

Availability of biofuel grows in Cape Fear region

By Woody Westlake

In the greening of America, Wilmington has moved into a regional position of leadership.

A California company is teaming with a Dutch firm to produce millions of gallons of biodiesel annually in Wilmington, and a local co-op group now is selling North Carolina produced B100 biodiesel to its members and the public.

Kreido Biofuels of Camarillo, Calif., announced in June that it has entered into a long-term liquids handling agreement with Vopak Terminal North America. Under the terms of the agreement, the Vopak terminal located at the Port of Wilmington will provide storage and vessel, barge, tank car and tank truck loading and unloading infrastructure to handle Kreido's raw feedstocks, finished product and other liquids associated with the production of biodiesel, a biodegradable and non-toxic alternative fuel produced from new or used vegetable oil that is derived from renewable resources. It can be used in any car, truck, boat or heavy-equipment diesel engine without modification.

"We are pleased to be working with Vopak, the world's largest independent tank terminal operator," said Dr. Joel Balbien, Kreido Biofuels' president and CEO. "This contract marks

for us a significant step in executing our plan to have our first biodiesel plant operational in the first quarter of 2008."

Kreido has optioned Port land adjacent to the Vopak terminal and plans to invest \$15 million initially in Wilmington to produce 30 million gallons of biodiesel fuel a year. This operation will create an estimated 22 jobs, including plant managers and operators, lab technicians, shift supervisors and safety and compliance personnel.

"Kreido sees a big market opportunity in Wilmington," said Phil Lichtenberger, Kreido senior vice president. "Vopak's large storage capacity, well-run operation and safety record will enable us to maximize the Port's world-class supply chain solution and deep water access to potential feedstock."

Kreido chose the Wilmington location, he said, because the deepwater port provides access to Europe and East Coast U.S. markets, where few biodiesel plants exist today.

Kreido Biofuels has invested \$20 million to provide renewable energy to worldwide markets through its proprietary process-intensification technology. The company currently is developing three biodiesel plants in the United States that will have an anticipated capacity of 100-million



Cape Fear Biofuels and Ted's Exxon on College Road teamed up to provide biofuel to the general public.

Photography by Woody Westlake

gallons per year. The other two plants are in Illinois and Indiana. According to Lichtenberger, Kreido's plants are built around its STT(R) 30G biodiesel production unit, a complete pipe-to-pipe biodiesel production system that significantly improves the efficiency, quality, and process control of biodiesel production.

"Kreido is committed to building a sustainable future," he said. "Our plants have a smaller footprint and offer feedstock flexibility."

The company plans to license its biodiesel technology internationally and to third-party biodiesel producers in the United States.

Royal Vopak, headquartered in Rotterdam, Holland, is the world's largest independent tank terminal operator specializing in the storage and handling of liquid and gaseous chemical and oil products. Vopak operates 75 terminals with a storage capacity of more than 21-million cubic meters in 30 countries. According to the company's Web site, its terminals are strategically located for its users and provide access to major shipping routes. The majority of its customers are companies operating in the chemical and oil industries.

Fueling the masses

Cape Fear Biofuels (CFB), a local, two-year-old non-profit cooperative, is selling B100 biodiesel to its growing membership from a small trailer located on 17th Street. CFB also recently partnered with Ted's Exxon on College Road to sell B20 biodiesel blend, making Wilmington the only North Carolina location east of I-95 where biodiesel fuel is available commercially.

Brent Manning, an environmental scientist for Land Management Corporation Inc. and vice president of the cooperative, said CFB now has 90 members who pay \$3.50 a gallon for the co-op's biodiesel.

"Our members don't mind paying the slight premium for cleaner air, reduced dependence on foreign oil and boosting the local economy," he said.

Cape Fear Biofuels is a local success story. It came into being as the result of a directed independent study project at the University of North Carolina Wilmington chemistry department conducted by Roey Rosenblith, Cape Fear Biofuels president, when he was an undergraduate.

Rosenblith's project was inspired by the work of a local environmentalist, Trace Ramsey, to make diesel engines run on straight vegetable oil. The goal of the study was to build a biodiesel reactor. Under the supervision of Dr. Christopher Halkides, the reactor was completed and showcased at the 2005 Earth Day Festival, where it generated considerable public interest.

Consultation with an existing North Carolina biofuels cooperative, Piedmont Biofuels in Pittsboro, led to the incorporation of Cape Fear Biofuels in October 2005 and the election of a board of directors in 2006.

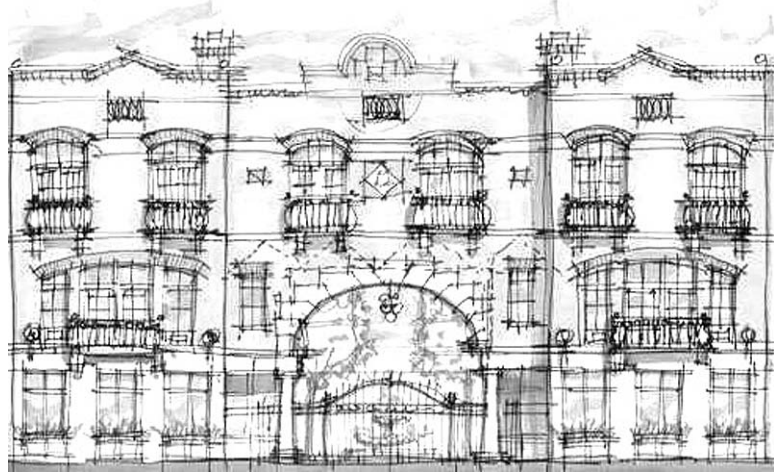
Plans for the future include the creation of Cape Fear Clean Cities Coalition and establishing several fueling points for the North Carolina B100 Community Trail.

Randall Johnson, director of the southeastern office of the North Carolina Biotechnology Center, pointed out that biofuels development shows great promise in North Carolina and especially in the southeastern region, where rural communities are well positioned to build on natural agricultural assets.

"We must act now to realize the potential of this opportunity to gain sustainable, long-term benefits to our economy, environment, agricultural base and society through building on efforts that Cape Fear Biofuels and others have started," he said. "Biofuels development means rural entrepreneurship, rural investment and a real opportunity for the agricultural community and urban areas to thrive with an emerging industry. The use of local feedstocks grown by our region's farmers for biofuels production, will be paramount to the long-term success of this endeavor in Southeastern North Carolina."

Join the move to Castle Street

Village at NewCastle



Mixed use condominium development

Only a few units left

Contact: Kevin McRill
at 910-538-6333

LANEY
REAL ESTATE CO.

Your Well Educated Choice Since 1978

www.villageatnewcastle.com