

March 1, 2024

Via electronic submission to the Alternative Fuels Portal

Dr. Steven Cliff California Air Resources Board ("CARB") 1001 I Street Sacramento, CA 95814

RE: Montana Renewables, LLC, LCFS Tier 2 Pathway Application #B0528 Response to Comment of Gordon Beebe ("Commenter")

Dear Dr. Cliff,

Montana Renewables, LLC ("MRL" or "the Company") provides this response to the comment of the above referenced Commenter. The Commenter raises questions related to the safety of transportation by rail.

We note first that Section 95488.7(d)(5)(A) of the Low Carbon Fuel Standard Regulation¹ states: "Only comments related to potential factual or methodological errors will require responses from the fuel pathway applicant." The Commenter has raised neither factual nor methodological errors in MRL's fuel pathway application; as such, we do not believe any action on our part is required and request that CARB certify our pathways without changes.

Without prejudice to our belief that no response is required, we wish to address the Commenter's questions to the extent we possess direct knowledge of the answers. To be clear, MRL neither owns nor operates the rail engines, cars or lines involved in the transport of fuel products from the Company's facility in Great Falls, MT to California markets. In fact, MRL does not even own our products during transit, as all sales to our offtakers are complete once railcars are loaded at our facility. Therefore, we lack direct knowledge of many of the topics raised by the Commenter concerning the condition and inspection frequency of the rail line, the route of travel chosen by the rail operator, or the working hours of train conductors. While these questions would be better directed to the rail system operator, we note that the rail sector is heavily regulated by federal and state agencies responsible for ensuring environmental, occupational and public safety, and we understand that the rail operators charged with delivering our products to various markets all take their legal and social commitments seriously.

The only matter raised by the Commenter with which we have direct knowledge concerns whether "each train car is carefully inspected before being filled with fuel". All tank cars scheduled for arrival onsite must be certified by the carrier as well as the Federal Railroad Administration as suitable for transporting bulk liquid hazardous materials. MRL staff visually inspect railcars after arrival at the facility, before and during loading. After loading and prior to shipment, tank cars are sealed and again visually inspected for signs of potential leaks or other dangerous conditions.

¹ Title 17 of the California Code of Regulations, Division 3, Chapter 1, Subchapter 10, Article 4, Subarticle 7

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Ensuring employee safety, protecting the environment and being a good corporate citizen are core values that MRL upholds and takes very seriously. We appreciate the opportunity to address the Commenter's questions. We reiterate our belief that no changes to MRL's pathway application are required by this comment and request that CARB proceed with approving and certifying our pathways.

Regards,

Greg Staiti

Greg Staiti Compliance Director, MRL