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Commonwealth News Bureau
Room 308, Main Capitol Building
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CONTACT:

Janel Miller
Phone: (717) 783-1132

GOVERNOR RENDELL: THE FUTURE OF ENERGY IS HERE

CLEARFIELD ETHANOL PLANT TO BE ONE OF NATION'S LARGEST

CLEARFIELD – Governor Edward G. Rendell said that Pennsylvania's energy future begins in Clearfield today with the groundbreaking for BioEnergy LLC's new ethanol biorefinery, which will be Pennsylvania's first such facility and one of the largest in the nation when operational.

The commonwealth offered \$17.4 million in August 2006 to help launch the \$265 million project, which, along with a companion research and development plant slated to begin construction later in the year, is expected to create at least 110 jobs in Clearfield County.

"This is the future of energy in Pennsylvania," Governor Rendell said. "And if we act now, we're on track to make Pennsylvania a model for the rest of the nation."

Governor Rendell called for swift passage of his PennSecurity Fuels Initiative, which calls for Pennsylvania to produce and consume nearly 1 billion gallons of homegrown, renewable transportation fuels annually, including ethanol, biodiesel and coal-derived fuels -- a target amount that will equal the amount of fuel Pennsylvania is expected to import from the Persian Gulf region by 2017.

"We need to continue investing in our farming, manufacturing and transportation sectors -- each of which play a role in producing and delivering alternative fuels like ethanol and biodiesel to consumers, help wean us from unstable foreign energy sources, and keep billions of dollars here at home," said Governor Rendell.

The commonwealth's investment in the BioEnergy project came through efforts coordinated by the Governor's Action Team. The project received overwhelming support from local and state officials and the community.

The plant is expected to produce 100 million gallons of corn-based ethanol when operational in 2010, among the largest outputs east of the Mississippi and among the top 10 in the nation.

BioEnergy also plans to build a cellulosic research and development pilot plant next to the ethanol biorefinery to test different types of biomass including organic wastes such as wood and agricultural residue. BioEnergy International LLC, based in Quincy, Massachusetts, develops and delivers technologies that produce clean, environmentally-beneficial fuels and specialty chemicals from traditional feedstocks and cellulose.

“With the extraordinary leadership of Governor Rendell, today we celebrate the development of a new era of transitional bio-refineries in Pennsylvania leveraging the state’s \$17 million investment twelve-fold for local economic prosperity, and energy independence,” said Stephen Gatto, chairman and chief executive officer of BioEnergy LLC. “With our partners in Clearfield, we will develop innovative technologies that will bring about the day when a pound of sugar can replace a barrel of crude in the manufacture of everything from the fuel we put in our cars to the plastics and fabrics we use in our everyday lives.

“The investment of \$270 million here in Clearfield is the cornerstone of BioEnergy’s business strategy to link conventional corn-based ethanol plants with next-generation biorefineries. We are truly excited about our future here in Pennsylvania,” Gatto added.

The state’s investment package consisted of a \$400,000 opportunity grant, \$500,000 in job creation tax credits, loans and grants of up to \$2.5 million through the infrastructure development program and \$14 million through the Redevelopment Assistance Capital Program.

For information on the Governor’s Action Team and DCED programs, visit www.NewPA.com or call 1-866-466-3972.

More information on Governor Rendell’s 2008-09 budget proposal and his Protecting Our Progress initiatives is available at: www.pa.gov.