

Some seven years ago I wanted to begin to put together some history of the SD corn growers. I asked Dan to just send me some notes. His passion and unbridled enthusiasm for what he was doing is evident throughout:

This immediately below is the amazing very humorous report by Dan Iseminger and Mike Oconor about happenings as they left the White House after meeting with the President's chief legal council C Boyden Gray. They had just gotten an indirect order from the president to tell the very intimidated SD corn board (like everybody in the US when stepping on big oil's shoes) it was OK to put a E85 vehicle on the road: The entire context of why that meeting took place and the history that surrounds this event follows after this short story.



Orrie,

The trip to the White House could be a chapter in itself. The story was even better, but I was pressed for time.... Mike and I go walking out of the East Wing and decide to veer off the path to the gate and go take some pictures in front of the White House. About half way to the front steps we run into former South Dakota Speaker of the House. Debra Anderson. She was a state legislature liaison for the White House and about had a heart attack when she saw us. Mike and her were kind of arch enemies in the SD Legislature and she was big anti-ethanol. She asked what in the heck we were doing on the front lawn. I told her we just had a private meeting with the Chief Counsel to the President. She stood there in disbelief and I snapped a picture of Mike O'Connor with his arm around her shoulder. We left her standing there in shock and proceeded to the front steps of the White House.

I run up the steps and Mike snaps a picture of me. I then grab the camera and switch places with Mike. He's up on the front steps and I'm taking pictures when a Uniformed guard walks up to me and says, "What in the hell are you doing?" I said, "Taking pictures...why?" He responds, "The Snipers have had you in their sites since you veered off the path. I just heard on the radio our commander saying "I'll take the fat one, you take the tall skinny one". If the site of you two snapping pictures on the front steps wouldn't have been so completely unbelievable they would have pulled the trigger. Turn around and walk, don't run to the East gate and get the hell out of here!"

When we passed through the gate and turned in the badges that hang around your neck (It is set right over your heart so the snipers can get a good target I guess?) The two guards could only shake their heads. We had got there so fast that C. Boyden Gray had forgot to put us on the pass list for the guards and snipers.-Dan

Orrie,

You were on the original group that organized and started ACE (American Coalition for Ethanol) back in the 1987-88. Fred Anklam was a rep and CEO of MCP on the ACE board and the only expert we had on the specifications of ethanol, wet ethanol, and gas/ethanol blends. When we got ACE going we desperately tried to get our hands on a car we could run on E85 or higher. The only known vehicle in existence in the U.S. that we knew of then was a Ford Crown Victoria Station Wagon put out by Ford Motor Company to run on M85. We negotiated with Ford and they absolutely refused to sell us one when they found out we intended to put ethanol in it instead of methanol. Besides, there was only one or two in existence.

In 1989, I came aboard as Administrator of the SD Corn Utilization Council and Executive Director of the SD Corn Growers Assn. In 1990 we were invited down to a race track in Nebraska to watch then President George Bush Sr. drive a 1990 GM 4

door sedan around a test track on E85. You, I and a 19-year-old kid named Jeff Broin drove down to watch it happen. I believe the car was owned by the Nebraska Ethanol Commission. Dick Heise, an inventor from Phoenix, AZ, had modified the vehicle with the Heise Valve and a hacked E-Prom computer chip to run on the E85. Dick was a friend of Chief Counsel to the President C. Boyden Gray who had financial interests in methanol.

Gray lined up the deal to advance development of alternative fueled vehicles in hopes to make a market for his methanol. By the time Ford had scrapped the M85 program and vehicle development because it was such a piece of junk and had numerous compatibility issues, engine problems, and horrifically poor mileage.

According to Heise, the press from Bush's drive around the track was a bad thing and he received death threats. He went into seclusion and the car was put back into original condition the next day. GM was not happy someone hacked their computer. I got the only known phone number for Heise from Todd Sneller and on a complete whim and total luck, Heise answered the phone when I called. The first hurdle was convincing him into making another E85 car. He agreed to do it for \$10K and under the condition we did it in top secret and didn't tell anyone. The second hurdle was convincing the corn board to cough up the \$10K AND buy a 1991 Chevy Corsica.

By that time word on the street was that Dick Heise was a con artist and because you, Pat Tracy and I were all for it, the rest of the board was against it. The board agreed to send me and State Representative Mike O'Connor to Washington, D.C. to attend an alternative fuels conference and try to get the inside track on Dick Heise.

Mike and I went to D.C. and attended the conference. Every time we mentioned Dick Heise or the Heise valve everyone said to stay away from him and that E85 vehicles were a myth. (oil culture intimidation at work- os) Mike figured it was over and we'd never get it done. I then remembered that Dick told me once if we ever got into a pinch to call the White House and ask for C. Boyden Gray. I went to a pay phone and called the White House. I got the nut-case treatment from the operator until I said the name "Dick Heise". I was immediately put through and Chief Counsel Gray told me and Mike O'Connor to get in a cab and go to the East Gate in 10 minutes. We were rushed into the White House and Gray told us to keep it short (We invaded Iraq the first time in Desert Storm on that day and his phone lines were lit up like a Christmas tree). We told him what our situation was and that we were in a dilemma. He personally vouched for Dick Heise and told Mike O'Connor to tell the corn board that it was an indirect order from the President of the United States to build this first E85 car in America. We flew home and I never said a word at the next board meeting because I knew the board would not believe any of it. Mike O'Connor told the story and everyone on the board voted for it except for Don Johnson, Research Committee Chairman because he wanted to give every red cent to SDSU.

Anyway, we found only one car (Your blue Corn Car Corsica) with the proper VIN number in South Dakota, bought it, and hired former Sioux Falls Mayor Rick Knobe to drive it down to Phoenix to be modified. Dick and his son moved the car to a secret lab in Denver and modified it within about 30 days. I flew down to Denver and drove the car home to Sioux Falls in a veil of secrecy and paranoia as Heise told me if someone ran me off the road or the car mysteriously blew up it would set back the ethanol industry 100 years, much like the Hindenburg Disaster setting back Hydrogen. The car ran like a raped ape and had a second tank in the trunk for ethanol and a switch under the dash to switch back and forth between gas and E85.

We barely got the car back and found out about a Congressional Sub-Committee meeting in Detroit, MI. They were going to decide what classified as "Alternative Fuels". It was our one and only last chance to get E85 classified as an alternative fuel. I just hired Trevor Guthmiller and he was terrified of flying and we needed to high-tail it out there. Fred Anklam flew his personal plane and I jumped in with him. Trevor drove the corn car to Detroit. When we got there I was bumped from the agenda. We sat for three days and heard expert after expert slam E85 as impossible and laugh about it. On the last day I followed Arkansas Congressman Bill Alexander into the bathroom and made the pitch on E85 as he took a whiz. I was thinking about the car when I told him I have something to show you: His immediate answer was "I hope you are not a prevert". He followed me into the parking lot to see the car with his own eyes.

He then marched back into the meeting, asked for the floor and yielded to me in the audience. I blasted them hard and they were forced to classify E85 as one of the "Alternative Fuels" (Alexander later used the corn car to get re-elected in Arkansas only to be forced to resign from Congress because of the congress mail room scandal).

Shortly thereafter we found out about the Clean Air Act going through Washington, D.C. from Senator Daschle. Although E85 was classified as an "Alternative Fuel", it was not included in the bill as the Senate Sub-Committee was told E85 cars were a myth and did not exist. That time, board member Rob Koskan and his brother Steve drove the corn car to Washington, D.C. Senator Pressler ushered Bob Dole out to the parking lot of the capital and Dole got down on his knees and one good arm to sniff the tail-pipe which smelled like cotton candy. He got so mad he was lied to in committee he went back in and angrily asked for a vote in committee to include E85 in the Clean Air Act. It passed.

The corn car went on to become the most famous little car in the history of ethanol. It was driven by everyone from Governor Mickelson to Gordon Johncock. Robert Novak sat in it once. Helse went on to make us two more cars and the world's first E85 Chevy Pickup. He also did cars for the Iowa Corn Growers, ACE, and others. The car companies got smart and started welding shut the access doors to the E-Proms on the cars computers. Not even Hypertech in Memphis could get past this.

Fuel injection also made the Heise valve obsolete and Heise's financial well being took a big hit. His son went on to become the Pit Crew Chief for Tony Stewart and brought computerization to the racing world. E85 development took another 15 years before the car companies relented and started offering flex fuel

E85's. They are simply a regular vehicle and engine with a modified E-Prom Chip to compensate for cold starting under 52 degrees F. The cold start program they used was one developed originally by Dick Heise and the SD Corn Council.

All we need to do now is convince one of the car companies to release the Brazilian versions of ethanol powered cars with high compression engines and higher gears in the differential. Rumor has it they get over 50 mpg and can take a Porsche in the quarter mile.

Oops! There goes my lunch break. Sorry for the book. By the way, Fred Anklam's biggest contribution to the ethanol industry in my opinion was the feasibility studies he did to find the top ten locations in South Dakota where you could build ethanol plants. An ethanol plant now sits on every location he found feasible and over a half a billion gallons of ethanol are produced on "Fred Sites". -today its over a billion—
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Regards,
Dan Iseminger

.....I own the Blue E85 car today: Though we all liked the performance and acceleration of the Hiese valve it malfunctioned and we took it out and kept on going. It is completely standard today and those who have driven it lately still say it will do at least 105 as past rather famous speeding tickets affirm. And after sitting all winter it will start on first engine turn over in the springs I have owned it-----
Orrie

Orrie,

I forgot all about the GM engineers coming to our office saying it could not be done. I just threw the keys on the table and told them to go drive it. They did. It was also about the same time Senator Harkin announced his bid for the Presidency in our corn office parking lot with the corn car as a back-drop. I should also have included the bet with Harley Davidson engineers that they couldn't come up with proper jets to make my Harley Davidson run on E85. The jets worked, we lost the bet and sent them a case of beer and then Easy Rider took a picture of me on main street in Sturgis holding my exhaust pipe with my bare hand as I revved up the motor (it ran about 200 degrees cooler than a gas Harley). We then got served legal cease and desist paper from a Constable in our office from Harley Davidson's legal department to quit saying Harley's could run on E85 and to quit telling people it was their engineers that did it.

One of my most prized possessions is a picture of Tom Daschle on my Harley with the Corn Growers "Colors" on his back and signed Tom "Harley" Daschle. The picture was at the pump opening of the first E85 pump in the nation behind Get-N-Go on West 12th Street in Sioux Falls. Ron Lamberty swung that deal for us. He now works for ACE.

I could go on and on. Pouring a gallon of water in the gas tank at SouthEast Vo-Tech was another classic story and then watch all watch in disbelief. Al Kasperson was with me once: his comment was "I hope you are not going to do that every time we stop to talk to someone." Also, the speeding ticket I got on the way to Pierre to show your corn car off to the legislature for the first time was another. They clocked me at 120 mph and wrote the ticket for 105 mph. A picture of Lars Herseth holding the speeding ticket ran in the Argus Leader and Pierre Capital: I talked the patrolman to reduce the speed. I told him: "Come on, this is a 1988 Corsica: You know there is no way it can go 120 mph."

Fred Anklam -Chemical Engineer- Role in E85

As you see below Fred Anklam. a Chemical Engineer and former Minnesota Corn Processors CEO, was not only the corn board's expert on E85 but we hired him as a consultant. His expertise was our confidence to lead the effort to get E85 approved as an alternative fuel because Fred did the calculations and determined E85 blend met the specs to be an alternative fuel: We as corn did not say that our Chemical engineer consultant said that owned his own airplane flew Dan to the alternative fuels meeting...

We owe thanks to Fred for all professional he did siting all of SD potential corn processing plants. Including Written assessments available to investors.

We hired Fred to do a professional plan for a generic site corn fructose plant. He had just retired from and operating the most successful smaller corn fructose plant in the nation at MCP. We tried to shop his potential sites and plan around. No takers

Fred, I, and Dan flew it down and just gave AGP cooperative soybean processors and basically said it was too good of a plan to rot away on our shelves.. Indeed it was as I was on the what turned out to be founding board of ProGold. I was not surprised a bit as American Crystal Sugar passed around Fred's plan basically saying this is what we are going to do..

Fred had ethanol production swing capacity because as a single fructose salesman for mcp he knew "otherwise you will give your fructose away" American Crystal said we know the sugar business and can sell Fructose. We do not need all problems ethanol will saddle our company with. I and several others on the board lost that debate that I believe was voted on by the members as I remember Merle Anderson a beet grower was really making the case for ethanol production swing capacity as did Fred himself. Vote was no ethanol capacity.

As Fred basically said without swing capacity ProGold will give its fructose away. While we still had financial legs the shrewd executive board worked competing bids to lease from Staley Others. Cargill won the bid on a lease that worked very good for ProGold. I still have great respect for the executive board that made lemonade out of what could have been a grand, grand financial disaster. Fred's plan must have been a good model as the plant performed as programmed.

Orrie

Besides traveling with Dan I believe this is part of what armed Dan to be so aggressive on E85

From: osway@trnics.com

To: fank138@msn.com

Subject: Re: letter to Editor.EPa assured a Petro based economy:shame on us

Date: Mon,9 Mar 2009 07:20:47 -0500

Say Fred my memory has big gaps...Severe sleep problems quite common for a lot of veterans who spent some time in a combat zone: It lead to memory problems...I was tested by VA at nearly zero for my age group for short term memory and a year ago or so (can't remember) as much worse... But it seems to cycle and VA prescribed sleeping pills to sleep.. all is working better including better short term memory... My wife growls when I say that. All that to tell you I am very interested in your perspective how E85 evolved.

Thanks Fred

Fred and I email as if we were texting.. I took several exchanges and put them together to this.

Dear Orrie: I remember that we invented E85 on the back of an envelope 20 years ago? Well I have some of the same memory problems from time to time and I believe it came about during the reed vapor pressure arguments in the late 80's. You and I were on a site evaluation and having lunch in one of the SD towns and we talked about the vapor pressure of ethanol blends. I took the Vapor pressure of blend stock and ethanol and drew a graph of the vapor pressure that various blends produced. The 85% blend was close to meeting the epa specs, as I recall

Fred Anklam