



NEWS RELEASE

CALIFORNIA STATE TREASURER BILL LOCKYER

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Treasurer Lockyer Announces Bond Funding for Biodiesel Plant to Help Reduce Climate Change Emissions, Petroleum Dependence *Community Fuels Will Receive \$8 Million to Develop Facility at Port of Stockton*

SACRAMENTO – State Treasurer Bill Lockyer today announced a startup company will receive \$8 million in tax-exempt bond financing to develop a biodiesel manufacturing plant at the Port of Stockton, a project that will help reduce global warming emissions and petroleum dependence.

“Any step we can take now to fight climate change and reduce our dependence on foreign petroleum is a step in the right direction,” said Lockyer. “With this project, Community Fuels will benefit our environment, create jobs and boost the local economy, and offer a product increasingly in demand.”

The California Industrial Development Financing Advisory Commission (CIDFAC), chaired by Lockyer as Treasurer, today approved the financing deal for Community Fuel’s biodiesel manufacturing plant.

Community Fuels will lease land and a 40,000 square-foot warehouse from the Port of Stockton, and convert the facility into the biodiesel plant. Plans call for construction of storage tanks, a cooling tower, distillation column and energy generator – all for production of the fuel. The facility, which will bring 35 new jobs to the area, will produce approximately 7.5 million gallons of biodiesel per year.

Community fuels will sell the biodiesel to regional distributors, including Royal Petroleum, San Francisco Petroleum, Biodiesel Oasis, Peoples Fuels and Van De Pol Enterprises. The end users of the biodiesel will include farmers, construction firms, and commercial and public-sector fleet operators.

Biodiesel is a fuel used in diesel engines and is commonly blended with petroleum for a variety of performance, economic, and environmental benefits. The fuel is a non-toxic, biodegradable alternative to diesel fuel that is produced from renewable sources such as vegetable oils, animal fats and recycled greases. Biodiesel reduces global warming pollution, producing 78 percent less carbon dioxide emissions than regular diesel. And by reducing the need for regular diesel, the alternative fuel reduces dependence on foreign petroleum.

CIDFAC provides California manufacturers financing to help them develop, expand and create jobs. The program allows businesses to borrow funds at competitive rates through the issuance of tax-exempt bonds. CIDFAC in 2007 has approved the issuance of \$91.8 million in tax-exempt bonds. To date in 2007, businesses that have sold CIDFAC-approved bonds will create 365 jobs throughout California.

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