

P R E S S R E L E A S E**February 28, 2002****30 Million Gallon BioDiesel Plant Marks New Direction in US Renewable Energy Environment**

Lurgi PSI Inc. (LPSI), a technology-driven Biofuel (Ethanol and BioDiesel) plant contractor located in Memphis, Tennessee and Southern States Power Company (SSPC) of Ontario, California, a listed company with its stated objective to dominate the US biodiesel market, signed a Memorandum of Understanding on February 5, 2002 for the construction of a 30.0 million gallon per year biodiesel production facility.

Mark Hamnett, VP Sales of Lurgi PSI, commented that this project comes at a time when the biodiesel market lies well behind the installed capacity of the BioEthanol market. "We believe that this is just the first small step in the trend that adds BioDiesel to the stock of environmentally friendly fuels. We anticipate strong business opportunities in the coming years as all states mandate the clean burning of fuel such as BioEthanol and BioDiesel."

The facility is designed to produce biodiesel from soybean oil and will be built on a green-field site located in Riverside, California. This marks the first of several locations earmarked for the development of greater production capacity for SSPC. The plant will process refined soybean oil in a continuous process to annually produce 30.0 million gallons of fuel grade biodiesel, which meets both the American ASTM D6751-02 and the German DIN 51606 specifications, the highest standards in the industry. The project is valued at about \$15.0 million, is based on a state of the art Lurgi Life Science Technology (Frankfurt, Germany) and will use up-to-date environmental control systems.

"The biodiesel market is expanding rapidly" Harrison McCoy III, chairman of the SSPC Group stated "taking in strong demand from both commercial fleets and the power generation market. We strongly believe that it is our role to fulfill the growing demand for biofuel in California and the west coast. Production has lagged demand for quite some time now".

Lurgi is a leading group of companies operating worldwide in the field of process engineering and plant contracting within the mg engineering division of Metallgesellschaft. The Lurgi companies design, supply and build turnkey plants or plant units for the most diverse application.

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