

February 2010

# THE PIPELINE



## Nella Oil and Calgren Renewable Fuels Celebrate California's Only Operational Ethanol Plant

Nella helped Calgren Renewable Fuels, LLC host a grand opening and open house in December at the Calgren Pixley Ethanol Production Facility – California's only currently operational ethanol plant. Operating since August 2009, the plant is projected to generate 55 million gallons of fuel grade ethanol, 400,000 tons of animal feed, and 1.5 million gallons of corn oil each year. The plant is powered by an ultra-low NOx gas turbine generator capable of producing 5,800 KW of electricity and process steam.

This is important to Nella because, starting in January in California, every gallon of gasoline must comprise 10 percent ethanol. Ethanol adds oxygen and reduces tailpipe emissions.

The Pixley plant maintains a carbon footprint much lower than typical plants, and production of ethanol per bushel of corn is high, requiring lower corn usage and less energy to process the corn. All of the products from the plant – ethanol, corn oil, and cattle feed – are distributed locally in the San Joaquin Valley. “All in all, the plant is run very efficiently”, says President Lyle Schlyer. Read all about it at [www.calgren.com](http://www.calgren.com).



David Vasquez and Jerry Schroeder, both of Calgren, help with set-up.



The rain held off nicely for Tuesday's party and tours of the facility.

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**Neil Koehler**, President of Pacific Ethanol and Kinergy, the ethanol distribution company, stands with **Dolores Santos**, Supply Director for Nella Oil Company.



**Lyle Schlyer**, Calgren; **Brad Zeimet**, William Lyles Co.; **Jerry Schroeder**, Calgren



Party guests on tour of the plant.



**Alan Breese**, Nella; **Walt Dwelle**, Nella; **Donna Book**, Bobst, Book & Assoc.



**Dolores Santos**, Nella Oil, talks with Calgren's **Teresa Stevenson**.



The local division of the Old Time Fiddlers Association entertained the visitors.

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Guests included suppliers, investors and customers of the plant as well as the business people who put together the financing – bankers, attorneys and a politician.



**Ken Dwelle and Chris Nobles of Nella Oil**

## Safety Awards

Congratulations to the retail sites below for successfully completing 2009 without a disqualifying accident! Promoting and creating a safe work environment takes the effort and focus of both management and team members. Educating ourselves using the monthly communications and being constantly aware of safe work practices and conditions are necessary to achieve this goal. Thanks to all involved in keeping NELLA safe!

#5 Auburn	#51 Newcastle
#81 Visalia	#89 Visalia
#213 Daly City	#215 Daly City
#232 San Francisco	#233 San Francisco
#235 San Francisco	#270 Redwood City
#28 Fairfield	#29 San Leandro
#65 Rancho Cordova	#74 Sacramento

#252 Antioch	#263 North Highlands
#281 Napa	#46 Chico
#216 South San Francisco	#224 Willits
#219 South San Francisco	#50 Chico

## Fueling Success Award



**Amanda Appelt**

By Jack Rhoades

Over the years Nella's growth has been driven by site acquisition. Prior to every purchase we must determine the condition of the fuel storage and dispensing infrastructure, as well as the current state of each property's environmental and regulatory compliance. This requires a rigorous examination of current and historical files, site visits, and extensive site testing. The financial liability associated with these issues makes it imperative that we have an accurate understanding before an agreement is finalized. During the recent purchase of three bay area cardlock sites, Amanda Appelt was at the forefront in managing the investigations. The sites had many areas of non-compliance and neglect. Though Amanda hit a dead end on many occasions, she kept probing until satisfied that we had a true characterization of the property. In addition, if problems were identified the cost to make the necessary corrections had to be ascertained and included in the final sales negotiations. Once the purchase closed, Amanda scheduled contractors to complete the repairs and finalized the change of ownership permit documents. Amanda's willingness to accept total responsibility and achieve superior results deserves recognition and the Fueling Success Award for October 2009.