



BDO Zone Ratings®

Empowering Rural Prosperity
Enabling Energy Independence
Unleashing American Biofuels

Jordan Solomon
President & CEO, Ecostrat
Chairman, BDO Zone Initiative





BDO Zone Ratings®

A proven program to accelerate new market development

- ✓ **\$11B+** of capital being raised for BDO Zone projects right now.
- ✓ **\$30B+ additional private investment** across 61 active BDO Zone pipelines.



What is a BDO Zone Rating®?

Standards-based assessment of a specific region's suitability for biofuel, renewable chemical, biogas or bioproduct projects.

What do they do?

Ratings send *clear and powerful signals* to biobased developers and investors worldwide that a region is “bio-manufacturing ready”.

Ratings are *site location bullseyes* for bio-project development, they *create connections* between BDO Zones bio-project developers globally, and *catalyze* new project development.

BDO Zone Rating Scale

The BDO Zone ratings scale ranges from the strongest indication "AAA" indicating very strong capacity of supply chain infrastructure to support biobased development; to the weakest indication "CC" indicating a very strong likelihood of biomass feedstock supply chain or infrastructure ("FS&I") failure.

The **modifiers** "pluses" or "minuses" may be appended to a rating to denote relative status within major rating categories.

"**Outlooks**" are assigned to ratings which indicate the potential for change in the rating over a 5-year period. Outlooks can be stable, positive or negative.

When applied to BDO Zone Ratings, the terms "**investment grade**" is capital market shorthand to describe the categories "AAA+" to "BBB-". "**Speculative grade**" refers to "BB+" to "C-". Investment Grade BDO Zone Ratings are particularly attractive to bio-based development, with higher ratings carrying more weight.

BDO ZONE RATING SCALE

AAA Highest Quality

'AAA' ratings denote highest prospective viability of FS&I attributes in the BDO Zone and lowest expectation of default risk over time. They are assigned only in cases of exceptionally strong fundamental characteristics related to feedstock supply chain and infrastructure capacity. This capacity is highly unlikely to be adversely affected by foreseeable events.

BDO ZONE RATING SCALE

A High Quality

'A' ratings denote high prospective viability of FS&I and low expectations of default risk in the Zone. The capacity to support new biobased plant operations is considered strong. This capacity may, nevertheless, be more vulnerable to adverse weather, supply chain, economic or infrastructure conditions than is the case for higher ratings.

BDO ZONE RATING SCALE

AA Very High Quality

'AA' ratings denote very high prospective viability of FS&I and very low expectations of default risk in the Zone. They indicate very strong ongoing capacity of a region to support new biobased plant operations. This capacity is not significantly vulnerable to foreseeable events.

BDO ZONE RATING SCALE

BBB Good Quality

'BBB' ratings indicate good prospective viability of FS&I and that operations at FS&I risk are considered low in the Zone. The capacity to support new biobased plant operations is considered adequate, but adverse weather events, crop or infrastructure conditions may cause BBB+ to regress one or more levels of investment grade ratings.

BDO ZONE RATING SCALE

BB Speculative

'BB' ratings denote moderate prospective viability of FS&I attributes with an elevated vulnerability to risk in the Zone, particularly in the event of adverse changes in business or economic conditions over time. However, good infrastructure or feedstock supply chain or capacity in the Zone may support maintenance of a functioning supply chain with additional support outside of rating body.

BDO ZONE RATING SCALE

B Highly Speculative

'B' ratings denote moderate prospective viability of FS&I attributes in the Zone with elevated vulnerability to risk, particularly in the event of adverse changes in weather, supply chain, economic or infrastructure conditions over time. Long-term viability of supply chain is primarily through access through alternative feedstock sources or capacity that attributes outside the zone parcel. Capacity is vulnerable to deterioration in the feedstock and economic environment.

BDO ZONE RATING SCALE

CCC Substantial Risk

'CCC' ratings denote very weak prospects for establishment and ongoing viability of FS&I attributes in the Zone with high vulnerability to risk. FS&I risk indicators. Low margin of safety for a prospective supply chain, with supply chain demand dependent on feed availability. Low margin of safety for the BDO Zone due to high infrastructure attributes or high attributes of feedstock feedstock cost may also CCC ratings.

BDO ZONE RATING SCALE

CC High Risk

'CC' ratings denote extremely weak prospects for establishment and ongoing viability of FS&I attributes in the Zone with extremely high vulnerability to low FS&I risk indicators. Low margin of safety for the BDO Zone's capacity to support new biobased plant operations is highly dependent on economic high attributes of feedstock feedstock cost may also CC ratings. The low margin of safety for a prospective supply chain largely due to inadequate feedstock access through alternative feedstock.

BDO ZONE RATING SCALE

NR No Rating

'NR' ratings are issued in cases where FS&I risk is deemed higher than 'CC'.



BDO ZONES 2024



2024: BDO Zones by the Numbers...



61
BDO Zones
> 30 developing projects

\$11 Billion +
BDO Zone ratings currently
being used to **support over**
\$11 B of capital by 8 projects.



69%
increase

in inbound inquiries
from project
developers, on
average.



6.3 million

BDO Zone ratings promoted to
over **6.3 million industry project
developers, investors and sector
stakeholders** worldwide.

\$30 Billion +

Additional private investment
across **61 active BDO Zone
pipelines**



850 per rating

Average number of rating
downloads/views by project
developers, capital markets and
other stakeholders per individual
rating issue.

1 Biofuels Digest (6.3M readers / viewers) and BDO Connect Webinars

2 USA Bioenergy, TX- \$2B; Velocys, MS - \$1.5B; Azure KA-undisclosed. Estimated \$500M. Red Leaf Pulp, SK- undisclosed

Texas – Bon Wier BDO Zone: Advanced Biorefinery



PROJECT

USA BioEnergy - Texas Renewable Fuels Advanced Biorefinery

INVESTMENT

- \$2.8 Billion

JOBS

- 1,000 construction jobs for 3 years
- 200 permanent operations jobs
- 1,000 indirect forestry jobs

TIMELINE

- 1,600+ acres purchased Jan 2025
- detailed design/FEED in progress
- production expected 2028

ECONOMIC BENEFITS

- \$500 million in revenue to the local taxing district over the first 20 years of operation

OUTPUT

- 65 million gallons/year of premium net-zero drop-in fuels (SAF, renewable diesel, renewable naphtha)

FEEDSTOCK

- 2.2 million tons/year of sustainably sourced wood fiber.
- 20-year LOI agreement with LP Building Solutions for a long-term feedstock supply

OFFTAKE

- 20-year agreement with Southwest Airlines for up to 680 million gallons of SAF

IMPACT

- Captures and sequesters ~50 million metric tons of CO₂ emissions; boosts local forestry, rural economy, and Gulf Coast SAF supply chain



Bon Wier, TX

BDO Zone Rating

AA

Feedstock Type

Woody Biomass

Feedstock Amount

2 Million tons/year



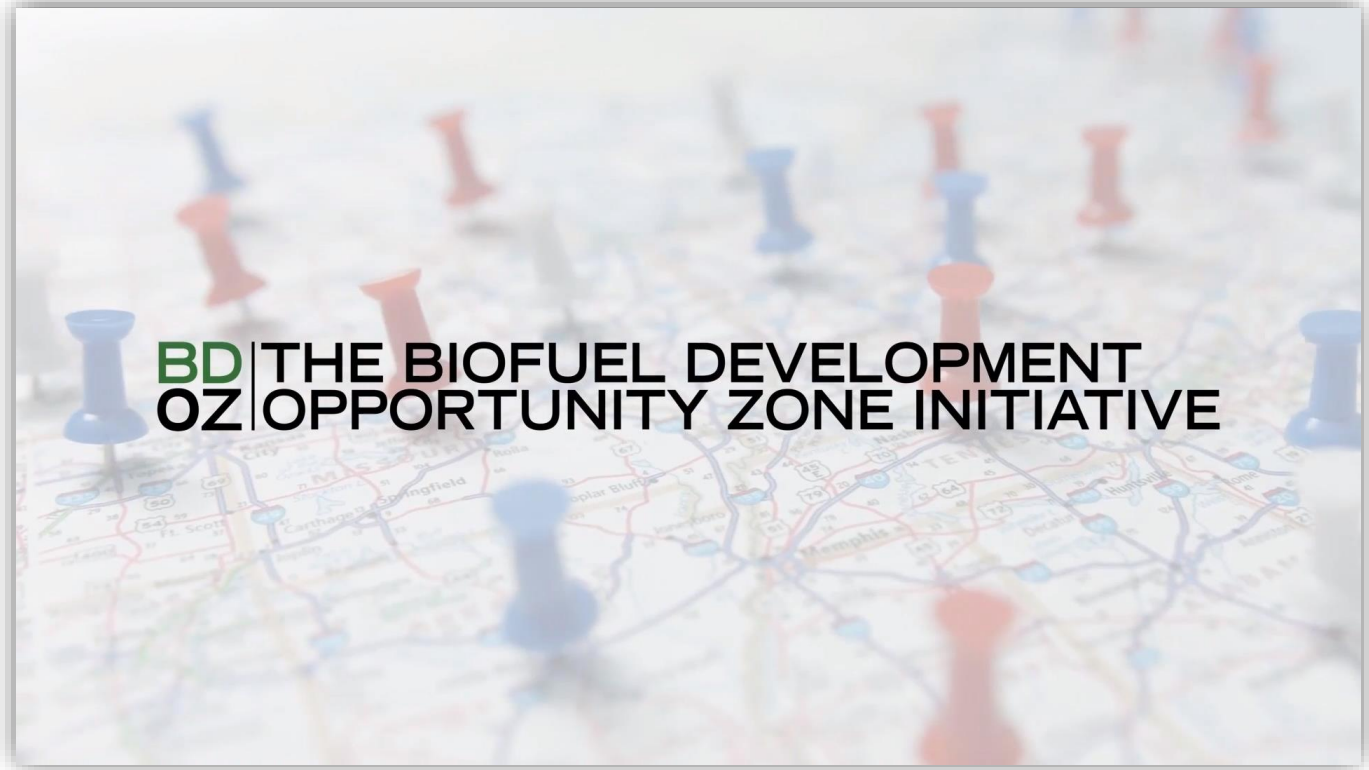
The Texas Renewable Fuels Biorefinery in Bon Wier, Texas will create 1,000 construction jobs over 2-3 years, and 200 permanent jobs. We're spending \$90M annually on forest purchases--supporting 1,000+ indirect jobs. With \$150M in secured incentives, we expect to generate over \$500M in local tax revenue over 20 years... In 2024, wildfires impacted 10% of the wood fiber around Bon Wier.

Nick Andrews
CEO - USA BioEnergy





Real People, Real Ratings, Real Impact





What to learn more?

Jordan Solomon, President, Ecostrat / Chairman BDO Zone Initiative

jordan.solomon@ecostrat.com

Aryn Garswood, Head, BDO Zone Initiative

aryn@ecostrat.com

Download and view BDO Zone ratings at www.bdozone.org

Download all Letters of Support for the BDO Zone Initiative [here](#).

Download the Biomanufacturing Projects in BDO Zones document [here](#).

Download the BDO Zone Community Quick Start Guide [here](#).