

SACRAMENTO, Calif. and EAST PEORIA, Ill., Nov. 14, 2016 (GLOBE NEWSWIRE) -- [Pacific Ethanol Inc.](#) (NASDAQ:PEIX) and Toledo, Peoria & Western Railway (TPW), a subsidiary of Genesee & Wyoming Inc. (G&W) (NYSE:GWR), announced they have commenced unit train service from Pacific Ethanol's plant in Pekin, Illinois.

"This unit-train solution enables us to increase our overall sales volumes by expanding our ethanol distribution to new markets on the East Coast," stated Neil Koehler, CEO of Pacific Ethanol. "This agreement with TPW builds on our producer-marketer business plan for the Pekin plant, increasing revenue and providing reliable and efficient service to customers in new markets."

Under the new service, the Tazewell & Peoria Railroad, a G&W-owned switching and terminal railroad that serves the Pekin plant, hauls the plant's daily output to Creve Coeur, Illinois, where the connecting TPW has the track capacity to aggregate the railcars and assemble unit trains of as many as 96 cars. The TPW, a 200-mile short line railroad, then interchanges the unit trains with connecting Class I railroads for delivery to final destinations east of the Mississippi.

"Enabling Pacific Ethanol to originate unit trains on the TPW is the third recent example of G&W railroad's commitment to the biofuels industry," said Mike Webb, senior vice president for distribution services for Genesee & Wyoming Railroad Services, Inc. "This past July, we announced a project that allows an ethanol customer to receive unit trains via G&W's Arkansas Midland Railroad, and last year at this time, our San Diego & Imperial Valley Railroad opened a Choice Terminal bulk transload facility with a biofuels company as its anchor customer."

The ethanol market is expected to remain strong overall, with increased demand from international markets and from certain U.S. markets raising their 10-percent blend minimums.

About Pacific Ethanol, Inc.

[Pacific Ethanol Inc.](#) is the leading producer and marketer of low-carbon renewable fuels in the Western United States. With the addition of four Midwestern ethanol plants in July 2015, Pacific Ethanol more than doubled the scale of its operations, entered new markets, and expanded its mission to advance its position as an industry leader in the production and marketing of low carbon renewable fuels. Pacific Ethanol owns and operates eight ethanol production facilities, four in the Western states of California, Oregon and Idaho, and four in the Midwestern states of Illinois and Nebraska. The plants have a combined production capacity of 515 million gallons per year, produce over one million dry tons per year of ethanol co-products such as wet and dry distillers grains, wet and dry corn gluten feed, condensed distillers solubles, corn gluten meal, corn germ, corn oil, distillers yeast and CO₂. Pacific Ethanol markets and distributes ethanol and co-products domestically and internationally. Pacific Ethanol's subsidiary, Kinergy Marketing LLC, markets all ethanol for Pacific Ethanol's plants as well as for third parties, approaching one billion gallons of ethanol marketed annually based on historical volumes. Pacific Ethanol's subsidiary, Pacific Ag. Products LLC, markets wet and dry distillers grains. For more information please visit www.pacificethanol.com.

About TPW

TPW runs 207 miles from west Indiana to Peoria, Ill., and interchanges with Bloomer Shippers Connecting Railroad; Canadian National; CSX; Kankakee, Beaverville and Southern Railroad; Keokuk Junction Railway; Norfolk Southern; Tazewell & Peoria Railroad; Union Pacific; and US Rail Partners. Commodities shipped include agricultural products, cement, chemicals, biodiesel and wind tower components. The railroad was acquired by G&W in 2012.

About G&W

Genesee & Wyoming owns or leases 121 freight railroads worldwide that are organized in 10 operating regions with approximately 7,200 employees and more than 2,800 customers.

- G&W's eight North American regions serve 41 U.S. states and four Canadian provinces and include 113 short line and regional freight railroads with more than 13,000 track-miles.

- G&W's Australia Region provides rail freight services in New South Wales, the Northern Territory and South Australia and operates the 1,400-mile Tarcoola-to-Darwin rail line.

- G&W's U.K./Europe Region is led by Freightliner, the U.K.'s largest rail maritime intermodal operator and second-largest rail freight company. Operations also include heavy-haul in Poland and Germany and cross-border intermodal services connecting Northern European seaports with key industrial regions throughout the continent.

G&W subsidiaries provide rail service at more than 40 major ports in North America, Australia and Europe and perform contract coal loading and railcar switching for industrial customers.

Pacific Ethanol's "Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements and information contained in this communication that refer to or include Pacific Ethanol's expected future results or other non-historical expressions of fact are forward-looking statements that reflect Pacific Ethanol's current perspective of existing trends and information as of the date of the communication. Such forward-looking statements include, but are not limited to, Pacific Ethanol's expectations regarding its expansion of ethanol distribution to new markets and the resultant increase in sales volumes; expectations regarding the reliability and efficiency of rail service to customers in new markets; the overall strength of the ethanol market; and increased demand from international markets. Pacific Ethanol's

expectations are not predictions of actual performance. Actual results may differ materially from Pacific Ethanol's current expectations depending upon a number of factors affecting Pacific Ethanol's business. These factors include, among others, adverse economic and market conditions, including for ethanol and its co-products; fluctuations in the price of oil and gasoline; raw material costs, including ethanol production input costs; the reliability and efficiency of rail services; Pacific Ethanol's ability to successfully execute on its plans to expand into new markets; the anticipated size of the markets and continued demand for Pacific Ethanol's products; the impact of competitive products and pricing; the risks and uncertainties normally incident to the ethanol production and marketing industries; and other events, factors and risks previously and from time to time disclosed in Pacific Ethanol's filings with the Securities and Exchange Commission including, specifically, those factors set forth in the "Risk Factors" section contained in the Company's Form 10-Q filed with the Securities and Exchange Commission on November 8, 2016.

G&W's "Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release and conference call regarding Genesee & Wyoming's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's Annual Report or Form 10-K for the most recently ended fiscal year.

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