

Wisconsin BioFuels Association: Commends Gov. Evers for recognizing ethanol industry's importance to Wisconsin economy

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MADISON, WI – The Wisconsin BioFuels Association (WBFA) commends Governor Evers for recognizing the ethanol industry's importance to the Wisconsin economy through today's announcement that Wisconsin will be making up to \$3.25 million of federal Coronavirus, Aid, Relief, and Economic Security (CARES) Act funding available to Wisconsin's nine ethanol producers.

"Today's announcement from Governor Evers shows a deep understanding and appreciation of the wide-ranging importance of the ethanol industry on Wisconsin's economy," said WBFA President Erik Huschitt. "This year has been a unique challenge to our industry, to say the least. We are proud of the ways our state's ethanol plants have adapted in order to keep running during COVID-19. These grants will be extremely helpful as we continue our important work. The Governor's actions are both applauded and appreciated."

Demand destruction due to COVID-19 dramatically reduced the consumption of ethanol in 2020, especially this spring. In April, with the price of ethanol dropping \$0.46/gallon, Wisconsin's ethanol plants lost an estimated \$24.9 million in a single month. Volumes have gradually rebounded as the economy has reopened, but they have not returned to normal levels.

"We realize there are many demands upon the State right now and are very thankful for the Governor's actions," added WBFA board member Neal Kemmet.

“The ethanol industry has far-reaching implications to much of Wisconsin’s economy and these funds provide some much-needed relief to Wisconsin producers.”

Wisconsin is home to nine operating ethanol plants, which in turn support suppliers of feedstock, transportation providers, and suppliers of inputs and equipment. Any suspension of plant operations has a large impact on the economy of rural Wisconsin, especially farmers whose livelihood depends on having a market for corn.