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**CALIFORNIA ETHANOL PLANT KEEPS RENEWABLE ENERGY LOCAL**  
**Plant helps California gasoline meet low carbon fuel requirements**

PIXLEY, Calif. – November 9, 2009 – California’s newest high-tech low-carbon production ethanol plant is now open, providing jobs, fuel, and agricultural products in the San Joaquin Valley, where unemployment registered 15.9 percent in September, according the state Employment Development Department. There are five large-scale ethanol plants in the state. Calgren is the only one currently in operation. The Calgren Renewable Fuels LLC plant holds permits to produce 55 million gallons per year of ethanol, a high-octane fuel added to California gasoline to meet California’s strict fuel emissions standards.

The Calgren plant is one of the most efficient in the nation, producing a low level of greenhouse gasses as compared with Air Resources Board projections for plants of this type. Purchasing more efficiently produced fuel makes it easier for blenders to comply with the recently enacted Low Carbon Fuel Standard. “Because our energy use is much lower than typical plants, our emissions profile is extremely attractive,” says Calgren President Lyle Schlyer. “Our production of ethanol per bushel of corn is also very high, requiring lower corn usage and less energy to process the corn.”

All of the ethanol produced at the plant is consumed in the vicinity. “The Fifty-five million gallons that the plant will produce each year is a drop in the bucket of the 1.4 billion gallons California needs for transportation over the next twelve months,” says Walt Dwelle, Managing Partner of Nella Oil Company in Auburn, a northern California fuel jobber and stakeholder in the plant.

Proximity to local farms contributes to the low carbon footprint of the plant. In processing, the unused corn material becomes agricultural-grade feed consumed at nearby dairy farms. Proximity to consumers allows Calgren to avoid the energy-intensive step of drying the 1,000 tons of wet distiller’s grain produced each day during the distillation process. Approximately 2,500 gallons of corn oil is produced daily and used in poultry feed.

The plant itself is fueled by a new cogeneration plant that generates electricity and then uses the waste heat to make steam used in ethanol processing. “The next step will be to operate the Cogen plant using methane gas from nearby dairy manure lagoons. This will further close the sustainability loop,” Dwelle says.

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