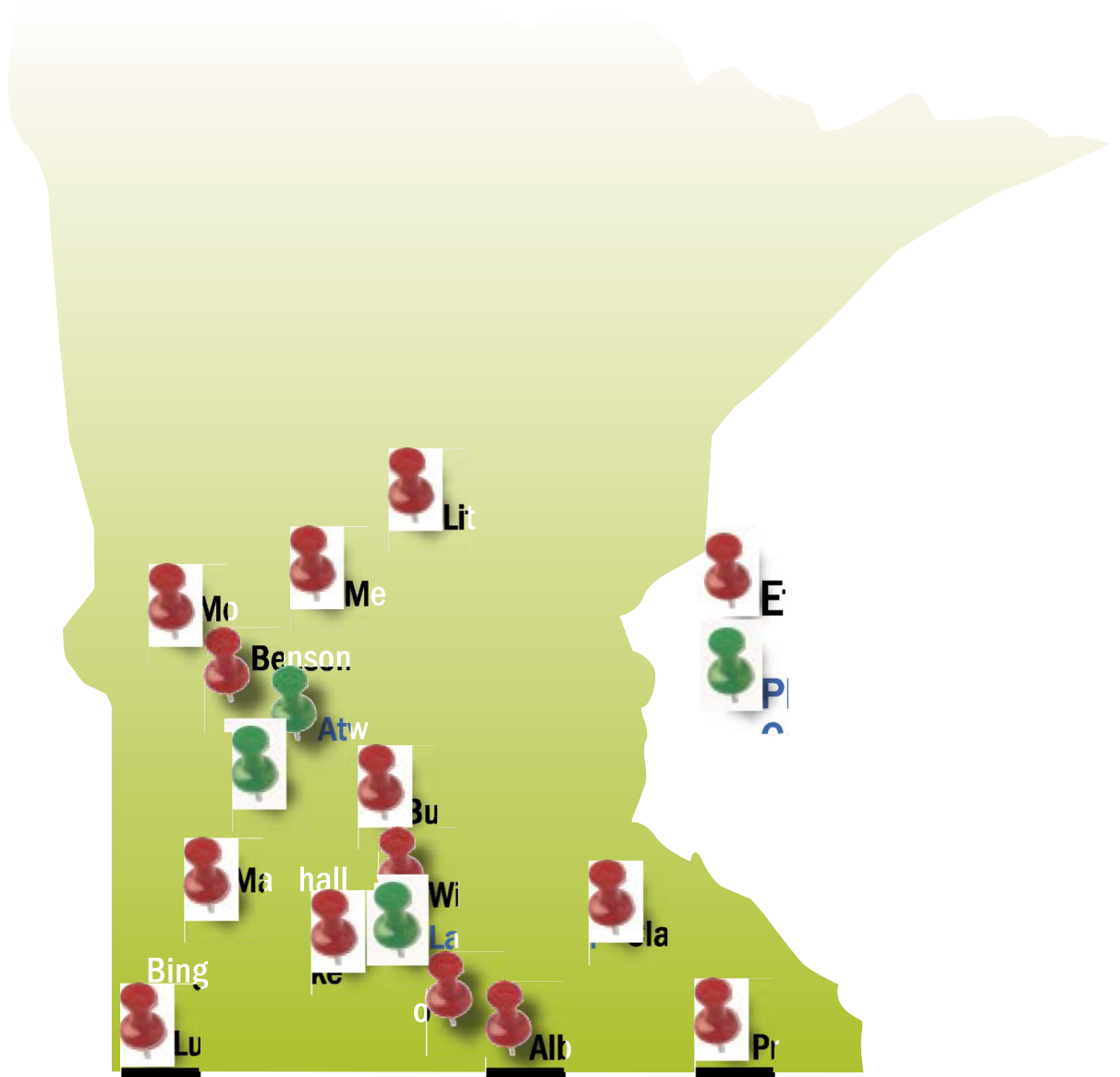


Ethanol Plants in Minnesota

January, 2005

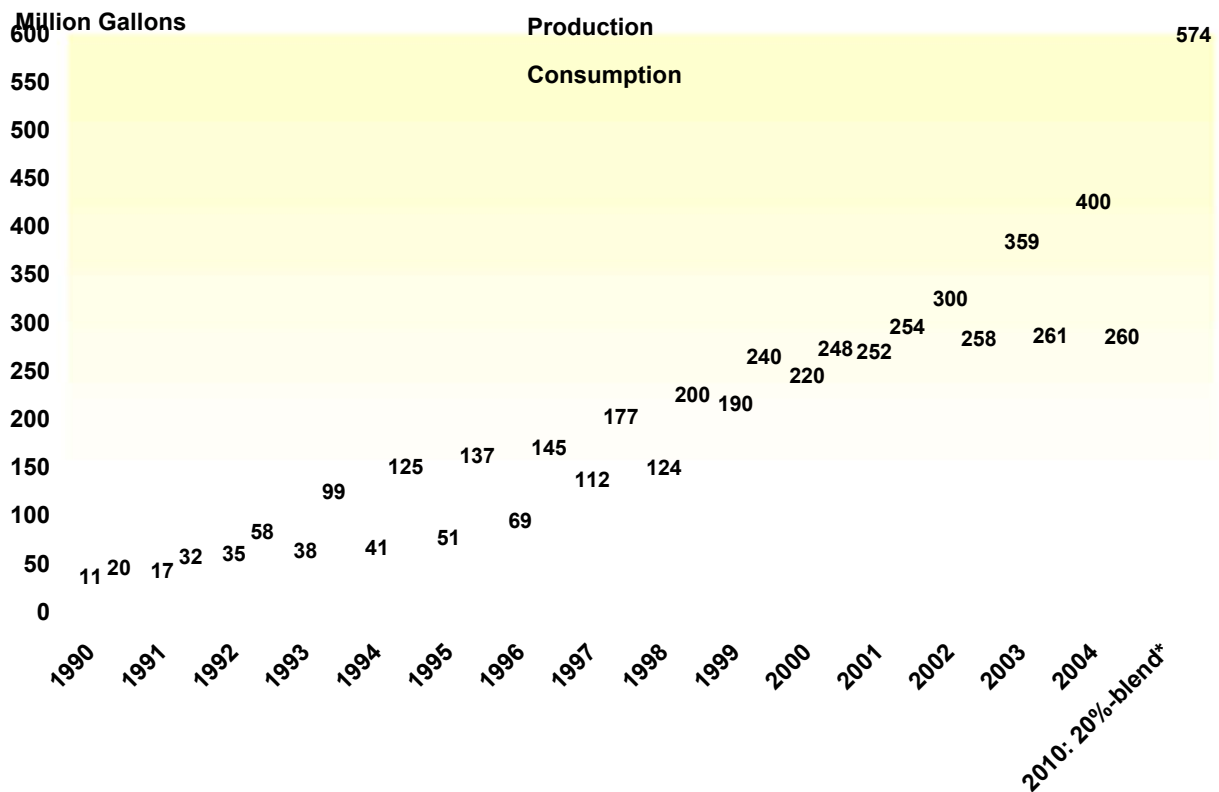


www.mda.state.mn.us

Minnesota Ethanol: Production, Consumption, and Economic Impact

- Minnesota annually produces 400 million gallons of ethanol from 14 plants. About 260 million gallons are consumed in the state and the rest – 140 million gallons or 35% of Minnesota’s total annual ethanol production – is exported.
- To meet the requirement of 20%-blend ethanol in all gasoline sold in Minnesota by 2010 as proposed by Governor Pawlenty, Minnesota would need 574 million gallons of ethanol. (This number is based on projected annual gasoline consumption growth trends from 2004 to 2010.)
- The proposed 20%-blend would require Minnesota to increase its ethanol production by 174 million gallons by 2010, about 44% increase over the current production level. The three new ethanol plants currently under construction have a combined production capacity of 150 million gallons, which would come into production by the end of calendar year 2005. That would bring Minnesota’s ethanol production capacity to 550 million gallons five years before the 20%-blend implementation.
- Minnesota’s ethanol industry generates an estimated \$1.36 billion in total economic impacts and 5,300 jobs. The proposed 20%-blend ethanol by 2010 is projected to generate a total of \$1.58 billion in economic impacts and 6,157 jobs.

Minnesota Ethanol Production and Consumption



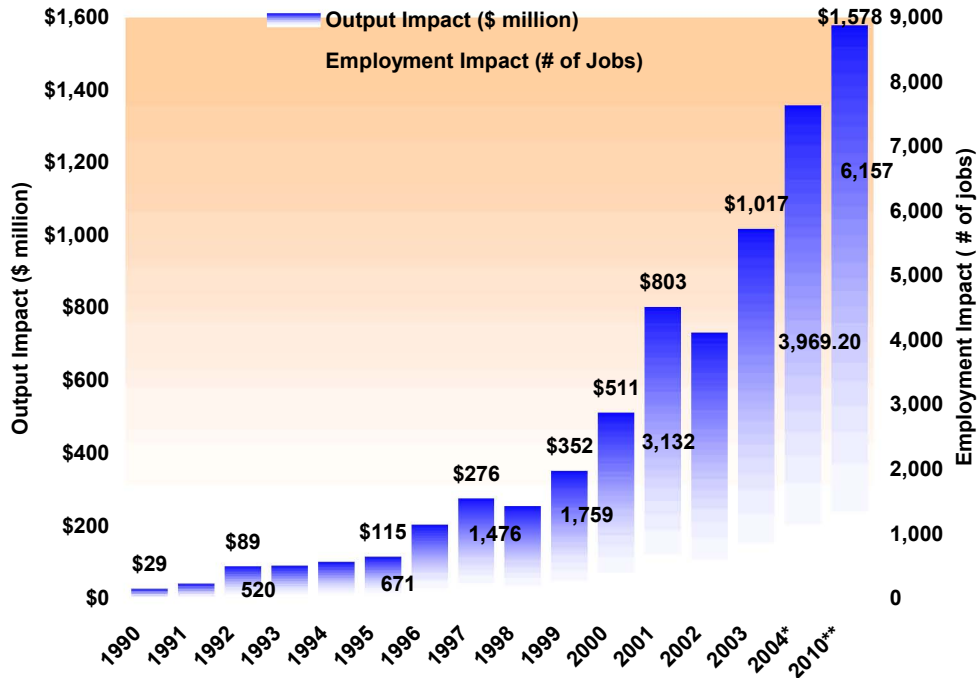
*Estimated consumption based on Gov. Pawlenty’s proposed 20%-blend ethanol by 2010.

Source: AMS, MDA

Minnesota Ethanol: Economic Impact

| | Production (Million Gallons) | Output Impact (\$ million) | Employment Impact (# of Jobs) |
|---------------------------|------------------------------------|----------------------------------|-------------------------------------|
| 1990 | 11 | 28.51 | 166 |
| 1991 | 17 | 42.38 | 247 |
| 1992 | 35 | 89.30 | 520 |
| 1993 | 38 | 90.96 | 529 |
| 1994 | 41 | 101.45 | 590 |
| 1995 | 51 | 115.26 | 671 |
| 1996 | 69 | 203.51 | 1,089 |
| 1997 | 112 | 275.66 | 1,476 |
| 1998 | 124 | 254.38 | 1,362 |
| 1999 | 190 | 352.47 | 1,759 |
| 2000 | 220 | 511.48 | 2,231 |
| 2001 | 252 | 802.60 | 3,132 |
| 2002 | 300 | 732.24 | 2,858 |
| 2003 | 359 | 1,017.09 | 3,969 |
| 2004* | 400 | 1,358.05 | 5,300 |
| 2010 (20%-blend)** | 574 | 1,577.68 | 6,157 |

Minnesota Ethanol: Output Impact & Employment Impact



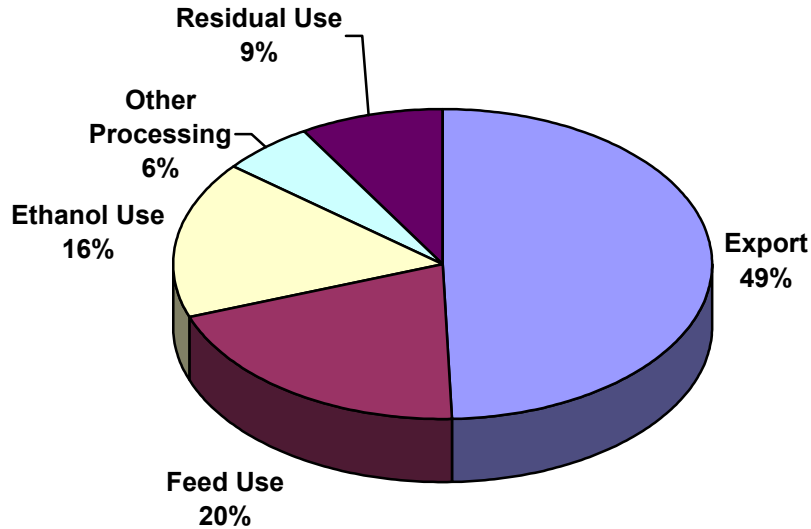
*Projected **Estimates based on Gov. Pawlenty's proposed 20%-blend ethanol by 2010

Source: AMS, MDA

Minnesota Ethanol: Corn Utilization

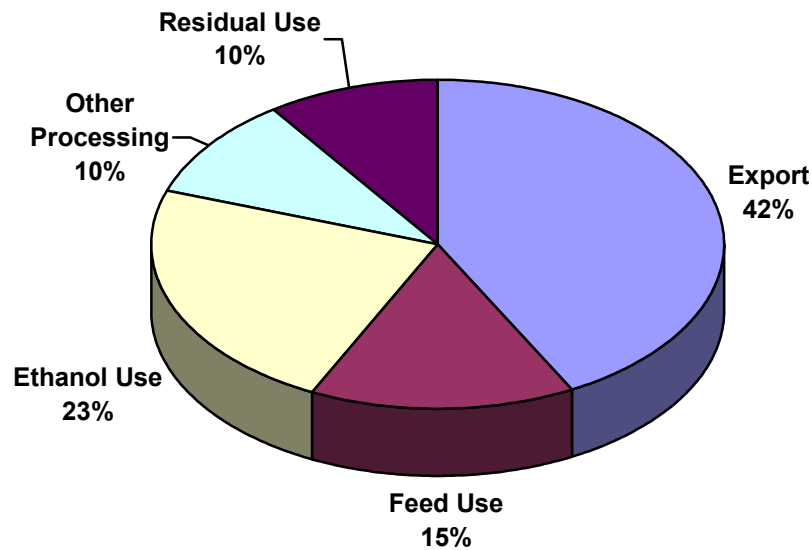
- In 2004, about 160 million bushels of corn was processed into ethanol, or one-sixth of Minnesota's total annual corn crop.
- By 2010, the proposed 20%-blend ethanol would require 230 million bushels of corn. If Minnesota's corn production remains at around 1 billion bushels per year, that would be about a quarter of the annual crop.

MN Corn Utilization (2004)



Source: PRX and MDA

MN Corn Utilization (2010 Projection*)



*Based on PRX data and MDA estimates