



EXHIBIT 6

DATE 3.22.05

HB 776

4570 North Reserve Street
Missoula, MT 59808

406-543-8583
800-773-9000
406-549-5195 Fax
chsinc.com

Dear Honorable Committee Members and concerned Montana's,

My name is Kyle Stensrud, and I am the energy division manager for CHS Country Operations – Western Montana, retailer of Cenex branded petroleum products, based out of Missoula and serving West to Thompson Falls, South to Darby, North to Kalispell, and east to Deer Lodge. CHS has a strong history of agricultural involvement and support, and we look forward to helping move biodiesel further in the State of Montana. Western Montana CHS has been involved in the distribution and use of Biodiesel in Montana from the fall of 2003 with the opening of our first B20 pump at our Brooks Street Fuel Station. Currently, we operate two B20 pumps in Missoula, our first at Brooks Street and beginning in spring of 2004, at our main location on Reserve Street, and have 3 transportation trucks and 1 bulk truck using B20 biodiesel.

Initially, our decision to dedicate tank space to biodiesel blended product was focused on our belief in biodiesel as a premium diesel fuel product. Our price was determined by the cost of our diesel product, and the higher cost of biodiesel. The resulting price for the Montana Biodiesel B20 product that we offered was \$.20 - \$.30 a gallon more than our diesel #2 product. An increase of cost of this magnitude over the traditional diesel #2 product has made it difficult for consumers to make the switch to B20, not to mention in our ability to make a margin that enables us to expand use and placement of biodiesel blends. HB 776 will help offset the cost of switching to biodiesel blends as well as help stabilize the price of low blends of biodiesel for years to come. In 2006, by mid year, petroleum blenders will be required to sell Ultra Low Sulfur Diesel fuel. This new diesel product will require a lubricity additive of some sort as the removal of sulfur from diesel fuel results in significant lost lubricity. A two percent blend of biodiesel replaces that lost lubricity adequately, can be cost effective, and blended easily. Having this legislation in place will help incentivise petroleum blenders in Montana to use Biodiesel as their lubricity additive of choice. We have examined the benefits of using B2 Ultra Low Sulfur Diesel, and would like to pursue this as our lubricity additive for ULSD.

We believe that biodiesel is an important part of extended and enhancing petroleum product in the United States, and feel this legislation is an important part of helping biodiesel become established as part of the petroleum market. Western Montana CHS is in full support of HB 776. Thank you for your time and consideration of this important issue, and feel free to contact me with any thoughts or questions you may have regarding this legislation.