

The Chatham Ethanol Consortium

By Stephen McGrail

In 1992, a group of Kent County farmers established the Chatham Ethanol Consortium. The Consortium has the support of the Kent County Corn Producers Association, the Kent County Federation of Agriculture and the Chatham & District Chamber of Commerce Agriculture Committee.

The Consortium's mission statement is to investigate the potential for additional markets for corn produced by farmers in the five counties of Kent, Essex, Lambton, Middlesex and Elgin. Their focus is on the production of fuel ethanol - a renewable fuel. "We envision an agricultural complex designed to include a

fuel ethanol plant in line with cogeneration, possibly a large cattle feed lot to utilize the high protein efficient, as well as a greenhouse complex serviced by steam, a by-product of the ethanol production. Surplus energy could be sold to Ontario Hydro, or other interested bodies."

Kent County, and especially the Chatham area, is considered an ideal location for an agricultural complex designed to include fuel ethanol production. This is due to Chatham's proximity to the major corn supplies in Ontario, as well as easy access to markets in both Canada and the USA via the 401 corridor. Similar facilities are envisioned for other locations within the five county area. As well as providing an additional market for Canadian corn, ethanol facilities may assist in a significant increase in the cattle industry in the five county area. And an ethanol facility will provide new employment opportunities in an area that has suffered severely due to recent industrial plant closures.

The Chatham Ethanol Consortium has attended several meetings pertaining to ethanol production, reviewed several reports and studies, and hosted a highly successful information meeting for area



On May 28, 1992, drivers and farmers showed their support for the green gasolines now available in Chatham, Ontario.

Photo courtesy of UCO Petroleum Inc.

farmers, potential investors, participants and interested parties relating to the establishment of the ethanol production facility in Kent County. In the spring of 1992 a Steering Committee was established in conjunction with funding from the Chatham Community Futures Committee to complete a site specific (Kent County) Ethanol Production Facility - Feasibility Study and Financial Analysis.

At present, UCO Petroleum Inc. (UPI) and Commercial Alcohols Inc. (CAI) have an agreement for the supply of ethanol to be used in Ontario's first widely-available ethanol-blended gasolines. The CAI plant in Tiverton will produce ethanol to be blended with gasolines made available at

Ethanol Gas Bar Locations

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|---------------|----------------|
| • Belle River | • Listowel |
| • Chatham | • Mount Forest |
| • Clinton | • Owen Sound |
| • Courtland | • Port Elgin |
| • Durham | • Seaforth |
| • Hanover | • Strathroy |
| • Hepworth | • Teeswater |
| • Ilderton | • Thamesville |
| • Kincardine | • Woodstock |

twenty southwestern Ontario gas bar locations starting in May. The Chatham Ethanol Consortium hopes that Chatham, Ontario, will be the future site of yet another ethanol plant in the province.

Ethanol blended gasoline was designated an "Environmental Choice" product by Environment Canada in September, 1990. Ethanol blends of 5 to 10 per cent can be used in existing gasoline vehicles without engine modifications. A 10 per cent ethanol-blended gasoline provides the following environmental benefits:

- it reduces carbon monoxide emissions up to 30 per cent;
- it reduces carbon dioxide entering the atmosphere by 6 to 10 per cent (more carbon dioxide is absorbed by crops grown to make ethanol than is released by making and using ethanol);
- it results in a net reduction of ozone-forming emissions (ethanol reduces ground-level ozone formation which causes respiratory problems in humans and damages plants);
- it is a renewable resource (corn, wheat and barley are the feedstocks of choice for production of ethanol, although wood by-products from the forestry industry could also be used);
- and, it has a positive net energy balance (two to four times more energy is obtained from ethanol combustion than is required for its production).

If people want a fuel that is kind to the environment, then ethanol will be the dominant transportation fuel. The decision consumers make at the pumps will make the difference!

Stephen McGrail is a farmer near Dover Centre in Kent County and the President of the Kent County Corn Producers Association.