

Sold on biodiesel

SOU grads launch a plant for the fuel, with plans for an Ashland filling station this fall

By **JOHN DARLING**
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Having learned the value of green business from their professors, three recent graduates of Southern Oregon University have started the valley's first biodiesel manufacturing plant, and they plan to have their own filling station up and pumping in Ashland this fall, with prices comparable to regular diesel.

The trio, all 24, learned as students to brew biodiesel and use it to fuel their vehicles.

After graduation, they set up a plant on Table Rock Road, where by year's end they plan to generate 100,000 gallons of the environmentally friendly fuel, which can be used in any diesel engine, said Gabe Rowland, vice president of Rogue Biofuels.

The three have bootstrapped the project using family money and long days, but recently found an investor "angel," they said.

They have built 150 large collection tanks from local recycled steel and have been working to sign up area restaurants to sell their used vegetable oil for processing. So far, they have 45 restaurants, about 10 percent of the pool.

Chris Benware, president of Rogue Biofuels, says the company is attracting suppliers and customers with good pricing and the idea that supporting the local company not only saves on shipping energy, but keeps the local air cleaner and keeps their money local.

Surrounded by 300-gallon oil-holding tanks, Benware said that the firm's future looks promising, in part because of a new state law mandating that biofuel can make up 2 percent of regular diesel fuel.

"That will skyrocket demand," he said. "Demand will always exceed supply. There isn't enough vegetable oil in the world to make enough biodiesel for the U.S."

The men, who graduated from SOU in 2005, credit their SOU professors, Andy Duncan in business and Bob Therkelson in physics, for helping educate them on the hows of biodiesel and the whys of green business — "plus reading tons of books and going to workshops," said vice president Jordan Beck, a business graduate.

The three gather vegetable oil with a truck that sucks it out of tanks through a hose (they keep the tanks locked because of thefts of the increasingly valuable oil), then they add lye, a catalyst, and methanol "to crack the triglycerides and make them drop out."

Some 500,000 gallons a year of restaurant oils used to be picked up by Southern Oregon Tallow (the restaurants used to pay to have it hauled away) but that firm went out of business in early 2007 and EC

Restaurant Services of Harrisburg took over the contracts, said Benware. Rogue Biofuels is trying to win over those customers, he added.

The company currently sells biodiesel to off-roaders and other select customers.

One potential customer for Rogue Biofuels may be Rising Phoenix Biofuels, which brings in biodiesel from SeQuential Biofuels in Eugene (they access oil from Kettle Chips factories).

Rising Phoenix manager David Tourzin, however, says Rogue Biofuels will not be able to access the huge volumes of used oil that SeQuential can and, therefore, won't be able to satisfy the local market.

Rising Phoenix sells 6,000 to 9,000 gallons a month and could easily sell 100,000 gallons if they had the product, Tourzin says.

The owners of Rogue Biofuels are building their own filling station on Highway 99 near Valley View Road in Ashland and plan to have it operating in two months.

Information can be found at www.roguebiofuels.com or by calling 727-7350.

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