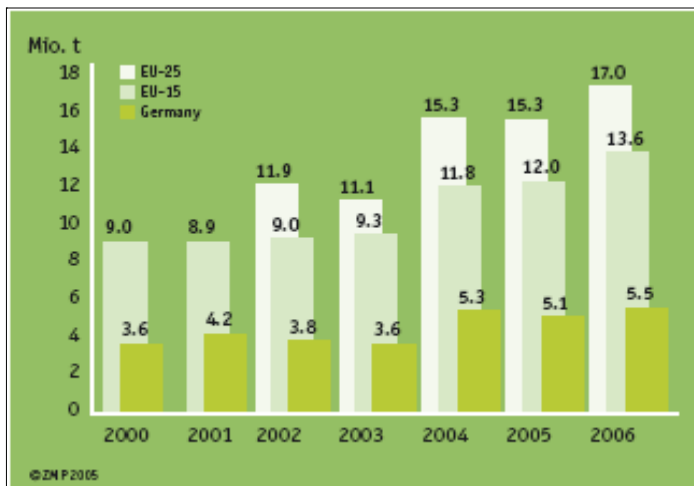


## Canola Council's Diesel Digest

Germany expands acres in reaction to EU policy

Vol. 1, Issue 13, Nov 1, 2006



*Biodiesel: The future's fuel*

### Diesel Digest

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

- Sharply higher demand for rapeseed for the production of biodiesel in Germany, and also in other member states of the European Union, has resulted in higher production of rapeseed.
- Nearly 3.5 million tonnes (MMT) of rapeseed were processed in Germany in 2000 and 9 MMT in the European Union, in 2005 this rose to 5.1 MMT in Germany and 15.3MMT in the EU-25.
- In 2006, the German Central Market and Price Survey Office (ZMP) anticipates rapeseed production to reach 5.5 MMT in Germany and 17 MMT in the EU

"Farmers have always grown crops for food and fibre. Today, farmers can grow crops for food, fuel and fibre. This changes the future."

**Ted Turner**  
**Founder - CNN**  
**Speech to the WTO**

[More Details: \(UFOP\)](#)

### Legislation pushes biodiesel to new heights in U.S.

U.S. legislation is resulting in unprecedented growth for the biodiesel industry, a group representing biodiesel producers says. The National Biodiesel Board (NBB) says it has tracked more than 275 pieces of biodiesel-specific legislation in the US in 2006. More than 50 bills have passed this year that directly affect biodiesel use and production, according to the group.



"When it comes to alternative energy proposals, there is increasing momentum in statehouses across the country, and we've seen it building year to year," said Joe Jobe, chief executive officer of the NBB.

"Many governors and lawmakers want to go beyond what is happening on the federal level and are tapping into their own state resources to offer proposals that will not only reduce our reliance on foreign oil, but create jobs and strengthen state economies." Governors in Arizona, California, Florida, Illinois, Indiana, Iowa, New York, Pennsylvania and Michigan were among those to throw their support behind the use of biodiesel over the past year.

"Biodiesel production could reach 200 to 250 million gallons this year – tripling the amount produced last year," Jobe said. "With this flurry of activity at the state level, production increases could be even more dramatic in 2007."

[More Details: \(TRUCK NEWS\)](#)

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## Mississippi biodiesel keeps water, air clean

Biodiesel made from soybeans is selling and performing well across Mississippi, making biodiesel a high-demand fuel for some drivers. While its price at the pump once surpassed petroleum-based diesel, its use can now save money for drivers.



Michael Dees, president of Dees Oil Co. based in Ripley, Miss., started selling biodiesel a year ago. Today, he sells 10,000 gallons of biodiesel a day, or about 25% of his total fuel sales.

"We had a limited supply when we started selling it, and the quality levels weren't that good at the time," Dees said. "Now we've got four supply points that we can get it from, and the quality level is much better. It seems like as fast as we can get new production, we can sell it." "If they just want to test it, they start at 5 percent," Dees said. Dees said biodiesel is normally 20 cents a gallon cheaper than ultra-low sulfur diesel.

Brent Bailey, an environmental programs coordinator with the Mississippi Farm Bureau Federation, said biodiesel is a renewable energy that can be grown and used in Mississippi. "Biodiesel can reduce virtually all the emission factors that are typically regulated through tailpipe emission standards," Bailey said. "Petroleum diesel could gum up engines over time, but burning biodiesel cleans the fuel systems out."

He said in the ongoing quest to lower energy costs of all operations, biodiesel offers some good news through its lower cost, and its efficient, environmentally friendly performance.

[More Details: \(DELTA FARM PRESS\)](#)

## Canada's Clean Air Act critical to 5% renewable fuels commitment



The Canadian Renewable Fuels Association said the new federal Clean Air Act announced this month is a vital step towards fulfilling the government's commitment to require 5% average renewable content in Canadian gasoline and diesel fuel by 2010.

"Today, cleaner fuels for your car are one step closer. The provisions announced in the Clean Air Act will allow the government to require renewable content in the fuel we use everyday," said Kory Teneycke, Executive Director of the Canadian Renewable Fuels Association. "This will lead to substantial, verifiable reductions in greenhouse gas emissions, and open the door to even higher renewable fuel content in the future."

The CRFA is continuing to work with the federal government and the provinces to ensure tax policy in Canada is competitive with other competing jurisdictions. The path the government chooses to take on these issues will determine whether the 5% is met with imported or domestically produced ethanol and biodiesel.

[More Details: \(CRFA RELEASE\)](#)

## Imperium Renewables begins construction of largest biodiesel facility in the U.S.

**Economic impact of facility will be felt across Washington State:**

- Increased demand for Eastern Washington agricultural products (raw materials): Imperium Grays Harbor will use oil from canola grown in Washington State. The company hopes to become the single largest purchaser of canola oil in the state once the plant is up and running.
- New local jobs (production): The project is expected to create up to 350 jobs during the construction phase and then 50 long term jobs upon completion.
- Increased revenue to local firms (distribution): Imperium sells its fuels to a number of local distributors and retailers, displacing fuel dollars that would have gone to overseas companies. About \$3 billion is spent annually on diesel fuel in the state – replacing even 10 percent of that with alternate fuel would put hundreds of millions back into state-owned companies.
- Lower costs for individuals and business users (consumption): It is expected that biodiesel produced at the plant will retail at or significantly below the cost of petroleum-based diesel fuel.



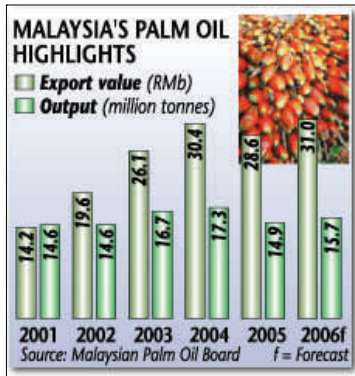
[More Details: \(AUTOCHANNEL\)](#)

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## Malaysia's 2006 palm oil exports to hit new high

Malaysia's palm oil exports in 2006 are set to hit a new record of RM31 billion on the back of robust global demand from the food and biodiesel industries.



Industry officials said export receipts will be 3 percent more than the current record of reached in 2004. Malaysia is the world's largest producer and exporter of palm oil and its related products are sold to over 140 countries.

"Demand for biodiesel in the European Union (EU) remains strong and is expected to sustain into the next year," said Golden Hope Plantations Bhd group's chief executive.

The EU imposes a 6.5 per cent import duty on biodiesel entering into Europe, it is understood that biodiesel shipped out from Malaysia is not subject to this duty

[More Details: \(BT TIMES\)](#)

## Pacific Biodiesel to build Brooklyn plant

Pacific Biodiesel will begin construction in December on its 11th biodiesel plant. The plant will be located in Brooklyn, N.Y., the first "urban" facility built by Pacific Biodiesel in the U.S.



Pacific Biodiesel is building the plant for Tri-State Biodiesel. It will be Tri-State's first biodiesel plant, and is expected to produce about 5 million gallons of biodiesel per year.

Pacific Biodiesel was founded by Maui residents Bob and Kelly King in 1996. They are considered among the world's pioneers in biodiesel technology.



[More Details: \(PACIFIC BIODIESEL\) \(TRISTATE\)](#)

## Europe set for biodiesel boom - Goldman Sachs

Europe's market for biodiesel is expected to more than double in value to about eight billion euros (CAD\$11.44 billion) a year by 2010, investment bank Goldman Sachs said this week.

Concerns about the security of oil supplies and climate change will drive output of the clean fuel up 35 percent by 2010 as companies spend up to three billion euros on production facilities, the bank said in a research note.

"We believe biofuels are here to stay as they represent a road to a cleaner transport sector that currently lacks significant alternatives," Goldman Sachs said. Goldman's report came as former World Bank chief economist Nicholas Stern released a report on Monday saying failing to tackle global warming could push world temperatures up by five degrees Celsius over the next century.



[More Details: \(REUTERS\)](#)

## Brazilian buses burning biofuels

South America's largest city might be getting a bit greener. A bus company in Sao Paulo is now powering part of its fleet with a new mix of biofuels and diesel in an effort to curb emissions and reduce reliance on fossil fuels.

The mix - a blend of 30% biodiesel, 8% alcohol and 62% petroleum diesel - will eventually be used by 1,900 buses, about a quarter of Sao Paulo's entire bus fleet, said Paulo Mendes, director of B100, which was created by the Itaim Paulista bus company to research alternative fuels.

"We are worried about the environmental situation and about Brazil's dependency on international petroleum," Mendes said. Brazil will start requiring that biodiesel be added to regular diesel at a rate of 2% in 2008. By the year 2013, trucks will have to run on 5% biodiesel.

[More Details: \(CANADA.COM\)](#)

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