



Industry Update

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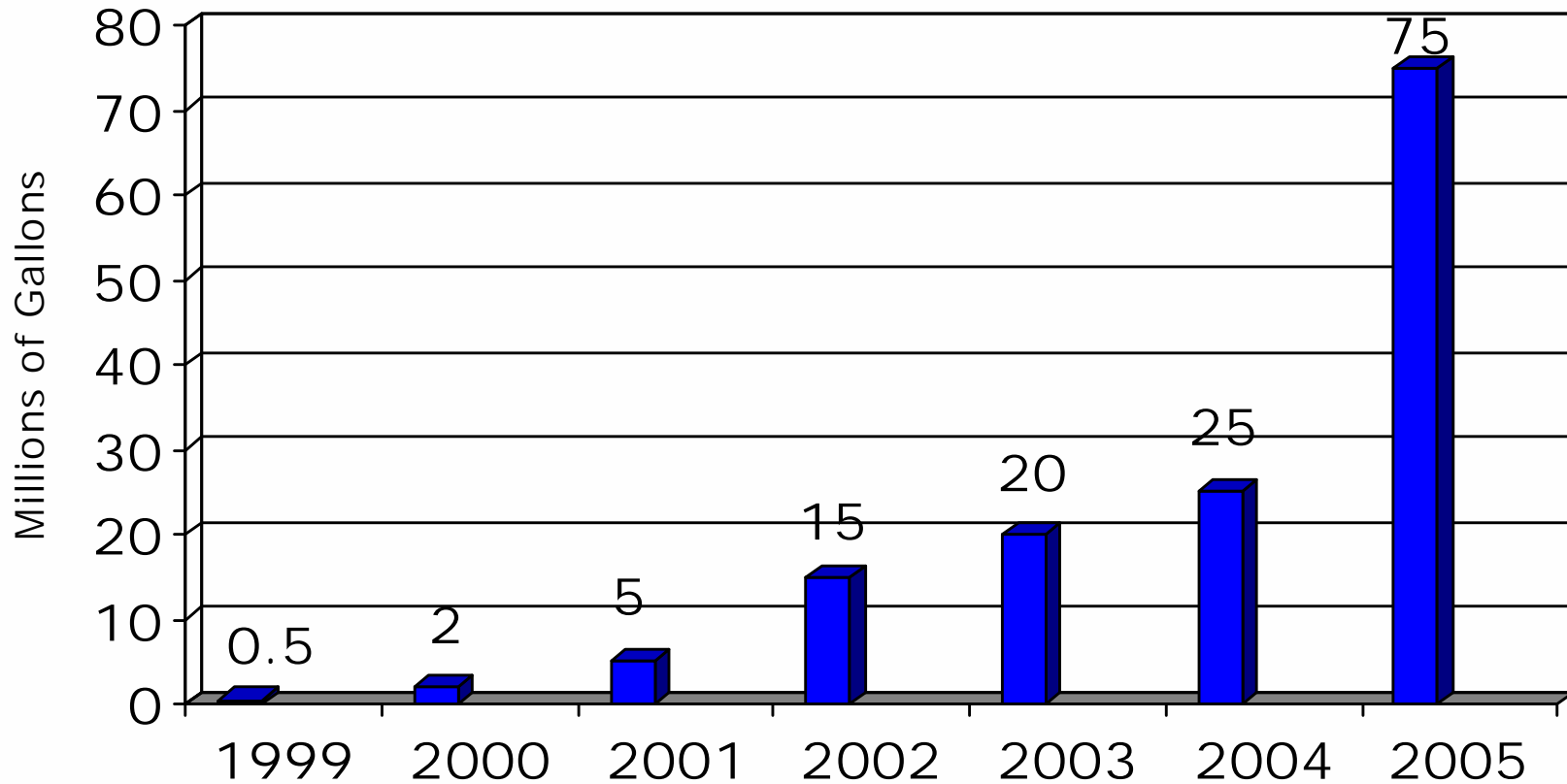
Dramatic Growth

- u Biodiesel production has doubled year over year for the past two years.
- u Anticipate seeing continued strong growth into the foreseeable future.



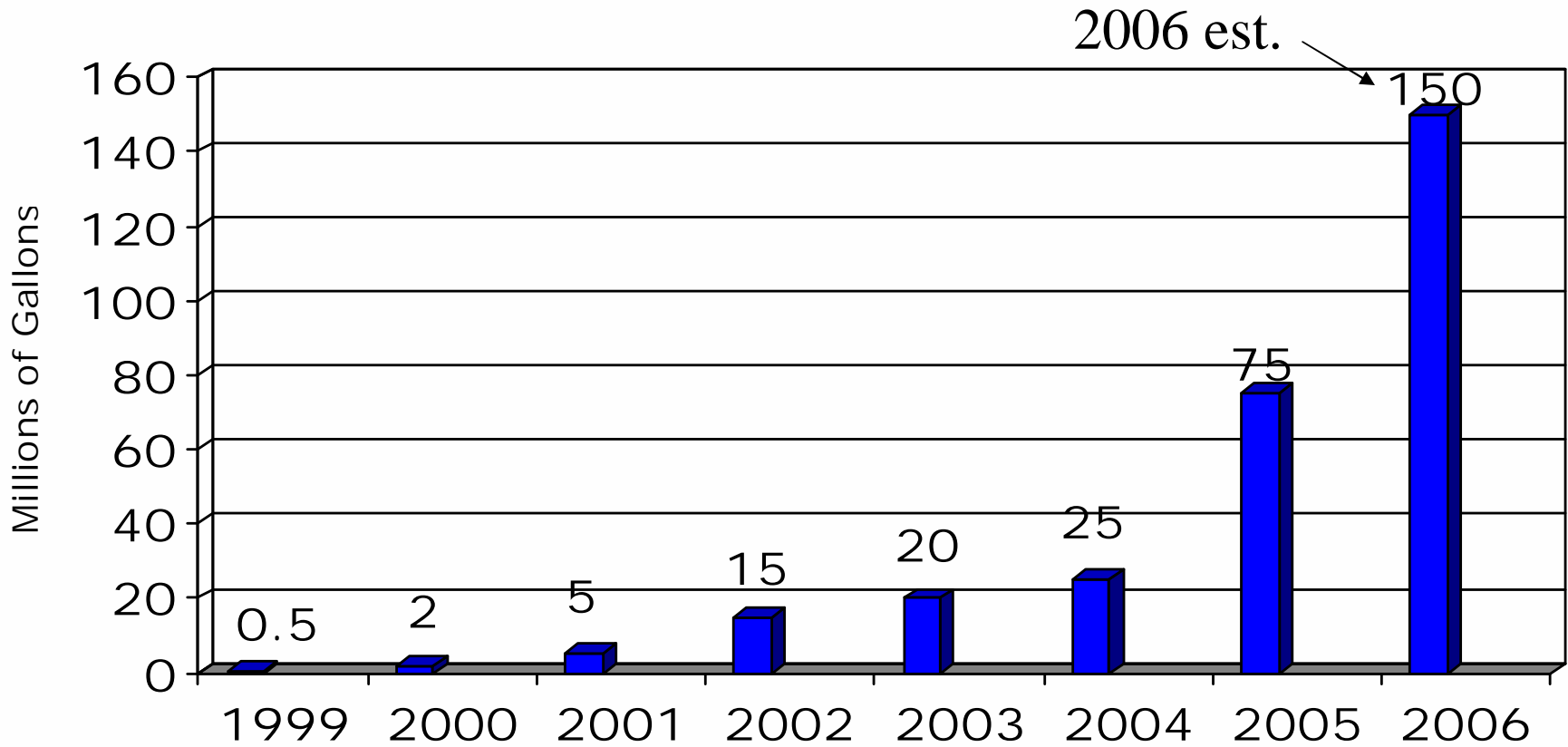


Estimated US Biodiesel Production

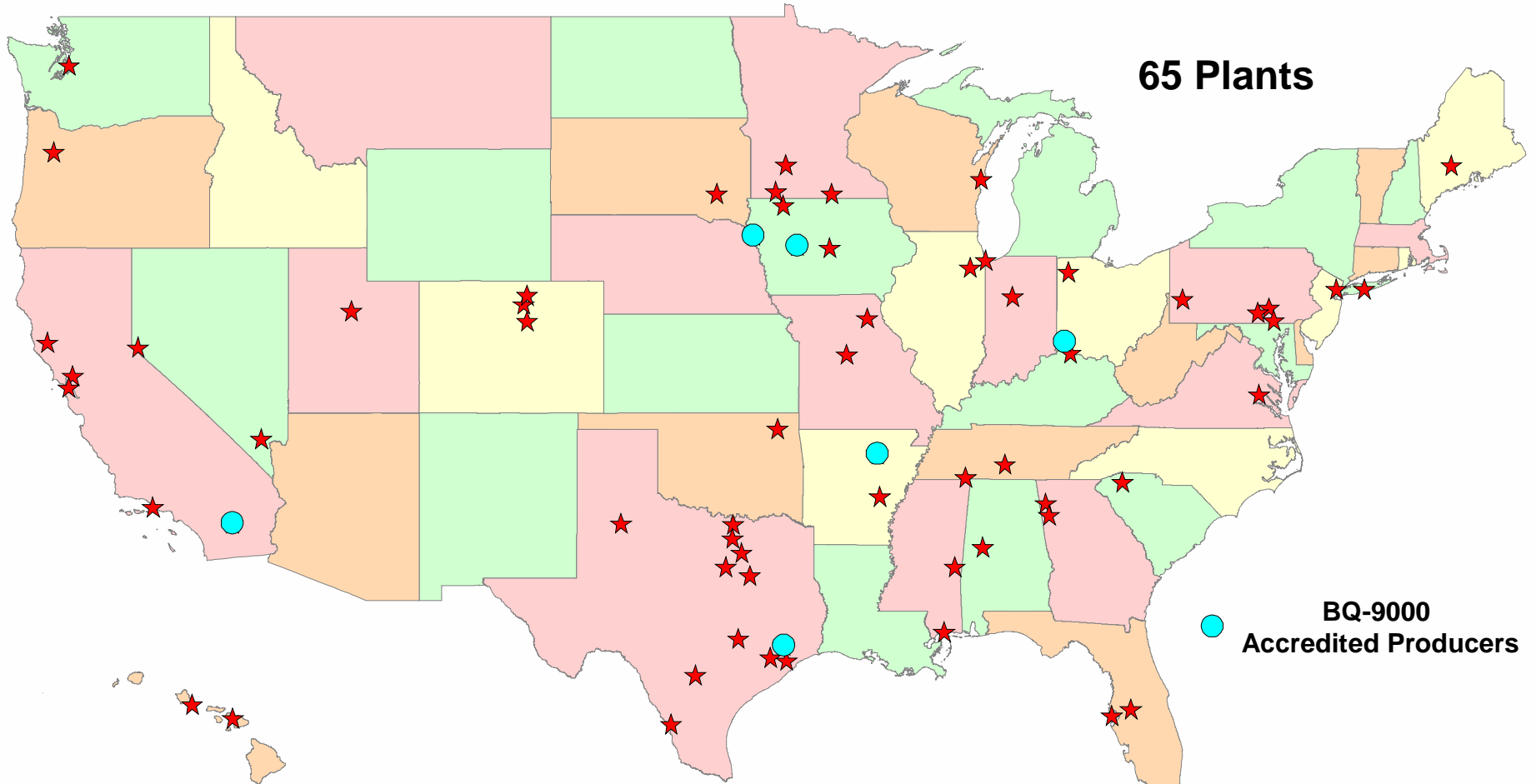




Estimated US Biodiesel Production

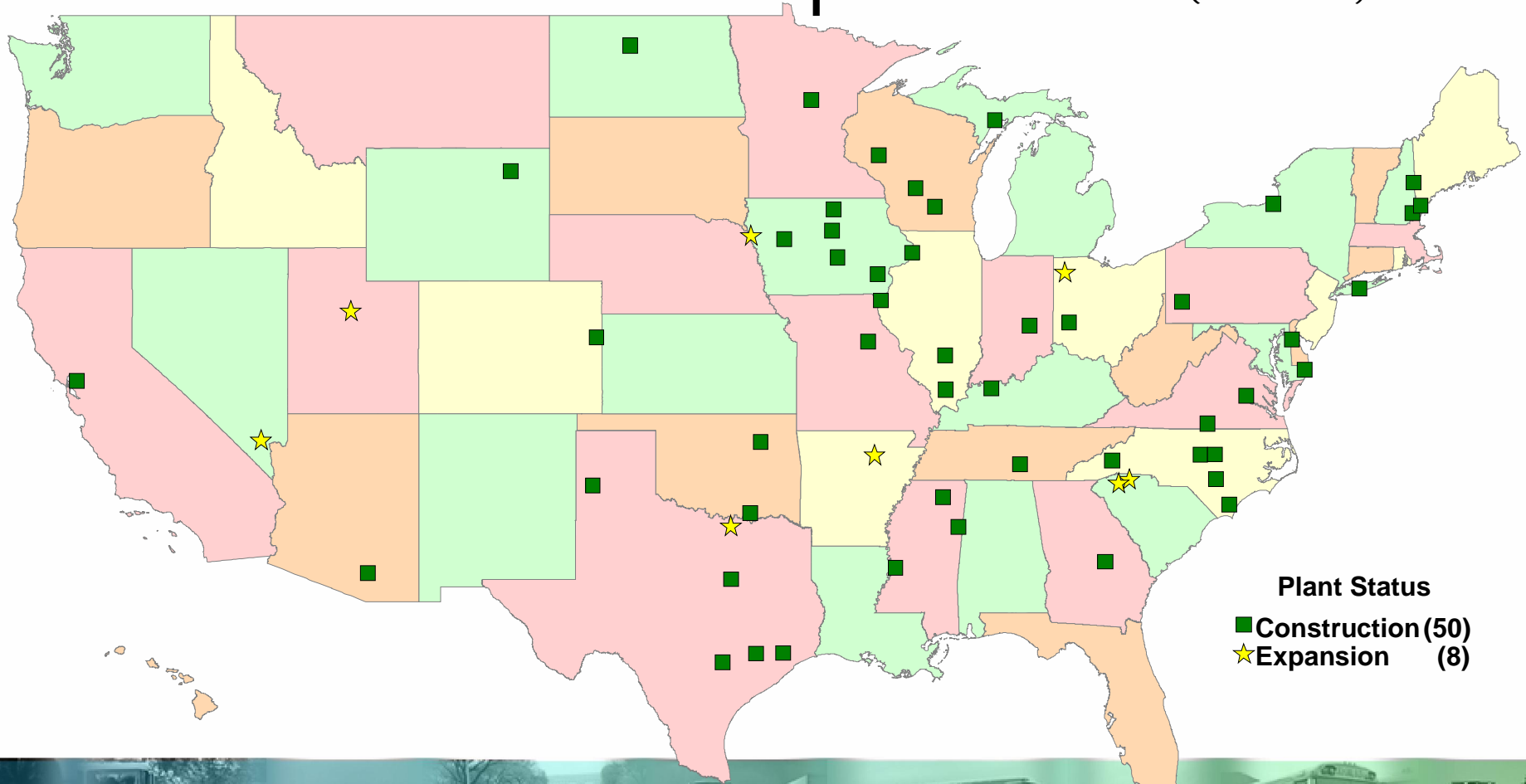


Production Locations (4/28/06)





Biodiesel Plants Under Construction & Expansion (4/28/06)



Industry Growth Drivers

- u Public Policy
 - § Tax Incentive (or others)
 - § ULSD
 - § RFS
 - § State Policies
- u Crude oil price
- u Feedstock prices
- u Economies of Scale
- u Distribution Costs



Federal Tax Incentives

- u Federal volumetric tax credit has been the primary stimulant for industry growth.
- u Set to sunset in 2008.
- u Extension is our top priority.
- u Industry is working with stakeholders & members of Congress to extend the credit for at least 2 years.



Summary

- u Strong interest in biofuels to enhance energy security, economic benefits, and environmental benefits.
- u Anticipate continued strong interest & growth.
- u A vibrant biofuels industry will have a direct positive impact on our national energy security, economy, and environment.





For more information about
biodiesel, visit the NBB's
website:

www.biodiesel.org

