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EXHIBIT 9
DATE 1/12/07
HB 2

DP 2007 Biofuels Testing OTO

- Montana has high potential for biodiesel industry.
- Montana commercially grows canola, rapeseed, flax, safflower and mustard—excellent feedstocks for biodiesel
- There is interest from developers with potential biodiesel production or oil seed crushing plants proposed in many northern and eastern Montana locations. (Malta, Culbertson, Billings, Havre, Hardin among others).
- A significant cost to biodiesel producers is the testing of the fuel to ensure that it meets national specifications. (ASTM)
- Producers must meet ASTM standards to qualify for federal tax credits.
- Meeting national specifications is critical to fuel quality. Maintaining quality is needed to develop biodiesel as a competitive fuel and a viable industry.
- The OTO proposal is to purchase equipment to be installed in Montana to allow for the in state testing of biodiesel.
- The availability of an in-state testing facility will help keep costs low, and provide convenience

Performance Criteria

- Established facility able to test Montana produced biodiesel to ASTM standards by June 30, 2009.

Milestones

- Assess best location for biodiesel testing facility
- Write agreement for purchase and installation of equipment
- Monitor installation of equipment