



SCB Fuel Emissions Report

Friday, February 14, 2020

- LCFS markets saw values move lower as offers remained strong throughout the curve. The day opened with sellers targeting near last done levels, starting at \$213/MT, \$212/MT, and \$211/MT for April '20, Q2 '20, and Q1 '21 respectively. Bids however, pulled back to begin the day, targeting \$208/MT in the back half of 2020. With buyers holding steady, offers moved lower, hitting \$208/MT for Q4 2020 transfer by midday while further deferred markets also caught activity with \$206/MT trading for Q4 2022 shortly thereafter. Into the afternoon buyers continued to move lower, targeting \$206/MT for Q1 2021 but failed to find sellers stepping that low.
- Ethanol RINs yesterday were active as the 2020 D6s have increased in value for the past fifteen consecutive sessions. The 2020 D6s received strong support with values topping out at \$0.33 by mid-session, but as the day wore on bid interest cooled with support backing up to \$0.32 towards the close. The 2019 D6s followed a similar trajectory and traded through \$0.27, but edged slightly lower and fell to \$0.265 by day's end. Despite the BOHO spread narrowing, the 2020 D4s continue to attract interest in the upper \$0.40s, while the 2019 D4s remain well supported for a nearby transfer.

SCB Fuel Emissions

Ronnie Virissimo

787-663-3208

ronnie@starcb.com

ICE Chat: rvirissimo1

Zach Townend

787-291-0015

zach@starcb.com

ICE Chat: ztownend

425 Carr. 693

Plaza Del Mar

Suite 202

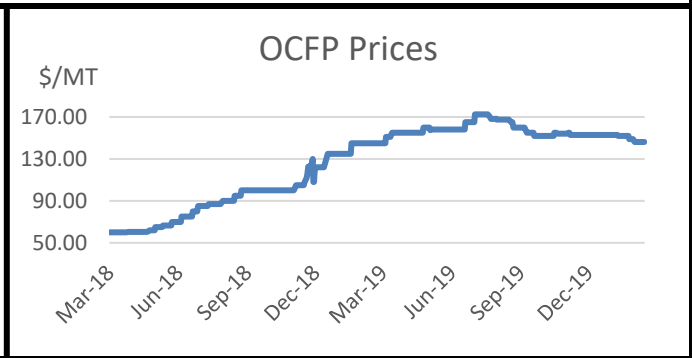
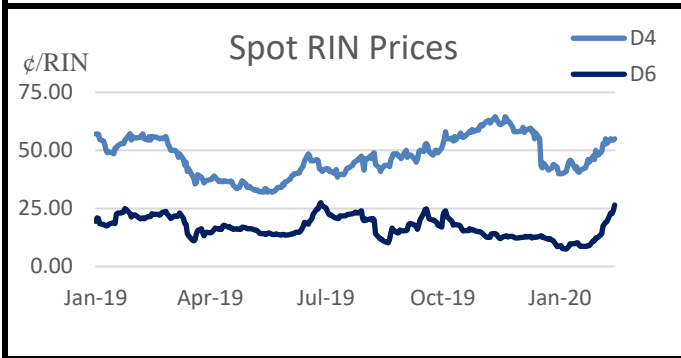
Vega Alta, PR

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Full data sets are available at
RENW on Bloomberg, or
contact
marketing@starcb.com



LCFS Credit Price (\$/MT)						OCFP Credit Price (\$/MT)					
	Bid	Ask	Spread	Bid	Ask		Bid	Ask	Spread	Bid	Ask
Prompt	208.0	210.0	Spot/Q1	-1.00	1.00	Prompt	143.0	150.0	Spot/Q4	-1.00	1.00
Q1 2020	208.0	210.0	Q1/Q2	1.00	3.00	Q1 2020	143.0	150.0	Q4/Q1	-1.00	1.00
Q2 2020	206.0	208.0	Q2/Q3	-0.50	0.50	Q2 2020	143.0	150.0	Q1/Q2	-1.00	1.00
Q3 2020	206.0	208.0	Q3/Q4	-0.50	0.50	Q3 2020	143.0	150.0	Q2/Q3	-1.00	1.00
CI Value vs LCFS Target* (\$/MT)						DDP CA ^a	Fair Value ^b	RINs Prices (\$)			
Midwest SME Biodiesel (50.85)						1.109	2.310		Bid	Ask	
Midwest Corn Oil Bio (29.46)						1.673	2.589	2.874	2018 D4	0.5250	0.5350
Imported CME (51.33)						1.096	2.012	2.297	2019 D4	0.5450	0.5550
Imported Renewable Diesel (36.83)^c						1.520	2.386	2.831	2020 D4	0.4750	0.4850
Imported UCOME Bio (25.61)						1.774	2.690	2.975	2018 D5	0.5250	0.5300
\$/USG per point CI (biodiesel)						0.026			2019 D5	0.5450	0.5500
CI Value vs LCFS Target* (\$/MT)						DDP Ca ^e	Fair Value ^d	2020 D5	0.4750	0.4800	
Midwest Corn Ethanol (70)^e						0.374	1.50	1.503	2018 D6	0.2350	0.2400
Brazil Sugar Ethanol (45.9)^e						0.785	2.212	2.196	2019 D6	0.2600	0.2700
\$/USG per point CI (ethanol)						0.017			2020 D6	0.3200	0.3300



*2020 LCFS Target Diesel 91.98, 2020 LCFS Target Gasoline 92.92

^c RINs multiplier for Renewable Diesel 1.7 vs 1.5 for Biodiesel

^a Jan arrival, Full Pass B99 and RINs For Buyer

^d Fair value =MW Corn Ethanol + LCFS + 2019 D5/D6 RINs spread

^b Fair value = SME + differences from LCFS and RINs

^e June 2020 arrival

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