

DAKOTA COUNSEL

Watchdogs of the Prairie

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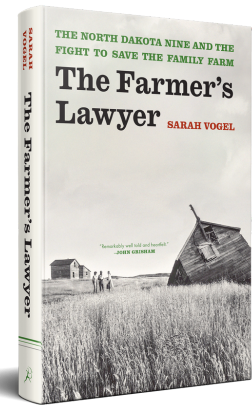
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Vogel Speaks at DRC Annual Meeting

Earlier this fall, DRC member and agriculture hero, Sarah Vogel, released her book, "The Farmer's Lawyer: The North Dakota Nine and the Fight to Save the Family Farm". As Vogel's book was released to the public on November 2nd, she still took time out of her busy schedule to be the keynote speaker for DRC's 43rd annual meeting on Saturday, November 6th.

Vogel discussed her book, which is about the 1980's farm crisis where farmers were suffering through the worst economic crisis to hit rural America since the Great Depression. Land prices were down, operating costs and interest rates were up, and severe weather devastated crops. As farmers all over the country were desperate for help, they called Sarah Vogel in North Dakota. Vogel, a young lawyer and single mother, listened to farmers who were on the verge of losing everything and, inspired by the politicians who had helped farmers in the '30s, she naively built a solo practice of clients who couldn't afford to pay her.

Vogel's story is about justice and holding the powerful to account. "The Farmer's Lawyer" shows how the farm economy we all depend on for our daily bread almost fell apart due to the willful neglect of those charged to protect it, and what we can learn from Vogel's battle as a similar calamity looms large on our horizon once again. (Continued on Page 3)

Letter From the Chair



Last week as I read news articles about the infighting among fossil fuel interests over the allocation of state funding to various efforts to reduce carbon dioxide emissions, I asked Scott Skokos to provide me a list and description of the actors either supporting or opposing efforts to contain carbon dioxide emissions. The cast of characters in this melodrama is rather extensive, and the plot line is confusing as one set of actors seeks to undermine the efforts of another set of actors to promote its own efforts. Indeed, the plot is almost Shakespearean, the scenes are ever changing, and the cast of characters is always evolving.

As you read through the articles, you'll notice that wind and solar interests are not represented among the actors pleading for funding because the legislature excluded them as applicants for funding from the Clean Sustainable Energy Authority. You would think that wind and solar energy interests would be eligible for funding because they are clean and sustainable while coal and oil are not, and that is why environmental interests – including Dakota Resource Council – opposed the bill when it was introduced. Nevertheless, I've been amused at the infighting between oil and coal interests, and it reminds me of the adage: When your opponents are fighting each other, it's best to not take sides.

That evening, I had the strangest dream: It was a modern adaptation of Shakespeare's Henry the VI (Part I) set in Nordriket, a petti kingdom allied with other petti kingdoms into Nord-Amerikas Rike. The ruler of petti kingdom is King Burgomson, who prior to ascension was a wealthy duke from the dutchy of Microsoftia. He had never earned the trust of the noble families because of his education at the finest royal college in the petti kingdom of Kalifia, the wealth

(CONTINUED ON PAGE 3)

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(BARC)**

**Fort Berthold Protectors of Water
& Earth Rights (POWER)**

**McKenzie County Energies &
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(MCETA)**

**Missouri Valley Resource Council
(MVRC)**

**Citizens Local Energy Action
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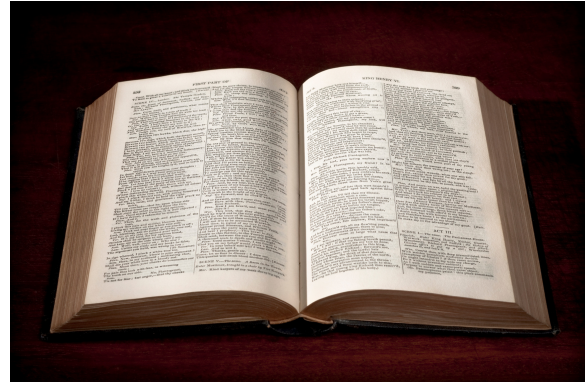
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(LETTER CONTINUED)

gained from his business acumen, his tendency to think that he can apply his alleged innovativeness and creativity to the governance of the realm, and the fact that his dutchy was relatively independent of the other dutchies which included the Dutchies of Landsbrukt, Kull, and Olje.

During King Burgomson's reign, the Dutchies of Kull and Olje came under increased pressure from other petti kingdoms, the Houses of Finance in the wealthier petti kingdoms, and the government of Nord-Amerikas Rike, because their produce was polluting the entire rike. Facing threats from Nord-Amerikas Rike that the Dutchies of Kull and Olje should clean up their produce, King Burgomson convinced the parliament -- whose members are primarily from the noble families -- to appropriate funds generated from a royal tax on kull and olje into a fund in the royal treasury. That fund was to be governed by a privy council comprised of representatives from the Dutchies of Kull and Olje. This privy council would hear pleadings from representatives from the dutchies for funding to be used to develop technologies to clean up their produce.

Unfortunately, for King Burgomson, the Dutchies of Kull and Olje began quarreling amongst themselves about which technologies from which dutchies should receive the funding. The representatives of Dutchy of Kull were under the impression that the fund was to be used exclusively to fund technologies to clean up their produce, while the representatives of the Dutchy of Olje thought the same regarding their technologies. The dispute between the two dutchies became so intense that the members of parliament gathered to debate the intent of the law it had passed to establish the fund. The Duke of Olje and the Duke of Kull had marshalled the noblemen of the petti kingdom to their respective causes. In their dispute before parliament, the dukes picked red and white roses to represent their difference of opinion. The rest of the noblemen did the same, thereby choosing sides in conflict. A wise counselor to King Burgomson -- who asserted that the parliament should have never appropriated funds to clean up the produce of the Dutchies of Kull and Olje -- warned that the dispute could spin out of control resulting in a civil war, but that he would sit aside and watch the carnage unfold.



Then I woke up when the dog whined that it was time for him to go outside and take care of his duties. I cursed my college English literature teacher for forcing us to read an assortment of Shakespeare's plays. But having read them, I know how Henry the VI ends, and as a student of English history, I know how the War of the Roses ends. I can't predict how the dispute between the oil and coal interests over appropriations from the Clean Sustainable Energy Authority will be resolved, but I'm laying in stock a supply of popcorn to watch the fireworks.

Curt Stofferahn
Chairperson

(Vogel Continued)

At the end of Vogel's presentation, one DRC member spoke up and thanked Vogel for not only saving their family farm, but her brother's life.

Vogel is continuously touring the country to talk about her story and giving people hope that one person can make a monumental change.

Vogel's book is available at most local bookstores.

"This is my kind of story—the young, inexperienced lawyer facing big odds. It's remarkably well told and heartfelt. I really enjoyed it."

– John Grisham

Oil and Gas

DRC Members Testify at EPA Hearing To Tell The EPA to Cut Methane

In early December, DRC members testified in front of the Environmental Protection Agency to support the new proposed EPA methane rules relating to oil and gas. The new rules aim to significantly cut methane emissions from the oil and gas sector. DRC members have been fighting for stronger methane standards at the federal and state levels for close to a decade. The new methane standards require oil and gas companies to monitor for methane leaks, reduce flaring, and install new equipment that will cut methane venting and flaring. DRC leaders Lisa DeVille (DRC Secretary), Delvin Rabbithead Sr. (Chair of Fort Berthold POWER), Curt Stofferahn (DRC Chair), and Linda Weiss (DRC Vice Chair) testified via Zoom to thank the EPA for bringing a new proposal to cut methane emissions, while also asking the EPA to strengthen the proposal to ensure that the agency can cut more emissions from the industry to further address man-made climate change.



Overall, the majority of commenters during the Zoom hearing were supportive of the new rules. As a result, it is likely that the EPA will move forward with the draft rules, and potentially will further strengthen the rules as well, but they need to hear from more people. The comment period for the proposed methane standards ends on January 31. We will be sending around a series of action alerts to your email inboxes in December and January. The action alerts will provide links and information for you all to send in comments to support the new methane standards. We hope you will send a comment letting the EPA know that we need to cut methane now!

Clean Sustainable Energy Authority Approves 6 Fossil Fuel Projects



The Clean Sustainable Energy Authority meeting kicked off with several members of the authority expressing potential conflicts of interest due to financial or employment ties to the companies submitting applications. Surprisingly, the authority decided to allow all members who had disclosed conflicts of interests to vote on all of the projects (even projects they had financial interests in). This raises concerns surrounding the ability of the authority to engage in good governance and act in a non-biased way in the interest of the public. This is why following the meeting, Dakota Resource Council Executive Director, Scott Skokos, sent a letter to the ethics commission spotlighting the conflict of interest issues at the Clean Sustainable Energy Authority as the main reason for creating conflict of interest rules that contain penalties for failing to disclose a conflict, or recuse if you have a conflict.

Despite the conflict of interest issues, several projects seemed to have merit at reducing greenhouse gas emissions. Marathon Oil company gave a presentation on Vapor Recovery Units to be installed on oil and gas production facilities. The VRU's would be used to reduce flaring from natural gas, reducing emissions and leading to cleaner produced energy. Valence Natural Gas solutions asked for funding to accelerate deployment of mobile flare gas capture plants. In their application Valence Natural Gas solutions claimed that the scaled deployment of this technology could

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(Clean Sustainable Energy Authority CONTINUED)

capture 10 percent of the 2021 state average of natural gas that otherwise would be flared. Perhaps the most interesting project was submitted by Wellspring Hydro. Wellspring Hydro aims to use wastewater from oil feed brines to produce lithium and other commodity products. This water is currently treated and injected into disposal wells across the state. The lithium extracted and produced from this wastewater could be used to further generate battery storage which can in turn be used for renewable energy such as solar power. This project would be the first of its kind in North Dakota and could potentially be an innovative way of reducing emissions and generating economic benefits from a byproduct that is currently being treated as waste.

These projects were interesting and seemed to be a step forward in reducing greenhouse gas emissions within North Dakota. Notably, the Oil & Gas industry appears to be investing meaningfully in technologies that can reduce emissions. Of course, these projects should be monitored and reviewed to ensure they will deliver the benefits outlined in their applications and they should also be monitored to ensure that they don't produce any unintended consequences.

Not all of the projects presented to the authority were detailed and some lacked technical evidence that they would lead to a meaningful reduction in Greenhouse gas emissions. Members of Midwest AgEnergy Group advocated funding for the commercial deployment of geological carbon sequestration in Mclean County to store CO₂ captured from an ethanol biorefinery. The representatives from Midwest AgEnergy admitted in their presentation that they had little research about the efficacy of the capture aspect of this project; which is of course vital to sequestering the missions that are produced. Additionally, the presenters highlighted that the capture and sequestration of the ethanol could be used in carbon markets and sold for a profit. Notably, the only carbon market that currently exists within the

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DRC PODCAST

Catch the DRC Podast! The Dakota Resource Council podcast is an update with organization news, member profiles & interviews. We also talk with experts that are involved with issues that affect our members. You can download our podcast on iTunes, visit drcpodcast.buzzsprout.com, go to drcinfo.com and scroll to the bottom of the page or watch for updates on our Facebook Page!

(Clean Sustainable Energy Authority CONTINUED)

United States is in California, leading commissioners to question that if this and other CCS projects are approved, if there would be a large enough market to make this financial aspect of CCS viable. The presenters also refused to disclose if they were affiliated with any other large scale CCS projects. The group is known to be affiliated with the Midwest Carbon Express pipeline; which aims to capture CO₂ from ethanol refineries in 5 states and sequester the emissions in Mclean County. The lack of transparency was concerning to watch. The other CCS project that was presented involved conducting a Front-End Engineering and Design for CO₂ Capture at Coal Creek Station. The study is crucial to receive permits and financial assistance to begin construction of the CCS facility.

The presenters were scarce on the technical aspects of the CCS facility, only promising that they aimed to capture 95 percent of the emissions from Coal Creek Station. Authority members asked several questions that demonstrated the project has many hurdles before it can be completed. The sale of Coal Creek Station from Great River Energy to Rainbow Energy has yet to be completed, a condition from authority members to receive funds. Specifically, Rainbow Energy has received pushback to securing the rights of a pipeline that runs through Minnesota. Lawmakers in the state are skeptical that the project can meet the goals of 90 percent CO₂ reduction; a necessary condition to receive institutional support for new energy projects. It appears that a successful sale to Rainbow Energy is not a foregone conclusion. Surprisingly, the presenter for Rainbow Energy boasted that engineers working on the project had previously worked on the Petra Nova CCS project in Texas. Notably, the Petra Nova project permanently closed down in 2020 and was plagued by financial issues. Petra Nova also failed to reach its goal of capturing 90 percent of CO₂. It is perplexing that the presenter boasted about using engineers who had been involved in such a high profile, failed project.

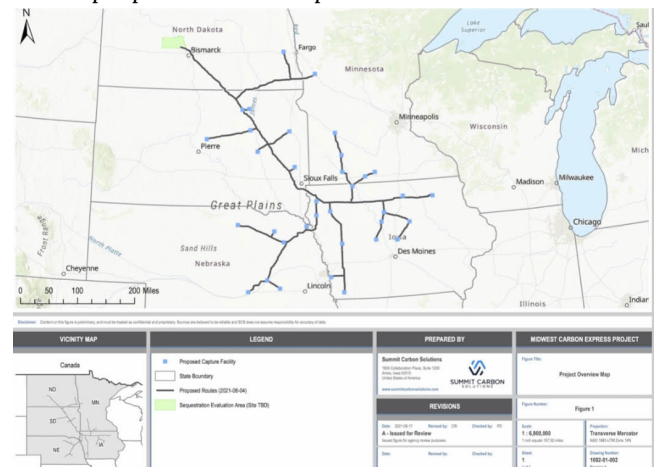
After the meeting concluded the Clean Sustainable Energy authority voted to recommend funding for 6 of the 7 projects. The only project to be denied a recommendation was the implementation of Vapor Recovery Units to reduce flaring by Marathon Oil Company. Members raised concerns that this would open up the opportunity for every oil and gas company to apply for CSEA grants to implement the technology. They argued that Marathon has the ability to fund the technology without state support. The Industrial

Commission will vote at their next meeting on December 20th to determine which projects receive funding.

Coal & Clean Energy

Summit Carbon Pipeline Proposed Project

We are guessing many of you have been hearing about the Midwest Carbon Express, but just in case you haven't we figured we would give you a quick rundown of everything we know. The pipeline project that Summit Carbon Solutions (SCS) is proposing is frankly wild: a carbon capture and storage pipeline traversing the states of Iowa, Minnesota, North Dakota, South Dakota, and Nebraska. To truly grasp the massive scale and craziness of this proposal a visual representation is needed.



The project is called the Midwest Carbon Express. The project would capture carbon from ethanol plants which in turn would be shipped and stored in North Dakota. The price tag? A whopping 4.5 billion dollars. Managers at Summit Carbon Solutions have engaged in discussions with landowners to sign lease agreements for the pipeline to be built through private land. Developers have held public meetings across Iowa; a requirement before formally applying for permits to build the pipeline. Summit Carbon Solutions has received permission from North Dakota officials to build test wells and conduct seismic surveys to gauge the feasibility of sequestering CO₂ from the pipeline. SCS plans to begin applying for construction permits in the 5 states during early 2022. Despite promises of thousands of jobs and the lowering of emissions—the Midwest Carbon Express has faced immense backlash and opposition. In Iowa alone, the utilities board has received over 400 formal comments opposing the pipeline. Recently, a mass protest was organized that consisted of diverse constituencies:

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(Summit Pipeline CONTINUED)

environmental groups, farmers, and concerned citizens. Many farmers are staunchly opposed and seriously worried about the implications the pipeline would have on property values and crop yield. Summit has agreed to pay 100 percent of the crop yield loss the first year the pipeline is built, but that dwindles to 80 and 60 percent the subsequent years and then Summit refuses to pay for any loss in crop yield. People in North Dakota have also expressed skepticism about the project.

While Summit has secured landowner agreements from some people within the state, holdouts remain. Many landowners have hired an attorney to ensure that they receive a fair deal from Summit, and are unsure of the implications about signing over property rights to an untested project. DRC has fielded calls from concerned landowners whose land lies near the proposed injection zone for all of the CO₂ waste shipped throughout the massive pipeline.

DRC has major concerns about this project. It aims to use public monies to build carbon capture technology on a massive scale that has yet to be tested. The potential result is billions of dollars in tax money wasted that could have been used to fund innovation and emerging renewable energy. The pipeline will cause a drop in property values and damage the crop yield for hardworking farmers across all five states. In Iowa, despite many requests from those affected, Summit has refused to release the list of landowners whose land the pipeline goes through. Landowners believe this was done to combat the mobilization and organization of those opposed to the project. This lack of transparency; coupled with the fact that Summit has not ruled out the use of eminent domain, is very concerning. CO₂ pipelines are risky. In Mississippi, when a CO₂ pipeline erupted, it killed dozens of animals in the area and caused 46 residents to be sent to the hospital with serious delirium and foaming at the mouth. A pipeline of this scale and size would be even more difficult to properly monitor and maintain than the one in Mississippi.

Finally, North Dakota stands to take the most risk as the site of the project's proposed injection zone. Stanford Scientists have found that the injection process of CO₂ can cause small scale earthquakes which could potentially rupture previously stored CO₂. Other researchers have noted that: "Moreover, there is still high uncertainty about the true reliability of storage sites." They followed this by noting: "concentrated CO₂ leakage could be harmful for people

and livestock. Another problem caused by CO₂ losses is groundwater contamination. Seepage could reach groundwater aquifers, rather than directly reaching the atmosphere surface."

These consequences would be dire for the people in North Dakota that live within the proposed injection zone. They would not only be at risk if the pipeline were to rupture like in Mississippi, but also at severe risk if the injection zone were to experience leakages of potentially thousands of tons of CO₂.

We have spoken with property owners concerned about this project and we share their concerns. Taxpayer dollars should not be used to fund a project that utilizes an unproven technology, devalues home values, destroys crop yields, and puts at risk the health of people and the surrounding ecosystem.

Ag & Food

DRC applauds Senator Hoeven Co-sponsoring the American beef Labeling Act of 2021



In late October of 2021, Senator John Hoeven joined Ben Ray Lujan (D-N. Mex.), John Thune (R-S.D.), Jon Tester (D-Mont.), Mike Rounds, (R-S.D.), and Cory Booker (D-N.J.) in cosponsoring the "American Beef Labeling Act of 2021" (S.2716). This law is intended to bring Mandatory Country of Origin Labeling (M-COOL) of beef products back to the United States. M-COOL was enacted in the mid 2000s as a reaction to more imports of food coming into the country. The original law mandated all fruits, nuts, seafood, and meat, including muscle cuts and ground beef and pork, be labeled exactly where the product was born, grown, raised, picked and

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slaughtered. Congress removed beef and pork products from the M-COOL law in the Consolidated Appropriations Act of 2016, in response to an adverse ruling by the World Trade Organization (WTO). The law was popular among consumers and ranchers who enjoyed higher cattle prices because consumers consistently favored American beef over foreign beef. Since the law was repealed, cattle prices have been at their lowest point in years in large part because cheaper foreign cattle have flooded the market with no labeling laws in place.

The M-COOL legislation Hoeven supports will specifically direct the U.S. Trade Representative and Secretary of Agriculture to determine a way to reinstate beef in the current M-COOL labeling law in a manner that complies with WTO rules. If a fix is not implemented within 12 months of the legislation's enactment, the legislation will take effect and M-COOL for beef will be reinstated.

This is a big win for DRC and members like you have been instrumental in making this happen by responding to our action alerts. The next step is to pass the bill and we will need your voices in that push, too!

DRC Members Attend Northern Hemp Summit

DRC members attended the Northern Hemp Summit in December in Fargo North Dakota. Topics discussed were updates on regulations passed in the past year, policy issues, hemp in indigenous communities, market development, and hemp fiber production. DRC member Veronica Michael attended to give a presentation about her cannabinoid business.



DRC member Veronica Michael addresses the crowd.

The hemp industry has changed since the 2019 Conference, because COVID-19 forced some growers and speculators out of business and while the conference had a smaller number of people in attendance than 2019, the conference was mostly attended by farmers and industry members rather than speculators and farmers curious about a new crop. That all being said, it was clear during the conference that hemp is becoming a more widely accepted crop. NDSU researchers reported that they have harvested their 7th crop for research this year. NDSU livestock scientists researching animal feeding projects have shown little to no difference to other methods of feeding cattle. North Dakota Universities are offering degrees in Hemp Studies. Banking and crop insurance programs have been implemented for hemp and as a result, were not a topic of the conference. Overall, it appeared that the understanding of the industry has made progress since 2019.



Great lunch served today!

Policy discussions centered around making new laws and providing input during the 2023 Farm Bill. In the 2018 Farm Bill hemp was first legalized in all 50 states. In this Farm Bill, hemp farmers can use these formative years (the first years of legalization) to give feedback on what laws worked and what laws didn't work. The primary goal of many hemp advocates is to make sure that industrial hemp and grain hemp get their own classification and set of regulations, and that CBD hemp has its own separate set of regulations. Lastly, many speakers discussed that carbon sequestration in farming initiatives will dominate the next Farm Bill and some speakers advocated to take advantage of this knowing that hemp can be used in many environmentally sustainable ways.

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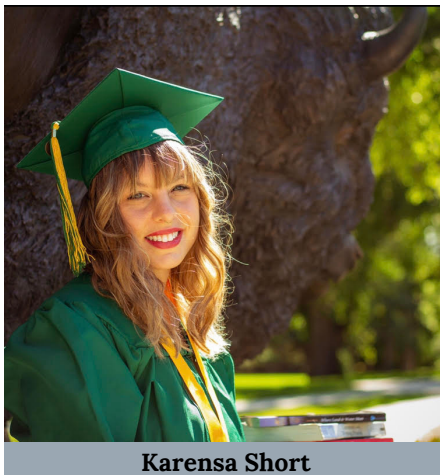
(Hemp Summit CONTINUED)

This was a great conference to network with our allies and partners in the hemp community in North Dakota.

DRC Looking for Members to Comment on 2023 Farm Bill

The 2022-23 Farm Bill is fast approaching. DRC is looking for members of all walks of agriculture to volunteer. We will be commenting on CAFOs, Ranching, Traditional Farming Policies/Crop Insurance, Hemp, Soil Health, and Climate solutions regarding Agriculture. Contact Sam Wagner or email at sam@drcinfo.com to help this year.

DRC Member Karensa Short Gives Biochar Presentation at CLEAN Meeting



Karensa Short

DRC member Karensa Short gave a presentation during the November meeting of CLEAN to discuss the benefits of Biochar and how companies such as Amazon, Microsoft, or other workplaces with large campuses are looking for solutions to offset their carbon production. She discussed the use of Biochar, a type of charcoal produced from plant matter and stored in the soil as a means of removing carbon dioxide from the atmosphere. The use of Biochar is a possible solution for storing carbon and can be obtained from waste organic matter such as grass clippings. She also talked about how solar power generation on site could be used, and the fleet of electric vehicles that will be deployed for

transportation and maintenance needs. Karensa was able to demonstrate how these practices could create a carbon neutral worksite that other companies can model and the business opportunities for contractors that want to provide solutions to these companies.

CLEAN will not be having a December meeting and its next meeting will be held on January 25th at 6pm.

Letters to the Editor

“Processed in the USA” Inferior to “Product of the USA”

You might have read recently that the National Cattlemen’s Beef Association (NCBA) is petitioning USDA to replace Product of the USA with Processed in the USA. Why does this matter? There’s a big difference between the words “Product” and “Processed” when applied to beef labels. “Product of the USA” includes the producers. It takes into account the raw materials that you need to make a product. Under Country-of-Origin Labeling (COOL), Product of the USA guarantees the beef is born, raised, and slaughtered right here in this country.

Processing on its own doesn’t care where the beef comes from. It’s another step to undermine farmers and ranchers and flood the market with cheap foreign meat. This drives commodity prices down and boosts profits to the corporate multinational packers. This form of labeling wouldn’t benefit North Dakota. “Processed in the USA” labeling will only drive cattle prices down. This petition wouldn’t be so insulting if I wasn’t being forced to pay the NCBA to represent my interests through the checkoff.

Supporting the American Beef Labeling Act is the best way to ensure an honest label for beef and support North Dakota’s cattle industry. “Product of the USA” should be the label everyone looks at if they want to support their local farmers and ranchers. We need to strengthen the requirements for it. Born, Raised, and Slaughtered in the USA
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(Processed in the USA CONTINUED)

needs to be the criteria we use to award the label and the American Beef Labeling Act does just that. Hoeven has stepped up to be a leader on this issue co-sponsoring the bill. Where does Cramer stand?

Jenna Vanhorne
Steele, North Dakota

Unproven technology is unwise investment

On December 8th, members of the Coal Conversion Counties association sent a letter to Governor Burgum urging him to block funding to retrofit the Dakota Gasification plant to produce hydrogen. The leaders argued that converting the gasification to hydrogen could disrupt coal mining jobs at the nearby Freedom Mine. They especially emphasized the unproven aspects of the technology and the over reliance on federal dollars to fund Hydrogen projects: "If you fail in that, do you walk away from it?" Phillips (Chairman of the CCC) said of the reliance on federal funds. "And then we have nothing out here." The concerns raised by the association are valid. It's strange though, because they are the exact same concerns that groups like Dakota Resource Council have raised surrounding the proposed massive carbon capture projects on coal plants that the association lauds so fervently. Massive carbon capture on the scale proposed is largely untested. If these projects fail it will have been a massive waste of investment as they depend upon massive federal and state funding and subsidies. The concerns I and groups like Dakota Resource Council have about carbon capture on coal plants are the same concerns echoed by the Coal Conversion Counties as it pertains to hydrogen production at Dakota Gasification.

There is another way forward. Instead of investing millions in public dollars on unproven technologies, Let's invest in renewable energy technologies that are clearly the way of the future. We can innovate to generate cleaner natural gas to use as baseload power during the transition, and develop new and exciting technologies such as battery storage to help with the intermittency of wind and solar. A new future of clean and truly sustainable energy generation is upon us: I hope North Dakota doesn't get left behind by funding unproven technologies at a massive scale.

Marie Hoff, Bismarck, ND

The following is a blog post by Jim Fuglie of the **Prairie Blog**. Mr. Fuglie has been investigating the **Davis Refinery Project** since its beginnings. You can visit his blog at theprairieblog.com

"Scumbags"

Some random thoughts, most of which appeared in an article in the December issue of Dakota Country magazine.

How do you go about summarizing a year like 2021? Try this: It's December, the year is almost over, and we're still here. I'm still writing. You're still reading. Y'know, considering everything, not much else seems very important.

Like me, I'm sure you've lost some friends and family this year. I try to write that off as a function of age. I told a friend of mine the other day that the hardest part of growing old (the first number in both our ages is 7) is burying your friends. He replied that he agreed, but it's better than them burying us.

There are a couple things out in the North Dakota Badlands I'd like to bury before the year ends—a bridge over the Little Missouri State Scenic River and an oil refinery next to Theodore Roosevelt National Park—but it's a little too soon to schedule a funeral for either of those. We could start doing a little preliminary planning, though . . .

I'm taking a little hiatus from writing about the bridge for now because of some legal matters, but the refinery, and the company that says it is going to build it, on the other hand, is fair game. We need to pay very close attention to these boys. I wrote about this a couple of weeks ago, but I've talked to a couple of new people recently and want to share some of what they told me.

Because of the lawsuit against them by the engineering firm GATE, there's some buzz about Meridian Energy Group down in Houston these days. Especially among the legal community. In fact, one of the lawyers I talked to down there called them "Scumbags."

They'll be in court on January 3, explaining to a judge or a jury why they haven't paid more than \$420,000 (with interest) to GATE for work the engineering firm did for them more than two years ago.

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("Scumbags" CONTINUED)

During that time, and for more than five years now, they've been out selling stock to unwitting investors, but it takes more than a few 401(k)'s to build a billion-dollar refinery, and the institutional investors who actually HAVE enough money to do that are aware of these legal matters and are casting a wary eye on the company and its project. The reality is, the company's in trouble. Big trouble.

As I wrote here a while back, earlier this year the company was forced to shut down all of its offices, in California, Texas and North Dakota (although it really never had an office in North Dakota—just a 911 address with no staff on a barren patch of prairie across the road from where it says it is going to build its refinery).

Meridian is now reduced to operating out of a dropbox at a storefront in a southern California strip mall, called "Mailboxes and More." In a recent filing with the SEC, in which they reported they had sold less than \$60,000 worth of stock for a billion-dollar project in the last six months, they were forced to reveal their new address, "Suite C-333" in the mall at 92 Corporate Park in Irvine, California.

Yeah, they're in Suite C, alright, but the 333 is just their mailbox number. It's a typical low-slung southern California strip mall, home to a bunch of food outlets (Janny's Donuts, Yummy Yummy Chinese restaurant, Drips Creamery ice cream store, Mr. Sandwich, etc.), and a couple of nail and fitness salons.

One of the things that's kept Meridian afloat and able to pay their mailbox rent this year is a pair of the government's Paycheck Protection Program forgivable loans, totaling \$1.7 million. They're loans in name only, since they don't have to be repaid. The PPP was conceived at the onset of the pandemic last year to help keep retail stores and service companies and other small businesses afloat, and it has spent billions to do that, successfully.

Not many of those small businesses got \$1.7 million though (the average has been about \$107,000), especially those with only about 40 employees, like Meridian. At least Meridian SAYS they have 40 employees. Although with no offices, I can't figure out where they go to work in the morning, and what they do, since there's no refinery in sight yet.

They're well-paid though. According to the formula used to calculate how much a company can "borrow," the average salary at Meridian is \$99,957. That included the vice presidents and the secretaries.

While they were able to use taxpayer dollars to pay their vice presidents' hefty salaries, they remain nearly \$3 million in debt to some former employees, and contractors who did the dirt work on the refinery site in North Dakota three years ago, with judgements against them in both Texas and North Dakota.

The company has never really had a presence in the Dakotas, even though they're registered as a South Dakota company because the state offers a host of business incentives to incorporate there. They just maintain an agent in Sioux Falls for that purpose, and they've leveled a quarter section of land as the "future home" of the refinery near Belfield in western North Dakota, with a little cubbyhole office in a farmer's grain drying operation across the road.

The company which did the leveling has filed a lien against them for \$2.2 million in unpaid bills. And one of the former employees who's part of the \$600,000 lawsuit for unpaid wages, and whose job was to just check in at the Belfield "office" from time to time, until they quit paying him, took a job in Minnesota. He hasn't collected that back pay yet, more than a year later.

There are others left holding the bag in North Dakota. The city of Dickinson, 20 miles east of the proposed refinery site, agreed to spend a million dollars to build a pipeline west of town to send its "reuse water" out to a pipeline Meridian said they would build to connect to it, to provide water for the refining operation. Dickinson spent the million dollars and got their end done. Meridian's is nowhere to be found.

It's just hard to take Meridian seriously. I wish North Dakota's elected and appointed state leaders, charged with protecting our national park, named for our country's greatest conservation president, could figure that out. All they can think about is we need the jobs, and all the money a refinery will bring to North Dakota. So permits were issued and green lights were turned on.

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