

2010-01-07 01:48:09 EST

\*\*\*FTC GIVES APPROVAL FOR VALERO ACQUISITION OF ETHANOL PLANTS

The U.S. Federal Trade Commission (FTC) has given its early anti-trust clearance to Valero for the three ethanol plants the company purchased in December 2009, the agency announced today.

Last month, Valero Renewable Fuels Company announced it was purchasing two former VeraSun ethanol plants -- one in Linden, Ind., and another in Bloomingburg, Ohio -- each with a 110-million gal/yr capacity, for \$200 million. The former VeraSun plants were purchased by ASA Ethanol Holdings during a court auction last year.

At the same time last month, Valero said it received approval from a bankruptcy court to acquire Renew Energy's 110-million gal/yr ethanol facility located near Jefferson, Wis., for \$72 million.

"The Hart-Scott-Rodino Act requires under certain circumstances that prospective acquirers of voting securities or assets apply for clearance from regulators," the FTC explained in a notice this morning. "Requests for early termination or clearance are granted when the Federal Trade Commission and the antitrust division of the Department of Justice have determined that they won't take action during the waiting period," the agency noted.

"We expect these transactions to close in the early part of this year," added Valero spokesman Bill Day.

However, Valero's purchase of the Renew Energy ethanol plant is complicated by a temporary stay, issued by the bankruptcy court, requested by another party that claims it was the highest bidder for the facility. "Valero hasn't commented on that because the issue is still pending," Day noted.

These acquisitions expand Valero's ethanol production capacity to 1.1 billion gal/yr. Valero acquired seven ethanol plants formerly owned by VeraSun in 2009 for a collective \$477 million.

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