Current Pricing Case

Colony Fresno RNG Pro Forma Assumptions		Annual Volume							
Total RNG Available (annual mmbtu)	741	243,661							
Fresno Use	51%	123,235							
Third Party Sales	49%	120,426							
Citygate gas price (\$/mmbtu)	\$4.00								
Total RIN Annual (gal/etoh eq)	11.73	2,858,193							
D3 Split Estimated	70%	2,000,735							
D5 Split Estimated	30%	857,458							
LCFS Annual (CI 20 estimated)	13.83	17,623							
D3 RIN Market Value	\$2.50	/gal	100%						
D5 RIN Market Value	\$1.00	/gal	100%						
LCFS Market value	\$90.00	/ton Co2	100%						
XNG transport charge	\$3.25	/mmbtu							
XNG equipment charge	\$54,020	\$ 648,240							
					CNG Buyer	Project			
Annual RNG Revenue to CNG Station	Volume	Unit Price	Market Value	:	Share	Revenues		Fresno	Colony
3RD PARTY SALES									
D3 RIN	988,836	\$2.50	\$2,472,090	80%	\$494,418	\$1,977,672	40%	\$791,069	\$1,186,603
D5 RIN	423,787	\$1.00	\$423,787	80%	\$84,757	\$339,030	40%	\$135,612	\$203,418
LCFS Volume	8,710	\$90.00	\$783,873	60%	\$313,549	\$470,324	40%	\$188,129	\$282,194
Gas Citygate	120,426	\$4.00	\$481,704		\$0	\$481,704	40%	\$192,682	\$289,023
Sub Totals			\$4,161,454		\$892,725	\$2,787,025		\$1,114,810	\$1,672,215
FRESNO USE									
D3 RIN	1,011,899	\$2.50	\$2,529,748		\$0	\$2,529,748	40%	\$1,011,899	\$1,517,849
D5 RIN	433,671	\$1.00	\$433,671		\$0	\$433,671	40%	\$173,468	\$260,203
LCFS Volume	8,913	\$90.00	\$802,155		\$0	\$802,155	40%	\$320,862	\$481,293
Gas Citygate	123,235	\$4.00	\$492,939			\$492,939	40%	\$197,176	-
Sub Totals			\$4,258,514		\$0	\$4,258,514			\$2,555,108
Combined Totals			\$8,419,968		\$892,725	\$7,045,539	400	\$2,818,216	

Model input assumptions are highlighted in the GREEN cells, RIN and LCFS prices are average over the last 12 months, and biomethane volume is based on 2015 production data given by SCS. The split between D3 and D5 RIN and LCFS "carbon intensity" will be determined by the respective engineered pathways during the Certification process.

Project Revenues are Projected by applying assumptions to contracted sales agreement still under negotiation with the assumption that the price will be PG&E City Gas Index + 80% of RIN sales price + 60% of LCFS sales price. RIN/LCFS credits are sold bundled with the gas to the CNG Buyer/Marketer who has the responsibility of selling RIN/LCFS credits to end user oil refiners.

Lower Pricing Case

Colony Fresno RNG Pro Forma Assumptions Annual Volume									
Total RNG Available (annual mmbtu)	741	243,661							
Fresno Use	51%	123,235							
Third Party Sales	49%	120,426							
Citygate gas price (\$/mmbtu)	\$4.00								
Total RIN Annual (gal/etoh eq)	11.73	2,858,193							
D3 Split Estimated	70%	2,000,735							
D5 Split Estimated	30%	857,458							
LCFS Annual (CI 20 estimated)	13.83	17,623							
D3 RIN Market Value	\$1.75	/gal	70%						
D5 RIN Market Value	\$0.70	/gal	70%						
LCFS Market value	\$63.00	/ton Co2	70%						
XNG transport charge	\$3.25	/mmbtu							
XNG equipment charge	\$54,020	\$ 648,240							
					CNG Buyer	Project			
Annual RNG Revenue to CNG Station	Volume	Unit Price	Market Value	•	Share	Revenues		Fresno	Colony
3RD PARTY SALES									
D3 RIN	988,836	\$1.75	\$1,730,463	80%	\$346,093	\$1,384,371	30%	\$415,311	\$969,059
D5 RIN	423,787	\$0.70	\$296,651	80%	\$59,330	\$237,321	30%	\$71,196	\$166,124
LCFS Volume	8,710	\$63.00	\$548,711	60%	\$219,484	\$329,227	30%	\$98,768	\$230,459
Gas Citygate	120,426	\$4.00	\$481,704		\$0	\$481,704	30%	\$144,511	\$337,193
Sub Totals			\$3,057,529		\$624,907	\$1,950,918		\$585,275	\$1,365,642
FRESNO USE									
D3 RIN	1,011,899	\$1.75	\$1,770,823		\$0	\$1,770,823	30%		
D5 RIN	433,671	\$0.70	\$303,570		\$0	\$303,570	30%	\$91,071	\$212,499
LCFS Volume	8,913	\$63.00	\$561,509		\$0	\$561,509	30%	\$168,453	\$393,056
Gas Citygate	123,235	\$4.00	\$492,939			\$492,939	30%	\$147,882	\$345,058
Sub Totals	3		\$3,128,841		\$0	\$3,128,841		\$938,652	\$2,190,189
						\$5,079,759	_		