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# Biofuel pipeline to serve Atlanta

Atlanta Business Chronicle - by [Dave Williams](#) Staff Writer

A technological breakthrough in transporting biofuels soon will provide a new supply of bio-diesel to fuel distributors across metro Atlanta.

**Kinder Morgan Energy Partners L.P.** successfully tested a plan last fall to move 20,000 barrels of a biodiesel blend through the Plantation Pipeline system, which runs through northern Georgia on its way from Louisiana to Virginia, according to a report filed Jan. 21 with the **Securities and Exchange Commission**.

Based on those results, the project could be in commercial operation on a limited basis within 30 to 60 days with full ramp-up late this year, said Mark Evans, the Houston-based company's director of business development.

The biodiesel pipeline comes on the heels of an ethanol pipeline Kinder Morgan has begun operating in Florida. The Tampa-to-Orlando ethanol project, which went on line in December, made the Central Florida Pipeline the first transmarket gasoline pipeline in the country to transport biofuel.

Until now, shipments of biofuels have been limited to trucks and trains because of problems running ethanol or biodiesel through pipelines.

Evans said ethanol corrodes the pipes while biodiesel tends to contaminate other fuels that run through the system, particularly jet fuel.

In Florida, Kinder Morgan identified a proprietary additive that prevents ethanol from damaging the pipe's steel, according to a company fact sheet.

For the biodiesel project, the company found that a large segment of the Plantation Pipeline — from Collins, Miss., to Spartanburg, S.C. — isn't used for jet fuel.

"It looked like a perfect candidate for a test," Evans said.

Even if the substantial drop in gasoline and diesel fuel prices since last fall holds in the near term, the need for both ethanol and biodiesel at the pumps is bound to grow in the coming years.

Energy legislation enacted by Congress in 2005 set mandatory targets for production of ethanol and other biofuels, starting with 9 billion gallons a year in 2008 and ending in 2022 with 36 billion gallons a year.

A second energy bill passed in 2007 added the first-ever standards for biodiesel, starting with 500 million gallons this year and increasing to 1 billion gallons in 2012.

To meet those federal requirements, distributors will need greater access to biofuels.

"All the work we're doing is in response to customer demand," Kinder Morgan spokeswoman Emily

Thompson said. “We’re not one of those companies that say, ‘If you build it, they will come.’ ”

The 2005 and 2007 energy bills were signed into law by former President George W. Bush, an oilman before entering politics.

With Barack Obama now in the White House, the biofuels movement should gain even more momentum, said Roger Reisert, president and CEO of Atlanta-based C2 Biofuels LLC, which is working on an ethanol pilot project.

“With the increased emphasis on green and alternative energy of the new administration, we’re looking forward to a lot of support,” Reisert said.

Evans said the Plantation Pipeline project should go a long way toward meeting demand for biodiesel across the Southeast.

He said plans call for shipping biodiesel from production plants primarily in the Midwest to Kinder Morgan’s Collins terminal by rail and trucks.

The product then will be sent through the pipeline to Spartanburg serving distributors along the way in Birmingham, Ala., and Atlanta. After reaching the Spartanburg terminal, the biodiesel then will be trucked to Charlotte, N.C.; Greensboro, N.C.; and Roanoke, Va.

“We feel like we’ll be able to touch many of the large metro areas of the Southeast,” Evans said.

The Plantation Pipeline project won’t solve the problem of biodiesel contaminating other types of fuel in pipelines.

But Evans said he is optimistic that challenge will be overcome eventually, just as Kinder Morgan found a way to deal with the corrosive nature of ethanol.

“I think we will, as an industry, get over that hurdle,” he said. “But in the meantime, we’ve found some low-hanging fruit.”

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