

News from Senator

BOB DOLE



(R - Kansas)

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DOLE: ENERGY DEPT. EXTENDS CIRCLE ENERGY NEGOTIATIONS

Washington, DC -- The U.S. Department of Energy has extended until January 1, 1987, the deadline to complete negotiations on a \$37 million loan guarantee with Circle Energy of Wichita for a Nebraska ethanol plant, according to Senator Bob Dole (R-KS).

Authority to grant the loan was scheduled to expire Monday, June 30. Sen. Dole sought the extension on behalf of Circle Energy because delays caused by the company scheduled to construct the ethanol plant - Litwin Engineering Company of Wichita - meant the loan guarantee could not be finalized by the June 30th deadline.

"We are hopeful the loan guarantee can ultimately be approved, but Litwin's announcement that they will move from Wichita to Houston has posed a problem," said Sen. Dole. "I've made it clear to Litwin officials that I wasn't elected to deal away jobs from Kansas. Thus far, Litwin has not convinced me they intend to stay in Wichita.

"While I don't want to put Litwin over a barrel, I strongly believe the engineering and construction work should be done by a Kansas company. With the extension for negotiations, Litwin will have ample time to elaborate on their plans," said Sen. Dole.

Dole said other Kansas engineering and construction companies have contacted him with offers to perform the work. "I have asked Circle Energy officials to take all the steps that are necessary to ensure a Kansas company does the work. We're hopeful these problems can be worked out, and that construction of the ethanol plant can begin by the end of the year," Sen. Dole said.