

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION
OF SCS CARBON TRANSPORT LLC FOR A
PERMIT TO CONSTRUCT A CARBON
DIOXIDE PIPELINE.

HP24-001

DIRECT TESTIMONY OF

DAVID L. ANDERSON, LINCOLN COUNTY, SD

ON BEHALF OF

SUMMIT CARBON SOLUTIONS, LLC

EXHIBIT #

December 13, 2024

1 **Q. Please state your name and business address for the record.**

2 A. David L. Anderson, 29177 477th Ave., Hudson, SD 57034

3 **Q. What is your occupation?**

4 A. I am a farmer in Lincoln County, SD.

5 **Q. Please briefly describe your operation.**

6 A. I have a Bachelor's degree in Ag Business from SDSU and have 50+ years of experience
7 in various facets of farming. Our operation includes over 500 acres of farm ground. We grow
8 and sell corn every year to the ethanol plant near Hudson, SD.

9 **Q. Please describe your affiliation with Summit, POET, and Glacial Lakes Energy.**

10 A. I sell corn to POET. I also have ownership shares in both POET and Glacial Lakes
11 Energy. We are in the process of negotiating with Summit for a pipeline easement. [REDACTED]

12 **Q. What is the basis for your testimony?**

13 A. I want to see agriculture succeed and to testify that the Summit project is good for
14 farmers, ethanol plants and South Dakota in general. I was also appointed by the Lincoln County
15 Commissioners to a Carbon Pipeline Advisory Committee. We held 6 meetings, took hours and
16 hours of testimony, and received many documents regarding the issue. Based on all of that, I feel
17 the fears are exaggerated and that this project can be done safely and with minimal, if any, long-
18 term disruption to farming operations. Many years ago, there were two water towers constructed
19 on the land I farm. There are many large diameter pipes going to and from those towers. After a
20 couple years that land was back to full production.

21 **Q. Why is the Summit project necessary for you and your neighbors in South Dakota?**

22 A. Agriculture operates on national and international markets. If we do not provide the low-
23 carbon product that the market demands, the market will leave us behind.

24 **Q. What does Summit mean to you in terms of opportunities to grow your operation?**

25 A. We are willing to sign easements with Summit. We want to continue to grow and sell
26 corn to a world that is demanding lower carbon fuels and products.

27 **Q. What context is missing from the concerns stated by others?**

28 A. Ethanol buys and uses a tremendous amount of corn and that added demand from a local
29 buyer has greatly increased the price we receive for our corn. Prior to the creation of ethanol
30 plants, corn prices in our community would generally be 30, 40 or even 50 cents below the
31 Chicago Board of Trade price. As I write this, the corn bid at the Hudson ethanol plant is only 10
32 cents below Chicago's price, and that's during harvest. At other times of the year, I have sold
33 corn in Hudson for more than \$1 above the Chicago Board price. That has added tremendous
34 value to our farm operation and our way of life.

35 **Q. What fears do you have if the project is not completed?**

36 A. We have already seen the US Supreme Court rule that California can in fact tell a hog
37 producer in Indiana how he has to raise his hogs if he wants to sell ham, pork chops and bacon in
38 California. The same will be true for ethanol. If they demand low-carbon ethanol, we must
39 either produce it that way or risk losing access to the largest market in the country. Do I like
40 that? No, but that is the law of the land. If we do not comply, we will lose our market access.

41 **Q. Has your county acted against the project?**

42 A. I'm not sure if Lincoln County has passed anything regarding the pipeline, but I know
43 there are Townships that have passed resolutions that oppose the project.

44 **Q. How do you feel about that? How do you feel about other counties which have tried
45 to stop the project?**

46 A. I think it is a mistake. This is a state-wide issue, and it needs state-wide rules and
47 regulations that are consistent and uniform across all parts of the state.

48 **Q. Do you have safety concerns about the Summit project?**

49 A. Sure, but that's no different than my concerns about the gas pipeline or the railroad that
50 cross our land. All of the information I have seen and been provided as well as the laws passed
51 by the 2024 Legislature give me confidence that this project will be constructed and operated
52 with the safety of our citizens as a top priority.

53 **Q. Is your ground part of the Summit project?**

54 A. Potentially, yes. It depends on the final route selected for the pipeline.

55 **Q. How was your easement experience? Were you fairly treated and compensated?**

56 A. We have had very good conversations with several Summit representatives. I look
57 forward to continued discussions.

58 **Q. Does your ground currently have other easements?**

59 A. Yes, there is currently a railroad easement, and we also signed a recent easement with a
60 natural gas company. We also have easements for various utility companies.

61 **Q. What has been your overall experience with easements, both Summit and others?**

62 A. If you are willing to negotiate with reasonable expectations, it can be a Win/Win
63 situation.

64 **Q. Does this conclude your testimony?**

65 A. Yes.

66 Dated this 28th day of October, 2024.

67

68 /s/ David L. Anderson

