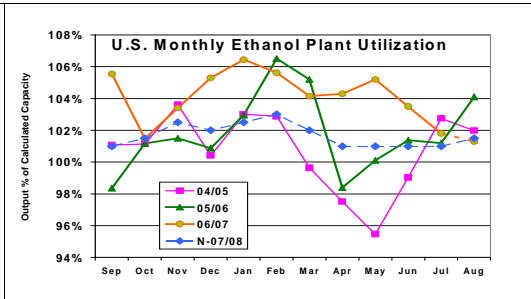
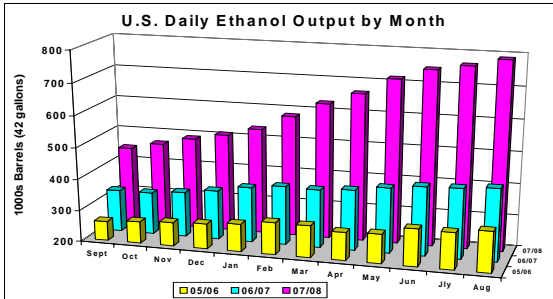




# Ethanol Prices Slip as Output Rises Ahead of Energy Bill Debate



The latest U.S. Department of Energy monthly oxygenate output report for July, released October 2, reported U.S. ethanol output increased to a new record 548 million gallons, up 21 million from the previous month. The daily rate of production, up 3,000 barrels to 421,000 BPD, was also a new record pace for output. However, U.S. ethanol plant capacity utilization dropped another 1.7% to 101.8% during July, a similar drop to June, as ethanol prices began an early seasonal decline. New capacity totaling 152 million gallons was added to the Renewable Fuel Association's (RFA) operating plant list during that month. U.S. ethanol stocks also rose 629,000 barrels to 9.7 million by July 31, but remained below last October's record 9.81 million barrel level.

