

Daniel F. Shafer
Principal Manager
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3/13/09

Oregon State Legislature

Re: State RFS implementation

Dear Oregon State Senator or Representative:

Thank you for your interest in assisting in achieving state goals related to sustainability for energy and transportation fuels. We ask the Oregon State legislature to act to implement the state wide mandate for a 2% blend ratio of biodiesel into all diesel fuel sold in the state.

Beaver Biodiesel is a Corvallis Oregon based manufacturer of clean, renewable, and sustainable biodiesel fuel. In state production of biodiesel helps to improve Oregon's competitive position in development of a clean, green, high technology business sector. Biodiesel is a clean burning alternative to fossil fuel that improves air quality.

- The firm is in production today, has passed ASTM D6751 certification, and is EPA certified as a fuel producer.
- 1.2 million gallons per year of production capacity on existing equipment set.
- Beaver Biodiesel employs 3 chemical engineers, 1 biological engineer, and 1 Master of Bioscience in key production and process development positions. We are leaders in development of an Oregon based clean energy industry.
- Additional staff includes skilled labor and production personnel.
- As in-state demand expands, the firm expects to hire up to four more skilled labor positions at family wage levels with substantial benefits, including continuing education.
- The firm has the ability to import raw material and ship finished product via a rail siding, plus easy truck access.
- During the summer of 2010, a new building will be constructed for 2.1 million gallons per year production.
- The firm has a low debt load and a substantial productive capacity, based on real physical assets, resulting in a solid company valuation and high debt coverage ratio.
- Distribution channels are established.
- Raw materials are readily available and the firm has good credit with raw material suppliers.

The firm is grounded in the biodiesel content mandate is in effect in Portland. Expansion plans depend on the Oregon state-wide mandate, leading to steady demand for biodiesel production in Oregon.

Sincerely,

Daniel Shafer