

BASF negotiating for ethanol plant

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PALMYRA, Mo. — BASF is talking with Washington-based E85, Inc., about building a 115 million-gallon ethanol production facility at its Palmyra complex. BASF Plant Manager Nicki McGlone-Santistevan would say little about the discussions, except to confirm negotiations are ongoing. "As a matter of practice, we cannot comment on details until the negotiations are completed," she said. Calls to E85, Inc., were not returned. The company is in Kingston, Wash., and has plans to build 10 captive ethanol facilities in North America.

Kyra Moore, permit section chief for the Missouri Department of Natural Resources air pollution control program, confirmed a construction permit application was filed Jan. 26 by E85, Inc. She said the agency is working on the review of the project, but could not say when any project might move forward. "We're still waiting on some information from the company," Moore said. "We're working with them to resolve everything we need."

The application describes a 115 million-gallon facility that would use about 41 million bushels of grain each year. The plant is also projected to produce about 383,000 tons of distillers dried grains with solubles, a high-protein and nutrient by-product that can be used in livestock feed.

The company Web site says such a plant would generate 40 to 50 jobs once built. Cost to build is about \$60 million.

George Walley, director for the Northeast Missouri Development Authority, said he has worked with both companies to negotiate a deal for some time.

"There have been lots of details under negotiation, and that's still the case," he said.

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McGlone-Santistevan said BASF offers such co-location opportunities at selected sites in North America and other regions.

"This allows other businesses to locate manufacturing operations on available and developable land at BASF sites, bringing benefits to both partners," she said. Such benefits include things like shared utilities.

Walley said it will be a boon to the community if the deal goes through.

"You have the world's largest chemical company entertaining the potential for qualified industries to share its industrial complex. That sharing has to be good for the community, and it has to be good for developing the region," he said.

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