

March 14, 2024

To whom it may concern,

The purpose of this letter is to express our strong support for Cerilon's proposed Gas-To-Liquids (GTL) facility near Trenton, North Dakota. This project holds strategic importance for several reasons, including its alignment with the State of North Dakota's 2030 carbon neutral objectives. The project will boost the local economy through job creation, tax revenue and fostering future development. Cerilon's commitment to community engagement positions them as a responsible developer, aligning with our commitment to environmental stewardship.

### **Strategic Importance**

Cerilon's proposed GTL facility is a key piece of new energy transition infrastructure critical to achieving our 2030 carbon neutral objectives. With the capacity to convert approximately 250,000 MMSCF gas per day into premium synthetic base oils, ultra-low sulfur diesel, and naphtha, the facility offers a promising in-state energy solution, reducing reliance on external sources.

The facility creates a high-value use for surplus natural gas created by our thriving oil industry. This gas will be transformed into high-quality products that contribute to our energy needs. Integrating the GTL facility into our state's comprehensive carbon neutrality strategy ensures that a projected volume of surplus gas – equivalent to the consumption capacity of the facility – is harnessed to substantially contribute to a lower-carbon, local energy supply.

We are encouraged by the scalability and replicability of Cerilon's GTL facility, which holds the potential for future facilities, aligning with our long-term energy goals and emphasizing the importance of strategic investments in innovative and adaptable solutions.

### **Project Economic and Community Benefits**

Beyond its strategic value, Cerilon's multi-billion-dollar project will stimulate economic activity by creating high-quality jobs, purchasing local goods and services, building local infrastructure, and generating new business for local companies. According to company estimates, the project is anticipated to create 1,600 direct and indirect jobs during construction and over 100 permanent, high-paying jobs during operations. Cerilon estimates 4,200 jobs will be created in the area over the project's life through the economic ripple effect of this activity. The company will also generate significant tax revenue, funding essential services such as education, infrastructure, healthcare, and public safety.

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Exhibit 7 - ND Dept of Commerce Agency Correspondence (Dkt. #23.5)  
Cerilon GTL ND Inc.

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Ongoing industrial development of this type – especially when it is aligned with the State’s carbon neutrality ambition - is essential for continued economic growth. It represents an opportunity for investment in new infrastructure, innovation and collaboration between the government, private sector, and the energy industry. Cerilon’s proposed and future projects offer the potential to harness North Dakota’s valuable natural resources for the benefit of generations to come.

### **Environmental Stewardship and Working with Community**

We believe our state can serve as a model for America in fostering innovative, long-term energy strategies that meet our nation’s growing energy demand and need for energy security in an environmentally responsible manner. Cerilon’s lower-carbon energy solution supports the transition to net-zero by converting abundant natural gas into high quality, lower emission liquid energy products. These cleaner-burning fuels are designed to produce lower emissions throughout their lifecycle, from production to use in vehicles and other applications. Additionally, the integration of a carbon capture and storage facility will further reduce carbon emissions from the process, lowering the facility’s carbon footprint. These attributes closely align Cerilon’s proposed facility closely with the State’s carbon neutral ambitions.

Over the past two years, we have observed the company’s approach to working with community and local stakeholders. Deep community engagement, relationship building activities and follow through on commitments have been their hallmark. They have been transparent, communicative, and cooperative in interactions with stakeholders at all levels of local government and within the community. We are confident Cerilon will continue this approach and do its best to understand and mitigate community concerns in this project’s development.

### **In Summary**

For the reasons stated herein, we fully support Cerilon’s proposed GTL facility as an integral part of the State’s longer-term energy strategy and believe the company will be a developer-of-choice of this and future projects.

Sincerely,



Josh Teigen  
Commissioner  
ND Department of Commerce