

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**

**DARRELL POPHAM, CODINGTON 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 Darrell Popham. My address is 44586 166th Street, Florence, SD 57235.

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

4 A. I am a retired Codington County farmer/rancher.

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

6 A. I attended SDSU for four years majoring in Economics. I have farmed and ranched for  
7 50 years raising various crops while also maintaining a cow/calf operation. Before the advent of  
8 the ethanol industry, we fed our corn to livestock. After Glacial Lakes Energy began operation,  
9 we delivered any excess corn to the ethanol plant.

10 **Q. Please describe your affiliation with Summit and Glacial Lakes Energy?**

11 A. I am a member of Glacial Lakes Corn Processors in Watertown, South Dakota, and  
12 served on the Board of Directors for nine years. GLCP owns four ethanol plants in northeast  
13 South Dakota.

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

15 A. I seek to see agriculture, Summit, and ethanol succeed and to testify that the Summit  
16 project is good for farmers, ethanol plants, and South Dakota in general.

17 **Q. Why is the Summit project necessary for you/your neighbors/South**

18 **Dakota/Ethanol?**

19 A. I want to begin by saying I am and always have been a strong advocate for ethanol. It is  
20 what led me to serve on the Board of Directors of Glacial Lakes Corn Processors in Watertown,  
21 South Dakota, for nine years. GLCP owns four ethanol plants in northeast South Dakota.

22 I remember back to my past experiences while farming and only existing on deficiency  
23 payment, set aside payments, and PIK certificates for survival because there were no markets for

1 the crops, we raised that offered a profitable return. Farmers were on a continual starvation diet  
2 because of inadequate crop prices and depended on government payments to continue operating.  
3 Then along came the ethanol industry which created a strong, yearly demand for corn, and  
4 everything changed.

5         Since the emergence of the ethanol industry, farmers no longer need handouts from the  
6 government to survive. The demand for corn, because of ethanol, supports all crop prices and  
7 has allowed farmers to enjoy a level of prosperity unheard of prior to the times we live in. This  
8 flow of financial strength has flowed through every facet of rural America leaving no one  
9 untouched by its power and influence. Everyone has benefited from the profound resurgence of  
10 financial strength in agriculture, and the driving force behind it is ethanol.

11         Due to the advancement of electric and hybrid vehicles and higher mileage cars and  
12 trucks, the demand for transportation fuel is weakening each year, leading to a dismal outlook for  
13 ethanol demand in the future. As agriculture prosperity follows ethanol, the same dark future lies  
14 before everyone listening to these words.

15         However, there is great news on the horizon for all of agriculture. The move to low  
16 carbon fuel in the transportation market and the aviation fuel industry shows great promise to  
17 continue the prosperity of our era for our children and grandchildren. Unfortunately, there is a  
18 catch ... In order to capture this opportunity and be part of its benefits, ethanol plants need to  
19 lower their Carbon Intensity scores because only those plants with a qualifying score will be  
20 eligible to enter those lucrative low carbon markets. The only feasible option for ethanol plants  
21 to qualify for these new markets is to capture the carbon from their process and sequester it deep  
22 underground in North Dakota. It takes this pipeline to make that happen.

1           Every pipeline, electric transmission line, and interstate highway has encroached on  
2 property owners. They have all been asked to endure this encroachment for the ultimate good of  
3 society. I cannot imagine the anguish the thousands of farmers must have felt when told an  
4 interstate highway was going to be built through the middle of their farms. It is amazing to  
5 consider their sacrifice and, yet how many would rather those highways not have been built?

6           This pipeline company does not want to build a road through anyone's farm, they want to  
7 bury a pipe. These farmers and ranchers are going to continue to crop these acres and run cows  
8 on their pastures. They will be well paid for the encroachment of the pipeline, and our state and  
9 everyone in it will benefit for generations to come. I view the people that have to sacrifice for  
10 the society they live in as heroes. They are sacrificing for the wellbeing of our children and  
11 grandchildren; giving them a brighter future.

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

13 A.     I have no direct contact with Summit. I support a strong, vibrant ethanol industry and the  
14 prosperity it provides to South Dakota.

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

16 A.     The ethanol industry uses a tremendous amount of corn (over 50% in SD) and, through  
17 that demand, has narrowed the basis and brought our local corn prices in line with those offered  
18 in the central corn belt. It has brought profitability back to farming, and it is critical we do all we  
19 can to support our most important industry.

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

21 A.     With the demand for transportation fuel ebbing, the demand for ethanol will follow.  
22 Since the profitability of farming is tied to the demand for corn that ethanol provides, then the  
23 prosperity we have enjoyed in recent decades could well be in peril. The ability for ethanol to

1 enter the low carbon fuel market is the path forward for ethanol to become a viable industry for  
2 generations to come. The pipeline is the only feasible option for the ethanol industry to qualify  
3 for the low carbon markets.

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

5 A. To my knowledge, our county representative has not acted against the pipeline.

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

8 A. I believe a few influential people can overly influence local authorities (county and  
9 townships) and bully them into unwise decisions. I think it is important to look at the big picture  
10 for the benefit of society.

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

12 A. I do not have the specific knowledge of this issue to make a qualified statement. I believe  
13 adequate testing should be completed to mitigate the appropriate safety concerns.

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

15 A. My ground is not part of the Summit project.

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

17 A. Yes.

18

19 Dated this 6th day of November, 2024.

20

21

22 /s/ Darrell Popham

23 Darrell Popham