

So just what is bio-diesel and why do we want it here

By Dick Sterling

With the recent news that Gouverneur is in the running to be the home of a new bio-diesel producing plant, many are wondering what bio-diesel is, and what's with all this talk about soybeans?

Tuesday evening Bert A. Corey, Director of the Canton Small Business Development Center, located at SUNY Canton, visited with Gouverneur Town Board members to better explain what bio-diesel is used for, and what a bio-diesel plant would mean for Gouverneur, or St. Lawrence County.

WHAT IS BIO-DIESEL?

Bio-diesel is a substitute or extender for traditional petroleum diesel, and is considered a desirable alternative fuel for diesel engines. With bio-diesel fuel there is no need for special pumps or high-pressure equipment for fueling. It is becoming very popular because it can be used in diesel engines without any alterations to the engine, thereby eliminating the need for costly replacement with specially designed engines or vehicles.

The fuel burns cleaner and has very limited carbon dioxide emissions. It is produced from vegetable oils and animal fats. Rising petroleum prices and the uncertainty of stable petroleum supplies are increasing the demand for alternative fuels, such as bio-diesel.

Bio-diesel is made from non-toxic, biodegradable resources such as vegetable oils or animal fats, which can either be new or used resources. These oils and fats, when combined with an alcohol produce chemical compounds known as fatty acid methol-esters. When used as fuel these esters are known as bio-diesel.

The industry can use any fat or oil feedstock, including recycled products such as cooking grease, but the mainstay is vegetable oils, with

soy oil being the least expensive, and most popular application.

The soy industry has been the driving force behind the commercialization of bio-diesel, due in part to the excess production capacity, the surplus of the product, and declining prices.

IS THERE A FUTURE?

What may be most important about bio-diesel is the growth potential of the industry. The use of the product is solidly supported and promoted by federal and state governments.

The use of alternative fuel use by federal fleets, which means a 20 percent bio-diesel mix, is now required for federal fleets such as military, national parks and the U.S. Postal Service. A total of 16 states have approved legislation for bio-diesel use, 23 others have introduced legislation.

THE LOCAL PLANT

The local facility, to be built somewhere in St. Lawrence County, will, according to Mr. Corey, provide an immediate effect on the economy of New York, specifically in St. Lawrence, Clinton, Jefferson, Lewis and Oswego counties.

The facility will create 31 full time jobs, as well as opportunities for local truck drivers and farmers. St. Lawrence County will provide a share of the raw materials used to produce the fuel. Mr. Corey said that he realizes that soybeans is "not about to be the savior of the dairy industry," but that the possibility of growing soybeans in St. Lawrence County may be something that some farmers want to look at.

"We can grow soybeans up here, I know many think it's next to impossible, but we have proof that it's not," said Mr. Corey. "New strains of beans have been developed that do very well here. It makes a big difference. Last year over 250,000 acres of soybeans were harvested from the Ottawa Valley. It's become big business in Canada. There's no reason why it can't be

done here. Again, let me say, that this will not be the answer for the problems associated with dairy farming, but it certainly can prove to be beneficial for some who try it."

The lowest paying job at the new facility will pay \$9 per hour. Management positions will pay very well.

"It's our plan to have a very livable wage for our employees. We think they'll stay with us longer and better appreciate their jobs with a decent rate of pay," said Mr. Corey.

The plant will produce 12 million gallons of oil per year. It will not handle the actual soybeans, only tankers of soybean oil, as well as other vegetable oils, such as corn oil, canola oil and sunflower oil, which can all be produced in the area.

The total cost of the project will be \$14 million, which includes construction, start up costs and working capital for the first six months. Mr. Corey said that funding for the project is being lined up.

"We're working closely with the IDA, we're going to a lot of agencies for help, and Empire State has made every indication that they'll get on board with us. It's all coming together."

West Central Co-op, which operates similar plants in the Midwest and Western United States, has formed a partnership with SUNY Canton and will act as the operating company.

Mr. Corey added that the plant will be environmentally safe. "There's no excess noise, no smokestacks, it's a clean and quiet industry. It doesn't require any extra water or sewage. We feel this will be a long term business. The need for the product is increasing, and there's not another facility in the Northeast producing the oil. Anyway you look at it it's going to be a win-win situation for whoever lands the plant."

He added that the plant requires about 2.5 million kilowatts

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annually, which translates to 100,000 gallons of fuel oil or 140,000 cubic feet of natural gas. "I'm sure we'll make some local suppliers happy. This industry has a lot of benefits for a lot of people and businesses," said Mr. Corey.

TOWN BOARD'S RESPONSE

Members of the Gouverneur Town Board were happy with Mr. Corey's explanation of the plant, and made it very clear to him that they would do whatever was necessary to bring those 31 positions to Gouverneur.

"We want those jobs here," said Supervisor Don Peck. "And I'll tell Massena and Ogdensburg, or whoever, that we'll do what we have to do to get them. They may have the edge in some areas (cheaper power in Massena, Empire Zone in Ogdensburg), but our proposal will show that we think we can compete, and also have something to offer."

Mr. Corey agreed with Mr. Peck that Gouverneur could compete for the plant, and has a shot at winning the approval of the decision makers.

"I know you guys can compete. I've known that all along. I ask that you prepare your package and make us an offer. Give us some good reasons to come here. There's no doubt that you can compete."

"What if we were to offer you free land, and no taxes. Would you be willing to guarantee us those 31 jobs?" asked board member Dr. Tim Monroe.

"It's not my final decision," said Mr. Corey. All I can do is advise those that decide. Hopefully, they'll listen to me. I'm just telling you that if you have something to offer, to level the playing field with Massena and Ogdensburg, than let them know in your original offer. It certainly could help make a difference."

Mr. Peck said that the town's proposal, including the two land locations, was in the mail early in the week.

Mr. Corey indicated that the decision on where the plant will be

decision on where the plant will be constructed will be made sometime in September.

"This project is a go, no matter where we build it. This idea has been kicked around and planned for over 18 months now. It's time to get moving on the project. It's time to get building."