

Economic Impact Committee  
Harry D McGovern Alumni Center, Tuesday April 26, 2016

Allen E Larson  
Minn-Dak Farmers Cooperative

Chairman Triplett, Committee Members:

My name is Allen Larson, I am the Business Development Manager for Minn-Dak Farmers Cooperative, a sugar refiner owned by 500 farmers located by Wahpeton, North Dakota. I have been with Minn-Dak Farmers Cooperative for 35 years.

1. Minn-Dak Farmers Cooperative has a history of expanding its economic footprint in North Dakota.
2. Our primary sources of energy are coal, electricity, coke and natural gas.
3. Regulatory changes have reduced the amount of coal energy we are able to use for our factory. We have added more natural gas to make up for the reduction in coal energy source.
4. With the current restrictions we have on our natural gas supply, we at times must determine which part of the factory operation needs the natural gas the most and give up the natural gas economic advantage in another portion of our operation.
  - a. For example, we may need to reduce our natural gas energy going to our pulp dryer system to allow our natural gas steam boilers to generate more energy for our molasses desugarization plant needs.
5. Minn-Dak Farmers Cooperative has a long-term need for a firm uninterrupted supply of natural gas.
6. Minn-Dak Farmers Cooperative has a number of new projects being evaluated for future economic viability. Almost every option we are looking at will have a new need for energy associated with its operational plans.

Once again I would like to thank the committee for taking the time to address this issue and will be happy to address any questions.