

Ethanol Company Offered \$6.3 Million In Incentives

EMERY P. DALESIO, AP Business Writer

RALEIGH, N.C. (AP) — A long-anticipated \$200 million ethanol plant that will turn grasses grown on North Carolina hog farms into motor fuel will go ahead, Gov. Pat McCrory's office said Monday.

The plant operated by Biochemtex, a partnership headed by Italy-based Gruppo Mossi & Ghisolfi, plans to employ 65 people in three years near Clinton in Sampson County. The jobs will pay an average of \$47,000 a year plus benefits, above the county average of \$30,822.

The company was offered state and local government incentives worth \$6.3 million over six years, a state Commerce Department spokeswoman said.

The U.S. Agriculture Department last year approved a loan guarantee worth \$99 million for the project, backing a larger bank loan. The biofuel refinery was the ninth to get USDA support as the Obama administration spurs the development of plant-based ethanol from plants other than corn. Other ethanol plants around the country were expected to use farm-field leftovers such as wheat straw, low-value trees, municipal solid waste and algae.

Biochemtex's North Carolina plant is projected to produce 20 million gallons per year of ethanol from locally grown energy crops, agricultural residues, and woody biomass. The plant imitates the world's first commercial-scale cellulosic ethanol plant, which the company opened in northwestern Italy.

Biochemtex is signing up hog farms to grow the grasses on hog spray fields, turning that land into a new cash crop for farmers. Water used to suspend and carry hog waste is sprayed on nearly 100,000 acres of farm fields in Sampson, Duplin, and Wayne counties.

Farmers now grow Coastal Bermuda grass to soak up the water-borne nutrients, and landowners must be persuaded to switch to growing energy grasses including miscanthus and switchgrass. The USDA previously approved \$4 million that will pay farmers in 11 southeastern North Carolina counties most of their costs of planting the energy grasses the ethanol plant needs.

"We've already engaged with regional farms and farmers for the supply of energy crops and we see great opportunity for growth and additional projects where regional infrastructure matches need," Biochemtex owner and CEO Guido Ghisolfi said in a statement.

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