

WELCOME



**BIOFUELS
MARKETING CHALLENGES**

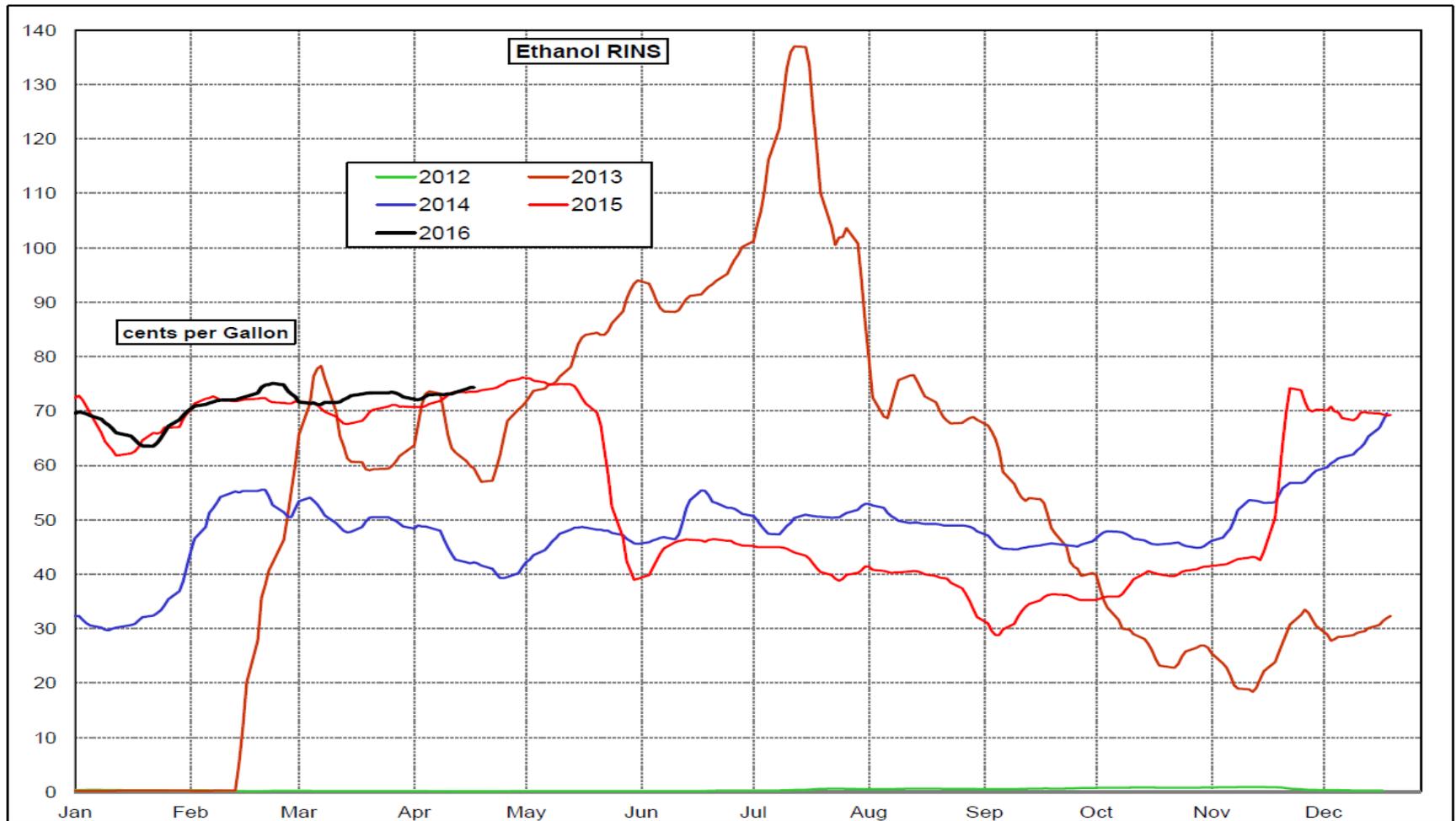
Component (Ethanol) Blending: Managing Price and Risk

- ▣ 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 naphtha
 - 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

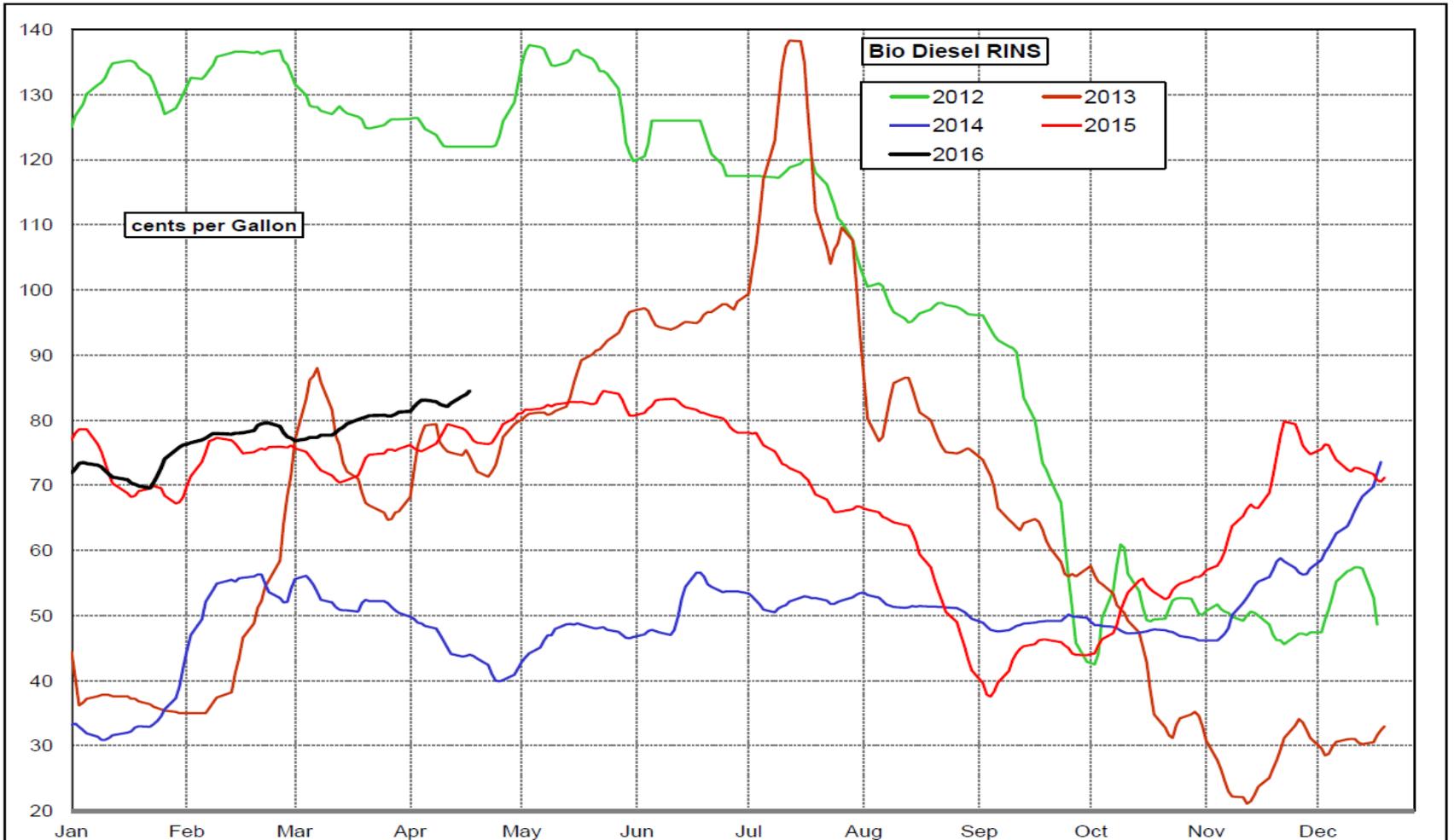
RINS.....A BIG PART OF THE PICTURE

- 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

Ethanol RINS -D6



Bio Diesel RINS - D4



THANK YOU...ONTO OUR
SPEAKERS