Board of County Commissioners

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PONDERA COUNTY MONTANA

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Pondera County Commission Congratulates Montana Renewables on Department of Energy Loan, Encourages Company to Prioritize Wastewater Treatment Facility

Conrad, MT – On Wednesday, October 16, the Department of Energy's (DOE) Loan Programs Office announced a conditional loan guarantee of up to \$1.44 BILLION to Montana Renewables, LLC, a subsidiary of Calumet Inc. of Indianapolis, Indiana, to expand production of renewable fuels, including Sustainable Aviation Fuel, at its Missouri riverside refinery in Great Falls. The Pondera County Commission issued the following statement in response to the news:

"The Pondera County Commission welcomes the federal loan for Montana Renewables as it includes critical funding for the construction of a contaminated water treatment facility at the refinery. It is imperative that Montana Renewables invest in the infrastructure necessary to treat or recycle the tens of millions of gallons of industrial wastewater it already produces annually as well as every drop of contaminated wastewater it will produce as production increases.

Montana Renewables is currently seeking approval from the Environmental Protection Agency to inject their polluted wastewater underground into the Madison Aquifer We absolutely oppose this proposed dumping scheme as it could create completely unacceptable risks to drinking and irrigation water, wildlife, public safety, and rural livelihoods in Pondera County. Pondera County is not going to be the dumpsite for Calumet/Montana Renewables waste.

While we support the expansion of renewable energy production in Great Falls, and the jobs and tax revenue it will bring, energy production must be done responsibly. Clean water is one of our most precious resources and should not be sacrificed for marginal reductions in carbon emissions. Thankfully the technology already exists to treat the water.

With the federal loan commitment in hand, Montana Renewables should abandon their irresponsible wastewater injection proposal, withdraw their permit application, and focus their energy on building the facilities necessary to treat or recycle all their wastewater on site. This

would fulfill the promises made in their loan application, as well as their publicly stated commitments to sustainability and corporate responsibility.

We are open to working with Montana Renewables, the EPA, and other elected officials as we seek to ensure greater economic prosperity and a clean and healthy environment for all the citizens of Pondera County.

Background

Montana Renewables, LLC manufactures sustainable aviation fuel (SAF), renewable diesel (RD), and other biofuels at the existing Calumet Montana Refining oil and gas facility in Great Falls. The fuels are produced from vegetable and animal feedstocks, including camelina oil, canola oil, distillers corn oil, used cooking oil, and beef tallow, along with other similar sources.

According to company <u>statements</u>¹ and records², Montana Renewables currently produces about 30 million gallons of SAF annually. The manufacturing process requires significant amounts of water to prepare the feedstocks for processing. The company currently uses upwards of 150,000 gallons of water per day.³ Lacking a local treatment facility, Montana Renewables currently trucks and rails about <u>2,500 barrels daily</u> (the equivalent of 100,000 gallons) its wastewater to approved disposal locations out-of-state.

Montana Renewables is seeking to inject the wastewater into the Madison Aquifer in Pondera County via non-producing oil and gas wells. In 2022, they approached Montalban Oil and Gas Operations in Cut Bank about injecting the wastewater underground via wells Montalban owns along the Rocky Mountain Front. Montalban subsequently applied for permits from the EPA for two of its wells near Dupuyer Creek west of Valier, as well as an exemption to the Madison Aquifer to dispose of wastewater originating from Montana Renewables' operations.

The EPA released draft permits for both wells for public comment in December 2023 and held a public meeting in Conrad in April 2024. During the public meeting and in comments related to the permits, many members of the public voiced concerns about the wells including the potential for water contamination; impacts to public roads and bridges, public safety, and rural quality of life from transporting the wastewater to the wells; harm to wildlife and wildlife habitat; and the depletion of water resources from the Missouri.

The EPA has not yet issued a decision whether to issue the permits.

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¹ Podcast

² O2 Earnings Report; Draft EA;

³ Department of Energy, Draft Environmental Assessment, Sept. 2024, p. 31.

⁴ EPA, Aquifer Exemption Expansion Record of Decision, December 4, 2023