



Opportunities for Energy Production in Livestock Operations

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Agriculture Definition

- Agriculture is the business of
 - collecting
 - storing
 - refining solar energy
- Most efficient process adds highest value over the entire cycle

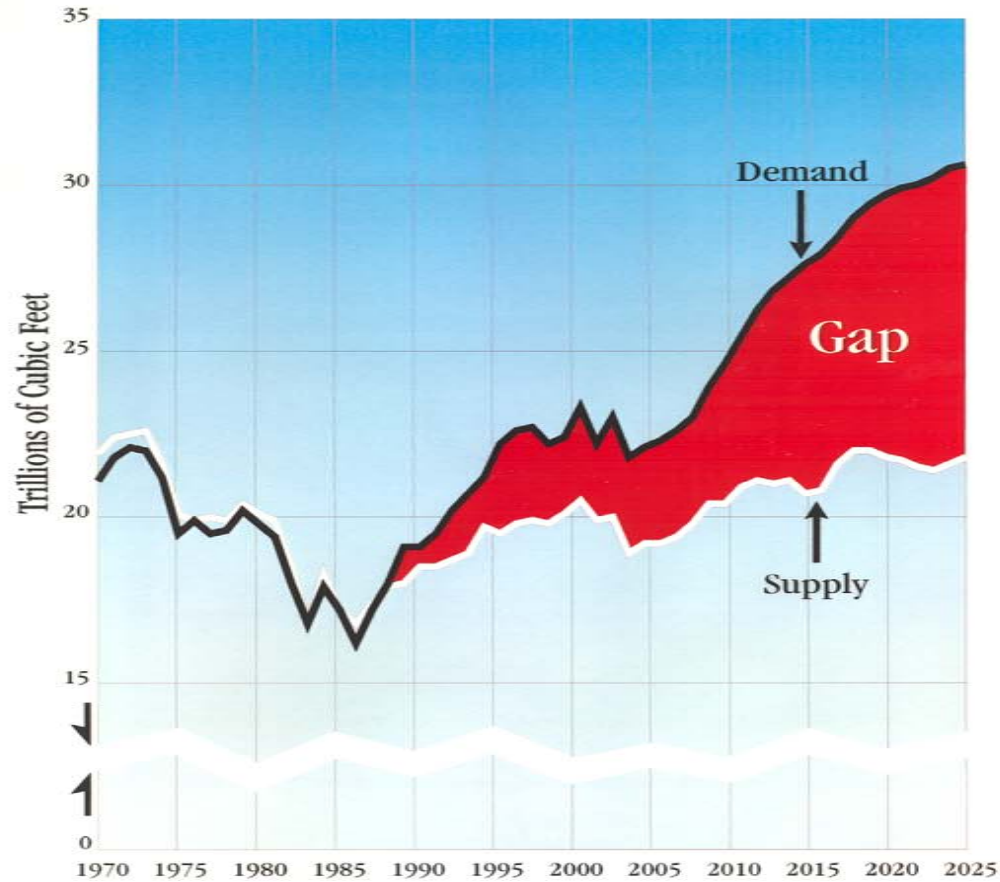


Agriculture is an Energy Industry

- Food is simply the highest value energy product like gasoline in a refinery
- Fertilizer is a co-product energy stream
- Crop residue, animal and process wastes are like the tar in the still bottoms
- Finding a use for these improves the efficiency of the entire system



WORSENING GAP BETWEEN DOMESTIC NATURAL GAS SUPPLY AND DEMAND



Data from Energy Information Administration



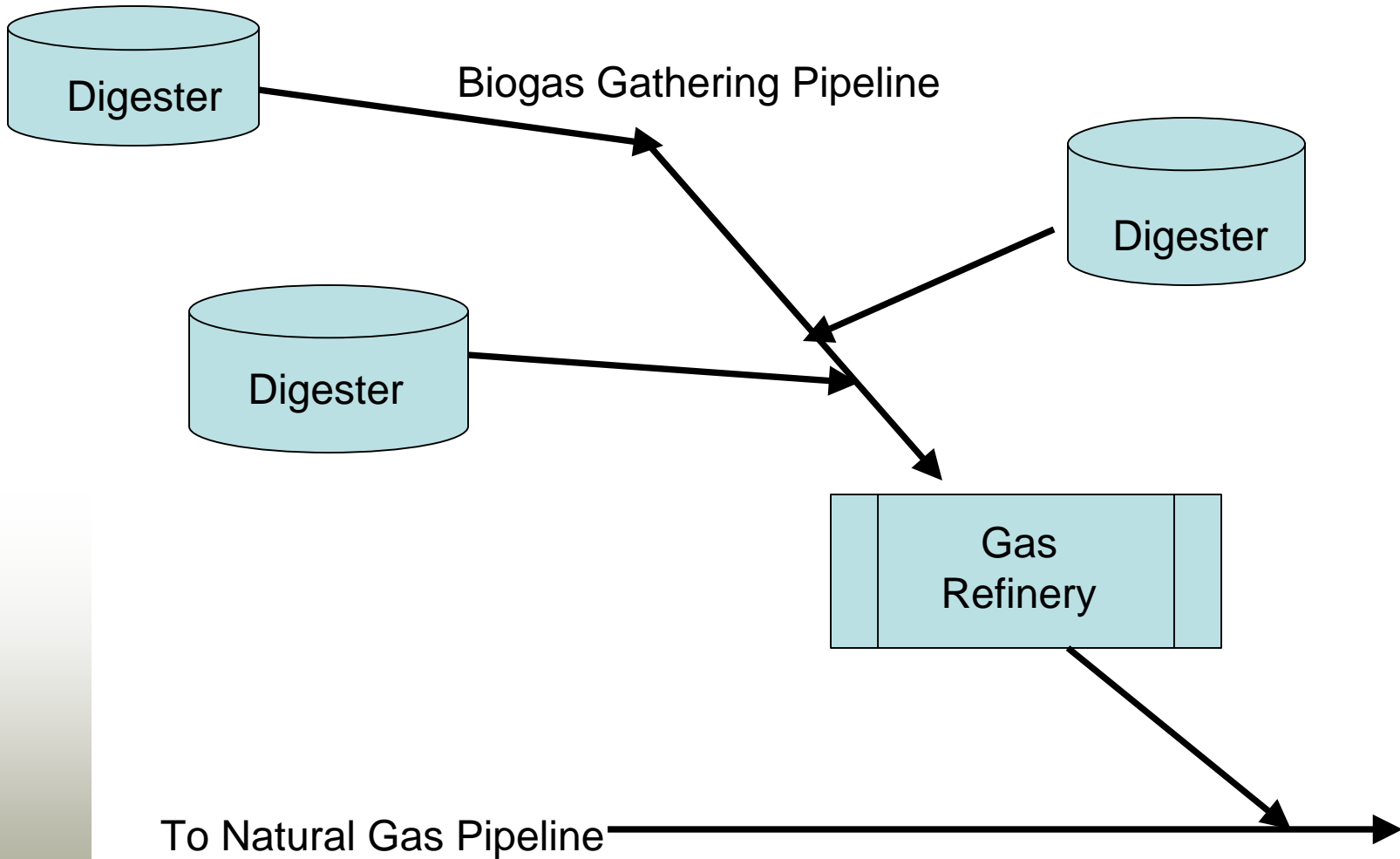


Future Natural Gas Prices

- Bush Administration predicts prices near \$5.40 in 2025 in 2004 dollars
- A More Likely Scenario
 - Natural gas demand will exceed supply for the foreseeable future
 - Best predictor of natural gas price is oil price per barrel divided by 5.8

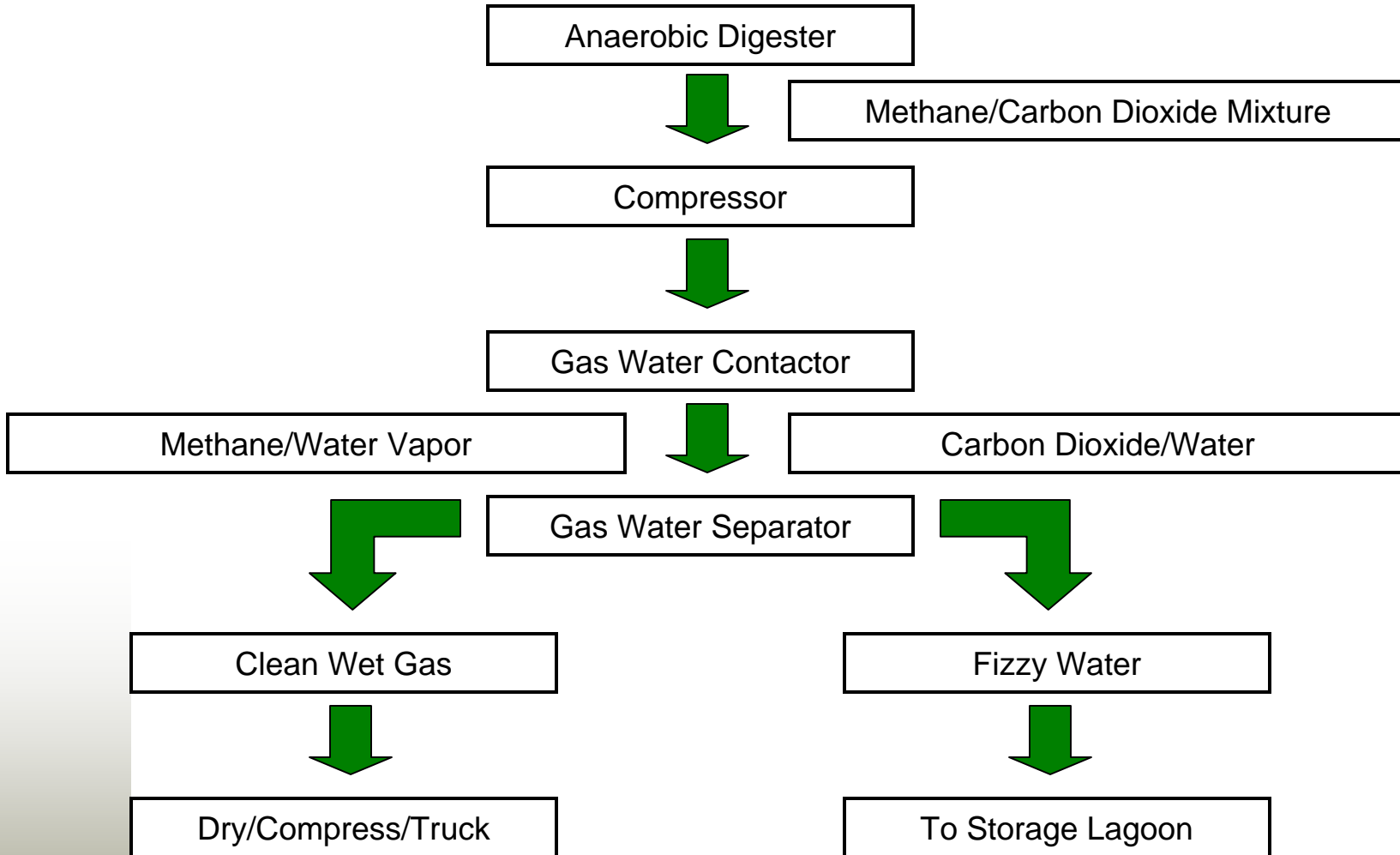


Biogas Basin Concept





Biogas Cleaning Process





Project Status

- First digester has been running for over a year
- Second digester is nearing one year mark
- Gas refinery has been in continuous operation since November
- Gas injection point under construction near Baldwin



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