Raleigh (NC) News & Observer: EPA plan imperils NC's growing biodiesel industry

By Leif Forer
January 23, 2014

The growth of the renewable fuels industry in North Carolina is an American success story. Notably, the state's biodiesel producers have burst onto the scene in the past decade, generating remarkable advances in creating new sources of sustainable energy. Yet today, the latest political skirmish in Washington is threatening to stamp out the sector's growth and cost the state jobs in the process.

At the center of the dispute is the Renewable Fuel Standard, a sensible policy to introduce renewable fuels into the country's transportation fuels mix. The RFS was originally established in 2005 by a bipartisan coalition in Congress that recognized it is critical to America's national security, economic and environmental interests to move away from our singular reliance on petroleum. The program was hailed by President George W. Bush's administration when signed into law, and two years later, then-Sen. Barack Obama helped lead the effort to include biodiesel as part of the program for the first time.

Predictably, once the program really began making progress in breaking the oil industry's stranglehold on the market, all heck broke loose. And as ethanol supporters and their counterparts in fossil fuels have entered into a battle royal, biodiesel producers – makers of America's first commercially available advanced biofuel – are left fighting for their existence.

Domestically produced biodiesel cuts carbon emissions by as much as 86 percent, according to the EPA's calculations, and is less toxic than table salt. Produced from a variety of coproducts and waste products – such as recycled cooking oil, livestock fats and soybean oil – biodiesel has grown from a niche industry to a total production of nearly 1.7 billion gallons last year.

That growth is poised to make even greater strides in the coming years as North Carolina producers explore new processes and feedstocks in creating the next generation of fuels. In 2010, for example, Pittsboro's Piedmont Biofuels commissioned the first enzymatic biodiesel plant of its kind in the United States. Greensboro's Patriot Biodiesel is operating a 600-gallon tank to produce biodiesel from algae. N.C. State University has been part of a research project exploring the growth of biofuel crops on our highway rights of way.

Now much of the progress made by North Carolina's advanced biofuel pioneers is at risk by an EPA proposal that appears to appease oil interests by slashing the amounts of renewable fuels required by the Renewable Fuel Standard. For biodiesel producers, the industry's effective market could be cut in half this year.

Blue Ridge Biodiesel annually collects 500,000 gallons of used cooking oil from hundreds of restaurants throughout Western North Carolina that it uses to produce biodiesel and distribute across the Southeast. However, the company's Woodrow Eaton is concerned that the EPA proposal would have a devastating effect on his business.

"If the EPA proposal moves forward as it is currently written, we are looking at potential layoffs, rising prices to our customers, and if things get bad enough we may be forced to cease biodiesel production, selling our used cooking oil on the open market," Eaton told the Asheville Citizen-Times.

There's still time for the Obama administration to reinstate the cuts proposed to the biodiesel requirements in the RFS. The EPA is accepting comments on its proposal for the rest of the month before making a final rule later this spring. Biodiesel supporters in North Carolina and across the country are holding their breath hoping President Obama will reaffirm his commitment to advanced biofuels before it's too late.

The EPA is accepting comments on the proposed rule changes until Tuesday. . For more information, go to nando.com/eparules

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