

# FAIR OAKS

## F A R M S™



### What's Black and White but Green All Over?

Though the cows are black and white, there's nothing but green when it comes to the innovation and sustainability that Indiana Governor Mitch Daniels, Fair Oaks Farms, New Frontier Holdings, and the U.S. Department of Energy are proving by delivering milk down our highways in cow-manure-powered trucks.

Fair Oaks, IN. (June 14, 2011) — What do you get when you combine a Midwest governor who is committed to finding real solutions to the nation's problems, one of the most recognized and innovative dairies in the world, the nation's top renewable energy technology providers, the support of U.S. Department of Energy, an industry leading logistics provider, and a lot of cow manure? You get the largest long-haul fleet powered by renewable energy in the country, delivering milk to processing plants in three Midwestern states.

With the unwavering support of Governor Mitch Daniels, Fair Oaks Farms has announced the development of a natural-gas-powered milk fleet that will reduce the use of diesel fuel by more than one and a half million gallons of diesel per year by using gas produced from dairy cattle waste. In a process called anaerobic digestion, microorganisms feed on cow manure and produce methane gas, which Fair Oaks Farms traps and processes with technology supplied by UTS-Residual Processing using a proven water-based technology with minimal environmental impact. This gas will be piped directly to a fueling station in Fair Oaks for compression and distribution.

Dr. Andrew Benedek, managing partner of UTS Residual Processing, commented that "all of us at UTS are delighted to be a supplier and a partner to the biogas processing side of the project. We appreciate the leadership of Fair Oaks Farms in developing what may be the world's largest farm waste to biofuel project. This project also shows the way Americans can begin the shift toward a future of developing sustainable and economically attractive alternatives to buying foreign oil".

Fair Oaks Farms, through one of its subsidiaries, has contracted with Clean Energy to build and operate two new fueling stations in Indiana that will compress and dispense the natural gas. The end result will be a new fleet of 42 milk-hauling trucks powered by renewable compressed natural gas (CNG), a clean, sustainable fuel. The project will also include a one Megawatt GE Jenbacher electrical generator running on biogas to help power the cleaning and compressing equipment.

Set to open in the second half of 2011, the two new Clean Energy CNG stations will also be open to the public and are conveniently located, one station near Fair Oaks Farms, the region's most popular agri-tourism attraction, adjacent to Interstate 65 in Fair Oaks, Indiana, and the second in southern Indiana close to the Kentucky border, also on Interstate 65.

Fair Oaks Farms' CNG truck fleet will transport 53, 6,000 gallon, loads of milk a day, seven and a half million gallons a month, and cumulatively, 90 million gallons of milk a year. The CNG truck fleet, operated by Ruan Logistics, will replace diesel-powered models and, by displacing more than one and a half million gallons of diesel per year, significantly reduce both direct emissions and the traditional carbon footprint of energy production.

James Harger, Chief Marketing Officer of Clean Energy, said, "We are delighted to have this opportunity to work with Fair Oaks Farms as they move to control fuel costs in a volatile energy environment, reduce dependence on foreign oil, and curb the global warming impact of their fleet operations. We look forward to working with the dairy industry on developing clean natural-gas-powered fleets such as this and the continued growth of the natural gas transportation industry."

Mike McCloskey of Fair Oaks Farms said, "This is a major undertaking that would not have happened without the support of Governor Mitch Daniels; the State of Indiana; the U.S. Department of Energy; Ruan Transport; New Frontier Holdings, our lead investor; and our renewable energy vendor, UTS. The many companies involved are all committed to renewable energy, sustainable processes, and doing the right thing. We are excited to be part of providing a model of innovation that can be reproduced in other parts the country in the future."

McCloskey went on to specifically welcome Fair Oaks' "new renewable energy partner and investor, New Frontier Holdings, a renewable energy investment firm. New Frontier's knowledge of renewable energy, their risk assessment capabilities in this field, and their vision of the future growth of this industry brings comfort to our venture of continuing to grow our renewable commitment."

The overall program, which consists of two separate projects, is supported by grants through the American Recovery and Reinvestment Act of 2009, administered through the U.S. Department of Energy's State Energy Program and Clean Cities Program, and the Indiana Office of Energy Development. The program would not have been possible without the cooperation and support of the Greater Indiana Clean Cities Coalition.