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Power Fund Board Approves Terms for Iowa Cellulosic Ethanol Project by DuPont-Danisco

Project Would Produce Jobs and New Energy Technology for Iowa

DES MOINES — The Iowa Power Fund Board (Board) approved terms today to start contract negotiations on a grant award for one of the first in the nation, alternative energy projects to produce cellulosic ethanol in Iowa by the DuPont Danisco Cellulosic Ethanol (DDCE) companies. With the terms approved, a final contract will be negotiated and could be approved as early as February's Board meeting.

The terms call for a \$9 million grant from the Iowa Power Fund, combined with over \$226 million in matching funds by DDCE, for a total project cost of over \$235 million. Once the contract is approved, this innovative project would create 60 jobs for Iowans, using Iowa contractors whenever possible, as the construction of a commercial-scale demonstration biorefinery in Iowa begins. The biorefinery will be capable of producing 25 million gallons of cellulosic ethanol per year, using corn stover as a feedstock.

Since its creation, the Iowa Power Fund has fueled success for Iowans in all three of its intended areas: creating new jobs; drawing the attention of renewable energy companies and the private investments they bring; and the growth of an industry that has made Iowa a leader in cutting-edge, value-added agriculture. The Power Fund has invested more than \$51.2 million directly in 39 competitive projects, leveraging more than \$320 million in energy research and development, early stage commercialization and education. To review the Iowa Power Fund economic impact study, please visit: www.energy.iowa.gov.

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The Office of Energy Independence (OEI) sets the strategic direction for Iowa's clean energy future by identifying goals to achieve desired results. The office will align state government efforts for achieving energy independence through partnerships with business and industry, community leaders, government and public agencies, and other stakeholders.