

# AS MEMBERS, YOU DESERVE THE FACTS

The following information is available to all members. We typically rely on local co-ops, like Dakota Energy, to pass this on to their members. In this case, however, we felt it was important to reach out to you directly.

A lot has been said about Dakota Gasification Company in the last few months, and unfortunately, most of the information has been incorrect or presented out of context. We would like to set the record straight.

## T H E F A C T S



### **Beulah, ND**

Dakota Gas, located near Beulah, ND, produces synthetic natural gas, fertilizer and specialty chemicals.



### **1988**

It has been part of your portfolio since 1988.



### **\$800 million**

In that time, Dakota Gas has provided a net benefit of \$800 million to all co-ops that are part of Basin Electric.



### **2014**

Since 2014, due to changes in energy markets, Dakota Gas has posted losses that have minimally impacted rates. *FOR EXAMPLE:*



2019 average of  
**15¢ per  
customer  
per month**



2020 average of  
**\$1.40 per  
customer  
per month**



### **Best Year**

Dakota Gas is having its best year since the 2014 downturn with new products, new markets and higher commodity prices.

## T H E F U T U R E



### **Incentives**

New environmental tax incentives (45Q) for carbon capture provide an opportunity to further increase revenue.



### **Potential Sale**

The facility has attracted the interest of a buyer, Mitsubishi Power and Bakken Energy, and we are considering a sale of the assets.

DAKOTA GAS WAS A CONSISTENT, YEAR-AFTER-YEAR BENEFIT TO MEMBERS FOR MORE THAN 25 YEARS.

Commodity markets changed in 2014, and when it became clear those changes were long-term, we shifted our strategy, developing new products such as fertilizers, beverage-grade carbon dioxide and specialty chemicals for additional revenue.

WE'RE GOING TO DO WHAT MAKES SENSE FOR MEMBERS.

We're not going to close down a multimillion-dollar facility in a panic created by lawsuits or outside interference from energy brokers. We will continue to improve opportunities at Dakota Gas and continue discussions with a potential buyer who also realizes that value.

OUR MEMBERS DESERVE THAT.