

# *The Biodiesel Cooperative of Los Angeles*

## **Our Mission:**

To develop the market for biodiesel through education, outreach, and advocacy while providing members with access to quality biodiesel fuel.

## **About the Co-op**

Before we opened our first pump in January 2006, access to biodiesel for consumers in the Los Angeles area was best described as dismal. Few options existed other than driving to Ventura to get B100 at the pump or to Cudahy to get B20 at the pump or B100 in bulk. Otherwise, drums of fuel had to be delivered to one's residence, which was costly and only possible if one had storage space.

A meeting was held on October 21, 2005 to establish the viability for a fuel purchasing co-op and solicit potential members. At that meeting, enough initial members signed up to form the core of the co-op, and a trailer was ordered the next day. The co-op facility opened for business on January 7, 2006 on the West Side of LA, and since that time the Co-op has provided at least 20,000 gallons of biodiesel to coop members. The first trailer operated on the West Side until mid-June, 2006, when we achieved our goal of influencing the opening of public biodiesel pumps in the area. Because we were able to demonstrate a demand for high-quality locally produced B99, 3 commercial gas stations started selling B99 at the pump in the Pacific Palisades, then in Marina Del Rey, and most recently, in Brentwood.

## **Trailer Locations**

We are now over 110 members strong with 2 trailers in 2 locations.

Like Johnnie Appleseed, we just put on our boots and drove to the other side of town, with the same goal of getting a pump open in that neighborhood, just a bit east of Dodger Stadium. In mid-September, 2006, we opened a second trailer in Torrance. This expanded the access of fuels into the south side of town. There is also a movement underway to establish a third branch, or get another retail operation, in another location in and around the San Fernando Valley.

Our Downtown LA location: North Avenue 21 and Barranca Street, in a space provided by a local artist.

Our Torrance location: 20500 Madrona Ave Near the Civic Center, on a site provided by the City of Torrance Public Works Department.

Our goal in these new areas is the same as it was on the West Side: to establish a regional market for high-quality, locally produced biodiesel for a real brick and mortar gas station to see that they could do the right thing while earning a profit. Once we attain our goal, then we move on-- to the Valley, the South Bay, Orange County.... The model for each facility is to provide a box cargo trailer with a 1,000 gallon capacity in DOT approved containers. By operating as a mobile fueling source, many of the regulations regarding fuel tanks are avoided. Being mobile gives us options to access

bulk fuel distributors for refilling, which lowers the cost of fuel to members. The trailers are also being used as mobile education facilities that are taken to Earth Day events, local schools, farmers markets and similar venues. In this way we are able to educate the public and to demonstrate the market demand for the fuel. Ideally, our goal is to show enough demand for biodiesel in a specific neighborhood that a brick and mortar fuel station will step forward to sell biodiesel.

## Our Fuel

The fuel we dispense from our trailers is B99.9-- which means 99.9% biodiesel. 0.1% petroleum diesel is blended in to take advantage of a \$1/gallon tax credit. At this time, we are selling to members at \$3.60 per gallon. This includes all taxes and transportation expenses. We shop around for the highest quality, lowest price locally-produced fuel available.

Currently the biodiesel we purchase is produced in the midwest from soy. We hope that by early 2008 we will be able to source it from a new local production facility that will be making it from locally-obtained used cooking oils ("yellow grease"), which we feel is a more ecologically sustainable process.

## Membership

We have 2 levels of membership:

**A Fueling Membership** is for those who want to fuel out of the trailers. The fee is a one-time \$250.00 for a personal account and \$500.00 for a small business account. You pre-pay for your fuel in increments of 100 gallons at a time.

**A Community Membership** is for those who don't fuel from the trailer but want to support our goals of education and outreach and getting more stations open in Los Angeles. The fee for this membership is \$50.00.

For more information on becoming a member, please contact us at: [membership@sustainableoptions.com](mailto:membership@sustainableoptions.com)

You can download the LA Biodiesel Coop membership form from our website: [www.labiodieselcoop.org](http://www.labiodieselcoop.org)

We've had a lot of inquiries about the price of a fueling membership. The \$250 fee covers the costs of the required storage tanks, pumps, site costs and the trailer. Originally based on 30 members, each share started out in January of 2006 at \$500, but as membership increased, we were able to lower the fee to \$250.

Fueling members are given a combination that opens the trailer doors and provides access to the electric fuel pump. Members use an honor system to log their fuel draws based on the pump meter readings. In Seattle, a similar system has worked well as each member prepays a deposit for 100 gallons, then draws against that amount, then repurchases again when needed, much like a credit union account.

The membership may be limited in number at each location. If there were 30 members that each used 400 gallons per year (33 gallons per month), the trailer would require filling every month. If membership expands or fuel use increases, the refilling cycle for the trailer would be shortened. Currently the coop is pumping about 350 gallons per week to our members.

**CAPSTONE PINE INC.**  
Land Use Planning & Entitlements

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