



InterState
Oil Company

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California Energy Commission Staff Workshop for the 2010-2011 Investment Plan – AB 118



**Considerations for Investment
provided by InterState Oil Company**

Brent Andrews – (916) 257-9999

Vice President

Mark Sperling – (916) 870-6511

Terminal Manager – InterState McClellan Terminal

Infrastructure Needs

- Demand for Infrastructure **BOTH** Upstream and Downstream
 - Terminals
 - Retail Gas Stations
 - Commercial Cardlock Fueling Sites
 - Pacific Pride
 - CFN



Key Considerations

- There is a significant need to provide incentive and financial assistance to those who wish to install necessary equipment to distribute these products due to the fact that we are still in the infancy stage of demand. Making sure that the complete cycle of distributing the products to market and their needs for assistance are an important consideration.
- InterState Oil Company has been approached by several state fleets (CalTrans for instance) that wish to utilize biodiesel but do not have the necessary tanks / equipment to dispense.
- Terminal operators will not make the investment unless there is a demand for the product and a significant enough demand to gain the ROI required by their corporately desired internal rate of return. Financial assistance from the Energy Commission would help instigate the development of necessary distribution infrastructure.

Thank you for the opportunity to share with you these considerations.

