Ethanol debuts in South Florida

BY MARTHA BRANNIGAN
South Florida just got a bit greener.

The U Gas station near the Mall of the Americas in Miami-Dade County plans to begin selling E85 fuel -- an ethanol gasoline mixture -- for flex-fuel vehicles today. That makes it the first service station in South Florida to offer E85 to the public.

"Ethanol is the future. It's renewable energy and it's the correct thing to do," said Willie Urbieta, whose family-owned company, Urbieta Oil, operates the U Gas at 210 NW 79 Ave.

E85 is a mixture of 85 percent ethanol and 15 percent gasoline that can be used in cars and trucks specially designed to run on the renewable fuel. Though more widely available in the Midwest, which produces the corn it's typically made from in the United States, E85 is still relatively rare in Florida.

To promote the fuel, U Gas will be offering the E85 at a special price of 85 cents a gallon from 7 a.m. to 9 a.m. today and Friday. E85 normally fetches about $2.55 a gallon.

The local debut of E85 fuel was highlighted during an E85 forum Wednesday at Florida International University, where a panel of experts stressed the need to embrace ethanol and other alternative fuels in the face of dwindling fossil-fuel supplies and geopolitical uncertainties.

General Motors, which helped organize the FIU event and has 14 vehicles among its 2007 lineup that can run on E85 fuel, is providing marketing help to U Gas and other service stations around the country to encourage the foray into E85.

GM is mailing cards to the owners of some 11,317 GM flex-fuel vehicles located in South Florida to let them know that U Gas now has the alternative fuel.

But the auto giant's key role has been to act as a matchmaker, bringing together parties that can help knit an infrastructure to distribute E85 fuel to retailers on a broader basis.

RETROFITTING

Urbieta said it's costing his company roughly $50,000 to retrofit the U Gas station to sell E85 fuel, including changing the hoses, nozzles, valves and meters.

By the end of 2008, he expects to sell E85 fuel in six to 12 of his firm's South Florida stations, selecting locations near major thoroughfares and in zip codes where residents have a significant number of flex vehicles.

"We're a small family-owned business and we're very aggressive," Urbieta said.

Karl Doenges, president of CleanFUEL Distribution -- a joint venture that is supplying ethanol to...
Urbieta, said the parties studied station locations around the region and zeroed in on the Mall of the Americas site. Besides the large number of flex car owners in that area, there are also nearby federal flex-fuel fleets. Such fleets are mandated to use ethanol when it's available.

Mary Beth Stanek, director of environment and energy at GM, said the arrival of E85 in South Florida marks an important beginning for the region.

"With E85 coming to South Florida, it's an opportunity to take one of the largest fuel consuming states and start to reduce gasoline consumption and lower greenhouse gases," said Stanek, who spoke at the forum.

LOOKING AHEAD

She predicted that South Florida could have 10 to 50 service stations offering E85 within the next 18 months. A key hurdle to building the infrastructure, she said, is an inadequate number of local ethanol storage terminals, particularly at ports.

To be sure, nobody is predicting that ethanol will replace gasoline in the near or mid-term.

George Philippidis, director of the Center for Energy and Technology for the Americas at FIU's Applied Research Center, said that if all the corn produced in the United States were turned into ethanol, it would replace only 12 percent of U.S. gasoline now used.

"It's an enormous challenge we face to move from a world of hydrocarbons to a world of renewable fuels," said Edward Glab, executive director, Knight Ridder Center for Excellence in Management at FIU.