



New Generation Biofuels to heat Baltimore government buildings

May 7, 2009 11:19 AM ET



Baltimore City is launching a pilot program to heat city buildings with biofuel and cut air pollution.

The Board of Estimates, which approves city contracts, signed a \$25,000 six-month deal with Florida-based New Generation Biofuels on Wednesday. That includes a nominal \$1 per gallon fee the city is paying the company to test out the fuel.

The deal comes as Mayor Sheila Dixon pushes to improve the city's sustainability. And it's significant potential new business for New Generation, which has signed several customers in the region who are getting supply from the company's Curtis Bay manufacturing facility.

New Generation (NASDAQ: NGBF) can produce about 5 million gallons of biofuel per year at the facility, which it opened in February. It has plans to expand that up to 50 million gallons as demand increases. The city may join New Generation clients wholesale power supplier Dynegy (NYSE: DYN) and Taunton State Hospital in Massachusetts.

The biofuel would replace fossil fuels used for heating and produces less particulate and nitrogen oxide emissions.

Copyright 2009 bizjournals.com

<http://news.moneycentral.msn.com/printarticle.aspx?feed=ACBJ&date=20090507&id=9880344>