

# Ethanol Coalition of Michigan News



## Who We Are

The Ethanol Coalition of Michigan (ECOM) unites commodity organizations, fuel suppliers, educators, producers, businesses, government agencies and individuals who are interested in expanding the production and use of ethanol in Michigan.

## Our Goals

ECOM goals include increasing public awareness on the benefits of ethanol; supporting legislative efforts, encouraging positive ethanol marketing practices and presenting ethanol educational programs to schools, civic groups and other interested parties.

## Contact Information

If you are interested in receiving ECOM NEWS or have ethanol-related information to submit for this publication, contact Dulcey Simpkins, MI Energy Office-Biomass Energy Program Manager at (517) 241-6223 or by email at: [dlsimpk@michigan.gov](mailto:dlsimpk@michigan.gov).

**The MI Biomass  
Program  
website  
has changed!!**

Additional ethanol and biomass energy information is available at:  
[www.michigan.gov/biomass](http://www.michigan.gov/biomass).

## ECOM Activities

**Meetings:** On May 27, 2004, the ECOM group met at the Michigan Cornrowers' Association in DeWitt. The group summarized their experiences of the AFV Odyssey Day and moved forward on a renewables education plan with input from the Renewable Fuels Association and Lansing Community College. Their next meeting will be in late August 2004.

**Recognition:** At a June renewables conference in Arlington, VA, a paper by ECOM member Jake Ferris was selected for a forthcoming book on biofuels. Satish Joshi assisted Dr. Ferris on the paper "An Econometric Analysis of the Impact of the Expansion in the U.S. Production of Ethanol from Corn and Biodiesel from Soybeans on Major Agricultural Variables, 2005 to 2015".



## Michigan Happenings

### **2004 Community Energy Project Grants**

Available to public and non-profit agencies to implement the following types of projects in Michigan: 1) Solar energy demonstrations, 2) Bioenergy/biofuels education, 3) Green commuting projects, 4) Green building projects, and 5) Statewide energy conferences and/or events. Each project can be up to \$6,000. The deadline for proposals is Sept. 1, 2004. Contact 517-241-6280 or [jhsarve@michigan.gov](mailto:jhsarve@michigan.gov) for a copy of the Request for Proposal.

### **Biomass Energy Funding Opportunity**

The Michigan Biomass Energy Program has announced its 2004 round of Biomass Energy Grants to fund projects that expand markets for energy and fuel derived from Michigan biomass resources; maximum awards of \$30,000. Proposals due 5pm, August 5, 2004. To obtain an RFP, contact Dulcey Simpkins at 517-241-6223 or [dlsimpk@michigan.gov](mailto:dlsimpk@michigan.gov).

### **Renewable Energy Projects Eligible for USDA Value-Added Producer Grant**

USDA's 2004 Value-Added Producer Grants will award \$13.2 million to independent producers developing value-added agricultural business ventures. Renewable energy produced from agricultural commodities, wind power, or solar power is considered a value-added product. Applicants must belong to specific independent producer categories, and have a business plan in place at time of application. Due Date: July 30, 2004 by 4 pm (ET). Contacts: Alexandra Morel, 202-662-1882; Carol Werner, 202-662-1881.

## National Ethanol News

### Ethanol Expands Domestic Fuel Supplies, Reduces Gasoline Prices by 30 Cents per Gallon Nationwide

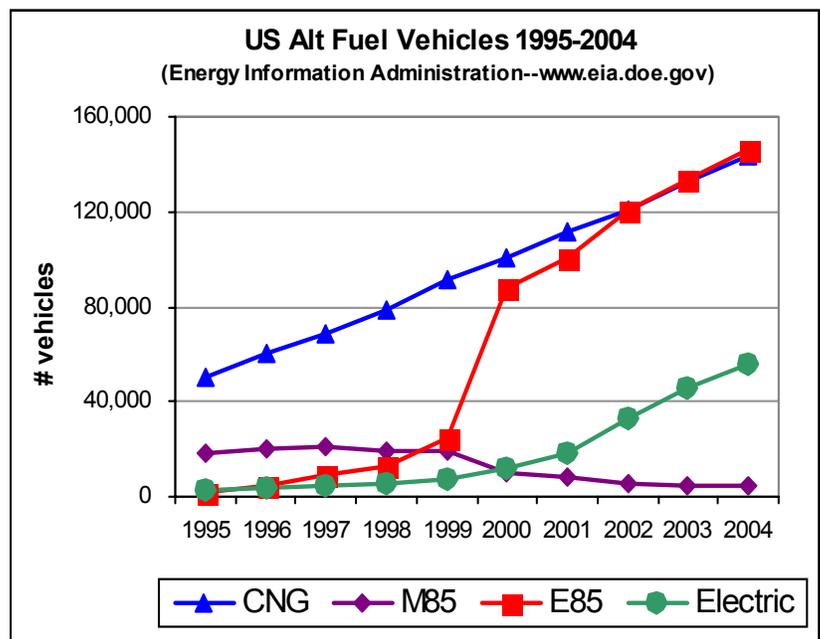
From the Renewable Fuels Association ([www.ethanolrfa.org](http://www.ethanolrfa.org)), 5/27/04

Washington, DC – As motorists across the country gas up for Memorial Weekend travel, they are confronted with record high gasoline prices, often over \$2 per gallon. Think it couldn't be any worse? Think again. According to a new analysis, motorists would be facing much higher gasoline prices, an additional 30 cents per gallon, were it not for the growing ethanol industry adding billions of gallons to U.S. fuel supplies.

“As the summer driving season begins, ethanol use is holding down gasoline prices by more than 30 cents per gallon,” stated Renewable Fuels Association President Bob Dinneen. “U.S. ethanol plants have produced record amounts of ethanol over the last six months to meet the demand for gasoline. Without ethanol, our country would be even more reliant on foreign imports of gasoline, and the pain at the pump would be much more severe. And the ethanol industry isn't resting. Over the last 25 years, while no new U.S. refineries have been built and scores have been closed, 78 new ethanol plants have been built and 10 more are under construction today.”

The analysis, “Ethanol and Gasoline Prices,” by economist John Urbanchuk found that ethanol use adds critical supply to the U.S. gasoline market. Without ethanol, gasoline demand would further out pace domestic supply and result in a major price spike. Specifically, the report found:

- Without ethanol, gasoline prices would increase 14.6 percent, or 30.2 cents per gallon, in the short term (including the entire summer driving season).
- Without ethanol, gasoline prices would increase 3.7 percent, or 7.6 cents per gallon, in the long term once refiners build new capacity or secure alternative sources of supply.
- Ethanol use will bolster U.S. gasoline supplies by more than 3.3 billion gallons in 2004.
- More than 30% of all U.S. gasoline is blended with ethanol.
- Without ethanol, refiners would be forced to import about 217,000 barrels per day of high-octane, clean-burning gasoline blending components.



## Upcoming Events

### 17th Annual ACE Meeting and Ethanol Conference, August 10-12, 2004

Duluth, Minnesota

Contact: Wendy Buren, American Coalition for Ethanol

Email: [wbburen@ethanol.org](mailto:wbburen@ethanol.org)

Website: [www.ethanol.org/conference.htm](http://www.ethanol.org/conference.htm)

### World Renewable Energy Congress August 28-September 3, 2004

Denver, Colorado

Contact: Ivilina Thornton

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Website: [www.nrel.gov/wrec/](http://www.nrel.gov/wrec/)