

## **Summary of October 20, 2005 SBI Roundtable on Biofuels**

On October 20, 2005, a group representing distributors, producers, advocates, users and potential users of the local biofuels industry met for a roundtable sponsored by Eugene Mayor Kitty Piercy's Sustainable Business Initiative. The following is a brief summary of the discussion, based on the minutes taken by the city recorder and Bob Doppelt and his graduate student note takers.

After Bob Doppelt presented preliminary findings on practitioners' visions and suggestions for growing the local industry, Ralph Groshen from the Minnesota Department of Agriculture spoke to the group. A summary of his comments follows:

1. Minnesota has successfully grown their ethanol industry to a target of 550 million gallons by the end of 2005 through the following strategies:

- Ethanol tax credit
- State mandate for 10 percent ethanol blends with all gasoline
- Technical assistance and education programs for producers and users
- Redevelopment bonding program
- Jobs tax credit program

2. Groshen's responses to questions from the group:

- Bipartisan legislative support coupled with outreach to growers, consumers, dealerships, and mechanics added to their success.
- A community can expand capacity by accepting the construction of a processing and production facility. Community leadership was essential.

After Groshen's presentation, the discussion among participants addressed these issues:

- Increasing access to the public:
  - Encourage installation of tanks for biofuels at retail stations. 35 % tax credit for wholesale purchase.
  - Negotiate with large fuel companies to buy biodiesel through local distributors
  - Create tax break for retail stations – reduce/eliminate tax on biofuels
  - Workshop to educate distributors
  - Incentives to keep price low. Distributors will offer it if there is demand, particularly from the commercial sector.
  - Make retail of biodiesel more visible to the public – freeway signs
- Expanding consumer awareness/demand:
  - Marketing campaign
  - Government hotline (as in MN) to address concerns
  - Testimonials - City has been using biodiesel for 3 years with no problems
  - State and City collaboration on marketing. See other areas for examples (Bend?)
  - No/low cost marketing – ask papers to help educate the community
  - Eugene as incubator for marketing for State
  - Unified signage – OEC has created logo
  - Home heating oil can increase demand

- Barriers:
  - Problem in maintaining steady supply
  - Lack of local feedstock
  - Lack of crushing facility, expanded production facility

Recommendations to City government from the discussion:

- City government conversation with State legislature to address regional issues, ex: support state growing incentives to promote oil crop, such as tax credits, siting benefits, research and marketing assistance
- City begin identifying site for production
- City conversation with agricultural community
- Preferred contracts for biodiesel users, esp. garbage haulers and others that idle in residential areas.
- Increased publicity surrounding City use of biofuels
- Send City officials to biofuels conferences

Next Steps:

- Make complete list of commercial fleets in town to market to (Roger Ebbage)
- Encourage use of logo by those using biofuels
- Involve agricultural community
- Move towards production of ethanol from woody biomass
- Increase number of biofuels pumps in town
- Secure federal grants to encourage production– regional unified front: Eugene, Springfield, Lane, Schools, etc.