



OFFICE OF THE GOVERNOR

NEWS

ROD R. BLAGOJEVICH – GOVERNOR

FOR IMMEDIATE RELEASE:

November 19, 2008

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Blagojevich Administration Participates in Opening of New Biodiesel Facility in East Central Illinois

Blackhawk plant will save hundreds of jobs, further state's energy independence goals

DANVILLE - As a sign of the state's continued commitment to growing the renewable fuels industry, officials with Governor Rod R. Blagojevich's Administration today joined company executives and community leaders in cutting the ribbon on a new 45 million gallon per year biodiesel plant in Danville, owned by Blackhawk Biofuels, LLC. Governor Blagojevich announced in May that the state would provide \$19.8 million in support to leverage a \$75 million total investment at the facility. This support was essential to advancing the project to the next phase.

"The state's investment in the Blackhawk facility signifies our commitment to making renewable fuels a part of our energy future and helps ensure the vitality of Illinois' economy," said Governor Blagojevich. "This plant will produce home-grown biodiesel from crops grown on Illinois farms, boost America's energy independence, keep people working, and spur economic development throughout east central Illinois."

The improvements to the biodiesel plant, managed by Renewable Energy Group (REG), enables it to produce biodiesel from animal fats as well as soybean oil, making it one of only a handful of plants nationwide with this capability. This ability helps ensure the plant's profitability, creation of more than 27 new jobs, in addition to the 40 construction jobs that were needed to complete construction of the site, and retention of up to a hundred jobs at the adjacent soy crushing plant.

The state's support of the project included financial assistance guaranteed by the Illinois Finance Authority (IFA). The Governor also provided \$4.8 million in Opportunity Returns grants to construct the new plant through the Illinois Department of Commerce and Economic Opportunity (DCEO) and the Illinois Department of Transportation.

The IFA is charged by Governor Blagojevich with fostering economic development across Illinois by using its financing programs to support the needs of local communities.

“Under the Governor’s leadership, the state was able to successfully negotiate with the sellers to ensure the economic viability of this plant. By supporting this project, we are increasing the opportunity for this plant to operate profitably, and create and retain jobs,” said IFA Executive Director John Filan. “This project spurs economic development and energy leadership, and capitalizes on Illinois’ tremendous strengths in agriculture.”

“This project is a key component of the Governor’s energy independence plan and furthers our efforts to reduce the effects of global warming in the state. Our support for Blackhawk will ensure the creation and retention of hundreds of good paying jobs while improving the environment and creating new markets for Illinois biofuels,” said DCEO Director Jack Lavin.

“We appreciate the level of tremendous partnership required to make this facility a reality,” said Blackhawk Biofuels Chairman Ron Mapes. “We thank the State of Illinois, the Illinois Finance Authority and our local development group, Vermillion Advantage, for their continued support to enhance economic development while promoting the renewable fuels industry.”

Blackhawk Biofuels will partner with Renewable Energy Group to operate the facility. REG, a leading biodiesel producer and marketer, will operate the Danville facility and market the plant’s biodiesel.

“Located on the Indiana/Illinois border, Danville is a strategic location of choice for us to continue building our nation’s biodiesel future,” said Renewable Energy Group Chief Operating Officer Daniel Oh. “Upgrades to the facility will further enhance the plant’s market advantages. We expect Danville to become a premier facility in the REG network focused on our marketing capabilities in Illinois, Indiana, Kentucky, Missouri and Ohio.”

“It is great to see this plant operational. This facility will have a tremendous impact in our region in terms of economic opportunity, and will help to further Illinois’ leadership in the biofuels industry. I thank Governor Blagojevich for his continued support of this project,” said State Senator Michael Frerichs (D-Danville).

“This is a good day for the people of East Central Illinois. By supporting this project we are helping to maintain hundreds of jobs in the region and supporting our goals of energy independence,” said State Representative Bill Black (R-Danville).

“I would like to thank Governor Blagojevich and the Illinois Finance Authority for ensuring that this important project was located in the state of Illinois. Circumstances beyond anyone’s control kept the Blackhawk project from being located in northern Illinois, but I am very pleased that through the work of the Governor, we were able to keep this project in Illinois,” said Representative Jim Sacia (R-Freeport).

“Like many biodiesel facilities around the country, this plant was at risk of being stalled due to market conditions. I appreciate the vision of the Governor and the new owners in seeing the environmental and economic development potential of this facility,” said Danville Mayor Scott Eisenhauer.

“Thanks to the work and attention of Governor Blagojevich, both the underlying project and the recent capital improvements were built with skilled workers from here in Illinois. I am happy to say that Illinois workers helped build this plant right - on budget and on time,” said Don Ritter, President of the Danville Buildings and Trades.

“We are delighted to have partnered with Blackhawk, REG and the many state and local agencies that were involved in making this project a reality. This facility will be a critical driver of economic development in this community for many years to come,” Vicki Haugen, president and CEO of Vermillion Advantage commented.

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