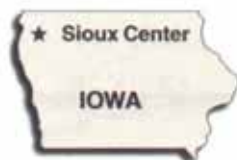


# Farmers Invest in Ethanol

SIouxLAND ENERGY AIMS FOR A LOW-PRODUCTION-COST NICHE



## Siouxland Energy

Sioux Center, IA • 712-722-4904

**Founded:** June 2000

**Storage capacity:** 5.055 million bushels at one location

**Ethanol production capacity:** 14 million gallons per year

**Number of members:** 405

**Number of employees:** 19

**Products:** Fuel-grade ethanol, feed-grade corn syrup

### Key personnel:

- Bernie Punt, general manager
- Corey Aarensen, production manager

### Supplier List

- Bearing sensors ..** 4B Components Ltd.
- Bucket elevators .....** Lambton Conveyors
- Builder/designer ..** Kaskie Bros. Inc.
- Catwalk .....** Warrior Mfg. Co.
- Concrete tank builder ..** McPherson Concrete Storage
- Conveyors .....** Lambton Conveyor
- Conveyor belting .....** Knott
- Elevator buckets ..** 4B Components Ltd.
- Grain probe .....** InterSystems Inc.
- Hammermills .....** Peerless
- Millwright .....** Kaskie Bros. Inc.
- Motion sensors ..** 4B Components Ltd.
- Roller grinder .....** RMS Roller-Grinder
- Speed reducers .....** Dodge
- Temporary storage sidewalls ..** Wieser Concrete
- Tower support system ...** Warrior Mfg. Co.
- Truck scale .....** Uhl Scale Service



Siouxland Energy's new 14-million-gallon-per-year ethanol plant outside of Sioux Center, IA. Photos courtesy of Lambton Conveyor.

The ethanol industry is enjoying an unprecedented boom. According to the Renewable Fuels Association, late in November, 16 ethanol plants representing a capacity of 400 million gallons were under construction, seven of them in Iowa alone.

So how does one plant compete with all the rest? One way is through lower cost of production, says Bernie Punt, general manager of farmer-owned Siouxland Energy in Sioux Center, IA, which in November opened an ethanol plant with annual capacity of 14 million gallons.

"Our process enables us to handle high-moisture corn," Punt says, "up to 28% or 29%. We don't have to dry it down."

"The advantage here is to the farmer. There's no moisture discount or storage charge. Our goal is to add \$1 a bushel worth of value to the farmer's corn."

The idea for Siouxland Energy dates back

to 1995, when Punt joined a committee of six area producers to explore the idea of an ethanol plant. Punt was (and remains) manager of a feedlot operated by Farmers Coop Society, a completely separate cooperative based in Sioux Center.

Punt says the timing worked out for building a new ethanol plant for northwest Iowa this year, with an impending ban on MTBE (a petroleum-based fuel additive), war in the Middle East, and volatility in energy markets. In addition, extensive cattle and dairy operations in the area provided an excellent market for ethanol byproducts.

### Corn-Handling Facility

The coop board selected Kaskie Bros. Inc., Hawarden, IA (712-552-1551), an area contractor with a good reputation for quality and availability to service the plant, as contractor on the project. McPherson Concrete