UNITED ETHANOL

United Ethanol • Growing To Meet Your Needs

Ethanol News

1250 Chicago St. • Milton, WI 53563 • (608) 868-5900 • www.unitedethanol.com

November 2020

David Cramer
President and CEO

Contents

Greetings from the CEO

What a difference a year makes, when the planting, growing and harvest seasons all align to provide a great productive environment that the entire agriculture industry may enjoy.

Corn harvest progressed quickly in Wisconsin as farmers took advantage of the excellent weather we had recently. Corn harvested for grain is reported at 78% complete statewide, more than 4 weeks ahead of last year and 13 days ahead of the 5-year average. Last year at this time only 21% of the crop was harvested.

As of November 1st, the Wisconsin corn crop was estimated at 533.6 million bushels, compared to 443.22 million in 2019; with an estimated average yield of 184 bushels per acre, compared to 166 bushels per acre a year ago.

During United Ethanol's fall shutdown in August, we were able to make vital updates to our plant operations. The regenerative thermal oxidizer (RTO) was completely rebuilt and is performing very well. A new distributed control system (DCS) was installed which will increase our visual monitoring capabilities. Both upgrades will enable plant operators to efficiently monitor and adjust to production needs within the plant.

As of Sept. 30, 2020, United Ethanol produced 40,648,388 gallons of ethanol. The plant also produced 92,041 tons of dried distillers grains (DDGs), 55,514 tons of liquified carbon dioxide, and extracted 10,906,011 pounds of corn oil. Most of these numbers are down slightly from last year's nine-month numbers with ethanol down 2,143,829 gallons, DDGs down 14,019 tons, and corn oil up 746,052 pounds from a year ago.

I would also like to report some positive news. Margins have improved from historic lows because many plants are still not operating. This situation has kept inventories of ethanol at lower than normal levels which has given us better crush margins than expected. When you review the net income you should be pleasantly amazed as our income is more than double from where we were a year ago. The month of October has been another tremendous month as well. With this type of continued performance, we are planning on finishing the year very strong compared to a year ago.

Dan and his team have been doing a very exceptional job running the plant. We are fortunate having this team in place and working on our behalf at United Ethanol. I am thankful for their dedication, capabilities and professionalism which help makes United Ethanol successful.

Enclosed are the unaudited financial statements for United Ethanol per section 8.2(b)(ii) of the United Ethanol, LLC Operating Agreement. Our accounting department has included the United Ethanol balance sheets as of September 30, 2020 also showing 2019 numbers; the statement of operations for the quarters ending September 30, 2020 and September 30, 2019, and the statement of cash flows for the quarters ending September 30, 2020 and September 30, 2019.

Have a safe and enjoyable holiday season as we prepare for Thanksgiving and Christmas.

Cooperatively yours,

David Cramer

David Cramer
President and Chief Executive Officer

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Plant Changes Improve Production

By: Dan Shickles, General Manager

United Ethanol just completed fall turnaround and during that time a new distributed control system (DCS), which controls all plant operations, was installed. The DCS provides the intricate knowledge and responsiveness, such as monitoring tank levels, temperatures, and pressures to keep production running smoothly. The new system also has a feature that allows for autotuning loops which enhances efficiency and consistency in production.

We also increased our visual monitoring capabilities during fall turnaround. The system was upgraded from 2 screens to 4 screens at 3 stations. This enables our operators to monitor alarms and operations simultaneously, ultimately enhancing efficiency and raising alarm awareness.

Both current and new employees have been participating in training programs on new operating procedures and safety regulations as we continue to focus on training inside the plant. This ensures we are getting the most efficient yield and the biggest bang for our buck!

Have a wonderful holiday season.