

Overview of Ethanol in the Ag. Economy

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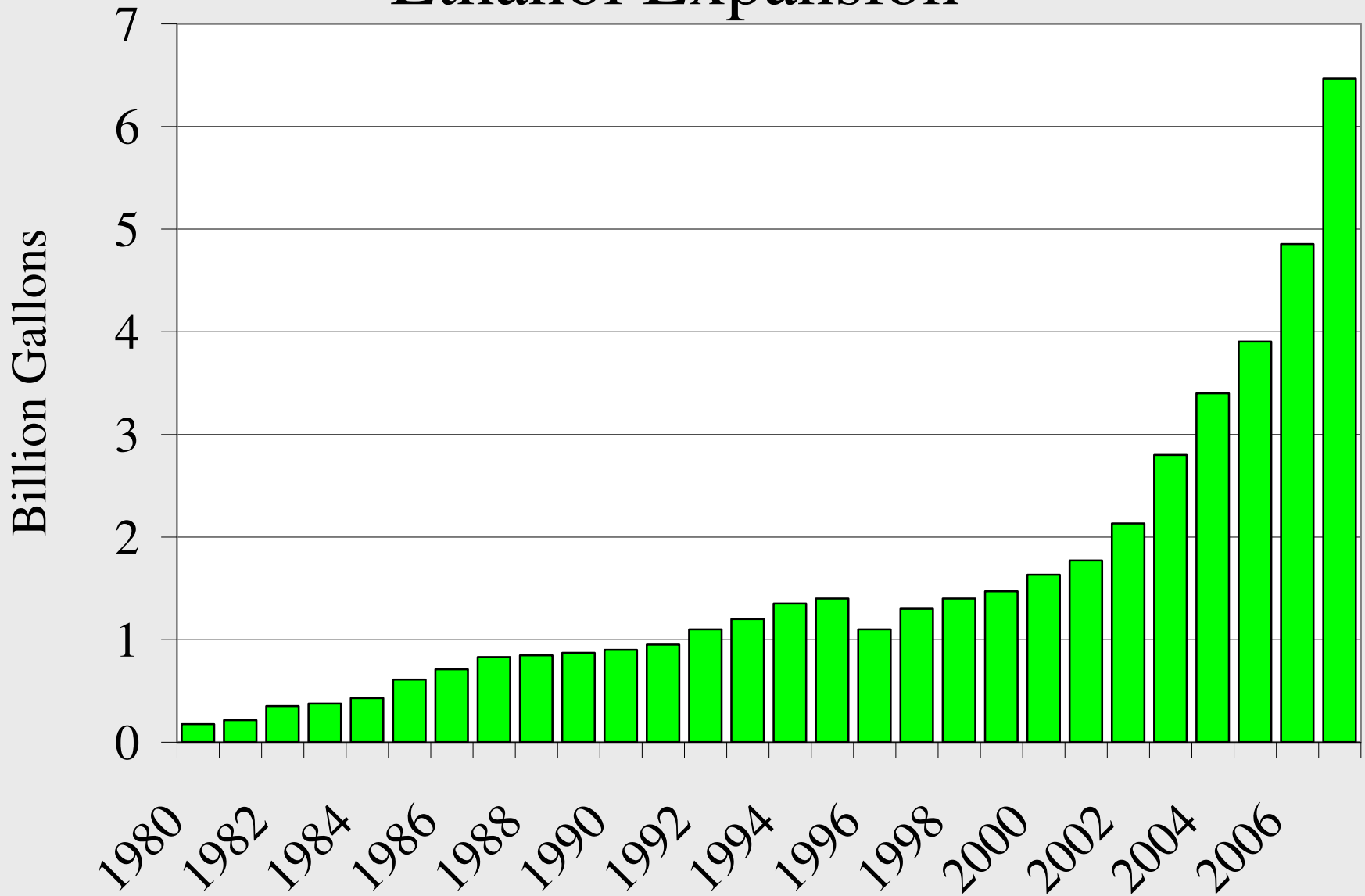
May 14, 2008

Biofuels and the Rural Economy

The Center for Towncraft

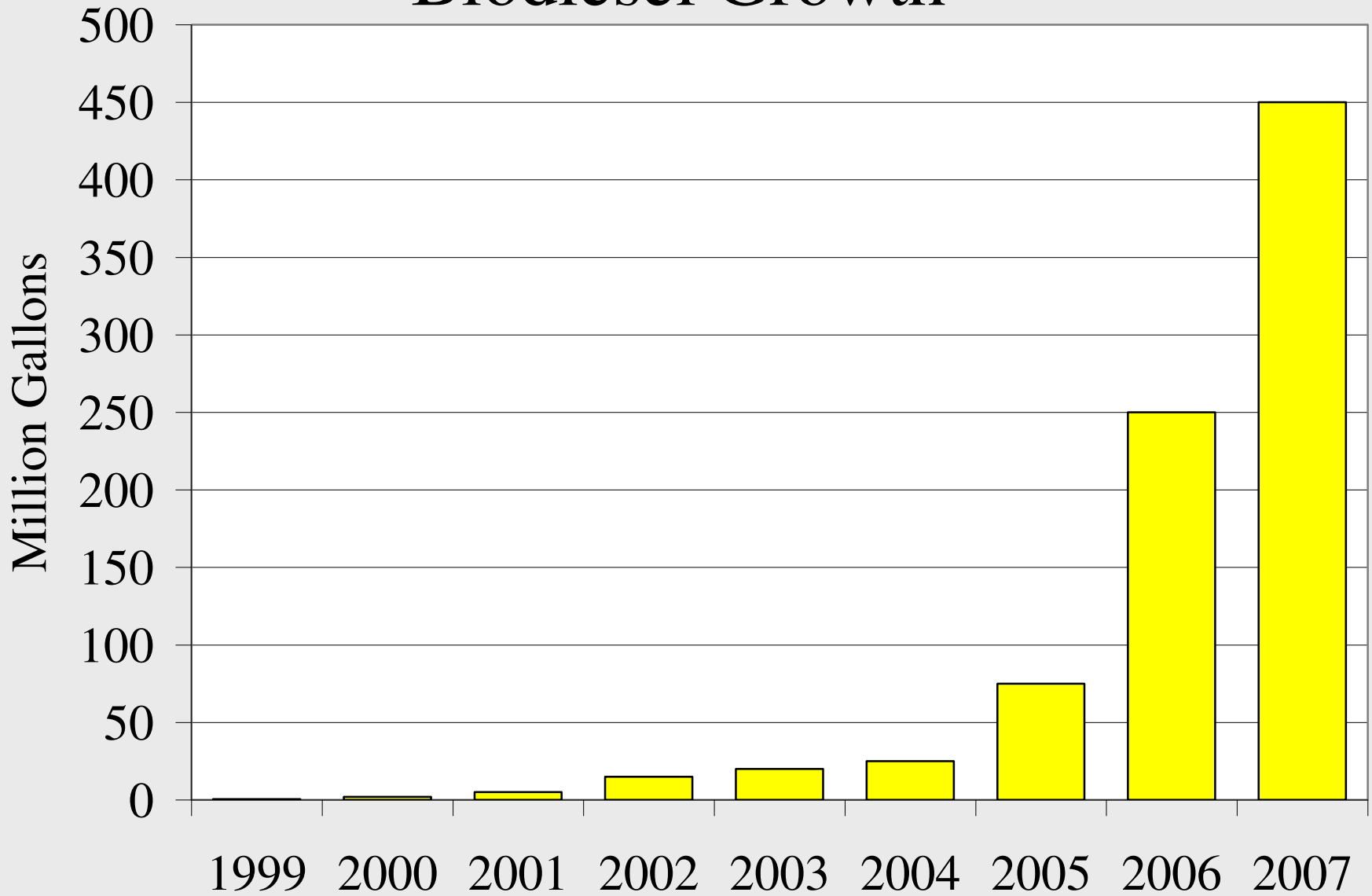
Perry, Iowa

Ethanol Expansion



Source: Renewable Fuels Association

Biodiesel Growth



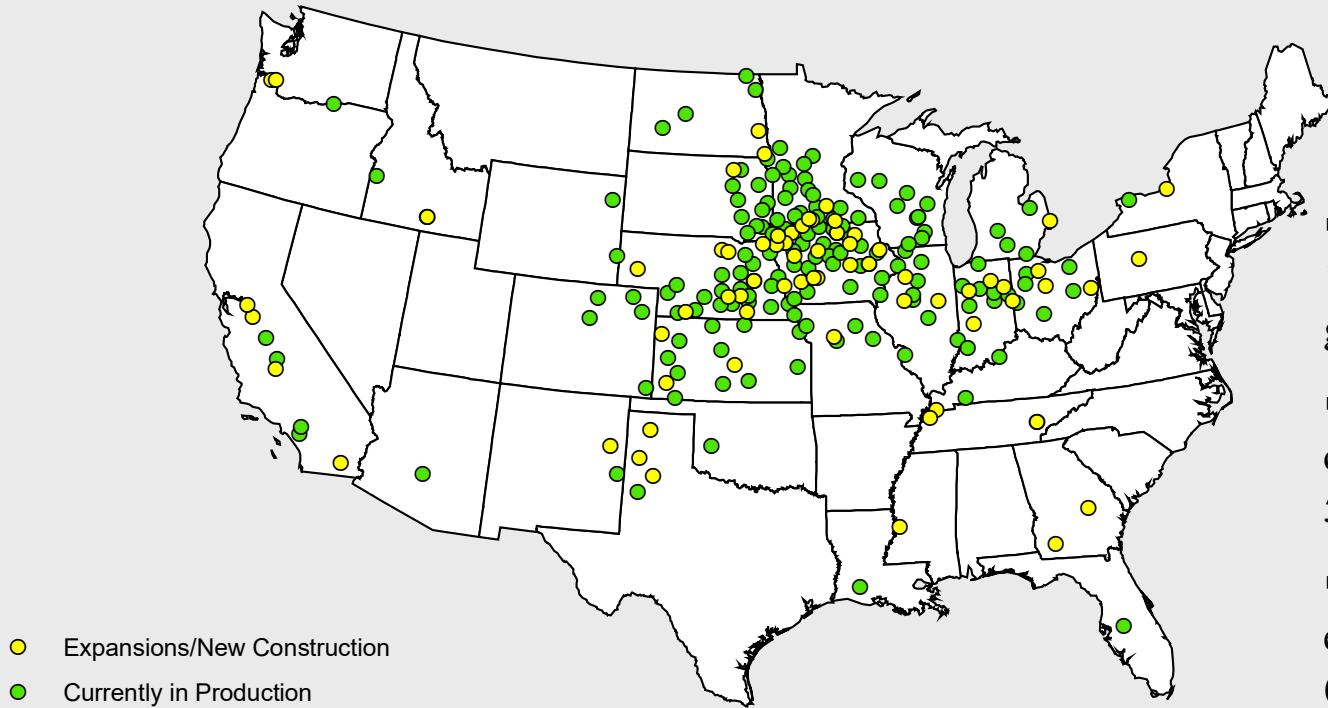
Source: National Biodiesel Board

Ethanol Industry Snapshots

	Ethanol Plants	Capacity (mgy)
Jan. 2000	54	1,749
Jan. 2001	56	1,921
Jan. 2002	61	2,347
Jan. 2003	68	2,707
Jan. 2004	72	3,101
Jan. 2005	81	3,644
Jan. 2006	95	4,336
Jan. 2007	110	5,493
Jan. 2008	139	7,888

Source: Renewable Fuels Association

U.S. Ethanol Industry



▪ Current ethanol capacity:
169 plants, 9.2 billion
gallons/year

▪ Total capacity under
construction and expansion:
5.7 billion gallons/year

▪ 71 new ethanol plants and
expansion projects underway
(some projects are
suspended)

▪ 2.117 billion bushels of corn were used in producing fuel ethanol in 2006/2007 marketing year.

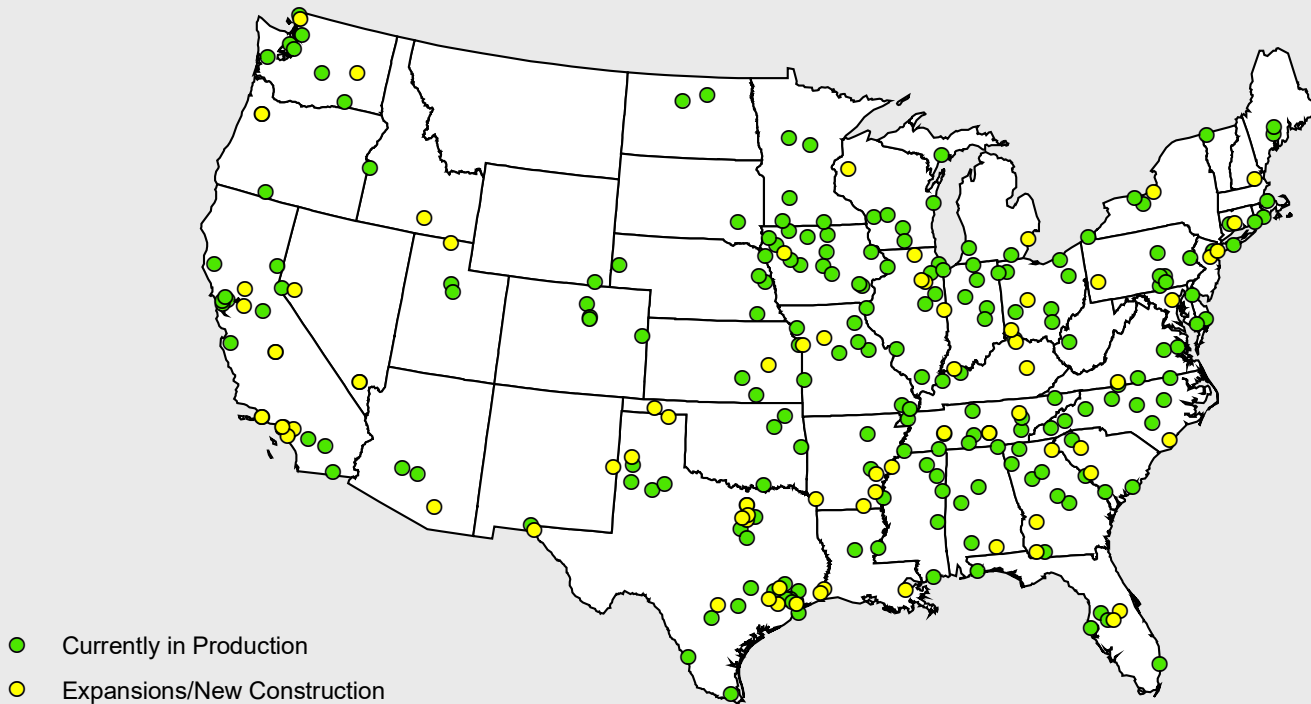
▪ 3 billion bushels of corn are expected to be used in producing fuel ethanol for 2007/2008 marketing year.

▪ 4 billion bushels of corn are expected to be used in producing fuel ethanol for 2008/2009 marketing year.

Ethanol – State by State

State	Current Capacity	Being Built (million gallons)	Total
IA	2102	1710	3812
NE	1308	830	2138
IL	1034	237	1271
MN	748	400	1148
IN	552	577	1129
SD	839	168	1007
KS	463.5	115	578.5
OH	405	145	550
WI	517	0	517
TX	140	245	385

U.S. Biodiesel Industry



▪ Current biodiesel capacity:
221 plants, 2.59 billion
gallons/year

▪ Total capacity under
construction and expansion:
1.34 billion gallons/year

▪ 77 new plants underway

▪ 2.8 billion pounds of soybean oil was used in producing biodiesel in 2006/2007 marketing year.

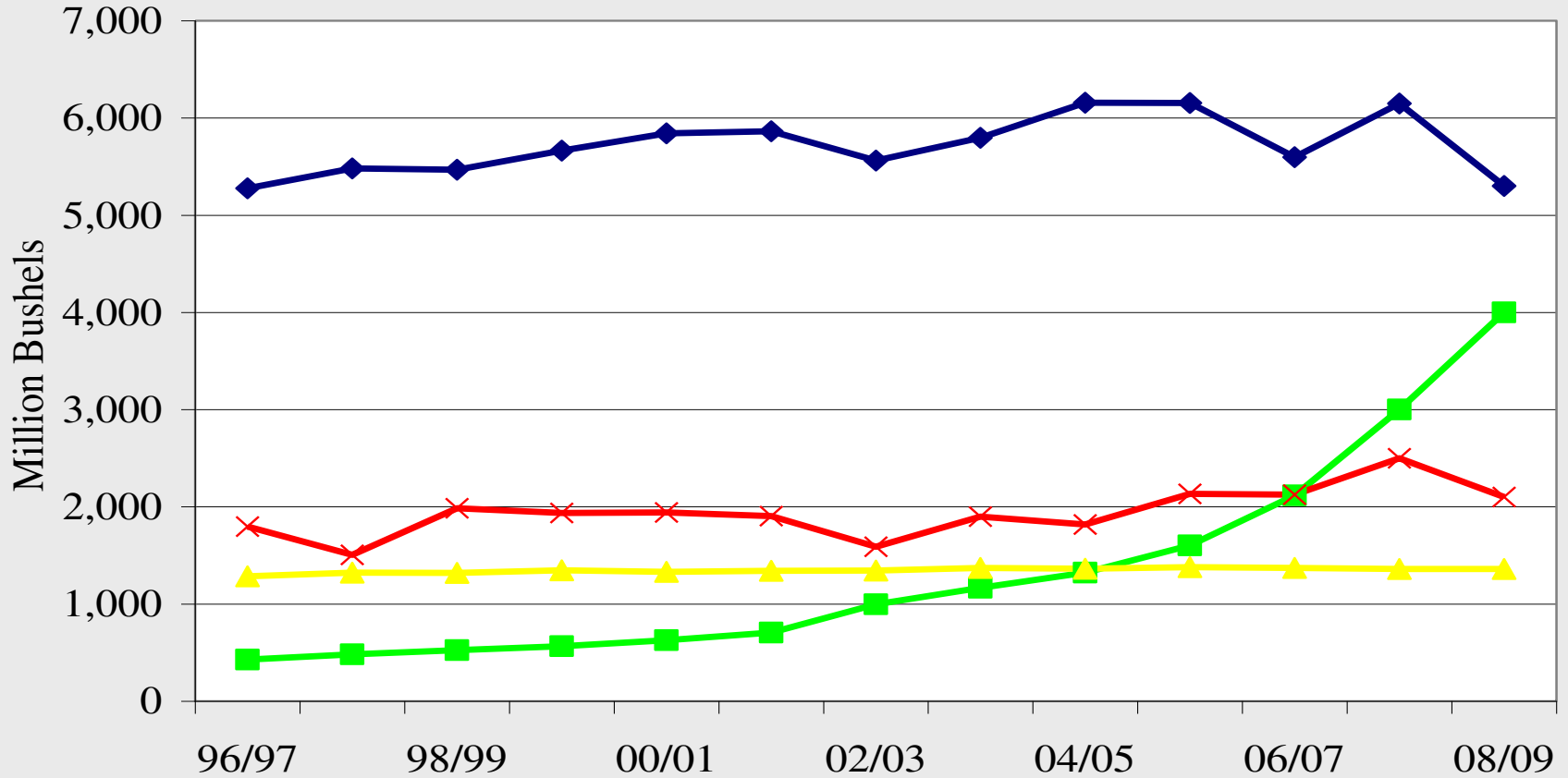
▪ 2.95 billion pounds of soybean oil are expected to be used in producing biodiesel for 2007/2008 marketing year.

▪ 3.2 billion pounds of soybean oil are expected to be used in producing biodiesel for 2008/2009 marketing year.

Biodiesel – State by State

State	Current Capacity	Being Built (million gallons)	Total
TX	348	418	766
IA	349	5	354
WA	131	114	245
MO	125	98	223
IL	99	106	205
AL	95	60	155
NJ	90	60	150
IN	121	15	136
GA	94	42	136
MS	126	0	126

Projected Corn Utilization



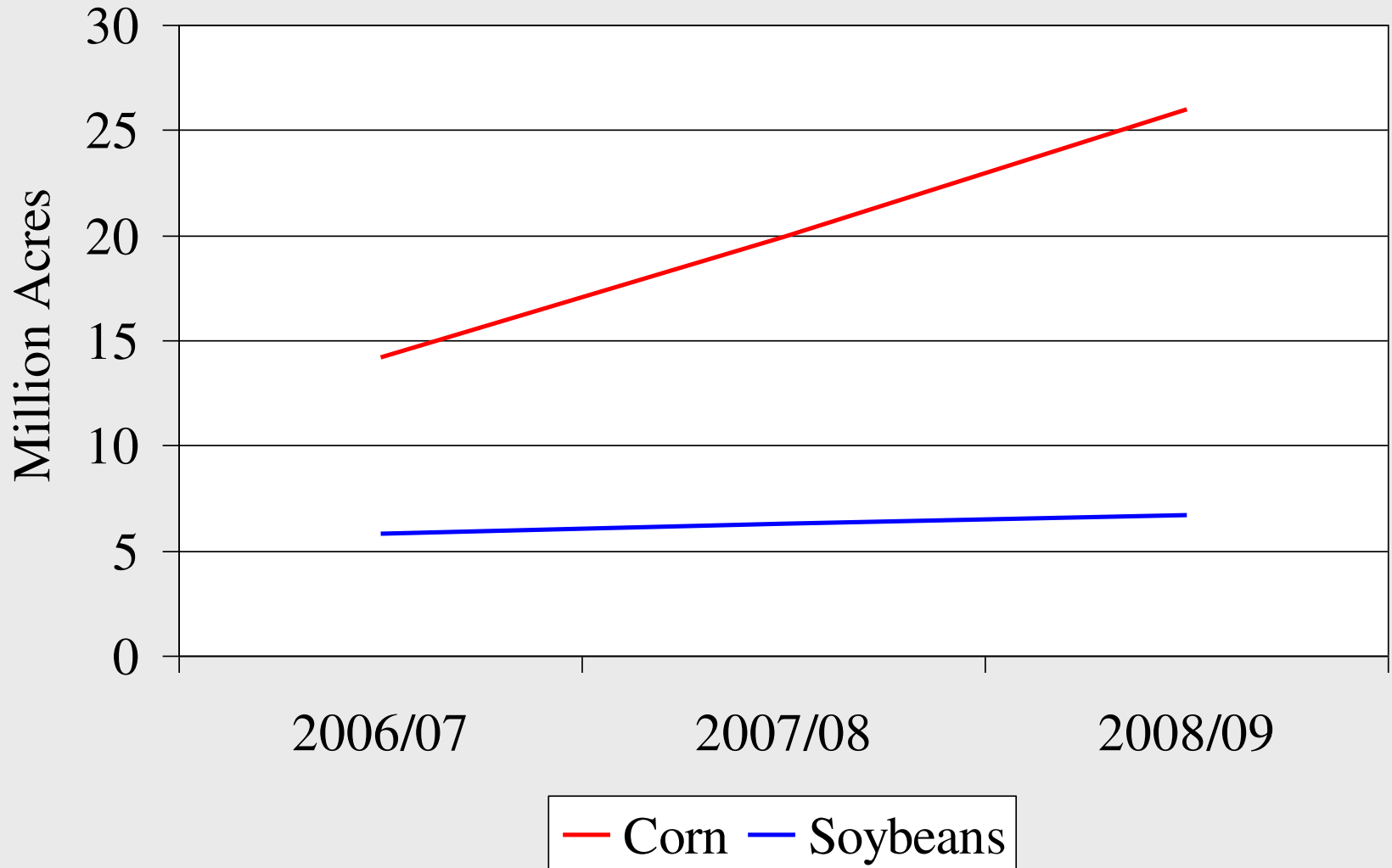
◆ Feed

■ Ethanol

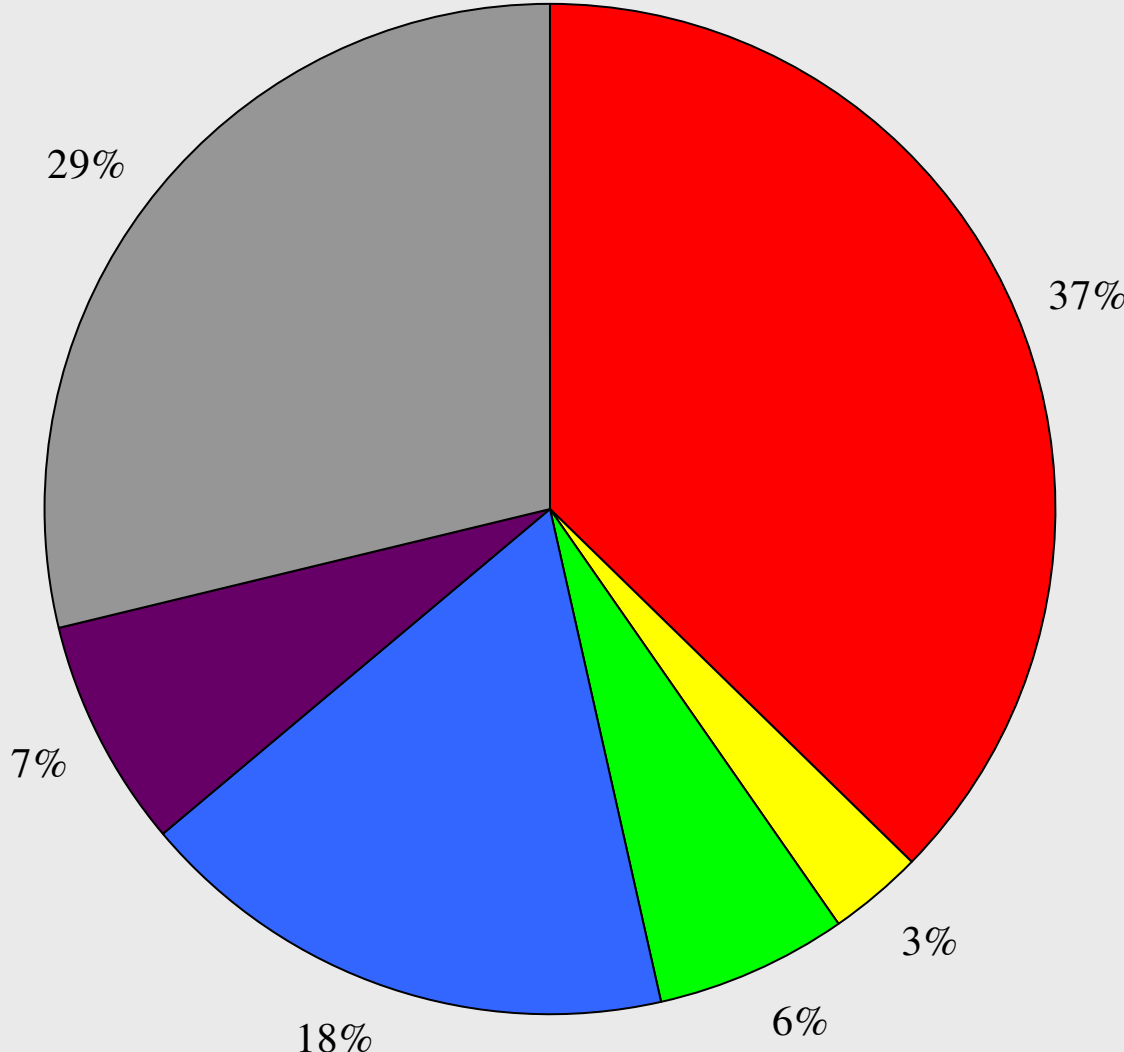
▲ Other

✕ Exports

Acres Used for Biofuel

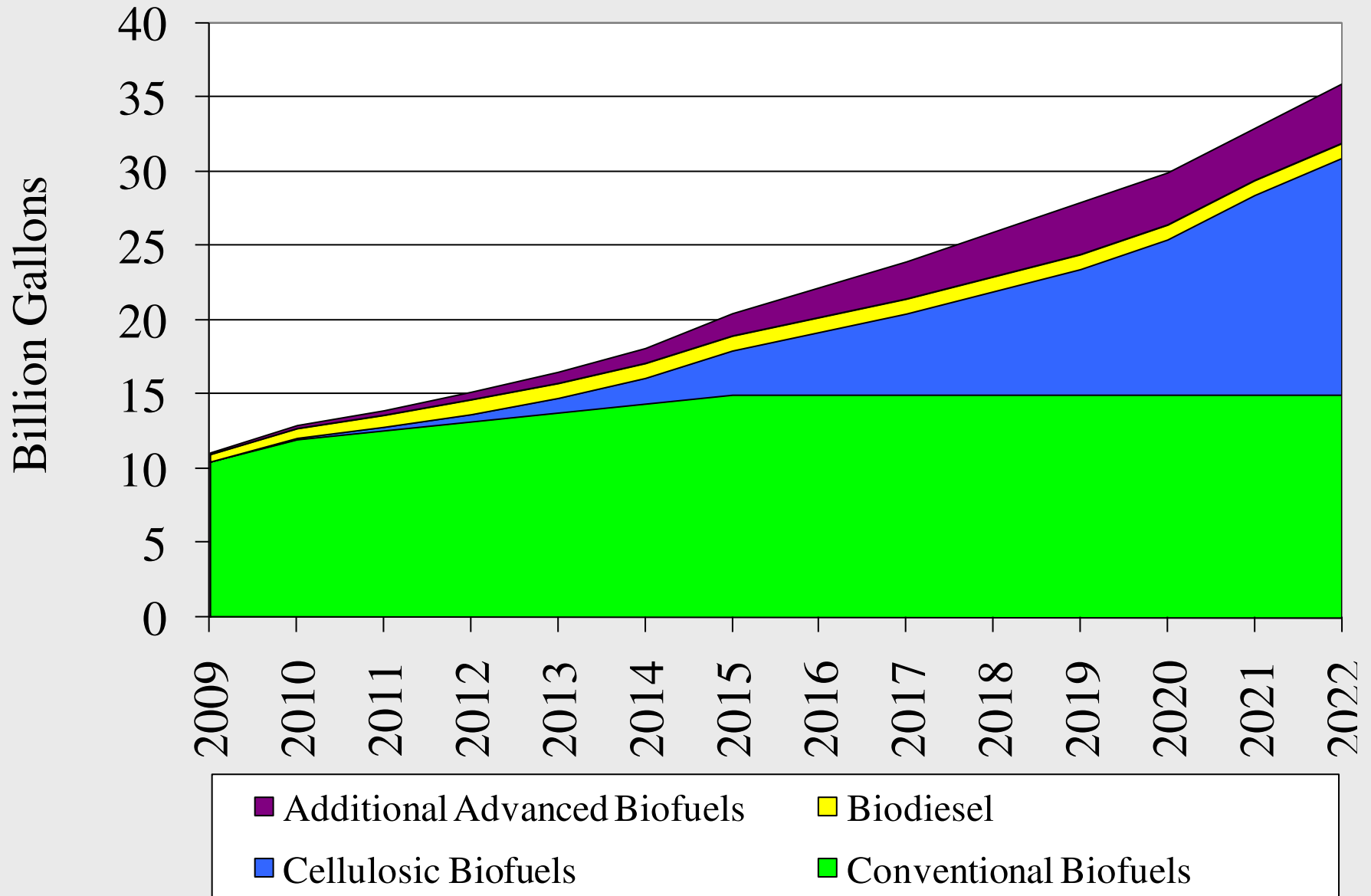


World Ethanol Imports, 2007



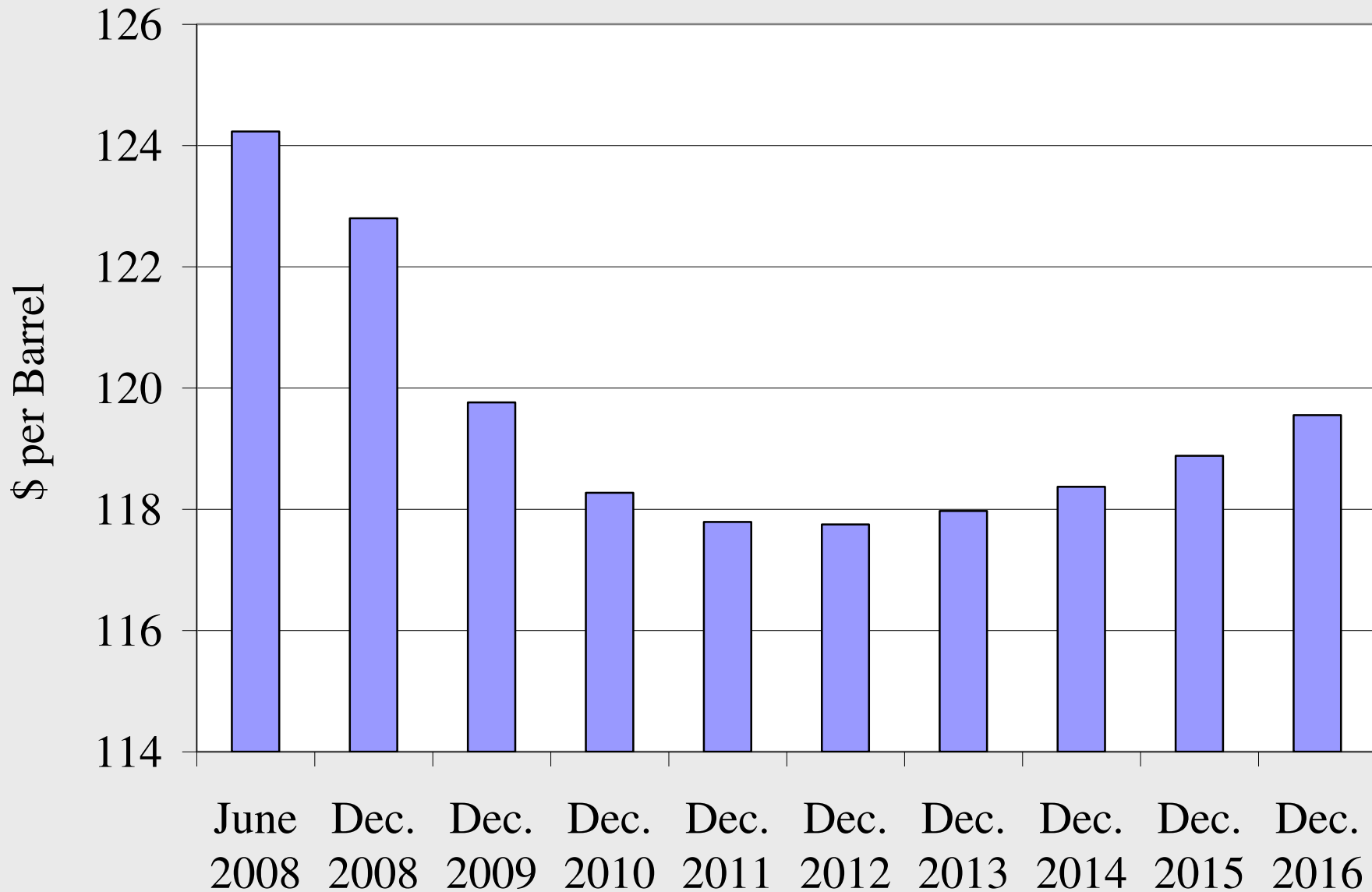
■ U.S. ■ EU ■ Canada ■ Japan ■ South Korea ■ Rest of World

Renewable Fuels Standard



Source: Renewable Fuels Association

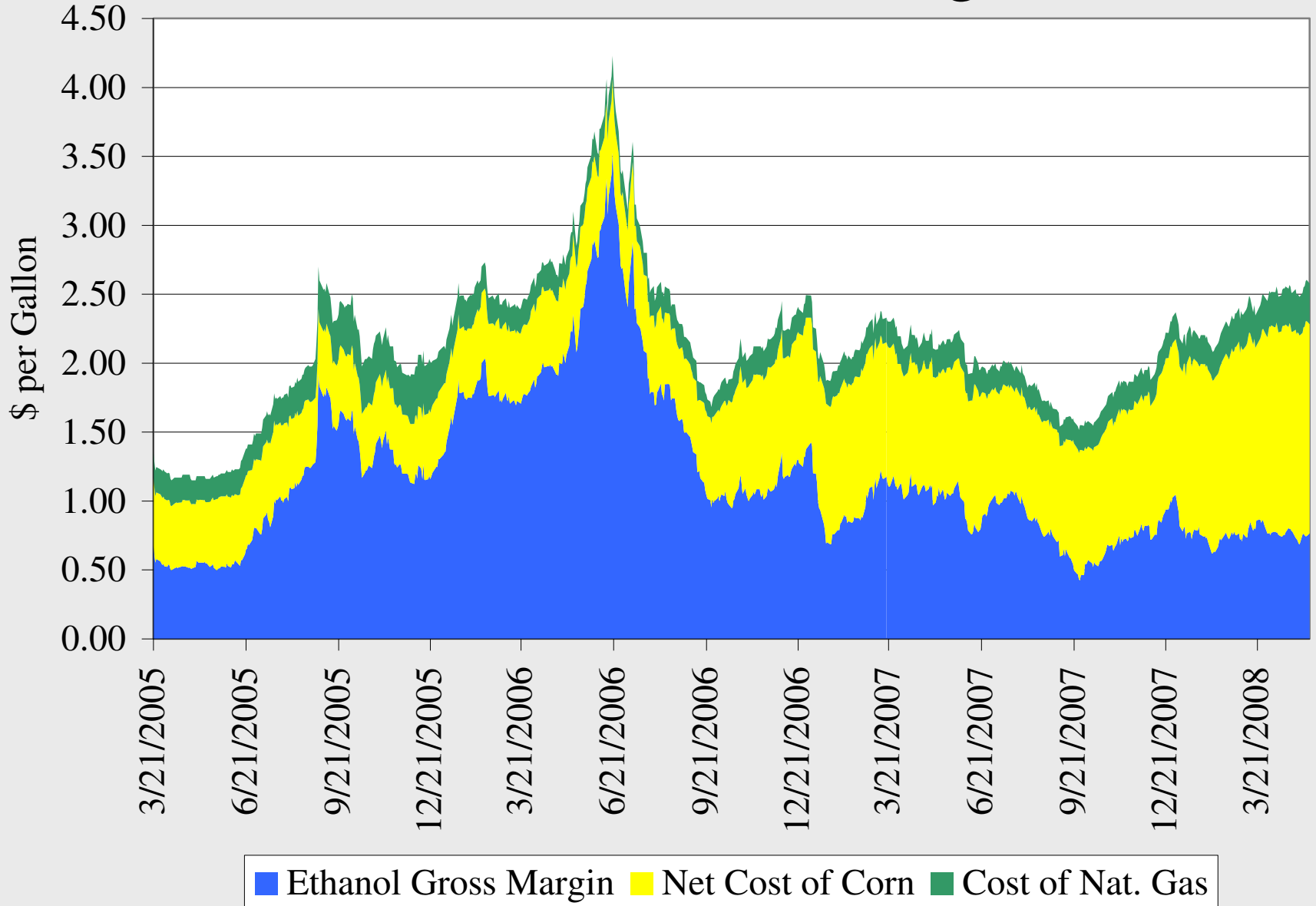
Oil Futures As Of 5/12/2008



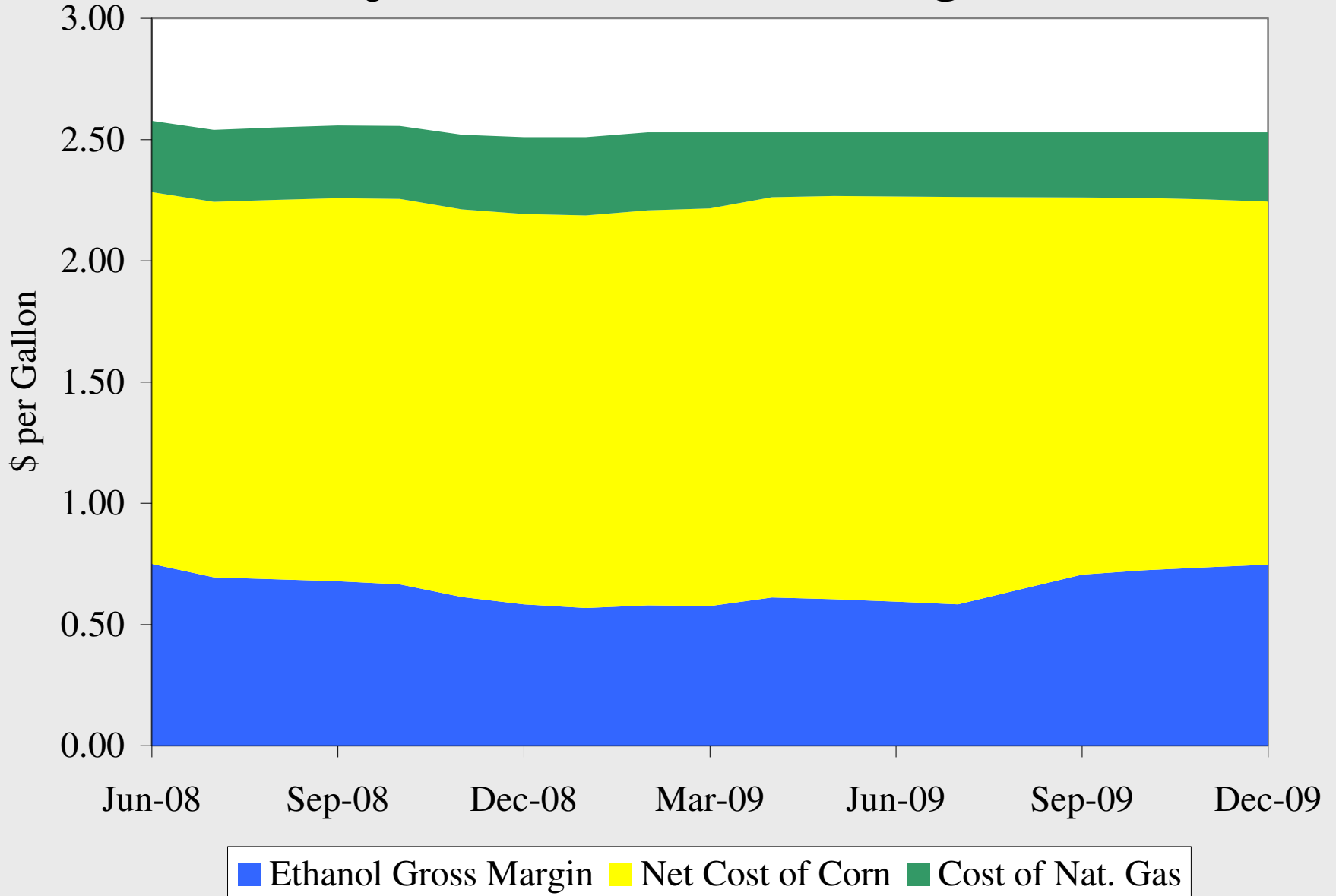
Nearby Corn Futures



Historical Ethanol Margins



Projected Ethanol Margins



Comparing Futures Prices

