



March 7, 2024

RE: Letter of Support for Renewable Natural Gas Production from Anaerobic Digestion of Organics

To Whom It May Concern:

Dem-Con Companies, LLC (Dem-Con) supports the proposed Dem-Con HZI Bioenergy, LLC. (DCHZI) anaerobic digester for organic wastes as an innovative solution to help Minnesota meet our renewable energy and climate change goals. Specifically, these goals include 75% Recycling by 2030, 100% Clean Energy by 2040, and Carbon Neutral by 2050. As a public-private partnership between the Ramsey and Washington county Recycling and Energy Partnership (R&E) and DCHZ this “shovel ready” project is uniquely positioned to meet these goals. DCHZI is a joint venture between Dem-Con, a third-generation Minnesota based family-owned company, and Hitachi Zosen Inova, LLC (HZI), a global cleantech company. The anaerobic digestion technology provided by HZI is a proven technology with over 150 operating facilities worldwide.

The project will provide infrastructure, which is currently lacking, necessary to process food waste and organics from the twin cities metropolitan area into Renewable Natural Gas (RNG) and biochar. Specifically, the digester will process up to 70,000 tons of organic waste creating 170,000 MMBtu of RNG per year, 10,000 tons of biochar, and reducing over 30,000 tons of CO₂e per year. The CO₂e emission reduction from the proposed digester is equivalent to removing 6,147 passenger vehicles from the road each year ([Greenhouse Gas Equivalencies Calculator | US EPA](#)). The RNG provides a renewable source of energy with the biochar being used to sequester carbon, both of which help to meet the state’s renewable energy and climate change initiatives such as 75% Recycling by 2030, 100% Clean Energy by 2040, and Carbon Neutral by 2050.

From an end market demand perspective, CenterPoint Energy and Xcel Energy have expressed strong interest in the RNG and biochar and have included this project in their Innovation Plans submitted to the Public Utility Commission (PUC) as part of the Natural Gas Innovation Act (NGIA) approved by the Minnesota Legislature in 2021.

The unique private-public partnership in combination with a proven technology partner and support from the major utility companies uniquely position this project for success for Minnesota. If you have any questions or would like additional information about the project, please contact me directly at 952-224-7102.

Sincerely,

Bill Keegan, P.E.

President

Dem-Con Companies, LLC

