

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

DOUG KAZMERZAK, KINGSBURY 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. My name is Doug Kazmerzak. My address is Erwin, SD 57233.

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

4 A. I am a retired Davison County farmer and landowner.

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

6 A. I graduated from Erwin High School and have an associate degree from Mitchell Area
7 College in Agriculture Marketing and Management.

8 **Q. Please describe your affiliation with Summit, POET, and other ethanol plants?**

9 A. I am a stockholder in an ethanol plant.

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

11 A. I would like to share with you my thoughts concerning agriculture, the environment, the
12 future, and the carbon pipeline.

13 **Q. Why is the Summit project necessary for you/your neighbors/South
14 Dakota/Ethanol?**

15 A. I have enjoyed a career in farming for nearly 50 years, actually all my life as far as that
16 goes as growing up on a farm I have always been a part of a farm kids chores, to eventually
17 taking over and operating the farm business on my own. From making decisions regarding
18 hybrid selection, fertilizers, genetic choices regarding bull selections to marketing of grains, I
19 have somewhat prided myself in my thought process and my ability to make decisions.

20 Admittedly not always were my grain sales always the top of the market or batting 100%
21 predicting the weather, but I never lost sleep over making the best decision I could and moving
22 on.

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

1 A. I bring this thought up in regards to the conclusion I have come to regarding the Carbon
2 Pipeline. For reasons such as the potential for increased profits for farmers, in light of a basic
3 economic principal, supply and demand. South Dakota is now home to 16 ethanol plants
4 producing nearly 1 billion gallons each year and using nearly 400 million bushels of corn. It is
5 estimated that because of the “value added” factor to a bushel of corn because of Ethanol
6 production, a \$.30 per bushel profit is realized.

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

8 A. Opponents site the location of buried pipe. Summit has consistently stated its desire to
9 cooperate with landowners in location and compensation. Today, there is approximately 1,560
10 miles of underground pipeline located in South Dakota, so why is this pipeline being so
11 negatively challenged? The returned negative response is safety.

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

13 A. I fear that ethanol will fall to the wayside if this project is not completed. That is, to say,
14 that we will not be able to compete with the other fuel markets. This, then, turns to the rest of
15 our economy – less availability of DDG for livestock feed and less dividends back to
16 stockholders.

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

18 A. I have no knowledge of Kingsbury County acting against the project. As a former
19 County Commissioner, I can tell you that this project is the answer to the demand of taxpayers
20 for better roads, better salaries for government employees, potential property tax relief, and
21 better services across the board for our county. Let us not just limit this win-fall to Kingsbury
22 County. The effects of this positive revenue increase will have a wide-spread impact reaching
23 the entire state and beyond.

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

3 A. I can understand the concern for safety. If this challenge were not being addressed, I
4 would be scared too, but safety is being addressed. Thickness of the pipe is proposed to be
5 6.1mm-25.4mm depending on the pipeline diameter using only very high-strength carbon steel. I
6 have held a small section in my hand, and I can tell you it is a very hefty piece of pipe and very
7 heavy. Under agreements with landowners, the pipe will never be buried less than 4 feet
8 underground. Is this to say there will never be a situation with a potential leak or maintenance
9 requirement? There is never a guarantee of complete removal of danger. I have attended
10 meeting with Summit explaining safety procedures that they enforce, explain, educate, and
11 provide expertise and equipment pertaining to the safety of the pipeline. I am 100% satisfied
12 that this pipeline will be the safest pipeline built.

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

14 A. Nothing that has been addressed. As I stated above, there is never a guarantee of
15 complete removal of danger, but I am satisfied that Summit is proactively addressing those safety
16 concerns.

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

18 A. Yes.

19

20 Dated this 11th day of November, 2024.

21

22 /s/ Doug Kazmerzak

23 Doug Kazmerzak