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NEWS

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Jeep® to Fuel Grand Cherokee CRD with B5 Biodiesel Blend at the Factory *Progress Continues on a National B20 Specification with Latest ASTM Vote*

Jefferson City, MO. – Chrysler Group announced today that its first diesel-powered, full-size sport utility vehicle (SUV) offered in the United States will be shipped from the factory with B5, a blend containing 5 percent biodiesel. The Jeep® Grand Cherokee CRD's B5 factory fueling builds on a similar program implemented with the company's Jeep Liberty CRD.

“We are pleased that Chrysler will continue to lead the industry in using B5 for the Jeep Grand Cherokee CRD factory fill,” said Joe Jobe, CEO of the National Biodiesel Board (NBB).

The 2007 Jeep Grand Cherokee features a 3.0 liter common rail turbo diesel (CRD) engine built by Mercedes-Benz. Clean diesel technology improves fuel economy by an average of 30 percent and reduces carbon dioxide (CO₂) emissions by up to 20 percent. The Grand Cherokee CRD will be manufactured at the Jefferson North Assembly Plant in Detroit and will arrive at Jeep dealerships in the first quarter of 2007. Peter Cremer North America of Cincinnati, OH – certified through the industry's BQ-9000 quality control program – will supply the biodiesel fuel.

“Biodiesel represents a huge opportunity to address some of our nation's toughest energy, environmental and economic challenges,” said Deborah Morrisett, DaimlerChrysler's VP of Regulatory Affairs. “We know this is the right thing to do. The goal now is to develop a national B20 standard that can be universally applied to all diesel vehicles, both on road and in production, to confidently support higher blends of biodiesel such as B20.”

The factory fill is another event demonstrating that engine and auto manufacturers are embracing biodiesel. All major OEMs support B5 and lower blends, provided they are made with biodiesel meeting ASTM D 6751, the existing ASTM International standard for pure biodiesel (B100), although the use of blends higher than B5 will not necessarily void existing warranties.

NBB's goal is to have strong position statements affirming acceptance of the use of B20. Engine and auto manufacturers maintain that an approved ASTM specification for blended B20 is critical to achieve universal acceptance.

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Progress toward a national B20 specification continued to move forward within the ASTM technical committee responsible for specifications that ensure the quality of the nation's fuel supply. The committee recently approved nine ballot items for improvements and changes to the existing B100 specification. The changes were necessary to move forward on approval of a blended fuel specification for B20.

The changes, which included a first-ever agreement on a stability parameter, were approved at an ASTM petroleum products and lubricants subcommittee meeting on June 29 in Toronto, Ontario. Previously, failure to pass a stability parameter was the biggest hurdle to the passage of blended (B20) fuel specifications.

The biodiesel industry received more good news on June 29, when the Senate Appropriations Committee approved its version of the Energy and Water Appropriations legislation that includes \$1.5 million for critical testing of biodiesel in future advanced diesel engines.

If the Energy and Water Appropriations bill passes Congress with the funding recommendations intact, it will increase the likelihood of major U.S. automakers approving the use of biodiesel blends in 2007 engines and beyond.

The Engine Manufacturers Association's (EMA) recent approval of test specifications for biodiesel blends up to 20 percent by volume helps clear the way for engine testing and evaluation. Roger Gault, Technical Director for the EMA, said his members were pleased with the changes made to the ASTM specification, although he stressed the need for continued progress on an ASTM specification for B20.

"We need an approved ASTM specification for blends up to B20, and we hope to work with the National Biodiesel Board to achieve this result," said Gault. "People are using biodiesel blends in the market, and they are not waiting for ASTM to approve a B20 specification."

A subcommittee vote on an ASTM B20 specification is likely to happen in December. Final approval for the specification could come at the full petroleum and lubricants committee meeting in June 2007.

At a Biodiesel Summit held in Detroit in May, engine and vehicle manufacturer representatives said they share the goal of approving an international ASTM B20 specification.

According to Rod Lawrence, Quality Control Manager for Magellan Midstream Partners, the blended fuel specifications are a very small piece to the biodiesel quality puzzle. "By far the most important piece is meeting the biodiesel specification D 6751 prior to blending, and the use of BQ-9000 certified companies helps ensure that only good biodiesel is getting into the market," said Lawrence.

Biodiesel is a renewable diesel fuel that is made from domestic resources such as soybean oil or other domestic fats and vegetable oils. Biodiesel significantly cuts harmful environmental emissions, promotes greater energy independence and boosts our economy. Today, more than 600 major fleets use biodiesel commercially, and more than 800 retail filling stations make it available to the public.

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Additional information about biodiesel is available online at www.biodiesel.org. This material sponsored by the USDA Biodiesel Education Program.