

MONEY

**NUMBER TO KNOW****\$106** Price collected per seat for every 1,000 miles flown by Virgin American the first half of this year, a number well below other airlines.

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Grant to benefit Stockton plant

By Reed Fujii
Record Staff Writer

Community Fuels will receive a \$4.2 million state grant to upgrade its Stockton biodiesel plant, improving production efficiencies and allowing it to process a wider range of feedstock materials, improving the low-carbon nature of its diesel fuels.

The grant awarded Tuesday by the California Energy Commission, will be matched with \$6.7 million in Community Fuels investments, including some already purchased capital improvements and new capital funding, said Lisa Mortensen, the alternative fuel company's chief executive.

While the efficiency improvements won't be as visible as already ongoing separate projects to expand the plant and build a new rail and truck loading terminal, Mortensen said they are key to the company's long-term success.

"They're very important to us maintaining a competitive position in the marketplace," she said Wednesday by telephone. "We're very excited about the project."

Mortensen said she expects improvements made under the grant program to be installed over the next three years.

Community Fuels captured the lion's share of \$5.1 million in grants awarded Tuesday under the Energy Commission's alternative fuels program.

"It's an investment to take a successful project to the next level," Teresa Schilling, commission spokeswoman, said by



Community Fuels is building a new truck and train loading terminal to handle biodiesel produced at its refinery at the Port of Stockton. Separately, the company announced it will receive a \$4.2 million state grant to upgrade its production processes. COURTESY

telephone from Sacramento.

Development of a successful biodiesel industry is a key to create a more sustainable economy, she explained.

"To meet our greenhouse gas reductions we need to do everything we can to get zero-emission and low-emission vehicles on the road." And to do that, Schilling added, "We have to create an infrastructure that incentivizes those choices."

Earlier Energy Commission grants have provided partial funding for Community Fuels

to expand its production capacity, as well as build a new train and truck loading terminal. Construction on both of those projects is currently underway, Mortensen said.

One state grant of \$4.9 million is helping the company boost production to more than 15 million gallons of biodiesel per year. Another \$2 million commission grant is going toward the fuel terminal.

"The projects would not be moving forward without the Energy Commission,"

Mortensen said. "They are the catalyst that makes these projects possible."

Community Fuels was designed to be expanded over time.

"We planned our business to be built in an incremental manner while we validated various technologies and market conditions," Mortensen said.

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