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Rod R. Blagojevich – Governor

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GOV. BLAGOJEVICH ANNOUNCES PARTNERSHIP WITH HEWLETT FOUNDATION TO ACCELERATE GROWTH OF ETHANOL MARKET AND ENERGY INDEPENDENCE IN ILLINOIS

CHICAGO - Governor Rod Blagojevich announced today a new partnership between the William and Flora Hewlett Foundation and the Governors' Ethanol Coalition to accelerate the commercialization of ethanol production from non-traditional cellulosic biomass resources. Governor Blagojevich, the chair of the Governors' Ethanol Coalition, accepted a \$75,000 grant award on behalf of the Coalition from the Hewlett Foundation to facilitate the new partnership.

"My colleagues and I in the Governors' Ethanol Coalition share with the Hewlett Foundation a deep and growing concern about the nation's energy future. The nation's dependence on imported oil drains more and more of the wealth from Illinois and every state each year. One way to reverse this money drain is to produce a greater portion of the nation's fuel from local renewable resources. We are pleased and honored to be working with the Hewlett Foundation on this vital project," Governor Blagojevich said.

Over the next few months, Coalition members and the nation's leading energy and agriculture experts will develop policy recommendations to improve environmental quality and enhance national security by accelerating the commercialization of ethanol production from cellulosic resources. The recommendations will become the foundation for state and federal legislative initiatives. The recommendations are scheduled to be released in February.

"The Foundation looks forward to a productive partnership with the governors that will reduce the nation's energy dependence and help us use more of our own renewable resources," said Paul Brest, President of the Hewlett Foundation.

Traditional feedstocks for ethanol include common sugars, such as corn and sugar cane, and Illinois leads the nation in ethanol production from corn. Cellulosic feedstocks span a potentially enormous resource base, including common agricultural residues such as corn stover (stalks) and fiber, wheat straw, rice husks, nutshells, wood chips, and more. Cellulosic ethanol is therefore a large potential energy resource for the nation, complimentary to traditional corn ethanol. Cellulosic ethanol potentially adds value to rural economies by creating markets for agricultural residues and therefore generating new income from feedstocks that are already produced.

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Since the beginning of his administration, Governor Blagojevich has aggressively promoted the use of ethanol as a viable and efficient source of fuel. Landmark legislation was passed for the ethanol industry in June 2003 when Governor Blagojevich signed Senate Bill 46 (Public Act 93-0015), establishing the Renewable Fuels Development Program, which made \$15 million in grant funding available for the construction of new biofuels production facilities in Illinois in 2004. In September, the program provided a \$4.8 million *Opportunity Returns* grant to Lincolnland Agri-Energy in Crawford County to build its new ethanol production facility that will boost demand for Illinois corn by some 15 million bushels a year, increasing Illinois' energy independence and creating almost 40 new jobs in Southeast Illinois.

Minnesota Governor Tim Pawlenty, currently vice-chair of the coalition, will succeed Governor Blagojevich as the Coalition's chair in January.

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