

Harrison County ethanol facility breaks ground

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02/02/2006 - CADIZ, Ohio – Armed with financing, land transfers and support, Harrison Ethanol LLC creators started the final steps to make their ethanol facility a reality.

A site dedication Jan. 30 at the 276-acre location in Cadiz, Ohio, was the first move. Construction is set to begin in April.

Permits to operate. Although ethanol plants are in the works in several Ohio counties, the Harrison County biorefinery is only the second in the state to take official steps to begin operation.

The first, ASAlliances Biofuels LLC in Fayette County, broke ground Jan. 20.

The Harrison County facility, however, is the only one in Ohio to have all its permits to operate, said Mike Wagner, Ohio Renewable Fuels director.

'Closed loop.' Harrison Ethanol, which is located off Route 250 in Cadiz, is being called a "closed loop" facility.

It begins with an ethanol



Over the last several years, Harrison Ethanol LLC has gathered much support, including that from (left to right) steering committee members Gary Wilson, Brent Porteus and Rhoda Crown; Gov. Bob Taft; managing members Marion Gilliland and Wendel Dreve; steering committee member Phil Cunningham; Mark Shanahan, executive director of Ohio Air Quality Development Authority; and Ohio Department of Agriculture Director Fred Dailey.

distillery, which will convert 9 million bushels of corn to ethanol each year. The ethanol will be used as a fuel additive.

This distillation process will create spent distillers grains that will be fed to as many as 10,000 beef cattle and 2,000 dairy cattle located at the site.

An anaerobic digester will convert the animal waste into liquid fertilizer, potable water and methane gas.

The methane gas will then be used as an electricity source for the facility.

More than enough electricity will be produced, however, which means the additional power will be another revenue source, said steering committee member and Coshocton County farmer Brent Porteus.

This additional electricity will be enough to provide energy for 350 homes, said Fred Dailey, Ohio Department of Agriculture director.

While the ethanol distillery may offer opportunities to local corn producers, much of the grain will come in on rail. This rail serving Cadiz will be reactivated after two decades of nonuse.

Why so long? Although plans for Harrison Ethanol LLC were unveiled in 2003, it's been in the planning stages for five years.

Funding, permits and land transfers were at the top of the list holding up the project.

Founders Wendel Dreve and Marion Gilliland had to apply to the Ohio Environmental Protection Agency for permits to operate and install the major confined animal feeding facility.

The final permits were approved in December 2004

Then came land transfers, which were finalized last September.

Funding has been helped along by numerous grants. In addition, \$28 million has been privately invested.

Approximately \$70 million of Ohio Air Quality Development Authority revenue bonds also was issued for the project.

Ethanol in Ohio. At one time, Ohio was the largest ethanol user in the country and today it still remains in the top five, said Wagner, former Ohio

Corn Growers Association executive director.

"The time has come," Dailey said.

The price of energy is increasing and the price of corn is decreasing, which means this is perfect timing for ethanol production in Ohio, he said.

The Harrison County facility alone will displace a half million barrels of oil, Dailey added.

That number has the potential to increase as more Ohio biorefineries develop their plans.

Many of them have been in the works for years, Dailey said. But it takes a long time to raise \$60 million to \$110 million to build one of these plants, he said.

It's likely several others will also break ground this spring, he said.

Talking numbers. At the dedication and groundbreaking, officials focused on the boon the biorefinery will be not only to Harrison County but also eastern Ohio.

It will create 107 new jobs on-site, plus 60 additional truck-driving jobs, with a payroll totaling \$7.2 million. Another 400 construction jobs will be created during the 14-month construction period.

The project marks a \$73 million capital investment in Harrison County. The company also predicts the facility will pump \$85 million in annual cash flow to the region.

Other areas. Both Wendel Dreve and Marion Gilliland also are working on plans for ethanol facilities in Perry County and southern Ohio.

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