



Sept. 15, 2009

Editor:

On Aug. 26, 2009, the Milton Courier printed an article about the payment plan city council members approved to reimburse United Cooperative according to the 2005 developer's agreement.

Industry businesses and economic activity are very important to any city, especially small, more rural towns like Milton. This kind of developer agreement is very common and is used to bring new business or grow an existing business.

Yes, reimbursing United Cooperative \$811,000, the cost of the land purchased for the construction of United Ethanol LLC, was part of the original agreement with the city. And, yes, it appears as though the city council has approved a payment plan per that agreement over the next 11 years. However, let me point out the benefits of that agreement.

In 2008, United Ethanol paid almost \$350,000 in property taxes. This total included \$93,268.27 to Rock County, \$113,040.98 to the city of Milton, \$109,184.44 to the Milton School District, \$30,202.39 to Blackhawk Technical College, and \$3,006.36 to the state of Wisconsin. This year, we're on track to pay about \$417,000 due to our increased assessable value.

Now, in regard to the comments made about "emissions" and "problems," yes, we had some problems in the beginning due to equipment not performing as we were told it would. But, United Ethanol has taken the necessary steps to fix those problems. We installed a new emissions control device (regenerative thermal oxidizer), which passed Wisconsin Department of Natural Resources (DNR)-approved testing. We worked with the DNR on record keeping requirements and are in compliance. And, we are publically documented by the DNR as a synthetic minor source of emissions.

Ethanol production facilities are environmentally safe businesses. The benefits of ethanol production, including increased economic activity to rural Wisconsin towns and farms, reducing this country's dependence on foreign oil, and much more, far out way the negatives. Time after time, various studies have proven this. In addition, ethanol production technology and efficiency gets better and better as time goes on. At United Ethanol, we are constantly updating our equipment to make sure we are as efficient and environmentally friendly as possible.

Odor is also a buzz word when it comes to United Ethanol; once and a while, we still receive a complaint. When this happens, we send employees out to the location and document everything as directed by the DNR. If the odor is from United Ethanol, we're usually able to relate it to something specific happening at the facility. For example, on Aug. 24, a rotary valve tripped in the distiller's grain dryer. When United Ethanol employees restarted the dryer, another piece of equipment plugged which caused some distiller's grain to get into the regenerative thermal oxidizer (RTO) that controls emissions. The only option for cleaning the RTO was to perform a bake out, which in turn caused the odor. United Ethanol manager of ethanol operations, Mike Opdahl, did speak to Gina Frank that day and explained to her the situation. During their conversation, Frank and Opdahl agreed employees would continue the bake out, and if the odor got worse, Frank was instructed to call. She did call later in the day as the bake out was concluding. Everything was documented as requested by the DNR.

Please understand, we're not interested in being a bad neighbor to the city of Milton. This is a manufacturing facility that is in production, 24 hours per day, seven days a week, 52 weeks per year. As typical of all machinery, including other industries, automobiles, appliances, etc., things happen because of continual use. This is why we have a maintenance division at United Ethanol, to take care of these issues when they happen and in most cases, before they happen.

United Ethanol has every intention of continuing to be a member of the Milton community. We have 35 employees who own homes, conduct business, and/or pay taxes in the area; and, we purchase approximately \$50,000,000 in corn from southern-Wisconsin corn growers annually. We are happy with this location and look forward to serving Milton and the surrounding area for years to come.

Sincerely,
/s/David A. Cramer
United Ethanol President and Chief Executive Officer