

“Midwestern Ethanol Producers Challenge California Global-Warming Regulations”

By Daniel Fisher, *Forbes*, October 25, 2013

A federal appeals court in California is mulling whether to reconsider a September ruling that upheld state global-warming regulations on ethanol producers. Critics say the decision gives the Golden State carte blanche to regulate virtually anything it doesn't like, regardless of the impact on interstate commerce.

The Ninth Circuit Court of Appeals, in *Rocky Mountain Farmers Union v. Corey*, upheld California's Low Carbon Fuel Standard Program, which grades ethanol based on the “lifecycle” greenhouse gas emissions associated with its production.

Midwestern ethanol producers complain the regs discriminate against them by taking into account factors such as the amount of coal burned in local electricity plants, giving ethanol plants in hydropower-rich California an advantage.

State laws that discriminate against interstate commerce can run afoul of the Constitution. The U.S. Supreme Court has repeatedly struck down bans on importing out-of-state garbage, for example. The ethanol producers won a minor victory by convincing at least one judge on the appeals court to demand a response from California explaining why the Sept. 18 decision should stand. California filed its answer yesterday.

Ethanol isn't the only product California regulates beyond its borders. Foie gras producers in New York and Canada are seeking en banc review of an August decision upholding a law that makes it illegal to sell the fattened livers of force-fed ducks within the state. And out-of-state egg producers are likely to challenge another law that bans eggs from chickens that aren't kept in California-compliant cages with enough room for them to flap their wings.

The ethanol challenge may have the best chance of getting a review before the full Ninth Circuit, or failing that, before the U.S. Supreme Court. By upholding the sweeping regulation of ethanol producers from Iowa to Brazil, a three-judge panel of the court left the door open for California to regulate practically anything on the basis of whether it contributes to global warming.

Read more: <http://www.forbes.com/sites/danielfisher/2013/10/25/midwestern-ethanol-producers-challenge-california-law-that-penalizes-them/>

“Sasol, GE Develop New Water Technology, Boosting Gas-to-Liquids (GTL) Value Proposition”

Sasol and General Electric Press Release, *The Wall Street Journal*, November 6, 2013

SASOLBURG, South Africa, Nov. 6, 2013 /CNW/ - Sasol and General Electric (NYSE: GE)'s GE Power & Water have together developed new water technology that will clean waste water, while also providing biogas as a by-product for power generation. This new technology, known as Anaerobic Membrane Bioreactor Technology (AnMBR), will be further developed at a new demonstration plant at Sasol's R&D Campus at its Sasol One Site in Sasolburg.

"This is another exciting technological innovation that will further entrench our position as a world-leader in gas-to-liquids (GTL) technology and synthetic fuels production. While sophisticated water treatment technologies are already employed at Sasol's major operations, this particular development will enhance our efficiency even further," said Ernst Obersholster, Sasol Group Executive for International Energy, New Business Development and Technology.

"GE is excited to be partnering with Sasol on this initiative that further outlines our commitment to supporting the sustainable development of South Africa with advanced infrastructure technologies, services and solutions. This partnership demonstrates what the private sector can achieve by working together for the benefit of growing the economy and making the economy competitive," said Tim Schweikert President and CEO for GE South Africa.

AnMBR involves anaerobic micro-organisms that are able to live in environments devoid of oxygen, such as sediment layers on floors of lakes, dams and the ocean. These organisms are almost ubiquitous - found in the human digestive system, under the earth surface, deserts and mountain peaks, to name a few.

Read more: <http://online.wsj.com/article/PR-CO-20131106-904571.html>

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*** “Gas-to-liquid plants to get boost after water treatment development”**

By Nick Hedley, *Business Day Live*, November 12, 2013

NEW water treatment technology developed by Sasol and General Electric (GE) is expected to make Sasol's future gas-to-liquids (GTL) plants substantially more efficient, while GE will look to market the technology for other uses across the globe.

Sasol Technology's executive manager for research and technology, Sven Godorr, expects that Sasol will have "plenty of opportunities to implement this technology", given the gas discoveries in parts of Africa and opportunities in other regions.

Sasol, which invests more than R1bn a year in Sasol Technology's R&D division, is already a major player in the global GTL and synthetic fuels industry.

Meanwhile, New York-listed GE has the rights to market the technology broadly to other industries and processes, which use existing, less efficient treatment processes.

Potential candidates include food and beverage producers, domestic waste water treatment and other industrial and manufacturing operations worldwide.

The technology is being developed and tested at Sasol's R&D campus in Sasolburg.

If the pilot plant proves successful after at least a year of rigorous testing, the process will be used to clean waste water while also providing a methane-rich biogas by-product, which could be used to produce energy.

Read more: <http://www.bdlive.co.za/business/energy/2013/11/12/gas-to-liquid-plants-to-get-boost-after-water-treatment-development>

“Sasol plans Canada's first GTL plant for 2021”

By O&GJ editors, *Oil and Gas Journal*, November 8, 2013

Sasol Canada is moving forward with its plans to bring Canada's first gas-to-liquids (GTL) plant on stream by 2021.

The plant, in Strathcona County near Edmonton, will convert natural gas into diesel, naphtha, and other petrochemical feedstocks.

The proposed multibillion-dollar project will be built in two phases, each having a production capacity of about 52,000 b/sd for a combined capacity of 103,900 b/sd, the company said in a presentation to stakeholders and local community members.

Construction on the first phase is expected to begin first-half 2018, with production to start in 2021, according to Sasol.

The company said it plans to build the second phase following the start-up of first-phase production, but construction of the second phase will depend on market conditions as well as timing of front-end engineering and design (FEED).

Sasol completed a feasibility study for the GTL plant last year and filed an environmental impact assessment with Alberta regulators in late June 2013 (OGJ Online, Dec. 3, 2012).

Read more: <http://www.ogj.com/articles/2013/11/sasol-plans-canada-s-first-gtl-plant-for-2021.html>

“State program offers incentive to fill up with alternative fuels”

By Melissa Daniels, *Tribune-Review*, November 16, 2013

Pittsburgh, PA - Bob DeLucia, founder of Star Transportation Group, remembers when gas prices spiked past the \$4 mark in 2008. Since then, prices have gone down quarter here or a nickel there, but not for long.

“In reality, the cost of fuel is just going up and up and up,” said DeLucia, who has a fleet of more than 150 vehicles in his taxi and transportation services based in Allegheny and Butler counties.

Concerned by the trend and hoping to reduce dependence on foreign oil, DeLucia decided to switch to compressed natural gas, or CNG. He started in 2010 with his Veterans Taxi fleet, a service dedicated to employing veterans to drive American-made vehicles with American-sourced fuel.

This year, DeLucia is converting his Cranberry Taxi fleet of 25 vehicles and another 35 with Air Star Transportation using \$267,000 he received from the state's Alternative Fuel Incentive Grant program.

The program, delivered through Department of Environmental Protection, awarded \$3 million for alternative energy grants this year to Pennsylvania businesses, local governments and nonprofits looking to convert fleets or purchase alternative energy-fueled vehicles.

Read more: <http://triblive.com/news/butler/5031879-74/cng-fuel-alternative#axzz2lJevEr6u>

“Less Ethanol In Gasoline: EPA Reduces Ethanol In Gasoline Mandate; Corn Lobby, Agribusiness Stung By The Decision”

By Mike Obel, *International Business Times*, November 20, 2013

One of Washington’s longtime behemoths got its comeuppance late last week. Finally.

Here’s how it happened. Eight years ago a number of big corporate farmers and corn processors - like Decatur, Ill.-based Archer Daniels Midland Company (NYSE:ADM), Sioux Falls, S.D.-based POET and Green Plains Renewable Energy, of Omaha, Neb. -- convinced Congress to pass the Energy Policy Act, which mandated that gasoline refiners use 4.7 billion gallons of ethanol and increase that amount annually to the nation’s total gasoline pool, which last year amounted to 134 billion gallons. The stated purpose was to reduce both greenhouse gas emissions and dependence on foreign oil. However, in reality, it meant a huge new market for corn-based ethanol, making agribusinesses that grow and process the commodity very happy.

But that wasn’t enough. In 2007 that same alliance compelled Congress to pass the Energy Independence and Security Act, which gave the EPA the authority to increase the amount of ethanol blended into gasoline to as much as 36 billion gallons annually by 2022.

As a result, every year since the measure was approved, the EPA has driven up ethanol requirements; today U.S. gasoline contains 10 percent ethanol, which this year will translate into an estimated 13.8 billion gallons of ethanol.

Read more: <http://www.ibtimes.com/less-ethanol-gasoline-epa-reduces-ethanol-gasoline-mandate-corn-lobby-agribusiness-stung-decision>

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** “Ethanol makers may be looking for new markets”

By David Shaffer, *Star Tribune*, November 23, 2013

U.S. ethanol makers will be looking to boost exports of the fuel if the federal government, as expected, scales back the amount mandated for use in the domestic market.

With low corn prices, thanks to a record crop, industry officials say the nation’s ethanol plants will produce fuel at attractive prices in 2014 — potentially 1 billion gallons or more above what oil companies would be required to use under the proposed blending requirement.

“My hope is that we can move that via export and that plants will be able to keep running,” said Brian Kletscher, CEO of Highwater Ethanol in Lamberton, Minn., and president of the Minnesota Biofuels Association.

But without new buyers, the ethanol industry could face another round of plant closings in 2014. Kletscher said futures prices for corn, ethanol and byproducts all suggest that ethanol plants can operate at profitable margins for three or four months. After that, he said, the picture is not clear.

“There are a lot of challenges in this business — this is one we don’t need,” he added.

What’s driving it? The U.S. Environmental Protection Agency, which sets biofuel mandates under the Renewable Fuel Standard program (RFS), proposes blending less corn-based ethanol for the domestic market than envisioned under the 2007 law.

The agency’s key reasons are the overall decline in gasoline demand since 2008 along with obstacles to increasing ethanol’s market share beyond 10 percent — the so-called “blend wall.” The scale-back also affects biodiesel and ethanol from nonfood plants.

The ethanol industry, which adamantly opposes the change, has the capacity to refine nearly 15 billion gallons of corn-ethanol annually, and has counted on a 14.4 billion gallon mandate next year, and 15 billion in 2015, when the blend level would be capped. The EPA proposes about 13 billion gallons of mandated corn-ethanol in the fuel supply next year.

The mandates and a complex compliance system have been the ethanol industry’s main path to gaining a bigger share of the U.S. fuels market

Read more: <http://www.startribune.com/business/233081631.html>

“Core program indicates Saskatchewan oil shale potential”

By OGJ editors, *Oil and Gas Journal*, November 19, 2013

Questerre Energy Corp., Calgary, said results from the second core hole program on its oil shale acreage at Pasquia Hills in east-central Saskatchewan exceeded expectations.

The results confirm that the acreage overlies a well-established oil shale deposit, and the company said it plans to commission an independent resource assessment early next year. Questerre said it will use Red Leaf’s EcoShale process to convert the resources into reserves.

Red Leaf is securing final permits and should begin work in the field for the first commercial scale capsule this December, Questerre added.

The six-well core program was completed in fall 2012 on the eastern block of Questerre’s acreage. Questerre recovered 653 m of good quality core and ran a full suite of logs over the target Second White Specs shale

Read more: <http://www.ogj.com/articles/2013/11/core-program-indicates-saskatchewan-oil-shale-potential.html>

“Co-incineration of oil shale and coal being tested in the Baltic Power Plant in Narva”

The Baltic Course, November 21, 2013

Tests have begun in Estonian energy company Eesti Energia’s Baltic Power Plant to introduce the use of oil shale with low calorific value, informs LETA.

Coal with higher calorific value is added to oil shale that has previously been considered unfit for producing energy, thus creating fuel fit for incineration. The proportion of Siberian coal in the fuel mixture is 10-30%.

According to Tõnu Aas, CEO of Narva Power Plants, for years the best oil shale calorific value has been 8.4 MJ/kg, which leaves a significant amount of oil shale with low calorific value unused. “Until now, oil shale with low calorific value was considered unfit for producing electricity and heat and treated as mine waste,” Aas explained. “During the tests we mix oil shale with low calorific value with coal that has high calorific value, and the result should be a fuel mixture fit for incineration.”

So far, biofuel and peat have also been used in the fluidized-bed boilers of Narva Power Plants, in addition to oil shale. During the test-incineration of coal, it is discovered how the equipment reacts to this type of fuel and what effect it has on emission levels.

According to Aasa, coal, as well as oil shale, is available with different calorific values and prices.

“The optimal proportion of coal and oil shale shall be revealed during the co-incineration tests in the upcoming year,” he added. “In case of success, this means diversifying the electricity and heat production portfolio for Eesti Energia as well as greater flexibility in terms of regional electricity market competition.”

Besides the better usage of mined oil shale and decreasing the amounts of mine waste, the co-incineration of coal and oil shale also means that more oil shale with higher calorific value remains for the oil industry, thus giving the use of the natural resource more additional value.

Read more: <http://www.baltic-course.com/eng/energy/?doc=83978>

“Improving GTL Economics: How Buying Existing Refinery Gasification Assets Can Significantly Improve the Bottom Line”

PRWeb, November 25, 2013

Hamilton, NJ (PRWEB) November 25, 2013

One of the most promising solutions for meeting the growing global transportation fuel demand is Gas-To-Liquid (GTL) processes, which convert natural gas or synthetic natural gas (syngas) into high-value liquid fuels. Refineries can improve their profitability in this growing market (projected to be over \$5B in 2013 according to a recent report) by gasifying their residues to produce syngas.

Most refineries convert their residue by-product into low-products like asphalt or bitumen. Gasification technology converts this waste into valuable syngas, the primary input in most commercial GTL processes. One challenge refineries face is that gas-to-liquids plants are extremely capital-intensive. With published overnight capital cost estimates reaching as high as \$140,000/bd, even small-scale operations producing 1,000 bd can cost over \$100MM.

“According to a report on syngas to fuels economics by the National Renewable Energy Laboratory, a GTL plant’s syngas production operation is over half of the plant’s entire capital cost,” says Michael Joachim, managing director of the plants department at International Process Plants (IPP). “That report cites two primary ways to improve those economics, one of which is decreasing the syngas production capital costs. Buying an existing plant like IPP’s refinery gasification plant can cut those capital costs by up to 50%, which could mean as much as a 25% reduction for the entire GTL plant’s cost. For example, using the AEO2013 overnight capital cost of \$90,000/bd, the capital cost for the syngas production portion of a new GTL plant sized to use our plant’s syngas production would be well over \$100MM. The buyer of our gasification unit will pay a fraction of that while also drastically cutting the time it takes to launch their GTL operation. That’s because existing facilities like the IPP refinery gasification plant can be dismantled, relocated, re-assembled and up operating again in less than half the time of designing, building and launching a new one.”

Read more: http://www.prweb.com/releases/GTL/gasification_plant/prweb11355564.htm