

Biodiesel facilities crop up in area 'Fuel ... from the Midwest, not the Middle East'

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The fuel hasn't generated the buzz of ethanol, but operations to produce biodiesel are cropping up across northwest Ohio and southeast Michigan as farmers, fleet operators, contractors, consumers, and others search for ways to be less dependent on foreign oil.

Typically a blend of petroleum diesel and fuel made from soybean oil, the cleaner-burning diesel fuel is sold at pumps at more than a dozen stations in the region and is delivered directly to users by roughly 40 suppliers.

A Defiance biodiesel processing facility that opened last summer is in the midst of an expansion, and another company plans to build a plant in Toledo this year.

Even Jeep Libertys with diesel engines leave Toledo Jeep Assembly filled with B5, fuel with 5 percent soy biodiesel. All diesel engines can use biodiesel, although many manufacturer warranties don't cover a blend higher than B5, experts say.

Mid-Wood Inc. in Bowling Green started selling and delivering fuel with 2 percent to 20 percent biodiesel to farmers and other customers five years ago.

It added B5 at its station in September, 2003, and sold 1.5 million gallons to drivers of Volkswagen Rabbits, Bowling Green State University buses, and other vehicles last year, said Joe Molnar, energy manager.

"We like it," Mr. Molnar said. "We haven't had any problems with it." He added: "We're getting a lot of people asking about it."

Typically, biodiesel at Mid-Wood is priced 3 cents to 4 cents more than diesel at other stations in Bowling Green, but yesterday it was that much lower, Mr. Molnar said, adding that pricing depends on costs of petroleum and soybeans.

A pickup truck can offset added costs by improving fuel economy by 1.5 miles a gallon. Rising costs of petroleum diesel are helping drive interest in biodiesel, which supports American farmers, said Sam Spofforth, executive director of Clean Fuels Ohio.

"People are upset about the difference, and they're upset that we're sending our money overseas," he said. "Here's a fuel that comes from the Midwest, not the Middle East." Last August, Ohio had 80 biodiesel suppliers and 16 stations, he said. By fall, the state is expected to have 150 suppliers and 50 stations, he estimated.

Sunrise Cooperative Inc., of Norwalk, started distributing biodiesel five years ago and this month added a fueling station, which is expected to increase the cooperative's annual sales of the fuel from 3.5 million gallons to more than 6 million.

Obtaining biodiesel has been a problem, but more processing facilities are being built nationwide, said Dwight Gessner, energy division manager.



David Hoile replaces the nozzle after filling his tractor-trailer rig with soy biodiesel at Mid-Wood Inc. in Bowling Green.

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American Ag Fuels, in Defiance, opened a biodiesel facility last summer with a line that processes 1.5 million gallons a year. A second line that will annually process 5.5 million gallons will be open by year's end, , said Steve Lankenau, president.

American Biodiesel LLC, meanwhile, plans to build an East Toledo plant that will produce 30 million gallons of biodiesel a year and have as many as 25 employees.

A large percentage of American Ag's biodiesel is used by farmers, Mr. Lankenau said. "They understand the full circle in using what comes from their labors," he said.

Mr. Spofforth predicted that more cars and other light vehicles will be equipped with diesel engines. J.D. Power and Associates estimated last year that the U.S. market share of diesel cars, pickups, and sport-utility vehicles will double to 7.5 percent by 2012.

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