Using Alternate Fuels at Sugar Creek, Missouri



June 6, 2007





Welcome. Your presenters are:

Bernie Sabbert, Systech - Technical Sales Representative

Steve Kidwell, Lafarge - Environmental & Public Affairs Manager

Kurt Gerdes, Lafarge - Director Resource Recovery





Who Is Lafarge?

- World Leader in building materials
 - Cement & Roofing
 No. 1 Worldwide
 - Aggregates & Concrete
 No. 2 Worldwide
 - Gypsum
 No. 3 Worldwide
- >70,000 employees worldwide
- ~15,300 employees in North America
- www.lafarge.com





Who Is Systech Environmental Corporation?

- Wholly owned subsidiary of Lafarge
- Provides fuels and raw materials to Lafarge cement plants
- www.sysenv.com





Systech Provides Various Fuels



Fuel-Quality Waste (OH and KS)



Scrap Tires (AL, IL, OK, PA, SC, QC, WA)



Alternate Solid Fuel (AL, IA, MO*, PA, SC)



Waste Oil

(IA, IL, KS, MD, OH, QC, SC, WA)



Landfill Gas

(MO)

* - targeted for start-up October 2007





Sugar Creek Cement Plant







CO₂ Emissions/Energy Cost Reduction

- Cement Manufacturing Energy Intensive
- Heating limestone liberates CO₂ (calcination)
- Lafarge world-wide target of 20% reduction per ton of clinker produced by 2010
 - Energy efficiency
 - Use of alternate cementitious materials (slag, fly ash)
 - Use of alternate/renewable fuels





Energy Efficiency

- New State-of-the-Art Plant
- Requires 2/3 the energy per ton of clinker compared to the old plant
- Awarded Energy Star Rating by U.S. EPA
- One of only six cement plants in the U.S.



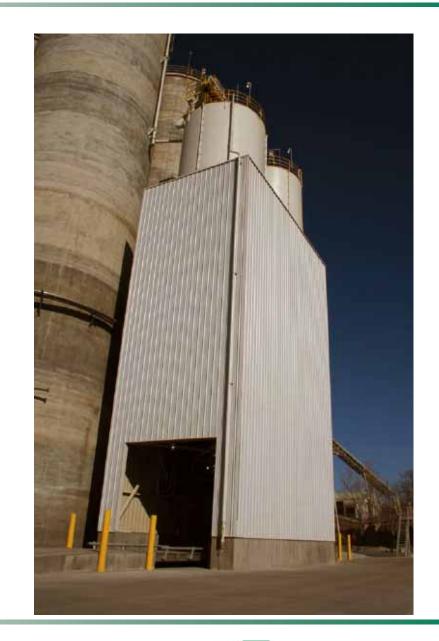






Cementitious Materials

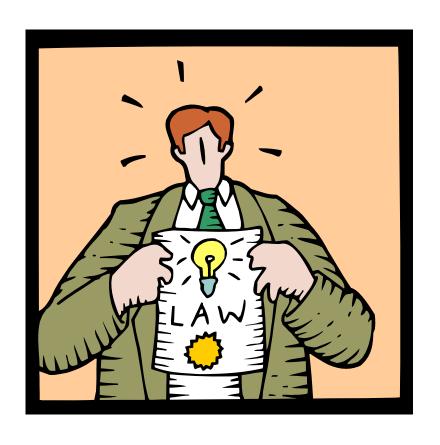
- Sugar Creek now sells a blend of Portland cement and ground blast furnace slag
- Generate less CO₂ per ton of product
- Higher strength and better wear characteristics







Alternate Fuels Permitting (MDNR)



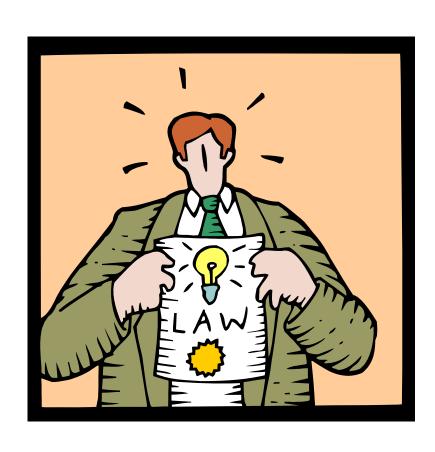
- Process commenced 9/2003
- Permit issued 8/2004
- Existing emission limits unchanged
- Performance testing upon fuel startup







Alternate Fuels Permitted



- TDF
- PDF (non-chlorinated)
- No. 2 and 6 Fuel Oils, Used Oil
- Textile Products
- Animal Meal
- Cellulose Material
- Landfill Gas
- Others on Request







Landfill Gas

- Piped direct from adjacent closed landfills
- First gas flowed to tower burner in August 2005
- Thus far, the gas replaces
 ~1 ton per hour of solid
 fuel (8,000 ton/year)
- Negotiating with adjacent active landfill for gas







Environmental Excellence Award







Alternative Solid Fuel (ASF) Project

- Sugar Creek's program will use up to 40,000 tons of ASF per year
- The ASF would otherwise be landfilled
- ASF burns cleaner and produces less CO₂ than coal
- Kiln ash is incorporated into the cement product
- Project will start-up October 2007
- The ASF program has been permitted by the MDNR and encouraged by local governments
- Cost \$6M in capital expense







Example Building – Harleyville Plant



LAFARGE

NORTH AMERICA



Alternate Solid Fuels (ASF)

- Cellulose, plastic and textile waste with the following characteristics are desirable and are being pre-qualified now:
 - Non-hazardous
 - Nonreuseable waste materials currently going to landfills
 - Heat value of over 5,000 Btu/lb
 - Initially targeting industrial customers that generate > 200 tons/year
 - Unacceptable materials: metal, food, free liquids, and/or hazardous wastes.





Examples of Alternate Solid Fuels

- Baled shrink wrap
- Auto flooring trim scrap
- Air filter paper
- Plastic film
- Plastic
- Buffer pad scrap
- Waste tissue

- Paper/Paper stock
- Pre-shredded paper
- Toner chips
- Polyurethane waste
- Rag/Paper rolls
- Tape and label waste
- Polypropylene mats





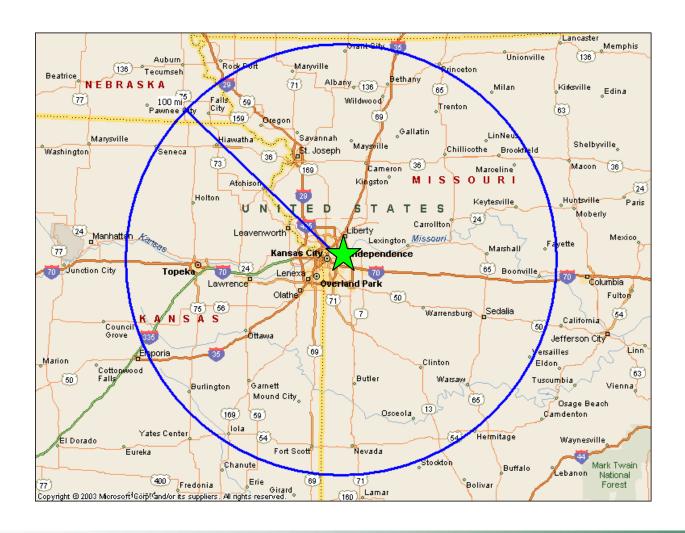


plastics textiles combinations





100 Mile Radius Around Sugar Creek, MO







ASF Receiving & Storage

- Material shipped in:
 - roll-off boxes
 - walking floor trailer
 - end dump trailers
 - supersacks
 - Gaylord boxes
 - vans



- All storage is indoors
- Building allows for storage of 2,250 tons of material



Example of baled plastic





ASF Receiving & Storage







Shredding



- Two-stage shredding capable of processing 7.5 tons/hour
- Materials reduced in sized to less than 2 x 2 inches





Final Storage



- Final storage of 200 tons
- Fire suppression by water deluge





The Approval Process

- Potential ASF source is identified
 - A representative sample is pulled (a one gallon resealable baggie)
 - An ASF profile is completed and signed by the generator
 - The sample, profile and any applicable MSDS's are sent to Systech.
 The lab will do tests Btu/constituents/compatibility/permit parameters.
 - When lab work is completed, reviews are done by Regulatory, Health and Safety, and Lafarge Cement Quality team
 - If all goes through successfully, final negotiations and plans for delivery are finalized.





Profile No	Date Received	SYSTECH Environmen Corporation

Form 1 - Alternate Raw Material & Fuel Qualification - Information

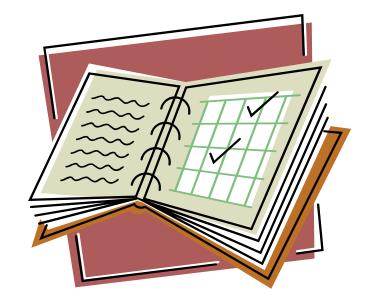
A representative sample accompanies this form							
SALES REPRESENTATIVE FACILITY LOCATION	Bernie Sabbert Sugar Creek, MO	Phone (_ <u>8</u>	<u>16_)351-</u>	9040			
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Proposed Construction Schedule

- Order equipment February '07
- Begin building construction April '07
- Receive/install equipment July '07
- System startup October '07







Other Lafarge Alternate Fuel Locations in the Region



- Davenport, Iowa
 - ASF (plastic, paper) off spec oil



- Tulsa, Oklahoma
 - Scrap tires (truck and auto)



- Fredonia, Kansas
 - Hazardous and nonhazardous flammable liquids and sludge



- Joppa, Illinois
 - Scrap tires (auto and truck), off spec oil





In Summary

- Lafarge's environmental policy commits to increased alternate raw materials and fuels use
- This benefits Lafarge, our community, and our environment by:
 - Increasing our industry's sustainability
 - Decreasing the use of natural resources and fossil fuels
 - Decreasing our fuel and raw material costs
 - Decreasing our CO₂ emissions





Thank you for coming.

Any questions?



