



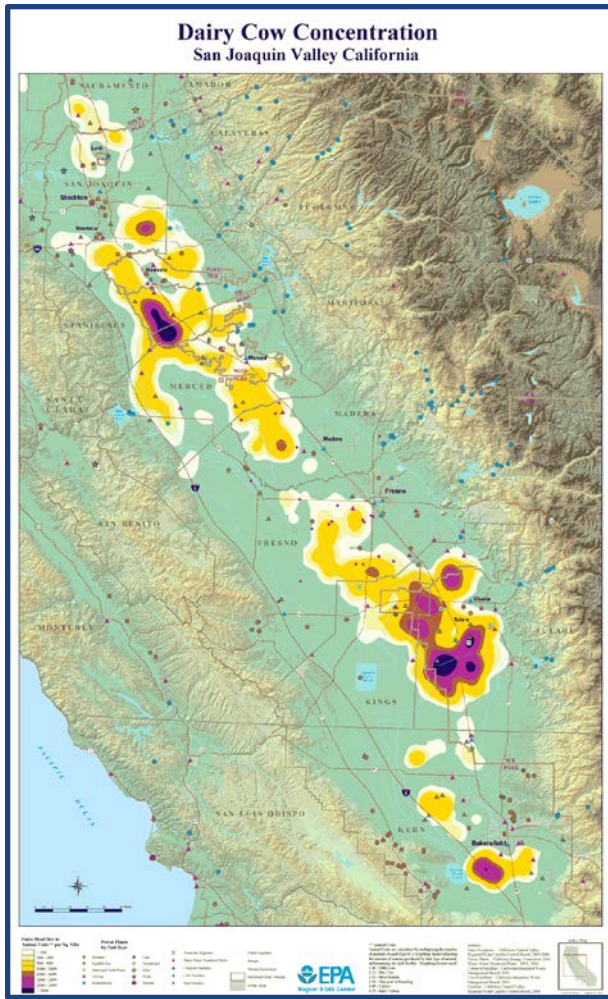
Plugging Dairies into a Renewable Future.

*Developing Dairy Biogas  
Projects in California*

November 10, 2011



# California is the Leading Dairy State



- Produces 20% of all USA milk
  - Two times more than WI, 4x NY
  - Two thirds as much as Germany
- The largest sector of California's agricultural economy
- 1.8 million milking cows on 1,700 dairy farms
- Dairies concentrated in the Central Valley
  - Large modern farms are common



# CA Dairy Biogas – Increased Attention

- California is the leading state in renewable energy
  - By law, 30% of the electricity by 2020 (solar & wind to-date)
  - Governor's goal 12 GW distributed generation also by 2020
    - Biogas an important component; potential over 1 GW
- There is an increased focus on the importance of biogas
  - Various state incentives under discussion: Public Goods Charge, Feed in Tariff, other programs
  - California adopted and implementing AB 32 (cap and trade program)
    - Dairy methane identified as an important source of high-quality carbon offsets. One of four CAR protocols



# About California Bioenergy LLC

- Founded in 2006 by an experienced team with strong dairy and management backgrounds
  - N. Ross Buckenham, Neil Black & John Bidart
- Business model: build, own and operate CA dairy-based digesters and gen-sets, adding power to the grid
  - Energy expertise for the dairy
  - Aggregation of projects for the utility
- EPC with global leader MT-Energie USA, Inc.
- Secured a pipeline of very large dairies for biogas dev.
- Built carbon expertise; PG&E's ClimateSmart first dairy



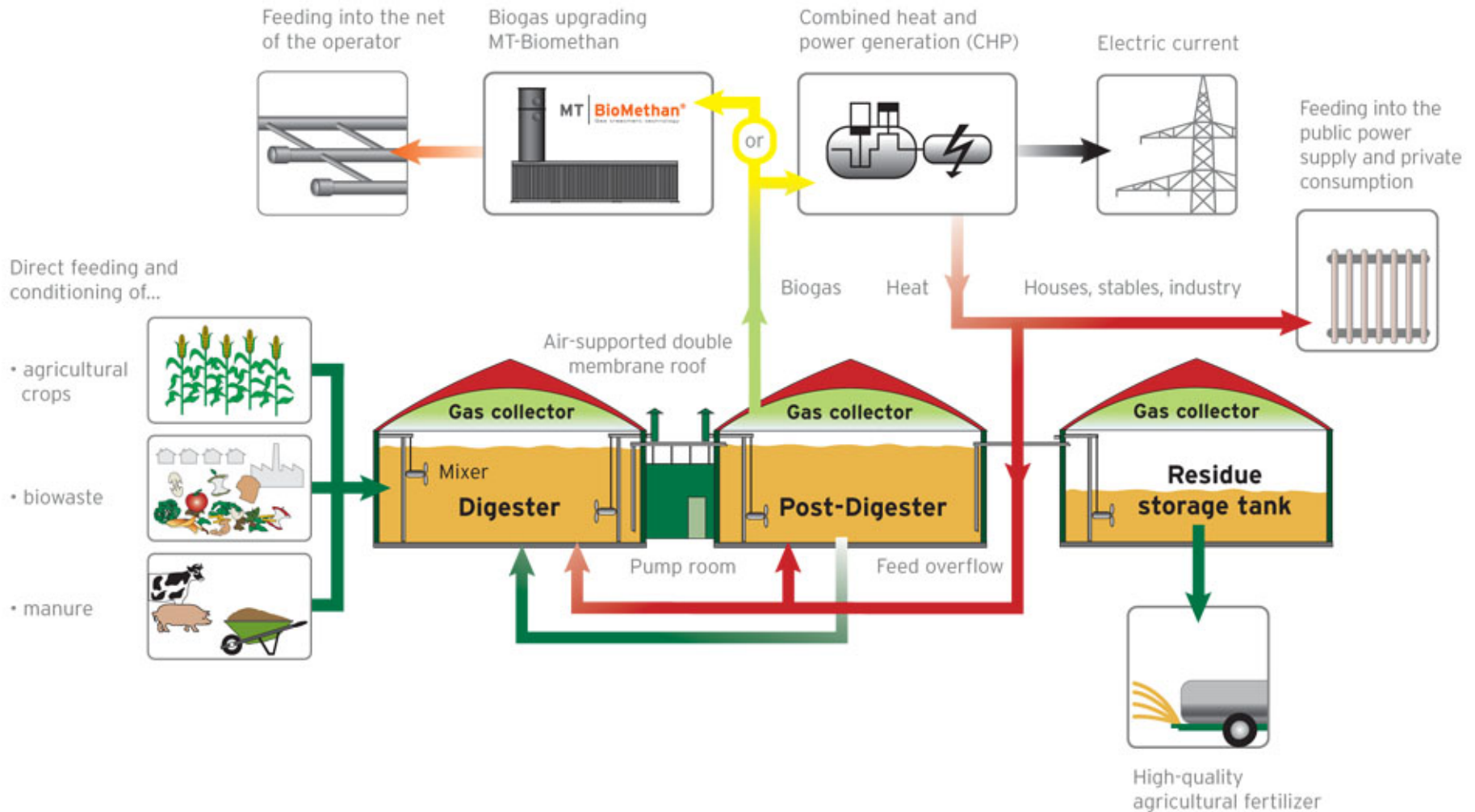
# About MT-Energie

- Founded: 1995
- Headquarters: Zeven, Germany
- Employees: 800+
- Completed projects: 500+
- Installed biogas capacity: Over 250 MW in turn key facilities
- Constructions in: Germany, Czech Republic, Hungary, Italy, England, Latvia, United States of America
- Biogas projects built in 2010: 110



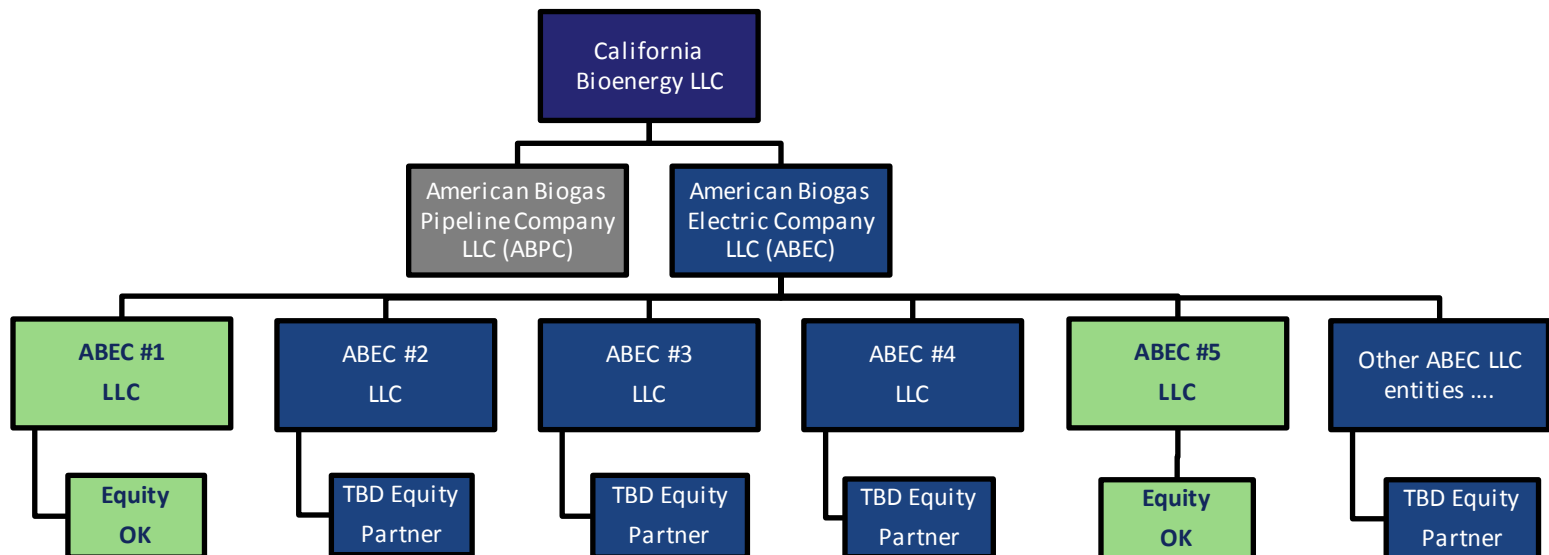


# CalBio/MTE Biogas Plant



# Project Ownership & Finance Structure

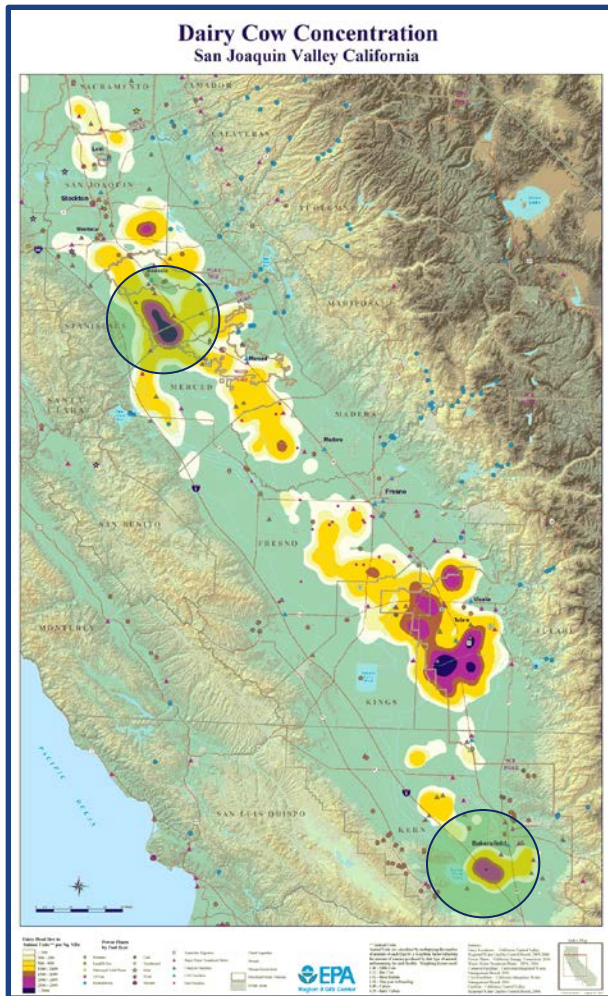
- California Bioenergy has structured special-purpose companies to facilitate investment and manage risk





# CalBio Initial California Projects

- Phase 1 Opportunity: Five Projects in Development ...



## CA Dairy Biogas Electric Projects

### ABEC #1 LLC project nearing completion

- Size: 1,500 milk cows, 0.6MW, Online Q1, 2012

### ABEC #2 LLC

- Size: 8,500 milk cows, 3.10MW, Online Q4, 2013

### ABEC #3 LLC

- Size: 3,700 milk cows, 1.55MW, Online Q4, 2013

### ABEC #4 LLC

- Size: 4,000 milk cows, 1.55MW, Online Q4, 2013

### ABEC #5 LLC.

- Size: 1,200 milk cows, 0.45MW, Online Q1, 2013





# Three Projects: ABEC #2, #3, #4

- CalBio has invested development dollars
  - Dairy site control, permits and EPC agreements
- MT-E contracted to provide Project EPC and O&M
  - Cost and performance guarantees
- Investment Opportunity: Project Equity
  - Attractive IRR and significant tax benefits
- Procurement opportunity: PPA and Carbon Offsets
  - For energy, RECs and/or CA sourced Carbon Offsets
  - Unique branding attributes from this clean energy source



# CalBio Seeks Capital, REC, Offset Partners

- Equity investment opportunity
  - ABEC #2: \$3.0 – \$4.0 million
  - ABEC #3: \$1.5 – \$2.0 million
  - ABEC #4: \$1.7 – \$2.2 million
  
- Energy/REC opportunity
  - ABEC #2: 3.10MW; 19,900 MWhrs per year
  - ABEC #3: 1.55MW; 6,880 MWhrs per year
  - ABEC #4: 1.55MW; 8,405 MWhrs per year
  
- Greenhouse gas offset opportunity



# CalBio Contact Information

**N. Ross Buckenham (CEO)**

[rbuckenham@calbioenergy.com](mailto:rbuckenham@calbioenergy.com)

office: 214-849-9886

mobile: 214-906-9359

**Neil Black (President)**

[nblack@calbioenergy.com](mailto:nblack@calbioenergy.com)

office: 646-896-3989

mobile: 917-589-6009

**[www.calbioenergy.com](http://www.calbioenergy.com)**