

Greg Staiti

Attached please find the comments of Montana Renewables, LLC, regarding the proposed 2024 Clean Fuels Standard Participation Fee.



MONTANA RENEWABLES™

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Via electronic submission to: <https://ecology.commentinput.com/?id=4riJDKZsF>

Department of Ecology
State of Washington
300 Desmond Drive SE
Lacey, WA 98503

RE: Proposed Clean Fuel Standard 2024 Participation Fee

Dear Department of Ecology (“Ecology”) Staff:

Montana Renewables, LLC (“MRL” or “the Company”) appreciates the opportunity to comment on proposed Clean Fuel Standard (“CFS”) 2024 Participation Fee. MRL began commercial production of renewable transportation fuel at our facility in Great Falls, MT in late 2022. Our offtakers have been importing that fuel into the Washington market since Q1 2023, and in doing so, generating credits.

Ecology’s announcement of the proposed ‘[Clean Fuel Standard Participation Fee 2024](#)’ states, “All program participants are required to pay a fee for participating in the Clean Fuel Standard program.” We are concerned this terminology creates confusion as the term “program participants” is defined neither in the document nor in the applicable regulations. If “program participants” is meant to refer to all [registered parties](#), including fuel pathway holders, then we believe this scope is too broad. Ecology’s rules governing the Clean Fuels Program fee (WAC 173-455-150) state that fees will be levied only on “credit and deficit generators” as defined in WAC 173-424-110. Fuel pathway holders like MRL are neither credit nor deficit generators; our offtakers deliver our renewable fuels into Washington and are responsible for the quarterly reports in which credits are created. Allocating fees to credit and deficit generators – parties who produce in Washington, import into Washington, or buy and sell within Washington – is appropriate, since such parties are best positioned to pass along the costs to Washington market participants. Thus, we believe Ecology should clarify that 2024 Participation Fees are applicable to credit and deficit generators only, and if necessary recalculate the proportional costs that appeared in the Clean Fuel Standard Participation Fee 2024 announcement.

Thank you for considering these comments. Please do not hesitate to contact us with any questions.

Regards,

Greg Staiti

Greg Staiti
Compliance Director, MRL