

## **CalBio Completes Financing Package for Five Dairy Digester Projects**

### *Tax-Exempt Bonds Authorized by California Pollution Control Finance Authority*

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California Bioenergy LLC (“CalBio”) announced today that it completed a \$12 million financing package with Caterpillar Financial Services Corporation (“Cat Financial”) for five dairy digester projects. Three of the projects were the first to be awarded BioMAT electric Power Purchase Agreements (“PPAs”), and two existing projects were simultaneously refinanced as part of the package. All five projects use specialized Cat® power plants, packaged into a proprietary CalBio system, to convert the captured biogas into renewable electricity and heat.

*“We are pleased to have Cat Financial as a strategic financial partner and to have established a standardized financing vehicle with them for non-recourse project financing of digester electric projects.”* 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 Cat Financial financing, combined with the BioMAT feed-in-tariff program, is an off-balance sheet financing option we can offer dairy clients.”*

CalBio has successfully deployed over 5MW of biogas-fueled Cat® power plant equipment, at multiple dairy digester facilities, operated at high availability for over 50,000 cumulative engine hours on the low BTU gas these digesters produce. The ability of Caterpillar’s highly reliable engines and generators to operate year-round in the extreme conditions of the California Central Valley and with the variable fuel supply, has allowed CalBio to develop the financeable operating plan needed to underwrite these complicated projects.

*“CalBio is at the forefront of bringing proven technology into California to reduce ag-related greenhouse emissions and convert methane into renewable fuel,”* said Reneé Webster-Hawkins, Executive Director of the California Pollution Control Financing Authority. *“These digester projects are exactly what our financing is for, to encourage this kind of environmental leadership and action. We are proud to support CalBio’s dairy digesters.”* she added.

CalBio worked closely with its investment banking firm, The Frazer Lanier Company, to structure the tax-exempt project bonds for the three new projects so they could be purchased by Cat Financial.

*“We have been working with CalBio and a number of its client dairies for over 15 years and believe they have the best dairy digester package available to a California dairy owner.”* said Jason Grubbs, Executive Vice President, The Frazer Lanier Company. *“We are pleased to have been able to*



*structure this financing facility for CalBio's projects and expect to replicate it to accommodate future projects."* he added.

### **About Caterpillar Financial Services Corporation**

For over 35 years, Cat Financial, a wholly owned subsidiary of Caterpillar Inc., has been providing financial service excellence to customers. The company offers a wide range of financing alternatives to customers and Cat dealers for Cat machinery and engines. Cat Financial has offices and subsidiaries located throughout North and South America, Asia, Australia and Europe, with its headquarters in Nashville, Tennessee. For more information, visit [catfinancial.com](http://catfinancial.com) or contact Paul Owen at [Paul.Owen@Cat.com](mailto:Paul.Owen@Cat.com).

### **About The Frazer Lanier Company**

Founded in 1976, The Frazer Lanier Company provides investment banking services to public and private clients by serving as an underwriter and placement agent of tax-exempt and taxable bonds. The Firm is a full-service municipal and corporate underwriter that is fully engaged in the structuring, financial analysis, documentation, marketing and sale of bonds.

### **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](http://www.calbioenergy.com) or contact:

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