June 23, 2010

Maximo Urtusuastegui

Dear Mr. Urtusuastegui:

Thank you for your interest and work with E-Fuel Corporation as a dealer in Mexico. Pursuant to our conversation I would like to offer the following information:

The E-Fuel Solution

Waste disposal is having an ever more significant impact on the global economy. Recognizing this, and understanding much waste may be converted into energy rather than simply put in landfills to decompose and emit hazardous gases, E-Fuel set about to develop a system to process waste into energy. The result of this development is the MicroFueler, a refrigerator-sized portable waste processing system to convert all forms of organic waste into fuel grade ethanol. It consists of two main components: (1) the distillation closet with pumping station, and (2) the organic fuel tank to processes waste before distillation. The ethanol produced is able to fuel vehicles and run electric generators to produce power for homes and businesses. Depending upon the feedstock (waste) the MicroFueler is capable of producing up to 280 US gallons per week of fuel grade ethanol.

Waste Types

The ideal waste for the MicroFueler is any liquid which already contains alcohol as it may be directly extracted by the MicroFueler without any pre-processing or fermentation (i.e. the Tequila waste you mention would be excellent). Other waste stream rich in sugar are preferred as they may be immediately fermented into alcohol for extraction by the MicroFueler. Otherwise, any form of waste which may be broken down into sugar (i.e. wastes rich in carbohydrates) are suitable for processing into ethanol.

E-Fuel Corporation
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Current Customers

The MicroFueler has just recently started to ship to our first customer. They include many educational institutions, breweries to process waste beer into ethanol, and government agencies. Other typical customers who have units on order or have expressed intent to order through our distributors include small business to fuel fleets of vehicles, wineries and distilleries to process waste alcohol, school districts, bottling companies, waste disposal firms, public utilities and many state and local government entities.

Cost to Produce Ethanol using the MicroFueler

Typically the cost is limited to the cost of electricity and transportation of the waste. Usually there is no cost for the waste (in fact waste producers are generally happy to have the waste taken away as it typically costs them to eliminate the waste). The MicroFueler uses from 1-3 KWh per gallon of electricity to produce 1 US gallon of ethanol. When using waste rich in alcohol (i.e. Tequila) the cost is toward the lower end of the spectrum. If you use the GridBuster (E-Fuel ethanol based electric generator) with our heat recovery option, the cost of electricity is virtually eliminated. Generally, if you have your own waste source, the cost per gallon is typically well under $1 US.

Thank you for your interest and I would be happy to answer additional questions you may have.

Sincerely,

Bruce E. Padula
Vice President, Sales and Marketing