

**Media Contact(s):**

Stefan Pollack/Jonathan Younger  
The Pollack PR Marketing Group  
310-556-4443

[spollack@ppmgcorp.com](mailto:spollack@ppmgcorp.com)

### **NEXT STEP ENTERS INTO RENEWABLE FUEL CO-FIRING AGREEMENT WITH OMAHA PUBLIC POWER DISTRICT**

#### **Month-Long Test Burn With OPPD Sets The Stage For Long-Term Supply Agreement**

Omaha, Neb. — July 7, 2010 — [Next Step Biofuels, Inc.](#), a Nebraska-based biomass supplier announced today that it has signed a Letter of Intent (LOI) with Omaha Public Power District (OPPD) to test burn 2,200 tons of Next Step's patent-pending PowerPellets™, made from renewable corn stover (the stalks, cobs and leaves left in the field after the corn is harvested).

Starting Aug. 15, the companies said PowerPellets will replace up to 5 percent of the coal burned in one of OPPD's North Omaha Station boilers during the one-month co-firing test. Pending the outcome of the Aug. test, the companies said they expect to negotiate toward a multi-year PowerPellet contract by mid-Oct.

"Several Midwestern utilities are currently evaluating PowerPellets," said Next Step President Kevin Dretzka, "They're impressed that PowerPellets pulverize and process like coal and ship and store like grain, but, we found that what they appreciate most, is that PowerPellets are made from corn stover, America's most abundant form of renewable biomass. Using corn stover gives utilities confidence in a reliable, price-stable, supply of biomass-based fuel."

Russ Zeeck, Next Step's COO added, "Burning PowerPellets with coal helps utilities mitigate the risks associated with implementing other forms of renewable energy. Wind and solar are important renewables, but PowerPellets contribute to the utilities' 'base load,' meaning they can be counted on to generate clean electricity 24 hours a day, 365 days a year. In this way, PowerPellets help to balance utilities' renewable portfolios, and they can be implemented in existing coal-fired assets with minimal capital investment."

Zeeck continued, "Many of the biggest coal-fired power plants in the U.S. are located in the corn-belt. With our PowerPellet solution, there are dozens of 500-plus megawatt coal-fired power plants in the Midwest that could be generating 5 percent to 10 percent renewable electricity in the very near term."

"Through Next Step's PowerPellets, utilities in the Midwest are helping U.S. corn

farmers develop a valuable new commodity by monetizing previously unused agricultural residue,” said Dretzka. “Our turnkey stover harvesting solution – with its strong emphasis on protecting soil quality – ensures that PowerPellets will become a sustainable and profitable agricultural and alternative energy resource.”

**About Next Step Biofuels, Inc.**

Next Step Biofuels, Inc. knows that the next step for energy is biomass. Next Step solves the logistical and operational issues needed to make biomass a reliable and affordable source of clean energy. Next Step employs proprietary processes to convert non-food biomass into dry, energy-dense PowerPellets. PowerPellets can be applied in multiple, worldwide markets: as an additive to coal to generate electricity; as a source of heat and power for industry and institutions; and, as feedstock for the production of cellulosic biofuels and biochemicals. Next Step is currently commercializing PowerPellets made from corn stover, America’s most abundant, source of renewable biomass. For more information, visit [www.nextstepbiofuels.com](http://www.nextstepbiofuels.com).

# # #