Biodiesel Consumer Behavior

- Biodiesel acceptance is growing in private and public sectors
- Blends of B5-B20 are offered on a nation-wide scale
- Consumers are asking for choices and non-petroleum options
- Buyers are less concerned about what biodiesel is made from and more concerned about its quality properties

Retail locations selling any biodiesel blends reported to NBB
http://biodiesel.org/using-biodiesel/finding-biodiesel/retail-locations/retail-map
Biodiesel Policy

• Federal Biodiesel Policy
  – Biodiesel Tax Credit first enacted in 2005 = $1.00/gal incentive to blend
  – Most recent tax credit expired at the end of 2017 — industry is working to extend the tax credit in 2018 & beyond

• State Policies Are Growing Usage
  • Iowa: B5 captures $.035/gal retail incentive, B11 captures $.055/gal retail incentive + $.03/gal state fuel tax savings ($.295 vs $.325). 2018-2024
  • Illinois: Biodiesel blends of B11 and above are exempt from the state sales tax of 6.25%. 2018-2023
  • MN: B20 summer mandate began this year. B5 during the winter
  • California: LCFS creating tremendous biodiesel blending economics for blenders
  • Texas: $.04/gallon retail tax savings for every gallon of B20 sold
Biodiesel User Experience

- Biodiesel is saving users money compared to diesel fuel
- Biodiesel blends can result in slight increase in fuel efficiency and significant increase in lubricity and fuel cetane levels
  - Engines run smoother and longer
  - Verified by G & D Integrated and Mahoney Environmental fleets in partnership with REG
- B100 provides a 74% reduction in lifecycle greenhouse gas emissions
- Integrating biodiesel requires no change to petroleum infrastructure
- Using biodiesel is helping increase U.S. energy security and sustainability efforts

https://www.afdc.energy.gov/vehicles/diesels_emissions.html
Today’s Biodiesel & OEMs

- REG produces biodiesel at state of the art facilities
- REG product is offered throughout the Midwest at our biorefineries and petroleum terminals
  - REG Danville, IL
  - REG Seneca, IL
  - Buckeye Bedford Park, IL
  - Buckeye East Chicago, IN
- OEM acceptance of biodiesel is growing and more passenger vehicles are offered with diesel engines
  - Chevrolet Cruze & Equinox (REG’s fleet vehicles)
Contact Information

Tony Spuzello | Team Leader, Sales | REG Marketing & Logistics Group, LLC
Renewable Energy Group® | 416 S. Bell Ave. | Ames IA 50010-0888
(O) 515-239-8040 | (C) 770-715-0972 | (F) 515-239-8029 | ICE ID: tspuzello
tony.spuzello@REGI.com | www.REGI.com