WELCOME

BIOFUELS
MARKETING CHALLENGES
Renewable fuels from a blending perspective simply an extension of the gas blending business that has always been a part of the refined fuels business

- Ethanol and Biodiesel are blend stocks to the gas and distillate pool no different than c5, butanes and naptha
- The obvious driver for blending: RFS
- The smart driver for blending: Economics...supports higher blends
  - Managing blend value: Financial tools (RBOB/HO)
  - Infrastructure grants and awards enable efficiencies

History shows a clear picture..................

However, challenge often associated with how products are presented at the street level/consumer
Chicago Spot Ethanol less Ethanol RINS less Nearby RBOB Gasoline Futures
The “paper” (RINS) piece has significant impact on the transactions

- Actively managing and liquidating RINS is a critical component of the puzzle
- Active programs to aggregate and provide representative pricing
- Ease of transacting: liquidity in the market today

Infrastructure: Still significant development needed at the terminal level (Bio)

- Infrastructure grants even more important
Bio Diesel RINS - D4

Graph showing the price of Bio Diesel RINS (cents per Gallon) from January to December for the years 2012 to 2016.
THANK YOU....ONTO OUR SPEAKERS