

DRAFT

*Oakland Partnership*  
**Business Plan Template**

DRAFT

**Title or Name of the Strategy:**

Pilot use of locally-produced biodiesel at the Port of Oakland.

**Motivation:** *What is the nature of the problem the strategy will address?*

Near term use of biodiesel in Port trucks and/or on-dock equipment will reduce particulates and carbon emitted, helping to address California Air Resources Board (CARB) regulations and reducing environmental health impacts for Port workers and the local community, all the while supporting local biodiesel production and distribution businesses. Because current trucks can burn biodiesel with no modification, adopting its use will yield immediate benefits in air quality, and will continue to deliver enhanced performance even after trucks are modernized pursuant to CARB regulations in future years. Because it would be in a leadership position on use of biodiesel compared to other Ports, the strategy has marketing advantages for the Port of Oakland if it can be implemented.

**Objective:** *What is the objective of the initiative? How will it impact per capita income, jobs, or quality of life?*

To the extent that it improves air quality, Port-facilitated use of locally-produced biodiesel will enhance quality of life for workers and the adjacent community, and will also lend stability to local biodiesel production and distribution businesses. Locally produced fuel is more cost effective than biodiesel produced elsewhere, since transportation costs are minimized. Biodiesel's lower carbon footprint compared to conventional diesel and natural gas accrues additional benefits, especially as carbon emissions become formally regulated in the medium term. A modest amount of marginal employment will be created as well, especially if the effort can increase collection of oil and grease from local restaurants and institutions, which is the lowest cost feedstock for biodiesel production.

**Description:** *Describe the strategy in specific steps.*

1. Confirm the interest of Port management in seriously considering and advocating for the pilot usage of locally produced biodiesel in Port trucks and/or on dock equipment.
2. Identify land and confirm operating requirements for a biodiesel fueling facility in the Port area, including clarification (and ideally streamlining) of permitting requirements.
3. With assistance from Port management, explore partnership with at least one terminal operator for test usage in on-dock generators or other equipment.
4. Be prepared to educate key decisionmakers regarding operational and marketing benefits of using locally produced biodiesel at the Port.
5. Identify partners and strategies to increase the yield of locally generated, discarded oil and grease to provide the lowest cost feedstock for biodiesel production, since that will increase viability of the fuel for use at the Port.

## *Oakland Partnership* **Business Plan Template**

6. Balance supply of feedstock and fuel with demand for a successful pilot project.

Timeline: Confirmation of Port interest should be achievable within 15-30 days; identification of land for distribution and gaining access to terminal operators should be accomplished within 60 days; permitting of a distribution facility might be accomplished within 120 days; education and marketing will be ongoing; raw material supply strategy should be completed within 90 days and will be ongoing from there.

**Obstacles:** *What are some of the principle obstacles to implementing the strategy and how can they be overcome? (i.e. what help will we need? International partner, Governor's influence? What?)*

Education and clarity re: the notion that biodiesel usage emits higher levels of NOx (it doesn't necessarily), as well as clarification of whether CARB sanctions and encourages biodiesel use (it does).

Obtaining usage of appropriate land in the Port/Army Base area for distribution of biodiesel. Emphasizing convenience and/or utilizing grants or other incentives to address the marginally higher cost of biodiesel, compared to conventional diesel.

Overcome apparent current Port preference for CNG/LNG by encouraging a "both/and" strategy as opposed to an "either/or" mentality.

Engaging drivers and terminal operators regarding the benefits vs. costs of biodiesel.

Getting restaurants and institutions to change disposition of their discarded oil and grease to create growing source of feedstock for local biodiesel production.

### **Outcomes/ Results:**

*(how will we know that we have achieved our objective? Are there measurements?)*

Gallons of biodiesel produced/sold/used locally.

Number of trucks or pieces of equipment using biodiesel, and extrapolation of attendant emissions reductions.

Expansion to other terminals and/or fuel distribution outlets.

Number of sources of discarded grease and oil.

**Leadership:** *(Who is the "Champion" – what is the team to support him/her?)*

Patrick MacIntyre and Lindsay Hassett, Blue Sky Biodiesel (production, marketing)

Bill Aboudi, Oakland Maritime Support Services (distribution)

Roberta Reinstein, Port of Oakland (internal advocacy, program design)

Steve Lautze, City of Oakland (facilitation between parties, raw material supply strategy)