



U.S. Biodiesel Production Capacity

Dedicated	180 Million Gallons
Oleo Chemical	110 Million Gallons
TOTAL	290 Million Gallons

September 2005

There are presently more than forty-five companies that have invested millions of dollars into the development of biodiesel manufacturing plants and are actively marketing biodiesel.

The question of available biodiesel production capacity must be answered in two parts. First, there is dedicated production capacity, which relates to the capacity of U.S. plants that produce nothing but biodiesel. In addition to dedicated production capacity, there is available production capacity for biodiesel within the oleochemical industry.

Current dedicated production capacity is estimated to be 180 million gallons per year. It is estimated that an additional 110 million gallons of excess capacity exists within the oleochemical industry and increasing amounts of biodiesel are being produced through this excess capacity.

Fifty-four companies have reported their plans to construct dedicated biodiesel plants in the near future. These intentions are dependent upon regional and national demand prospects. Proposed plants are those companies that are in permitting, equity drive or construction phase of the project, but are not yet actively producing biodiesel. Their combined capacity, if realized, would result in another 570 million gallons per year of biodiesel production. However, not all of those projects will see fruition. Capacity is expected to increase by at least 100 million gallons between May 2005 and May 2006. This does not mean that production will increase by 100 million gallons in that timeframe, as plants do not run at 100% capacity all the time.