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BUSINESS

Whatcom County biodiesel pioneers plan expansion

Company expects to add more centers for distribution



DANNY GAWLOWSKI THE BELLINGHAM HERALD

Whole Energy employees, from left, research engineer Jorin Mamen, marketing director Joshua Clements and director of research and company co-founder Orion Polinsky lean against a truck that is fueled with biodiesel in front of the company's distribution facility in Mount Vernon Wednesday.

When it comes to biodiesel fuel, Orion Polinsky was passionate about creating a company around the product even before it made much business sense.

When he met Atul Deshmane in 2003, both decided it was time for a biodiesel fuel company even though at the time petroleum-based diesel fuel was selling for \$1.50 a gallon, compared to \$4 a gallon for biodiesel. Polinsky's main motivation to create Whole Energy Fuels was to help reduce greenhouse emissions and, with the war starting in Iraq, reduce dependence on foreign oil.

"There was no logic in starting the company at that time in terms of business numbers," Polinsky said. "We hoped that as it developed, the price would come down enough to compete with (petroleum) diesel. However, we were basically trying to sell a product people had never heard of before that's more expensive than what they normally use for fuel."

It turned out to be a worthwhile gamble. This week the price of biodiesel and regular diesel are both around \$3.10 a gallon, and the growing popularity of biodiesel prompted the company to move ahead with expansion.

The company currently gets the biodiesel fuel from other parts of the country and distributes it locally, but is working on plans to have its own production facility in Skagit

County within a year. The company also plans on adding distribution centers along the West Coast.

“Our main goal right now is to grow the industry,” said Polinsky. “The biggest challenge is making it readily available for the consumer.”

That challenge includes finding retail spots. The company has a retail pump at the Food Pavilion in Fairhaven, which is available for consumers on Friday and Saturday. Dave Rasmusson, a marketing department manager for Brown & Cole, worked with Whole Energy when the pump was installed last year.

“When they approached me with their plan, I thought it was a good idea,” Rasmusson said. “It’s an earth-friendly product, and we know that’s important for our customers and we felt it could generate more activity around the store. I was concerned, though, about having a fuel pump and had a lot of questions for them.”

Once Rasmusson was convinced about the product’s safety — biodiesel is classified as a nonflammable liquid by the Occupational Safety and Health Administration — the project went ahead.

“I’ve been impressed by the number of cars that fuel up in the few hours they are open,” Rasmusson said.

While Whole Energy Fuels is expected to experience growing pains in the next few years, one thing that keeps many of the employees motivated to succeed is the feeling that they are doing something that will make a positive impact on the planet.

“Working with biodiesel has been my dream job; it is just so rewarding to be a part of a product that cuts emissions,” said Joshua Clements, marketing manager for the company. “The environment is something everyone is talking about these days, and I feel great about working on something that will make a difference.”

ABOUT BIODIESEL The fuel comes from oilbearing plants and recycled oils and greases; it is considered a cleaner, more efficient burning replacement for petroleum diesel.

Biodiesel also can be blended with petroleum to prevent clogging at lower temperatures.

About 25 million gallons were sold in the U.S. in 2004, a small amount when compared to the 55 billion gallons of petroleum diesel sold in the U.S. during the same time, according to the National Biodiesel Board.

Whole Energy Fuels focuses on using the recycled oil from domestic farms and doesn’t use palm oil imported from South America. The company tests the fuel at its Mount Vernon facility before distributing it locally.

More information about the fuel can be found at www.biodiesel.org.

ABOUT WHOLE ENERGY FUELS Company officers: Atul Deshmane, president; Orion Polinsky, director of research. **Founded:** 2004 in Ferndale. The company has offices in Bellingham and a distribution facility near Mount Vernon. The distribution facility has a storage capacity of 500,000 gallons. **What they do:** Distribute biodiesel fuel, mostly from Seattle north into Canada. The company is in the process of creating its own production facility in Skagit County. Much of the company's customers are businesses and agencies that have vehicle fleets, including the Ferndale School District, which started using a blended product earlier this year. **How much they move:** On average, the company distributes more than 75,000 gallons of biodiesel a month, with a total of about 1 million gallons moved in 2006. The goal for the company in 2007 is to distribute 2 million gallons. **More information:** www.whole-energy.com.

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