



**News Release**

**California Bioenergy’s First South Dakota Dairy RNG Project  
Enters Construction Fully Funded by UGI**

VISALIA, CA, May 19, 2022 – California Bioenergy LLC (“CalBio”) announced today that its MBL Biogas LLC joint venture closed on funding and gave its engineering procurement and construction (“EPC”) partner full notice to proceed (“FNTP”) to construct its Moody Biogas cluster of dairy renewable natural gas (“dRNG”) projects in South Dakota. The joint venture’s partner, UGI Energy Services, LLC (“UGIES”), a subsidiary of UGI Corporation (NYSE: [UGI](#)), will fund 100% of the approximate \$70 million cost. Reynolds Construction, LLC was selected as the EPC partner.

The first cluster of projects, called Moody Biogas, is expected to produce 300 million cubic feet of RNG annually once completed in 2024. Dairy waste from each three dairy farms will be anaerobically digested on-site producing fertilizer waste and methane rich biogas. The biogas will be cleaned of hydrogen sulfide, dried and compressed into gathering lines at each dairy for delivery to a central upgrading facility. The upgraded dRNG will be injected into the interstate natural gas system near Dell Rapids, SD. UGIES, through its wholly-owned subsidiary, GHI Energy, will be the exclusive RNG marketer.

“This important full funding and project FNTP milestone, reflects the considerable progress the JV team made since announcing the joint venture just eight months ago” said N. Ross Buckenham, CEO of CalBio. “Despite challenging times with supply chain constraints and higher construction costs, our engineering and business teams moved swiftly to contract with dairy farmers, design an innovative cold weather digester, complete the full end-to-end engineering package, solicit multiple EPC bids, and conclude the RNG guaranteed off-take agreement with UGIES. Reynolds Construction will move quickly to get the projects substantially advanced before winter sets in.”

“This project sets a new standard for UGI in terms of scope and size and represents a huge milestone in UGI’s investments in, and expected earnings contribution from, RNG projects,” said Robert F. Beard, Executive Vice President, Natural Gas, Global Engineering & Construction, and Procurement. “We are pleased to be partnering with industry-leading developers on this project that will substantially reduce greenhouse gas emissions, using dairy RNG as a vehicle fuel. We look forward to making additional investments in our MBL partnership as we advance the use of RNG as an environmentally responsible and clean energy solution.”

**About UGI Corporation**

UGI Corporation is a distributor and marketer of energy products and services. Through subsidiaries, UGI operates natural gas and electric utilities in Pennsylvania, natural gas utilities in West Virginia, distributes LPG both domestically (through AmeriGas) and internationally (through UGI International),

manages midstream energy assets in Pennsylvania, Ohio, and West Virginia and electric generation assets in Pennsylvania, and engages in energy marketing, including renewable natural gas in the Mid-Atlantic region of the United States, California, and the District of Columbia and internationally in France, Belgium, the Netherlands and the UK.

Comprehensive information about UGI Corporation is available on the Internet at <https://www.ugicorp.com>

### **About CalBio**

CalBio is a leading developer of dairy digesters for generating renewable vehicle fuel and electricity. Founded in 2006, CalBio works closely with local and state agencies, the California Air Resources Board, USDA, the dairy industry and individual dairy farmers to achieve methane reductions, protect local air and water quality, create jobs, and generate a new revenue stream for the dairy family. CalBio is currently operating and/or developing over 100 dairy digester projects in California and now through its affiliates: Midwest Bioenergy, Northwest Bioenergy, and Southwest Bioenergy, is developing projects across the country. For more information call CalBio or visit: [www.calbioenergy.com](http://www.calbioenergy.com).

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