



# *Kern Oil & Refining Co.*

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## **EXTEND THE ALTERNATIVE FUEL MIXTURE TAX CREDIT IN "TAX EXTENDERS" BILL**

- Extension ensures Win/Win Scenario -- more clean energy which is environmentally friendly:
  - Increased supply of renewable diesel for the California market,
  - Help for California small business refiner (among other companies) that will save up to **1,000** jobs/green jobs,
  - Processing biomass to produce additional value-added clean fuels,
  - Renewable diesel that can be available for transportation, agriculture, aviation NOW, not in the future, and doesn't require new infrastructure to produce; but
  - Not economically feasible without the tax credit.
  
- Kern Oil urges extension of the Alternative Fuel Mixture Tax Credit provision of H.R. 4213, as passed by the Senate on March 10, 2010.
- Kern Oil is a small, independent refiner in Bakersfield, California, employing 110 direct employees, and supporting up to 900 indirect jobs.
- Supports the Agricultural Feedstocks & Chemicals Bioscience Sector, which increased employment by 4.6% (**5,000 jobs**) in 2008, by converting agricultural feedstocks to biofuels.
- Kern processes local, sweet, light San Joaquin Valley crude oil.
- Currently produces 360,000 gallons per day of California ultra-low sulfur diesel (ULSD), excluding any Renewable Diesel from co-processing.
- Kern invested in technology and refinery unit upgrades for Renewable Diesel co-processing in 2008 and obtained Renewable Diesel Mixtures registration from USEPA in September 2009.
- Kern began co-processing triglycerides into hydrocarbon molecules identical to petroleum diesel -- **PRECISELY THE INTENT OF THE ALTERNATIVE FUEL MIXTURE TAX CREDIT PROVISION!**
- Kern curtailed production January 1, 2010, with expiration of tax credit.
- With support of the Alternative Fuel Mixture Tax Credit, Kern can produce and supply at least 17,000 gallons per day, and probably as much as 50,000 gallons per day, of **ADDITIONAL** Renewable Diesel.

### **Kern Oil Urges Extension of the Alternative Fuel Mixture Tax Credit**

May 10, 2010