

Ethanol Coalition of Michigan News



ECOM Activities

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.

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

Additional ethanol and biomass energy information is available at:
www.michigan.gov/biomass.

Meetings: On September 23, 2004, the ECOM group met at the Michigan Cornrowers' Association in DeWitt. Members want to investigate ways to increase E85 refueling options by siting stations in a sustainable way. Michigan's state fleet is currently undergoing an inventory and restructuring, and would also like to use data on vehicle concentrations and use patterns to help identify places where innovative gas stations can benefit from having a steady flow of E85 users. In addition, ECOM supports a strategy involving a new staff position that focuses on working with EPA-act-regulated fleets and with gas stations to promote and sustain ethanol fueling sites.

Recognition: ECOM's Bruce Noel was recently named Vice Chair of the National Corn Growers Association Ethanol Committee. Noel also serves on the Corn Marketing Program of Michigan Board of Directors, and is a corn producer from Leslie, MI.

Michigan Happenings

Riga Ethanol Plant Update: Great Lakes Ethanol LLC hopes to break ground in November on a \$72 million plant that will produce 50 million gallons a year of ethanol. The plant needs some additional sources of funding, but zoning changes were approved and DEQ air permits are forthcoming. Great Lakes Ethanol will create 40 new full-time jobs and will indirectly create 25 new jobs with the opening of a carbon dioxide plant that will make use of byproducts from the corn processing.

Superior Corn Products has planned an ethanol plant near Lake Odessa, but no ground has been broken yet. This facility could use 16 million

bushels of corn per year to produce 45 million gallons of ethanol. The plant likely would use 40 to 45 percent local corn. Financing and environmental permit applications have not yet been submitted.



Ethanol More Competitive, Oil Prices Surge: Ethanol is increasingly attractive as oil prices reached an all-time high at \$54.45 per barrel on October 12, 2004. Oil prices continue to rise as hurricanes dented US stocks, and instability affected foreign producers. The price of ethanol in Michigan reflects the instability of oil and the benefits of domestic fuel production: at various times this summer the price of E85 dipped lower than that of gasoline.

Want to know why oil prices are so high? Visit the Energy Information Administration:
http://www.eia.doe.gov/pub/oil_gas/petroleum/presentations/2004/opis0410/opis0410_files/frame

National Ethanol News

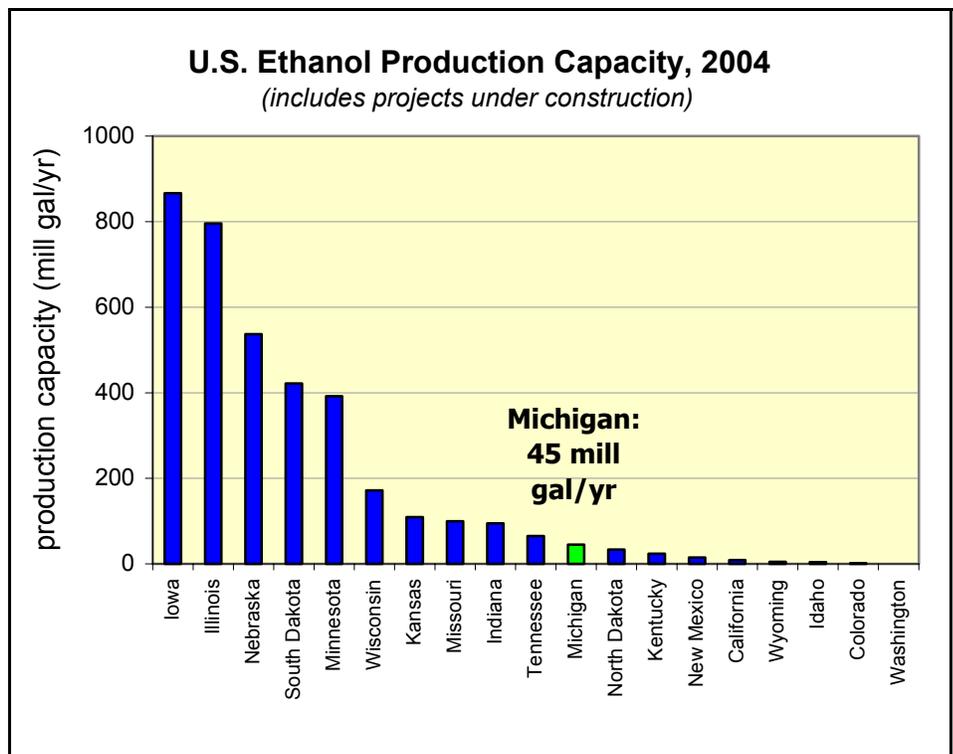
Pump Conversion Made Easy: The National Ethanol Vehicle Coalition's Technical Handbook (available online at www.e85fuel.com) contains information on how to convert a standard gasoline pump to ethanol. Total cost to convert a single tank and dispenser to E85 should not run over \$500.00—approximately the normal cost to convert a tank from one product to any other. Retailers should install a dispenser hose that is resistant to high ethanol content or chemicals and replace their normal inline filter with a one micron filter for start up at least. It is also important that the retailer check out under ground tanks and lines with the manufacture to be sure they are compatible with E85.

The NEVC wants to promote E85 in Michigan by contracting with retailers for a \$1,000 grant to help cover the store conversion costs. NEVC will also give the retailer \$700.00 worth of store and dispenser E85 point of sale material. For more information, contact NEVC or the Michigan Biomass Energy Program.

US Ethanol Production Hits All Time Monthly High: The U.S. ethanol industry set an all-time monthly production record of 222,000 barrels per day (b/d) in June 2004. June was the ninth consecutive all-time monthly production record. Production was up nearly 23 percent compared to last June when 181,000 b/d of ethanol were produced.

The ethanol industry is expected to produce more than 3.3 billion gallons in 2004, up from 2.81 billion gallons in 2003. Currently, 81 ethanol plants have the capacity to produce more than 3.4 billion gallons annually. Ten additional plants are under construction.

Michigan is currently the 11th largest ethanol producer in the US, and can produce a maximum 45 million gallons per year. Most of what is produced is utilized within the state. *Source: RFA 9-16-04*



Upcoming Events

4th Annual Biocycle Conference

November 8, 9, 10, Renaissance Savery Hotel, Des Moines, Iowa, website: <http://www.jgpress.com/conferences1/conferences1.html>

10th Annual National Ethanol Conference

February 7-9, 2005, The Camelback Inn Marriott Resort, Scottsdale, AZ; <http://www.ethanolrfa.org/necreg05.shtml>