

BIODIESEL FACT SHEET



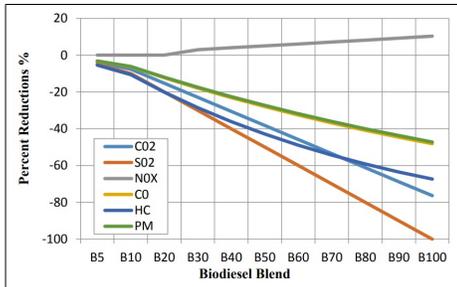
Why Biodiesel?

It's non-toxic and biodegradable and poses virtually no risk to the environment, wildlife, or humans if spilled or released.

It reduces life cycle carbon emissions. Carbon released during combustion is offset by the carbon dioxide absorbed by growing soybeans.

It reduces harmful air pollutants, with amounts varying based on biodiesel blend. See figure.

Its reduced soot production leads to less required maintenance.



Reduction in harmful air pollutants with biodiesel. Higher NOX values can easily be neutralized by Selective Catalytic Reduction.

Current State of the Industry

- Michigan has approximately 12,000 soybean farmers
- In 2020, Michigan produced 102 million bushels of soybeans
- In 2020, the US produced 1.8 billion gallons of biodiesel, utilizing 1 billion gallons of soybean oil
- Industry goal is to produce 6 billion gallons of biodiesel annually by 2030
- The US biodiesel industry provides 65,000 jobs and \$780 million in economic opportunity
- Biodiesel supports 13% of the value of each bushel of soybeans



Biodiesel in Michigan



Current biodiesel consumption in Michigan is 27 million gallons.

Currently there are two biodiesel production facilities in Michigan at 16 million gallons per year capacity. Thumb BioEnergy in Sandusky (0.75 million gallons) and W2 Fuels in Adrian (15 million gallons).

In a June 2021 survey of 54 retail fuel outlets, only two retailers had biodiesel available. Three fleets are verified to use biodiesel: the City of Kalamazoo (B20), University of Michigan (B20), and the Detroit Salt Company (B99).



Potential for Growth

Incentives and state-wide promotions to increase the overall rate of blending and use of biodiesel targeted towards fuel marketers and retailers, general consumers, industry stakeholders, fuel producers, farmers, and more have been employed in other states.

If Michigan implemented a biodiesel standard, demand for biodiesel in-state would increase to 50.1 million gallons with a year round B5 mandate or as much as 203.6 million gallons with a year round B20 mandate.

Additional strategies for growth include incentives to spur investments in soybean crush facilities, biodiesel blending and distribution infrastructure, and biodiesel production facilities.