

## What is Biodiesel?

- Biodiesel is a diesel fuel substitute made from a renewable, organic source.
- The most commonly used feedstock is soybean oil; however, other vegetable oils can also be used to produce biodiesel.
- Biodiesel is usually used in a 20% blend with petroleum diesel (B20). Other blends can also be used.

## Why use Biodiesel?

- Biodiesel can be used in existing diesel engines without the need for conversions or modifications.
- Biodiesel can provide immediate emissions benefits in engines with significant useful life remaining.
- Neat (100%) biodiesel, known as B100, has a high Cetane number, contains no sulfur and is a superior lubricant.
- Biodiesel is safe to use and biodegradable.
- Using B20 instead of #2 diesel reduces unburned hydrocarbons by 30%, carbon monoxide (CO) by 20% and particulate matter by 22%.
- Using biodiesel helps reduce our dependence on imported oil.

New Jersey Board of Public Utilities  
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# New Jersey's Biodiesel Fuel Rebate Program



### Sponsored by:

New Jersey Board of Public Utilities

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## Who is Eligible to Apply for the Biodiesel Fuel Rebate Program?

- Municipalities
- Counties
- Boards of Education
- State Colleges and Universities
- Governmental authorities
- Other local government agencies



## How Can I Purchase Biodiesel?

- Government agencies can purchase B20 using State contract #T-1844. Consult the New Jersey State Purchase Bureau website at [www.state.nj.us/treasury/purchase](http://www.state.nj.us/treasury/purchase) for more information.
- For more information on biodiesel fuel or additional vendors, consult the National Biodiesel Board's website, at [www.biodiesel.org](http://www.biodiesel.org).

## How Does the Biodiesel Fuel Rebate Program Work?

- Eligible applicants should first contact the Board of Public Utilities, Office of Clean Energy about participating in the Rebate Program, and complete a program application.
- The applicant and the BPU will enter into a Memorandum of Understanding (MOU) outlining the terms of the agreement.
- Approved participants purchase biodiesel fuel for use in their diesel-powered vehicles.
- Participants are reimbursed for the incremental cost of using biodiesel, in lieu of 100% petroleum diesel.
- **Example:** A municipality purchases 10,000 gallons of B20 at \$1.25 per gallon, instead of 100% petroleum diesel at \$1.00 per gallon. The rebate amount will be:

$$10,000 \text{ gal.} \times (\$1.25 - \$1.00) = \$2,500$$

Rebate applications will be evaluated on a first-come, first-served basis.



## How is the Biodiesel Fuel Rebate Program Funded?

The program is funded by \$500,000 in Petroleum Overcharge Reimbursement Funds (PORF) administered by the New Jersey Board of Public Utilities.

Rebate recipients are encouraged to join New Jersey's Clean Cities Program, a voluntary initiative to expand the use of alternative fuels and vehicles statewide.



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