



Energy Dept. teaming with private investors to create renewable fuel plants in 15 states

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TOLEDO, Ohio (AP) — The federal government is speeding up plans to produce more renewable fuels, announcing Friday it will spend nearly \$600 million to help build plants that turn wood chips, cornstalks and algae into fuel.

The government will team up with private companies to create 19 biorefinery projects in 15 states. The government's \$564 million share will come from stimulus funds and will be combined with \$700 million in private investments.

The ideas range from scooping up algae from ponds in New Mexico and converting it to jet fuel to using wood waste from a wall panel company in Michigan to make ethanol.

In announcing the undertaking, Agriculture Secretary Tom Vilsack said President Barack Obama told his administration to speed up the timetable for creating renewable fuel projects and jobs.

Vilsack said he sees a time when these type of plants are found all over rural America. Most would be small operations unlike large oil refineries.

"It is really about bringing a sense of new prosperity to rural communities," Vilsack said. "This is going to make a big difference for America."

Most of the plants will use new technology and operate as demonstration or test factories. One goal is to show private investors that renewable energy projects can turn a profit.

The projects have the potential to create an entire new industry and thousands of jobs, especially in rural America where agriculture and forest waste is cheap and plentiful, said U.S. Energy Secretary Steven Chu, who attended the same news conference in Toledo, where a pilot plant will turn agriculture waste into diesel fuel.

"We tried to pick the most promising projects," Chu said.

Anything from poultry fat to tree branches and even grass clippings could be turned into fuel.

"Those are the ingredients," Chu said. "You're taking waste material and creating a high value fuel."

The 15 states involved are California, Colorado, Florida, Hawaii, Illinois, Iowa, Louisiana, Michigan, Mississippi, Missouri, New Mexico, Ohio, Oregon, Pennsylvania, and Texas.

How long it will take for privately owned plants to begin operating isn't clear. Administration officials hope to see it happen within the next few years.

Dr. Dennis Schuetzle, President of Renewable Energy Institute International (REII) of Sacramento, CA, is managing the Toledo project. He said his organization hopes the first commercial plant in the U.S. could be operational during 2013.

Ohio is making a push to reshape itself into a renewable energy leader after being battered by auto and manufacturing job losses. There's a proposal for wind mills on Lake Erie off Cleveland, while Toledo is becoming a national hub for solar energy research and manufacturing.

U.S. Rep. Marcy Kaptur, a Democrat from Toledo, said the new biodiesel plant, fits nicely with the area's solar industry. "The project being rolled out here, we hope, can be rolled out to the rest of the world," she said.



Dec. 4th, 2009 Press Event at the Toledo Pilot Biorefinery (Left to Right: Alex Johnson, President, Port of Toledo; Dr. Steven Chu, Secretary of Energy; Dr. Dennis Schuetzle, President, REII; Congresswoman Marcey Kaptur; Tom Vilsack, Secretary of Agriculture.

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