

Canola Council's Diesel Digest

Canada's Biofuel Target Announced

The provinces and territories agreed to back the federal government's target of 5 percent biofuels content in gasoline and diesel by 2010 at a ministerial meeting in Regina, SK on Tuesday, May 23rd.

Canada will require that gasoline and diesel contain an average of 5 percent renewable energy by 2010 to cut pollution and bolster domestic corn and grain farming. Bill Eggertson, executive director of the Ottawa-based Canadian Association for Renewable Energies, said in a telephone interview before the announcement that the 5 percent renewable fuel target was better than nothing. Harper promised a 5 percent target in his election platform. "It's smaller than it should be, smaller than it needs to be, but we will give credit where credit is due," Eggertson said.

The current level of ethanol and biodiesel production in Canada is less than 300 million litres per year; reaching the 5 percent target would require about three billion litres per year, according to Kory Teneycke of the Canadian Renewable Fuels Association.

Saskatchewan's request for a more ambitious target of 10 percent and a guarantee that more than half of the biofuels feedstock would come from Western Canada was put on the back burner. Saskatchewan's Deputy Premier Serby said Saskatchewan still wants to see a 10 percent biofuels content target and a commitment to ensure that more than half of the renewable fuels feedstock would come from Western Canada. "Our discussions are not over. ... This is the very first day of a process of

[More Details: \(LEADER POST\) \(BLOOMBERG\)](#)

Volume 1, Issue 3, May 31, 2006



The Honourable Rona Ambrose
Minister of the Environment

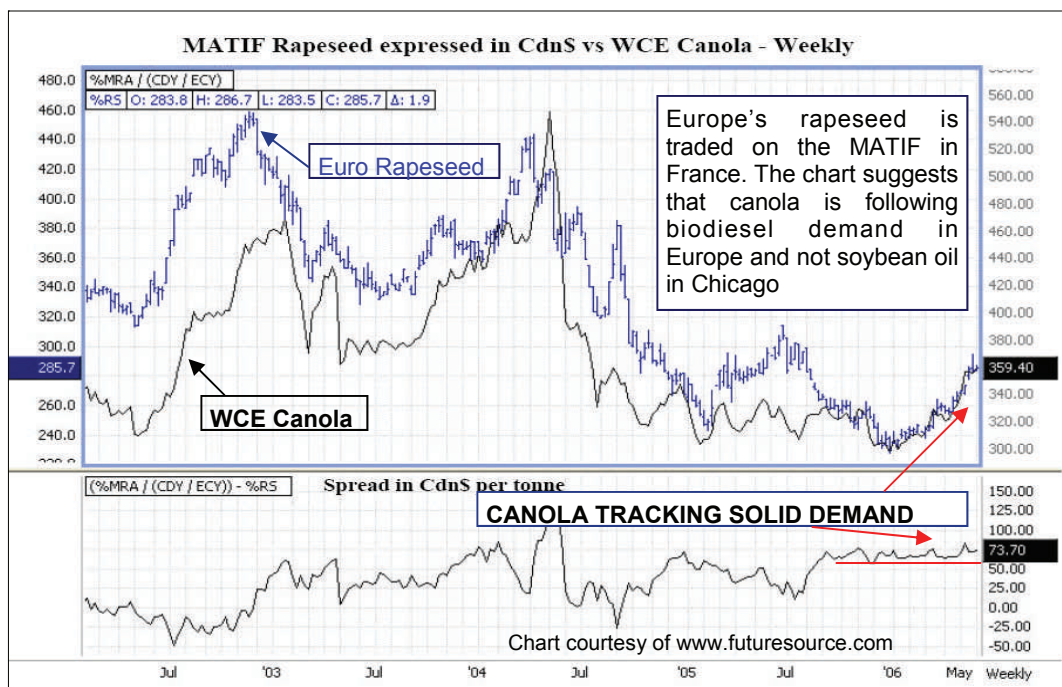
Biodiesel: The future's fuel

Diesel Digest

The Canola Council's News-wire on World Developments in Biodiesel

"This is a very ambitious timetable that we've set out, but we know it's reachable, it's achievable and we're making a clear commitment to take action today to reach that target by 2010."
Environment Minister Rona Ambrose - May 23, 2006

Field of Dreams - "Build it and they will come"



To remove your name from our mailing list, please reply to this email with UNSUBSCRIBE.

Questions or comments? E-mail us at : ismanb@canola-council.org

UK biofuel plant plans revealed

INEOS Enterprises has unveiled plans to build a new biofuels plant in the UK. INEOS has suggested its preferred site would be in central Scotland, where its sister company INEOS Refinings has an existing plant producing 300,000t of synthetic ethanol.

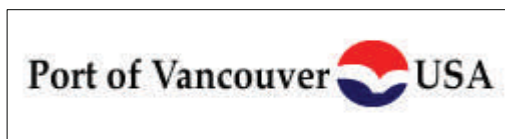
INEOS chief executive Harry Deans said: "With the significant growth in demand for biofuels in the UK as a result of the Renewable Transport Fuels Obligation, it is clear biodiesel will become a major renewable fuel." Development would also include a dedicated rapeseed crushing plant. British rapeseed growers could benefit from the increased demand, he added.

Home-Grown Cereals Authority economist Michael Archer said: "If INEOS were to build a crushing facility it would be the first in Scotland. At the moment, rapeseed is usually transported to crushers at Liverpool or Hull, meaning delivered prices are £10-£15/t lower than in England. A new plant could have an effect on the domestic Scottish market."



[More Details: \(FARMERS WEEKLY\)](#)

Port of Vancouver USA Adopts B20 Biodiesel



VANCOUVER, Wash.—The Port of Vancouver USA said it is one of the first US ports to replace regular diesel fuel with environmentally-friendly biodiesel for use in its own vehicles and heavy equipment. The Port of Vancouver will use a combination 20 percent biodiesel blended with 80 percent regular diesel, called "B20."

Use of B20 biodiesel can result in a reduction of emissions by up to 20 percent, according to the U.S. Environmental Protection Agency. Biodiesel has become even more attractive to the Port of Vancouver USA given the fact that the price of a gallon is now competitive with regular diesel. "With the recent rise in oil prices, using biodiesel makes economic as well as environmental sense," said Curtis Shuck, the port's director of facilities. Last week Port Commissioners approved the purchase of the largest mobile harbor crane in North America, which will be biodiesel-compatible.

[More Details: \(RENEWABLE ENERGY\)](#)

Another U.S biodiesel facility



BELLINGHAM, WASHINGTON, U.S. — Chemical Consortium Holdings, Inc. has started the permitting process for its 60 million-gallon biodiesel production facility to be located in Walla Walla, Washington, U.S. ChemCon is currently evaluating proposals from in state engineering houses who will carry out the permitting process that serves to protect public health, safety and environmental quality.

ChemCon's biodiesel facility will produce some 181,000 tonnes or 60 million gallons of Biodiesel annually. The facility will require 204,000 tonnes of feedstock annually. While Palm Oil will be used to start the facility, Canola is the ultimate feedstock that ChemCon will utilize. Canola is a far superior feedstock and will provide higher quality fuel. Following startup, ChemCon will initiate a program with local farm communities for growth of Canola.

ChemCon is committed to in state feedstock utilization as part of its strategic vision to develop an in state industry using in state feedstock, in state labor and in state distribution of Biodiesel. This will develop for ChemCon a strategic capability for supply of fuel and will provide the State of Washington with a renewable industry to help drive its economy.

[More Details: \(WORLD GRAIN\)](#)

To remove your name from our mailing list, please reply to this email with UNSUBSCRIBE.

Questions or comments? E-mail us at : ismanb@canola-council.org

American Soybean Association (ASA)

The American Soybean Association (ASA) has long advocated that soybean farmers can help the United States meet its energy needs through the production of soy biodiesel. "Biodiesel is environmentally sound alternative to petroleum diesel that is made here in the United States using soybeans grown on American soil," said ASA President Bob Metz, a soybean producer from West Browns Valley, S.D. "Biodiesel is a top-notch product that lessens our dependence on foreign oil, improves the quality of the air we breathe and stimulates rural economies where it's produced."

The domestic biodiesel industry is expanding at an exponential rate. Production of biodiesel fuel has grown from 2 million gallons in 2000, to more than 150 million gallons projected in 2006. Today, there are 65 operational biodiesel plants, while 50 more are under construction.

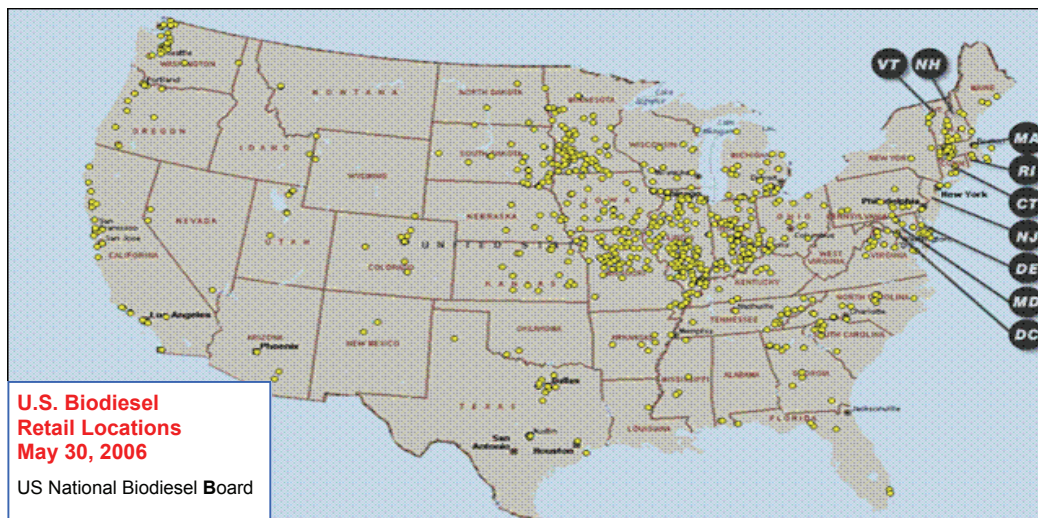
Two key government programs have fueled biodiesel's growth," Metz said. "They are the biodiesel tax incentive, enacted by Congress in 2004, and the CCC Bioenergy Program, initiated by the U.S. Department of Agriculture in 2001. The small biodiesel producer tax credit that was included in last summer's energy bill is also beginning to contribute."

Because biodiesel needs these programs to recognize its potential as a renewable fuel, ASA offered its three-point plan designed to enable biodiesel producers to manufacture greater quantities of the fuel. Specifically, ASA is asking Congress to include in any energy package legislation:

- Extending the volumetric biodiesel tax incentive
- Extending small agri-biodiesel producer credit; and
- Authoring and funding a CCC Biodiesel program

"By taking these actions, we estimate on-road diesel supplies could be increased by 2% by 2015," Metz said. "Each gallon of domestically produced biodiesel represents an expansion of distillate supplies, additional refinery capacity and is a direct replacement for imported refined diesel fuel. Boosting available fuel supplies will also have a positive impact on fuel prices to consumers."

[More Details: \(AMERICAN SOYBEAN\)](#)



New Holland and the biodiesel revolution

Farm equipment maker New Holland announced last Tuesday that it is the first U.S. engine manufacturer to fully advocate the use of biodiesel blended fuels in all engines it produces. Joe Jobe, New Holland chief executive, said the company has gone one better than other engine producers in fully adopting maintenance and technical support program for customers who want to use B20 blends (20 percent biodiesel 80 percent petroleum-based diesel) on all equipment currently produced with New Holland engines. New Holland is a brand of CNH Global, a world leader in agricultural, utility and construction equipment



[More Details: \(NEW HOLLAND\)](#)

To remove your name from our mailing list, please reply to this email with UNSUBSCRIBE.

Questions or comments? E-mail us at : ismanb@canola-council.org