



Canola Council's Diesel Digest

Renewable fuel policy a boost for Canadian biodiesel

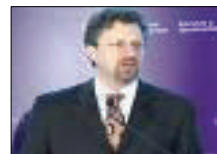
Vol. 1 Issue 16 - Dec. 22, 2006

The federal announcement in support of a national renewable fuel strategy is a welcome and critical step forward in the development of a made-in-Canada biodiesel industry

The announcement calls for a five percent renewable fuel standard in all Canadian fuel, including a two percent mandate for renewables in diesel by 2012. Additional support will be provided for farmers to participate in the biodiesel industry, which will create increased market opportunities for Canadian canola growers and boost domestic production of the fuel.

"The two percent standard and access to funds for farmers to invest in biodiesel production are key steps in getting this industry off the ground," says Barb Isman, president of the Canola Council of Canada. "But without government investments that put Canada on par with the U.S. there is no biodiesel industry in Canada. We need to ensure this piece of the puzzle is in place as soon as possible or the opportunity for Canadian farmers and the economy will be lost. We're hopeful this will happen in the new year."

"The government can then put biodiesel on the same schedule as ethanol," says Isman. "We, along with biodiesel producers and distributors, are confident we can build the necessary infrastructure to meet a two per cent biodiesel requirement by 2010 - two years ahead of the 2012 timeline. Our longer term objective is to achieve a minimum of 5 percent biodiesel in the fuel supply by 2015."



**The Hon. Chuck Strahl
in Saskatoon, SK
December 20, 2006**

Biodiesel: The future's fuel

Diesel Digest

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

"..without tax treatment that puts Canada on par with the United States, there is no biodiesel industry in Canada"

**Barb Isman
President
Canola Council of Canada**

[More Details: \(COUNCIL RELEASE\) \(GOVERNMENT RELEASE\)](#)

Biodiesel standard tests begin in the west



A two-phase biodiesel project in anticipation of a federal renewable fuels strategy is set to kick-off in Alberta. A group of stakeholders -- made up of members of the Canadian Renewable Fuels Association and the Canadian Petroleum Products Institute -- is gathering comprehensive data about the quality requirements of biodiesel blends used in Canada as part of the Alberta Biodiesel Demonstration Project.

"All participants are supporting the initiative to provide certainty regarding key quality aspects of biodiesel use in Canada," says John Rilett, Director of Climate Change Central. The project will address the primary fuel quality areas of interest related to the adoption of biodiesel, including extreme cold weather operations and the introduction of ultra low sulphur diesel (ULSD).

The work will involve laboratory testing followed by on-road long-haul fleet use, which will include use of 2007 engines running on Canadian General Standards Board 3.520 specification biodiesel blends. The field trial is confined to Alberta long-haul fleets as the Alberta climate will pose some of the most extreme challenges to biodiesel use. The biodiesel demonstration project is expected to get underway in early 2007, with project completion in 2008.

[More Details: \(TODAY'S TRUCKING NEWS\)](#)

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

Malaysia's Carotech plans to triple biodiesel output



Carotech expects strong revenue growth from biodiesel sales, given the growing global demand for green fuel, as nations from Asia to Europe seek ways to reduce dependence on fossil fuels and cut green house gas emission. "We have gotten a headstart in the market as we have been supplying biodiesel to oil traders since 1995," managing director David Ho told *Reuters*. "Now we just have to be aggressive in securing new clients."

Ho said biodiesel exports could contribute 60% of the company's revenue in 2007, up from 50% in 2006, as production increases.

Carotech, based in Perak, sells biodiesel to oil companies for blending with petroleum fuel.



He said Carotech's biodiesel prospects were unlikely to take a big hit due to a spike in crude palm oil prices and a decline in petroleum, which has sparked a global debate on the viability of vegetable oil-based biofuels. "It will affect us slightly. We will try to pass it on to our biodiesel prices."

The official did not disclose Carotech's exact biodiesel prices, but said it sells the biofuel at US\$600 to US\$700 per tonne in short- and mid-term agreements.

[More Details: \(CAROTECH\) \(THE STAR\)](#)

Biola Fuels makes official debut at U.S. biodiesel event

As the biodiesel industry experiences record growth in the U.S., announcements of biodiesel production plants that will use canola oil as a feedstock have been made.

With these announcements, the establishment of a trademark for Biola® fuels will promote recognition of canola as a premier feedstock for biodiesel production.

Biola® fuels are made from canola oil, making it a superior product for biodiesel users, as well as for the environment. Biola® fuels will exceed the ASTM specification of D 6751 and can be used in any diesel engine that can utilize biodiesel.



The Northern Canola Growers Association recently trademarked Biola® fuels and launched the official logo for this product at its Canola Biodiesel Forum in Minot, North Dakota.

[More Details: \(NORTHERN CANOLA\)](#)

Leading by example: Prince Charles purchases biodiesel vehicle



Prince Charles is eagerly awaiting the arrival of a special purchase. The Royal is waiting to receive his new "green" Jaguars.

The 58-year-old prince has converted his two official chauffeur-driven cars to run on vegetable oil, as part of his new eco-friendly travel plans. The vehicles now feature engines that run entirely on "biodiesel" - made from rapeseed (canola).

A Jaguar spokesperson told Britain's Daily Mirror newspaper, "This is really cutting edge but Charles has shown the way."

Charles' cars are the first in the world to run on the specially modified vegetable oil, which is biodegradable, non-toxic and produces much less pollutants than petrol or diesel.

The prince is determined to reduce his carbon footprint on the world and has recently announced that he plans to swap his royal helicopter for trains and he has even instructed his staff to travel by bicycle wherever possible.

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

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

Renault launches models that run on B30 biodiesel



Renault launched B30 biodiesel-compatible diesel versions of two of its commercial vehicles in December 2006 reinforcing Renault's commitment to biofuels, made by the company as part of Renault Commitment 2009.

That commitment states all diesel engines sold in Europe by 2009 will be able to run on fuel blends containing 30% biofuel. Renault Commitment 2009 also makes provision for bringing to market by 2008 one million vehicles emitting less than 140 g/km of CO₂, of which a third less than 120 g/km.

Renault sees biofuels as one of the most efficient and economic ways of controlling CO₂ emissions in the medium term, since it is easy to fit this technology on volume production models. An engine running on 30% biodiesel emits up to 20% fewer CO₂ emissions than on conventional diesel, depending on the biological source.

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

Iowa produces 60 million gallons of biodiesel in 2006

The Iowa Renewable Fuels Association (IRFA) Dec. 21 announced that Iowa biodiesel refineries will produce a record 60 million gallons in 2006. This production represents a 240% increase over the 25 million gallons produced by Iowa biodiesel refineries in 2005.

In producing the record amount of biodiesel, Iowa's biodiesel refineries processed the oil from over 40 million bushels soybeans. "Biodiesel production and demand is growing exponentially and Iowa is leading the way," said Monte Shaw, IRFA Executive Director.

"Consider that last year the entire country produced only 75 million gallons of biodiesel and this year U.S. biodiesel production is estimated between 200 and 250 million gallons."

Iowa currently has eight biodiesel refineries in operation with an annual production capacity of nearly 115 million gallons. In addition, there are six new plants and one major expansion under construction that will add over 200 million gallons of annual capacity.

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

SPAIN: parts maker expanding in biodiesel

Spanish parts maker Cie Automotive and chemicals manufacturer La Seda de Barcelona (LSB) will create a joint venture to expand in Spain's fast-growing biodiesel market, the companies announced.

The venture will be called Bioseda and build biodiesel factories next to LSB's chemical plants across Spain.

Bioseda's first project is the construction of a biodiesel plant next to LSB's IQA chemicals mill in Tarragona, northern Spain. The joint venture will be 60% owned by LSB and 40% by Bionor, Cie Automotive's biofuels arm. Cie Automotive is growing aggressively in Europe's biofuels market with plans to install over 500,000 tonnes of capacity by late 2008.



[More Details:](#) [\(JUST AUTO\)](#)

China Clean Energy plans to expand biodiesel capacity

China Clean Energy Inc., a leading producer of biodiesel fuel and green specialty chemical products in The People's Republic of China, Dec. 15 announced that it signed a contract to purchase land usage rights for 50 years for the construction of a new biodiesel factory located in the new Fuqing Jiangyin Industrial Park in the Fujian Province of the PRC.



China Clean Energy expects to break ground on the new biodiesel facility within the next six to nine months, pending completion of the new Industrial Park's infrastructure construction. The fast pace of economic growth in recent years has turned China into the second largest oil consumer in the world, based on statistics compiled by the International Energy Agency.

[More Details:](#) [\(GRAIN NET\)](#) [\(CCEP\)](#)

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