>
Beginning Balance	\$324,975	\$248,275
Revenues:		
Assessments	\$309,500	\$310,000
Less:		
Refunds paid to producers	<u>\$0</u>	<u>\$0</u>
Net Assessment Revenue	\$309,500	\$310,000
Interest Income	\$0	\$0
Grants	<u>\$111,500</u>	<u>\$110,000</u>
Total Revenue	\$421,000	\$420,000
Expenditures:		
Research, Education, Promotion	\$264,500	\$270,000
Executive Director	\$197,000	\$197,000
Copying & Printing	\$1,500	\$1,500
Equipment	\$200	\$200
Meeting Expenses	\$1,000	\$1,000
Audit	\$5,000	\$5,000
Postage	\$500	\$500
Supplies	\$750	\$500
Telephone & Conf. Calls	\$1,250	\$1,000
Sponsorships	\$16,000	\$16,000
Travel	\$9,000	\$8,000
Website	\$1,000	\$1,000
Total Expenditures	\$497,700	\$501,700
Revenues Over (Under) Expenditures	-\$76,700	-\$81,700
Ending Balance	\$248,275	\$166,575