

# **Bangor's Newest Business**

## **Michigan BioDiesel LLC**

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After months of planning and construction, Bangor-based Michigan BioDiesel, LLC has begun full production. Product analysis have been completed and the company now employs 22 people and is running at full capacity producing biodiesel to the ASTM 6751 standards.

Michigan BioDiesel, LLC, a majority farmer-owned, alternative energy enterprise, is the first of its kind in the state refining 10 million gallons a year of 100 % biodiesel fuel.

Michigan BioDiesel, LLC has implemented cutting-edge structural and technological features that ensures the highest quality product and complete customer satisfaction.

Among these features are:

- An on-site, quality control laboratory that allows daily testing of every batch to ensure full compliance with American Society for Testing and Material (ASTM) D- 6751 standard.
- 30,000 gallon storage tanks that allow for one-day feedstock oil in and one-day production out and pulse samplers that will guarantee accurate representative sampling and tracking.
- Identification of B-100 that will enable Michigan BioDiesel, LLC and its' customers to identify product from refinery to the consumer. BIODIESEL, renewable fuel, making America more energy independent.

Michigan BioDiesel, LLC selected Bangor, Michigan after considering 17 other communities, 4 of which were in the state of Indiana. Designation as a State of Michigan Agricultural Processing Renaissance Zone, local real and personal property tax incentives, and the eager cooperation of the local City officials and the City's Economic Development Corporation were critical to selecting Bangor, Michigan.

## **Choosing Bangor**

**“We looked at 17 communities, including 4 in Indiana, and Bangor is where we want to be.**

Roger Betz, Managers Group, Michigan BioDiesel LLC, made the quote above when he addressed the Bangor City Council on January 16, 2006. While the support from the community and the City Council was great, Betz went on to say that the decision still had to make good business sense. Betz told the Council the zone designation coupled with tax incentives offered by the Bangor City Council, put Bangor on a level playing with the best of the other 17 communities including those in Indiana. "With the interest the community has shown us, we'll be happy here," added. Michigan BioDiesel will make a capital investment of \$5 million and add 22 new jobs to the community.

Betz credited State Senator Ron Jelinek for his help in getting the Michigan Economic Development Corporation to recommend the bio-tech firm be designated as one of Michigan's Agricultural Processing Renaissance Zones. State Representative Tonya Schuitmaker was also helpful in the State House side of matters.

Council member Greg Moench said the 22 new jobs would have a "big impact in our small town." Mayor Corwin added, "We're excited to have you here." Corwin went on to thank all those that played a part in getting Michigan BioDiesel to come to Bangor. Council member Alice Kriesten said this was some of the "best news we have had in all my years on the City Council."

Bangor has had a series of good news in the last few years. The town has been able to keep its businesses and has helped them grow. Landers Hardware built a new store in town. The Rocky Johnson Insurance Agency did the same. Family Dollar came to town and built a new store. The Freestone Pickle Company, Getman Corporation and Barber Packaging and Michigan Summer Blueberries all made significant investments in Bangor and expanded their manufacturing and processing areas. The beacon Specialized Living Services, Inc. rehabilitated the Bangor depot building and it now serves as their corporate offices and a coffee and sandwich shop as well as serving as a new Amtrak passenger station. The Bangor Restoration LLC has begun historic restoration of the 125 year old Bangor Elevator building, which, when done, will house two commercial ventures as well as processing space for Michigan Summer Blueberries.

In residential news, the community has seen 17 single-family homes built on scattered sites in town. In more exciting residential news, ground has been broken on a new 120-lot subdivision on the east side of town.

## What is Biofuel?

The recent news regarding Michigan BioDiesel wanting to make a biofuel that is mixed with diesel fuel is good news for Bangor. The company will be making the biofuel on site. All mixing with diesel fuel will be done at different sites. Those concerned a petroleum refinery type of business coming to Bangor should rest easier with this information.

In making the biofuel, there is virtually no odor as compared to that associated with ethanol production or other petroleum based fuels. The process used by Michigan BioDiesel is a 'closed' system with virtually no odor release. If there were smells, they would resemble the smell of salad oil or "french fries". The process also takes place at temperatures below 180 degrees F. The process is also very safe. The oils used usual don't flash (burn) until over 300 degrees. The blending with diesel will take place at the distributor level and will not take place on site in Bangor.

The plant will use a unique batch process, which offers versatility for using multiple feedstocks (soybean oil, other green oils, or vegetable fats from restaurants) to make the biofuel. Biodiesel is nontoxic, renewable and biodegradable fuel produced from domestic resources such as soybeans. It is a cleaner burning fuel than petroleum and is the only fuel to have completed the health effects testing requirements of the 1990 Clean Air Act Amendments. A B20 soy biodiesel,

which is 20 percent biodiesel and 80 percent petroleum based diesel, allows farmers and drivers of diesel powered vehicles to comply with the 2006 Environmental Protection Agency mandate that established lower sulfur requirements in diesel fuel.

### *Michigan Biodiesel Media Release*

Michigan's first biodiesel plant may not be built by a big oil conglomerate, but by a group of farmers who are pooling their resources to launch a 10 million-gallon plant this spring.

Michigan BioDiesel LLC is a partnership of independent investors that has quietly raised funds to build the pioneer plant, which will produce biodiesel fuel from soybean oil and create 25 new jobs for a depressed city in Southwest Michigan.

Most of the 50-plus investors are farmers who know a thing or two about soybeans and other crops and are intrigued with the revenue potential for selling an alternative energy fuel to benefit Michigan's agricultural community.

"We like the opportunity to use US produced, renewable energy resources that have the potential to improve the quality of our environment," says John Oakley, Michigan Biodiesel's chair and owner of Seven Oaks Seed Co. in Lansing. "This is a committed group of entrepreneurs with strong farm values and heritage who are thinking ahead and thinking green. Biodiesel is the fuel of the future and farmers can lead the way toward more alternative energy use in Michigan."

Several sites in Michigan and Indiana were considered before land was purchased in the city of Bangor between Kalamazoo and South Haven in Van Buren County.

"Bangor is thrilled to have been selected for this plant," says City Manager Larry Nielsen. "For a city our size (2,500 population) this is a huge development and 25 new jobs are significant."

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