



FOR IMMEDIATE RELEASE
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Community Fuels Selected as Awardee for California Energy Commission Grant to Develop Alternative and Renewable Fuel Infrastructure

Community Fuels' project, titled "Expanding access to renewable fuels - Port of Stockton terminal", receives notice of proposed grant award under the Alternative and Renewable Fuel and Vehicle Technology Program of the California Energy Commission.

Encinitas, California, June 8, 2010 — Community Fuels has received notice of a proposed grant award through the Alternative and Renewable Fuel and Vehicle Technology Program of the California Energy Commission. Community Fuels' project, titled "Expanding access to renewable fuels - Port of Stockton terminal", encompasses the design and construction of a biodiesel fuel terminal on a parcel of land adjacent to the existing Community Fuels biodiesel production facility at the Port of Stockton, CA. The terminal will include equipment for fuel storage, final product purification, tanker truck loading, rail car loading and unloading, red dye injection, and an automated fuel delivery system.

Biodiesel, a viable alternative to petroleum diesel, is a clean diesel fuel made from renewable resources, such as vegetable oils or animal fats. It can be blended at any level with petroleum diesel and used by most diesel engines with few or no modifications. Biodiesel decreases our reliance on foreign oil, strengthens our economy, and enhances vehicle performance. Biodiesel also significantly reduces harmful emissions, including carbon dioxide and other greenhouse gasses, sulfates, particulate matter, and carcinogenic compounds.

Demand for biodiesel in California is anticipated to increase significantly in response to current and pending State legislation – in particular, Assembly Bill 32 and the Low Carbon Fuel Standard for transportation fuels in California. Meeting the anticipated demand will require significant expansion of the infrastructure for storing, transporting and distributing biodiesel within California. "Successful completion of the proposed infrastructure project will result in strategically located biodiesel terminal capable of efficiently distributing large volumes of high-quality fuel throughout California", states Lisa Mortenson, CEO of Community Fuels. "This will constitute a major contribution towards building the fueling infrastructure that will be needed in California in order to efficiently distribute biodiesel at projected future demand levels", says Mortenson.

ABOUT COMMUNITY FUELS:

American Biodiesel, Inc. does business as Community Fuels and is committed to quality, innovation and operational excellence in biodiesel production and biodiesel-related research. The company's state-of-the-art biodiesel production and research facility is located at the Port of Stockton, California. In addition to its commercial production, Community Fuels has multiple research projects in process to develop innovative feedstocks and transformative technologies to reduce the cost and increase the sustainability of biodiesel production. You can learn more about Community Fuels at www.communityfuels.com.