



Renewable Energy Group

FOR IMMEDIATE RELEASE

Rapid Expansion of Biodiesel Industry Leads to Need for Producer Education

Senior Leaders of Renewable Energy Group, Inc. Address Construction and Transportation Challenges at the National Biodiesel Conference

(San Antonio, Texas, February 7, 2007) – On the heels of President Bush’s call for increased energy independence in his State of the Union address, leaders of the biodiesel industry met this week in San Antonio to address key issues facing the industry.

The biodiesel industry has exploded in recent years; biodiesel demand has grown from 75 million gallons sold in 2005 to an estimated 200 million gallons sold in 2006. Also on the rise is biodiesel construction, with at least 65 plants currently under construction in the US alone.

“This rapid growth of the biodiesel industry has led to a significant need for new producers to gain a full understanding of the construction and transportation challenges facing the industry. We are glad to provide the insight we have gained over the last ten years in order to advance the biodiesel industry as a whole” said Jeffrey Stroburg, Chairman and CEO of Renewable Energy Group, Inc. (REG).

At the opening of the 2007 National Biodiesel Conference on Monday, REG’s Director of Plant Sales and Construction, Brad Albin spoke to industry newcomers about the complexities of building a biodiesel plant. Albin focused on the numerous organizations that must be contacted during the plant construction process. “Project managers of biodiesel plants have a lot to focus on during the construction phase, from air and wastewater permits to the Corps of Engineers and standard building permits. Understanding all that must go in to the registration, permitting, and zoning process will help the project leader get started down the right path from the beginning,” said Albin.

“We built our first biodiesel plant in 1996 and have three live plants, four in construction, and four on the docket for this year. By 2009 we’ll have plants in varying stages of development, and more than 600 million gallons of production capacity per year,” explained Albin. “REG’s expertise in constructing biodiesel plants for ourselves and third-parties, gives us a unique perspective and ability to advise newcomers to the biodiesel field,” said Albin.

Transportation is also an issue of significant concern for biodiesel producers, particularly as the cost of fuel remains high and railcars difficult to come by. On Tuesday, Dave Elsenbast, Vice President of Procurement at REG addressed the need for a balanced supply chain, “as production increases, feedstock demand increases, and the demand on limited transportation methods rises, producers need to take a serious look at the most

cost effective delivery methods to move raw materials to their facility,” said Elsenbast. “Our expertise in transportation has allowed REG’s distribution network to develop using many different transportation methods for both inputs and outputs. In fact, our truck and rail agreements allow us to reach customers nationwide,” Elsenbast said.

As the fourth consecutive National Biodiesel Conference wrapped-up on Wednesday morning, conference host, the National Biodiesel Board, reported a new record attendance of more than 3,800 attendees. “Industry is taking note of renewable fuels and this level of interest in the conference only underscores the growing need for alternatives,” said Stroburg.

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About Renewable Energy Group, Inc.

Renewable Energy Group, Inc. is the biodiesel industry leader of B100 sales and is the only full-service biodiesel company offering plant management, risk management, raw material procurement, plant construction, biodiesel production and biodiesel sales and marketing services. Renewable Energy Group, Inc. markets SoyPOWER® biodiesel to customers in many industries including on-highway fleets, original equipment manufacturers, maritime, military, home heating and agriculture industries.

More Information

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