Renewable Diesel: The Bridge to Zero-Emission Transportation

<u>Keith Wilson</u>, President, <u>TITAN Freight Systems</u>

Today's Panelists

<u>Keith Wilson</u>, President, <u>TITAN Freight Systems</u>

Jeremy Baines, President, Neste US

Richard Battersby, Assistant Director, Bureau of Maintenance, City of Oakland

Tom Wolf, Senior Government Affairs Manager, US West Coast, BP

TITAN Vision 2020: Reduce Emissions 20% by 2020

Vision 2020	2010	2019	Change
Fleet MPG - Actual	6.46	6.81	5%

Missed Target by Wide Margin Despite Every Available Add-On



Alternatives to Petroleum Diesel

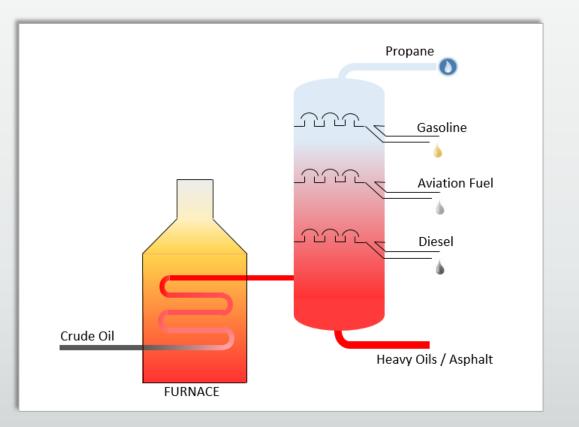
Diesel Application Energy Options	Energy Type	ASTM (American Society for Testing and Standards)	Carbon Intensity [g CO2e / MJ]	CI Reduction vs. Petroleum Diesel
Petroleum Diesel (B5)	Fossil	D975 🔶	97.64 🔶	
Natural Gas (Compressed)	Fossil	WK40094	79.98	18%
Natural Gas (Biogas)	Renewable	WK40094	50.00	49%
Biodiesel (B99)	Renewable	D6751	35.40	64%
Electricity (hydro, natural gas, coal, wind)	Oregon Mix		32.15	67%
Renewable Diesel (R99)	Renewable	D975 🔶	30.02 🔶	69%
Electricity (local charging wind & solar)	Renewable		0.00	100%

Oregon Department of Energy; OAR 340-253-8010 (4)

The Petroleum & Renewable Diesel Difference?

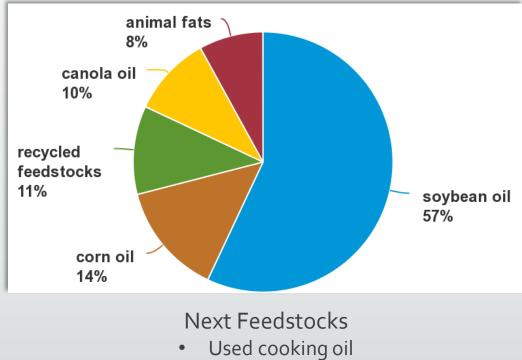
Same Process, Same Chemical

Both use Fractional Distillation in the same existing production facilities



Millions of Years

Harvesting today's renewable waste and crop oils in place of carbon intense crude oil



- Municipal garbage & agricultural waste
- Wood scrap waste from forest-rich Oregon

Renewable Diesel is Ultra Clean Burning



The black soot are the particulates that are created by diesel engines

Renewable Diesel Scorecard

Diesel Application Energy Options	Petroleum Diesel (B5)	Renewable Diesel (R99)
ASTM (American Society of Testing Measurement)	D975 -	D975 "Drop In" replacement
Carbon Intensity (g CO2e / MJ)	97.64	30.02 Bridge to electric
Truck Cost (class 8)	\$130,000	▶ \$130,000
Energy Density (MJ / KG)	43	44 🔶
Oxidative Stability (Water content)	Baseline 12 months	Excellent Indefinitely
Cold Flow Properties	Baseline	Excellent -
Lubricity	Baseline	Similar
Made in Oregon	0%	→ 100% Planned
Price Per Gallon (3/31/21)	\$2.26	\$2.26 Portland Region

Diesel Engine Makers Support Renewable Diesel





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Renewable Diesel – Lower Operating Costs

Energy Source Worksheet - TITAN Freight

Diesel Type	Petrole
Fuel economy (Class 8) - Miles Per Gallon	6.7
Fuel Cost - Per Gallon (3/31/21)	\$2.2

_	Petroleum	Renewable
	6.7	6.7
	\$2.26	\$2.26

Cost Analysis - Per Mile	Petroleum	Renewable	Reductions
Exhaust system maintenance	\$0.022	\$0.007	-\$0.015
Oil change maintenance	\$0.010	\$0.005	-\$0.005
Renewable	-\$0.020		

Clean Energy Calculator – TITAN Freight

Clean Energy Calculator - <u>TITAN</u> Freight	Petroleum	Renewable	Totals
Diesel Gallons Used - Annual	119,273	142,279	261,552
Total Miles Travelled - Annual (Gallons x MPG)	842,629	1,005,155	1,847,784
Savings Calculator			
RD Total Miles Travelled		1,005,155	
RD Total Cost Per Mile Savings		-\$0.020	
Total	Cost Savings - Annual	-\$20,286	
Metric Tons of CO2e (MTCO2e) Calculator	Petroleum	Renewable	Totals
Renewable Diesel Use - Gallons		142,279	
MTCO2 = 2,204.6 pounds of CO2	1,868	574	
MTCO2e reduced with switch	n to Renewahle Diesel	-1,294	-69%

Clean Energy Calculator – OREGON

Clean Energy Calculator - Oregon

Oregon petroleum diesel use		650,147,179	
Diesel MPG estimate (est passenger and commercial)		10	
Oregon petroleum diesel miles		6,501,471,790	
RD Total Cost Per Mile Savings		-\$0.020	
Total Cost Savings - Annual		-\$131,209,830	
Metric Tons of CO2e (MTCO2e) Calculator	Petroleum	Renewable	Totals
MTCO2 = 2,204.6 pounds of CO2	8,537,495	2,624,653	
MTCO2e reduced with swi	tch to Renewable Diesel	-5,912,842	-69%

Renewable Diesel – Pollution Scorecard

Deadly Diesel Pollution	Why is it Deadly		Renewable Diesel (R99)
NOx - Nitrogen Oxides	Causes breathing problems, chronically reduced lung function	Baseline	-10%
PM (2.5 & 10) / Black Carbon Lung cancer, makes asthma symptoms worse		Baseline	-30%
CO - Carbon Monoxide Deprives the heart, brain and other vital organs of oxy		Baseline	-24%
HC - Hydrocarbons Lung and eye irritation		Baseline	-30%
	Average Pollu	tion Reduced:	-24%

Renewable Diesel – We Can Live with That

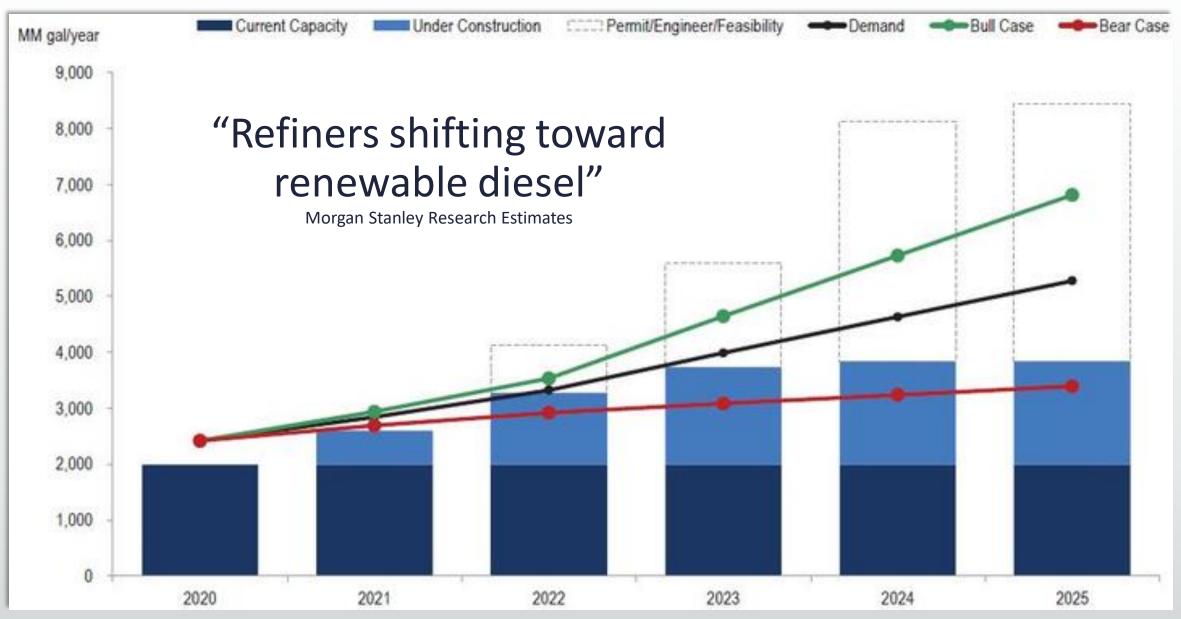
Diesel Pollution Fatalities	Fatalities (DEQ Estimate)	Pollution Reduced	Oregonians Saved
Oregon	460	-24%	108

"EPA confirms widespread emission tampering"



More than 17,436 (20%) of Oregon diesel pickup trucks have emission systems completely removed

"Tampered diesel pickup trucks", EPA report, November 20, 2020



Oil & Gas Journal, Sept 23, 2020

Oregon's Future Potential

Emissions:

5.9 MILLION MTCO2e REDUCTION

23% less GHG transportation sector emissions

Economics:

\$131 MILLION IN LOWER OPERATING COSTS FOR DIESEL FUEL USERS

<u>Equity</u>:

108 OREGONIANS SAVED EACH YEAR

Energy Independence & Security:

OREGON AS THE NATIONS LEADER IN CLEAN ENERGY FUEL PRODUCTION & JOBS

City of Knoxville - Renewable Diesel Test - Testing an Alternative Fuel in the City of Knoxville Fleet

"Hearing terms like "miracle fuel" & "eliminates DPF issues" did not seem realistic. We are extremely pleased to report that Renewable Diesel exceeded everything that we were told."

Gary Lentsch, City of Eugene, Eugene Water and Electric, Fleet Manager

"It's been a miracle fuel. Not one Diesel Particulate Filter has needed cleaning or replacement since 2015 using Renewable Diesel."

Richard Battersby, City of Oakland, Oakland Public Works, Bureau of Maintenance, Assistant Director - <u>Fleet Perspective - Renewable Diesel</u> "Renewable Diesel seems too good to be true but delivers as promised."

Rob Bennett, Maintenance Supervisor, TITAN Freight Systems

"No more toxic fumes, no smell, washes off with water, very little exhaust system maintenance needed anymore, it has led me to enjoy my job so much more."

Chris Efird, Executive Chairman, NEXT Renewable Fuels, Partnering with BP & Shell to build a 700 million gallon a year renewable diesel production facility in Columbia County, OR "You make good money on renewable diesel."

"It's all about logistics. Being near Oregon and California, the only two states with clean fuels programs, makes great economic sense."

"We will provide \$91,000 per year average wages and benefits for 285 full time jobs."

Angus Duncan, Chair Emeritus, Oregon Global Warming Commission

"While different clean fueling options continue to be explored for highway trucks, we don't have to wait on the results to realize the operational and economic value today of cleaning up fossil diesel by switching to its renewable twin. We know this value accrues to truckers, to trucking firms and to Oregon communities deserving cleaner air to breathe. Introducing renewable diesel into our fleets brings these immediate benefits while it also drives down greenhouse gas emissions today, not ten or twenty years in the future. That alone makes the renewable diesel bill worth passing this year."

"Bottom line: Renewable diesel is a lower carbon interim step toward a more durable EV+hydrogen transportation fuels future. It's one that can be uploaded almost immediately given the ability of diesel engines to switch from fossil to renewable diesel (and, if necessary, back to fossil).

Nicholas Antoine, Chairman, Midwest Motor Express

"We switched over our entire Oregon fleet to renewable diesel and our exhaust system maintenance issues have reduced. Super easy switchover."

Research Papers & Presentations:

City of Eugene & City of Oakland – Gary Lentsch & Richard Battersby: The New Alternative Fuel of Choice - Renewable Diesel