

THE DEPARTMENT OF ENERGY
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**DOE Offers Conditional Commitment for a \$105 Million Loan
Guarantee for First-of-its-Kind Cellulosic Bio-Refinery in Iowa**

*Project Will Create Over 200 Jobs and Displace an Estimated 13.5 Million Gallons of Gasoline
Annually*

Washington D.C. – U.S. Energy Secretary Steven Chu today announced the offer of a conditional commitment for a \$105 million loan guarantee to support the development of the nation’s first commercial-scale cellulosic ethanol plant. Project LIBERTY, sponsored by POET, LLC, will produce up to 25 million gallons of ethanol per year and will be located in Emmetsburg, Iowa. POET estimates the project will generate approximately 200 jobs during construction and 40 permanent jobs at the plant. POET estimates the project will also bring approximately \$14 million in new revenue to area farmers.

“This project will help decrease our dependence on oil, create jobs and aid our transition to clean, renewable energy that is produced here at home,” said Secretary Chu. “The innovations used in this project are another example of how we are seizing the opportunity to create new economic opportunities to win the clean energy future.”

“POET has given this initiative the very apt name Project Liberty, and it is appropriate that this announcement comes so close to Independence Day,” said Senator Tom Harkin (D-IA), a senior member and former Chairman of the Senate Agriculture Committee. “This is all about decreasing American’s dependence on oil from unstable and often hostile foreign sources. And this pioneering facility will kick-start a major domestic industry producing advanced biofuels from plentiful feedstocks like crop residues, native grasses and woody materials, creating thousands of jobs in rural America. I thank Secretary Chu and the Department for their commitment to accelerating America’s transition from dependence on imported oil to greater reliance on to clean, domestically produced biofuels.”

Unlike many conventional corn ethanol plants, Project LIBERTY will use corncobs, leaves and husks – sources provided by local farmers – that do not compete with feed grains. The project’s innovative process uses enzymatic hydrolysis to convert waste into ethanol and will produce enough biogas to power both Project LIBERTY and POET’s adjacent grain-based ethanol plant. Project LIBERTY will displace over 13.5 million gallons of gasoline annually and fulfill more than 25 percent of the projected 2013 Renewable Fuel Standard Requirement for biomass-based cellulosic ethanol. POET plans to replicate their unique process at 27 of their other corn ethanol facilities, which would have a projected combined annual capacity of one billion gallons per year of cellulosic ethanol. The company estimates that 85 percent of Project LIBERTY will be sourced with U.S. content.

The Department of Energy's Loan Programs Office administers three separate programs: the Title XVII Section 1703 and Section 1705 loan guarantee programs, and the Advanced Technology Vehicle Manufacturing (ATVM) loan program. The loan guarantee programs support the deployment of commercial technologies along with innovative technologies that avoid, reduce, or sequester greenhouse gas emissions, while ATVM supports the development of advanced vehicle technologies. Under all three programs, DOE has issued loans, loan guarantees or offered conditional commitments for loan guarantees totaling over \$38 billion to support 41 clean energy projects across the U.S. DOE has issued conditional commitments or loan guarantees to support numerous projects, including several of the world's largest solar generation facilities, three geothermal projects, the world's largest wind farm, and the nation's first new nuclear power plant in three decades. For more information, please visit <http://www.lpo.energy.gov>.

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