

# Today's U.S. Ethanol Industry

*Helping Break America's  
Addiction to Oil*

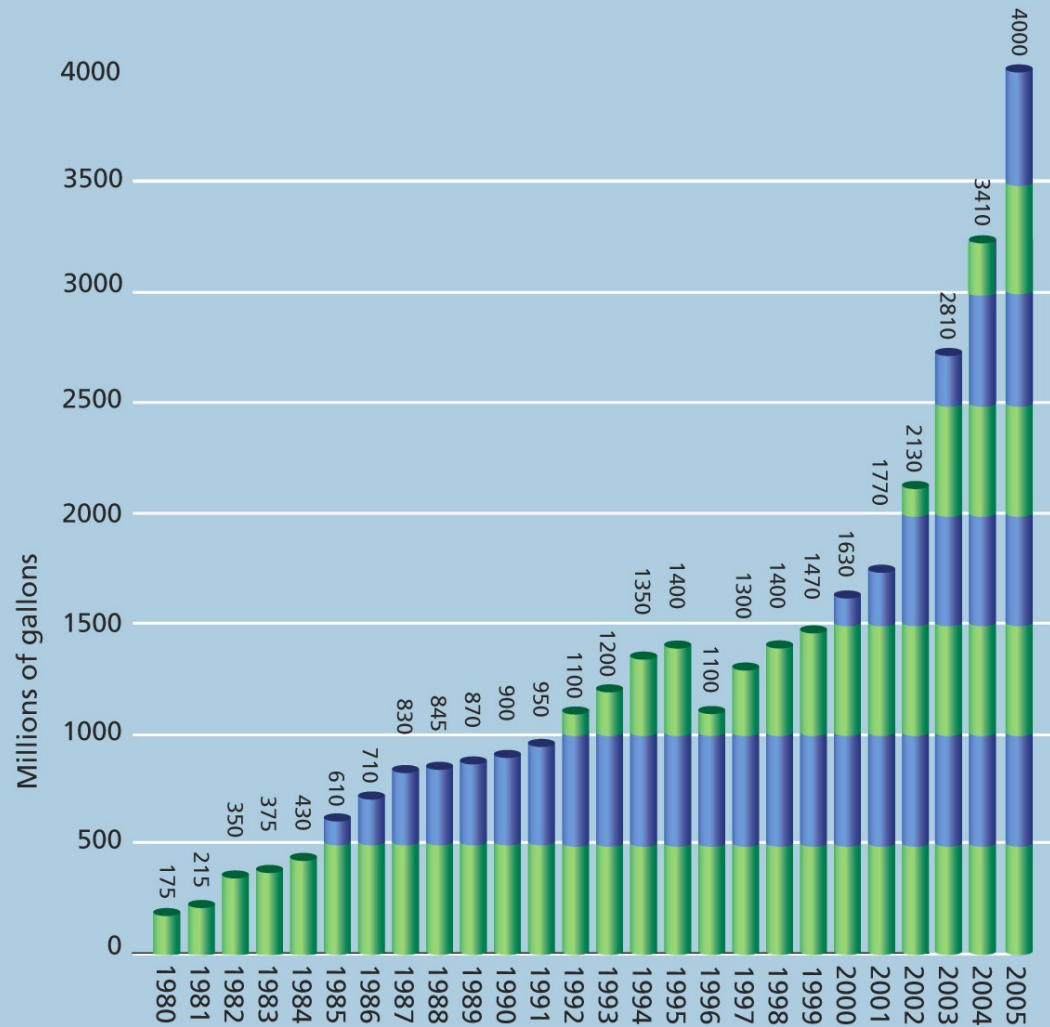


# U.S. Ethanol Industry Today

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- Annual production record in 2005 of 4 bgy
- 96 plants in 19 states with over 4.4 bgy capacity today (*March, 2006*)
- 33 Plants under construction, combined w/ 8 expansions, will increase industry capacity an additional 2 bgy (*March, 2006*)
- Dozens of additional plants in various stages of development

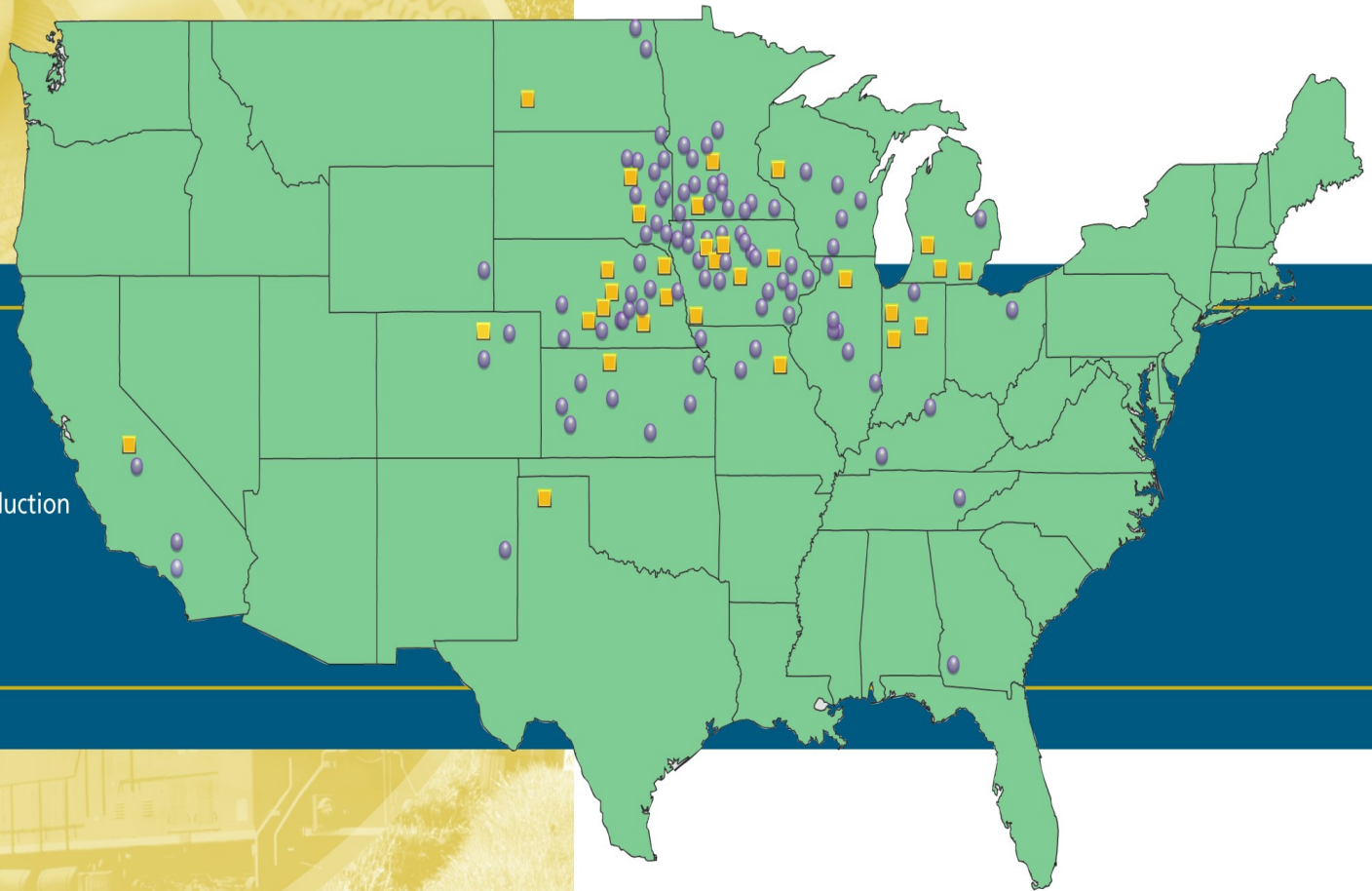
## HISTORIC U.S. FUEL ETHANOL PRODUCTION



Source: U.S. Energy Information Administration / Renewable Fuels Association

## U.S. Ethanol Refineries

- Refineries in production
- Refineries under construction



Source: RFA, January, 2006

# Farmers Leading the Fight for Energy Independence

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- Rural Revitalization!
- 50% of the 97 current ethanol plants are owned by farmers
- Majority of ethanol plants under development are farmer-driven projects



# Agriculture as Energy Producers

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- In 2005, 1.43 billion bushels of corn (13% U.S. crop) and 15% of nation's grain sorghum crop used for ethanol
- Ethanol is the 3rd largest market for corn
- Ethanol dry mills produced record 9 million metric tons of distillers grain livestock feed in 2005

# What's Leading Industry Growth?

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- Renewable Fuels Standard
- Rising gas and oil prices
- State ethanol programs
- E85 growth
- Concerns about MTBE contamination resulting in new East Coast markets
- Need to expand U.S. fuel supply
- Environmentally-friendly profile

# Nationwide Economic Benefits of Ethanol Demand in 2005

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- Added \$32.2 billion to gross output
- Created 153,725 jobs in all sectors of the economy
- Increased economic activity and new jobs from ethanol increased household income by \$5.7 billion, money that flows directly into American consumers' pockets
- Contributed \$1.9 billion of tax revenue for the Federal government and \$1.6 billion for State and Local governments.
- Reduced imports by 170 million barrels of oil, valued at \$8.7 billion



# Annual Local Economic Impact of a 100 mgy facility

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- Spend an estimated \$88.2 million for goods and services
- Use 36.4 million bushels of corn
- Operational spending will generate \$406 million for the local economy
- Increase the size of the state economy by \$223 million
- Generate nearly 1,600 new jobs
- Increase household income by more than \$50 million

Source: "Contribution of the Ethanol Industry to the Economy of the United States," LECG, LLC, February 2006

# Technology Moving Industry Forward

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- New technologies reducing energy consumption, improving refinery efficiency, developing new co-products, using new feedstocks
  - Corn fractionation
  - Cold starch hydrolysis
  - Corn oil extraction
  - Reduced natural gas usage: biomass gasification, fluidized bed reactor, turbines

# Contact Information:

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