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Biodiesel Industries, Michigan's *NextEnergy* and DaimlerChrysler Announce Groundbreaking for Biodiesel Production Facility to be Built in Detroit

Innovative project brings biodiesel research, development and production to the Motor City

Detroit, MI - On May 1 officials from Biodiesel Industries Inc., DaimlerChrysler and NextEnergy formally announced plans to develop a new biodiesel facility targeting biodiesel research, development, technical innovation, and production. A groundbreaking ceremony will take place on Tuesday, May 15 at 228 E. Baltimore Ave., Detroit, Michigan, the location for the new facility.

This is a pioneering project. It brings together a diverse group of major industry players, such as DaimlerChrysler, for the common goal of biodiesel advancement and implementation. We're delighted to be part of the core group involved in this innovative venture," said Russell Teall, President and Founder of Biodiesel Industries Inc. "Our new facility will have the capacity to produce 10 million gallons per year of biodiesel using a full spectrum of feedstocks, including crude, refined and recycled vegetable oils and animal fats."

The facility will be the sixth such production project completed by Biodiesel Industries. "Detroit is the perfect location for us to build our newest facility. This is the center of the automotive universe, and that is where we need to be. Coupled with the involvement of NextEnergy, DaimlerChrysler, Robert Bosch Corporation, Delphi Corporation and other major automotive manufacturers and suppliers, we look forward to working together to set the standards for biodiesel production and use," explainded JJ Rothgery, Biodiesel Industries Chairman of the Board. "It is our pleasure to announce this project as part of National Transportation Week." Biodiesel Industries uses its own patented proprietary production technology that is "feedstock neutral," meaning that it can produce quality biodiesel from many different resources such as soy bean oil and used french fry oil. Michigan State University is assisting with the feedstock program and quality control systems are built into process control automation for the facilities, ensuring that the biodiesel produced meets stringent U.S. and European standards.

"Biodiesel Industries has many years of advanced development and production experience in the otherwise young biodiesel industry. Given the tremendous national market demand for their product, we are delighted that Biodiesel Industries has chosen Detroit for its next biodiesel production facility," said James Croce, Chief Executive Officer of NextEnergy Center.

Research and development will also extend into the development of agricultural resources utilizing property owned by DaimlerChrysler. The use of new and innovative biodiesel feedstocks will be part of this research. "As biodiesel demand increases there will be a need for new resources that can be grown in America by American farmers," according to Michael Cassady, Biodiesel Industries Executive Vice President and Chief Operating Officer. "DaimlerChrysler has led the way in the use of biodiesel in diesel vehicles by being the first automotive manufacturer to deliver vehicles to their customers with a blend of biodiesel as the original fuel. Soon it will be possible to have that biodiesel made in Michigan from resources grown here."

The facility will be designed by Detroit-based architect Albert Kahn Associates, Inc., and constructed by the Detroit-headquartered construction management firm DeMaria Building Company. *DeMaria also recently built the National Biofuel Energy Laboratory for NextEnergy.* "This exciting project represents one of the first biodiesel production facilities located in the heart of an urban environment, and offered many unique design challenges, including an important need to blend with the surrounding neighborhood as well as complement the research character of adjacent TechTown," notes Peter Lynde, Kahn Project Principal and Director of Research and Technology.

"This is another groundbreaking project for DeMaria in the alternative energy market. We are excited to be part of an outstanding team with Biodiesel Industries and Albert Kahn Associates, Inc. – a team involved in bringing biodiesel production to the City of Detroit. This new facility will create excellent opportunities for employment within our local community.", stated Darren Murray, Vice President, DeMaria Building Company.

DaimlerChrysler has promoted the use of biodiesel fuel nationally with the launch of the Jeep® Grand Cherokee CRD diesel, Dodge Ram Cummins Diesel pick up, and Mercedes E320. To support the research programs at NextEnergy, DaimlerChrysler will commit currently unused land at a former SuperFund environmental site for use in producing soybeans, and perhaps other oil-bearing crops, for use in NextEnergy research programs.

"DaimlerChrysler is excited to be partnering with NextEnergy and Biodiesel Industries in this important research that will not only help diversify Michigan's economy, but also strengthen the U.S. economy by reducing our reliance on oil," said Deborah Morrissett, Vice President – Regulatory Affairs at DaimlerChrysler.

Biodiesel has received strong bi-partisan political support in recent years as a domestic and renewable fuel that can play a pivotal role in reducing American dependence on foreign oil. Recent federal and state legislation has provided strong incentives for the use of biodiesel. It has also received enthusiastic backing from American farmers who grow the many oil-bearing crops from which the fuel can be produced.

Biodiesel is a nontoxic, biodegradable alternative to petroleum diesel that substantially reduces air pollution. This high-performance fuel can be used by itself or blended with petroleum diesel. It runs in diesel engines with no alterations. Biodiesel is a designated alternative fuel under federal law and is fully registered with the U.S. EPA. For more information about biodiesel see www.biodieselindustries.com.

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