Minutes of the

RENEWABLE ENERGY COUNCIL (REC)

TEAMS Meeting Via Conference/Video Call
March 24, 2026 / 1:00 pm (CDT)
ONSITE Location: Workforce Safety & Insurance Board Room,
1600 E. Century Ave., Ste. 1, Bismarck, ND 58503

Members Present

Rodney Holth
Terry Goerger
Tony Grindberg
Ryan Pederson (virtual)
Rich Garman, Dept. of Commerce

Staff Present

Jordan Kannianen, NDIC
Carmen Devney, NDIC (virtual)
Natalie Henes, NDIC
Joleen Leier, Dept. of Commerce

Guests Present

Kurt Swenson, Flickertail Resources
Melissa Ullerich, Flickertail Resources
Cam Jarvis, Xylion
Chris Scase, Xylion
Kent Kilkhamm, Xylion
George Golubovich (virtual)
Marty Scase, Xylion (virtual)
Rick Eggebrecht, Flickertail Resources (virual)
Greg Foofat
Robert Weir, Flickertail Resources (virtual)
Mark Trottier (virtual)
Dr. John McEwen, Xylion (virtual)

WELCOME & OPENING COMMENTS

Rich Garman called the Renewable Energy Council (REC) meeting to order at 1:05 pm (CDT).

Roll call was taken by Natalie Henes. It was determined we have quorum.

Jordan Kannianen introduced Ryan Pederson, our new board member representing the biodiesel sector

ADMINISTRATIVE BUSINESS

Approval of Minutes

Meeting minutes for June 23, 2025 and October 21, 2025 were presented to the board.

Terry Georger moved to approve both sets of minutes as presented. Rod Holth seconded the motion. Motion carried unanimously.

Renewable Energy Program Project Management and Financial Report

Jordan Kannianen provided the following updates:

1. **Financial Status:**
    - The report included information on the turnback approved last year and a couple of decommitted projects.
    - The fund has received the full $3,000,000 cap, which comes in at approximately $400,000 a month.

- The uncommitted balance in the fund is $4,038,327.21.

2. **Grant Rounds:**
   - The last couple of grant rounds, including the current one, have had only two applicants each, with a maximum amount of $500,000 per applicant. This has led to the fund starting to build up.
3. **Financial Report Summary:**
   - Jordan provided a summary of the financial status, indicating that there is money available to work with for future projects.
4. **Additional Information:**
   - Natalie Henes was introduced as a new member in the Industrial Commission office.
   - Jordan briefly mentioned the formula for how the money gets sent to the $3,000,000 cap, which comes from oil and gas streams.

Declaration/Consideration of Conflicts of Interest

No conflicts of interest were noted.

CONSIDERATION OF SPECIAL GRANT ROUND 57 REQUESTS

Rich Garman gave an overview of project R-057-A.

R-57-A – Xylion Technologies, Inc.
Project: Valorization of Bakken Produced Water: A Pilot Project for Domestic Rubidium Production and Oilfield Revenue Enhancement Manufacturing
Submitted by Dr. John McEwen
Total Project Costs: $1,000,000
Amount Requested: $500,000

Technical Reviewers' Results

1. Reviewer 1A
   - 167 / 250
   - Technical Reviewer Recommends Funding
2. Reviewer 2A
   - 119 / 250
   - Technical Reviewer Recommends Do Not Fund
3. Reviewer 3A
   - 179 / 250
   - Technical Reviewer Recommends Funding w/contingencies
     - Project team providing additional information related to the technology readiness and the anticipated economics of a commercial system.
     - Project team should provide a more thorough status update on the maturity of the Rubidium extraction technology, Rubidium concentration anticipated, market prices

for Rubidium carbonate sale, and initial expectations for rate of return for the investments in a forecast for a commercial plant.

Average is 155 / 250 = Funding May Be considered

Chris Scase, Cam Jarvis and Kent Kirkhamm presented the project. Marty Scase and Dr. Johnson McEwen presented virtually.

Goerger asked who owns the mineral rights to Rubidium. Marty Scase explained that it is a grey area that needs to be worked through, as it is a wastewater stream. Different states have different regulations, and it is not 100% settled in North Dakota yet.

Goerger asked how the project connects to renewable energy. Marty Scase stated the project involves the extraction of Rubidium, which can be used to enhance battery performance and efficiency, contributing to renewable energy storage solutions.

Grindberg asked if they have visited with the delegation about potential DOE funds. Kent Kirkhammer stated the team has had meetings with Julie Fedorchek's team and has a scheduled meeting with Governor Armstrong to discuss the project and seek guidance.

Grindberg asked how they see this fitting into the battery storage side of energy demand in the next five to seven years. Marty Scase explained that Rubidium is used as an enhancement in various battery types, improving their charge and discharge capabilities. It is not the core component but is added to enhance performance.

Garman asked if they are building the process at the water or bringing the produced water to the processor. Marty Scase stated the pilot unit will be brought to the disposal well where the water is already going. The long-term goal is to deploy the unit at a water disposal site to avoid creating additional pipelines or trucking.

Garman stated there are similarities to another company operating in the water processing space and asked them to comment on that. The team clarified that they focus on extracting different critical minerals like Rubidium, while other companies may focus on lithium. They do not materially affect the water, so it can still be used for lithium extraction afterward.

Garman asked if they will focus on lithium in the future. Marty Scase stated currently, the focus is on Rubidium, but the team has knowledge of lithium extraction. They mentioned that the water still contains lithium after their process, so it can be extracted by others.

Garman asked if they will be parallel miners of the same water stream. They stated it is possible to extract different minerals from the same water stream without affecting each other's processes.

Garman asked if they would extract other metals like Germanium or Scandium in the future. The team plans to consider extracting other metals from coal ash in the future, focusing on Rubidium first and then moving on to other high-value metals.

Rich Garman gave an overview of Project R-57-B.

R-57-B – Flickertail Resources, LLC
Project: Biomass to Negative Carbon Intensity Energy Products
Submitted by Kurt Swenson
Total Project Costs: $2,800,000
Amount Requested: $500,000

Technical Reviewers' Results:

1. Reviewer 1B
    - 215 / 250
    - Technical Reviewer Recommends Funding
2. Reviewer 2B
    - 171 / 250
    - Technical Reviewer Recommends Do Not Fund
3. Reviewer 3B
    - 172 / 250
    - Technical Reviewer Recommends Funding
        - Require Gantt Chart

Overall Average: 186 / 250 = Fund

Kurt Swenson and Melissa Ullerich presented the project.

Grindberg asked what the logistics and cost is to move 20 million rail ties to a location. They stated the business model is a tipping fee model where the railroads pay the end user to take the ties. The team is looking at strategic locations along rail lines to minimize transportation costs.

Grindberg asked what they estimate their cash stream to be from tax credits. The team estimates that tax credits could account for about 25% of the revenue, depending on the product slate. Potential credits include the 45Z tax credit and the 45V hydrogen credit.

Garman asked if sequestration is part of the revenue stream, and how does it relate to CO2 output. The team explained that stacking tax credits is difficult, and they would likely focus on the 45V hydrogen credit rather than the 45Q CO2 credit. Voluntary carbon dioxide removal credits are also considered.

Goerger asked if they are confident in the commitment from railroads for the supply of railroad ties. The team has entered into NDAs with three railroads and is working towards agreements. They acknowledge some seasonality in supply but are focusing on locations with dual rail supply to ensure consistent feedstock.

Goerger asked what the U.S. Department of Energy's participation is in the project. They stated that DOE's involvement was in the initial development of the gasification technology at the EERC. The current project does not have direct DOE participation, but federal funding is a possibility.

DISCUSSION/COMPLETION OF BALLOTS

Ballots were completed and forwarded to Natalie. Results are below:

R-57-A – Xylion Technologies, Inc.
Project: Valorization of Bakken Produced Water: A Pilot Project for Domestic Rubidium Production and Oilfield Revenue Enhancement
Project Duration: 9 Months
Requesting: $500,000
Total Project Costs: $1,500,000
Conflict of Interest: 0
Fund: 4 Do Not Fund: 0 Abstain: 0

R-57-B – Flickertail Resources, LLC
Project: Biomass to Negative Carbon Intensity Energy Products
Project Duration: 10 Months
Requesting: $500,000
Total Project Costs: $2,800,000
Conflict of Interest: 0
Fund: 4 Do Not Fund: 0 Abstain: 0

Rich Garman motioned to accept both proposals. Tony Grindberg seconded the motion. Motion passed unanimously.

Jordan Kannianen will take these recommendations to the Industrial Commission meeting on March 25, 2026.

TENTATIVE DATES AND VENUE FOR NEXT RENEWABLE ENERGY COUNCIL MEETING: September 2026

Jordan Kannianen suggested mid September for the next REC board meeting. The Industrial Commission meeting is September 22, 2026. It was determined September 16, 2026 will be the next REP board meeting.

ADJOURNMENT

Rich Garman motioned to adjourn the meeting. With no public comment, the meeting was adjourned at 2:42 pm.

Richard Garman, Chairman