



**Glacial Lakes  
Energy, LLC**

# NEWSLETTER

CREATING ECONOMIC VALUE FROM CORN

QUARTER 1 & 2 | SEPTEMBER 2020 – FEBRUARY 2021

## 2021 USHERS IN OPTIMISM

JIM SEURER, CHIEF EXECUTIVE OFFICER

*As we move out of the shadow of the COVID-19 pandemic to the new normal, there are many reasons for optimism. Here are a few reasons for Glacial Lakes Corn Processors shareholder/investors to remain optimistic:*

### 1. UNIVERSITY OF NEBRASKA E30 STUDY:

Just a month ago, the University of Nebraska published research data validating what we at GLE have known for quite some time – non-flex fuel vehicles can run just fine on Premium E30 with no negative effects. The study, “Redefining Renewable Fuels” goes on to state that “...if only 10 percent of Nebraskans fueled up with E30, a 30% blend of ethanol fuel, the state’s ethanol consumption would increase by 18.5 million gallons per year and CO2 emission would decrease by 64,000 tons per year.” Research methods utilized in this University of Nebraska study, mirror those from GLE’s own E30 Challenge and they have openly admitted that they patterned their study after ours but did so with an independent source.

We remain hopeful that the results of this study will provide the confidence to other Midwest governors, including South Dakota Governor Kristi Noem, to do the “right thing” and fuel the entire state fleet, including non-flex vehicles, on Premium E30. The study is available at: <https://www.bioeconomia.info/wp-content/uploads/2021/03/E30-Demonstration-FINAL.pdf> or at [glaciallakesenergy.com](http://glaciallakesenergy.com)

### 2. PREMIUM E30 REDUCES CO2 EMISSIONS:

Data proving Premium E30’s ability to reduce CO2 emissions is yet another reason for optimism as the new administration is solidly focused on reversing climate change. President Biden has previously indicated he is a friend to ethanol and there are strong indications the new EPA administrator will not be granting oil refinery waivers. To bolster Premium E30 as a climate-friendly fuel, GLE, along with the South Dakota Farmers Union, engaged



the Daschle Group to provide our new President with insight into Premium E30’s environmental and rural economic benefits. As many may remember, Senators Tom Daschle and Bob Dole worked together to author the original Renewable Fuels Standard.

### 3. PREMIUM E30 IS RELIABLE AND RENEWABLE CLEAN ENERGY:

Although current enthusiasm for electric vehicles gives us reason for pause, recent electrical outages in Texas and other outages due to extreme weather events provide us a glimpse of the weaknesses associated with a complete dependence on one fuel. Our industry needs to partner with the political powers to promote the merits of cleaner, renewable energy especially in light of some of the more recent studies that prove that ethanol can lower greenhouse gases and our global carbon impact.

### 4. OPPORTUNITIES AWAIT & GLE IS READY:

GLE’s board of directors and leadership team have always worked to be aware of emerging market trends so that we are positioned and ready to capitalize as markets emerge. As an example, in this newsletter, you will read about the Carbon Capture Project with Summit Carbon Solutions which we joined positioning us for premium, low-carbon markets within the U.S. and elsewhere.

### 5. SPREAD OPTIMISM WITH E30:

As a member/shareholder in Glacial Lakes Energy Cooperative, you can join with the GLE board and leadership team in promoting our success by spreading the story of Premium E30. Encourage your friends and family to fuel up with Premium E30 or other higher ethanol blends every chance they get.



## TRIBUTE TO AN ETHANOL PIONEER

On behalf of the shareholders, Board, and employees at Glacial Lakes Energy, we express our deepest sympathy for the loss of our dear friend and passionate advocate, Orrie Swayze.

Orrie stopped by many times over the years to share his thoughts and ideas about higher ethanol blends. He possessed a tenacious approach and a vision that was always one step ahead of all of us, definitely a thought leader in the world of ethanol and the benefits it would bring to agriculture.

Orrie was very proud to be associated with GLE's highly successful E30 Challenge initiated in 2016. He possessed an admirable, never ending concern for children and especially the harmful effect the toxic fuel additives have on them.

*South Dakota agriculture needs more Orrie Swayze's...*

*RIP Orrie, we'll take it from here...*

# GLE WELCOMES NEW DIRECTOR OF COMMODITIES AND RISK MANAGEMENT

Ty Weisendanger joined Glacial Lakes Energy in September 2020 as the Ethanol Marketing Manager and was promoted to the Director of Commodities and Risk Management role in February 2021.

Weisendanger has been employed in the ethanol industry since 2004. He has 28 years of commodity trading experience including work on the floor at the Chicago Board of Trade in Grain Merchandising and Ethanol Risk Management.

Prior to joining the GLE Senior Management Team, Weisendanger was the Vice President of Trading and Commodities for Advanced BioEnergy for the past eleven years. Previously, he spent time at US Bio Energy as Director of Commodity Price Risk and United BioEnergy as Manager of Commodity Price Risk. In the earlier years of his career, he held positions of Grain Desk Manager, Grain Manager, and Field Marketer.

Weisendanger earned a Bachelor of Arts degree in Economics from Monmouth College in Illinois and has held Series 3 and Series 30 brokerage licenses. He has also taught Ethanol Risk Management classes for IHS Markit (formerly Informa Economics.)



GLE BOARD CHAIRMAN MARK SCHMIDT (LEFT) PRESENTS DALE CHRISTENSEN OF WATERTOWN AND TERRY MUGGETT (NOT PICTURED) OF CLARK WITH A PICTURE OF GLE IN APPRECIATION FOR THEIR YEARS OF SERVICE TO THE GLACIAL LAKES ENERGY BOARD OF DIRECTORS. CHRISTENSEN SERVED FROM 2009-2020 AND MUGGETT SERVED FROM 2001-2010 AND 2012-2020.

*“As we move into the third quarter, we expect future earnings to be impacted by several positive variables both internal and external to GLE.”*

# GLACIAL LAKES ENERGY FINANCIAL UPDATE



Farmers often say there are factors they can control – and then there are the markets and Mother Nature. As your GLE management team reflects on our year-to-date financials, we can relate. When it comes to factors out of our control – such as lack of fuel demand due to the COVID-19 pandemic and a run up of corn prices – we work to mitigate losses and further increase efficiencies. When it comes to the factors we can control, we apply our energy and talent to capitalize on those situations to the best of our ability.

With that being said, GLE is posting positive net income of \$7.8 million thru the first half of the year. “Lower gas demand coupled with a run up on corn prices are reflected in our second quarter loss of \$1.3 million. At the same time, smart and timely moves made by our team to sell back natural gas and sign up for a PPP loan helped our overall bottom line,” explains David Elkin, GLE Chief Financial Officer.

Elkin adds that even though market volatility continues, GLE is positioned well thanks to our working capital. “Our Board places a high priority on maintaining working capital to protect us from market volatility. And, we have a low level of debt,” Elkin explains.

### A FEW HIGHLIGHTS FROM THE PAST QUARTER THAT HELPED BOOST NET INCOME INCLUDE:

- Achieving record breaking production across all facilities;
- Capturing premium ethanol export markets;
- Selling back approximately \$4.0 million in natural gas during the February cold spell;
- Securing Payment Protection Program (PPP) loans, positively impacting our bottom line by \$1.6 million which will be forgiven.

As we move into the third quarter, we expect future earnings to be impacted by several positive variables both internal and external to GLE. As the COVID-19 vaccine rollout opens states back up, it also returns drivers to the roads and demand for fuel increases. The new Administration’s push for renewable fuels, is escalating corn oil demand as well as the price GLE receives. To maximize our corn oil production, GLE will be investing in machinery to increase yields by as much as 20 percent.

Low carbon intensity scores receive premiums. Currently, GLE’s

Huron plant has a low enough score that allows us to sell into Canadian markets at a premium. Partnering with Summit Carbon Solutions, GLE is in the process of lowering our CI score cooperative-wide.

The University of Nebraska recently released results of a study confirming what GLE’s E30 Challenge determined over the past five years: non-flex fuel vehicles can fuel up with E30 without issues. The study also shows a large reduction in carbon emissions. The push for higher blends of ethanol fuel continues and with it, demand for our product.

“Looking forward, I expect GLE to see more robust margins as more people get out on the roads and feel confident in fueling up with higher blends, especially Premium E30,” Elkin says.

Financial Report for the Six Months Ended February 2021 (unaudited) Dollars in Millions			
Total Assets	\$252.41	Current Assets	\$115.56
Total Liabilities	\$88.98	Current Liabilities	\$40.77
Net Worth	\$163.43	Working Capital	\$74.80
<b>NET INCOME \$7.85</b>			

Like so many meetings held during the pandemic, Glacial Lakes Energy Cooperative's FY2020 Annual Meeting of its shareholders was held virtually on February 10, 2021. Board Chairman Mark Schmidt says he was thankful for the opportunity to conduct business while at the same time keeping members safe.

"With this virus, we decided to err on the side of caution," Schmidt explains. "I actually contracted COVID during an in-person meeting this year and know how easy it can happen. Fortunately, I was asymptomatic, but the person who I contracted it from, ended up in the hospital."

During the virtual meeting, members reviewed cooperative financials as well as projects planned for 2021. "Has this last year been challenging? Absolutely. But as we look at what this fuel can do for the world as a whole, when it comes to reducing CO2 emissions and so forth, there is such huge potential," Schmidt says.

#### CHAIRMAN SCHMIDT'S OPTIMISM IS MOTIVATED BY MANY FACTORS:

- Ethanol's ability to align with the Biden Administration's focus on reducing carbon emissions.
- GLE's ability to reduce its CI (carbon intensity) score by 40 percent at no cost and capture a premium in low CI markets via its partnership with Summit Carbon Solutions.
- Recent results from a University of Nebraska study confirming GLE's E30 Challenge – non-flex fuel vehicles can fuel up with Premium E30 with no engine performance issues and reduce harmful CO2 emissions by 640,000 tons per year (in 100% of Nebraska vehicles).
- GLE operations are stronger than ever, producing ethanol at record-breaking and highly efficient levels.
- Since GLE's ownership of the former-ABE Huron and Aberdeen plants, their production and efficiencies have improved significantly.

"As a member/shareholder, I have always been impressed by the talents of GLE's management team to continually improve operations and efficiencies," Schmidt says. "It's during challenging times that I am thankful GLE has always been a forward-thinking cooperative so we are prepared to take advantage of opportunities that will result in a stronger financial future."

He also encourages members to help spread the message of Premium E30. "We, as cooperative members/shareholders, need to be good stewards of what we know about Premium E30 and encourage our friends and family to fuel up with it whenever possible," Schmidt says.



**MARK J. SCHMIDT**  
PRESIDENT: DISTRICT 3  
*Gary, SD*



**BRENT GABLER**  
VICE PRESIDENT: DISTRICT 2  
*Faulkton, SD*



**TODD JONGELING**  
TREASURER: DISTRICT 3  
*Estelline, SD*



**TERRY SCHMIDT**  
SECRETARY: DISTRICT 1  
*Watertown, SD*



**STEVE BIRKHOLTZ**  
DISTRICT 2  
*Willow Lake, SD*



**CRAIG JOHNSON**  
DISTRICT 3  
*Vermillion, SD*



**LARRY KAHNKE**  
DISTRICT 1  
*Florence, SD*



**TROY MUDGETT**  
DISTRICT 1  
*Clark, SD*



**NOEL POND**  
DISTRICT 2  
*Ipswich, SD*



**MARK SCHILLING**  
DISTRICT 3  
*Clear Lake, SD*

Board member elections were also held during the Annual Meeting and the election results are as follows:

**District 1** – Troy Mudgett, Clark, ran unopposed and elected to a three-year term;

**District 2** – Brent Gabler, Faulkton, received a majority vote and elected to a three-year term;

**District 3** – Todd Jongeling, Estelline, ran unopposed and elected to a three-year term.

*Chairman Schmidt adds that the Board is always looking for new members to serve. He encourages interested members to reach out to him via email at: [Schmidtfarms@itctel.com](mailto:Schmidtfarms@itctel.com)*

**IF YOU WERE NOT ABLE TO ATTEND THE ANNUAL SHAREHOLDER MEETING, YOU CAN VIEW THE RECORDING. SIMPLY CALL THE GLE OFFICE AT 605-882-8480 FOR MORE INFORMATION.**

# GLCP ANNUAL MEETING QUESTIONS ANSWERED

*“Although the Annual Meeting was virtual, the format remained much the same. As always, GLE Management and the Board of Directors made themselves available for questions. Here are the questions that came forward electronically along with answers provided by management.”*

**Q: CLIMATE CHANGE IS ON THE FOREFRONT OF THE BIDEN ADMINISTRATION PRIORITIES. LOOKING INTO THE FUTURE, IS GLCP MANAGEMENT DEVELOPING STRATEGIES TO POSSIBLY MERGE OR TO DEVELOP LONG TERM RELATIONSHIPS WITH OUR DIRECT CUSTOMERS SUCH AS OIL COMPANY MARKETERS, REFINERS, OR BLENDERS WHO BUY GLE’S ETHANOL?**

**A:** We contract all of our ethanol through Harvestone, an ethanol marketing company in which we have a 12% ownership position. Therefore, our direct contact with oil companies is limited. If the questioner is asking whether we should attempt to merge or sell GLCP to one of the aforementioned oil industry groups, the GLCP Board and management consistently monitors the landscape for opportunities to maximize shareholder value including opportunities to sell the company. However, the problem is that these companies are opportunistic buyers and they are not interested in paying the value that we believe our plants should bring. In fact, a discussion a few years ago with a representative of a well-known refiner with a presence in South Dakota confirmed just that (i.e. their idea of a fair value and our idea of the same was miles apart).

**Q: DO YOU LOAD CORN OIL ON RAILCARS OR IS IT ALL SHIPPED BY TRUCK?**

**A:** Several years ago, we invested in a rail loadout facility at our Watertown plant and all corn oil from our other three plants (Mina, Huron, and Aberdeen) is shipped via truck to Watertown for loadout on a railcar tanker. The investment in the loadout facility had a very quick ROI (return on investment) due to the discounts we were seeing on the previous truck shipments. We continue to monitor the corn oil market and, given our expanded footprint in the Aberdeen area, we may invest in a similar facility in Mina at the appropriate time.

**Q: DO YOU PLAN TO USE INTEREST RATE SWAPS IN THE FUTURE OR GO STRAIGHT TO THE BANK?**

**A:** Let’s first make sure we all understand that whether we use an interest swap to fix the rate of the loan through our lender, the cost associated with a decrease in the interest rates such as that brought on by COVID will be the same. The difference lies in the cash it takes to meet margin calls when these changes occur and how they are accounted for on the books to

comply with GAAP (Generally Accepted Accounting Principles). With an interest rate swap, the margin call is immediately recorded as a “cost” (loss) equivalent to the full impact of the change in interest rates. With a fixed rate loan, the “cost” (loss) is embedded in the higher rate paid and recorded over a period of time. When we chose the interest rate swap option in December/January 2020, we had no idea that the COVID pandemic would cause rates to go down the way they have. In addition, the fixed rate options offered by our bank were not as desirable and so we determined that the interest rate swap would be a better fit. As interest rates rise, and they have since March 2020, we have had the opportunity to recoup the cash that was used to fund the margin call and record the associated gain.

**Q: ANY SIGNIFICANT GROWTH IN E30 SALES? WHAT IS THE STATUS OF THE USE BY THE SD STATE FLEET?**

**A:** Despite all the work GLE and our partners did with the E30 Challenge promoting Premium E30 in non-flex fuel vehicles and the positive results that came from it, we were extremely disappointed to learn that the State of South Dakota determined that they should use Premium E30 in Flex Fuel Vehicles only which falls well short of promoting the fuel in the way GLE had intended. As a result of ongoing

difficult margins, we made significant reductions to expenses and the promotion of Premium E30 was an expense that was cut. As a result, we have experienced a decrease in the volume of Premium E30 sold across the northeast SD market. We believe the decision to suspend Premium E30 promotional expense is warranted, at least for now.

**Q: CAN I HAVE SOMEONE ELSE DELIVER CORN FOR ME TO SAVE THE POOL FEE?**

**A:** Pool fees are required by the IRS in order for GLCP to qualify as a pass-through cooperative. Your GLE Board and management team have worked extremely hard to manage pool fee assessments and freight incentive costs. When we became aware of situations where the freight incentives were being over-used, we felt changes were necessary and this included a restriction on who would qualify for delivery in another's name. The pool fees assessed for non-delivery per 10,000 shares of ownership this year will be \$33.50 and this is a very reasonable fee for those who rely upon the pool to deliver their bushel commitment.

**Q: ARE WE MAKING PROGRESS OR ARE WE JUST "GRINDING CORN"?**

(Note: This question was asked of a Board Member since the annual meeting.)

**A:** GLE operates in a commodity world. Anyone who has spent time in agriculture and, specifically, a commodity environment

knows: (1) that there are no guarantees, (2) that markets can and do instantly change, and (3) that there will always be difficult times. Our industry has definitely been in a difficult period for quite some time...BUT, we remain optimistic about our products and the value that we can create. We have a new Administration that places a high emphasis on the environment, and we believe this SHOULD create opportunities for our industry. Lest we forget that we are attempting to take market share from Big Oil...and they will not let that happen without a fight. If we were to simply give up, shut the plants down, and wait for better times, we would burn through a substantial amount of our working capital getting out of ongoing contracts and commitments. But, your GLE teams haven't let up and we continue to work extremely hard to make our plants more competitive than others in the industry. We are making progress. The fact that our strong working capital position has been maintained through all of this is a testament to the success albeit a lower level of financial success than we would like. There is an axiom that comes to mind "sometimes we fight to survive to live another day to capitalize when better times return." That is very much the case during times like these....GLE will be ready when conditions improve.

**Q: WHY CAN'T WE HOLD AN ANNUAL MEETING DUE TO COVID-19 BUT WE CAN GIVE OUT BASKETBALL TICKETS WHEN WE ARE POSTING A LOSS OF \$14 MILLION? I REALIZE ITS ADVERTISING, BUT CAN'T OUR MONEY BE SPENT BETTER GETTING THE US OR CHINA TO BURN OUR FUEL?**

**A:** In the normal course of business, GLE makes all types of commitments to run the company successfully and to create a favorable reputation, with a careful eye on expenses. We made a commitment to Northern State University and, until that commitment renews, we believe it is sound business practice to follow through on our word and the commitment we made. The favorable exposure we've received from the "GLE Night at NSU" in the Aberdeen area over the years has been well worth the investment. This year, we intentionally scaled back the "GLE Night at NSU" to reduce costs but the tickets we give away are part of the annual support package and we chose to hand them out rather than have them go to waste. Let's not forget that we now buy more corn from producers in the Aberdeen area than in Watertown and/or Huron areas combined and it is an extremely critical and highly competitive market for us. The amount spent at the "GLE Night at NSU" event would be an inconsequential amount compared to what it would take to move the needle in the US or China ethanol market.



**Q: ARE THE PLANTS INVESTIGATING RECOVERY OF CO2 IN THE LARGER PLANTS?**

**A:** We are very excited about the project with Summit Carbon Solutions which will reduce our CI (carbon intensity) score by nearly 40% and put us within reach of market premiums in other states and provinces. Information is available on our website. Also, management has continually explored other carbon reduction projects, including wind and solar, and we have quickly learned that these projects come with a sizeable price-tag and limited ROI (return on investment).

# GLE INCREASES MARKET OPPORTUNITIES BY REDUCING CARBON EMISSIONS

Motivated by climate change, several states and countries offer financial premiums to ethanol companies with low carbon footprints. As a leader in the renewable fuels industry, Glacial Lakes Energy has been seeking ways to reduce our carbon intensity (CI) score in order to access these premiere markets.

“Because 99 percent of the ethanol we produce goes to markets outside South Dakota, in order to remain competitive, Glacial Lakes Energy must take steps to reduce our carbon intensity score,” explains Jim Seurer, Chief Executive Officer.

Recently GLE discovered a way to dramatically reduce our CI score through a partnership with Summit Carbon Solutions. Summit Carbon Solutions will capture, transport, and permanently and safely store carbon dioxide (CO<sub>2</sub>) emitted from GLE facilities during the production of ethanol. This will reduce GLE’s CO<sub>2</sub> emissions by 40 percent – an annual reduction of 10 million tons of carbon dioxide or the equivalent of 2 million autos.

“Creating a more environmentally-friendly energy source has always been a top priority. This is an effective way to do this,” Seurer says.

A carbon intensity score or CI value is calculated by compiling all the carbon emitted along the supply chain. Sequestering this CO<sub>2</sub> emitted during production will greatly reduce each production facility’s CI score, which is



good for the environment and corn growers’ pocketbooks because it opens the door to premium markets in states like California and Washington as well as several Canadian provinces. These markets can pay as much as 10 percent more per gallon.

“GLE is a forward-thinking cooperative,” says Mark Schmidt, GLE Board Chairman. “Because we focus on industry trends, we are able to respond quickly to capture more robust markets. In return, that benefits our shareholders.”

Currently, GLE plants’ CI scores range from 73 to 67 with the California Air Resources Board (CARB). Once the CO<sub>2</sub> emissions are sequestered by Summit Carbon Solutions, these scores could

drop by as much as 30 points, which is a significant decline.

“We are extremely proud and excited to join with Summit Carbon Solutions on this project so we can continue to add value by creating clean, safe, and affordable energy for the fast growing low-carbon fuel markets,” Seurer says.

CO<sub>2</sub> capture system construction should begin in 2022 and is scheduled to be fully operational by 2024. Summit Carbon Solutions will fund the project with 45Q tax credits and private investors, which means GLE’s CO<sub>2</sub> emissions will be sequestered at no cost.

**TO LEARN MORE,**  
VISIT [WWW.GLACIALLAKESENERGY.COM](http://WWW.GLACIALLAKESENERGY.COM)

# E30 SAFE FOR NON-FLEX FUEL VEHICLES & CUTS CO2 EMISSIONS ACCORDING TO UNIVERSITY OF NEBRASKA STUDY



If 10 percent of Nebraskans fueled up their non-flex fuel vehicles with 30 percent ethanol, CO<sub>2</sub> emissions would decrease by 64,000 tons per year. This is according to results of a year-long University of Nebraska Study, Redefining Renewable Fuels, released February 2021.

If these same Nebraskans fueled up with E30, the study said it would increase ethanol consumption by 18.5 million gallons per year.

A result that could have a dramatic and positive impact on corn farmers and their communities, says Doug Sombke, South Dakota Farmers Union President. "This could triple the grind easy," he says. "I get a kick out of everyone always talking about exporting corn and ethanol. We have the largest market for the products right here in the U.S. We drive more vehicles than anyone."

Focusing on the higher ethanol blend, E30, the study conducted by the university's Department of Chemical and Biomolecular Engineering reviewed performance of 24 non-flex vehicles manufactured between 2013 and 2015. When fueled with E30, the study indicated these vehicles showed "no observable negative effects in their overall performance."

The results of the University of Nebraska study did not surprise Sombke, because in 2016, Glacial Lakes Energy, an ethanol production cooperative headquartered in Watertown launched a similar study, dubbed "The E30 Challenge." The E30

Challenge results mirror those of the University of Nebraska, explains Glacial Lakes Energy, CEO, Jim Seurer.

"Non-flex fuel vehicles are able to adapt to the higher oxygen content of E30 and there was no effect on vehicle performance," Seurer says. "In fact, in most cases, our tests indicated that vehicles actually performed better with the Premium E30 than they did with E10. Engine performance actually improved."

Since the E30 Challenge began in 2016, drivers in Watertown and Aberdeen have purchased more than 7 million gallons of E30 and driven more than 150 million miles with no issues.

The reduction in CO<sub>2</sub> emissions was the one factor that surprised Seurer when he read the results of the University of Nebraska study. "This is a huge step. It really validates the role ethanol can play."

Sombke agrees. "The results of this study take the benefits of fueling up with higher ethanol blends to another level. CO<sub>2</sub> was not something we had concentrated on."

Sombke explains that in addition to vehicle performance, previous studies have been done that show the octane qualities of E30 allow it to replace carcinogenic fuel additives making tailpipe emissions safer.

With the recent scientific data pointing to significant reductions in CO<sub>2</sub>, Sombke and Seurer hope the results of this study motivate drivers across the



*"In fact, in most cases, our tests indicated that vehicles actually performed better with the Premium E30 than they did with E10. Engine performance actually improved."*

Midwest to fuel up with E30. A step some South Dakota municipalities have already taken.

Results of the E30 Challenge motivated all Watertown city vehicles to fuel up with E30. And in 2017, Brown County Commission voted for the county fleet to only use E30. The State of South Dakota nearly did the same but opted to fuel only the state's flex-fuel vehicles with E30.

Decisions made by government officials can make a big impact. In Nebraska, the university study indicated if all state-owned vehicles fueled up with E30, ethanol consumption would increase by 66,000 gallons and CO<sub>2</sub> emissions would decrease by 529 tons per year.

Reviewing this data Seurer says, "Just think of the impact if 100 percent of Nebraska drivers fueled up with E30, ethanol consumption would increase to 185 million gallons and drivers could reduce CO<sub>2</sub> emissions by 640,000 tons."

"Any state that has an ethanol presence should grab on to this study because the ethanol industry has such a big economic impact on states like South Dakota," Seurer says. "This is a homegrown product that we can convert to a higher value product and reap the benefits."



## Glacial Lakes Energy, LLC

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This document contains forward-looking statements by the use of words such as "believe," "expect," "anticipate," "intend," "plan," "estimate," "predict," "hope," "should," "could," "may," "future," "continue," "potential" or the negatives of these terms or other similar expressions. These statements are based on management's beliefs and expectations and on information currently available to management.

Forward-looking statements are only our predictions and involve numerous assumptions, risks and uncertainties. Important factors that could significantly affect future financial condition and results include, among others, operating margins in the ethanol industry, the rapid pace of expansion in the industry, the cost of corn and the price of ethanol, changes in ethanol supply and demand, changes in current legislation or regulations that affect ethanol supply and demand, disruptions to infrastructure or in the supply of raw materials, the results of our risk management and hedging transactions, and ethanol industry valuation generally.

Our actual results or actions may differ materially from those set forth in the forward-looking statements for many reasons, including events that are beyond our control or assumptions not proving to be accurate or reasonable. We caution you not to put undue reliance on any forward-looking statements, which speak only as of the date of this document. We cannot guarantee our future results, levels of activity, performance or achievement.