



California Bioenergy Secures First Dairy BioMAT Electric Agreements

CalBio Locks in 20 Year PG&E Contracts for its Dairy partners

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Today, California Bioenergy LLC (“CalBio”) announced that PG&E, last month, executed its first BioMAT Power Purchase Agreements (“PPAs”) for the procurement of electricity produced from California captured dairy biogas. Three recently commissioned CalBio dairy biogas power projects, all located in Pacific Gas & Electric (“PG&E”) territory in Kern County, simultaneously executed 20 year BioMAT PPAs, accepting PG&E’s offered price of \$187.72 per MWh.

“We are pleased to be leading the industry with innovative programs for dairy methane capture and utilization,” said N. Ross Buckenham, CalBio’s CEO. He added *“CalBio digesters are proven in California and the methane captured and destroyed helps generate a significant new revenue stream for the dairy. The BioMAT program, which we helped pioneer, is one of several programs we offer our dairy clients.”*

The Bioenergy Market Adjusting Tariff, or BioMAT, is a renewable energy feed-in-tariff (FIT) established by California Public Utilities Commission (CPUC) to implement Senate Bill (SB) 1122. SB 1122 requires that the Commission direct the investor owned utilities to procure at least 250 MW of generating capacity from new bioenergy projects. BioMAT offers 10, 15 or 20-year power purchase agreements (PPAs) to purchase wholesale power generated from small renewable bioenergy projects sized up to 3 MW. Details on the program are posted here: www.pge.com/rfo/biomat.

“More than 40 dairy digester projects are in various stages of development in California and as many as 200 will be needed by 2030 to achieve the state’s dairy methane and overall SLCP reduction goals and many of these projects will only be enabled by the BioMAT feed-in tariff” said Neil Black, CalBio’s President. *“Although the BioMAT program is presently scheduled to end in 2020 we remain hopeful the CPUC will extend the program so it can meet its legislated goal of 250MW of State-wide bioenergy capacity.”* he added.

CalBio, worked closely with the Agricultural Energy Consumers Association (“AECA”) and Dairy Cares in support of the SB-1122 legislation that instructed the CPUC to establish a mechanism for dairies to sell their dairy digester biogas fueled renewable electric generation capacity to the local investor owned utility. Signed into law by Governor Brown in 09/27/12, it has taken over five years to get the BioMAT program implemented and advanced sufficiently for these first historic PPAs to be completed.



Both the California Energy Commission, through its EPIC program, and the California Department of Food and Agriculture, through its Dairy Digester Research and Development Program (DDRDP), provided critical funding to support these three first BioMAT dairy digester projects which enabled them to be advanced to commercial operation while waiting for the BioMAT to reach an economically viable price. This commitment has now set the stage for future dairy digester BioMAT projects to more easily secure commercial financing.

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About California Bioenergy

CalBio is the leading developer of dairy digesters generating renewable electricity and vehicle fuel in California. Founded in 2006, CalBio has worked closely with the dairy industry and state agencies to develop programs to help the state achieve its methane reduction goals while delivering a new revenue source to California dairies.

For more information, visit: www.calbioenergy.com or contact:

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