



THE STOUFFER REPORT

Senator Bill Stouffer
Senate District 21

Capitol Building, Room 332
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Biodiesel Standard Will Benefit Rural Missourians

Few issues unite Republicans and Democrats like renewable fuels. Both ethanol and biodiesel continue to gain momentum as opportunities to provide a homegrown solution to our dependency on foreign oil, stimulate the state's economy, and improve the environment. This session, I have proposed Senate Bill 204, an act that requires all diesel fuel sold in Missouri to contain at least a 5 percent blend of biodiesel, also known as "B5."

According to the Energy Information Administration, the U.S. spends about \$475,000 a minute on foreign oil. Although I typically oppose government meddling in the marketplace of supply and demand, I feel it is more important to secure a source of homegrown fuels that makes our country stronger and less dependent on foreign oil.

In addition, every dollar spent on the industry here in Missouri is multiplied seven times over, whereas the benefits we see on the purchase of energy sources elsewhere are minimal. This industry is already providing high-quality jobs and a tax base to rural Missouri. It is also helping to clean up our environment, including the reduction of smog-forming compounds by 50 percent. It is also cleaner to produce.

It is important to note that ethanol and biodiesel are two very different fuels. Good-quality biodiesel provides lubricity that adds life to engines. However, poor-quality biodiesel can lead to problems relating to long-term storage and cold-weather operability. Like regular diesel, one bad load of biodiesel can be a "black eye" for the entire industry. My bill requires all producers meet stringent quality standards to ensure this does not happen. Standards include a cold-flow test to address winter challenges, a system similar to solutions found in Minnesota, the first state to enact this type of standard.

It is an honor for me to work with the Missouri Soybean Association and other groups to shepherd this bill through the legislative session. Similar to last year's ethanol standard, this legislation includes a price mechanism that protects consumers from higher prices if biodiesel becomes more expensive than regular diesel. There are also exemptions for certain diesel-powered machines, including engines for rail locomotives and nuclear power plants.

So far, so-called "big oil" and petroleum marketers have opposed this bill. I am currently working with the latter to help make this legislation easier to implement. It is also important to note that the trucking and automobile industry are comfortable with a 5 percent standard in this state. In fact, it is our hope that a similar standard can be enacted on the national level.

If passed, the bill will go into effect in 2009.

If you have questions or comments about this or any other issue, please call toll free (866) 768-3987 or by e-mail at bstouffer@senate.mo.gov.

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