

Willie Nelson anointed Super-Sizing of Oregon Biodiesel Plant

Portland biodiesel mandate drives production expansion

Salem, Ore.—July 6, 2007—Entertainer Willie Nelson helped Oregon's first commercial biodiesel plant celebrate its two-year anniversary in a big way, headlining a press conference and ground-breaking of the expansion of the plant. Also scheduled for concert dates in the area that week, Nelson arrived in his biodiesel-powered tour bus for the July 6 event at the SeSequential-Pacific Biodiesel plant in Salem.

"Oregon has always been progressive in its thinking, and has been out front in every way about most major issues. This is just another example of Oregon setting a good example for the rest of the country," said Nelson.

In December of 2006, the City of Portland became the first U.S. city to adopt a Renewable Fuels Standard (RFS). To encourage energy independence and to help reduce the impact of climate change. By November 1, 2007 all on-road gasoline sold within city limits will contain 10% ethanol and all on-road diesel will contain 5% biodiesel. The Portland ordinance expands Oregon's annual market for biodiesel from four million to eight million gallons per year.

Dedicated to supplying most of the mandate with local production, Oregon's only commercial biodiesel production facility is moving ahead with plans to expand its in-state production capacity to 5 million gallons per year. SeSequential-Pacific Biodiesel LLC (SQPB), established in 2005, is a joint venture between Portland-based SeSequential Biofuels LLC and biodiesel pioneer Pacific Biodiesel, Inc. of Hawaii. The new facility will be the anchor tenant in the Mill Creek Junction development which will attract a diverse mixture of manufacturing, research, services and commercial uses that will have a common focus upon the growing sustainable economy. The property is owned by Oregon planner/developer John Miller, also an investor in SQPB. Other investors include Nelson and his wife Annie, Kettle Foods founder Cameron Healy, and Ron Tyree, of fuel distributor Tyree Oil.

The Salem plant currently converts recycled cooking oil from restaurants and food processors in Oregon and Washington, such as Burgerville and Kettle Foods, into about a million gallons of biodiesel each year. In 2006, SQPB also processed 20,000 gallons of canola oil grown in Eastern Oregon into biodiesel. SQPB has contracted over 100,000 gallons of Oregon-grown canola oil for harvest this summer. SeSequential-Pacific Biodiesel receives canola oil from Madison Farms in Echo and from Pendleton Grain Growers in Pendleton.

When in-state production reaches its five million gallons per year capacity using raw materials from the Pacific Northwest, the statewide RFS included in the Biofuels Bill (HB 2210) will be enacted. The RFS will increase annual demand for biodiesel by approximately 10 million gallons, to total nearly twenty million gallons of biodiesel per year.

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