Aberdeen Plant Humming 24 Hours A Day

Jacob Jones

ABERDEEN, Wash. (AP) — Little more than a low hum sounds from the tangle of steel pipes in the production area of the Imperium Grays Harbor biodiesel facility in Aberdeen, but the plant is churning around the clock.

Workers in bright safety vests hustled to direct trucks during a recent visit. Rail cars in the nearby yard waited for their next load. Lisa Smith, a manager at the four-year-old plant, walked among the tanks and piping. The low hum continued.

"We're a quiet neighbor," she said with a smile.

The Seattle-based headquarters for Imperium Renewables has also remained largely quiet the past couple years as the company struggled with unstable markets, lost contracts, layoffs, executive changes and other challenges.

But founder and CEO John Plaza said the company is making a rapid comeback due to regional markets in Oregon and Canada driven by new environmental standards. Reliable markets have given the company the foundation to flourish again.

"We're feeling pretty bullish looking at the future," he said.

Plaza explained the company has recently focused on supplying biodiesel to Oregon as well as British Columbia and Alberta, all of which have regulations requiring a certain percentage of all diesel to be from renewable sources.

Many of those regulations went into effect in January of 2010, allowing the company to build up its production throughout the past year. Plaza said the predictability of those markets has allowed the company to increase output and hire new employees.

"We have added some folks in Grays Harbor," he said. The local plant now employs 42 people.

Recent years have seen fuel spikes and backlash against biofuels while government policies have gone back and forth on pushing renewable energy. Plaza said ups and downs in the petroleum market have also affected how people view biofuels.

"We've worked hard to survive the last three years just like other companies during the recession," he said. "With volatility in petroleum comes volatility in other areas."

Plaza would not offer any figures on current output, but the facility was designed to produce 100 million gallons a year. All of the fuel is produced using canola oil from Canada. In recent months, the plant has made several shipments out by ship and rail.

"We're running at a high capacity," he said, saying crews work 24-hours a day.

With the stabilization of those primary fuel markets, Plaza said the company is looking to aviation as the next step in its development.

Plaza testified before the U.S. Senate Aviation Subcommittee last week to announce plans for a $250 million expansion of the Grays Harbor plant if the company could negotiate long-term contracts to provide bio-jet fuel to the military.

The expansion would include an adjacent facility dedicated to renewable jet fuels. Plaza said another facility would add about 50 full-time jobs and millions in construction and tax revenue.

"The aviation industry is a large market," he said.

Imperium Renewables started pursuing bio-jet fuels in 2006 and provided fuel in a demonstration flight from London to Amsterdam in 2008. Plaza said the company has researched and tested a viable jet fuel.

Long-term contracts with the Department of Defense would provide the large, guaranteed market he would need to put together financing on the local expansion.

Plaza said the company is "working on a number of different fronts" and hopes to see progress within the next year.

"The company continues to be in a good position," he said.

While walking through the facility, Smith waved at truck drivers, loaders, lab technicians and others. She said the plant runs constantly with workers on alternating 12-hour shifts. The fuel is not made in batches, but in a continuous cycle from storage tanks through the processing tanks and back into storage.

"We're very proud of the quality of our biodiesel," she said as she walked through the plant.

Smith explained that the facility often uses rail cars to bring in loads of Canadian canola oil. All of the Grays Harbor biodiesel is produced from canola oil.

Those cars are washed and sent back to Canada full of biodiesel. Other shipments go out aboard tanker vessels at the nearby marine terminal.

Most other operations are handled by plant workers or local contractors. Smith said the company uses local truck drivers, receives some of its chemicals from the neighboring Westway Terminals liquid storage site and keeps rail employees busy.

"The facility creates a lot of jobs for support industries," she said. "There's a lot of trickle down."

Plaza said he hopes to continue to contribute to the Grays Harbor community through new jobs and infrastructure investments. After a couple years of uncertainty, he feels the company is ready for the next step.

"All of these things have been challenging," he said, "but I think we did a pretty good job."

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