

A decorative graphic consisting of a thin gold circle on the left side, partially overlapping a horizontal gold bar. A large black left square bracket is positioned on the left side of the bar, and a large gold right square bracket is on the right side. The text "Biodiesel Industry Update" is centered within the gold bar.

# Biodiesel Industry Update

Leland Tong

April 9, 2008

2008 Clean Cities Regional  
Coordinator Peer Exchange

A young girl with blonde hair is looking through blue binoculars. She is wearing a white shirt and a black choker. The background is a colorful, blurred pattern of vertical stripes in various colors like red, green, blue, and yellow. The image is framed by a yellow vertical bar on the left side.

**Fuel Quality**

**Industry  
Structure**

**Economics &  
Feedstocks**

**Sustainability**



# Fuel Quality

[www.biodiesel.org/resources/fuelqualityguide](http://www.biodiesel.org/resources/fuelqualityguide)

# Fuel Quality Efforts

- Partnered with nine Clean Cities Coalitions to conduct biodiesel fuel quality seminars
- 18 seminars held
- 800 attendees

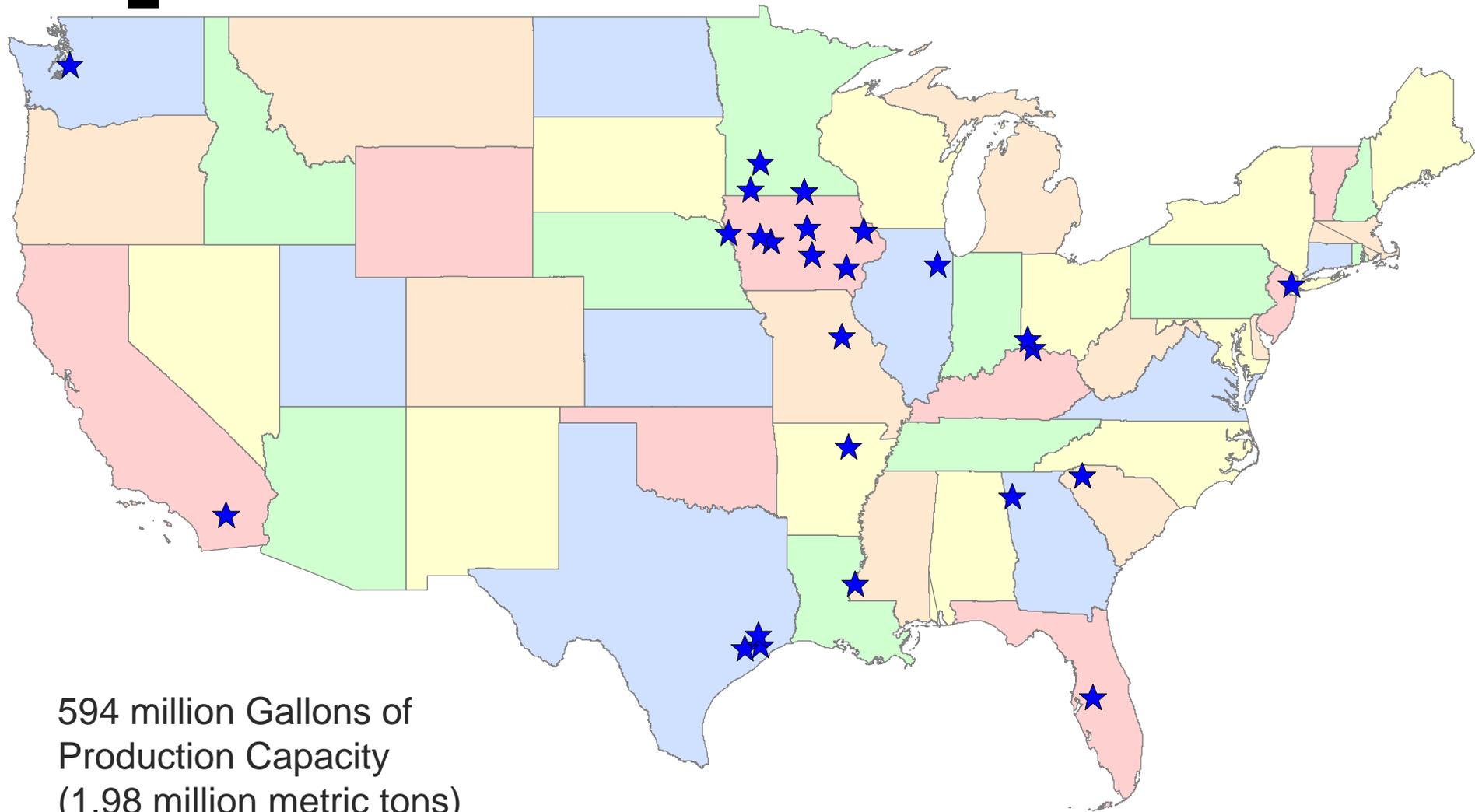
## Clean Cities Coalitions

- Denver Metro, CO
- Triangle, NC
- Land of Enchantment, NM
- Clean Fuels Ohio
- Columbia Willamette, OR
- Greater Philadelphia
- Palmetto State, SC
- Virginia
- Puget Sound, WA

# Fuel Quality Enforcement

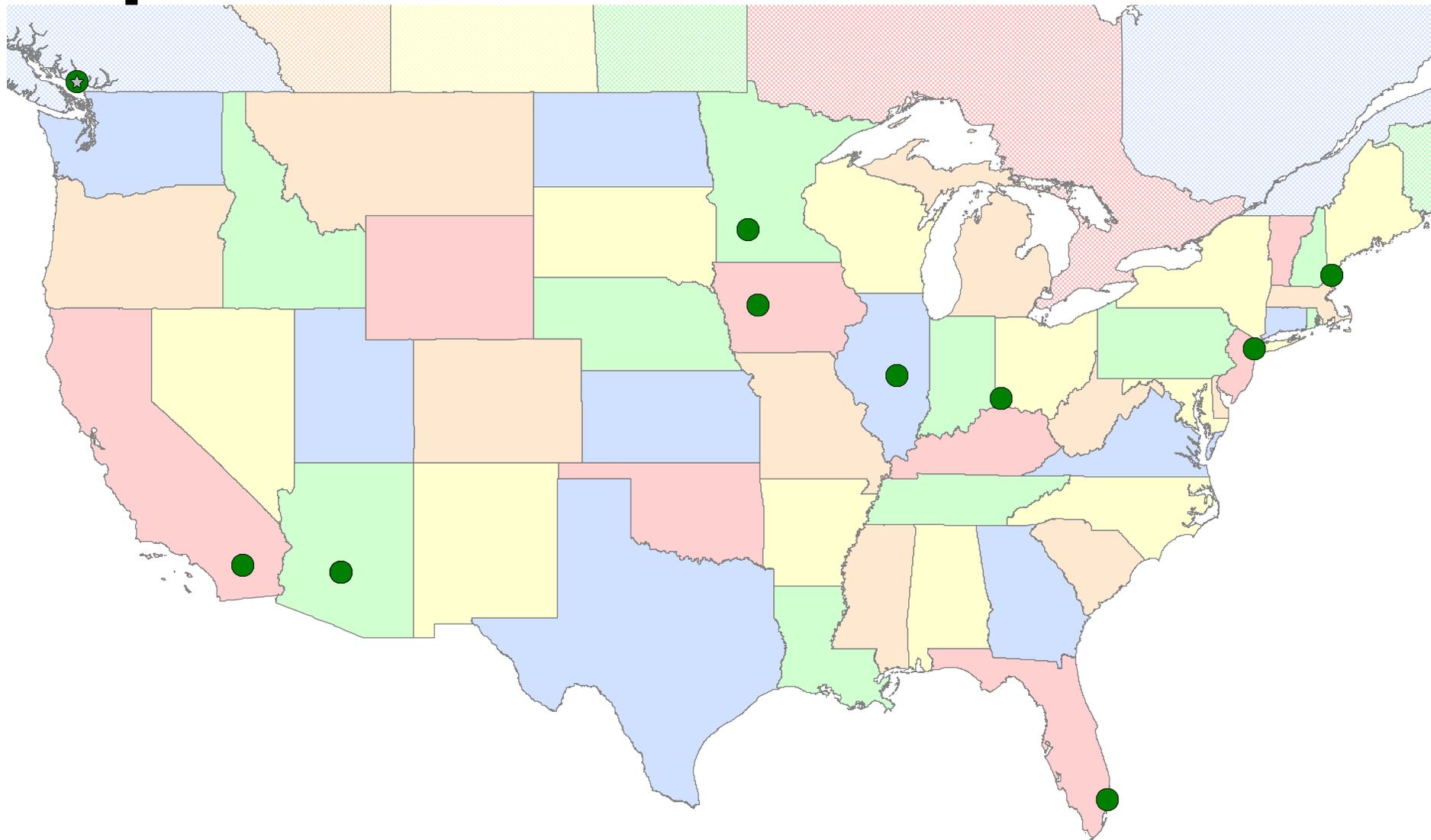
- NBB is working with the National Council of Weights and Measures to enhance fuel quality enforcement activities
  - 37 states have adopted D6751 into law
    - 30 of these states have implemented the regulations
  - 5 states are using D6751 as a guide
  - 16 states are proactively testing B100

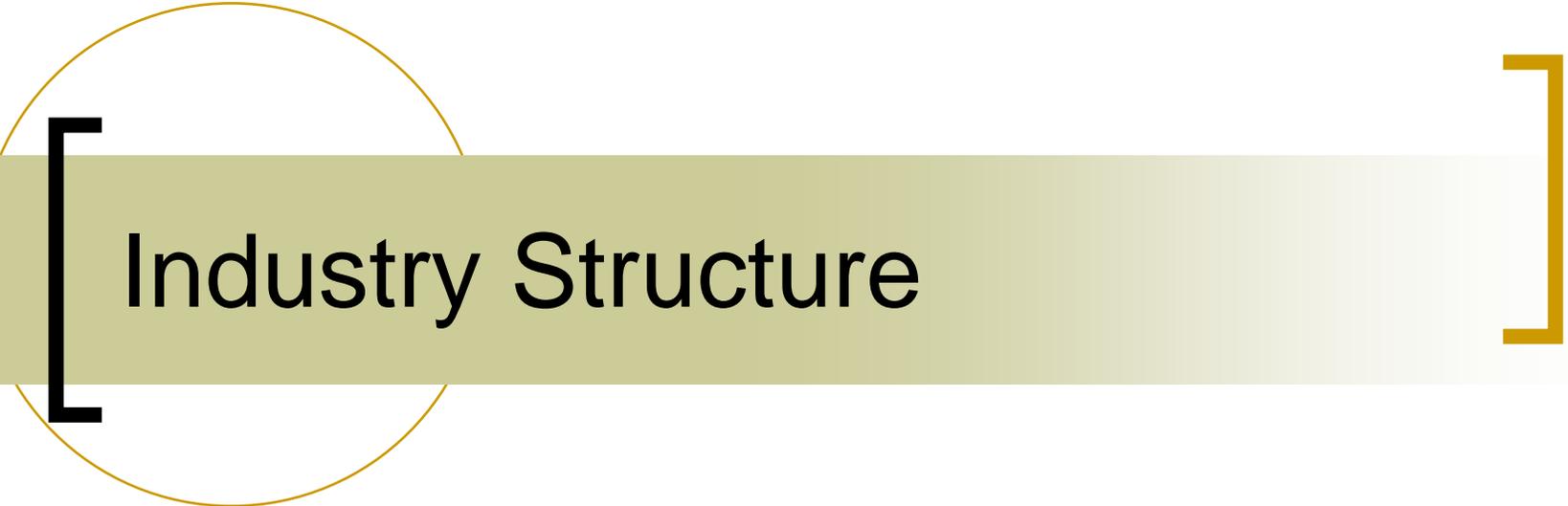
# [ BQ-9000 Producers (25) ]



594 million Gallons of  
Production Capacity  
(1.98 million metric tons)

# [ BQ-9000 Marketers (11) ]



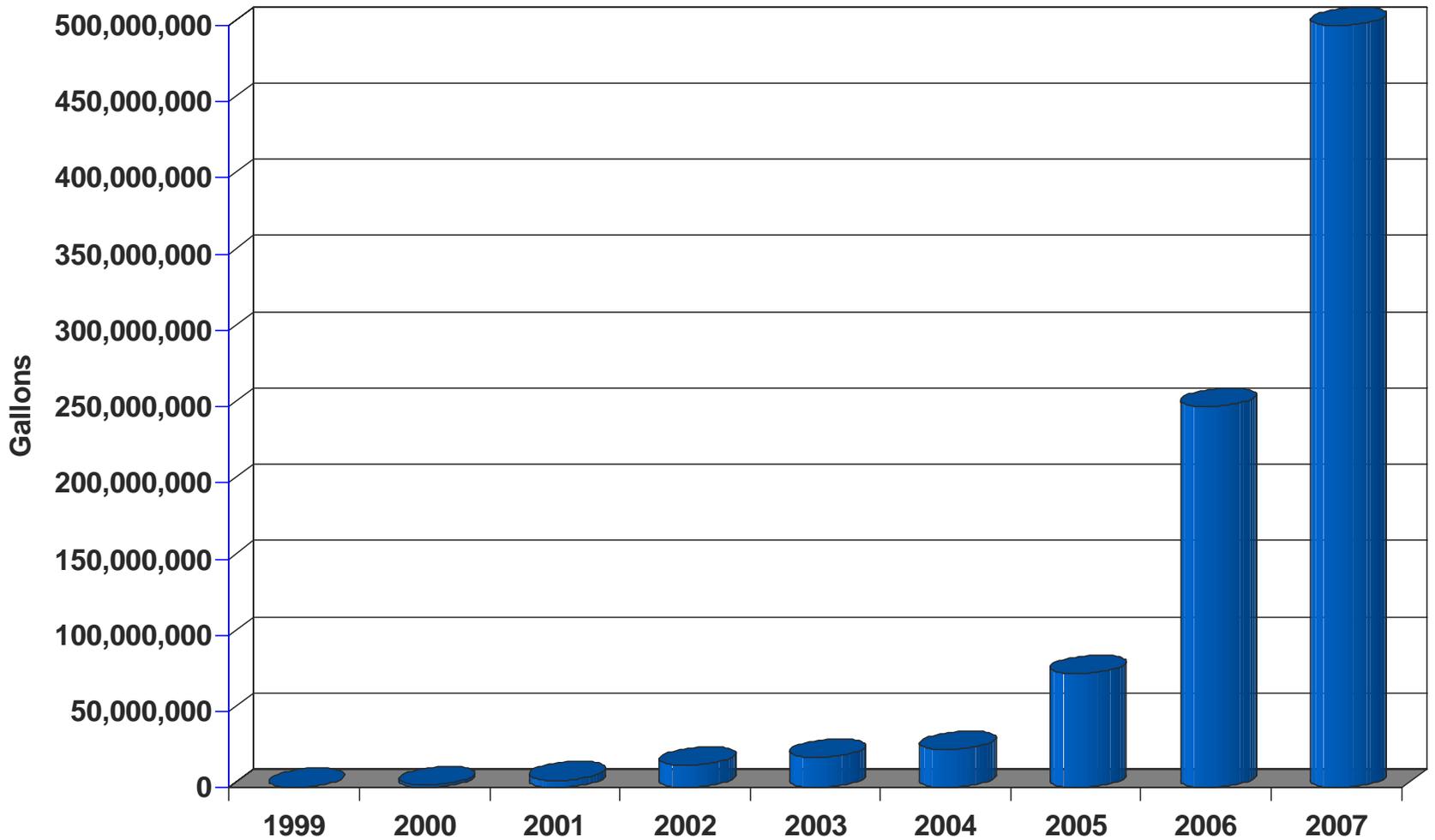
A decorative graphic consisting of a thin gold circle on the left side. A thick, dark olive-green horizontal bar extends from the circle across the width of the slide. On the left side of this bar, there is a large, black, stylized left square bracket. On the right side of the bar, there is a large, gold, stylized right square bracket.

# Industry Structure

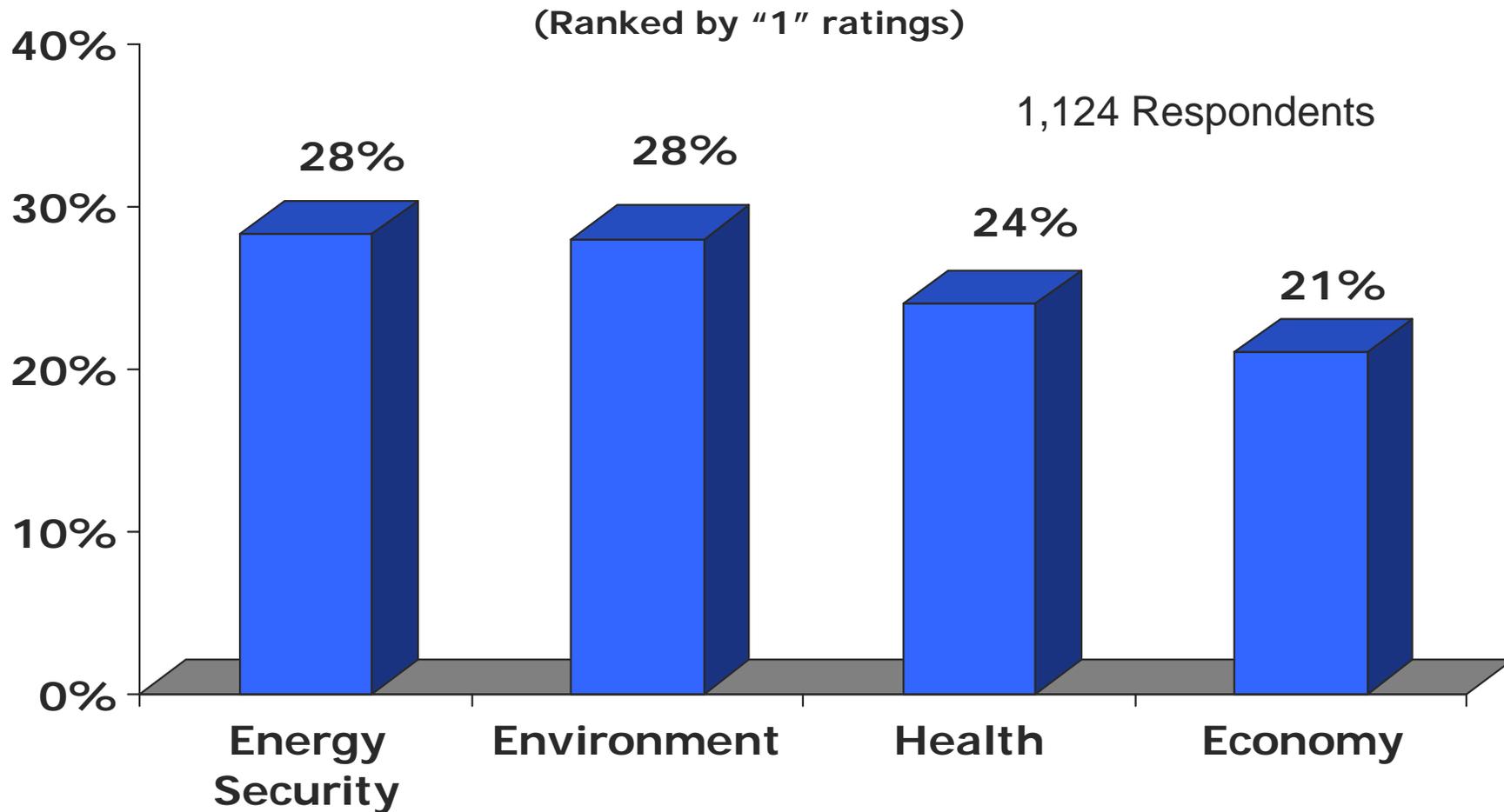
[www.biodiesel.org/resources/fuelfactsheets](http://www.biodiesel.org/resources/fuelfactsheets)

[www.biodiesel.org/buyingbiodiesel/guide](http://www.biodiesel.org/buyingbiodiesel/guide)

# [ US Biodiesel Demand ]

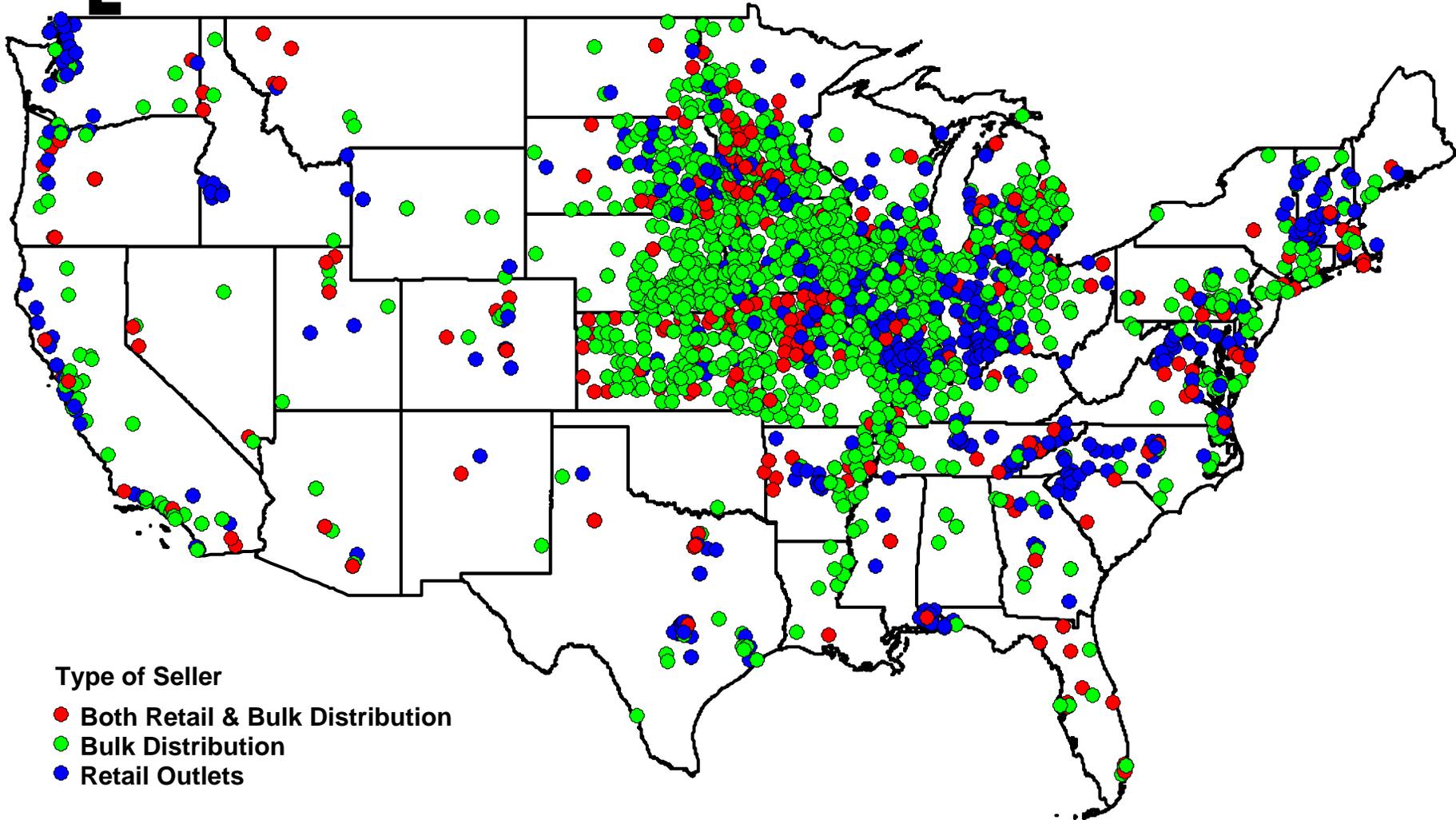


# Importance of Biodiesel Benefits for U.S. Consumers



National Survey conducted for the National Biodiesel Board in January 2008

# Distribution Locations



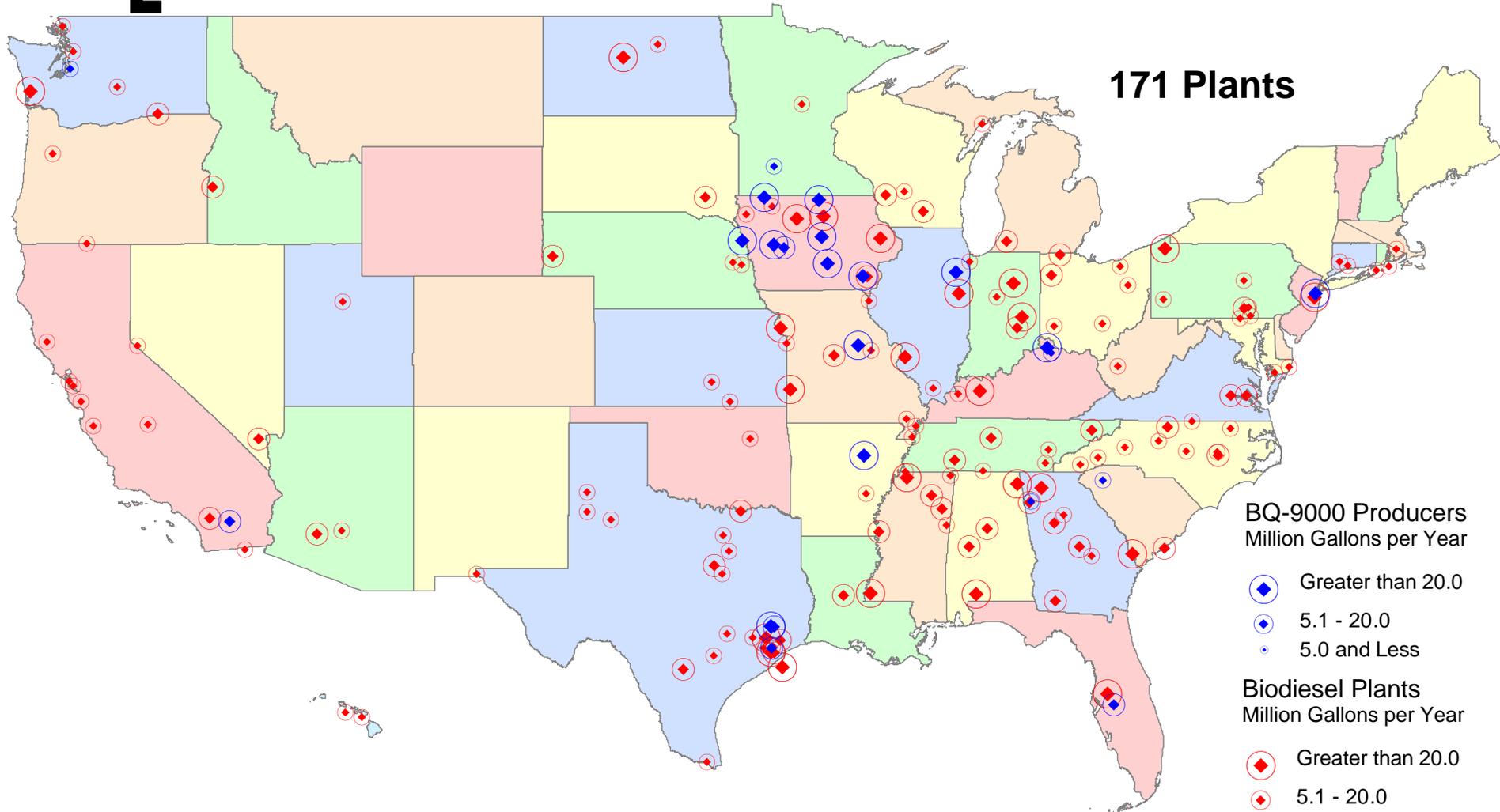
# Fuel Availability



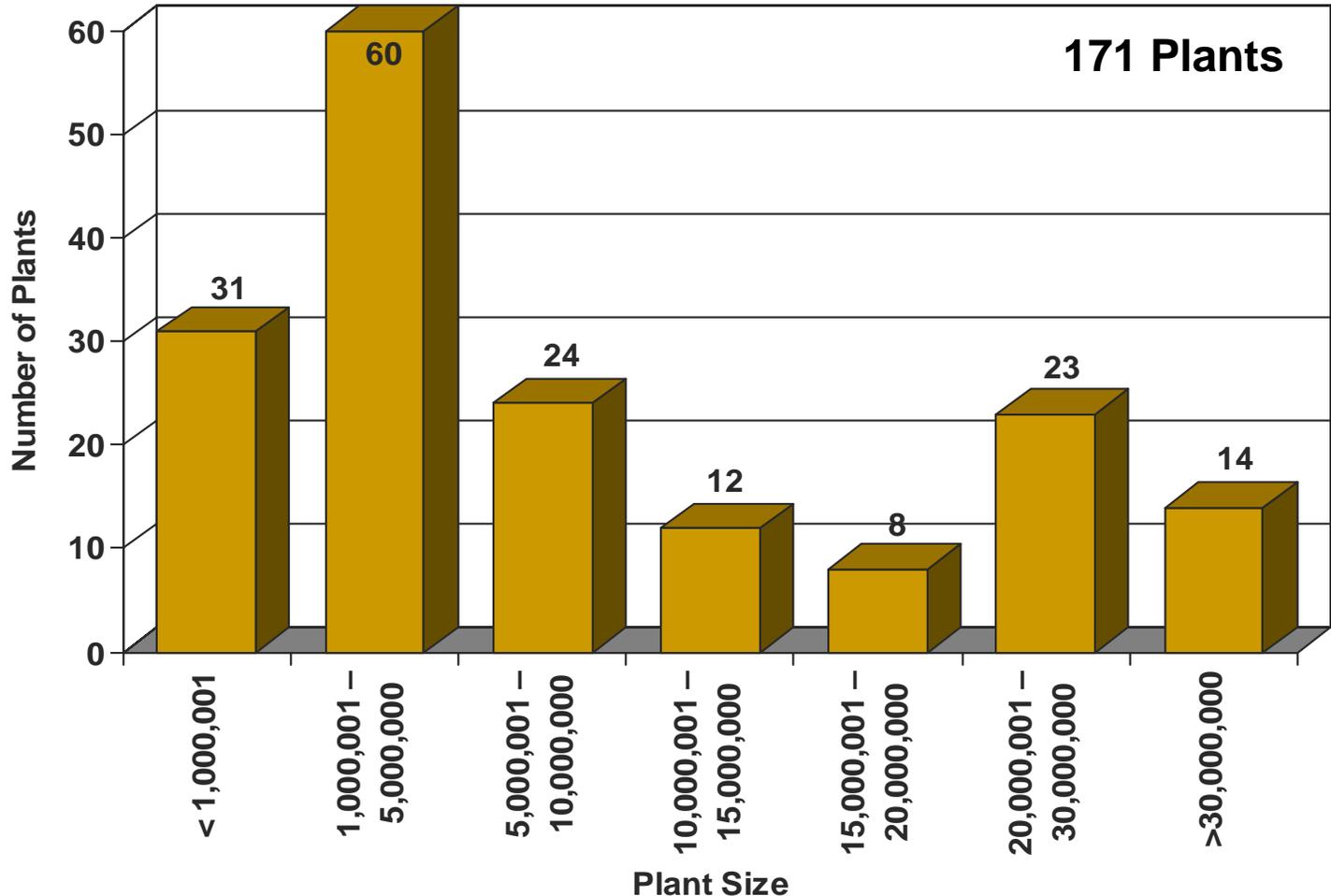
- Fuel available through direct shipment from over 1,977 petroleum distributors nationwide
- Over 1,410 retail filling stations nationwide
- Movement towards biodiesel at the terminal – over 63 terminal nationwide

# Production Locations (1/25/08)

171 Plants



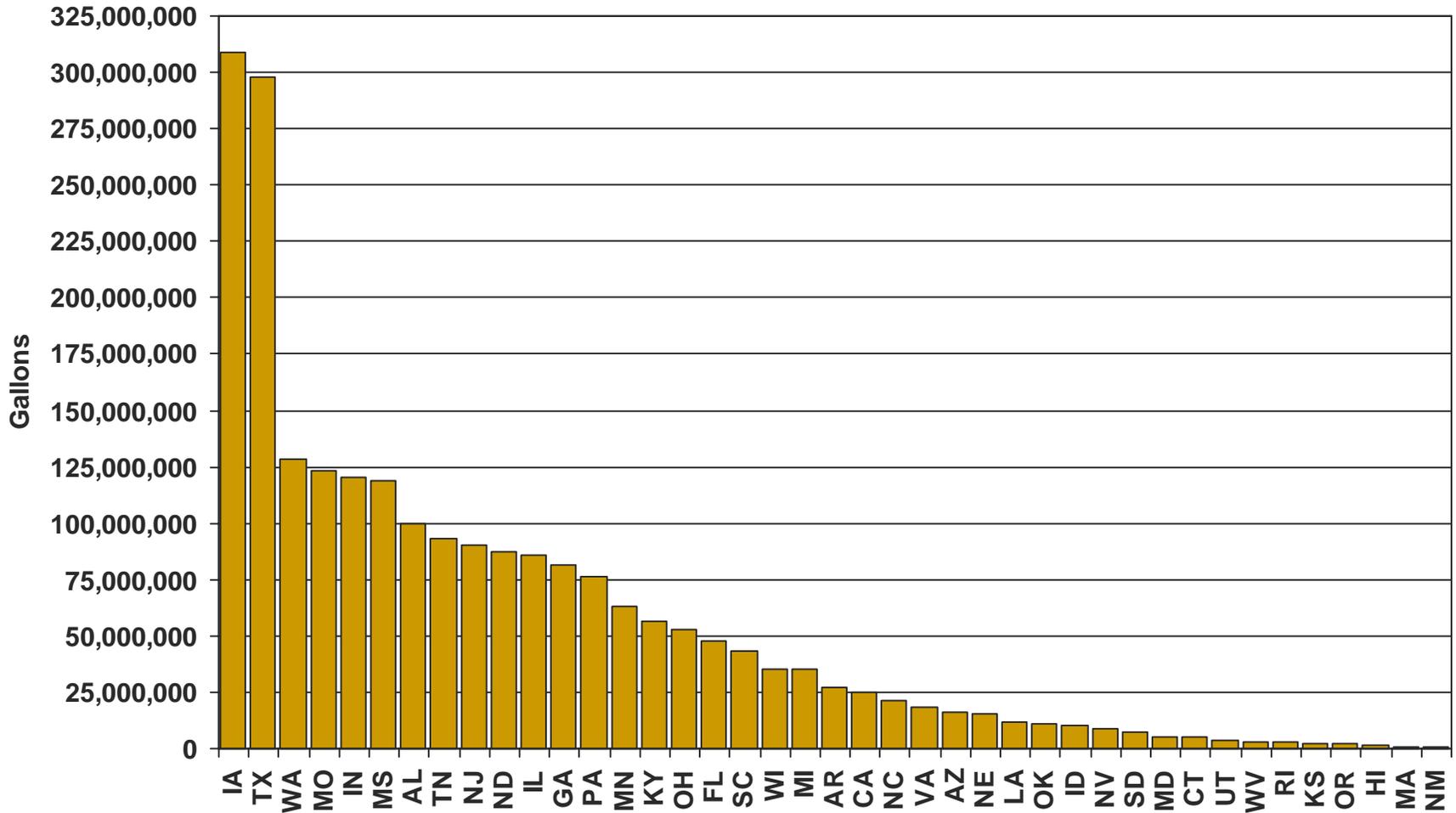
# Industry Plant Size



Production Capacity 2.24 billion gallons per year  
Average Plant Size 13.1 million gallons per year

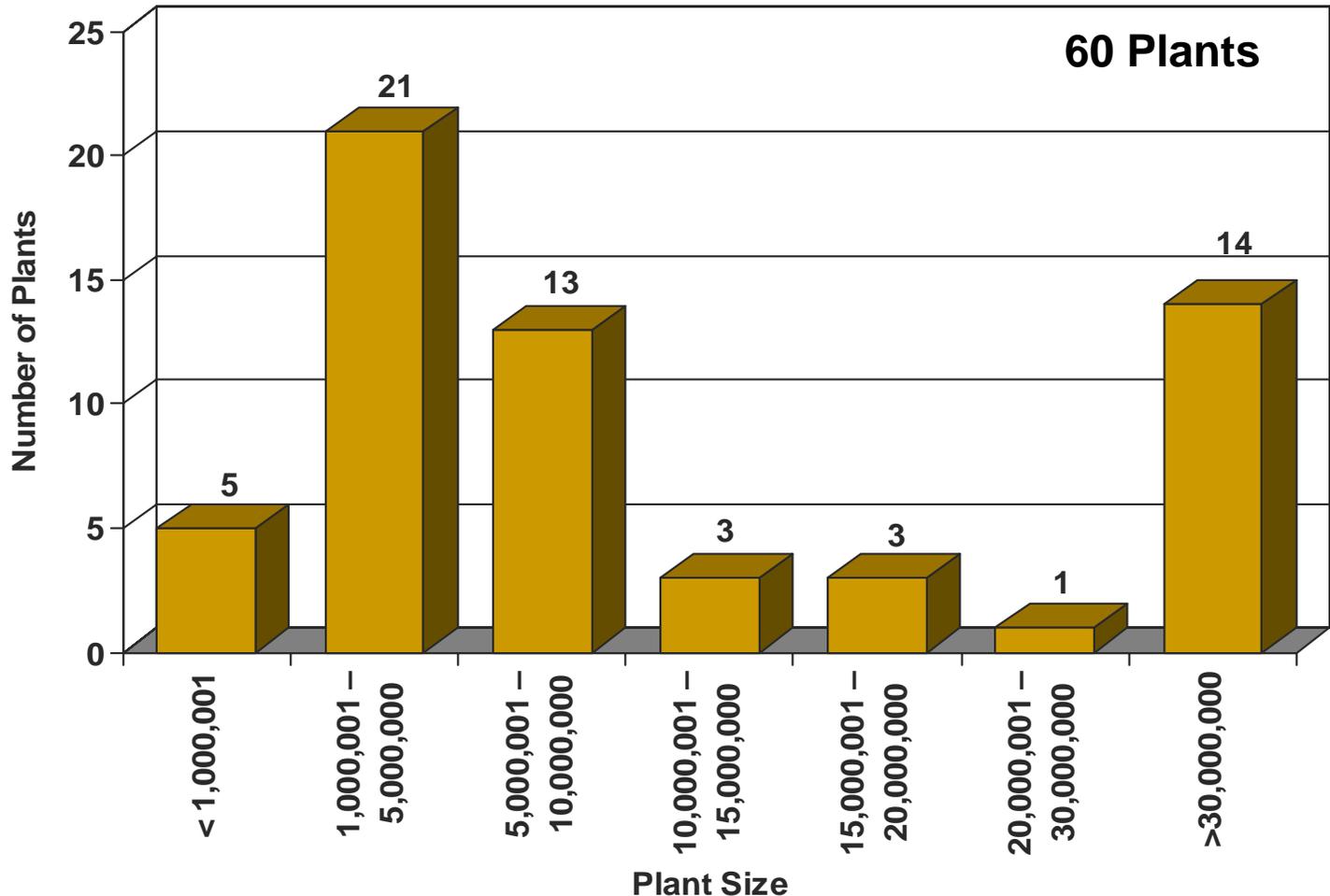
# Production Capacity by State

(1/25/08)

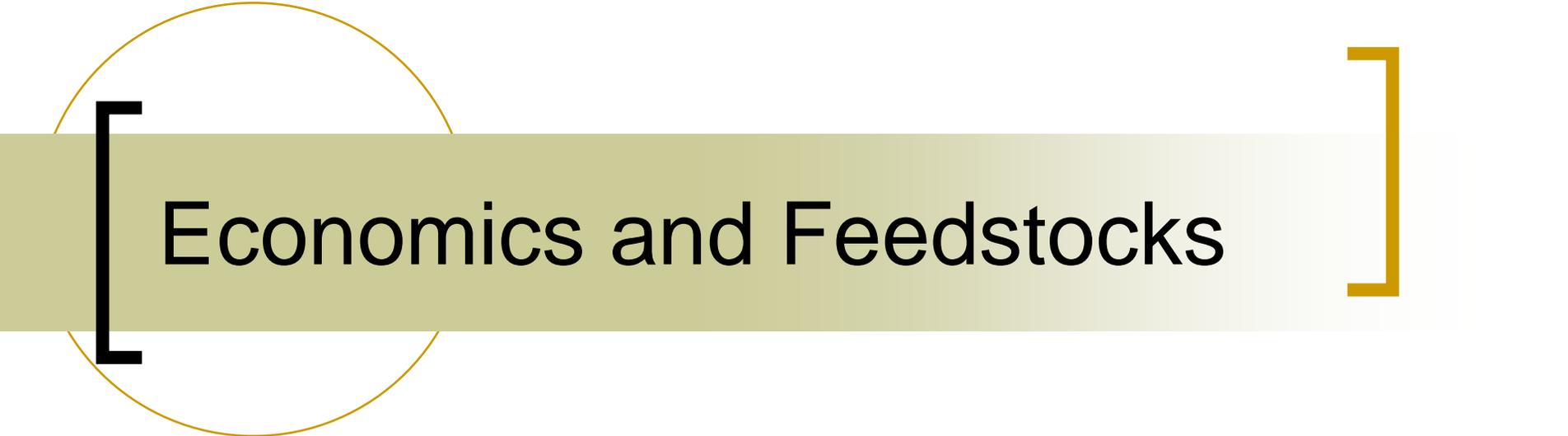




# Size of Plants Under Construction & Expansion

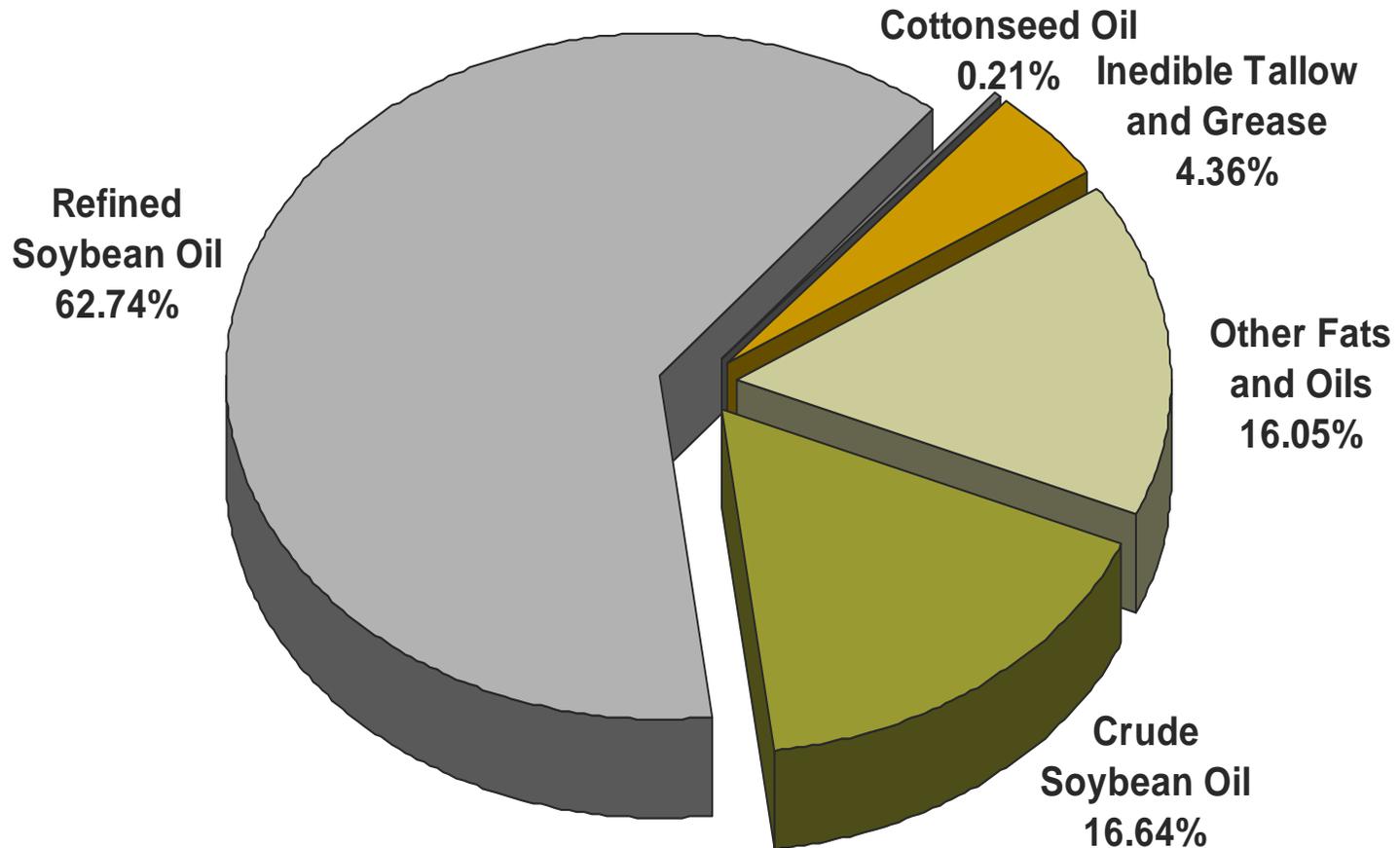


Construction Capacity 1.23 billion gallons per year  
Average Plant Size 20.5 million gallons per year

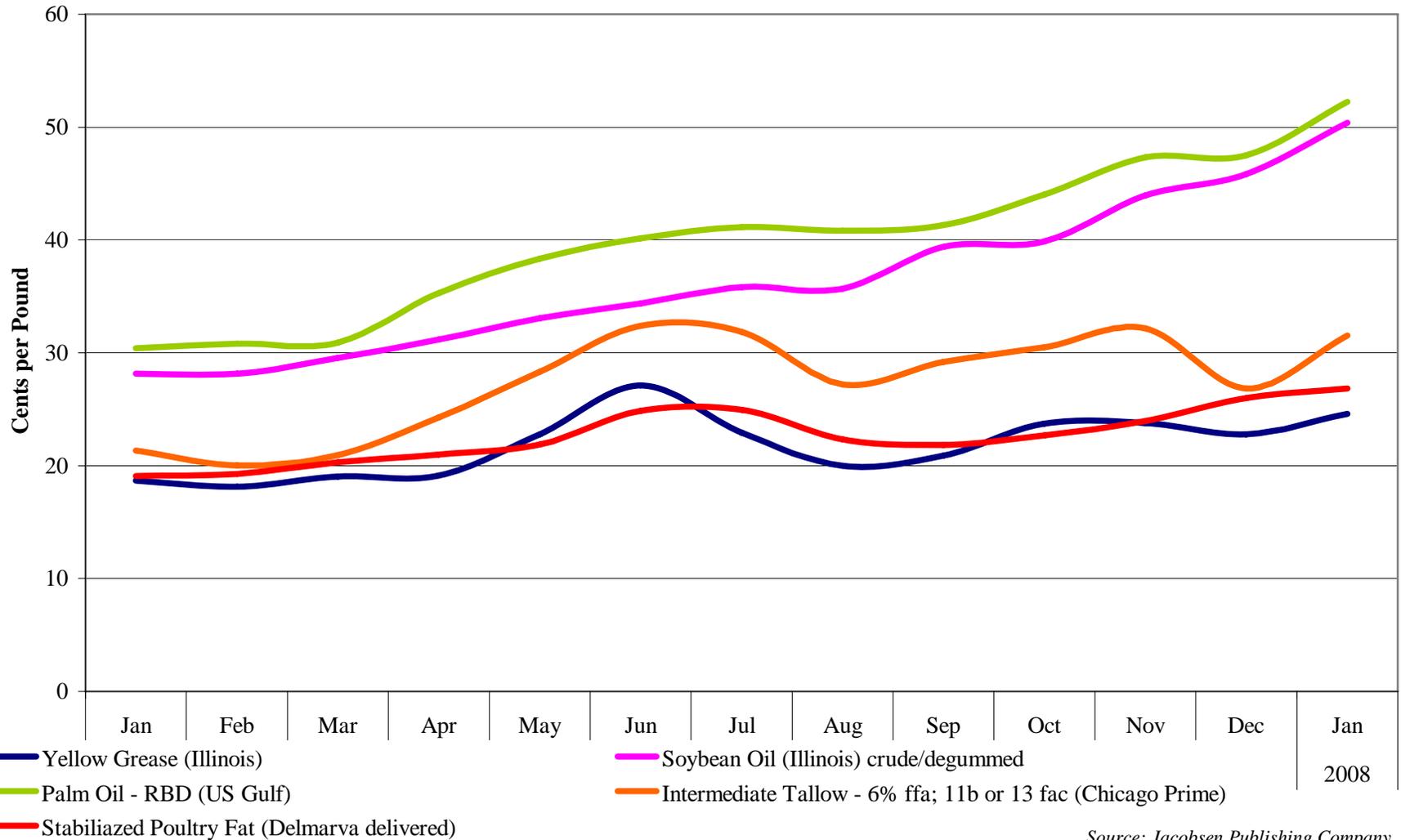


# Economics and Feedstocks

# Raw Material Use - 2007



# Fats & Oils Prices (2007-2008)



Source: Jacobsen Publishing Company

# [ High Feedstock Prices Lead to... ]

- Negative margins for many producers
- Reductions in biodiesel production capacity utilization
- Use of more animal fats and yellow greases
- Significant investment in the development of nontraditional feedstocks like algae, camelina & jatrohpa



# Sustainability

[www.biodiesel.org/aboutnbb/sustainability](http://www.biodiesel.org/aboutnbb/sustainability)

# Sustainability

Doing things  
efficiently to  
preserve  
resources and  
minimize  
environmental  
impacts.



# [ Facets of Biofuel Sustainability ]

- Indirect Emissions
  - Land use changes
- Direct Emissions
  - Emissions from agricultural land
- Food vs. fuel
- Water usage

# Sustainability Task Force

- The Task Force will oversee the development and implementation of a comprehensive sustainability roadmap for the U.S. biodiesel industry that will:
  - Quantify and maximize the environmental and social benefits of biodiesel
  - Ensure that biodiesel produced and sold in the U.S. comes from sustainable resources
  - Ensure the best environmental and safety practices are followed in the production of biodiesel
  - Develop mechanisms to encourage responsible use of the world's resources
  - Discourage the use of non-sustainable agriculture practices worldwide in biodiesel production.

# [ NBB Resources ]

[www.biodiesel.org](http://www.biodiesel.org)

- **Technical Library**
- **Biodiesel Bulletin**
- **Educational Videos Available**
- **Informational Resources**
- **Technical Resources**
- **On-line Database & Spec Sheets**





# Biodiesel Industry Update

Leland Tong

[ltong@marciv.com](mailto:ltong@marciv.com)

(701) 572-1826