



STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

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**Granholm Says New Ethanol Plant to Put Michigan
First in Race to Turn “Wood to Wheels”**
Mascoma to invest here, partner with MSU, Michigan Tech

LANSING – Governor Jennifer M. Granholm and Mascoma Corporation CEO Bruce A. Jamerson today announced that the Massachusetts-based company will build a cellulosic ethanol plant in Michigan in its race to be the first in the nation to produce ethanol from wood on a commercial scale. The plant will turn the state’s abundant, non-food plant life into clean-burning fuel. The Michigan Economic Development Corporation (MEDC), led by President and CEO James C. Epolito, is working with Mascoma on a tax incentive package for the project.

Unlike most current biofuel production operations, Mascoma’s Michigan cellulosic plant will make ethanol from mainly wood chips and other non-food agricultural crops. Most of the nation’s biofuel facilities now in production, or under construction, convert corn and other food crops into fuel. Because cellulosic ethanol production uses non-food agricultural feedstock, it is critical to producing ethanol on a scale that could substitute for imported oil.

“Mascoma’s decision to choose Michigan is helping us achieve a key part of our economic plan – making our state a leader in alternative energy production,” Granholm said. “Cellulosic is the next step in wide-scale ethanol production, and this puts Michigan on the leading edge of technology that will create good-paying jobs for Michigan citizens.”

Since becoming governor, Granholm has been a vocal proponent of growing an alternative energy and alternative fuel industry in Michigan for both economic and environmental reasons. She has noted that research shows that ethanol made from cellulose could reduce global warming pollution as much as 88 percent compared to a gallon of gasoline (source: Natural Resources Defense Council).

“It is exciting that the birthplace of the American automobile industry is becoming a leader in next-generation biofuels,” said Mascoma CEO Bruce A. Jamerson. “Michigan is an excellent state for one of the country’s first cellulosic ethanol plants, given its many tons of biomass available for conversion into low-carbon, domestically-produced fuel. We look forward to working with Governor Granholm and Mr. Epolito in this initiative to rapidly advance the commercial production of cellulosic ethanol in Michigan.”

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Mascoma chose Michigan for the new plant based on the abundance of forestry and agricultural materials and the expertise found at Michigan State University and Michigan Technological University who will partner with Mascoma on the project to develop and hone scientific processes and Michigan feedstocks for cellulosic ethanol production.

Michigan State will provide expertise in areas including pretreatment technology for cellulosic ethanol production and assistance with energy crops that can be utilized by the biorefinery. Michigan Tech will provide expertise through its “Wood to Wheels” initiative. This includes optimization of forestry feedstock materials for energy use, knowledge of sustainable forestry management practices, and access to its automotive engineering laboratories for analysis of the biofuels produced at the project site.

“Mascoma and Michigan are a great match, because our research institutions are focused on this science, and our 21st Century Jobs Fund is focused on bringing job-creating alternative energy projects to Michigan,” Epolito said. “This new facility will lead to more jobs within our agriculture, timber, and manufacturing industries while ensuring sustainability and helping reduce our nation’s dependence on foreign oil.”

Mascoma Corporation is a low-carbon cellulosic biomass-to-ethanol company headquartered in Cambridge, Massachusetts, with a research and development laboratory in Lebanon, New Hampshire. Mascoma is developing advanced technologies in its own laboratory with Professor Lee Lynd at Dartmouth College’s Thayer School of Engineering by licensing “best in class” microorganisms and enzymes, and with other sponsored research around the world. It is also developing demonstration and commercial scale production facilities in several locations.

Earlier this year, the MEDC and NextEnergy, Michigan’s alternative energy accelerator located in Detroit, established a cellulosic biofuels working group to help craft strategy for the promotion of this industry in Michigan. They identified and targeted Mascoma as the lead company to partner with in generating renewable fuels from Michigan’s forestry resources. The MEDC and NextEnergy believe the partnership with Mascoma will dramatically advance Michigan as a national leader in the next generation of renewable fuels. The MEDC is currently helping Mascoma identify a plant site within the state that will be strategically located to provide ready access to the feedstock needed each day for production. The full value of state incentives offered to Mascoma is contingent on the final site selection.

The 21st Century Jobs Fund is a \$2 billion initiative conceived by Governor Granholm, approved by the Michigan Legislature and administered by the Michigan Economic Development Corporation to accelerate the diversification of Michigan’s economy. For more information, see the MEDC Web site at www.michigan.org.

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