Low-carbon jet fuel company foresees huge investment in western ND

BY JEFF BEACH
North Dakota Monitor

WEST FARGO

The demand for jet fuel is going up. The demand for gasoline is going down.

That's the simple explanation from Chris Ryan, the president and chief operating officer of Gevo, on why the company plans to add a sustainable aviation fuel plant to the corn-based ethanol plant it purchased at Richardton in southwest North Dakota.

He said the low-carbon jet fuel won't come cheap, throwing out a ballpark figure of $500 million for a potential project still years down the road.

Ryan spoke Tuesday, June 10, in West Fargo at the Midwest Agriculture Summit hosted by The Chamber of Fargo, Moorhead and West Fargo.

Colorado-based Gevo bought the Red Trail Energy ethanol plant in Richardton last year.

The Red Trail plant was the first ethanol producer in the country to implement carbon sequestration — capturing carbon dioxide from the plant's corn fermentation tanks and pumping it into permanent underground storage.

The CO2 sequestration is key in lowering the carbon intensity score of the plant and for sustainable jet fuel production. Low-carbon fuels can fetch a higher price than traditional liquid fuels.

"We could make gasoline, but it's a diminishing market," Ryan said. "So jet fuel is a kind of sexy thing to talk about these days."

In an interview with the North Dakota Monitor, Ryan said there is plenty of room to add a jet fuel plant at the 500-acre Richardton site. He said the plant would add about 50 jobs, about the same number that the ethanol plant employs.

Expanding the ethanol plant is also a possibility, he said.

The company is also considering adding wind turbines in Richardton to provide power and lower the carbon score even further, he said. Even though renewable energy tax credits are a possible target for budget cuts under President Donald Trump, he said wind energy at the site still makes good economic sense.

Gevo also has plans for a sustainable aviation fuel plant in Lake Preston in southeast South Dakota.

The future of that plant depends in large part on the five-state Summit Carbon Solutions pipeline project that would take carbon emissions from ethanol plants to western North Dakota for underground storage.

Ryan said when the South Dakota project was conceived, it did not include carbon capture. But as construction costs soared with the COVID-19 pandemic, he said it became necessary to sign on to the Summit pipeline project. He said the federal tax credits for carbon sequestration would help offset the higher building costs.

The project has stalled as Summit has run into permitting challenges and a new state law giving landowners more power in easement negotiations.

"We really need the pipeline," Ryan said.

He added that Gevo bought more land than it needed for the project, allowing for other projects at the site, benefiting Gevo and the Lake Preston area.

The Summit delays spurred the purchase of Red Trail, which had the advantage of sitting almost on top of an area suitable for underground carbon storage.

"We had to take our destiny into our own hands," Ryan said, and not be dependent on the Summit pipeline.

He said Gevo can "copy and paste" the engineering work done for the South Dakota site to the Richardton site.

While the carbon dioxide from the Richardton plant is being pumped underground, Ryan said Gevo recognizes that it has the potential for use in North Dakota's oilfields, making oil wells more productive through what is called enhanced oil recovery.

North Dakota leaders have been trumpeting the economic benefits of enhanced oil recovery.

Ryan said if the oil industry is willing to pay for carbon dioxide to use in enhanced oil recovery, Gevo would sell the CO2 rather than pump it underground.

"We don't care where the revenue comes from, right? Today, we sequester it for a tax credit, and we can sell carbon credits," he said. "Or you can sell it to somebody for enhanced oil recovery."

Ryan said he sees it as another advantage of doing business in North Dakota.

"People in North Dakota get that, they understand the value of that," he said.

This story was originally published on NorthDakotaMonitor.com

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Chris Ryan, right, president and chief operating officer of renewable fuels company Gevo, speaks Tuesday, June 10, at the Midwest Agriculture Summit in West Fargo. At left is Greg Lardy, vice president for agriculture at North Dakota State University.

Job listings that never close may be distorting Minnesota's labor data, analyst warns

BY TRENT ABREGO
St. Cloud LIVE

ST. CLOUD — Minnesotans might be seeing more and more "ghost jobs," or fake job listings, according to Minnesota Department of Employment and Economic Development regional analyst Luke Greiner.

Greiner

"We're getting a lot of reports about job openings just being posted kind of perpetually, not necessarily to fill a particular opening, but to compile a list of applicants," Greiner said on Thursday, June 5, at an industry forum at St. Cloud's River's Edge Convention Center.

That can pose challenges, he said, noting that it can make the department's job opening data less reliable and "dilutes the whole marketplace," which has persisted as a "tight labor market," meaning there are more jobs available than people able to fill positions, Greiner said.

Data presented by Greiner at the forum showed there were about 120,000 job vacancies in the state in 2024, with the top industries in need including food preparation and serving (18,701), sales (14,476) and health practitioners and technical occupations (13,700).

"I would say it decreases the experience for everybody, because job seekers get ghosted much more often because they're applying to openings, and the employer is like 'Terrific, I'll update this and when that person retires next year, I'm going to give them a ring,'" Greiner said.

It can also be a deterrent for job seekers who need a job, Greiner said.

"From the job seeker's perspective, they hear people like me and news outlets and everybody talk about how amazing this labor market is and 'If you don't have a job you don't want one,'" Greiner said. "They apply and they apply and apply and they don't hear back from anyone and that's just depressing. There's just a lot of mixed messages."

One of those mixed messages comes from employers who have a different perspective on the issue. He said he often hears employers report they receive applications, but don't hear back from applicants.

"It's like a two-way street, and unfortunately, what I see it's just creating this inefficiency in the labor market environment, it's making it that much harder to make matches," Greiner said.

Greiner said artificial intelligence also plays a role for both parties. Some software can write a job seeker's resume, while businesses can filter out the applicants.

"So we can deploy technology to do this, which dilutes it and makes it even harder," Greiner said. "We're using this technology to try to avoid some of the human transactions, but also, at the same time, make it that much more important to actually have a human connection to begin with.

"At the end of this all, I guess it's still probably who you know, and I think we've all tried getting around that, but it seems like all this technology might have made that even more important, particularly when we don't necessarily have a good idea of how many of these job openings are to fill an actual opening," he continued.

Despite the tight labor market, the economy remains strong with strong growth in mining and logging, an increase in wages and a steady increase in people entering the job market, Greiner said.

"I would say the word of the year is 'uncertainty.' I don't know if anybody wants to argue with that, but I'm sick of using that word and so a lot of people are expecting this uncertainty to show up in our economic data," Greiner said. "... Our most recent data just doesn't necessarily show a whole lot of departure from what we've had."

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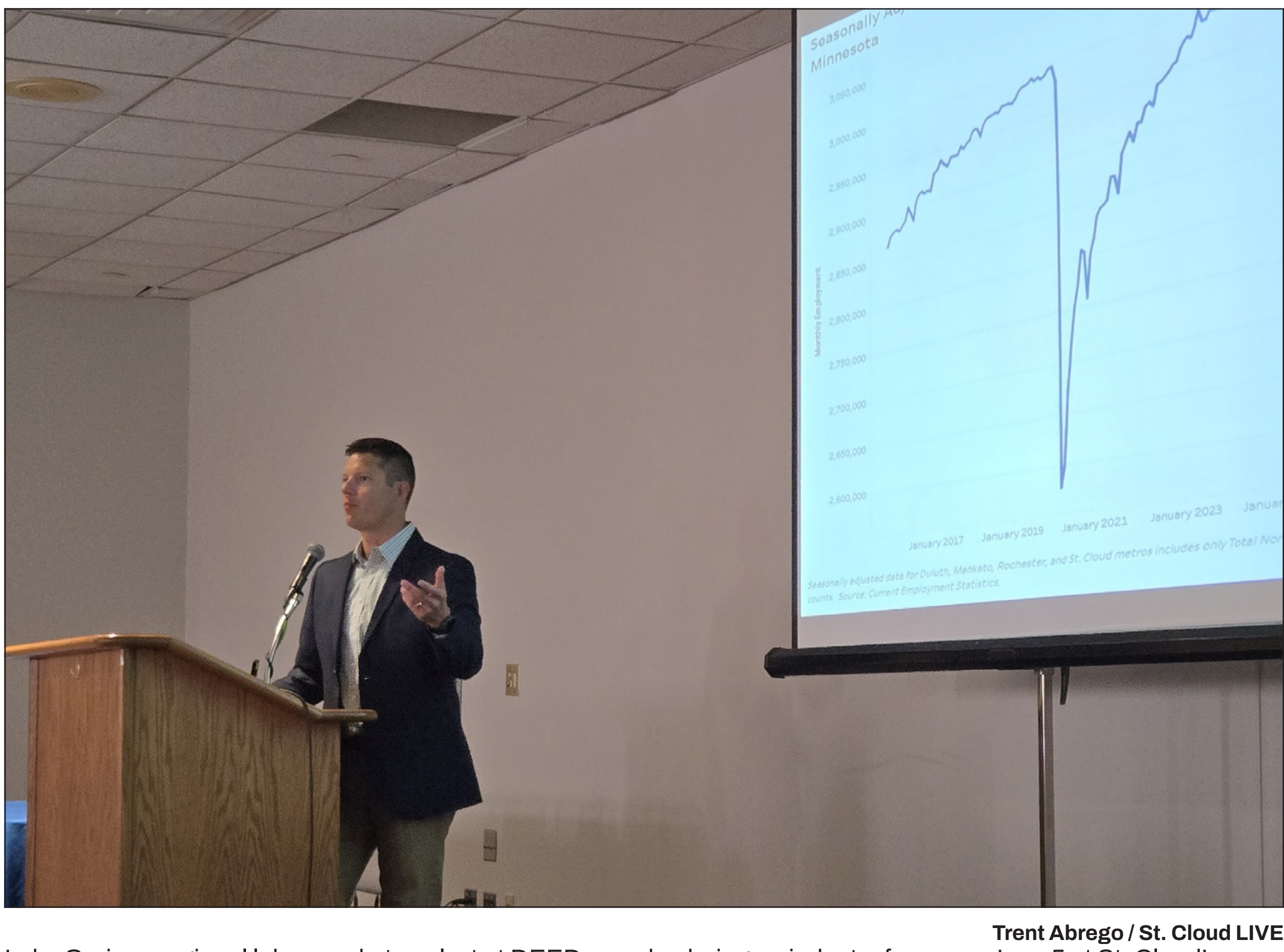

Trent Abrego / St. Cloud LIVE

Luke Greiner, regional labor market analyst at DEED, speaks during an industry forum on June 5 at St. Cloud's River's Edge Convention Center.