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Lee County biodiesel facility eager to get going

Lee vehicles will go green once it's up

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The \$3 million equipment sits crammed in a warehouse, its tubes and tanks disconnected and waiting to be used.

By the end of the year, the material could be pumping out thousands of gallons of yellow-tinged truck fuel that won't produce emissions and could bring the reputation of "green" innovation to Lee County.

FL BioFuels LLC, should have a site for its \$6.5 million biodiesel plant picked within the next two weeks. It would be the third operational biodiesel plant in the state, and the first in Southwest Florida.

Biodiesel is created by removing glycerin from vegetable oil. It is refined and blended in large tanks, which house the process FL BioFuels co-owner Craig Gnagey compares to making alcohol.

The idea of a biodiesel plant in Lee County was spearheaded by Commissioner Ray Judah, who sees the plant as an opportunity to promote green energy.

Eric Draper, a lobbyist for Audubon of Florida, sees two effects stemming from the plant.

"It displaces fuel that would come from offshore drilling," Draper said. "And it is less polluting than petroleum products."

The plant is capable of producing 3 million gallons of biodiesel in its first year, said Roy Benton Jr., one of the company's four owners, and that could bring in more than \$5 million. As a result, FL BioFuels' owners hope doing business with Lee County will pay off.

The county agreed in April to give the company \$500,000 from a government grant for the plant. The commission is expected to discuss the grant and biodiesel at its meeting Tuesday.

FL BioFuels is contracted to produce 500,000 gallons of biodiesel a year for the county's vehicles. The company was required to match the approximately \$1.60-a-gallon price the county pays for its truck fuel. The company's owners say the venture will cost them money because their biodiesel is about \$1 more expensive per gallon, costing them about \$500,000 per year.

"It's not a big contract with the county," Benton Jr., said. "What it does is give us tremendous credibility."

The new plant's biodiesel would be created from leftover vegetable oil, which restaurants use to cook french fries and chicken wings.

That's where another of FL BioFuels' owners, Dave Lageschulte, comes in.

Lageschulte is one of the owners of the Hooters restaurants franchise. FL BioFuels' three other owners hope he will have pull with restaurants looking to dispose their unwanted grease.

"We hope his influence will be a good source for us," Gnagey said.

It could be risky

Judah has been pushing for a biodiesel plant the last two years.

The county buys biodiesel, but it comes from palm oil in Malaysia, and costs about \$1.60 per gallon, same price it will pay for the local biodiesel.

"They clear areas to grow these palm farms, and that's bad for the ecosystem," Judah said.

He said he expects using biodiesel in county vehicles will cut costs in the long run, although cost estimates are not available.

There could be a risk, said Jim Sankovich, a Fort Myers environmental auditor who does work across the country.

There could be problems with warranties for older vehicles that use biodiesel, because they were built to use petroleum-based fuel.

"New vehicles built to run on biodiesel are a different story," he said.

More than that, Sankovich just isn't sold on the biodiesel trend.

"Quite honestly, it's a feel-good, look-good choice," he said. "You add it all up, and the environmentalists love stuff like this because it creates opportunities for them - economic opportunities, opportunities to get their name in the news."

site hunting

FL BioFuels' plant would rank in the middle of Florida's other two plants in terms of amount of biodiesel it could produce.

In Dade City, a former orange juice plant run by AgriSource Fuels, LLC, produces 10 million gallons a year. And in Tallahassee, the city's fleet management department developed its own small-scale plant, which makes about 100,000 gallons annually.

FL BioFuels is looking for between 3 to 5 acres to build its plant, which would include a 10,000- to 15,000-square-foot building

The company has ruled out two sites, one close to the Lee/Hendry landfill and another near the Gulf Coast landfill off State Road 82.

The owners had wanted to be in the enterprise zone, a 10-mile area in Fort Myers and Lee County north of Winkler Avenue and west of Interstate 75 whose business owners receive sales tax refunds, but had difficulty compromising with officials.

The biggest holdup will be the permitting process, owner Roy Benton III said, because biodiesel plants are now in the same building category as oil refineries. Building the plant should only take about a month, he said.

In the future, the owners want to look into algae oil as a renewable energy source. Benton Jr., said he and his partners realize biodiesel is not the complete solution to the energy crisis.

"It's just one stepping stone," he said, "to getting to the next technology."

Additional Facts

START-UP COSTS

\$3 million - equipment to turn vegetable oil into biodiesel.

\$750,000 - storage tanks and area for tanker trucks to pull up.

\$1 million - construction.

\$700,000 (to \$1 million) - land for the plant.

\$150,000 - permitting.
