

Mo. plant halts ethanol production, cites drought

JIM SALTER - Associated Press - Associated Press

A central Missouri ethanol plant is suspending production Feb. 1, saying the extended drought has made it almost impossible to get enough corn to make the alternative fuel, a plant spokesman said Friday.

POET Biorefining plans to keep its Macon facility open and all 44 employees will keep working, spokesman Matt Merritt said. The company plans to move ahead with \$14.5 million in plant upgrades, and workers will use the down time to help with some of the upgrades.

The drought that has dragged on since last spring has taken a toll on corn, and Missouri has been hit hard.

The state isn't alone. The U.S. Department of Agriculture released a report earlier this month showing that for the 2012 growing season, farmers harvested 10.8 billion bushels of corn, less than three-fourths of what the agency predicted last spring.

"There's just really no corn in the immediate (Macon) area available," Merritt said. Shipping in corn from elsewhere wasn't an option because of the cost.

"It proved to be difficult to find that corn at a competitive price," Merritt said.

President Barack Obama visited the Macon plant in April 2010 as part of a tour of three corn-growing states — Illinois, Missouri and Iowa. During that tour, the president reaffirmed the goal of tripling U.S. ethanol production in 12 years, in part to make the nation less dependent on foreign oil.

Merritt said POET will continue to purchase corn for future use when it becomes available. There is no timetable for when production will resume.

POET operates 27 plants in seven states and is based in Sioux Falls, S.D. The Macon plant has been in operation since 2000.

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