

BMW Manufacturing Co., LLC

Press Information

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BMW MANUFACTURING EXPANDS METHANE GAS PROGRAM **Invests another \$12 million to expand capacity**

Spartanburg, S.C. – June 10, 2009...BMW is investing another \$12 million to expand the capacity and efficiency of its landfill methane “Gas-to-Energy” program.

The new system, which is nearing completion, will include two new highly-efficient gas turbine generators capable of producing 11,000 kilowatts (kW) of electricity. These two new co-generation turbines will replace four older, less-efficient turbines. The new turbines have the capability to increase electrical output from 14% up to almost 30% of the plant’s current electrical demand. While the new turbines double the overall electrical output using the same amount of methane gas, through electrical and hot water generation over 60% of the plant’s total energy requirements continue to be provided by methane gas produced at the nearby landfill.

“BMW’s landfill gas program has been a tremendous initiative for the plant,” says Josef Kerscher, President of BMW Manufacturing. “Using methane gas to power our plant is one example of our focus on environmentally-friendly production processes.”

In addition to adding larger turbines and heat recovery boilers, BMW will integrate a new specialized treatment system to remove siloxanes from the methane gas (a compound common to landfill gas and potentially destructive to gas turbines). Two of the four original 1,200kW gas turbine engines will remain in place to serve as a back-up for the new system.

BMW’s original landfill gas project was implemented in December of 2002 and supported by Ameresco, Inc. the original project developer, and Waste Management Inc., operator of the Palmetto Landfill located in Wellford, SC. The initial infrastructure allowed for collecting, cleaning, and compressing methane gas from the Palmetto Landfill near Spartanburg, SC, transporting it through a 9.5-mile pipeline to the BMW plant, compressing and then using it to power four gas turbine generators.

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To date the landfill gas project has saved BMW an annual average of \$5 million in energy costs. With the addition of the new turbines, this project will return an additional average annual cost savings to BMW of up to \$2 million and reduce carbon dioxide emissions by approximately 92,000 tons per year.

Additional Facts:

- BMW has overseen the design, procurement, and construction of the expansion and will manage the overall operation and maintenance of the new system.
- BMW's landfill project is the only project that co-generates electricity and hot water for use at an industrial location remote from the landfill.
- By recycling methane gas, BMW is able to improve local air quality by lowering regional emissions of greenhouse gases (methane and carbon dioxide).
- For its original efforts, BMW Manufacturing Co., LLC has won several national and state environmental awards, including the 2003 South Carolina Governor's Pollution Prevention Award, EPA's Green Power Award, and EPA's Landfill Methane Outreach Program (LMOP) Project of the Year award.
- Based on calculations provided by the EPA, the reduction of 92,000 tons per year of carbon dioxide emissions is equivalent to the benefit of planting over 23,000 acres of trees annually or 30 times the size of New York's Central Park.
- To date, over 60% of the plant's total energy requirements are provided by landfill gas.

BMW Manufacturing Co. is a subsidiary of BMW AG in Munich, Germany and is the global producer of the BMW X5 Sports Activity Vehicle and X6 Sports Activity Coupe. In addition to the South Carolina manufacturing facility, BMW North American subsidiaries include sales, marketing and financial services operations in the United States, Canada and throughout Latin America; and a design firm and technology office in California. For more information on BMW Manufacturing, visit www.bmwusfactory.com.

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