



January 2, 2023

South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 East Capitol Avenue
Pierre, SD 57501-5070

Chair Nelson, Commissioner Hanson and Treasurer Haeder:

My name is Brian Jennings and I have the privilege of serving as Chief Executive Officer for the American Coalition for Ethanol (ACE), which is a national grassroots advocacy group headquartered here in South Dakota. I want to first thank you for your service to the state and navigating the many complex issues that come before the Public Utilities Commission (PUC).

As you may know, we submitted a letter to the PUC on July 26, 2022 highlighting the many economic and environmental reasons we strongly support Summit Carbon Solutions' proposed carbon capture, transportation, and storage project. A copy of that letter has been emailed to you.

I am writing today regarding the regulatory schedule around this critical project. In short, we are respectfully requesting that the PUC hold the hearing for Summit Carbon Solutions in April and allow the commission to meet South Dakota's statutory permit decision deadline of June 15th. We believe the failure to do so will cause significant and potentially long-lasting harm to the state's economy, particularly to the ethanol and agricultural industries that remain so critical to the livelihoods of so many South Dakotans.

The ethanol industry is at a crossroads.

One road will enable ethanol producers who participate in carbon capture projects to benefit from the increasing number of low carbon fuel markets that have been established thanks to new policies adopted which incentivize the use of low carbon fuels. This will enhance the long-term competitiveness of the industry and ensure that South Dakota ethanol plants can continue to purchase more than half of all the corn grown in the state, which will positively impact commodity prices and land values.

The other road, however, is far riskier. By delaying the ability of ethanol plants to access low carbon fuel markets, it will be increasingly difficult for the industry to remain competitive particularly after several rocky years resulting from small refinery waivers, the global health pandemic and more. This puts the thousands of jobs the industry supports in jeopardy, not to mention the bottom line of every corn grower in the state who counts on ethanol to serve as its largest customer.

Summit Carbon Solutions' project was announced two years ago and public meetings in South Dakota were completed almost a year ago. We believe it is time to schedule and hold a hearing in early 2023 to keep the regulatory process moving forward and in line with other similar infrastructure projects. Thank you for your consideration.

Sincerely,

Brian Jennings, CEO
American Coalition for Ethanol