

Manitoba's canola biodiesel fuel project set to go

Manitobans are long accustomed to spotting expansive fields of yellow canola along roadsides, and now they'll see the cash crop at gas stations as well.

Starting Nov. 1, all diesel sold in the province will be blended with biodiesel, a clean-burning fuel often produced from the cash crop.

Energy Minister Jim Rondeau announced the long-awaited measure yesterday. Manitoba will become the first province to mandate biodiesel use, beating British Columbia by two months.

"It's a triple win," he said. "It reduces greenhouse gases ... it creates jobs in the rural economy ... it's replacing a non-renewable fuel with a renewable fuel."

Indeed, the move is a no-brainer in this farm-heavy province - a political bone to satisfy the often diverging interests of both farmers and environmentalists.

The province anticipates that the new regulation will reduce greenhouse gases by 56,000 tonnes - roughly the equivalent of 11,000 cars. At the same time, it will create a market for the low-grade canola, which currently has little utility beyond cattle feed.

"This opens markets for farmers," said Mr. Rondeau, who anticipates between 2 and 8 per cent of the total provincial canola yield will soon go toward fuel. "Farmers can crush non-food-grade canola for biodiesel and then feed the leftover to animals."

But skeptics abound, particularly among truckers, who are understandably fussy about using unknown substances to power their \$40,000 engines.

"We met with the minister in the spring to present our concerns, most of which remain unresolved," said Bob Dolyniuk, general manager of the Manitoba Trucking Association.

Foremost among Mr. Dolyniuk's worries are warnings from engine manufacturers that high concentrations of biodiesel could void warranties. The Manitoba mandate calls for mild blends of biodiesel at first - starting as a 2-per-cent supplement to conventional diesel supplies and later rising to 5 per cent - but fluctuating quality has made those ratios unreliable in other jurisdictions.

When Minnesota adopted a 2-per-cent biodiesel regulation in 2005, truckers were soon complaining of clogged fuel filters and poor cold-weather performance.

"With the horrendous experiences in Minnesota, we would like to see a quality-assurance program at the point of production and the point of sale," said Mr. Dolyniuk.

He also has concerns about the higher cost of biodiesel, which is seven to 15 cents higher than conventional diesel. But as biodiesel use increases across the country, distributors foresee significant price drops.

"Our feedstock is a commodity item that fluctuates," said Royce Rostecki, owner and president of Speedway International Inc., one of three biofuel producers in the province. "If there's more demand, prices should level out."

As for quality concerns, Mr. Rostecki said that provincial regulations governing biodiesel introduced last year will assure a reliable product.

"Where traditional diesel is just refined and thrown in a tank, our product is horrifically, closely scrutinized," he said.

And though biodiesel can congeal under low temperatures, the new regulation specifies the 2-per-cent figure as an annual average, meaning distributors can omit biodiesel during colder months as long as they offset it by blending higher ratios during warmer ones.

The provincial announcement came as a great relief to Mr. Rostecki, who completed construction on his biodiesel plant last May in anticipation of the new regulation. "We were urged to build it 3½ years ago and by the time we finished there was still no biodiesel mandate," he said. "We felt for a while that the Manitoba government had hung us out to dry."

Over the past day, he's changed his mind.

"This will definitely kick start our operation and the industry as a whole," he said.