

Assessing the Economic Impact of Biofuels Plants

The Need for Economic Impact Assessment in Today's Environment

Increasingly, economic impact assessments are required to raise funds from both public and private sector sources. In the biofuels industry, they are used to quantify the economic benefits that typically flow from new plant operations. Such data is used by policy makers at all levels of government and by industry strategists.

Doyletech's proprietary economic impact model has been used to assess several new biofuels facilities, including the new IGPC Ethanol and Greenfield Ethanol plants in Ontario, Canada.

Our assessments illuminate the spending and employment benefits that biofuels development and operations bring to:

- The **local economy** (i.e., the community itself);
- The **regional economy** (i.e., the region around the proposed or operating facility).

Not only does the assessment identify the net additional spending generated by the facility, it can quantify the tax revenues to the different levels of government. Typically, we run the model for two phases: (1) **Construction Phase**, in which jobs and spending are generated, but over a fixed period of time only, after which the plant becomes operational and no further construction spending or jobs are created; and (2) for an **Operating Phase** in which jobs and spending are generated on a continuing, annual, basis.

Assessing Biofuels Projects Using Doyletech's EconWin Model

Our econometric model can be used to isolate individual project investments such as a new processing plant, or other related infrastructure, and then calculate, under a variety of scenario conditions, what the returns would be.

The model can be run either to assess positive impacts from a new investment, or negative impacts from a shut-down or closure.

In addition to the projects noted above, Doyletech has developed models for Asia-Pacific Economic Cooperation (APEC) which allow developing countries to assess the employment impacts in their domestic refinery and farm sectors from increased biofuels production. In Canada, we developed an aggregate economic impact from all of the country's operating biofuels plants for the Canadian Renewable Fuels Association (CRFA).

For more information, contact:
Mr. Glenn McDougall, Managing Partner
Doyletech Corporation 613.226.8900 x13 gmcDougall@doyletechcorp.com

Biofuels Project Economic Impact Assessment Services for:

Economic Development Officers
Biodiesel and Ethanol Company Officers
Government Planners
Environmental Assessment Engineers
Community Investment Groups
Corporate Social Responsibility Managers

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