

## **Biodiesel plant in Adrian ramps up for July launch**

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The state's newest biodiesel production plant is expected to open in mid-July, producing 20 million gallons of fuel annually from renewable sources such as vegetable oil and animal fat.

Biofuel Industries Group LLC, a Michigan-based company, will produce the alternative diesel fuel NextDiesel TM at the new, 30,000-square-foot plant in Adrian. The \$21 million biodiesel project is one of just one or two others in the state as this new industry begins to enter the marketplace.

Biofuel Industries will produce NextDiesel TM, which will be distributed by, among others, Wacker Oil, based in Manchester, said Bradley Schram, general counsel for Biofuel Industries Group. While initial distribution will likely be within the state, there will be a structure that will allow national and even worldwide distribution, Schram said. While the first phase will allow the plant to produce 20 million gallons of biodiesel annually, the plant could be expanded to manufacture up to 100 million gallons annually, Schram said. "We hope to become at first a locally and then a nationally recognized brand that sets the standard for quality." Potential NextDiesel consumers include school districts, municipalities, construction companies and marinas.

The NextDiesel plant is the first project under the state's newly created Renewable Energy Renaissance Zone. The designation allows the company to operate free of local and state taxes for 15 years, Schram said. The project is expected to create 30 jobs. The zone was created to attract renewable energy companies in an effort to diversify Michigan's economy, according to Gov. Jennifer Granholm's office.

Construction of the plant began in December, said Jason Eisenberg, marketing director for Biofuel Industries, and is expected to begin production my mid-July. Multiple feedstock - from soy bean and palm oil to chicken fat to beef tallow - will be used to make the biodiesel, Eisenberg said. The new facility contains storage for the raw materials along with storage for the finished product. Biodiesel is not to be confused with ethanol, which is gasoline made from corn. The plant will operate 24 hours a day, seven days a week on three shifts, Eisenberg said.

While biodiesel plants are a new industry for Michigan, more will follow. The NextDiesel plant was the first biodiesel plant built by DeMaria Building Company, based in Detroit, said Dann McDonald, marketing manager.

The company has experience building industrial plants for Ford Motor Co. and General Motors, which put the company in line to be considered by the biodiesel industry, he said. DeMaria was just awarded the contract for its second biodiesel plant, this one in Detroit. It's for Biodiesel Industries, based in California. McDonald said. "We see it as an emerging market."

Janet Miller is a freelance writer.