

Company sells back land slated for Imperial site

By Russ Pankonin

The Imperial Republican

Prospects for Nebraska's ethanol industry look good going forward, according to Todd Sneller, administrator of the Nebraska Ethanol Board.

The industry took a big hit in 2008 and 2009, with some plants, either in construction or operating, shutting down and their owners filing for bankruptcy.

Sneller said over the last six to seven months, profitability has returned to the industry. Production has ramped up with plants operating at or over capacity.

All of the functional plants in Nebraska are now operating or are in a start-up mode.

Several plants in Nebraska were affected when parent companies filed for bankruptcy, including Ord, Central City, Albion, Cambridge and Aurora.

A company headquartered in Omaha, Green Plains Renewable Energy, purchased the Central City and Ord plants and Valero Renewables purchased the Albion plant.

Those three were among more than a dozen ethanol plants affected by the bankruptcy of Vera-Sun.

A 44-million gallon plant came on line just as the economy and industry went into its downturn.

The operating company filed bankruptcy and the plant was just purchased by a Michigan company for \$30 million.

The plant was developed by Mid-America/Agri Products, headquartered in North Platte. That company also developed the ethanol plant in Madrid.

Sneller said the new owner of the Cambridge plant, Zeeland Farm Services, based in Michigan, is ramping up to get the plant back on line.



Imperial plant among the many that never got off the ground

Hope blossomed in Imperial in late 2006 when a Grand Island-based company, Central Bio-Energy, announced Imperial as one of three locations for new ethanol plants.

The company purchased land on the southeast edge of Imperial, directly west and south of Trinidad-Benham's plant.

Their purchase of property totalled more than \$1.3 million, indicating a strong commitment to build the plant.

Unfortunately for Imperial, the ethanol industry went into a decline and Central Bio never moved forward with their plans to build a plant here. However, they did receive a construction permit from the Nebraska Department of Environmental Quality.

In March, 2009, Central Bio-Energy sold their ground back to a previous owner.

Sneller said the Imperial plant was one of about 35 plants on the drawing board several years ago in Nebraska.

Plants that were built from 2003-2005 seemed to have weathered the recent downturn and are looking healthier again, he added.

Sneller said the nation's renewable energy policy still calls for more use of ethanol through

2012.

To reach that goal, the U.S. must add about another four billion gallons of capacity.

With that kind of growth needed, Sneller said the most logical places to expand are at plants already operating.

In Aurora, Aventine Renewable Energy was more than 90 percent complete when they shut down construction in November, 2008. The company filed for bankruptcy last year.

They announced a reorganization plan this week with the intention of finishing the \$250-million, 113-million gallon plant. They want to bring it on line in early 2011.