



AMPAMERICAS

**Fair Oaks Farms
CNG Project Update**



Reasons for CNG @ Fair Oaks Farms

- **Low Avoided Price for Electricity**
- **High Gas Output**
- **Location Close to I-65**
- **Dedicated Routes**
- **Dedicated Fleets**
- **Renewable Credits (RIN's)**
- **Tax Credits and Incentives**
- **Dairy Industry Commitment**

What Makes This Work?

**The disconnect between Natural Gas and Transportation Fuel
Based on Petroleum**



**7.19 Gallons of Diesel = 1000 Cubic Feet of Natural Gas
Both = 1,000,000 BTU's**



CNG Research for AMP Fleet

- On Site Visits to Foodliner
- Test Runs from Chicago to FOD
- Research with Fleet Partner RUAN
- Funding at State & National level
- Partner in Dairy Processing
- Commitment from Other Co-ops

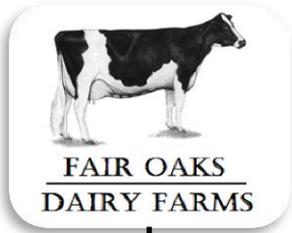
Fleet Details



- 42 of the ISX 9 L Kenworth T440's with 130 DGE Agility systems
- 80k lb. GVW ; 5.5 MPG fleet average
- Major mechanical issues; pistons, headers
- Gas quality issues from utility

- Transitioning to 42 ISXG 12L Kenworth T660's now, 10 on the ground
- 102 DGE Trilogy system; 52 rail / 50 BOC
- 6-6.2 MPG; 80-82k lb GVW
- No mechanical issues to date
- Mostly renewable gas to date
- Weight concerns/exemptions

Digester Lease



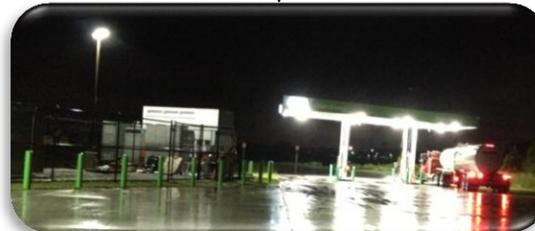
Electrical Generation



Biogas Cleaning



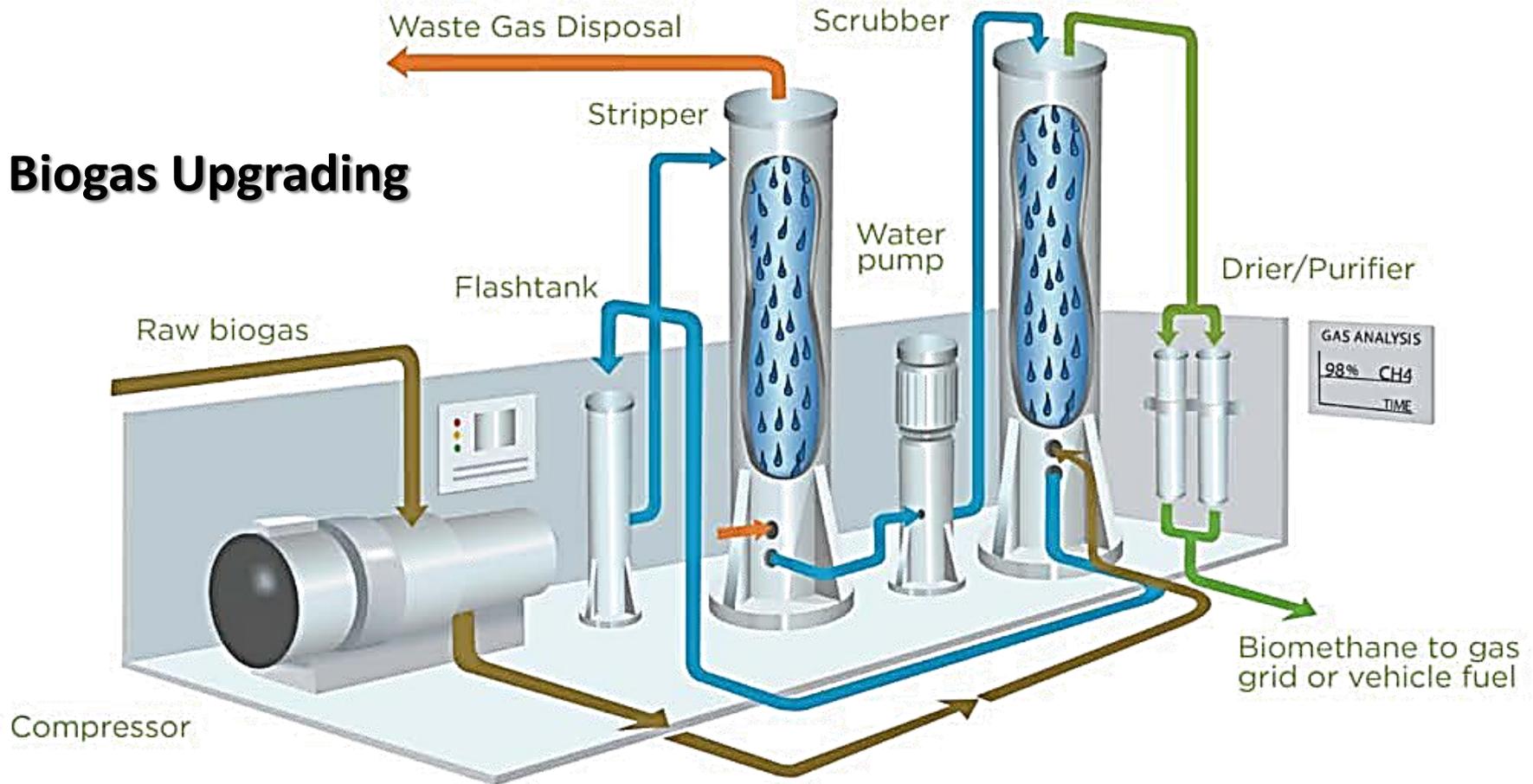
Fair Oaks Fuel Station



Clark County Fuel Station



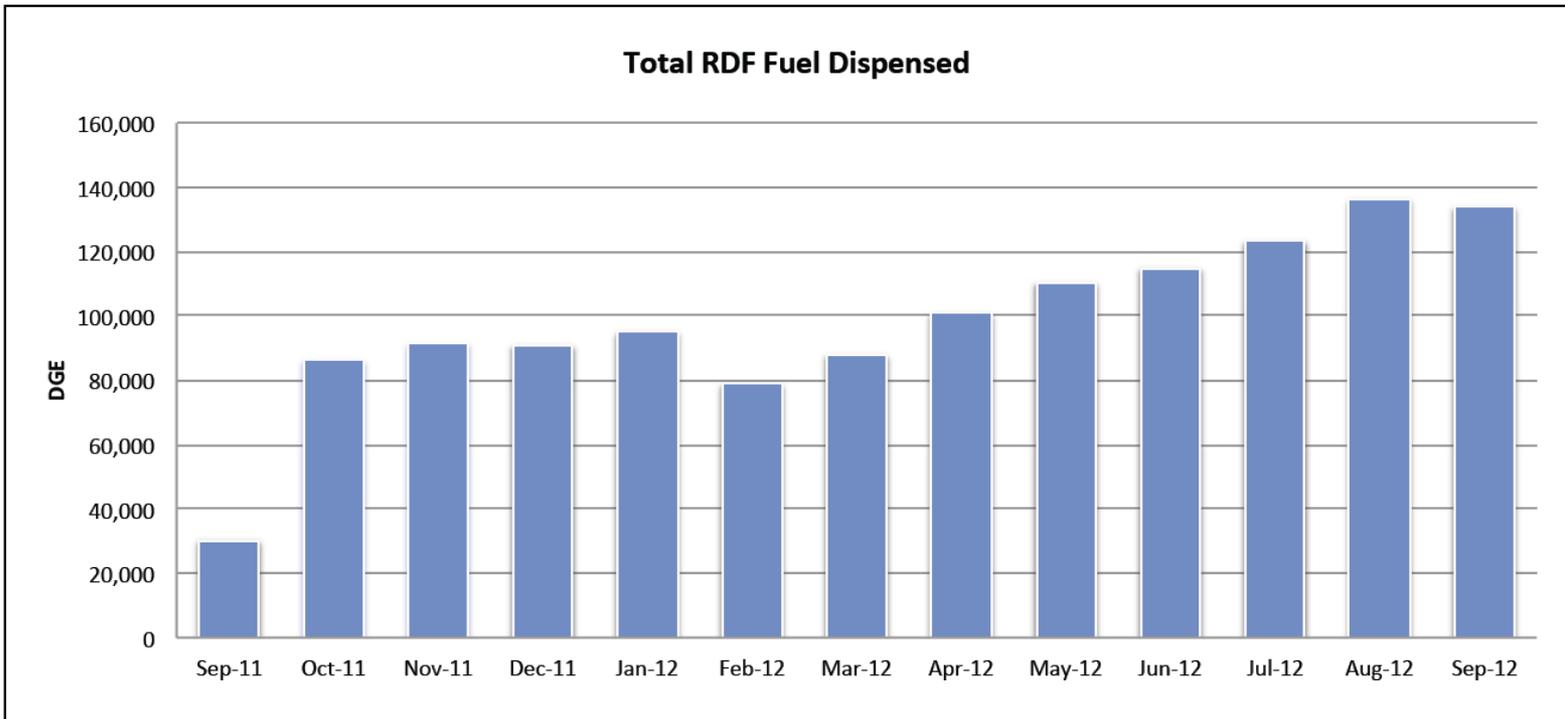
Biogas Upgrading







Project Overview



The AMP fleet has run a total of 14,000,000+ miles and offset the use of 2,500,000 gallons of diesel fuel during its first year of operation.



AMPAMERICAS **Fueling Station Start-Up**

Major Component Gas Analysis By Gas Chromatography (ASTM D1945)

Report Date: 24-Oct-12

Client Name: Fair Oaks Dairy Farm, LLC

GTI Sample Number: 121726-001

Sample Description: RNG Flare Line 10/24/2012 09:32

Date Analyzed: 24-Oct-12 Analyst: DJ

Component	Mol %	Det. Limit	Weight %
Oxygen/Argon	0.45%	0.03%	0.89%
Nitrogen	1.24%	0.03%	2.14%
Methane	98.3%	0.002%	97.0%

Calculated Real Gas Properties per ASTM D3588-98(03)

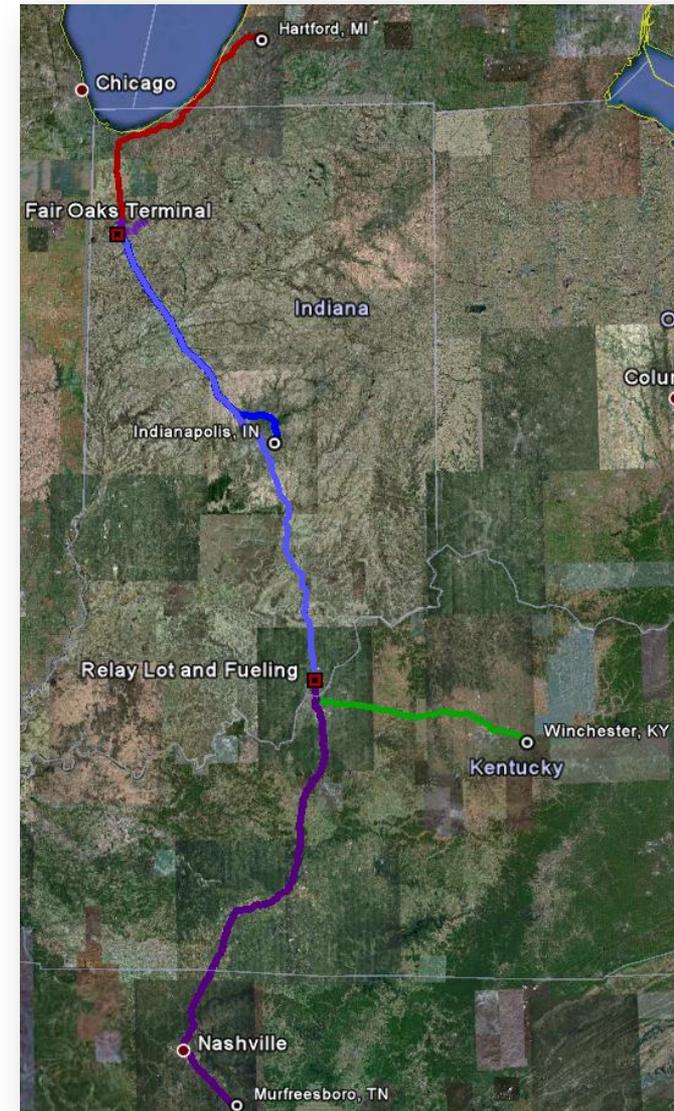
Temp. (°F) =	60.0	60.0
Press. (psia) =	14.696	14.73
Compressibility Factor [z] (Dry) =	0.99806	0.99805
Compressibility Factor [z] (Sat.) =	0.99775	0.99774
Relative Density (Dry) =	0.5625	0.5625
Gross HV (Dry) (Btu/ft ³) =	994.8	997.1
Gross HV (Sat.) (Btu/ft ³) =	977.8	980.1
Wobbe Index =	1326.5	1329.5
Net HV (Dry) (Btu/ft ³) =	895.7	897.8
Net HV (Sat.) (Btu/ft ³) =	880.4	882.5

Initial RNG Fueling 9:23AM CDT 10/24/2012



AMP AMERICAS **FLEET OVERVIEW**

- **53 daily loads from Fair Oaks, IN and Hartford, MI to:**
 - **Indianapolis, IN (17)**
 - **Murfreesboro, TN (17)**
 - **Winchester, KY (19)**
- **42 CNG power units leased by RDF and 105 milk tanks provided by Ruan**
- **110 drivers domiciled at Fair Oaks and Sellersburg Relay**
- **6,675,391 miles run 11/1/2011 to 10/31/2012 (160,000 miles/Unit)**
- **Equivalent of 1,263,301 gallons of diesel fuel (DGEs).**
- **Fleet mpg was 5.28 miles/DGE**





RINs were factored into investment decision @ \$0.35/RIN

Assumed 13 RINs per mmbtu, reality is 11.5

No substrates

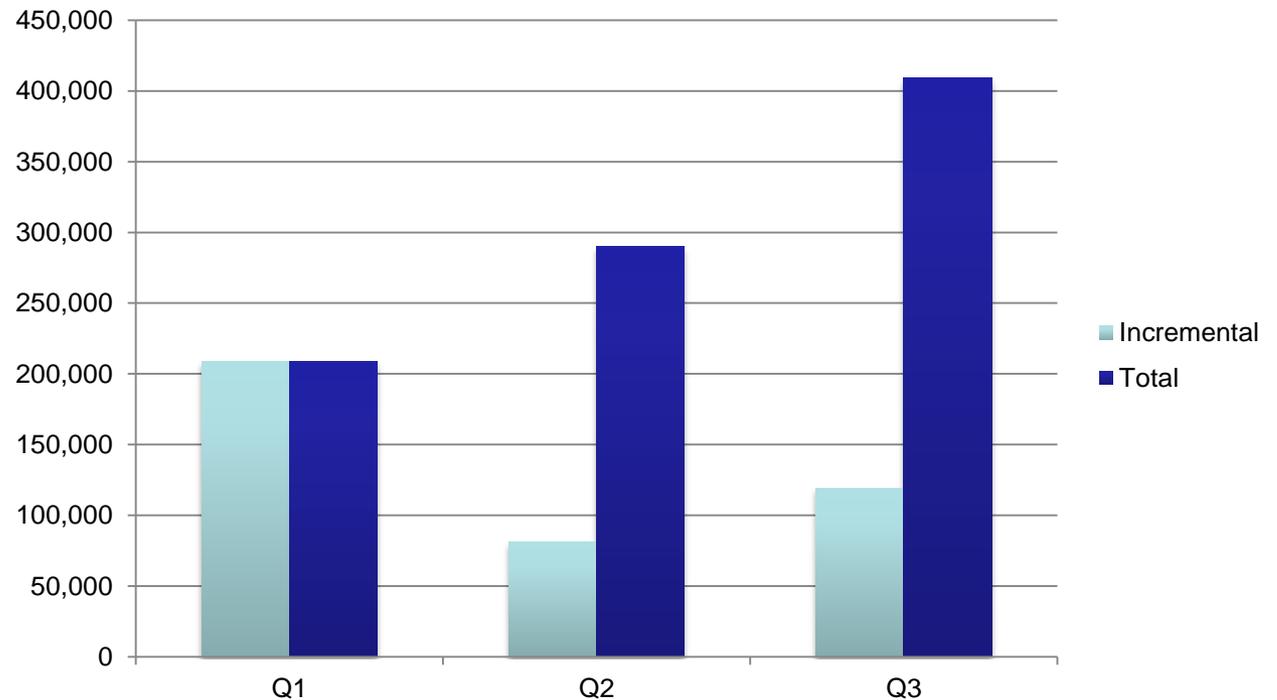
Only generating at Fair Oaks station, not Sellersburg



Started generating RINs 10/24/12

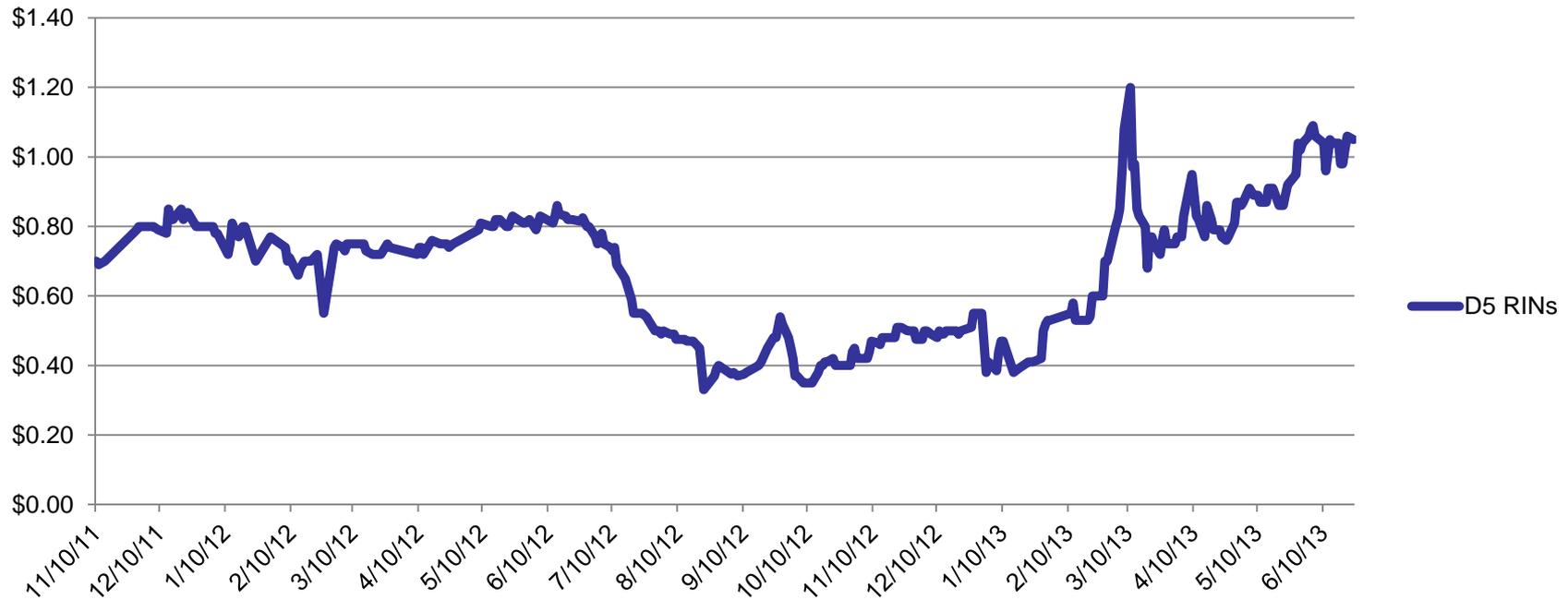
2012: 125,000

2013: 415,000+



Extremely volatile, lacking futures market, pricing haircuts

D5 RINs



Time consuming to generate and transact RINs
Constant threat of revision





AMP AMERICAS Project Financing Sources



greater Indiana
clean cities coalition



Committed to the future of rural communities.