



NEWS RELEASE
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Magellan Opens New Biodiesel Blending Facility

Urbandale, Iowa – The Iowa Soybean Association and the Iowa Biodiesel Board congratulates Magellan Midstream Partners, L.P., on the opening of a new biodiesel blending facility in Clear Lake, Iowa. The company officially opened the new facility Oct. 8, 2007, during ceremonies that included speakers U.S. Sen. Charles Grassley, Magellan Chief Executive Officer Don Wellendorf, Iowa Biodiesel Board Executive Director Randy Olson and others.

“We appreciate the investment made by Magellan to build their first on-site biodiesel blending facility. It takes a partnership of private industry, government and committed organizations and individuals to develop the biodiesel industry in this state and nation,” says Randy Olson, IBB executive director.

Magellan Midstream Partners, L.P., owns and operates the nation’s longest pipeline for refined petroleum products. The company, headquartered in Tulsa, Okla., has an 8,500-mile pipeline system that crosses 13 states and extends from the Gulf Coast throughout the middle portion of the United States.

“We are celebrating the opening of our 10th biodiesel distribution system inside one of our petroleum distribution terminals. However, this is our first biodiesel blending system in Iowa. We view renewable fuel distribution as a growth opportunity for our company and we are a trailblazer in this area. Our investment in biodiesel blending infrastructure at our Clear Lake facility is underpinned by customer demand and the renewable fuel policies passed by Congress and in Iowa and Minnesota,” says Don Wellendorf, Magellan CEO.

U.S. Sen. Charles Grassley praised Magellan leaders for their commitment in developing the necessary infrastructure to expand the renewable fuel industry.

“This new biodiesel blending facility is a perfect example of how energy companies, the government and others are working together to build our renewable fuels industry and reduce U.S. reliance on foreign oil. It also helps our rural communities by providing good-paying jobs,” says U.S. Sen. Grassley.

The new biodiesel blending facility at Clear Lake has the capability to blend at B2 percent (2 percent biodiesel and 98 percent diesel), B5, B10 and B20 percent. The new system has an 84,000-gallon tank with insulation and heating of all affected pipelines, including truck offloading lines and lines supplying the loading rack. The benefits of blending biodiesel at the rack instead of splash-blending includes better mixing of fuels in cold weather, one-stop loading of biodiesel, better accuracy for blend percentages, and blending documentation on a single bill-of-lading.

Magellan Midstream Partners, L.P., is also in the process of constructing 145,000 barrels of biodiesel storage at its terminal in New Haven, Conn. Magellan is also exploring transportation opportunities for biodiesel blends, and is planning to transport a low-level biodiesel blend in its pipeline from Houston to Dallas later this year.

The Iowa Soybean Association farmer leadership has supported the biodiesel industry since the mid-1990s, says Grant Kimberley, ISA director of market development.

“The commitment of Magellan to make the investment in biodiesel storage and blending within their terminal is a critical step in integrating biodiesel into the existing U.S. liquid fuel distribution system,” says Kimberley.

The Iowa Soybean Association develops policies and programs that help farmers expand profit opportunities while promoting environmentally sensitive production using the soybean checkoff and other resources. The Association is governed by an elected volunteer board of 21 farmers.

The Iowa Biodiesel Board represents the biodiesel industry in Iowa, from production through distribution to end-users. The IBB promotes the commercial success of biodiesel in Iowa.

For information, visit the Web sites, www.iasoybeans.com and www.iowabiodiesel.org.

Funded by the soybean checkoff.