ACRE Interim Report
Yuma Conservation District

A. Work completed to date and any relevant findings

The anticipated installed cost of the facility running all three tracks, as well as market price projections, annual production values, SVO, Bio-diesel and Edible Oil Annual production and values and projected net revenues have all been completed. Producers and investors attended a meeting to learn of the preliminary findings and others were met with individually.

B. Progress toward expected outcomes

The preliminary findings have all been completed and we have had public meetings and conducted meetings with other interested individuals also.

C. Preliminary Findings

Three less water intensive crops have been identified

1. Soybeans
2. Sunflowers
3. Canola

The tonnage per day to be crushed is dependent upon the type of crop. The study focuses on creating roughly one million gallons of oil annually from each of the three crops. The study has shown that crushing the seeds for edible/food grade oil is more profitable than refining it into bio-diesel. If bio-diesel is to be made the only crop that would be profitable are the soybeans as they would produce approximately twice the meal that can be sold to offset the loss of the bio-diesel at the million gallon scale.

D. Problems being encountered and/or mitigating circumstances

Since the edible oil track has a considerably higher profit potential area residents/potential investors are significantly more interested in perusing that track. All three oils made into bio-diesel have a projected annual value of $3.23 million where the edible oils are projected at a million gallon production of $4.11 million for soy, $4.53 million for canola and $5.58 million for sunflower. Identifying a potential market for the edible/food grade oil has been difficult and we have no good leads at this time. Since no market partner has been identified we have not been able to develop a business and marketing plan because we don't know if sales would be made in bulk, if bottling would be necessary as well as the difference in the shipping strategy and associated costs. Additionally since this is a renewable energy grant we are not sure if perusing the edible oil track is an appropriate use of funds.

E. Next steps

An inventory of the local use of meal to quantify if area demand is adequate to ensure that a plant scaled at one million gallons can sell all of the meal produced, and at what price/basis level. An analysis if the plant would wholesale B-100 to a local source(s) or if the need to blend the bio-diesel to a B-15 or B-20 would be required to bring this plant to fruition. Continued analysis into the edible/food grade oil track would also be perused if CDA deems it appropriate.

F. Any anticipated changes to projected timeline

At this time staff believes that the project should be completed within the proposed timeline.