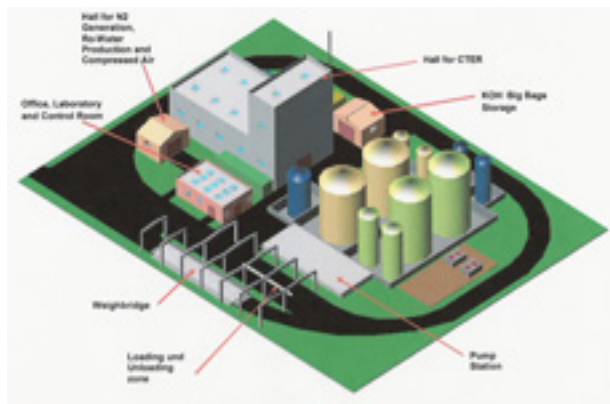


# Biodiesel plant will produce fuel from animal fat

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American Renewable Fuels, a subsidiary of Australian Renewable Fuels, plans to locate the plant at the Clovis Industrial Park in southeast Clovis.

An Australian company plans to build a biodiesel plant in Clovis that has the capacity to produce 75 million gallons of biodiesel annually from animal fat, officials announced Thursday in Albuquerque.

American Renewable Fuels, a subsidiary of Australian Renewable Fuels, plans to locate the plant at the Clovis Industrial Park in southeast Clovis, according to American Renewable Fuels CEO Ross Garrity.

“After careful consideration of a number of potential sites, Clovis was chosen because of its proximity to feedstock (inputs such as fats and vegetable oils), location on the national rail grid, and, most importantly, the support of the state and local governments to encourage growth of alternate fuel production,” Garrity said.

Las Vegas, N.M., Roswell, Alamogordo and Las Cruces were also considered as potential sites, Garrity said.

“This biodiesel plant will create jobs and help us end our reliance on foreign oil. It proves we can create American energy independence and grow our economy at the same time,” said Gov. Bill Richardson, whom Garrity said enticed the company to New Mexico.

Approximately 100 people would be employed in the construction of the plant and about 40 jobs — described as high-wage by Garrity — would be generated by its operation, officials said.

“American Renewable Fuels will be a great addition to the value-added agricultural industry in Curry County,” said Lee Malloy, president of Clovis Industrial Development Corp., which worked with the state to recruit American Renewable Fuels.

Construction of the \$80 million, 20-acre plant is slated to begin in August, Garrity said. He estimated the plant would open around September 2008.

Incentives for American Renewable Fuels include state-backed tax abatements and lending credits, some of which have yet to be approved by the Legislature, Garrity said.

The Clovis plant would be the company’s first biodiesel operation in the United States. It would be the second tenant of the Clovis Industrial Park.

ARES Blue Sun Development is expected to break ground there in mid-March. That facility has the capacity to produce 15 million gallons of biodiesel annually.

Another alternative energy plant is planned for the Clovis area. The Con-Agra group plans to build a 105-million-gallon-a-year ethanol plant just west of Clovis.

Biodiesel production has “no discernible smell” and emits only gases from a steam boiler, Garrity said. He said water is captured and recycled in biodiesel production; therefore, water use would be “minimal.” Garrity would not say exactly how much water the plant would use.

Clovis Industrial Development Corp. Executive Director Chase Gentry said the plant would use 40,000 gallons of water per day.

American Renewable Fuels intends to purchase cattle fat from rendering plants and convert it into fuel, Garrity said.

Some chicken and hog fat would also be converted, he said. He declined to name rendering plants they would partner with, citing a non-disclosure agreement.

“There is an ample supply of cattle in Clovis, as well as in neighboring places like Amarillo and Lubbock,” Garrity said.

The plant will need 250,000 tons of animal fat per year, he said.

Garrity would like to sell his company’s biodiesel locally, but he said negotiations with distribution markets are pending.

“We welcome American Renewable Fuels to our community and the most promising renewable energy — biodiesel,” Clovis Mayor David Lansford said. “This is an exciting opportunity for Clovis and Curry County to be a part of expanding the country’s renewable energy resources.”

## About the company

- Name: American Renewable Fuels, based in Dallas
- What: Subsidiary of Australian Renewable Fuels Limited, headquarters in Perth, Australia
- Operations: Australian Renewable Fuels operates two biodiesel plants in Australia one in Adelaide, South Australia, which was commissioned in May 2006, and the second at Picton, Western Australia, which was commissioned in July 2006. Each has a capacity to produce 12 million gallons a year of biodiesel using primarily tallow, or hard fat from animals, as feedstock.

Source: Australian Renewable Fuels

## How it’s done

How to make biodiesel:

- Any biogenic fat or oil can be converted into biodiesel. Alternative feedstocks include palm oil, soybean oil, canola, corn oil, sunflower oil, olive oil and lard. Even grease trap waste can be used in some circumstances. The term ‘biodiesel’ refers to the methyl (or ethyl) ester of fatty acids obtained by a process of esterification of new and used fats or oils.

- Through the chemical process of transesterification, the triglycerides in the fat or oil are converted to the methyl esters from the fatty acids. Two by-products, glycerine and mineral fertilizer are the only other products.

- Biodiesel is able to directly replace conventional diesel fuel without any modification in most modern diesel engines. It may be used as a blend in any proportion with petroleum diesel.