

Minutes of the
RENEWABLE ENERGY COUNCIL (REC)
Monday, September 16, 2024
9:00 am (CT)
TEAMS Meeting Via Conference/Video Call
ONSITE Location: Workforce Safety & Insurance Board Room,
1600 E. Century Ave., Ste. 1, Bismarck, ND 58503

Members Present	Staff Present
Rodney Holth	Reice Haase, NDIC
Gerald Bachmeier	Erin Stieg, NDIC
Terry Goerger, TEAMS	Brenna Jessen, NDIC
Tony Grindberg, TEAMS	Joleen Leier, Commerce Dept.
Rich Garman for Josh Teigen	
Guests Present	
Geoff Simon, Univ, TEAMS	Omar Khayum, NewCarbon
Chandra Sarker, NDSU, TEAMS	Matt Mosher, NewCarbon
Clairmont Clementon, NDSU, TEAMS	Josh Kamrud, American Crystal Sugar
Alevtina Smirnova, TEAMS	Nikhil Patel, Singularity Energy Tech (SET)
Ademola Hammed, NDSU	Devarsri Patel, SET
Michael Mann, MDM Energy Consulting	Marty Scase, Volt Lithium
Mat Hirst, Wellspring Hydro	Mark Watson, Wellspring Hydro

WELCOME & OPENING COMMENTS

Rich Garman called the Renewable Energy Council (REC) meeting to order at 9:00 am. Garman explained he will be sitting in for Josh Teigen today. Garman welcomed the members and guests in the meeting room and on the TEAM video/audio platform.

ADMINISTRATIVE BUSINESS

Approval of Minutes

The minutes from the April 15, 2024, meeting was presented to the board.

It was moved by Gerald Bachmeier and seconded by Rod Holth to approve the April 15, 2024 meeting minutes as presented. The motion passed unanimously.

Renewable Energy Program Project Management and Financial Report

Reice Haase provided overview. Renewable Energy Fund balance is \$7,8 million. Just over \$4.6 million is committed; today there is \$3.1M available to commit to new projects. You have approved 72 projects granted with 13 still active. Will not receive any further oil extraction funds as we are capped.

Project update on R-046-056: Electrostatic Lubrication Filtration of Wind Turbine Oil Reservoirs. Had a successful project and are looking at production at this time.

The project requests for today's meeting total \$1.6M. There are enough funds available to fund all these projects.

Garman asked the board to complete conflict of interest forms and submit to Reice. There were no declared conflicts of interest.

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CONSIDERATION OF SPECIAL GRANT ROUND 54 REQUESTS

Rich Garman gave an overview of project R-054-A.

R-054-A – Valorization of DDGS

Submitted by North Dakota State University

Total Project Costs: \$491,922

Amount Requested: \$245,961

Technical Reviewers' Results:

- Fund – 180/250
- Funding May Be Considered – 149/250
- Fund – 206/250
- Average Weighted Score – 178.33/250

Technical Advisor Recommendations:

Reviewers' recommendation is to fund this project.

Clairmont Clementon, NDSU, presented on the project.

Bachmeier asked how this technology is different than the technology that is already out there. It maximizes the extraction. Yours show 33% protein extraction; currently there is extraction of 40% in the industry. How is your different? He explained there are different levels of fractionation and protein removal. They want to be able to utilize both the protein and fiber content.

Goerger stated he has a concern that if you remove the protein from DDGS it will become less of a feedstock and become a waste product. Concerned that the market hasn't been identified yet. What is the use of the DDGS if you remove all the protein? They are focusing on the fiber. They are looking at existing markets not new markets. Feedstock is the first market for the protein. The fiber, once it is separated, they can control how much they use for pellets.

Georger asked again to clarified if they have specific markets identified. The animal and feed markets are already there and can utilize DDGS with the protein. Hammed stated they would use the DDGS fiber for packaging materials. The market is already there, they just need to tap into it. They will need to talk to them.

Rich Garman gave an overview of Project R-054-B.

R-054-B – ACS NewCarbon RNG Project;

Submitted by NewCarbon Feedstocks, LLC

Total Project Costs: \$930,000

Amount Requested: \$455,000

Technical Reviewers' Results

- Funding May Be Considered – 161/250
- Fund – 177/250
- Do Not Fund – 124/250
- Average Weighted Score – 154.00/250

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Technical Advisor Recommendations:

Reviewers' recommendation is to consider funding this project.

Ohmar Khayum introduced his team and then presented on the project.

Bachmeier clarified that American Crystal Sugar is not providing cash funding, they are providing labor costs in kind with NewCarbon providing the capital.

Bachmeier clarified they have 300,000 BTUs from just the Hillsboro facility. He also asked what the current feedstock price is today? Approximately \$5/ton on a wet basis. This changes every year.

They stated there is more demand today for the renewable energy than 10 years ago.

Bachmeier asked if the engineering company they are working with is able to design a process at scale that can accommodate the volume of byproduct that exists at the Hillsboro facility? He stated in terms of taking digestion technology, but scaling it to the magnitude that exists. That is where the funds we are requesting will go is to advance that type of scale up in technology development to enable byproducts from the ag industry into renewable fuel.

American Sugar made a partnership agreement to work with NewCarbon, with NewCarbon providing the capital. NewCarbon costs are all labor.

Rich Garman gave an overview of project R-054-A.

R-054-C – VBD NewCarbon RNG Project

Submitted by NewCarbon Feedstocks, LLC

Total Project Costs: \$930,000

Amount Requested: \$455,000

Technical Reviewers' Results:

- Funding May Be Considered – 146/250
- Fund – 177/250
- Funding May Be Considered – 154/250
- Average Weighted Score – 159.00/250

Technical Advisor Recommendations:

Reviewers' recommendation is to consider funding this project.

Ohmar Khayum and team presented on the project.

Bachmeier asked what they are currently doing with their manure. Ohmar stated currently it is in the lagoon and then pump out in the spring and spread it. Bachmeier stated that the amount of the request seems high.

Bachmeier also commented on the distance of the facility.

Bachmeier questioned if they should conduct a feasibility study prior to proceeding with this project.

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Grindberg asked about the timeline of transportation and if they have engaged with WBI. They have engaged with WBI. They are looking to tap into a current pipeline.

Garman asked about putting the industry next to the gas rather than transporting the gas? They stated there is a scale problem with that.

Georger asked if they had discussion with Riverview Dairy. They stated they haven't had an opportunity yet. They also stated that they believe with their scale they should be able to fund themselves.

Georger asked if this process will solve concerns of the neighbors. Stated this process will remove the odor of the manure so that it is more neutralized.

Georger expressed concern if they are reinventing what is already out there. They stated that this is manure management on a smaller farm level. This is a model for a smaller dairy that doesn't have access to projects like this.

Rich Garman gave an overview of project R-054-D.

R-054-D – Accelerating the Waste-to-Fuels Commercialization for the Sandwich Gasifier

Submitted by Singularity Energy Technologies

Total Project Costs: \$978,950

Amount Requested: \$486,950

Technical Reviewers' Results:

- Fund – 196/250
- Fund – 205/250
- Fund – 210/250
- Fund – 243/250
- Average Weighted Score – 213.50/250

Technical Advisor Recommendations:

Reviewers' recommendation is to fund this project.

Mike Mann presented on the project.

Bachmeier asked if the gasifier is up and running today. Mann stated it is currently operating.

Georger asked about the value of the SIN gas. Are we going to be paying for something we can't get rid of? They stated this particular system is producing methanol. The yield can be improved significantly by certain other components (i.e., recycling the hydrogen back). The integration is what we are going for. Can tailor the end product to the demand.

DISCUSSION/COMPLETION OF BALLOTS

Reice Haase stated we do have a conflict of interest to declare by Tony Grindberg. Two options 1) abstain or 2)

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vote to allow him to vote. Grindberg stated he would prefer not to vote.

Ballots were distributed in the room and emailed to members online. Reice reminded board members if they don't agree with the amount of the request members they can make a funding recommendation.

Members online will need to email their ballots.

R-054-A – Valorization of DDGS

Project Duration: 2 years

Requesting: \$245,961

Total Project Costs: \$491,922

Conflict of Interest: None

Fund: 1 Do Not Fund: 4 Abstain: 0

R-054-B – ACS NewCarbon RNG Project;

Project Duration: 12 months

Requesting: \$455,000

Total Project Costs: \$930,000

Conflict of Interest: None

Fund: 3 Do Not Fund: 2 Abstain: 0

R-054-C – VBD NewCarbon RNG Project

Project Duration: 12 months

Requesting: \$455,000

Total Project Costs: \$930,000

Conflict of Interest: None

Fund: 3 Do Not Fund: 2 Abstain: 0

R-054-D – Accelerating the Waste-to-Fuels Commercialization for the Sandwich Gasifier

Project Duration: 24 months

Requesting: \$486,950

Total Project Costs: \$978,950

Conflict of Interest: None

Fund: 3 Do Not Fund: 1 Abstain: 1

Rich Garman entertained a motion to fund projects R-054-B: ACS NewCarbon RNG Project, R-054-C: VBD NewCarbon RNG Project and R-054-D: Accelerating the Waste-to-Fuels Commercialization for the Sandwich Gasifier. Rod Holth motioned to fund these three projects. Gerald Bachmeier seconded the motion. A voice vote was taken and passed unanimously.

Reice Haase will take these proposals to the Industrial Commission which meets on 9/30/24.

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**PRESENTATION OF “UNLOCKING LITHIUM EXTRACTION IN PRODUCED WATER”
PROJECT BY WELLSPRING HYDRO**

Mark Watson, Wellspring Hydro; Mat Hirst, Wellspring Hydro; Marty Scase, Volt Lithium and Alex gave update on the project.

Garman asked if the field trial will be in North Dakota or Canada. They stated it will be in North Dakota.

LEGISLATIVE DISCUSSION

Reice Haase gave legislative update. Our current request is to continue funding at \$3M a biennium. There is one minor policy proposal is the current verbiage is “a member with substantial interest in biodiesel industry”. It has been very difficult to find a participant. All leads we’ve had have declined interest or they live out-of-state. We are proposing to change the verbiage to “have two members with substantial interest in advanced biofuel or sugar-based biofuel” which would then be appointed by the governor.

This will need to be brought to the Industrial Commission for approval. December 3 is the deadline to submit legislative bills. Senate Bill 2014.

Georger voiced concern with removing that requirement for biodiesel position. Georger will reach out to some contacts for participating. Bachmeier stated that the new verbiage just gives us more flexibility in obtaining members.

Bachmeier motioned to accept the proposed change in verbiage. Georger seconded the motion. Motion passed unanimously.

ADMINISTRATIVE BUSINESS

Tentative dates and venue for the next Renewable Energy Council Meeting will be in May 2025 after legislative session.

The next deadline for applications will be April 1, 2025.

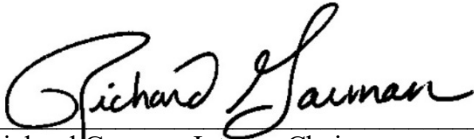
OTHER BUSINESS/ADJOURNMENT

Rich Garman asked about the current honorarium of \$300 per technical review. Garman requested that staff look at increasing that amount if possible. Haase stated they will look at that and bring it back to the next meeting.

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ADJOURNMENT

Gerald Bachmeier motioned to adjourn the meeting. Rod Holth seconded the motion. With no public comment, the meeting was adjourned at 11:25 am.

A handwritten signature in black ink that reads "Richard Garman". The signature is written in a cursive style with a large initial "R".

Richard Garman, Interim Chairman