

City of El Paso – RNG Program



Clean Energy at a glance



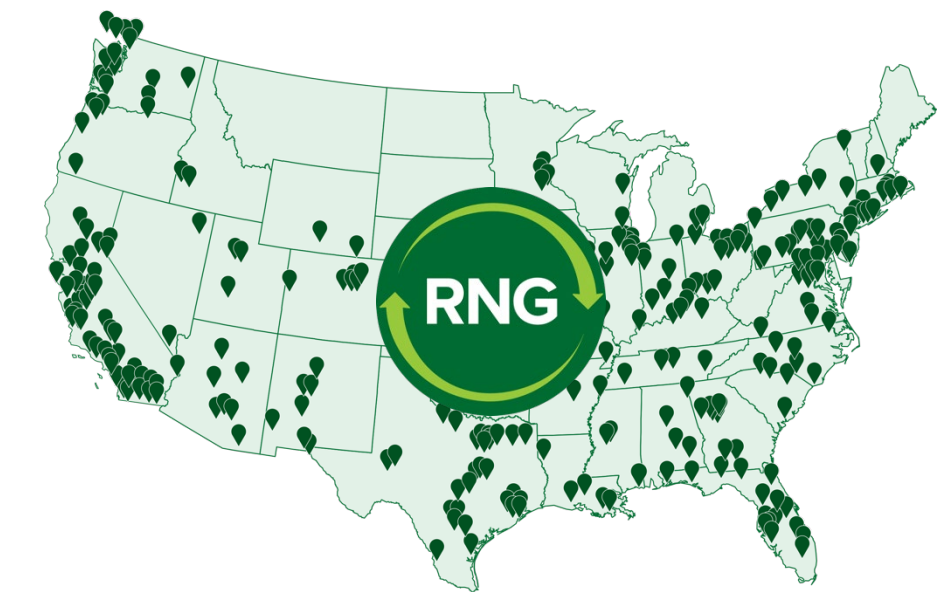
600+ stations throughout the U.S. and Canada



RNG Transit customer base



Leading RNG player in the US



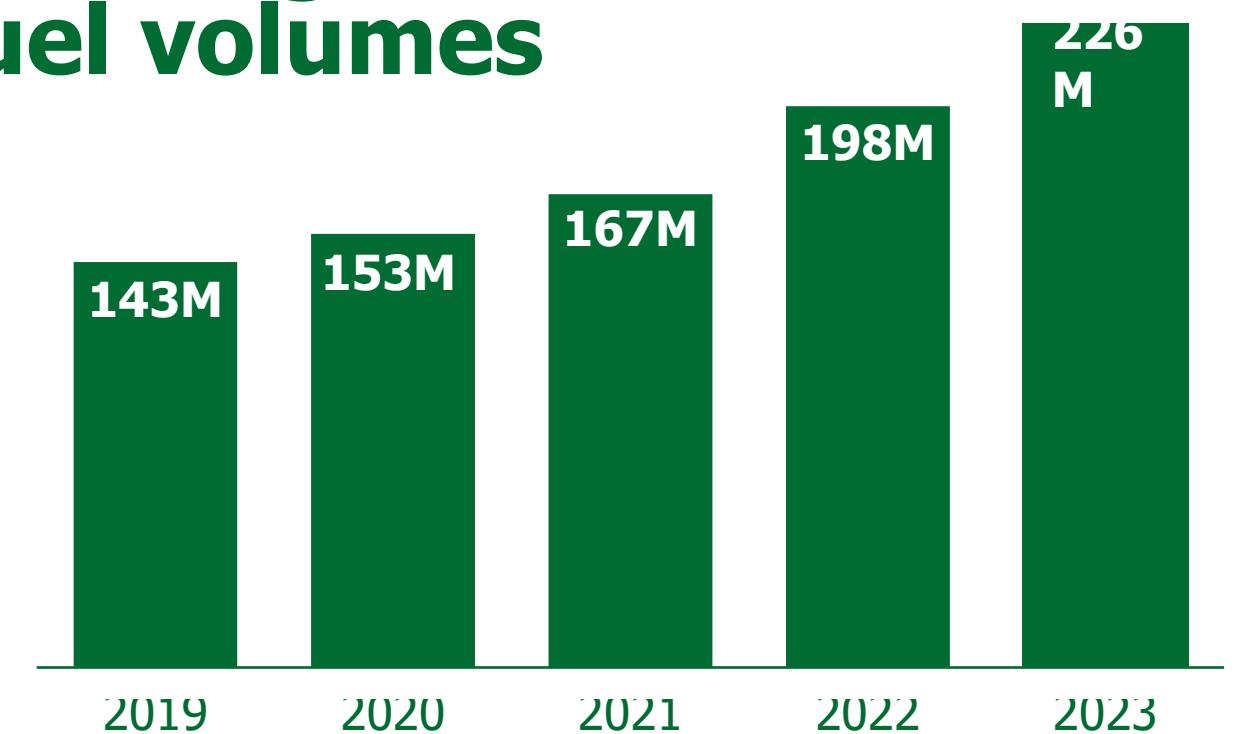
Partnership with City of El Paso

- Provide operation and maintenance support for CNG stations
- RNG Supply

Environmental credit leader



Growing RNG fuel volumes



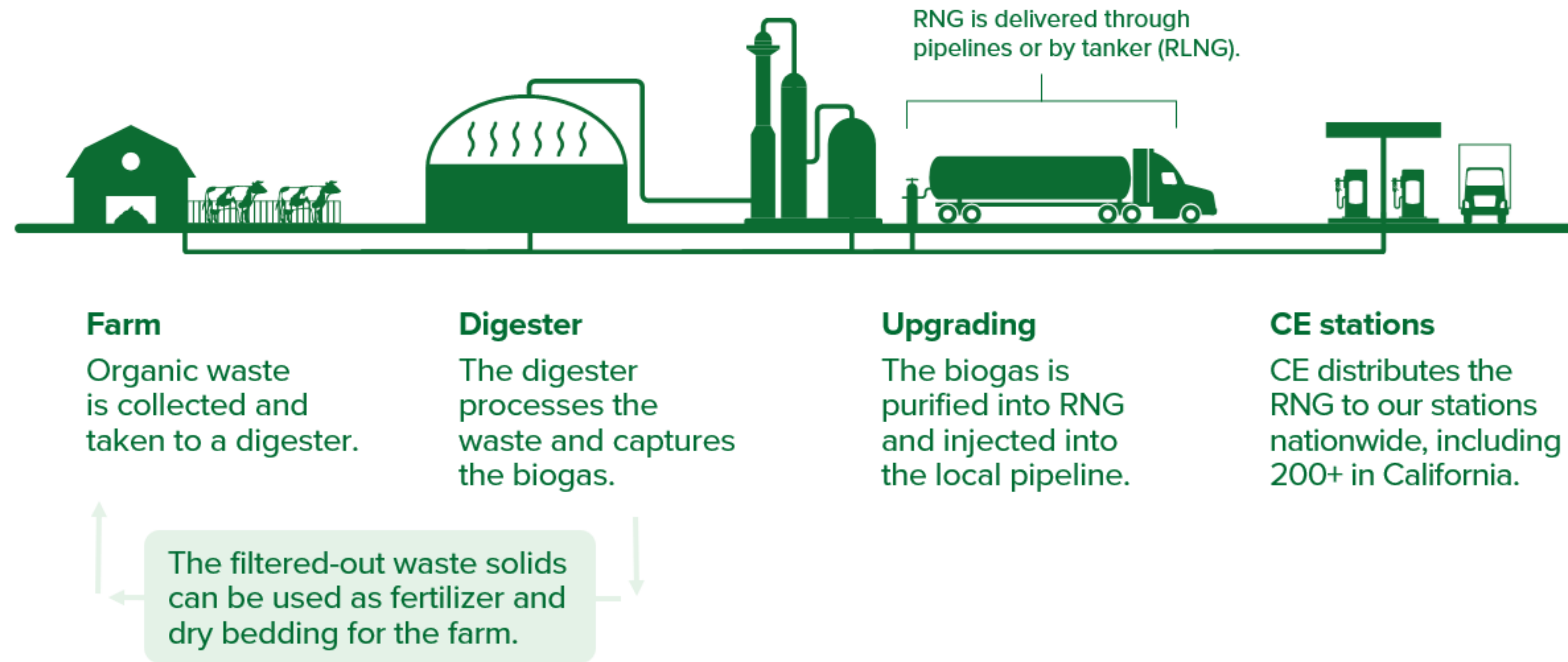
What is RNG?



Renewable Natural Gas (RNG)

also known as biomethane is a 100% renewable energy source which is produced from organic matter like agricultural crops, forestry waste, and manure. Major sources of biomethane are landfills, dairies, and wastewater treatment plants.

RNG is developed throughout the US and injected into the natural gas pipeline grid displacing fossil natural gas.



Why RNG?



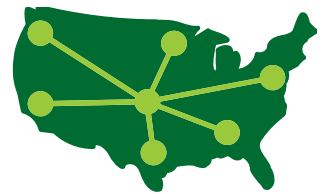
Sustainable

Lowers carbon emissions by an average of 300%



Renewable

Made from organic waste, like cow manure



Accessible

Extensive network of fueling stations nationwide including City of El Paso's 3 CNG Stations



Revenue Generating

RIN Credit allow for revenue



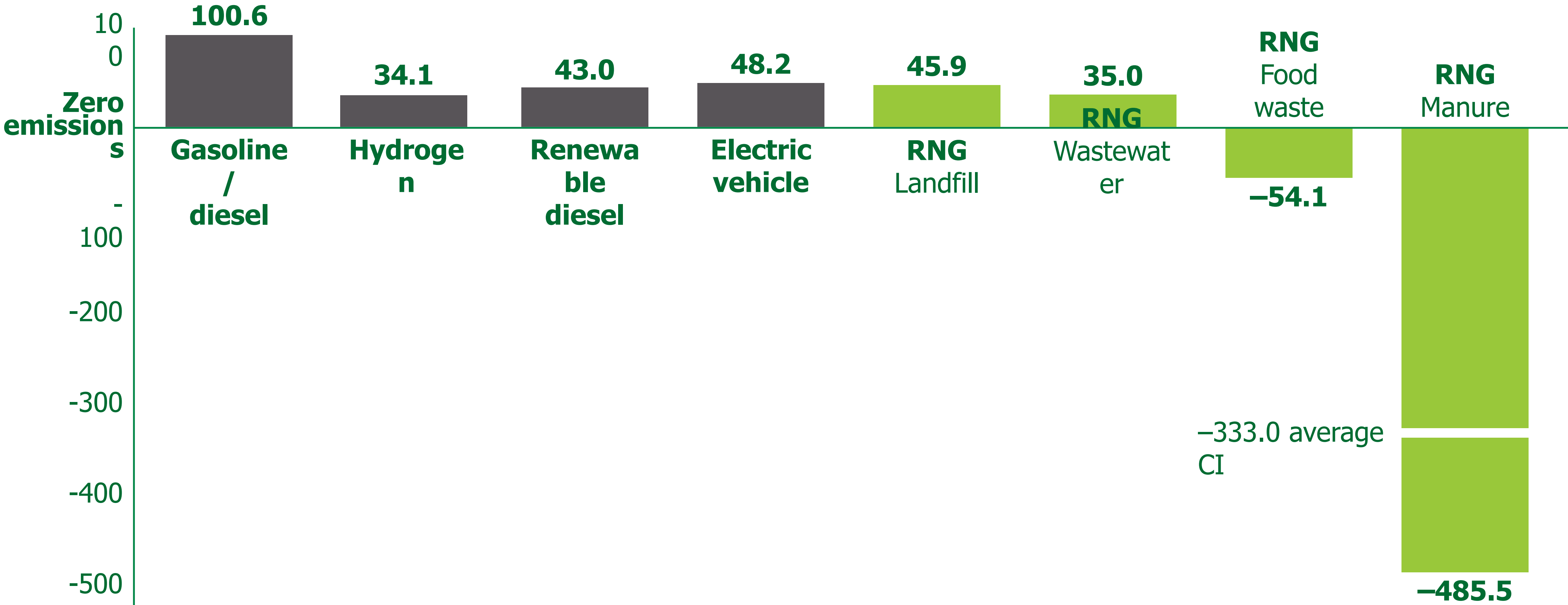
Proven

Trusted by companies like Amazon, UPS, WM, including major transit fleets in Texas

The RNG advantage: carbon intensity



Carbon intensity by fuel type (gCO₂e per MJ)



Source: California Air Resources Board, Q3 2023 LCFS data, and certified pathways as of January 31, 2024

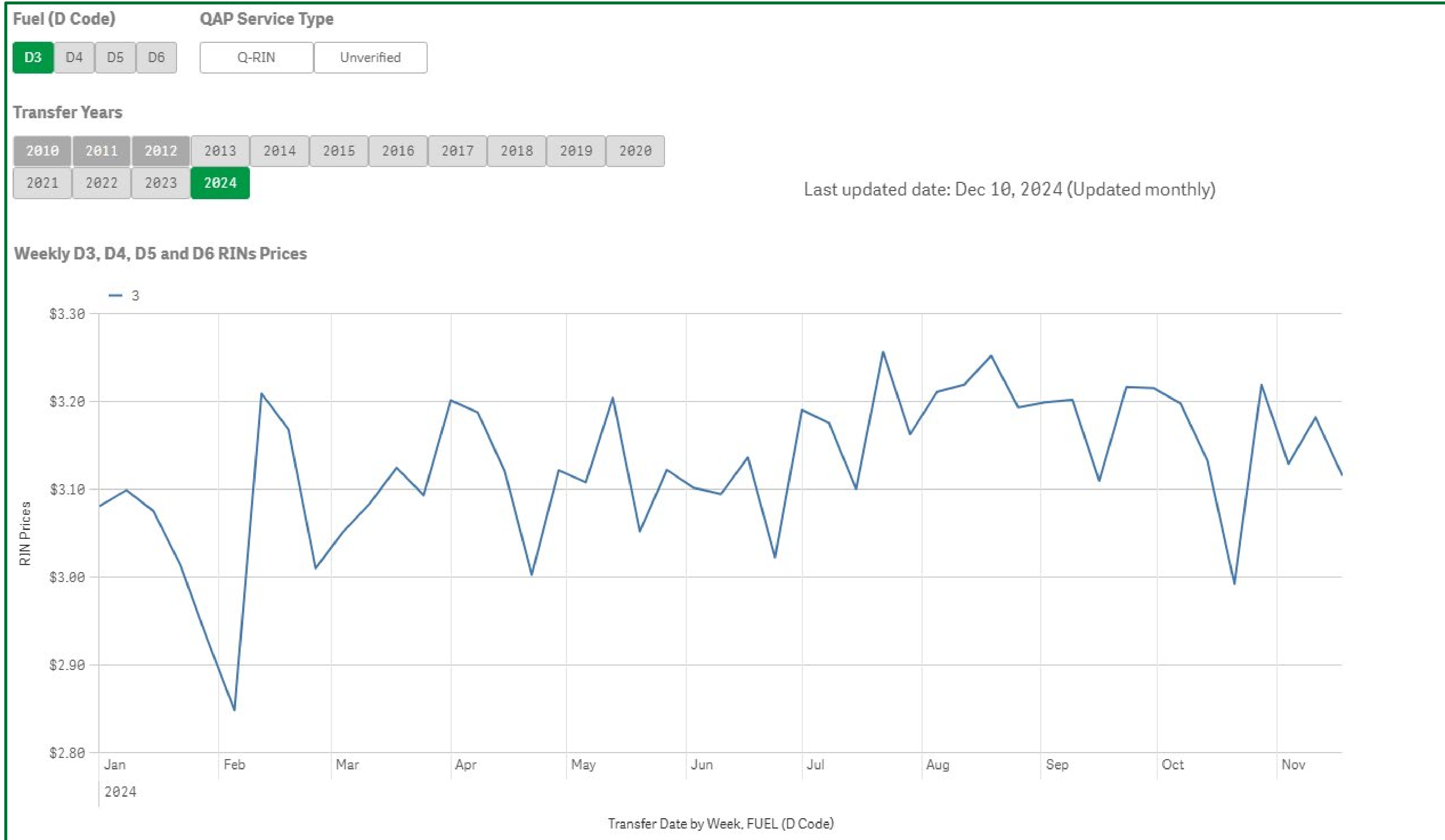
Regulatory Overview and Carbon Credit Programs



Renewable Fuel Standard (RFS)

- Created under the Energy Policy Act of 2005 with a goal of increasing biofuels production in the U.S.
- Achieve compliance by blending renewable fuels or buying RINs in the open market
- EPA sets annual renewable volume obligation targets across all biofuels categories (D3, D4, D5, D6, D7)
- Carbon Intensity "CI" does not matter under RFS
- RNG is either "cellulosic biofuel" achieving 60% GHG reduction (D3) or "advanced biofuels" achieving 50% GHG reduction (D5)

2024 D3 RIN Price



RIN Value for City of El Paso



- RIN credit value fluctuates on the open market
- D3 RIN is currently trading at \$2.50.
- 2% of \$2.50 RIN = \$0.07 per GGE.
- **City of El Paso RIN Revenue will fluctuate by volume consumption and RIN price. Estimated between \$150,000 – \$220,000 per year.**

*Assuming 2,600,000 GGE per year

How do these RIN credits work?



- The Renewable Fuel Standard (RFS) is a national program that focuses on reducing dependence on foreign oil, achieving greenhouse gas reductions, and growing the nation's renewable energy industry. It was created in 2005 under the Energy Policy Act.
- Each year Congress establishes a Required Volume Obligation (RVO) that establishes the amount of renewable fuels producers must bring to market.
- Obligated parties (*refiners or importers of gasoline or diesel fuel in the U.S.*) must produce or purchase enough renewable fuels to satisfy their individual RVO. If they cannot do so, the obligated parties must purchase Renewable Identification Number (RIN) credits from other renewable fuel producers.

Proposed Volume Targets (billion RINs)^a

	2023	2024	2025
Cellulosic biofuel	0.72	1.42	2.13
Biomass-based diesel	2.82	2.89	2.95
Advanced biofuel	5.82	6.62	7.43
Renewable fuel	20.82	21.87	22.68
Supplemental standard	0.25	n/a	n/a

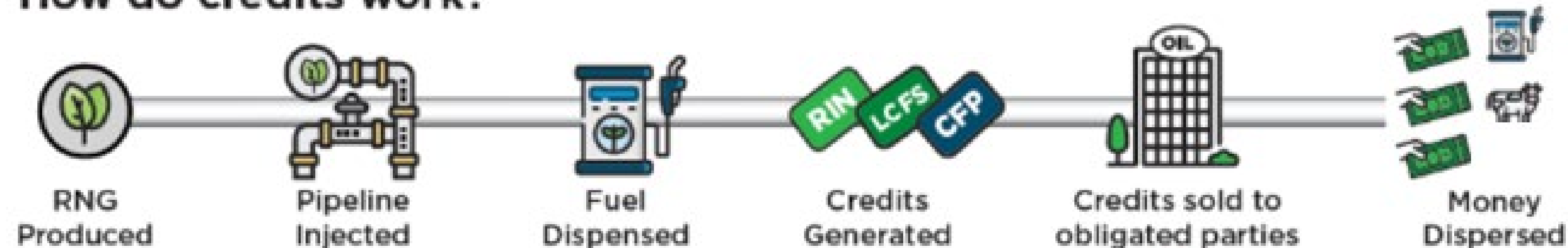
^a One RIN is equivalent to one ethanol-equivalent gallon of renewable fuel.

RNG Allocation - Step by Step Process



- ✓ Parties Execute Agreements –NAESB, Fossil and RNG Transaction Confirmations.
- ✓ City of El Paso provides utility gas invoices for private fueling station.
- ✓ Clean Energy generates and sells credits to obligated parties.
- ✓ City of El Paso receives monthly RIN statements.
- ✓ Clean Energy submits all required compliance and regulatory filings to EPA.
- ✓ City of El Paso receives statements and continues paying the same price for natural gas.
- ✓ RIN credit is submitted to City of El Paso monthly via check or ACH.

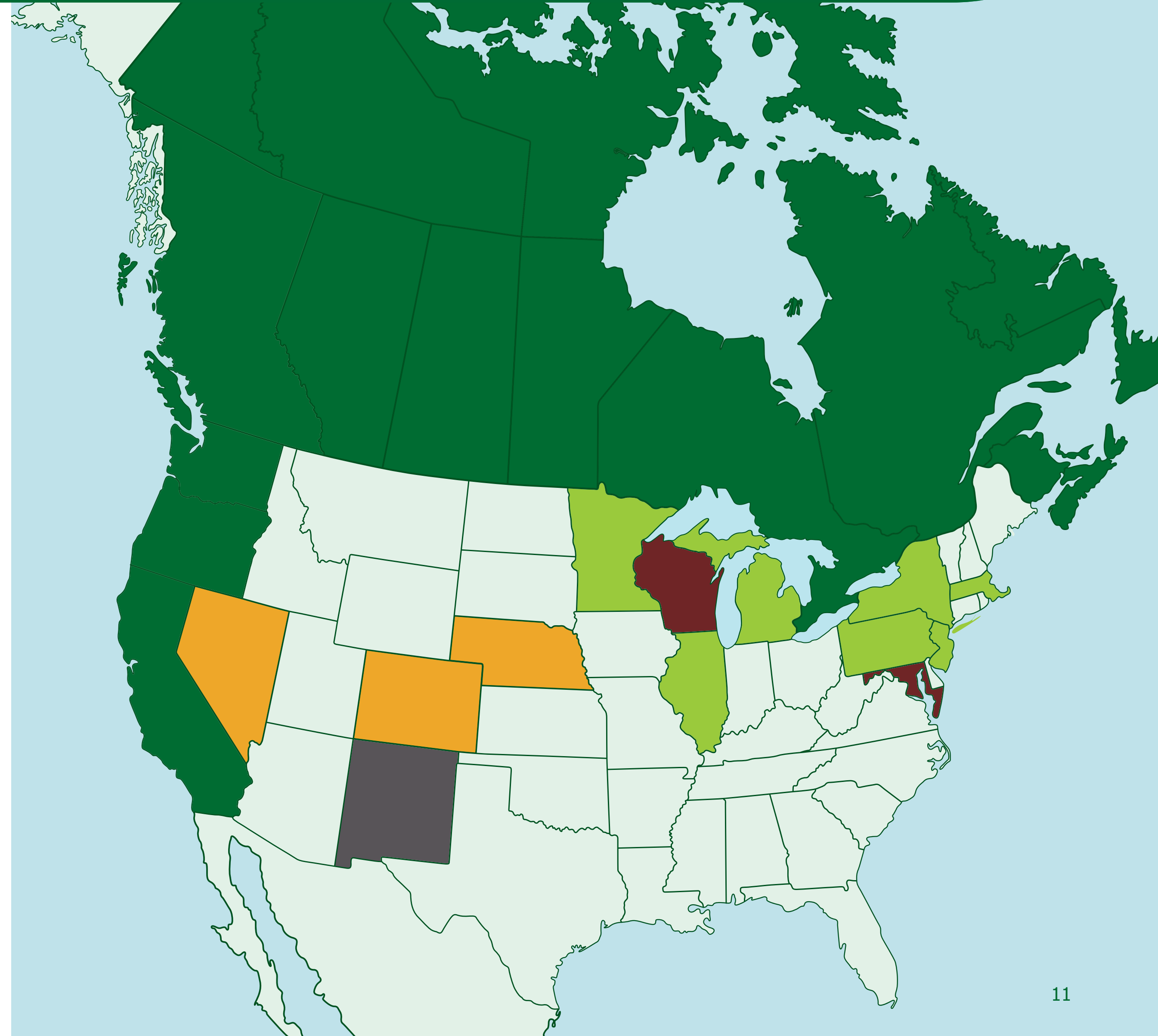
How do credits work?





Clean fuels policies

- Adopted & in effect:**
British Columbia, California, Canada
Federal, Oregon, and Washington State
- Approved**
New Mexico; effective July 2026
- Legislation likely introduced in 2025:**
Illinois, Massachusetts, Michigan,
Minnesota, New Jersey, New York,
Pennsylvania
- Under study/regulatory
development:**
Colorado, Nebraska, Nevada
- Other states targeted:**
Maryland and Wisconsin





Clean Energy

Shifting carbon into reverse.

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