



TSB

**TRI-STATE
BIODIESEL**

NYC's GREEN Fuel Supplier...



January 2010

About Tri-State Biodiesel

- Founded in 2004 -- funded and developed by environmental advocates and entrepreneurs.
- Headquartered in New York City with operations throughout New York, and limited operations in New Jersey and Connecticut.
- NYC's leading biodiesel brand and the first to offer biodiesel fuel to private fleets in the city and oil-to-biodiesel recycling service.



About Tri-State Biodiesel

- TSB is national pioneer in area urban, recycled oils based biodiesel
- Member of the National Biodiesel Board with large national network of biodiesel production and marketing partners.
- Management team with over 15 years biodiesel experience that helped to build the biodiesel movement and industry.



TSB Services Overview

- Used cooking oil recycling service
- Biodiesel fuel and bioheating oil sales
- Active in biodiesel promotion, education, and outreach legislative support.



Tri-State Biodiesel Waste Oil Collection Service



- Collecting over 1mm gal/ year from 2700 restaurants
- Employs 26 workers - many from low-income communities
- Our service saves the city on enforcement and cleanup
- Convenient for restaurant partners
- 6 trucks all running on biodiesel fuel

Tri-State Biodiesel Fleet Fueling Service



- Currently fueling over 300 heavy duty fleet trucks in the city
- Biodiesel fuel provided directly to fleet
- Biodiesel fuel blended with petroleum diesel either B5 or B20
- Fleets include Fresh Direct, Movers Not Shakers, ABC Home & Carpet, and others



TSB

TRI-STATE
BIODIESEL

Some TSB Customers

American Apparel[®]



Tri-State Biodiesel Home Bio-heating Oil Service



- Provides B20 biodiesel/ heating oil blend
- Can be used in any #2 & 4 heating oil boiler
- Heating oil consumer is eligible for 20 cent/gallon tax credit
- Priced at or below petroleum heating oil with credit.

What is Biodiesel?



- Biodiesel is a clean burning alternative diesel fuel, produced from renewable resources.
- Biodiesel contains no petroleum, but can be blended with petroleum diesel.
- Biodiesel can be used in any diesel equipment with little or no modifications.
- Biodiesel is simple to use, readily biodegradable, and drastically reduces emissions.

How is biodiesel made?



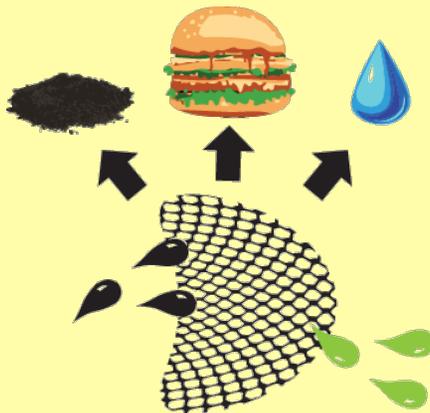
- Biodiesel is made through a chemical process called transesterification, whereby the glycerin is separated from the fat or vegetable oil.
- The process leaves behind two products -- methyl esters (the chemical name for biodiesel) and glycerin (a valuable byproduct usually sold to be used in soaps and other products).
- Biodiesel can be made from virgin seed oils, waste cooking oil, or animal fats.

Our System



Step 1:

When restaurants have full barrels of waste cooking oil, TSB representatives come and vacuum the oil into a collection tank.



Step 2:

The oil is taken to a rendering facility and put through processing filtration to remove dirt, food particles, and water.



Step 3:

Once purified, it is transported to a facility where it is converted into biodiesel through a chemical process called transesterification.

Our System



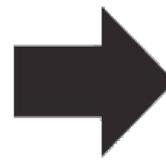
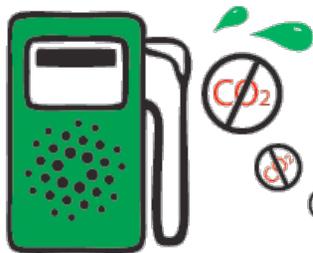
TSB

TRI-STATE
BIODIESEL



Step 4:

The biodiesel generated from the transesterification reaction is then further processed, purified, and distributed as fuel for any diesel equipment.



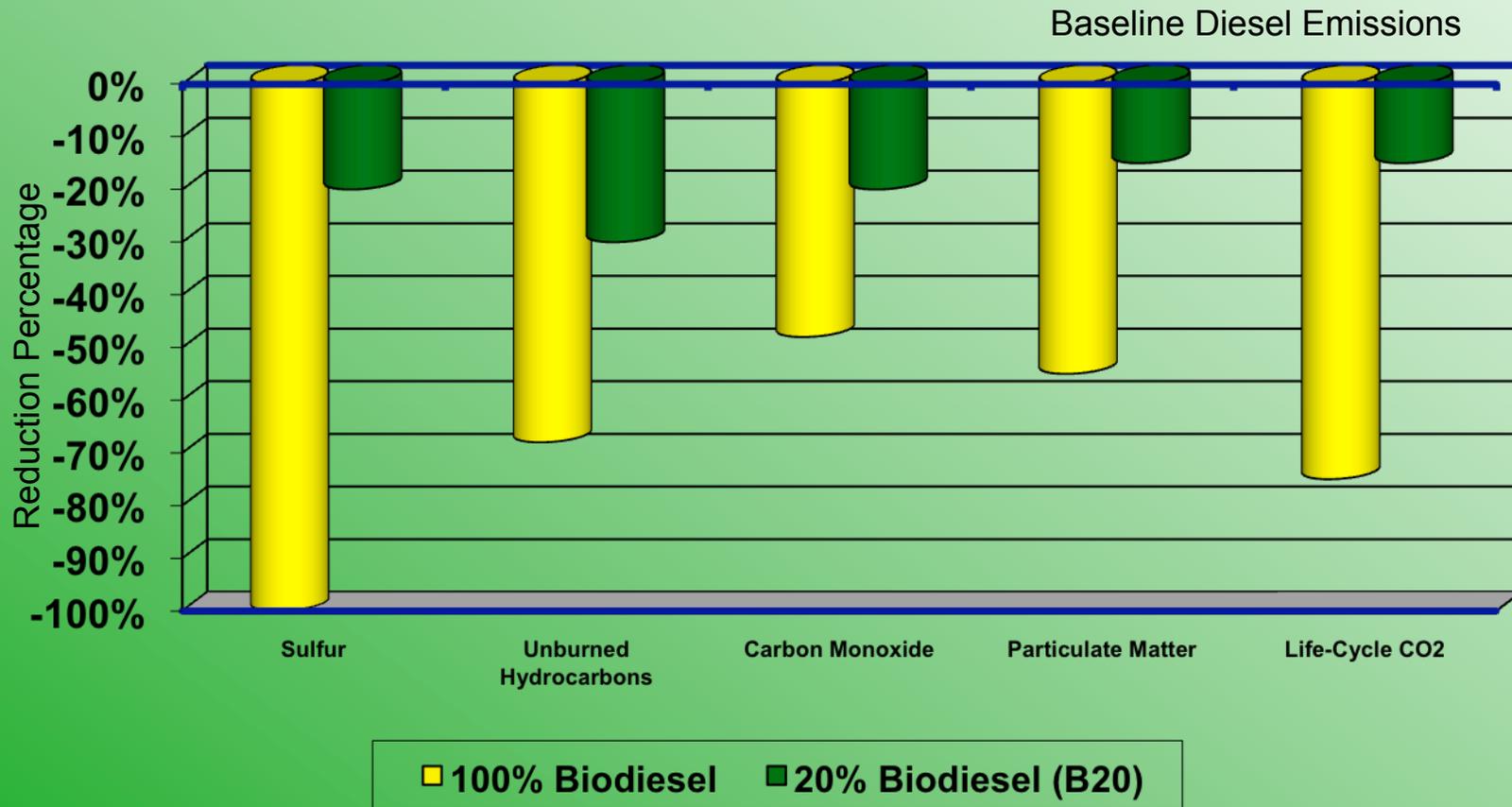
The next heater that warms you, or the next car you drive to a local restaurant may be fueled by biodiesel made from recycled vegetable oil!

Benefits of Biodiesel Fuel

- **Health Benefits**
- **Green House Gas Reductions**
- **Better Local Air Quality**
- **Energy Security**
- **Supports Local Economy**
- **Sustainability**



Biodiesel Emissions Reductions



*Sources--US EPA, US Dept. of Energy, & National Renewable Energy Laboratory(NREL)



TSB

TRI-STATE
BIODIESEL

Massive Carbon Reduction for Biodiesel

- Biodiesel in the US alone **has caused** a reduction in **life-cycle** CO₂ emissions of about 17.3 pounds per gallon as compared to diesel fuel according to EPA and DOE data.
- Multiply that by the 700 million gallons produced in 2008 and it means that we have reduced CO₂ in the US by about 12.1 billion pounds.
- Which is the equivalent of taking over 1 million cars off the road in the last year alone. (the average car produces 11,450 lbs of carbon per year)



Health Benefits of Biodiesel



- According to the American Lung Association, Biodiesel exhaust is 90% less toxic compared with petroleum diesel.
- Particulate Matter (PM) is known to cause cancer and lung disease. PM 55% lower in biodiesel fuel.
- New York City has the highest incidence of lung disease and premature death nationwide as a result of petro-diesel exhaust.
- Some NYC neighborhoods have asthma rates 5 times the national average. Schools in South Bronx and Sunset Park report 1 in 4 kids with asthma.

Biodiesel Helps to Create Green Jobs & US Energy Security



- Homegrown fuel source
- Creates safe and stable Green Jobs for American workers
- Keeps US energy money in our economy
- No over-extension of military resources needed to protect supply

Biodiesel Made from UCO

- Saves taxpayer \$\$
- Reduces sewer clogs
- Removes nuisance product
- Makes fuel from waste
- Supports Local Green Jobs
- Sustainability





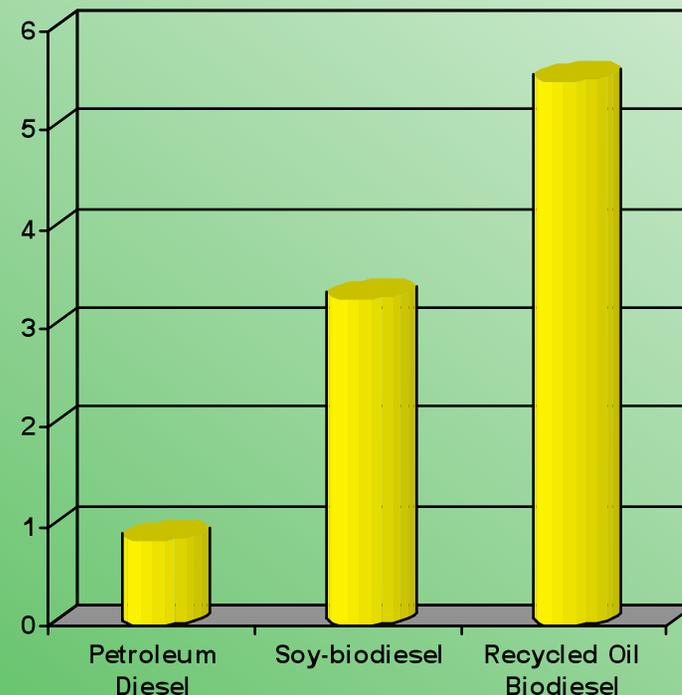
TSB

TRI-STATE
BIODIESEL

Used Cooking Oil Has Top Energy Balance

- Life cycle energy analysis calculates the energy required to produce energy.
- Recycled oil-based biodiesel produces 5.5 units of energy for every 1 unit used.
- Tri-State Biodiesels local sourcing and sales will do even better.

Energy Life Cycle Analysis



Recommendations for increasing UCO biodiesel



- **Regulations**
- **Enforcement**
- **Legislation**
- **Private Sector Partnerships**

Regulate to control illegal dumping of UCO



- Stringent regulations requiring the proper disposal of UCO must be in place
- Carters should be required to report the destination of product
- Restaurants required to recycle all oil with compliant carter

Educate and enforce the rules



- Education campaigns should interface with food service licensing
- Enforcement should be done by health department agents that regularly visit restaurants
- Fine structure should be clear, consistent and enforced

Legislate to promote biodiesel



- Join with 1000s of other municipalities around the country in supporting biodiesel
- Promote the highest benefit uses such as using biodiesel in school busses
- Encourage UCO feedstock by offering a premium for local UCO in municipal contracts

Capture efficiency & innovation through private partnerships



- Private sector is already doing this work
- Partnerships support green jobs and the most efficient use of taxpayer money
- Competition in the market place will continue to encourage innovative breakthroughs in the industry.



TSB

**TRI-STATE
BIODIESEL**

NYC's GREEN Fuel Supplier...

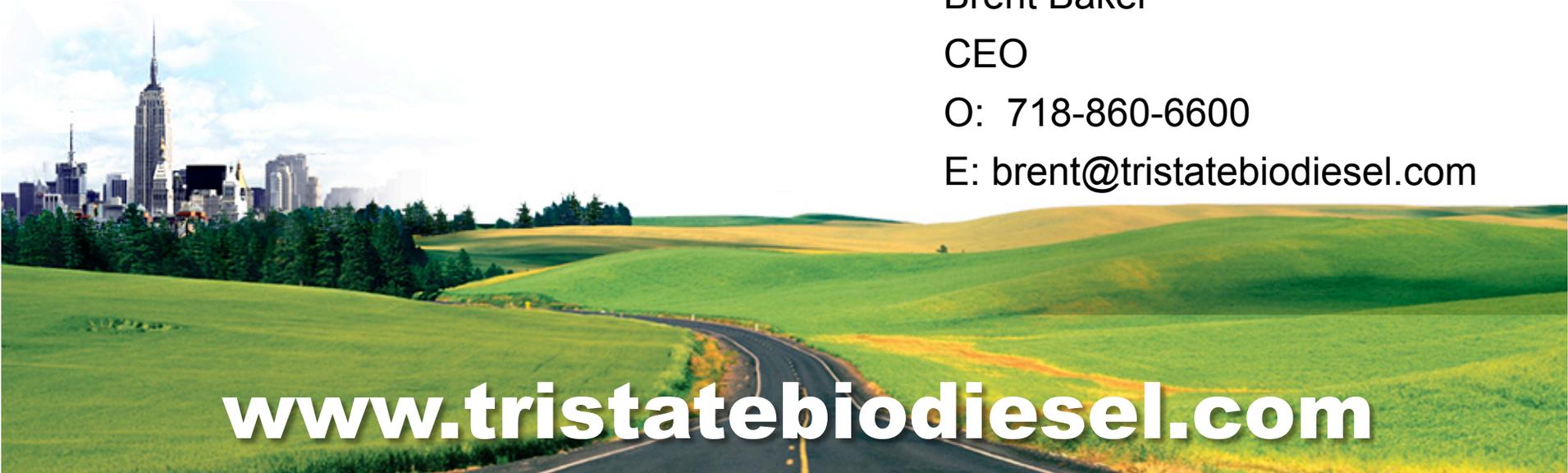
Contact:

Brent Baker

CEO

O: 718-860-6600

E: brent@tristatebiodiesel.com



www.tristatebiodiesel.com