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Local couple convinced time is right for biodiesel fuel

By **Charlie Mathews**

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MANITOWOC — Dan and Tracy Kaderabek believe turning animal fat into biodiesel fuel for trucks, boats and cars makes economic, environmental and political sense.

"Go behind the tailpipe," Dan Kaderabek challenges skeptics. "It doesn't smell like French fries or bratwurst, but has the aroma of hamburgers cooking on a grill."

With headquarters in the City Centre Industrial Park, adjacent to the Manitowoc River on "the peninsula," the couple owns Boatworx, a storage facility, and Guardian Wireless, featuring various wireless security systems.

On Thursday, the Kaderabeks' newest venture, Bio-Blend Fuels, will take delivery of a 6,500-gallon shipment of animal fat from Anamax, a national recycler of food by-products.

The couple said Monday they've made a \$500,000 investment in the tanks and equipment needed to convert the fat to fuel, with the intent to sell it for about \$2 a gallon.

"We are in favor of doing anything we can to lower our customers' fuel costs," said Bob Lowe, general manager of Country Horizons Co-Op in Reedsville, which intends to sell biodiesel made by the Manitowoc business.

Biodiesel advocates say the fuel reduces emissions contributing to air pollution.

With traditional, petroleum-based diesel continuing to cost around \$3 a gallon, Lowe said the lower cost and environmental benefits create a win-win situation.

Dan Kaderabek sees geopolitical ramifications, as well.

"Biodiesel will free us from the grip of the Middle East oil producers, too," he said.

Testing period before sales

While the Kaderabeks have been using a "transesterification" process to create fuel for their own boats and



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Tracy Kaderabek shows a sample of glycerin, right, and B100 biodiesel fuel, which can be used in diesel engines in boats, vehicles, generators, tractors and other equipment. *Eric Young/HTR*

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Bio-Blend Fuels

-Owned by Dan and Tracy Kaderabek, who also own Boatworx, a storage facility, and Guardian Wireless, security systems, 500 S. 16th St., Manitowoc.

-The Kaderabeks will create biodiesel fuel out of animal fat, primarily from Green Bay-area meat packing plants.

æ They intend to sell their fuel for about \$2 a gallon.

-On their Web site, the Kaderabeks tout several advantages of biodiesel's use including reducing dependence on foreign oil, a reduction in emissions, and slowing engine wear.

vehicles this year, it's another matter to make thousands of gallons and sell them.

The process is a reaction of the fat with an alcohol to remove the glycerin, which is a by-product of biodiesel production.

The Manitowoc Common Council granted a conditional use permit for the project on Sept. 5. The city's Plan Commission was told the Kaderabeks intend to have the ability to produce 20,000 to 30,000 gallons a day.

"We will test our equipment and tanks," Dan Kaderabek said of plans over the next several weeks. "We have developed proprietary technology enabling us to create biodiesel fuel more efficiently."

The couple is looking for a filling station or company that would sell its biodiesel straight out of the pump. The Web site, www.biodiesel.org, shows the nearest retail fueling site as Progressive Farmers Cooperative in De Pere.

Lowe said, for customers looking to fill their car or pickup tank, the co-op would create a blend designed to minimize the risk of gelling.

B100 (100 percent biodiesel), which the Kaderabeks will make and market, gets slushy at temperatures below 32 degrees. But B20 (20 percent biodiesel, 80 percent regular diesel) has a gel point of 15 degrees below zero.

"We have to be careful that whatever we put into diesel tanks will satisfy our customers," Lowe said. He anticipates B-100 purchased, initially, by commercial and farm accounts, who will value the savings and recognize the potential limitations of pure biodiesel.

"As the comfort level improves, you will see it move more into the retail pumps," Lowe said.

Never-ending need

What gave the Kaderabeks the confidence to invest a half-million dollars?

"People driving vehicles need fuel," was Dan Kaderabek's quick reply. The volatility in gasoline and diesel fuel prices this summer convinced them this was the right time to enter the field.

He said the price from Anamax for the animal rendering fat will not have wild fluctuations, like the price of crude oil, which can be influenced by global events.

Dan Kaderabek said the couple continues to have trouble obtaining outside financial help.

"Getting funding for anything around here is very hard, if not impossible," he had said in June.

On Monday, Tracy Kaderabek said, "No bank stepped up to the plate. We've done all the financing ourselves."