



Phillips 66 and Renewable Energy Group Announce Plans for Large-Scale Renewable Diesel Facility on West Coast

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Proposed project would produce renewable fuels in Washington state

HOUSTON and AMES, Iowa, Nov. 01, 2018 (GLOBE NEWSWIRE) -- Phillips 66 (NYSE:PSX) and Renewable Energy Group, Inc. (NASDAQ:REGI) announced today that planning is underway for the construction of a large-scale renewable diesel plant on the U.S. West Coast.

The plant would utilize REG's proprietary BioSynfining® technology for the production of renewable diesel fuel. Planned feedstocks include a mix of waste fats, oils and greases, including regionally-sourced vegetable oils, animal fats and used cooking oil.

"REG is excited to be working with a leading refiner, Phillips 66, on a project that has the potential to significantly expand biofuel production in Washington state and provide low carbon fuel markets with products that are in significant demand on the West Coast," said Randy Howard, CEO of REG. "We look forward to working with state and local stakeholders to facilitate development of this important project and increase the supply of low carbon fuels in the region."

The new facility would be constructed adjacent to the Phillips 66 Ferndale Refinery in Washington state. The Ferndale Refinery offers existing infrastructure, including tank storage, a dock, and rail and truck rack access.

"The proposed facility's strategic location in Washington state would enable us to move renewable fuels more efficiently to support West Coast and international fuel market demand," said Brian Mandell, senior vice president, Marketing and Commercial, Phillips 66. "We continually look for opportunities to provide our customers with a reliable source of innovative renewable fuels."

This announcement follows more than a year of collaboration between Phillips 66 and REG related to site selection and preliminary engineering. The companies expect to make a final investment decision in 2019. If approved, production at the new facility is currently premised to start in 2021.

REG owns and operates 13 biomass-based diesel refineries, with a combined effective production capacity of 565 million gallons per year. This includes REG Geismar, a 75-million-gallon nameplate capacity plant located in Louisiana that was the first renewable diesel plant built in North America. REG's 100 million gallon per year REG Grays Harbor biodiesel plant, the largest biorefinery in the REG fleet, is also located in Washington state.

About Phillips 66

Phillips 66 is a diversified energy manufacturing and logistics company. With a portfolio of Midstream, Chemicals, Refining, and Marketing and Specialties businesses, the company processes, transports, stores and markets fuels and products globally. Phillips 66 Partners, the company's master limited partnership, is integral to the portfolio. Headquartered in Houston, the company has 14,200 employees committed to safety and operating excellence. Phillips 66 had \$56 billion of assets as of Sept. 30, 2018. For more information, visit <http://www.phillips66.com> or follow us on Twitter [@Phillips66Co](https://twitter.com/Phillips66Co).

About Renewable Energy Group

Renewable Energy Group, Inc. (NASDAQ:REGI) is a leading provider of cleaner, lower carbon intensity products and services. We are an international producer of biomass-based diesel, a developer of renewable chemicals and are North America's largest producer of advanced biofuel. REG utilizes an integrated procurement, distribution, and logistics network to convert natural fats, oils, greases, and sugars into lower carbon intensity products. With 14 active biorefineries, a feedstock processing facility, research and development capabilities and a diverse and growing intellectual property portfolio, REG is committed to being a long-term leader in bio-based fuel and chemicals.

CAUTIONARY STATEMENT FOR THE PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This news release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. Words and phrases such as "is anticipated," "is estimated," "is expected," "is planned," "is scheduled," "is targeted," "believes," "continues," "intends," "will," "would," "objectives," "goals," "projects," "efforts," "strategies" and similar expressions are used to identify such forward-looking statements. However, the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements relating to Phillips 66's operations, business plans and future actions or performance (including those of its joint ventures) are based on management's expectations, estimates and projections about the company, its interests and the energy industry in general on the date this news release was prepared. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. Factors that could cause actual results or events to differ materially from those described in the forward-looking statements include fluctuations in NGL, crude oil, and natural gas prices, and petrochemical and refining margins; unexpected changes in costs for constructing, modifying or operating our facilities; unexpected difficulties in manufacturing, refining or transporting our products; lack of, or disruptions in, adequate and reliable transportation for our NGL, crude oil, natural gas, and refined products; potential liability from litigation or for remedial actions, including removal and reclamation obligations under environmental regulations; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets; and other economic, business, competitive and/or regulatory factors affecting Phillips 66's businesses generally as set forth in our filings with

the Securities and Exchange Commission. Phillips 66 is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.

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