



Department of Commerce and Economic Opportunity

Rod R. Blagojevich, Governor / Jack Lavin, Director

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Laura Hunter
312-814-2354
www.illinoisbiz.biz
Brian Reardon
217-785-3948

New Ethanol Plant Breaks Ground In Crawford County

PALESTINE, ILLINOIS – Jack Lavin, Director of the Department of Commerce and Economic Opportunity (DCEO)* today commended Lincolnland Agri-Energy, LLC for breaking ground on a new \$57 million ethanol production facility in Palestine, Illinois. More than 450 local farmers have invested a combined \$13.4 million in the project.

"This project illustrates the commitment that our farmers have to improving Illinois' rural economy, while increasing our energy independence," said Lavin.

The groundbreaking ceremony was held March 1st at the future site of the 40 million gallon ethanol production facility. The facility will become the sixth ethanol facility operating in Illinois, and the second ethanol plant in the state partially owned by a cooperative of farmers. In July 2002, Adkins Energy Co., LLC began producing 40 million gallons of ethanol at their new plant in Lena, Illinois, in the northwestern part of the state.

The Lincolnland Agri-Energy, LLC ethanol plant is expected to create 38 full time jobs, while boosting the demand for Illinois corn by 15 million bushels a year.

DCEO provided a \$25,000 business-planning grant to Lincolnland Agri-Energy last year. In addition, the project benefited from the federal

Community Development Assistance Program also administered by DCEO.

"As Illinois' ethanol industry continues to grow, the State of Illinois is committed to supporting these types of biofuel facilities in an effort to increase ethanol production and the demand for Illinois corn," added Lavin.

In addition to helping Illinois farmers and consumers, the project is expected to create economic opportunities for local skilled laborers, truck drivers, retail sales, and resulting sales tax increases expected in southeastern Illinois.

Ethanol, a renewable fuel made primarily from corn, is principally used as a gasoline additive to enhance octane and increase the oxygen level in the fuel so that it burns more cleanly, improving the quality of vehicle emissions and engine performance.

The U.S. Congress is considering Renewable Fuel Standards legislation that would increase the demand for ethanol to 5 billion gallons by 2012. Currently, over 2.6 billion gallons of ethanol are being produced.

* The Department of Commerce and Community Affairs was renamed the Department of Commerce and Economic Opportunity by Governor Rod R. Blagojevich on January 30, 2003.

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