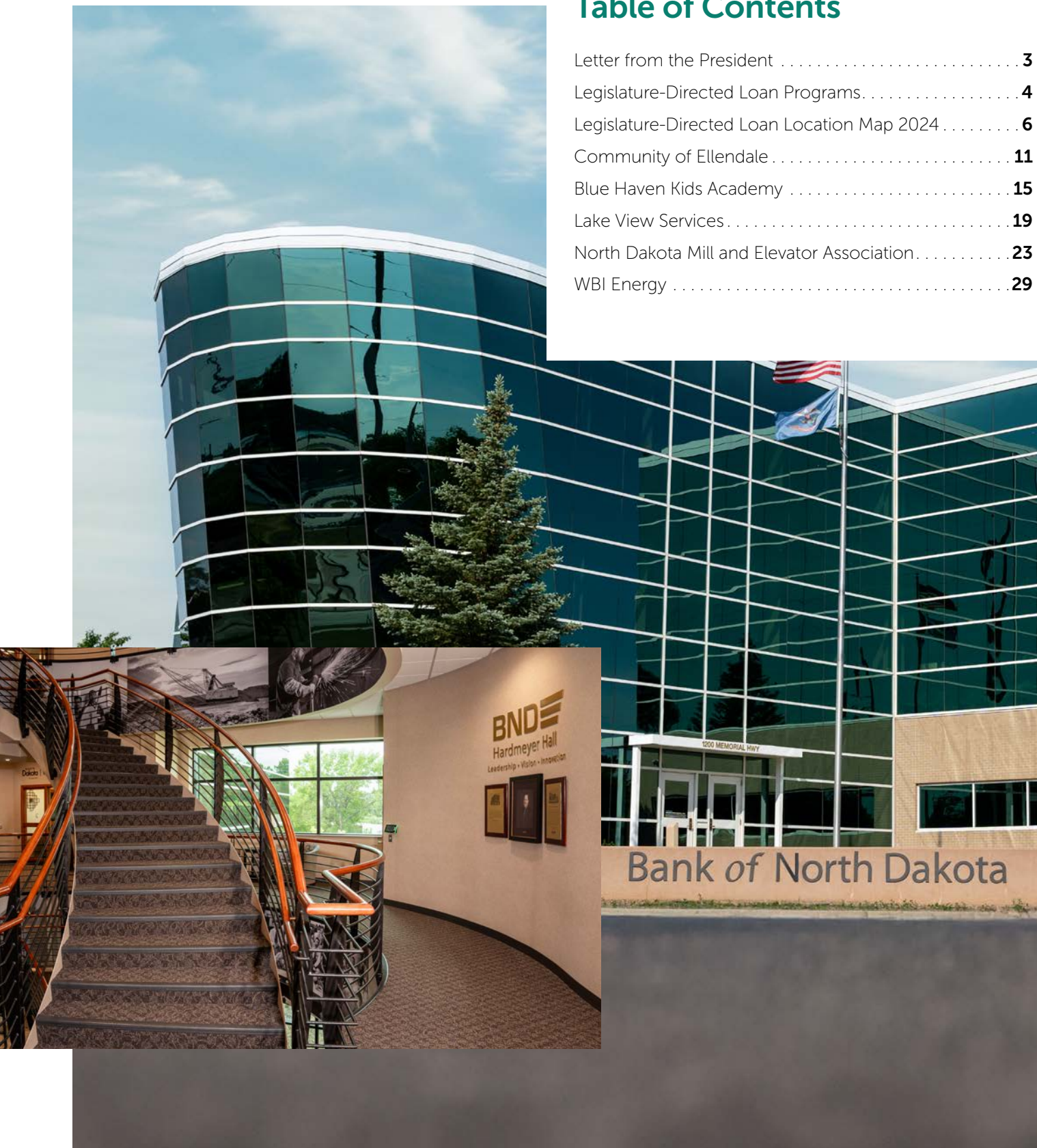


FINANCING ECONOMIC DEVELOPMENT

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Letter from the President

Some people have referred to Bank of North Dakota (BND) as the state's "unfair competitive advantage." After accepting the role of president/CEO mid-year and coming from the private banking sector, I can say that I wholeheartedly agree with that description.

I inherited a talented and dedicated staff from Todd Steinwand, the previous president/CEO. They have a clear understanding of the Bank's mission and continually strive to deliver our services in a better way to create that advantage for our stakeholders.

This year's Financing Economic Development stories highlight examples of BND's role in financing North Dakota's economic growth. Whether it is making a partnership loan with a local lender, administering a program as directed by the North Dakota Legislature, or helping a state agency better serve our residents, BND is committed to identifying our state's needs and creating financial solutions for them.

I encourage you to explore stories from the North Dakota State Mill and Elevator Association, a daycare center, a company, a pipeline expansion, and an answer to the housing need in a rapidly growing rural community. This broad array of lending activity is a testament to the agility BND brings, which is essential for these changing times.

We stand on the precipice of major shifts in our economy. North Dakota has the opportunity to be the country's leader in clean, sustainable energy. Agriculture is quickly evolving to incorporate more technology into its practices and improve soil health. Every day, FinTech delivers massive changes to the way Americans do business.



BND is facilitating conversations with our stakeholders to ensure our state takes advantage of these exciting times. When we focus efforts on creating collaborative partnerships between public and private funding sources, North Dakotans win. Main Streets thrive. School hallways are filled with excited children's voices. Families can afford to purchase a home. Quality healthcare is provided close by. The environment improves.

Our staff is deeply committed to ensuring BND is relevant to today's economy. We look forward to advancing North Dakota's business growth with improved financial solutions that create advantages not found in other states. As the country's only state-owned bank, we pride ourselves on incorporating unique approaches to fulfilling our 105-year mission of "promoting agriculture, commerce and industry in North Dakota."

A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

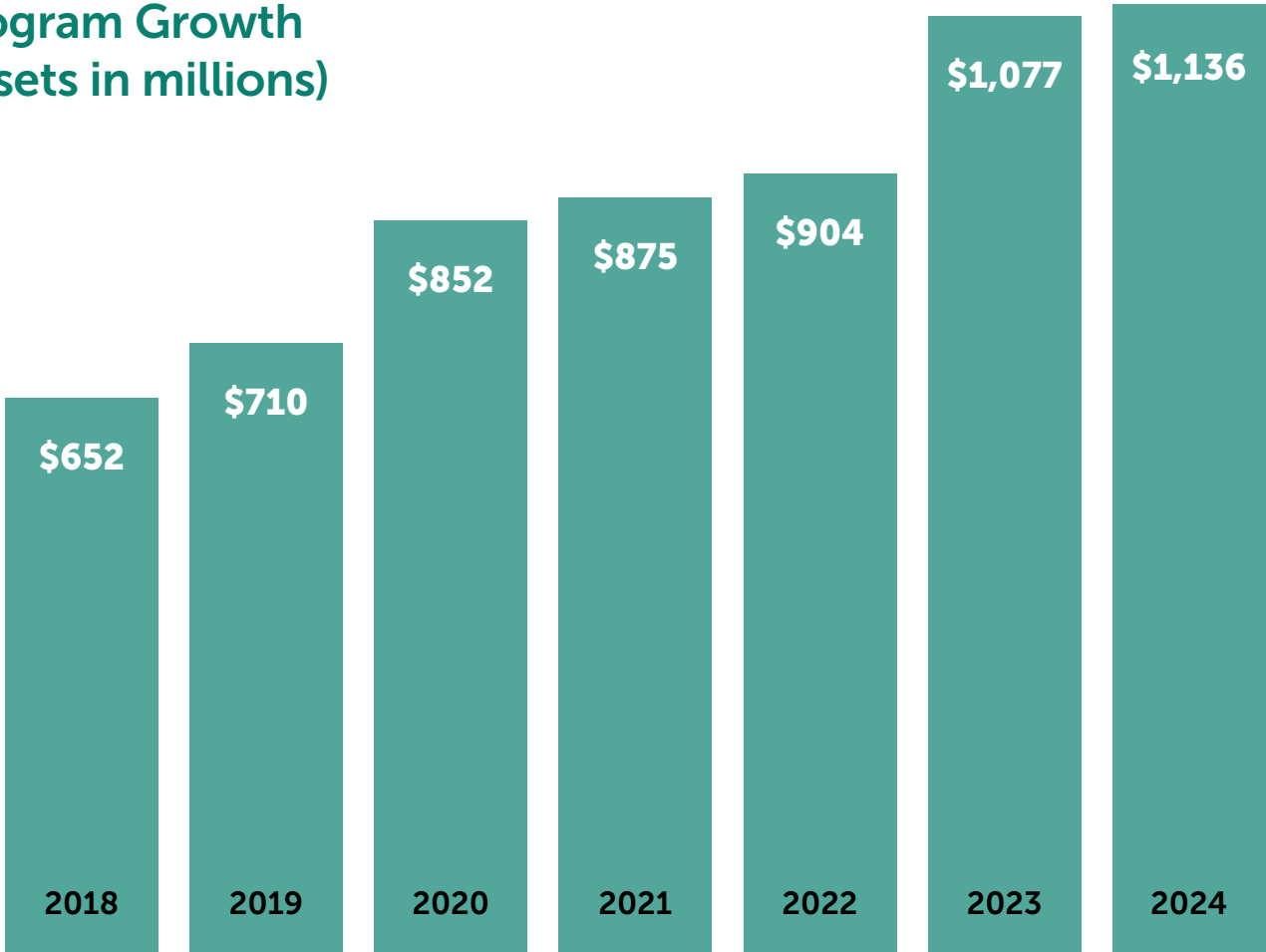
President and Chief Executive Officer
at Bank of North Dakota

Legislature-Directed Loan Programs

Infrastructure is an important component of economic development. BND administers loan programs on behalf of the North Dakota Legislature, so communities can support their expanding foundational needs at a lower cost. The Legislature also directs programs aimed at economic development, which are detailed in the following pages.

BND currently administers just over \$1.1 billion in net assets for Legislature-Directed Loan Programs. These programs serve a wide range of purposes, including school construction, water projects, general and medical infrastructure, and disaster recovery.

Legislature-Directed Loan Program Growth (assets in millions)



Legislature-Directed Loan Program Portfolio 2024 (assets in millions)

School Construction Assistance Revolving Loan Fund	\$395.4
Infrastructure Revolving Loan Fund	\$235.6
Legacy Investment Loan Fund	\$92.1
Water Infrastructure Revolving Loan Fund	\$65.8
*Flex PACE	\$55.1
Medical Facility Infrastructure Loan Fund	\$51.3
Clean Sustainable Energy Authority	\$45.7
Rebuilders Permanent Loan Fund	\$39.6
Innovation Technology Loan Fund	\$34.1
Value Added Guarantee Loan	\$32.2
*Beginning Farmer	\$17.6
*Ag Diversification and Development Fund	\$13.9
*PACE	\$11.6
*Flex PACE for Affordable Housing	\$7.4
*Ag PACE	\$6.6
*Medical PACE	\$5.7
Bulk Propane Storage Tank	\$5.0
*Biofuels PACE	\$4.1
*COVID-19 PACE Recovery	\$3.5
Health Information Technology Loan Fund	\$3.4
Long-term Care	\$2.9
North Dakota Department of Trust Lands	\$2.7
Western Area Water Supply Authority	\$1.9
Rural Workforce Initiative to Support Housing	\$1.7
DWR Resources Trust Fund	\$0.5
Addiction Counselor Internship Loan	\$0.2

*Buydown programs represent assets restricted for loan buydown. Loans are recorded under Bank of North Dakota.

Legislature-Directed Loan Program Location Map 2024



Infrastructure Revolving Loan Fund



Water Infrastructure
Revolving Loan Fund



School Construction Assistance
Revolving Loan Fund



Health Information Technology Loan Fund



Medical Facility Infrastructure Loan Fund

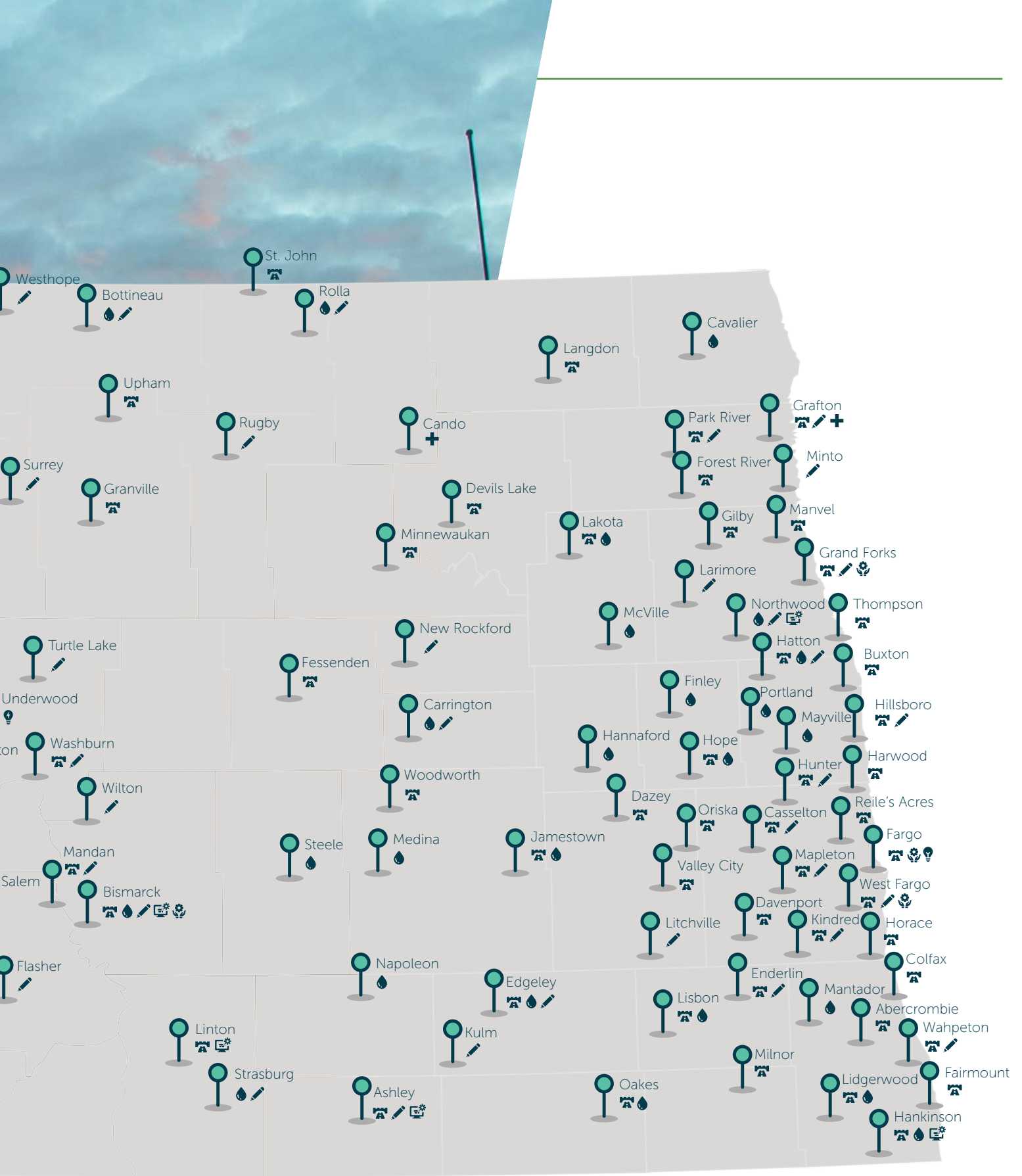


Clean Sustainable Energy Authority



Legacy Investment Technology Loan Fund

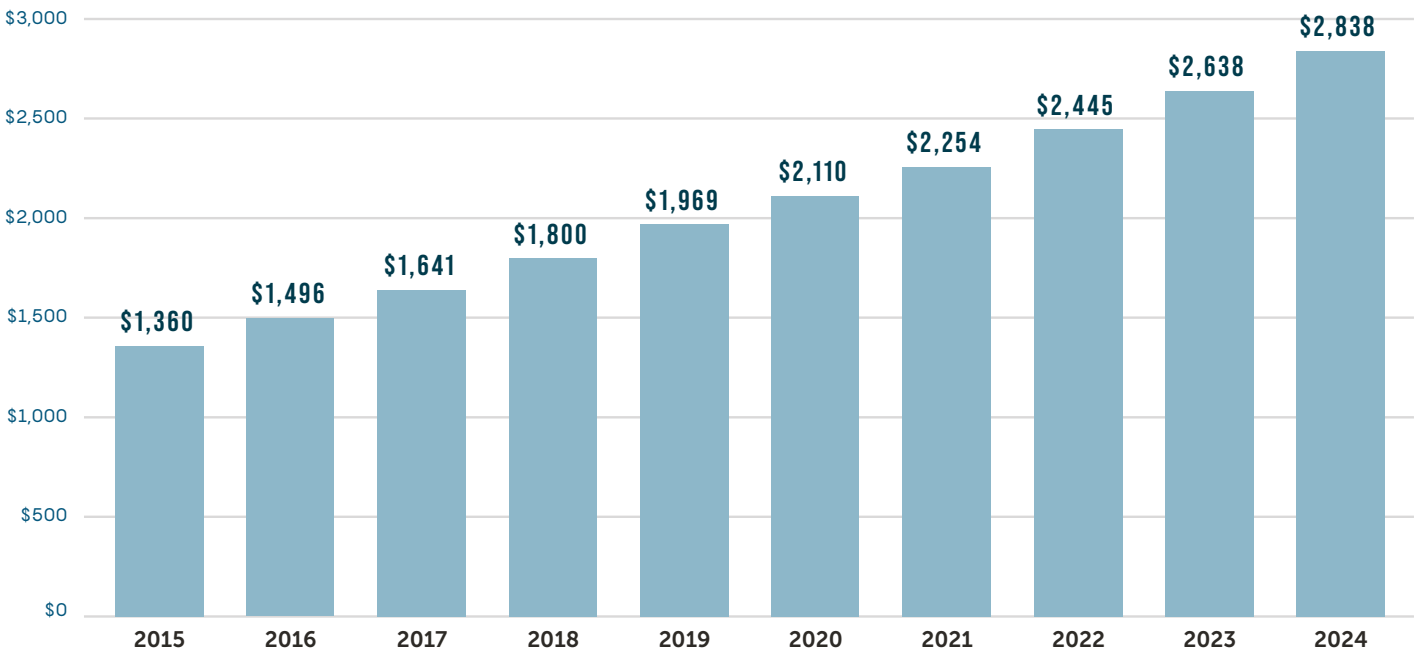






North Dakota Mill and Elevator Association expands with its new midds storage-and-handling facility.

BND Cumulative Profits (in millions)

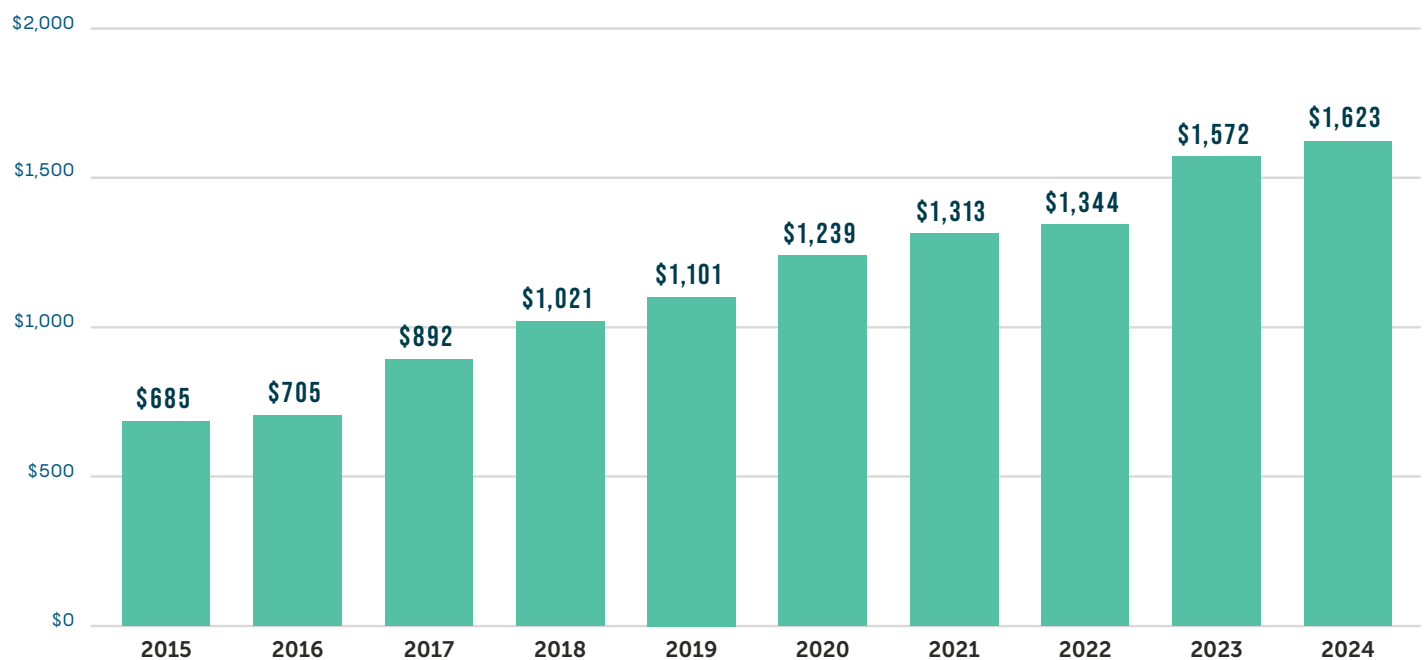


Since inception in 1919, Bank of North Dakota has generated more than \$2.8 billion in profits for North Dakota.



Lake View Services LLC adds a new 250-ton crane to its fleet of equipment.

BND Cumulative Dividends to General Fund and Other Funds (in millions)



The North Dakota Legislature tapped BND's profits for the first time in 1945, requesting \$1,725 for the General Fund. Since then, BND profits have provided more than \$1.6 billion to the State's General Fund and Other Funds per the Legislature's direction.



Applied Digital Executive Vice President Nick Phillips leads a tour of the company's data center in Ellendale, North Dakota.

Community of Ellendale

"We have an opportunity, and we're grabbing a hold of it to help us grow," shares Ellendale, North Dakota, Mayor Don Flaherty. The opportunity he is referring to is the acceptance of one of the largest single-site capital projects in North Dakota's history -- and all that comes with it. In the end, it will transform his hometown and better position it for future sustainability.

The project is an expansive data center that is being constructed by Applied Digital, a company that builds and maintains infrastructure, including data centers, "for specific types of applications such as blockchain, artificial intelligence, as well as super compute as a service." And it's not by chance that the company selected Ellendale for its \$20 billion project.

There were many factors the company considered when choosing a site. North Dakota's natural climate was one, as well as the work ethic of North Dakotans, but why Ellendale specifically?

As Applied Digital Executive Vice President of External Affairs Nick Phillips explains, "Ellendale was a no brainer for us. The reason for that is there's about two gigawatts of total wind generation within about 100 miles. The substation that we're next to is where a lot of that wind



Construction of Applied Digital's data center in Ellendale, North Dakota, brings up to 450 workers to the city while they are working onsite. When current planned projects are completed, there will be 300+ permanent employees.

power gets collected and distributed from. The reality of the transmission system is that there's not always enough transmission line capacity to move all of the energy that those wind farms are able to produce all the time. So when it's blowing very hard in North Dakota, which is often windy, the windmills are actually curtailed. They have brakes like your car that stop them from spinning, so they stop generating electricity. At those times, the energy is effectively wasted because of that power being stranded. By building next to that substation, we're able to utilize that energy that otherwise would have been wasted."

Since the data center requires constant power and generates a lot of heat, Ellendale is an ideal location for energy and cost efficiencies. A project of this size and scope in a small, rural community that hasn't experienced new growth in decades comes with some challenges and opportunities.

During the construction phase, up to 450 workers will be working onsite, and when current planned projects are completed, there will be more than 300 permanent employees, a substantial increase to Ellendale's current population of 1,100. This influx means there are more people in town supporting businesses and the community and additional tax revenue. It also creates more demand for housing, day care, school enrollment and other services as well as increased traffic, noise, and road maintenance.

City of Ellendale Mayor Don Flaherty has resided in the city for nearly 30 years.

While there are some existing homes that can be rented or renovated for rental purposes, a housing shortage to accommodate all of the Applied Digital workers still exists. The project didn't attract developers because of the volume of homes needed in a quick timeframe, capital investment and an unpredictable market for demand and costs, stagnant rental rates in an area that hasn't experienced a fluctuation in residents, and the risk of employment opportunities with dependency on one large employer.

To meet the urgent need for housing, Applied Digital, the city of Ellendale and Bank of North Dakota partnered with Headwaters Development and its affiliate companies, Advanced Volumetric Alliance (AVA) and Delta Modular Construction. They are constructing and will manage rentals of 20 single-family homes and a 38-unit multifamily apartment complex. The homes started to be delivered in late 2024, and the apartment complex is scheduled for delivery in mid-2025.

A typical timeline to build one single-family home is 12 months. AVA, the country's largest commercial modular manufacturing company, and Delta Modular Construction, a specialty on-site modular construction company, are able to partner and build an entire neighborhood in just a few months' time.

BND Chief Business Development Officer Kelvin Hullet shares, "Headwaters Development is leading the effort to bring houses to Ellendale, so that North Dakota can continue moving forward with this idea of being a dominant force in the data center industry. Through its affiliation with AVA, it has come up with a really innovative way to manufacture houses that don't look like manufactured housing."

They are also environmentally friendly. According to Headwaters Development CEO Mike Hoagberg, the company aims to achieve a goal of 2% material waste, compared to a traditional construction build of 10%. This contributes to both cost and waste savings.

Nearly all 20 homes for the first phase of the Ellendale development were built in less than four months. The homes, in addition to the three-story apartment complex that's coming in phase two,



Top Thousands of computers are constantly running in the data center. Applied Digital does not own the individual machines but provides the space and maintenance of the equipment. **Bottom** Bank of North Dakota employees pose for a photo while on a tour of the data center construction site.

"Headwaters Development is leading the effort to bring houses to Ellendale, so that North Dakota can continue moving forward with this idea of being a dominant force in the data center industry. Through its affiliation with AVA, it has come up with a really innovative way to manufacture houses that don't look like manufactured housing."

-KELVIN HULLET



Middle Downtown Ellendale is experiencing an uptick in traffic with the construction of the data center. **Right** One of the 20 single-family homes being installed in the Ellendale development.

are high quality. They are made to be transported, have sturdier structures, and when “installed on a real estate property” are built to last.

Another challenge was determining an affordable rental rate of the housing units. Headwaters Development took into consideration the higher cost of construction today and tried to balance it with average salaries in Ellendale, starting with Applied Digital employees. The goal was to get the housing costs under 30% of the income levels.

To help fill the gap in a reasonable way, they accessed BND’s Rural-Workforce Initiative to Support Housing (R-WISH) pilot program. It was the last piece to help them “get over the hump,” but it wasn’t just about the funding the gap though.

As Hoagberg explains, “The solution was designed not just to provide money to the project, but it also dictated, in a sense, partnership among the local employer, city and developer. R-WISH is effectively created where all stakeholders had to sit at the table and figure out how do we properly share that risk to ultimately build the product and keep the rents that are affordable to those employees? I’ve never seen a bank or city move that quickly. It was very impressive.”

According to Hullet, R-WISH is different from other housing finance programs since the commercial company that is creating the community expansion must contribute to the project costs. For this project, Applied Digital provided a capital investment that

matched BND funding of \$3.5 million, which is the maximum a single housing project can access through the pilot program. The city of Ellendale also had to support the project, which they did through the sale of the development lots well below market value and the creation of a TIF district.

Lastly, to access R-WISH funding, the developer had to work with a local lender in North Dakota. Headwaters Development is working with Starion Bank. So far, this is the first housing project in that state that has utilized the R-WISH pilot program.

“One of the points we don’t talk about enough is — and this is where I think the R-WISH program has a massive benefit long term — when you look at what’s happening in Ellendale, the total data center investment is \$20 billion,” explains Hoagberg. “Eventually the developer market is going to realize, ‘Okay, now I want to start developing some commercial long-term type infrastructure with more housing.’ But you needed the catalyst to kick that off, and that’s what R-WISH is doing. R-WISH with a combination of Applied Digital are the catalysts of kicking off and saying, ‘Okay, let’s get this moving.’ Let’s get some of those initial housing units open, so the initial employees could get Applied Digital up and stabilized, and then that future development will come in.”

Flaherty adds, “I believe that what’s happening today guarantees that Ellendale is a part of this area and an influence in this part of southeastern North Dakota well into the 22nd century.”



Tricia and Blain Luck stand for a photo together in Blue Haven Kids Academy. The Lucks opened the academy in May 2024.

Blue Haven Kids Academy

“We experienced firsthand the joys and the very real fears of dropping our kids off at daycare,” shared Tricia Luck. Being a mom of five children, foster parent to more than 100 children and a grandma, Tricia Luck is passionate about her and her husband Blain’s recent venture: Blue Haven Kids Academy LLC.

The Lucks have nearly three decades of caring for children between their own and others. Tricia provided child care in their home while their sons were young and briefly when they first became licensed foster parents. After she decided to discontinue providing child care and worked outside their home, they relied on child care providers, both in home and centers, for their foster children.

Experiences in 2019 and 2020 were pivotal for the couple. In 2019, their first grandson was born, and in 2020, they concluded their 12-year foster care journey when they adopted their two daughters, who were in their care. After having their daughters in daycare and helping to find care for their grandson, they made the decision to start Blue Haven Kids Academy.

The timing of their decision worked well. In May 2024, they were able to finalize the purchase of an existing 7,000 square-foot daycare center, including its building, and began to transform it into Blue Haven Kids Academy LLC. The academy cares for children up to age 12, but the primary age groups are infant through age 5. The Lucks leave openings in some of their rooms, so they can accommodate foster parents in need of child care at short-term notice. They also want to maintain a solid balance with staff and relationships with the kids and their families.

“We’ve had parents tell us, and we kind of feel it too, that we’re big enough to be a center, but yet we’re more of a family,” explained Tricia. “We make sure all our employees know all the kids. I don’t ever want a child to not know an adult in our building. Any of our teachers could step into



Top Blue Haven Kids Academy is a licensed child care facility located in Bismarck, North Dakota. **Bottom** The Lucks worked with Gate City Bank Business Banker Austin Hawkinson (left) and BND Business Banker Andrew Tweet for financing of Blue Haven Kids Academy and the building it is located in.

“We’ve had parents tell us, and we kind of feel it too, that we’re big enough to be a center, but yet we’re more of a family. We make sure all our employees know all the kids. I don’t ever want a child to not know an adult in our building.”

-TRICIA LUCK



Blue Haven Kids Academy cares for children infant through age 12 and has age-appropriate rooms and play areas.

any room for another teacher and cover for them if they needed, and it not be traumatic to a child.”

The Lucks currently employ 28 people at the academy and are seeking additional employees who share their vision on what child care should be. Nutritious meals are cooked in an on-site kitchen, and all six classrooms provide curriculum through “Teaching Strategies” and hands-on learning opportunities. There are also indoor and outdoor play areas with age-appropriate spaces.

Like any new venture, there are challenges to overcome. Some of these challenges include staffing, budgeting for improvements and updates, and the time investment – often sacrificing family time to ensure the business tasks are handled. These challenges also come with rewards. Tricia shared, “I love every one of these kiddos that are here. I can just walk by a hallway, and they yell for me, and I get hugs from them. So for me, it’s easy. I get rewarded every time I walk into a classroom.”

The road to opening the academy was filled with lots of questions and various pieces coming together to bring it to fruition. To start the process, the Lucks turned to their local lender Gate City Bank. The process included creating a business plan with phases and discussing different funding options, all under the guidance of the Gate City Bank team.

Together, they came up with a funding package that included Gate City Bank’s BetterLife™ Child Care Business Loan, North Dakota Development Fund, and Bank of North Dakota’s PACE Program, as well as buydown assistance from Lewis and Clark Development Group. Gate City Bank Business Banker Austin Hawkinson shared, “Thanks to our joint efforts, as well as Bank of North Dakota’s PACE Program, the daycare can put more money toward business operations instead of the loan payment. Not to mention, Bank of North Dakota’s involvement has also promoted a level of risk mitigation that opens the door to new business financing opportunities.”

Bank of North Dakota Business Banker Andrew Tweet adds, “It’s rewarding that collaboratively we were able to come together and build a financing package to help the Lucks and Blue Haven Kids Academy get started. Child care is a huge need in the area. It’s clear that the Lucks are dedicated to their work at Blue Haven Kids Academy.”

In regard to their mission, Blain expressed, “We want our story to resonate with it too. Even down to the name Blue Haven Kids Academy, it rings true. We could’ve named it whatever we wanted, but we just wanted haven - safe. That’s what we want when parents drop their kids off is to know they’re safe.”



Blue Haven Kids Academy provides a safe and hands-on learning environment for the kids.



Gary and Carla Poeckes, owners of Lake View Services LLC, pose with a photo that showcases some of the company's cranes and heavy equipment.



Gary Poeckes, explains the capabilities of Lake View Services' new 250-ton Tadano crane.

Lake View Services

Lake View Services LLC, based in Beulah and Trenton, North Dakota, is reaching new heights – literally – with its recent addition: a 250-ton Tadano crane. Purchased in May 2024, the boom of the new crane alone can reach nearly 230 feet, which is just shy of the 241-foot, 21-story tower of North Dakota's Capitol. This heavy piece of equipment is opening new opportunities for the 14-year-old company.

Gary and Carla Poeckes, owners of Lake View Services LLC, recognized a need for the larger crane due to increased work in the surrounding communities and Bakken shale formation. To achieve heavier loads safely and the increasing number of requests, Lake View Services needed to invest in equipment.

With the need identified, the next step was deciding whether to lease or finance the crane. The Poeckeses visited with their local lender, Union State Bank of Hazen, and decided to finance it. Union State Bank partnered with Bank of North Dakota (BND) and utilized

BND's Business Development Loan Program. The program provided an affordable rate and allowed the purchase transaction to happen in North Dakota, which kept the tax revenue in state.

"We've had people say, 'Well, you're just a small crane company.' Now we can compete with anybody out there, and we are," Carla Poeckes states. "We're competing with crane companies out of Bismarck and a lot of crane companies in the Williston area, so it makes us more competitive and will generate more income than the smaller cranes."

The cranes can be used for projects including precast concrete buildings, coil tubing in oil fields, wind turbines, weather towers, pumpstation houses and more. The company also provides flatbed hauling, belly dumping, and pickup and gooseneck hotshot services. It serves customers in North Dakota, South Dakota, Montana, Minnesota, Canada, and even countrywide for hotshot – or pickup and flatbed – runs.

The company, which started in 2011 with three trucks and a loader, has experienced year-over-year growth

and weathered the downturn of the oil industry during the COVID-19 Pandemic. The passion the Poeckeses have for their work and their employees is evident. Gary started working around cranes when he was 18, and Carla admits she is a “crane-a-holic,” confessing her vacation photos are often pictures of cranes. Regarding their employees, she explains, “We’re family.”

To avoid downtime between jobs and retain their 15 employees, the Poeckeses creatively expand their company’s services as needed to keep business flowing and meet the needs of their customers and communities. For example, they help with erosion control, dirt work, grounds maintenance, and even started stocking aggregate after realizing a need in the community.

Gary Poeckes explains, “What we did for the aggregate is when somebody would come in and want to buy, say, class five, we would run all the way over to Riverdale, load it and then take it to them. Well, we only handled what they needed, where we can haul 28 ton on a truck. If they only needed two ton, it was kind of senseless for us to run. We started piling it in the yard to make it more convenient for the community. Rather than them taking their pickups all the way over to Riverdale and they come with a 5 ½ yard bucket, try to dump a little bit in the back of a pickup, we thought, ‘Well, we’ll do that.’”

Serving the local community and maintaining relationships are a priority with Lake View Services and the Poeckeses. As Union State Bank Executive Vice



Gary and Carla Poeckes pose with Union State Bank Executive Vice President Lending Department Manager Leanne Stiefel (left), whom they worked with on the financing of the company’s new crane.



Among the company’s other heavy equipment, Lake View Services has seven cranes of various sizes, which can be used for statewide projects including precast concrete buildings, coil tubing in fields, wind turbines and more.

President Lending Department Manager Leanne Stiefel shares, “When Carla and Gary say they’re hands on, they’re hands on. The diversification that they have in their approach of ‘if this isn’t busy, let’s go do this,’ and the foresight for ‘okay, we can see this is going to slow down, so we’re going to go this direction’ help them be successful.”

BND Business Banker Andrew Tweet adds, “The Poeckeses are very present in their business and value the relationships they have in the industry and the community. Their all-around values, business approach and dedicated employees strengthen their company and help the Poeckeses continue to drive the business they are so passionate about.”

“I love what we do. I love our company. When we started the company, I was so scared and nervous, and now I’m not because we’ve learned and grown so much,” Carla expresses. “I learn something new every day.”

“When Carla and Gary say they’re hands on, they’re hands on. The diversification that they have in their approach of ‘if this isn’t busy, let’s go do this,’ and the foresight for ‘okay, we can see this is going to slow down, so we’re going to go this direction’ help them be successful.”

-LEANNE STIEFEL



The boom of Lake View Services' new Tadano crane can reach heights of nearly 230 feet and has a max lifting capacity of 250 tons.



North Dakota Mill & Elevator Association is the only state-owned mill in the country. Established in 1922, it is located in Grand Forks, North Dakota. Its elevator is one of the original and most recognizable facilities.



Left ND Mill Vice President of Production Operations Dillon Janousek shows BND Business Banker Tyson Zeltinger the new midds storage-and-handling facility, which will provide more flexibility and efficiency of the Mill's operations. **Right** Zeltinger poses with North Dakota Mill and Elevator President & CEO Vance Taylor, Chief Financial Officer Cathy Dub and Janousek.

North Dakota Mill and Elevator Association

Nestled in the northeast corner of the state stands the nation's largest single-location mill: North Dakota Mill and Elevator Association. That's not the solo trait that makes it truly unique though. ND Mill, which it's commonly referred to as, is the only state-owned mill in the country and opened in Grand Forks in 1922.

Along with Bank of North Dakota, it was created out of a farmers' protest and written into North Dakota Century Code by the 1919 legislative assembly. The vision was to improve the value-added market for North Dakota wheat production, a vision that continues to drive its work today.

Although its operations have evolved over time, its mission "to promote and provide support to North Dakota agriculture, commerce and industry" has been

steadfast. Fulfillment of its mission could be viewed as two-fold. One part involves generating a revenue that allows the mill to be self-funding and able to return a profit to its owners, the citizens of North Dakota. The other part is providing opportunities for North Dakota growers to be more profitable by receiving a better basis, which is the difference between the cash price and futures price of their wheat.

"The question 'how do we provide more benefit to the farmers?' has driven a lot of our expansion philosophy," explains ND Mill and Elevator President and CEO Vance Taylor, who has led the mill for 24 years. "We grind more wheat, create more demand and increase the local basis on what the farmers and the elevators are able to get when they sell their wheat to us. It's an important part of what we do."

In its daily operations, ND Mill processes up to 140,000 bushels of wheat and produces 6.05 million pounds of flour and about 2 million pounds of byproduct.

In addition to producing high volumes of product, ND Mill Chief Financial Officer Cathy Dub says, “We’re able to offer the farmers a better basis for their grain because we’re the end user of that product. They’re not paying to ship the grain from here to Minneapolis or to any other markets that may be the end user for the product. We get to use that product here, mill it into flour, and then ship it to our customers.”

No unprocessed wheat leaves the Mill. In fact, more than 300 different types of flour, including conventional and organic products, come off the production lines. Nine out of 10 of its milling units process spring wheat with the last unit milling durum. It purchases the wheat directly from many of the state’s producers as well as from elevators across North Dakota. Taylor explains, “A key to our success is access to some of the best wheat in the world that’s produced in the state of North Dakota by our very skilled producers.”

Another key to success is ND Mill’s dedicated team. There are 170 full-time employees with various levels of education and skill sets working hard to produce and deliver quality products to its customers on time with excellent service.

Success also comes with challenges. ND Mill’s leadership is always strategizing and considering all aspects of its operations including items like food safety standards, maintaining its workforce, anticipating transport logistics and more.

A longstanding challenge ND Mill faced due to its continuous expansion over the past 10 years was the handling and storage of wheat middlings. Middlings,

“A key to our success is access to some of the best wheat in the world that’s produced in the state of North Dakota by our very skilled producers.”

-VANCE TAYLOR



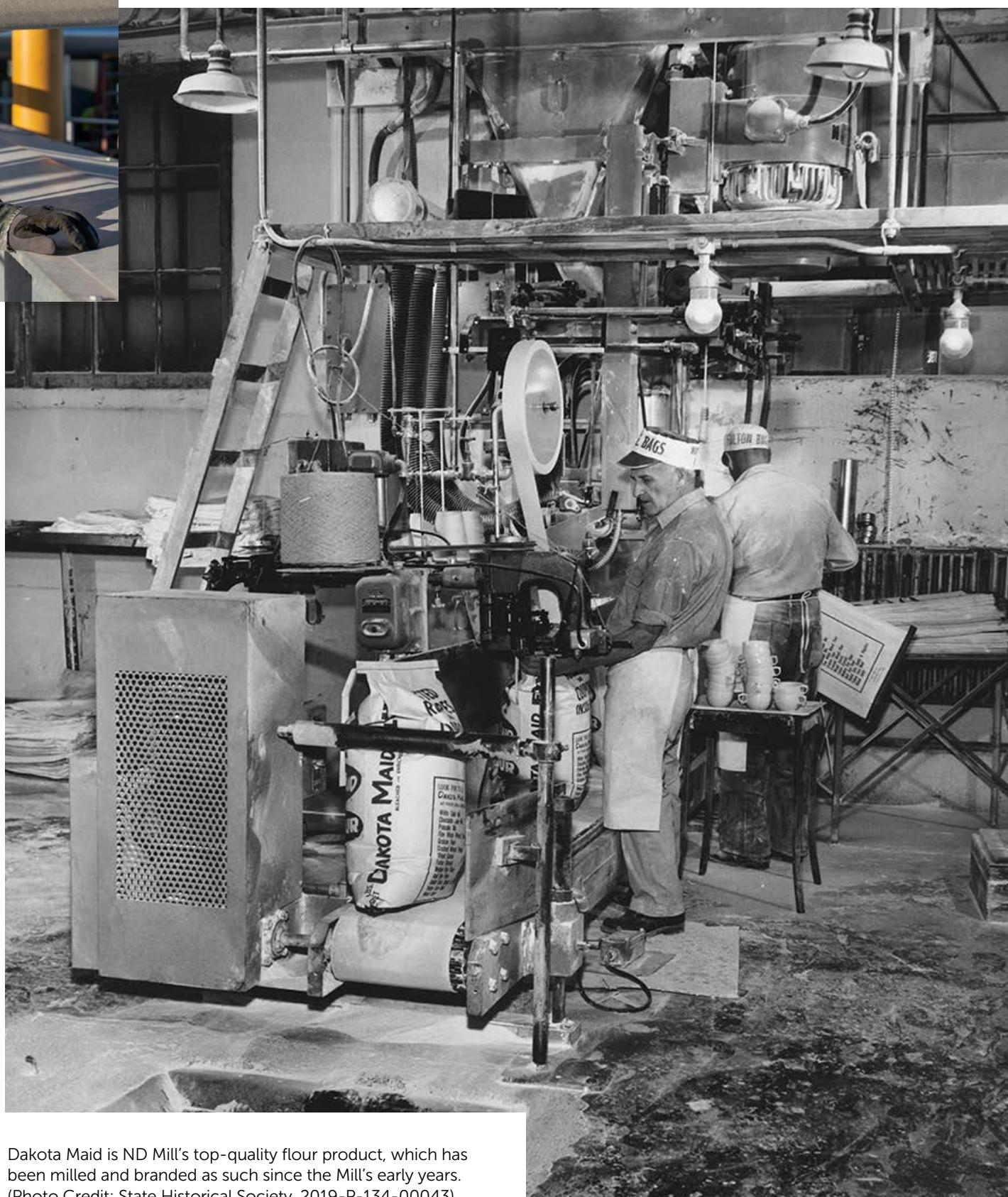
Janousek oversees the production operations of ND Mill, which prioritizes food and employee safety standards. Buildings and equipment have been upgraded over time to ensure the best handling equipment and materials are used to meet these priorities.

also referred to as midds, are a byproduct of wheat processing, which is commonly used for animal feed. ND Mill’s facility had the capacity to hold three hours’ worth of wheat midds from processing, which made it critical for trucks to be ready to haul the midds out at all times, or part of the milling process would shut down.

After years of planning for a new midds handling-and-storage facility, ND Mill received approval in 2021 of the \$56 million project from the North Dakota Industrial Commission, which oversees the ND Mill.

Working with Bank of North Dakota to fund the project, ND Mill recently finished construction of its midds storage-and-handling facility. It was the largest single project that the ND Mill has undertaken since opening its doors in 1922. The new facility increases the midds storage from a few hours’ worth of processing to three days of storage, providing supply reliability conveniences to their midds customers.

“We have a lot of local ranchers, and they struggle to find trucks on weekends to load out,” says Michael Leddige, key account salesman for ND Mill. “Now, we’ll have the ability to load during the week when trucks are coming in to haul grain, and then they can take the midds back to the farm during the week. There is also excitement of not having to worry



Dakota Maid is ND Mill's top-quality flour product, which has been milled and branded as such since the Mill's early years. (Photo Credit: State Historical Society, 2019-P-134-00043)

about storms and having the storage to handle all the midds during the week. If we do get a two-day snowstorm, it makes it a lot simpler overall.”

The new facility reduces the time drivers need to sit in line. While most of the midds customers are local, ND Mill also branches out to customers in Iowa and Nebraska and transports some by rail outside North Dakota to Texas, Oklahoma, Mexico and Canada for example.

ND Mill Packing and Loading Warehouse Superintendent Alan Sundby comments, “When it was talked about putting a new building up a handful of years ago, there was a lot of excitement to get a new facility because the way we’ve been doing it has basically been the same since 1922. It will be nice to be able to efficiently load feed trucks going forward.”

ND Mill’s Chief Financial Officer Cathy Dub adds, “The midds storage-and-handling facility here at the Mill is going to have great impacts on us financially, but also give us a lot of room to run our business in truly the most efficient way, which is going to obviously increase our profits and just be an all-around better process for us. We’re excited to be moving into a facility that better fits our size and is going to allow us much more efficiency.”

While the midds facility is one facet of its operations, it’s an important piece to meet the Mills’ goal of reducing waste and providing value add.

An average consumer may see the Dakota Maid flour product on local grocery shelves, but the majority of ND Mill’s flour product is sold in bulk. In addition to its North Dakota customers, main market areas include New York City and down the east coast, Chicago, Detroit,

“Sixty percent of our products are shipped out by bulk railcar. Many of those go to the largest bakeries across the country.”

-VANCE TAYLOR



Top The Dakota Maid label is not only on local grocery store shelves but is also sold in bulk nationwide. **Bottom** The mill facility has 10 milling units and seven stories that grain must travel through while being ground into flour. Each story is a different stage in the milling process.



Dub and Taylor reminisce about the ND Mill's projects over the years and share excitement about the upcoming completion of the mids storage-and-handling facility, which will increase the mill's storage capacity from a few hours' worth to three days' worth.

Indianapolis and the surrounding areas. The product is shipped by railcar or trucked out, some of which route to ND Mill's many transfer sites in the market areas.

"Sixty percent of our products are shipped out by bulk railcar. Many of those go to the largest bakeries across the country," Taylor explains. "On the outbound flour side, we ship about 20 bulk trucks a day, somewhere in the neighborhood of 20 to 30 van loads a day of bag product, and on top of that, we ship about 15 to 20 bulk rail cars per day to all parts of the country."

The nationwide market helps ND Mill create a favorable market for the state's grain producers and elevators as well as turn a profit on its operations. Fifty percent of the profits are returned to the State of North Dakota and the general fund. These accomplishments come from the ND Mill's proficient handling of operational

logistics from the intake of wheat to the milling and selling of the flour to getting it to the end consumers.

Taylor expresses, "We couldn't do what we do without the support of the Industrial Commission, which acts as the board for the ND Mill, Bank of North Dakota, the Legislature and our local government here. They're great to work with and give us the support that we need to do the business we do."

With no guidebooks on running the only state-owned mill in the country, everything ND Mill achieves is trailblazing and benefits the state of North Dakota, its producers and citizens. Dub adds, "We're able to offer the residents of North Dakota and grain producers of the state of North Dakota better returns and a greater advantage by using the tools from Bank of North Dakota to invest in and grow our business."



WBI Energy and its crews are committed to environmental stewardship.

WBI Energy

WBI Energy, a subsidiary of MDU Resources Group, Inc., is on a mission to provide “safe, reliable natural gas transportation services across the Northern Plains” and its most recent project expands its reach. The company recently completed a 60.2-mile pipeline expansion that will bring an additional 20.6 million cubic feet of natural gas per day to the southeastern part of North Dakota.

A need for the expansion was identified through feedback that WBI Energy was receiving from Montana-Dakota Utilities Co., Great Plains Natural Gas Co. and key stakeholders, including local officials in Kindred, Wahpeton and other southeastern North Dakota communities. The concern was insufficient access, or in Kindred – no access, to firm natural gas service which negatively impacted economic development and growth. The challenge was getting natural gas to the area. This led WBI Energy toward exploring the pipeline and creating a solution.

Headquartered in Bismarck, WBI Energy initially submitted a prefilling request in September 2021 and received the notice from Federal Energy Regulatory Commission (FERC) to proceed with construction in February 2024, after achieving other needed milestones along the approval process. It is quite a process that includes collaboration among many different national, state and local agencies. WBI Energy sought to determine the most feasible route with minimal environmental impacts.

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WBI Energy's Wahpeton Expansion Project allows the company to offer services to communities from Mapleton and southeast to Wahpeton as illustrated above.

To expand its services to southeastern North Dakota, WBI Energy needed a connection to existing pipeline along with a compressor station, which was a critical piece to make the project viable. Fortunately, the company completed its Valley Expansion Project in 2018 to get gas to the Red River Valley. That project included the construction of a compressor station in Mapleton.

As Brent Miller, MDU Resources treasurer, explains, “When we first started reviewing options to get more natural gas transportation capacity built into the Wahpeton area, our Valley Expansion Project was not yet in service. This meant that reaching adequate natural gas supply points were much farther away from Wahpeton, and therefore much more costly to construct. The Valley Expansion Project served as an important platform from which we could build to Wahpeton.”



WBI Energy's pipelines transport natural gas across the Northern Plains, including Wyoming, Montana, South Dakota, North Dakota and Minnesota.

Another critical piece in a project of this scale is funding. WBI Energy worked with Kevin Murphy, U.S. Bank senior vice president of Power and Utilities Division, for financing.

"The Match Program through Bank of North Dakota is a great alternative financing tool to support critical infrastructure projects in North Dakota," Murphy explains. "It provides a very competitive, comprehensive financing structure for large companies in the state at attractive terms."

Miller, who has been with MDU Resources for 11 years and has worked through financing of other projects, adds. "The competitive financing offered through the Match Program provided lower interest rates when compared to traditional financing options, which in turn increased the return profile of the project. With less interest expense, we also have more capital available for additional growth projects."

WBI Energy and MDU are investing resources in North Dakota and are looking ahead to long-term growth in the state. The Wahpeton Expansion Project

is an example of its commitment to help support its customers and economic growth in the state.

In regard to the Match Program and helping to fund the expansion project, BND Financial Institutions Market Manager Kaylen Hausauer shares, "You take state dollars and deploy them into financing at low cost, which generates this economic activity or opportunity in these areas, and then that in turn, it creates additional sales tax and real estate tax dollars. It's just this full circle kind of cycle."

Having access to uninterrupted natural gas in southeastern North Dakota will, as Miller explains, "allow industry and communities in southeast North Dakota to continue to attract investment and grow, which in turn allows our company, both WBI Energy and Montana-Dakota Utilities, to grow in the region." He adds, "Economic development shouldn't be impeded by insufficient access to natural gas when it's so readily available in the state. It allows that access."



WBI Energy crews work on a pipeline expansion project.



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