

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

RONALD C. ALVERSON, LAKE 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 Ronald C. Alverson. My address is 24212 459th Avenue, Chester, SD 57016.

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

4 A. I am a Lake County farmer and shareholder at several SD Ethanol Plants.

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

6 A. I have a BS Degree in Agronomy from South Dakota State University and have 50 years
7 of experience in various facets of Crop Production. Our operation includes irrigated and rainfed
8 corn and soybean production. We grow and sell corn every year to Dakota Ethanol and soybeans
9 to South Dakot Soybean Processors.

10 **Q. Please describe your affiliation with Summit and Dakota Ethanol?**

11 A. I sell corn to and was a founder of Lake Area Corn Processors/Dakota Ethanol in 1999. I
12 am still on the Board of Directors of Dakota Ethanol.

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

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

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

18 A. Markets/Consumers are asking for and paying premiums for low carbon products.
19 Companies that cannot or do not choose to produce what markets/consumers want will not have
20 access to those growing premium low-carbon markets. The Summit Carbon Solutions CO₂
21 pipeline will enable a 50% carbon intensity reduction in Dakota Ethanol's fuel ethanol and co-
22 products.

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

1 A. We grow and sell low-carbon corn to Dakota Ethanol in order to protect, evolve, and
2 maintain our way of life.

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

4 A. It has been estimated by multiple Grain Marketing Economists that the Ethanol Industry
5 has improved corn price basis by approximately 40 cents per bushel over the past two decades.
6 Every corn producer in the State has benefited from that as well as producers of other crops
7 because those other crop prices have had to rise to compete with corn for acreage in SD. Also, it
8 has been estimated that roughly 8,000 farm families have directly invested in Ethanol Plants in
9 SD. Value-added profits from those Ethanol Plants have been distributed to those shareholders.
10 Economists have estimated that the total value added to corn (corn price basis, value-added
11 profits, and Ethanol company share price appreciation) are in the neighborhood of 60 to 80 cents
12 per bushel in SD!

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

14 A. It has been estimated that about 40% of the current US Ethanol Companies have the
15 opportunity to capture and sequester corn starch fermentation CO₂ without a pipeline. Ethanol
16 Companies that cannot capture and sequester CO₂ without a pipeline to transport CO₂ will be
17 shut out of the growing low-carbon fuel and food (ethanol co-products) markets and gradually
18 become unviable.

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

20 A. No

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

22 A. It is very short-sighted.

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

1 A. Yes, but no more so than other pipelines. CO₂ pipelines were first constructed in the
2 1970s in the Southern United States, and there are now more than 5,000 miles of CO₂ pipeline in
3 operation. There has never been a fatality caused by a CO₂ pipeline rupture.

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

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

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

7 A. Yes. My ground currently has easements for water and sewer lines.

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

9 A. My general experience with easements has been good.

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

11 A. Yes.

12

13 Dated this ____ day of November, 2024.

14

15

16 /s/ Ronald C. Alverson

17 Ronald C. Alverson

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