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<http://dieselbio.blogspot.com/2007/03/biodiesel-industry-boom-in-usa.html>

Biodiesel Industry Boom in the USA

Biodiesel industry heats up as number of plants rises

<http://www.investmentnews.com/> By Deborah Nason March 12, 2007 NEW YORK —

Once the domain of the Corn Belt, the biofuel industry is heating up across 41 states, thanks to the emergence of biodiesel.

The term “biofuel” refers to renewable liquid fuels made from plant matter instead of fossil fuels. They are used mostly in a blend with their fossil-fuel counterparts.

Together, corn-based ethanol, used in gasoline-powered vehicles, and vegetable-oil-based biodiesel, used in fleet vehicles, heavy equipment and heating oil, are two sides of the alternative-energy equation.

Biodiesel, unlike ethanol, can be made from a variety of inputs, adapted to local resources, climate and geography. Energy sources range from “biomass” crops — e.g., soybeans, certain types of trees — to used fats or cooking oil

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It is difficult to know biodiesel’s trajectory, according to Rob Wilder, manager of the two-year-old WilderHill Clean Energy Index (^ECO) created by WilderShares LLC of Encinitas, Calif.

“It could be sooner than any of us expect,” he said. “Ethanol came along much quicker than expected.” WilderHill indexes are tracked by two exchange traded funds: PowerShares WilderHill Clean Energy (PBW) and PowerShares WilderHill Progressive Energy (PUW). PowerShares Capital Management LLC is based in Wheaton, Ill.

Some ethanol shares have gone up as much as fourfold in the past six months, Mr. Wilder said. “But it’s easy to have these funds drop like a rock.”