



Letters to the Editor: Biofuels are getting a bad rap.

May 1, 2008

Letter to the Editor

Biofuels are getting a bad rap.

The April 17 story, "Trade Groups Blast Food-to-Fuel Program for Blasting CPI," missed the mark. U.S. biodiesel is not the cause of increasing food costs. The "perfect storm" of many factors, ranging from rising energy costs to unfavorable weather, is blinding eyes to the facts.

Biodiesel actually helps reduce energy costs that escalate food costs. Merrill Lynch commodity strategist Francisco Blanch said in March that oil and gasoline prices would be about 15 percent higher if biofuel producers weren't increasing their output.

For soy-based biodiesel, each soybean is 80 percent protein-rich meal and 20 percent oil -- the byproduct that is the primary feedstock for biodiesel. Higher demand for the oil leads to lower cost protein meal, used to feed livestock and humans. U.S. soybean oil is readily available with current stocks equal to about 400 million gallons. The biodiesel industry is busily developing non-edible feedstocks such as algae, as well.

Biodiesel helps redefine the future of energy security, the environment, and the economy. It is truly a rising tide lifting many ships.

Sincerely,
Joe Jobe
CEO, National Biodiesel Board

The Arizona Republic (Phoenix)

April 30, 2008 Wednesday
Final Chaser Edition

Penn exhorts concert kids to join his **biodiesel** brigade

BYLINE: Suzanne Condie Lambert, The Arizona Republic

SECTION: ARIZONA LIVING; Pg. 6

Sean Penn bets that the Coachella corps will be able to recall more than a hazy image of featured act Prince, possibly astride a flying unicorn, asks youths to get onboard his eco-political love bus:

The actor-director, speaking at the recent Coachella Valley Music and Arts Festival in California, jokingly referred to his out-of-place billing among the 125-plus performers. Wearing a T-shirt and jeans and smoking a cigarette while he sat on a stool, Penn said he unfortunately couldn't perform his "a cappella Celine Dion cover act" since he had "compromised his upper register."

Instead, Penn urged festivalgoers to join his "Dirty Hands Caravan," a **biodiesel** cross-country bus trip arriving in New Orleans on Sunday. The purpose of the trip, which Penn hopes 300 will join, is to encourage young people to be more politically and environmentally involved, the Associated Press reports. "The government can't do it," Penn said. "They can't save this thing."

The Associated Press
April 28, 2008 Monday 2:49 AM GMT

Sean Penn speaks at Coachella, urges youth action

BYLINE: By JAKE COYLE, AP Entertainment Writer

SECTION: ENTERTAINMENT NEWS **DATELINE:** INDIO Calif.

Sean Penn spoke at the Coachella Valley Music and Arts Festival on Sunday, urging the young crowd to involve themselves politically.

The Oscar-winning actor, a late addition to the music festival, jokingly referred to his out-of-place billing among the 125-plus performers.

Wearing a T-shirt and jeans and smoking a cigarette while he sat on a stool, Penn said he unfortunately couldn't perform his "a cappella Celine Dion cover act" since he had "compromised his upper register."

Instead, Penn urged festival-goers to join him on his "Dirty Hands Caravan," a **biodiesel** cross-country bus trip he plans to launch Monday, arriving in New Orleans on May 4. The purpose of the trip, which he hopes 300 will join, is to encourage young people to be more politically and environmentally involved.

"The government can't do it," Penn said. "They can't save this thing."

Penn said that while younger generations were smarter and more technologically savvy than any before it, they were separating themselves through technology.

He also criticized the war in Iraq.

"For the 3,000 people we lost on 9/11, we've lost 4,000 in this war, and that's just American soldiers," Penn said.

"And why did we let it happen?" he added. "It's simple: We let it happen."

The "most powerful third party is you and me," Penn said.

Penn reprised himself later in day on the main stage of the festival in a slightly less aggressive and less coherent speech. His pleas were received with some applause but little enthusiasm.

Penn was one of the few participants to discuss politics at the Southern California festival, where dancing and music were far more prevalent.

On the Net:

<http://www.thedirtyhandscaravan.com/>

Newsweek

May 5, 2008
U.S. Edition

The Road Ahead for Cars; A General Motors leader says small and electric are the wave of the future. But don't expect the U.S. fleet to resemble Europe's until gas passes \$10 a gallon.

BYLINE: By Bob Lutz; Lutz is vice chairman of global product development at General Motors.

SECTION: ENTERPRISE; MY TURN; Pg. E04 Vol. 151 No. 18 ISSN: 0028-9604

Whenever I'm asked about the future of the automotive industry, which is often, I always quote Yogi Berra: "It's tough to make predictions, especially about the future." And then I will typically go on and try to answer the question anyway. One thing is certain: the landscape of automotive transportation will be markedly different decades from now. You won't even recognize it. And the key components driving the differences will be proportion and propulsion.

I'll start with proportion. But I'm not going to join the chorus of voices shouting that small cars are taking over the world. Most surely, the market for small cars is growing globally because of fuel prices, congested urban driving and the advent of automobiles in mass quantities in developing countries--what the industry calls "opportunity markets." The truth is that a dichotomy is developing. In mature markets, such as Europe, Japan, Australia and North America, customers will pay a premium for a certain level of safety, efficiency, emission control and technological sophistication in their vehicles, even the smallest ones. The market demands features like multiple airbags, antilock braking systems, traction control, entertainment and power everything. But elsewhere, including markets where some people are buying cars for the first time, a different type of small car is being developed, one lacking many of those features. And that explains the very low costs of some of these vehicles.

To be successful, a company has to be prepared to address both types of market, and at GM we are. Our partners around the world, such as Wuling in China, and our own global brands like Chevrolet, will help us do just that. We plan to compete aggressively in the brave new small-car world. But that doesn't mean there will be a small-car craze enveloping the U.S. market. Certainly, impending Corporate Average Fuel Economy regulatory changes will affect the composition of the U.S. fleet. I'm a believer, however, in research suggesting the U.S. fleet won't come to resemble what's in Europe until fuel prices climb well above \$10 per gallon. Until then, there will be a place for all types of vehicles in the market, even as the volumes change.

People still have a need for trucks in America and, to a lesser extent, elsewhere. People buy them for work. People want them to haul boats and horse trailers. Not

everyone is suddenly going to switch to very small cars, or tiny little pickup trucks, unless they suddenly decide to haul tiny little horse trailers carrying tiny little horses. And there will still be a desire for high-performance vehicles like the Chevrolet Corvette ZR1. The global automotive market is a big place, after all. There is and will be room for green and mean. Just because a grocery store is expanding its line of organic vegetables doesn't mean it shuts down the meat counter.

Another area this grocery store will be expanding in is the battery aisle. That's where propulsion comes in. I have been quoted saying, "The electrification of the automobile is inevitable." I stand by that, and believe it more every day. That's why at GM we're pouring engineering resources into developing our E-Flex system, which will underpin a generation of electrically driven vehicles like the Chevrolet Volt. The Volt is not a hybrid. It's an extended-range electric vehicle. Hybrids have an internal-combustion engine driving the wheels, aided by an electric motor. The Volt's wheels are driven by electricity, solely. An internal-combustion engine is there only to help recharge battery power if necessary. And that secondary source of energy could be powered by anything--petroleum, E85 ethanol, diesel, **biodiesel** or even a hydrogen fuel cell. All our future extended-range electric vehicles will be driven by electricity.

This system allows a driver to travel about 40 miles on electric power alone. And given that 78 percent of people in North America have a daily commute that's about 40 miles or less, and the percentage is even higher in other parts of the world, all those people could drive a car like the Volt to and from work every day without ever using a drop of gasoline.

When the lithium-ion-battery technology required for this system is ready--and we have agreements in place with battery partners to speed development--we will bring this vehicle to market. We'll be testing prototypes this summer. And then you're going to see, gradually but emphatically, this vision of the future of the automobile turn into the present.

Lutz is vice chairman of global product development at General Motors.

HIGH GAS PRICES; SOME CREATIVE SOLUTIONS

ANCHORS: ROBIN ROBERTS, BARBARA WALTERS

REPORTERS: ROBIN ROBERTS (NEW YORK, NY USA), BIANNA GOLODRYGA (NEW YORK, NY USA) ▼

(Off-camera) Gas prices have hit yet another new high. The average price of a gallon of gas, now \$3.60.

GRAPHICS: GAS PRICES
ROBIN ROBERTS (▼

(Voiceover) That is up a steep 49 cents a gallon from the first of the year.

GRAPHICS: FIGHTING BACK AT THE PUMP

GRAPHICS: TRYING TO BEAT GAS PRICES
ROBIN ROBERTS ([ABC NEWS](#) ▼

(Voiceover) And Americans at all income levels are feeling the pain. In a new survey, Americans said paying for gas, their biggest economic concern. 44% call it a serious problem, 44%, which has some drivers looking for, well, let's say creative solutions. Here's ABC's Bianna Golodryga.

BIANNA GOLODRYGA ([ABC NEWS](#) ▼

(Voiceover) As gas prices keep getting higher, drivers are getting fed up, like these truckers who circled Congress yesterday, horns blaring in protest.

PROTESTING TRUCK DRIVER (MALE)

The higher the fuel price, the higher everything else has got to go.

BIANNA GOLODRYGA ([ABC NEWS](#) ▼

(Voiceover) That reality has driven some Americans to come up with their own solution. When Brian Krohn started thinking outside the fuel-crisis box, he discovered a new way to produce **biodiesel**.

BRIAN KROHN (SENIOR

Our process can utilize any feedstock. And what this does, is it actually makes **biodiesel** cheaper and it makes it so that you're not using a food source like corn or soybean to make a fuel.

BIANNA GOLODRYGA ([ABC NEWS](#) ▼

(Voiceover) He presents his findings to members of Congress tomorrow. Another example of good old-fashioned American ingenuity sparked by hard times, this battery pack.

BATTERY PACK INVENTOR (MALE)

My brother and I built this. A car company should be able to do it, too.

BIANNA GOLODRYGA ([ABC NEWS](#) ▼)

(Voiceover) Now they're getting 100 miles to the gallon.

BIANNA GOLODRYGA ([ABC NEWS](#) ▼)

(Off-camera) As the price of gas continues to go up, so too does interest in alternative vehicles like motorcycles. This Harley-Davidson, for example, gets up to 55 miles to the gallon.

GEORGE DENNIS (VP)

We are absolutely seeing an increase in sales. I believe it has a lot to do with the price of energy today.

BIANNA GOLODRYGA ([ABC NEWS](#) ▼)

(Voiceover) But what if you're not Mr. Wizard and you're not ready to give up your car? Well, experts say those drivers should just go back to the basics.

ROBERT SINCLAIR (AAA)

Certainly vehicle maintenance is important. Driving style is important. Slowing down overall, being much more discreet in how we use our motor vehicles are going to have to be the trends.

BIANNA GOLODRYGA ([ABC NEWS](#) ▼)

(Voiceover) For "Good Morning America," Bianna Golodryga, [ABC News](#), ▼

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New York.

The Philadelphia Inquirer

May 1, 2008 Thursday
CITY-D Edition

Phils unveil new strategy: Green power

BYLINE: By Sandy Bauers; Inquirer Staff Writer

SECTION: PHILADELPHIA; Inq Health Daily; Pg. B01

The Phillies players all wore green hats last night.

Whether it did anything to help their game, no one will know.

But it was a sign of the team's new environmental strategy and its new logo: Red Goes Green.

Yesterday, the team rolled out an entire green program, announcing that it would buy enough renewable energy - wind, in all likelihood - to cover all of its energy use at Citizens Bank Park this year.

The 20 million kilowatt hours will make the Phillies the third-largest purchaser of green power in the city. It will heat the fryers, light the field, power the scoreboard and more.

In short, it will juice everything except Chase Utley's swing.

The team also plans myriad smaller greenings such as switching to biodegradable cups and plates.

The fry oil from the chicken tenders and French fries will be converted to **biodiesel**.

The stadium's cans and bottles - 20,000 for sodas alone - will be recycled.

All in all, it will be enough to turn the Phanatic . . . oh, wait, he's already green.

Major League Baseball executive vice president John McHale Jr., who donned his own green cap along with Mayor Nutter and Gov. Rendell at an afternoon ceremony, termed the Phillies' commitment "unprecedented."

He said the club had gone far beyond what his office imagined when it challenged the league's teams in March to green their operations.

It also opened the door for a host of groaner puns, from suggestions that saving the planet requires "a team effort" to hopes that the new initiative would be "a hit."

Meanwhile, the accolades flowed. "We will hold you up as an example to the rest of the country," said regional Environmental Protection Agency administrator Donald Welsh.

"This is absolutely a great thing," said Allen Hershkowitz, a senior scientist with the national environmental group Natural Resources Defense Council, which advised the league for free. "There's no downside to it."

He said it was important that a cultural icon like baseball would throw its considerable weight behind environmental initiatives, and to do so "in a fish bowl. It's a courageous thing."

Said Rendell: "It's our hope the fans will emulate the club."

The Washington Nationals may be building the nation's greenest stadium, and the Eagles may have beat them to it with their own burst of green projects last fall, including toilet paper made from recycled materials. But the Phillies are leading on the renewable energy front. With the wind-power purchase - expected to cost about \$250,000 - they have become the first major-league baseball team to join the EPA's "Green Power Partnership," which encourages groups to buy green power.

In the city, the team will rank behind the nearly 200 million kilowatt hours the University of Pennsylvania purchases, and just below the 21.5 million kilowatt hours the city purchases for City Hall and the airport.

The team is also one of only 13 groups in the state to purchase the renewable energy equivalent to 100 percent of the energy it uses.

This does not mean, however, that a field of wind turbines will literally be sending the electrons they generate to Citizens Bank Park.

What the team is actually buying is renewable energy credits, brokered by WindStreet Energy Inc., a Perth Amboy, N.J., company.

Here's how it works:

All kinds of generators, from coal plants to wind turbines, pump electricity into the grid.

But in the case of wind turbines, solar panels and other forms of renewable energy, the environmental benefits - no air pollution, for instance - of each kilowatt hour can be separated and sold as "renewable energy credits."

The credits are certified by an independent auditing body - in the case of the Phillies, a company called Green-e Energy - and registered so they can only be sold once.

The credit system helps offset the higher costs of generating clean energy. So while the Phillies aren't literally powering the park with wind, "if people weren't buying these credits, the wind farms would not have the financial incentive to operate," said WindStreet president Christopher Kent.

Jeff Deyette, an energy analyst with the Union of Concerned Scientists, a nonprofit unconnected with the effort, called Green-e certification the "gold standard" for ensuring the validity of the credits.

Other than hooking the stadium directly to wind turbines or solar panels, "it's the next best thing they can do to support clean energy," he said.

Penn's new environmental sustainability coordinator - which tops the nation's colleges and universities with its wind purchase - welcomed the Phillies into the clean energy fold.

"The idea of influencing behavior through associating with things you like is very powerful," said Penn's Dan Garofalo. "So the Eagles and Phillies are greener; every little bit helps influence the general population."

The NRDC's Hershkowitz also saw potential for green growth. "The story as I see it is that one of the most culturally influential organizations is saying, 'We're going to look at our supply chain and our operations to see where to reduce our impact,' " he said.

"It really is a huge cultural shift . . . There's motherhood, apple pie, baseball, and now there's environmentalism."

Contact staff writer Sandy Bauers at 215-854-5147 or sbauers@phillynews.com.

May 10, 2008

U.S. ENVIRONMENTAL PROTECTION AGENCY REGION 5; EPA Recognizes Fort Wayne Community Schools for Reducing Diesel Emissions From Its School Buses

SECTION: EXPANDED REPORTING; Pg. 3313

U.S. Environmental Protection Agency Region 5 Acting Air and Radiation Division Director Cheryl Newton this morning recognized the Fort Wayne Community School District, Fort Wayne, Ind., for its work using a \$50,000 EPA Clean School Bus grant to reduce harmful diesel emissions from its school bus fleet. The event was held at Elmhurst High School, 3829 Sandpoint Road (see also [U.S. Environmental Protection Agency Region 5](#)).

"EPA is working with the Fort Wayne Community Schools to upgrade buses and use cleaner fuels so children can breathe cleaner air and live healthier lives," Newton said. "Breathing diesel exhaust is not good for anyone, especially children."

EPA awarded the grant in late 2006, and FWCS installed diesel oxidation catalysts on 30 buses. Part of the grant was used to buy **biodiesel** fuel that was shared with the Southwest Allen County Schools. The two districts have been using **biodiesel** in 372 buses as a result of the grant.

"FWCS is well deserving of recognition," said Fort Wayne Mayor Tom Henry. "They have taken a very important step toward protection of the health of our children and improving the quality of the air that we all breathe. Our community is moving toward a higher recognition of the importance of making choices that will ensure the sort of world we want our children to enjoy."

"We are proud to do our part to ensure we all have cleaner air to breathe," FWCS Superintendent Dr. Wendy Robinson said. "We take our responsibility of being good stewards of the environment seriously. Having clean air is critical for everyone, but especially those children with asthma or other breathing difficulties."

The grant is part of EPA's Clean School Bus USA program. The goal of the program is to reduce children's exposure to diesel exhaust and the amount of air pollution created by diesel school buses. School buses are the safest way for children to get to school. However, pollution from diesel vehicles has health implications for everyone, especially children.

Diesel exhaust contains nitrogen oxides, fine particles (soot) and air toxics. Nitrogen oxides are precursors of ozone (smog), and, when breathed, fine particles can lodge deep in the lungs.

Launched in April 2003, Clean School Bus USA brings together partners from business, education, transportation and public health organizations to eliminate unnecessary school bus idling, to retrofit buses and to replace the oldest buses with new, less polluting buses. More information on Clean School Bus USA is at www.epa.gov/cleanschoolbus.

The grant money was provided under the Midwest Clean Diesel Initiative, a collaboration of government, industry and non-profit organizations to reduce diesel emissions in the Midwest. More information on the initiative is at www.epa.gov/midwestcleandiesel.

MCDI expects to award some \$5 million in grants this year for diesel-emission reduction projects in Illinois, Indiana, Michigan, Minnesota, Ohio and Wisconsin. Project proposals will be accepted until June 12.

Diesel oxidation catalysts use a chemical process to break down pollutants in the exhaust stream into less harmful components. The catalysts can be installed on new and most used buses, and run on regular diesel fuel or **biodiesel**.

Biodiesel is a domestically produced renewable fuel that can be made from vegetable oil or animal fat. It is safe, biodegradable and reduces air pollutants such as soot, carbon monoxide, hydrocarbons and air toxics.

County eyes funds to turn yellow buses green

BYLINE: Kelli Gauthier, Staff Writer **SECTION:** NEWS; Pg. B2

Hamilton County's yellow school buses might be a little greener next year as a result of a state grant to reduce pollution.

The Tennessee Department of Transportation and Department of Environment and Conservation will provide \$1 million to retrofit diesel engines in older school buses.

"It reduces kids' exposure to diesel exhaust, which is a serious threat to public health," said Alan Jones, manager of the environmental policy office for TDOT.

Hamilton and 15 other school systems qualify for the grant because their areas have high enough levels of harmful pollutants in the air, Mr. Jones said. Inhaling diesel exhaust can cause a wide range of health problems from asthma to cancer, he said.

There are a variety of ways to retrofit an old diesel school bus, Mr. Jones said, depending on the age and type of the vehicle. The add-on equipment can reduce emissions from the engine or the tailpipe and can cost anywhere from \$1,500 to \$5,000 per bus, he said. The maximum grant that can be awarded to any school system is \$250,000.

Most of Hamilton County Schools' 250-bus fleet already is equipped with the newest, most environmentally friendly engines on the market, said Wayne Hendrix, the district's director of transportation. The 200 buses owned and operated by Durham School Services could not be improved with any type of retrofit, Mr. Hendrix said, but the buses of the 50 or so independent contractors would be eligible.

"The independent contractors own their buses individually, so they'd have to be willing," he said.

Mr. Hendrix is in the process of calling the contractors to see if they want to apply for the grant money to update their vehicles, he said. If any contractors are interested in the retrofits, he will apply for the grant before the June 30 deadline, Mr. Hendrix said.

Jerry Green has been an independent school bus driver in Hamilton County for 36 years. His three buses are between seven and 14 years old, and he said updating them on his own is cost prohibitive.

"If there wasn't any cost, I sure would be interested in it," he said.

For a school district to get the grant, it must agree to put in place an idling reduction policy for its buses, said Julie Oaks, spokeswoman for TDOT. Mr. Hendrix said Hamilton County's fleet is computer programmed to shut off after 15 minutes of idling.

Grant recipients also would be encouraged to use **biodiesel**, a cleaner-burning fuel made partially with soybean oil, Ms. Oaks said. According to transportation officials, Hamilton County's school buses already use **biodiesel**.

Mr. Jones said adding similar retrofits to city transit buses actually might have a greater impact on air quality because those buses operate for longer hours during the day. But along with senior citizens, children are most vulnerable to air pollution, he said, so the school bus project seemed more pressing.

E-mail Kelli Gauthier at kgauthier@timesfreepress.com

Online: Hear Alan Jones describe the grant aimed at reducing school bus pollution.
Comment on this story.

Chicago Sun Times

April 28, 2008 Monday
Final Edition

What's cooking?; Students turn old french fry oil -- once discarded -- into **biodiesel** fuel to run cars, perhaps heat homes

BYLINE: Dave Newbart, The Chicago Sun-Times

SECTION: NEWS; Pg. 14

For this class, the greasier the french fries, the better.

That's because students in Loyola University's "Solutions to Environmental Problems" course need the old cooking oil used to make fries to make **biodiesel** fuel -- a cleaner-burning fuel made from a renewable resource.

The fuel is made in a small lab on campus and has been used in a snow plow and some vehicles driven by Loyola faculty.

Students are involved in every step of the production process. But the class, which started earlier this year, also involves disciplines beyond science: Social work students have researched the possibility of providing the fuel to help nearby low-income residents heat their homes, and the school is planning to make the fuel available for vehicles used by the St. Vincent de Paul Society. Communications students have shot a documentary on the process.

\$10K GRANT FROM EPA

And they are learning about the controversy surrounding crop-based fuels, which includes a debate over the loss of land once used for food production and how much the fuels decrease global warming.

Supporters say **biodiesel** provides a good way to recycle waste cooking oil and that it could eventually become a good way for small communities to become less dependent on crude oil.

"We understand it's not the solution, but there is room for expansion, and you can make a positive impact," said Shane Lishawa, a course instructor who manages the Loyola **biodiesel** lab.

The school got a \$10,000 grant from the U.S. Environmental Protection Agency to buy two 100-gallon tanks and other equipment to make the fuel. The lab is large enough to use all of the waste grease produced at campus eateries. They also collect from a local restaurant, Uncommon Ground.

'SOMETHING USEFUL'

In the lab, the students filter out bits of food and other solids from the oil, then mix it with sodium hydroxide --lye, used in drain cleaners--and methanol. They heat it to

130 degrees, creating **biodiesel**. The waste product from the process, glycerin, is turned into soap.

The resulting product is then washed in water, making it far cleaner than traditional diesel fuel because it emits less carbon and sulfur, faculty said. Still, **biodiesel** does raise levels of nitrogen oxides, considered harmful.

Although it took a while to get the final process in place, students are now making about 80 gallons a week. Sophomore Cameron Stamm acknowledged the limitations of **biodiesel**, but she said it appears to be better for the environment than fossil fuels.

"This is a good solution, at least for the short term," said Stamm, 19, of Palatine. "Last year, they were taking the grease and putting it in the Dumpster. We are taking it and making something useful out of it."

Loyola on Tuesday received a \$75,000 grant from the EPA to teach high school students how to make **biodiesel**. Students and staff previously helped Highland Park High School set up a lab, creating several budding environmentalists, Assistant Principal Tom Koulentes said.

The reaction to the program on campus has been positive, officials said, especially in the wake of students recently voting overwhelming to raise their fees by \$1 per semester to go toward student-led projects using sustainable resources. The campus administration still must approve the fee, which supporters said could raise \$18,000 a year.

Comment at suntimes.com.

April 28, 2008 Monday

Used cooking oil greases local palms with new cash streams

BYLINE: Emma Ritch

Food prices are rising, but thanks to **biodiesel**, there's one area where restaurants can cut costs-- cooking oil.

Waste disposal companies like San Jose Tallow are now eliminating the pickup fee for used cooking oil, thanks to an hot market for the commodity.

Original Joe's in San Jose paid San Jose Tallow about \$250 a month to remove nearly 1,000 gallons of used cooking oil, but no longer has that expense.

"Considering all the other costs that have gone up, it's not a big deal," says owner Brad Rocca. "Although, not paying is a nice thing."

Tallow companies filter and sell cooking oil to refiners who make **biodiesel**, which can be cheaper and more environmentally friendly than traditional petroleum-based diesel.

The selling price of used cooking oil -- traded as yellow grease on the commodities market -- has nearly doubled in the past year. It has traditionally been used as a supplement to feed stock, but an increasing number of **biodiesel** producers are using it as a cheaper alternative to soybean oil.

It's a huge change from a decade ago when the wholesale price of yellow grease was so low that it didn't cover San Jose Tallow's expenses, says Vice President Mark Rosenzweig. Prior to the explosive increase in value, San Jose Tallow charged between \$35 and \$45 for pickup and a fuel surcharge to cover costs. The fees were eliminated on Jan. 1, and most competitors have done the same.

The San Francisco commodities market is commanding \$31 for a hundred pounds of yellow grease, up from \$17 a year ago. The current price is the equivalent of about \$2.37 a gallon, but that cost doesn't incorporate conversion costs to **biodiesel**.

Competition for the cooking oil has become intense, Rosenzweig says.

"A few years ago, we lost money on the oil, but now we're solvent," Rosenzweig says.

Family-owned San Jose Tallow has been recycling waste like kitchen grease since 1929. It employs 35 employees but is expanding its staff and territory because of the improved marketplace. Other tallow companies are also expanding their operations into the Bay Area because of the number of restaurants.

But with the increase in value, a new player has entered the industry -- thieves.

An Illinois man was arrested April 1 for attempting to steal used cooking oil from a Morgan Hill Burger King that was one of San Jose Tallow's clients.

"We've had a lot of material go missing from quite a wide range of areas, from Vacaville to Fresno to Modesto to Sacramento," Rosenzweig says. "It's pretty common for it to get stolen now."

San Jose Tallow hauls away used cooking oil from 2,000 Bay Area restaurants. Some clients have pickups twice a week; others every three months.

The tallow company heats and filters the oil to remove impurities and water, which reduces the size by 30 percent to 40 percent. The finished product -- about 200,000 pounds a week -- is then sold.

Rosenzweig sends half that finished product to Energy Alternative Solutions Inc., a Gonzales plant that uses a chemical process to create **biodiesel**, but he says he hopes to get grants to expand his facility and sell them more yellow grease to meet the huge demand.

Rich Gillis, president and CEO of the Gonzales plant, says it is increasing capacity so it can double its production to 1.4 million gallons a year. The plant runs 12 hours a day with five employees but he plans to operate 24 hours a day and hire 15 new employees after the expansion.

"Our distributor could sell everything we produce without question," Gillis says. "It's not a question of people not demanding it or wanting it. It's a matter of being able to get enough used cooking oil to keep up with demand."

U.S. **biodiesel** production was about 91 million gallons in 2005 but could reach 470 million gallons by 2010 and 630 million by 2020, according to the U.S. Energy Information Association.

Until recently, the U.S. market has relied almost exclusively on soybean oil, but lower prices are shifting attention to alternatives such as used cooking oil, palm oil and sunflower oil. Many analysts predict the winner will be used cooking oil because it is more than 50 percent cheaper than soybean oil.

Rosenzweig says he thinks the price of used cooking oil has probably topped out. If it goes higher, it will no longer be an economical alternative to other oils that make **biodiesel**.

The Gonzales plant uses used-cooking oil for 98 percent of its production. Gillis refuses to use palm oil because of the ecological impact, and soybean and canola oils because of the high cost.

The company is able to sell its **biodiesel** to distributors at a cost less than traditional diesel, although Gillis wouldn't say what the company charges distributors or pays tallow companies. Gillis says it's essential that **biodiesel** is cost-competitive because many end-users are commercial fleet owners concerned with the bottom line.

Additionally, there's an environmental benefit to **biodiesel** use.

Adding 20 percent **biodiesel** to diesel can reduce a vehicle's emissions by 45 percent. Adding just 1 percent **biodiesel** to the country's diesel would add 470 million gallons to the country's supply by 2010, according to the Energy Information Association.

The company gets used cooking oil from San Jose Tallow and two other suppliers. It's the only **biodiesel** plant on the central coast.

April 28, 2008

From fat to fuel; Santa Cruz shares results from first-in-nation community-based **biodiesel** production

SECTION: PRESS RELEASE/STATEMENT

LENGTH: 571 words

Produces 22,000 gallons of **biodiesel** in 6 weeks; projects 190,000 gallons next year

(San Francisco, Calif. -- 04/28/2008)

At an Earth Week celebration today, Santa Cruz, Calif.-based nonprofit Ecology Action shared results from its first-in-the-nation community project that converts used restaurant cooking oil into **biodiesel** fuel for the area's transit systems.

In 2005, the U.S. Environmental Protection Agency awarded a \$75,000 grant to Ecology Action to pilot the first community-based **biodiesel** production initiative in the United States. Over the past six weeks, the nonprofit, along with local restaurants, Salinas Tallow, BioEAS Inc, a **biodiesel** plant, distributors and local Public Works Departments, collected about 5,500 gallons of high-quality waste cooking oil from restaurants, which was then blended to make 22,000 gallons of B20 - a 20 percent **biodiesel** fuel -- and sold to local fleets.

"Over the coming year, this community effort will result in almost 47,000 gallons of waste cooking oil being used to make 190,000 gallons of the B20 **biodiesel** blend -- enough fuel to fill the tanks of over 4,000 city of Santa Cruz recycling trucks, or enough to fuel a fleet of school buses for an entire school district for a year," said Tom Huetteman, the EPA's Waste Management associate director the Pacific Southwest region. "This project is a model for other cities and counties across the country."

Ecology Action expects more restaurants will participate as the program expands, resulting in higher quantities of **biodiesel** made from local waste feedstock.

"This program exemplifies the wide breadth of partnership and problem solving that Ecology Action has always endeavored to embrace," said Ecology Action's Executive Director Virginia Johnson. "This project was a confluence of all of the Ecology Action hubs -- sustainable transportation, climate protection, pollution prevention, zero waste, and energy efficiency."

Biodiesel fuel generated from waste feedstock is more sustainable and far less polluting than petroleum diesel. **Biodiesel** significantly reduces greenhouse gases, particulate matter, or soot, carbon monoxide, and sulfur dioxide in air emissions. Produced from renewable resources, such as waste cooking oil or soybean oil, **biodiesel** reduces dependence on limited energy resources and foreign oil.

The "Fryer to Fuel" process recovers energy and recycles waste oils that could possibly be dumped in landfills or flushed down drains, clogging pipes and causing costly sewer overflow spills, which have the potential to pollute the Monterey Bay.

The pilot is a partnership program spanning the whole process from post-consumer feedstock to the fuel consumer:

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Restaurants, which usually pay to haul away their waste oil, now give waste to grease haulers free of charge. Grease haulers are paid by the **biodiesel** manufacturers.

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Biodiesel manufacturers use a low-cost, recycled-waste feedstock instead of virgin vegetable oil, increasing the sustainability of **biodiesel**.

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The pilot program's **biodiesel** fuel consumer market has expanded to the city and county of Santa Cruz Department of Public Works and the county's waste franchise Green Waste, Inc., and the local oil waste hauler, Salinas Tallow, all of whose vehicle fleet will be running on the alternative fuel.

For more information go to:

<http://www.epa.gov/region09/biodiesel/>

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April 25, 2008 Friday

SEN. BARACK OBAMA DELIVERS REMARKS ON ENERGY POLICY

LOCATION: INDIANAPOLIS

SEN. OBAMA DELIVERS REMARKS ON ENERGY POLICY, INDIANAPOLIS

APRIL 25, 2008

(JOINED IN PROGRESS)

OBAMA: ... short-term steps that we can take to ease the burden that Indiana families are bearing as a result of our failed energy policies.

But here's the truth: There is no easy answer to our energy crisis. And we need a president who's going to be straight with us about that, a president who's going to tell the American people not just what they want to hear, but what they need to hear.

And what they need to know is that any real solution isn't going to come about overnight. It's going to take time. To bring about real change, we're going to have to make long-term investments in clean energy and energy efficiency.

That's why I reached across the aisle in the Senate to come up with a plan to double our fuel-efficiency standards that won support of lawmakers who had never supported raising those standards before.

That's why I voted for an energy bill that was far from perfect, because it was the largest investment in renewable energy in history, at the same time as I fought to eliminate the tax giveaways to oil companies that were slipped into that bill.

And as a president, I will work to solve this energy crisis once and for all. We'll invest \$150 billion over the next 10 years in establishing a green energy sector that will create up to 5 million new jobs. And those are jobs that pay well and can't be outsourced.

We'll invest in clean energies, like solar, wind and **biodiesel**. And we'll help make sure that the fuel we're using is more efficient.

The candidates with the Washington experience, my opponents, are good people. They mean well. But they've been in Washington an awful long time. And even with all the experience they talk about, nothing has happened. This country didn't raise fuel efficiency standards for over 30 years.

SHOW: CBS Evening News 6:30 PM EST CBS

Energy Savers; Some companies giving employees financial incentives to go green

ANCHORS: [KATIE COURIC](#) ▼

- REPORTERS: JOHN BLACKSTONE

Finally tonight, as we celebrate Earth Day, change is in the air. Some companies are now giving their workers a financial incentive to go green. John Blackstone begins our special series ENERGY SAVERS.

JOHN BLACKSTONE reporting: When it comes to a carbon footprint, some of the biggest feet on the planet belong to American business and industry. But American business is now doing some surprising things to make a difference.

So what is the mileage on this?

Unidentified Man: Forty-eight miles in the city and 45 on the highway.

BLACKSTONE: Peter Magnani is test driving a gas/electric hybrid because the bank he works for will help him buy it.

Mr. PETER MAGNANI ([Bank of America](#))

- will give me a \$3,000 cash rebate if I buy a hybrid car.

Unidentified Man: This is the hybrid Synergy drive.

BLACKSTONE: In the past two years, the [Bank of America](#) ▼

- has given 1800 employees more than \$5 million to buy fuel-efficient hybrids. That saved an estimated 1800 tons of carbon emissions.
- Incentives Program 1,862 employees \$5,586,000

Mr. MAGNANI: I feel good about working at a company that has that consciousness and that provides those benefits.

BLACKSTONE: For a business, going green is a way to attract and retain employees.

Mr. JOEL MAKOWER (Editor, [Greenbiz.com](#)): These days people want to work for a company that they respect, that they think is doing the right thing, that they think is part of the solution.

BLACKSTONE: So Bryan Cole is happy getting 40 miles a gallon in a car that burns **biodiesel**.

What do you burn?

Mr. BRYAN COLE (Clif Bar Employee): Waste vegetable oil that's coming out of restaurants.

BLACKSTONE: His employer, energy bar maker Clif Bar, helped him buy it.

Mr. COLE: I received a \$5,000 forgivable loan.

BLACKSTONE: Five thousand dollars?

Mr. COLE: Yeah.

BLACKSTONE: Totally forgiven if he stays with the company for five years. That perk has put plenty of fuel-efficient vehicles in the company parking lot. But carpoolers and bike commuters get bonuses, too.

Mr. RYAN MAYO (Clif Bar Employee): It's just another great way that they're really getting everybody psyched about thinking outside the box on how they want to commute.

BLACKSTONE: And how they can save energy at home. Shauna Sadowski is getting a thousand bucks to buy insulating window blinds.

Ms. SHAUNA SADOWSKI (Clif Bar Employee): They prevent up to 75 percent of heat loss as well as, you know, prevent heat from coming in. So in the summertime it'll cool, in the wintertime it will prevent the heat loss.

BLACKSTONE: But usually we think a business is there to make money.

Ms. CASSIE CYPHERS (Clif Bar Employee): Yes.

BLACKSTONE: This costs money.

Ms. CYPHERS: It does cost money, but we're a successful business, we're still making money, so it's working.

BLACKSTONE: It's not just business. The American Jewish Committee gives employees cash to buy fuel-efficient cars. And the county of Los Angeles is telling its 100,000 workers it's negotiated discounts for them on hybrids. A lot of small steps...

Mr. MAGNANI: It's a very smooth ride.

BLACKSTONE: ...to shrink that big carbon footprint. John Blackstone, CBS News, Concord, California.