



Diversified Energy Corporation Selected by Renegy Holdings, Inc. to Provide Engineering and Economic Assessments of Renewable Energy Projects

October 1, 2007 – Gilbert, AZ – Diversified Energy Corporation has been retained by Renegy Holdings, Inc. (NASDAQ: RNGY), a green energy company focused on acquiring, developing and operating a growing portfolio of renewable energy facilities, to provide engineering and economic services support to renewable energy projects. In addition to its 24 megawatt (MW) biomass plant under construction near Snowflake, Arizona, Renegy is currently exploring several new renewable energy projects in the region. Renegy has retained Diversified Energy® to complement its project development skills by providing technical and economic feasibility assessments for multiple projects under evaluation.

Diversified Energy will leverage its in-house engineering staff, analysis and modeling tools, and a growing “toolbox” of lessons learned from bioenergy projects to support this effort.

Robert Worsley, Chairman and CEO of Renegy, commented, “We have been very impressed with the engineering capabilities of Diversified Energy. They have a well-seasoned staff of experts in bioenergy technologies and a robust set of supporting tools. They have been able to quickly and thoroughly conduct analyses for us on renewable energy projects, in turn helping us to make accurate and informed decisions. We look forward to continuing to expand our relationship with them as we pursue a rapid growth strategy through the addition of multiple energy facilities to our portfolio of renewable energy assets.”

About Diversified Energy Corporation:

Headquartered in Gilbert, Arizona (a suburb of Phoenix), Diversified Energy Corporation (www.diversified-energy.com) is a privately held alternative and renewable energy company focused on maturing innovative technologies, developing commercial energy projects, and providing engineering services support to project developers. Principal areas of expertise include biofuels, gasification, and algae production.

About Renegy Holdings, Inc:

Renegy Holdings, based in Tempe, Arizona, is a green energy company focused on acquiring, developing and operating renewable energy facilities and providing emissions compliance solutions for the coal-fired power generation industry. We seek to rapidly grow our renewable energy assets with the goal of becoming the leading independent power producer (IPP) of biomass energy in North America. Our first project is Snowflake White Mountain Power

Changing the Balance of Power

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(SWMP), a 24 megawatt (MW) biomass facility under construction near Snowflake, Arizona. This facility is scheduled to begin supplying electrical power to Arizona's two leading utility companies in the first half of 2008, and serves as a solid foundation for our growth. We also offer a variety of services for coal-fired power plants that use selective catalytic reduction (SCR) systems to reduce nitrogen oxides (NOx) emissions. These services are offered through our SCR-Tech subsidiary (www.SCR-Tech.com), and include SCR catalyst management, cleaning and regeneration, as well as consulting services to help power plant operators optimize efficiency and reduce overall NOx compliance costs. Find Renegy on the Worldwide Web at www.Renegy.com.

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