

Pioneer fuel plant to be built in Greece

■ State to help finance \$29.8M ethanol site that doesn't use corn.

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A \$14.8 million state grant will help build a next-generation ethanol plant in Greece that will be the first of its kind in the United States and could position the region as a leader in a growing field.

Gov. George Pataki and other officials made the announcement Wednesday. In a swing across upstate, Pataki unveiled several projects aimed at making the state a leader in alternative energy development.

The grant here will help Mascoma Corp. build the nation's first cellulosic ethanol demonstration plant. Cellulosic ethanol uses wood chips, paper pulp and wastes and certain grasses rather than corn to create ethanol. Officials say cellulosic etha-



George Pataki said the effects would "ripple around the globe."

Making ethanol Map locates where area plants are being built **4A**

nol is more efficient and is better at producing energy than its corn-based cousin.

"This is the future: It is second-generation ethanol. This is what we will be seeing next," Pataki said at Genencor International Inc., in what might be his last visit to the region as governor.

Rochester-based Genencor will provide Mascoma

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Ethanol

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with the enzymes to help make the ethanol. Genencor's involvement was a prime consideration for building the plant in Monroe County, said Mascoma President Colin South.

Pataki said the plant's effects would "ripple around the globe, and it's going to start in Monroe County."

There is only one other similar facility in the world, officials said, and it is in Ottawa.

"I'm sure our friends around the country will be startled when an announcement like this comes from New York state," said Genencor Chief Executive Tjerk de Ruiter.

The plant is another piece of a growing alternative energy sector in the region. Corn-based ethanol plants are planned for Shelby, Orleans County, and Romulus, Seneca County. And General Motors and Delphi corporations are conducting fuel cell research here.

Monroe County Executive Maggie Brooks said county vehicle fleets are a "potential consumer and customers" for Mascoma's ethanol.

Mascoma, which has pioneered cellulosic ethanol development that uses multiple source materials, will spend \$29.8 million to build the 15,000-square-foot plant. Mascoma doesn't have a site picked yet, South said, but the company is scouting locations near Genencor, including Kodak Park.

The plant will initially employ 12 to 15 people, South said. More could be added later.

Mascoma's goal will be to help prove that cellulosic ethanol can be produced on a large scale. The plant will produce 500,000 gallons of ethanol annually, only about 1 percent of the output expected for the Orleans and Seneca county plants. Pataki expressed optimism that Mascoma will eventually choose to build a full-scale production facility in the area. South said the Rochester region would be attractive.

Many partners involved

In addition to Genencor, Mascoma will have several other partners in the project. The plant will use paper and wood waste products from International Paper's plant in Ticonderoga, Essex County. The National Resources Defense Council, Clarkson University and Cornell University are also contributing to the effort.

At a later stop in Syracuse, Pataki announced that another ethanol plant would be built in

Making ethanol

According to the Ethanol Promotional and Information Council, a trade group, there are 109 ethanol plants now operating in the United States with an annual production capacity of 5.28 billion gallons.

— The Associated Press

the Tug Hill Plateau area east of Lake Ontario. That plant would use wood exclusively to produce ethanol. And in Tonawanda, Pataki announced plans for a \$1.5 billion clean-coal facility.

Mascoma, with offices in Cambridge, Mass., and a research center in Lebanon, N.H., comes well-funded. The company has a founding investment from a venture capital company run by Sun Microsystems cofounder Vinod Kholsa, who has focused on biofuel investing.

Last month, the company received \$30 million in additional funding from Kholsa's and several other companies, including Kholsa's former employer and Silicon Valley venture capital mainstay Kleiner Perkins Caufield & Byers.

"These are major people with an understanding of what it takes to bring something to market in this space," South said. □

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