

Biodiesel plant fuels growth

Start-up company Red River Biodiesel plans to build a multimillion-dollar biodiesel fuel plant just west of Texarkana at Red River Commerce Park, say officials involved in the project. Red River Biodiesel, based in Houston and backed by a group of investors in the alternative fuel business, hopes to start operating at a 22-acre site in the commerce park by the end of this year. 'Its a 15 million-gallon-per-year, multi-feedstock biodiesel plant, which means we can use anything from soybean oil from local farms to waste cooking oil from restaurants or animal fats from food-processing plants' said Oliver Rodz, executive vice president of Red River Biodiesel. The company bought the acreage from the Red River Redevelopment Authority for \$178,506.50, said Duane Lavery, RRRRA executive director.

Lavery called the development a springboard in the wave of interest for alternative energy. Commerce park officials are paying for the removal of trees and movement of utilities, he said, at a cost of about \$10,000 for site preparation. 'Were real happy to be a distribution point for new alternative energies that could lower our dependence on foreign energy sources' Lavery said.

He said he hopes the reuse plan being developed for excess, nearby base property will include production and distribution of environmentally sound alternative energies, in addition to warehousing and distribution and enhanced defense industry support. The property is in the center of the commerce park near the intersection of a railroad spur and Texas Avenue, he said. Contractors have begun clearing the land. 'We expect to be operating before the end of the calendar year' said Lodz. He said investment in the project should be greater than \$15 million with a multimillion-dollar impact to the local economy through payroll and the purchase of consumable goods.

Private investors from the Southwest and Midwest are behind the project, which is expected to be the first of several plants the company builds. The Texarkana area was chosen in part because of the states biofuels grant program, which provides some tax advantages, and the lack of an excise tax on biodiesel in Texas, Lodz said. 'Consequently, we can sell the product at a much better price' he said, adding that biodiesel production has grown in excess of 250 million gallons this year and should double in the next two to three years.

Customers for biodiesel fuel include large, centrally fueled fleets and government municipal bus services. Plans call for the processing facility to be built in Houston and moved to the commerce park.