Ethanol & Biodiesel Information Service

Pricing, News and Analysis for Buying and Supplying Ethanol-Blended Fuel and Biodiesel

OPIS By IHS Markit

January 18, 2021 • Volume 18, Issue 3

Ethanol Futures (cts/gal contract price)

	February 2021	March 2021	April 2021	May 2021
CBOT	163.00	168.00	173.80	173.30

Settlement Thursday, January 14, 2021 *Source: Chicago Board of Trade*

Ethanol & Gasoline Component Spot Market Prices

U.S. RINs *(prices in U.S. $/RIN)*

	Fri. 01/08	Mon. 01/11	Tues. 01/12	Wed. 01/13	Thurs. 01/14	Wkly. Avg.
U.S. Ethanol RINs						
Current Yr	0.8750-0.9000	0.7500-0.8350	0.7200-0.8100	0.7300-0.8000	0.8000-0.9000	0.81200
Previous Yr	0.8800-0.9100	0.7500-0.8350	0.7100-0.8100	0.7200-0.8000	0.8000-0.9000	0.81150
U.S. Cellulosic RINs						
Current Yr	2.0800-2.1600	1.9300-2.0100	1.9000-2.0400	2.0000-2.1000	2.0500-2.1500	2.04200
Previous Yr	2.2000-2.3000	2.0500-2.1500	2.0000-2.2000	2.1500-2.2500	2.2000-2.2500	2.17500
U.S. Biodiesel RINs						
Current Yr	1.0200-1.0400	0.9500-1.0100	0.9000-1.0000	0.9150-0.9550	0.9600-1.0500	0.98000
Previous Yr	1.1200-1.1600	1.0100-1.0800	0.9400-1.0000	0.9300-0.9900	0.9800-1.1000	1.03100
U.S. Advanced Biofuel RINs						
Current Yr	1.0100-1.0400	0.9400-1.0100	0.8900-1.0000	0.9050-0.9550	0.9500-1.0500	0.97500
Previous Yr	1.1100-1.1600	1.0000-1.0800	0.9300-1.0000	0.9200-0.9900	0.9700-1.1000	1.02600

Chicago *(prices in U.S. $/gal.)*

	Fri. 01/08	Mon. 01/11	Tues. 01/12	Wed. 01/13	Thurs. 01/14	Wkly. Avg.
Ethanol	1.5400-1.5475	1.5250-1.5350	1.5300-1.6290	1.6050-1.6325	1.5925-1.6200	1.57565
DP ETH	1.5200-1.5300	1.5250-1.5350	1.5300-1.6290	1.6050-1.6325	1.5925-1.6200	1.57190
B100 SME	3.8600-3.9600	3.7700-3.8700	3.7800-3.8500	3.7400-3.8000	3.7900-3.8600	3.82800
RBOB Unl	1.4123-1.4748	1.3933-1.4458	1.4355-1.4830	1.4263-1.4813	1.4314-1.5014	1.44851
RBOB Pre	1.5773-1.6398	1.5608-1.6133	1.6030-1.6505	1.5938-1.6488	1.5989-1.6689	1.61551
CBOB Unl	1.3873-1.4498	1.3708-1.4233	1.4130-1.4605	1.4038-1.4588	1.4089-1.4789	1.42551
ULSD	1.5045-1.5520	1.4985-1.5460	1.5267-1.5692	1.5389-1.5714	1.5594-1.6044	1.54710

Chicago Rule 11 *(prices in U.S. $/gal.)*

	Fri. 01/08	Mon. 01/11	Tues. 01/12	Wed. 01/13	Thurs. 01/14	Wkly. Avg.
Current Yr	1.5000-1.5400	1.5150-1.5200	1.5150-1.6250	1.5900-1.6300	1.5800-1.6200	1.56350

See page 2 for more spot pricing locations ▶

Ethanol Market Overview:

Prices rally on USDA-inspired corn spike

A bullish USDA forecast that led to sharp gains in corn prices last week put a surge in ethanol spot prices, though trading remained thin and prices came off early highs as the week wound down.

Spot prices for Chicago prompt in-tank transfers through the next week had talks running in the low $1.50s/gal and some railcars under Rule 11 terms traded in a $1.515-$1.52/gal range before Wednesday. But values quickly jumped by 10cts or more after a USDA report forecasting lower corn output pushed corn futures prices up by the 25-ct Chicago Board of Trade limit.

But toward the end of the week, Chicago ethanol prices started ease off highs that had put nearby transfers at about $1.63/gal. Thursday spot values, however, at about $1.60/gal, still reflected sizable 7.25-ct to 8-ct week-to-week gains. Forward talks for Chicago in-tank volume had any-February transfers at a roughly 2-ct premium over January by the latter part of the week.

While ethanol prices rallied, trading remained thin, in both the run-up to USDA's monthly forecast and in the aftermath of spiking corn prices. By the middle of last week, front-month March corn had blown past the $5 mark, racking up the largest one-day gain for the contract and at one point reaching a seven-and-a-half-year front-month high. By Thursday, the CBOT front-month corn price was up 8.15% week to week.

Though spiking feedstock prices and the disruption that caused in ethanol values kept

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Ethanol & Gasoline Component Spot Market Prices (prices in U.S $/gal.)

Gulf Coast

	Fri. 01/08	Mon. 01/11	Tues. 01/12	Wed. 01/13	Thurs. 01/14	Wkly. Avg.
Ethanol	1.6300-1.6500	1.6200-1.6500	1.6200-1.7150	1.7000-1.7200	1.6900-1.7100	1.67050
B100 SME	3.8500-4.0900	3.7800-4.0000	3.7900-3.9700	3.7500-3.9300	3.8000-3.9900	3.89500
RBOB Unl	1.4973-1.5023	1.4808-1.4858	1.5230-1.5280	1.5238-1.5288	1.5239-1.5279	1.51216
RBOB Pre	1.5818-1.5868	1.5358-1.5383	1.5830-1.5930	1.5838-1.5888	1.5714-1.5814	1.57441
CBOB Unl	1.4973-1.5023	1.4808-1.4858	1.5205-1.5255	1.5163-1.5213	1.5164-1.5204	1.50866
Unleaded	1.5073-1.5273	1.4958-1.4983	1.5305-1.5380	1.5238-1.5288	1.5264-1.5314	1.52076
ULSD	1.5295-1.5305	1.5205-1.5215	1.5427-1.5442	1.5444-1.5449	1.5644-1.5659	1.54085
61ULSD	1.5295-1.5305	1.5205-1.5215	1.5427-1.5442	1.5444-1.5449	1.5644-1.5659	1.54085

New York

	Fri. 01/08	Mon. 01/11	Tues. 01/12	Wed. 01/13	Thurs. 01/14	Wkly. Avg.
Ethanol	1.6200-1.6300	1.6100-1.6300	1.6200-1.7200	1.6800-1.7200	1.6700-1.6800	1.65800
ITT ETH	1.6300-1.6400	1.6200-1.6400	1.6300-1.7300	1.6900-1.7300	1.6700-1.6900	1.66700
Ethanol Fwd	1.6500-1.6600	1.6300-1.6400	1.6325-1.7400	1.7050-1.7150	1.7000-1.7150	1.67875
B100 SME	3.8300-4.0600	3.7600-3.9700	3.7700-3.9400	3.7300-3.8900	3.7800-3.9500	3.86800
RBOB Unl	1.5533-1.5548	1.5308-1.5358	1.5655-1.5680	1.5563-1.5663	1.5624-1.5654	1.55586
RBOB Pre	1.6558-1.6573	1.6333-1.6383	1.6680-1.6705	1.6438-1.6538	1.6499-1.6529	1.65236
CBOB Unl	1.5533-1.5548	1.5308-1.5358	1.5595-1.5695	1.5563-1.5663	1.5624-1.5654	1.55541
CBOB Pre	1.6558-1.6573	1.6333-1.6383	1.6620-1.6720	1.6438-1.6538	1.6499-1.6529	1.65191
ULSD	1.5745-1.5795	1.5645-1.5745	1.5917-1.5967	1.5939-1.5989	1.6104-1.6204	1.59050

Los Angeles

	Fri. 01/08	Mon. 01/11	Tues. 01/12	Wed. 01/13	Thurs. 01/14	Wkly. Avg.
Ethanol	1.4950-1.6900	1.4950-1.6900	1.5200-1.7700	1.6000-1.7700	1.5500-1.7800	1.63600
CARBOB - R	1.6323-1.6473	1.5983-1.6108	1.6380-1.6480	1.6238-1.6288	1.6239-1.6339	1.62851
CARBOB - P	1.7223-1.7373	1.6883-1.7008	1.7280-1.7380	1.7013-1.7063	1.7014-1.7114	1.71351
ULSD	1.5645-1.5745	1.5585-1.5635	1.5817-1.5867	1.5789-1.5889	1.5994-1.6094	1.58060

Nebraska *(fob Railcar)*

	Fri. 01/08	Mon. 01/11	Tues. 01/12	Wed. 01/13	Thurs. 01/14	Wkly. Avg.
Ethanol	1.3600-1.3800	1.3500-1.3850	1.3700-1.4700	1.4500-1.4700	1.4300-1.4500	1.41150

Tampa

	Fri. 01/08	Mon. 01/11	Tues. 01/12	Wed. 01/13	Thurs. 01/14	Wkly. Avg.
Ethanol	1.6400-1.6900	1.6400-1.6900	1.6650-1.7700	1.7400-1.7700	1.7200-1.7500	1.70750

Dallas

	Fri. 01/08	Mon. 01/11	Tues. 01/12	Wed. 01/13	Thurs. 01/14	Wkly. Avg.
Ethanol	1.5600-1.6000	1.5600-1.6000	1.5800-1.6800	1.6600-1.6800	1.6400-1.6600	1.62200

San Francisco

	Fri. 01/08	Mon. 01/11	Tues. 01/12	Wed. 01/13	Thurs. 01/14	Wkly. Avg.
Ethanol	1.4950-1.6900	1.4950-1.6900	1.5200-1.7700	1.6000-1.7700	1.5500-1.7800	1.63600

Washington

	Fri. 01/08	Mon. 01/11	Tues. 01/12	Wed. 01/13	Thurs. 01/14	Wkly. Avg.
Ethanol	1.5800-1.5900	1.5800-1.5950	1.5850-1.6850	1.7100-1.7300	1.7000-1.7200	1.64750

Methodology and Definitions:

OPIS derives ethanol, gasoline and biodiesel prices from many means, including surveying buyers and sellers via phone/e-mail, and receiving postings electronically from producers and purchasers. While OPIS makes best efforts to ensure the accuracy and timeliness of its prices, it in no way guarantees either the accuracy or timeliness of any of the data included herein. Definitions are as follows:

Ethanol Spot Price (Bulk Barge/Rail): These are large quantity pure ethanol deals transacted or being discussed in certain FOB markets.

Brazil Ethanol: Undenatured anhydrous ethanol cargoes, FOB Brazil terminals for export, typically 50,000 bbl or more available 5-30 days from the date of publication. The assessment generally reflects price at the Santos export terminal, though others may be used for assessment purposes.

Block Term Contract Values: These are the three-to-six month contract deals between large buyers and sellers of pure ethanol. Some are done as fixed, and those deals are reported in the "Fixed" column. Other deals are done based on a differential to certain gasoline benchmarks (usually conventional spot unleaded). Those formulae are tracked and reported by market each week in the "Formula"column and calculated (based on the closing Thursday price of the gasoline benchmark) to arrive at a "Formula Calculated" price. All deals ("Fixed" and "Formula") are reported from a weighted average survey.

Bulk Truck Spot Prices (Rack): These are the prices for truck quantities of pure ethanol at storage points in the given market. These prices are not posted – they are offered to buyers given supply and demand dynamics at prices discovered and published by OPIS.

Splash Blend Rack Prices: These are the average of the Thursday closing price that producers and resellers are posting at various rack locations. Typically prices are for small quantities that marketers pull to blend into gasoline to create and deliver ethanol-blended gasoline to accounts.

Splash Blend Producer Prices: These are the average of the Thursday closing price that producers (not resellers) are posting at various rack locations. Typically prices are for small quantities that marketers pull to blend into gasoline to create and deliver ethanol-blended gasoline to accounts.

Low Carbon Fuel Standard Credits: Traded in U.S. dollars per metric ton of carbon dioxide (CO2), this represents the daily traded price range or range of bids and offers on carbon credits generated for compliance under California's Low Carbon Fuel Standard program implemented by the California Air Resources Board. Trading is for credits transferable in the current calendar year, until the last month of the year when deals for the following year may also be considered.

California Low Carbon Fuel Standard

Carbon Credit: $/MT; Carbon Intensity Pts: $/CI; Carbon Credit per Gallon Diesel: $/gal; Carbon Credit per Gallon Gasoline: $/gal)

	Fri. 01/08	Mon. 01/11	Tues. 01/12	Wed. 01/13	Thurs. 01/14	Wkly. Avg.
Carb Credit	200.000-202.000	199.000-202.000	199.000-203.000	199.000-202.000	198.000-202.000	200.6000
CI Pts BD	0.0252-0.0255	0.0251-0.0255	0.0251-0.0256	0.0251-0.0255	0.0250-0.0255	0.02530
CI Pts Eth	0.01630-0.01647	0.01622-0.01647	0.01622-0.01655	0.01622-0.01647	0.01614-0.01647	0.016353
CC Dsl	0.2364-0.2388	0.2352-0.2388	0.2352-0.2399	0.2352-0.2388	0.2340-0.2388	0.23711
CC Gas	0.2410-0.2434	0.2398-0.2434	0.2398-0.2446	0.2398-0.2434	0.2386-0.2434	0.24172
CC Dsl 95	0.2246-0.2268	0.2235-0.2268	0.2235-0.2279	0.2235-0.2268	0.2223-0.2268	0.22525
CC Gas 90	0.2169-0.2190	0.2158-0.2190	0.2158-0.2201	0.2158-0.2190	0.2147-0.2190	0.21751

Oregon Clean Fuels Program

Carbon Credit: $/MT; Carbon Intensity Pts: $/CI; Carbon Credit per Gallon Diesel: $/gal; Carbon Credit per Gallon Gasoline: $/gal)

	Fri. 01/08	Mon. 01/11	Tues. 01/12	Wed. 01/13	Thurs. 01/14	Wkly. Avg.
Carb Credit	120.000-123.000	120.000-123.000	120.000-128.000	120.000-128.000	123.000-127.000	123.2000
CI Pts BD	0.0151-0.0155	0.0151-0.0155	0.0151-0.0161	0.0151-0.0161	0.0155-0.0160	0.01554
CI Pts Eth	0.00978-0.01003	0.00978-0.01003	0.00978-0.01043	0.00978-0.01043	0.01003-0.01035	0.010042
CC Dsl	0.0879-0.0901	0.0879-0.0901	0.0879-0.0938	0.0879-0.0938	0.0901-0.0931	0.09026
CC Gas	0.0810-0.0830	0.0810-0.0830	0.0810-0.0864	0.0810-0.0864	0.0830-0.0857	0.08315
CC Dsl 95	0.0836-0.0856	0.0836-0.0856	0.0836-0.0891	0.0836-0.0891	0.0856-0.0884	0.08578
CC Gas 90	0.0729-0.0747	0.0729-0.0747	0.0729-0.0777	0.0729-0.0777	0.0747-0.0771	0.07482
Eth CI 69.89	1.6200-1.6700	1.6200-1.6650	1.6400-1.7600	1.7200-1.7600	1.7100-1.7500	1.69150

many market players on the sidelines through the first half of last week, some barge trading in New York Harbor also experienced the stiff ethanol price gains that followed. Reports had January barges talked into the low $1.60s/gal at the start of last week before jumping to more than $1.70/gal after corn spiked, with up to $1.72/gal changing hands. By the latter part of the week, sources reported Harbor barges could be had at $1.68/gal – still up as much as 8cts week to week.

Midwest FOB railcars shipping over last week out of Iowa at $1.46/gal by midweek traded up by a dime from week-ago deals, but, again, the corn surge added to uncertainties in the market, keeping bulk trading at a minimum and reported deals were few and far between.

Also, the U.S. Energy Information Administration's (EIA) weekly report on Wednesday served to "temper the rise in prices a bit," according to one market source.

The agency reported U.S. ethanol stocks in the week ended Jan. 8 climbed by 408,000 bbl to 23.692 million bbl, a 1.75% week-to-week increase. The build represented a return to a trend that had U.S. stocks climbing for nine weeks in a row before ebbing in the previous week, though the year-to-year supply surplus slipped to just under 3%.

EIA's regional breakdown of ethanol supply for the last week showed mixed moves dominated by a 652,000 bbl build in East Coast ethanol stores that took supply there up more than 9% on the week and nearly 5% above the year-ago number, to 7.839 million bbl. Midwest stocks rose by only 54,00 bbl on the week, while West Coast stocks slid 229,000 bbl, or 7.2%, to 2.938 million bbl, 6% more than at the same time last year.

EIA recorded no fuel ethanol imports in its weekly report, zeroing it out for the fourth-straight report week.

The agency had stocks building even as it had blending indications clawing back nearly a third of the downturn reported since Christmas. Ethanol blender net inputs climbed 29,000 b/d last week – after shedding 99,000 b/d the week before – to 748,000 b/d, down than 12% from last year.

Conventional gasoline blending with ethanol that amounted to 4.964 million b/d rose 272,000 b/d week to week, though it ran slightly less than 10% below where it was last year.

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EIA expects U.S. biomass-based diesel demand will rise 4% in 2021

The U.S. Energy Information Administration (EIA) last week boosted its 2021 expectations for U.S. biomass-based diesel (BBD) demand, citing the biofuel's resilient demand last year despite the COVID-19 pandemic.

In its January Short-Term Energy Outlook (STEO), the agency said biomass-based diesel demand – mostly biodiesel and some renewable diesel – will average 156,000 b/d this year, up 6,000 b/d, or 4%, over the level it forecast last month. If the agency's 2021 number holds, it would put BBD consumption this year about 11.4% above the agency's latest estimate of 2020 demand.

The agency also boosted its estimate for 2020 BBD demand by 3,000 b/d, or 2.2%, from the December forecast, to an average of 140,000 b/d.

EIA also predicted 2022 biomass-based diesel consumption in the U.S. will jump to an average of 177,000 b/d, a figure that would a nearly 13.5% year-to-year increase.

Some of that expanding BBD demand is expected to be met by overseas production, with imports stepping steadily over the next several years. "Increased net imports of biomass-based diesel are driven primarily by increased volumes of renewable diesel imported to meet California Low Carbon Fuel Standard (LCFS) requirements and the rising [Renewable Fuel Standard] (RFS) targets," EIA said, adding that net BBD imports in 2020 increased by about 10% to 23,000 b/d. The updated forecast projected BBD imports will climb 47.8% from last year to an average of 34,000 b/d in 2021, then jump by about 38% in 2022 to 47,000 b/d.

The agency also said BBD production last year average 118,000 b/d, up 5% from 2019, despite a sharp COVID-19-related pressure on transportation fuel demand. The agency said biodiesel was less affected by the pandemic than other fuels, even though it U.S. biodiesel production capacity did contract. Output growth will slow in 2021, but it will still be up 3.4% from last year to average 122,000 b/d, the agency forecast.

The forecast cited EIA's own survey released last fall that showed biodiesel output capacity going into 2020 fell 2% from 2019, with 91 U.S. biodiesel plants capable of producing about 164,000 b/d.

EIA's initial look into next year anticipates biodiesel production growth will climb by nearly 6.6% in 2022 to average 130,000 b/d. The agency admits its somewhat bullish path for biodiesel production growth depends chiefly on the $1/gal federal BBD blender's tax credit which is in place through 2022 and expectations for higher RFS blending volumes.

EIA expectations for ethanol demand in 2021 remained unchanged at the 887,000 b/d the agency forecast in the December STEO. That would put demand this year 7.7% above EIA's 2020 estimate of 824,000 b/d, which also was unchanged from December. Both years are still expected to show consumption well below the 949,000 b/d estimated for 2019. "EIA forecasts that ethanol consumptions will gradually rise during the forecast period, largely following the recovery in domestic motor gasoline consumption with limited growth in any higher blending levels."

Its debut forecast for 2022 ethanol consumption has it gaining almost 3.4% next year, though at 917,000 b/d, it would still be about 3.4% below the 2019 average.

The agency retained its December forecast for 2020 U.S. ethanol production at an average of 900,000 b/d, adding that it expects 2021 output to grow almost 8.9% and average 980,000 b/d, unchanged from December's STEO. For 2022, EIA's initial forecast for ethanol production anticipates further expansion, up 4.1% year-to-year at 1.02 million b/d.

EIA also kept unchanged both its December projections for ethanol blended into gasoline in 2020, at 830,000 b/d, 2021 at 890,000 b/d. EIA's 2022 outlook expects blending to rise almost 3.4% from the current-year forecast, to average 920,000 b/d.

The share of ethanol expected to be blended into gasoline, estimated by EIA at 10.2% in both 2019 and 2020, is not forecast to move much off that mark this year or next, EIA said.

"This stable ethanol share assumes that growth in higher-level ethanol blends is limited by a combination of lower gasoline prices reducing incentives for increased ethanol blending and limited consumer demand for higher levels of ethanol blending beyond 10% ethanol (E10)."

While the agency forecast U.S. vehicles miles traveled in 2022 will be nearly equal to those in 2019, gasoline consumption is expected to be lower due to expected increases in fuel efficiency and the fact that fewer workers will be making the daily drive to and from the office. "EIA assumes that work-from-home options in the future will remain more available than before the pandemic, limiting gasoline demand growth due to reduced commuting needs," it said.

In addition, the January forecast update had U.S. gasoline consumption this year expected to average 8.69 million b/d, pulling it back by 0.8% from the 8.76 million b/d EIA forecast

In Key Markets

Ethanol Buying Prices

City, State	Ethanol Spot Price *(Bulk Barge/Rail)*	Block Term Q4-Q1 Contract Values: Fixed	Formula	Formula *(calculated)*	Bulk Truck Spot Prices *(rack)*	Splash Blend Rack Price	Splash Blend Producer Prices
Albany, NY	161.50	148.00			164.50	N/A	N/A
Houston, TX	170.00	134.50	NYMEX RBOB Unl 18	173.39	173.00	201.41	N/A
New Haven, CT	171.25	139.50	NYMEX RBOB Unl 21	176.39	N/A	N/A	N/A
New York, NY	167.50	136.00	NYMEX RBOB Unl 17.5	172.89	170.50	N/A	N/A
Chicago, IL	160.63	125.00	NYMEX RBOB Unl 6.5	161.89	164.00	N/A	N/A
Louisville, KY	160.00	N/A	N/A	N/A	163.00	N/A	N/A
Minneapolis, MN	153.00	N/A	N/A	N/A	156.50	163.89	163.33
St. Louis, MO	161.50	127.00	NYMEX RBOB Unl 7.5	162.89	165.00	171.59	N/A
Los Angeles, CA (79.9)	166.50	145.00	NYMEX RBOB Unl 22	177.39	158.00	N/A	N/A
Phoenix, AZ	167.00	N/A	NYMEX RBOB Unl N/A	N/A	170.00	N/A	N/A
San Francisco, CA (79.9)	166.50	145.00	NYMEX RBOB Unl 22	177.39	158.00	N/A	N/A
Washington	171.00	N/A	N/A	N/A	N/A	N/A	N/A

Ethanol Truck & Spot Prices

City, State	Spot Prices *(Rack)*	Rack Price	Producer Prices
Cleveland, OH	165.00	173.89	N/A
Decatur, IL	161.00	N/A	N/A
Des Moines, IA	155.00	165.28	164.92
Doniphan, NE	148.00	154.72	162.17
Fargo, ND	145.50	164.59	165.50
Indianapolis, IN	165.00	N/A	N/A
Kansas City, KS	153.00	155.00	163.00
Madison, WI	164.00	164.64	N/A
Omaha, NE	153.00	150.41	160.00
Peoria/Pekin, IL	160.00	N/A	N/A
Sioux City, IA	154.00	162.18	162.33
Sioux Falls, SD	153.00	161.14	163.00
Topeka, KS	154.50	165.68	165.83
Wichita, KS	155.50	172.52	169.75
Denver, CO	164.00	175.75	N/A

in December, but also indicating 7.8% growth from the its 8.06 million b/d estimate for 2020 consumption.

The forecasted gasoline demand breakdown this year expects COVID-19 restrictions in the first half of 2021 will limit gasoline use to an average of 8.5 million b/d, which is about 800,000 b/d less than that estimated for first-half 2019. EIA forecasts gasoline consumption will climb to an average of 8.9 million b/d in the second half of this year, but that is still nearly 500,000 b/d below the same period in 2019.

National Renewable Fuels Averages

Ethanol Spot	Ethanol Rack w/ RIN	Ethanol Blended Rack Gasoline (10%)	E-85 Racks	E-85 Retail (w/ tax)	
160.532	173.694	159.236	134.679	224.341	
B100 w/ RIN	**B20 w/ ULSD**	**B15 w/ ULSD**	**B10 w/ ULSD**	**B5 w/ ULSD**	**B2 w/ ULSD**
408.291	167.772	163.781	--.--	166.382	162.866

Key Renewable Fuels Regional Averages

Northeast

Ethanol Spot	Ethanol Rack w/ RIN	Ethanol Blended Rack Gasoline (10%)	E-85 Racks	E-85 Retail (w/ tax)	
167.500	--.--	161.798	165.918	254.671	
B100 w/ RIN	**B20 w/ ULSD**	**B15 w/ ULSD**	**B10 w/ ULSD**	**B5 w/ ULSD**	**B2 w/ ULSD**
378.500	168.640	169.270	--.--	168.280	168.233

Southeast

Ethanol Spot	Ethanol Rack w/ RIN	Ethanol Blended Rack Gasoline (10%)	E-85 Racks	E-85 Retail (w/ tax)	
167.500	187.342	156.573	148.698	224.481	
B100 w/ RIN	**B20 w/ ULSD**	**B15 w/ ULSD**	**B10 w/ ULSD**	**B5 w/ ULSD**	**B2 w/ ULSD**
379.900	163.187	163.400	--.--	163.922	163.000

Gulf Coast

Ethanol Spot	Ethanol Rack w/ RIN	Ethanol Blended Rack Gasoline (10%)	E-85 Racks	E-85 Retail (w/ tax)	
170.000	174.122	163.247	158.243	198.030	
B100 w/ RIN	**B20 w/ ULSD**	**B15 w/ ULSD**	**B10 w/ ULSD**	**B5 w/ ULSD**	**B2 w/ ULSD**
375.715	158.958	159.063	--.--	168.784	165.082

Midwest

Ethanol Spot	Ethanol Rack w/ RIN	Ethanol Blended Rack Gasoline (10%)	E-85 Racks	E-85 Retail (w/ tax)	
152.315	166.855	154.631	114.778	197.216	
B100 w/ RIN	**B20 w/ ULSD**	**B15 w/ ULSD**	**B10 w/ ULSD**	**B5 w/ ULSD**	**B2 w/ ULSD**
419.000	170.332	167.921	--.--	166.659	159.313

Rockies

Ethanol Spot	Ethanol Rack w/ RIN	Ethanol Blended Rack Gasoline (10%)	E-85 Racks	E-85 Retail (w/ tax)	
170.000	179.938	156.133	135.000	230.276	
B100 w/ RIN	**B20 w/ ULSD**	**B15 w/ ULSD**	**B10 w/ ULSD**	**B5 w/ ULSD**	**B2 w/ ULSD**
--.--	158.220	--.--	--.--	165.964	158.153

West Coast

Ethanol Spot	Ethanol Rack w/ RIN	Ethanol Blended Rack Gasoline (10%)	E-85 Racks	E-85 Retail (w/ tax)	
167.000	--.--	175.172	205.333	263.178	
B100 w/ RIN	**B20 w/ ULSD**	**B15 w/ ULSD**	**B10 w/ ULSD**	**B5 w/ ULSD**	**B2 w/ ULSD**
540.000	172.755	--.--	--.--	162.815	--.--

For gasoline street prices, EIA forecasts regular gasoline at retail pumps to average $2.40/gal in 2021, up 10.1% from a $2.18/gal pump price average estimated for the year before, before edging up to $2.42/gal in 2022.

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SRE, RFS deadline uncertainty ignites volatile RIN rally

Trading in Renewable Identification Number (RIN) credit markets was volatile into late last week and all categories of RINs ended Thursday higher after EPA proposed to extend deadlines for small refiners to meet their blending obligations for the 2019 and 2020 Renewable Fuel Standard (RFS) compliance years.

Sources reported vintage 2021 ethanol-related D6 2021 RIN credits traded from 80cts to 83cts/RIN early Thursday, up a few cents from Wednesday. When word of the potentially delayed RFS deadline filtered through the market, D6 prices quickly jumped by as much as 10cts, with trades at 90cts/RIN reported by midday. By all accounts, after the spasm of what one source termed "knee-jerk" trading, the market came off those highs, with D6 values said to have retreated to about 85cts/RIN by the end of Thursday.

Traders attributed the gains in RIN prices and sharp price swings last week mostly to rumors that the agency was poised to approve some requests for small refinery exemptions for the 2019 compliance year. On Thursday, however, the agency put that talk to rest, saying that "[d]ue to the ongoing litigation, we take no position on the availability of SREs for the 2019 compliance year."

D6 2021 RIN credits assessed at 85cts/RIN in the full-day Thursday trading session jumped 8.5cts from day-to-day, a rally that ended a daily string of relatively little or no gains that started the previous week.

Earlier last week, RIN prices came under some downward pressure on reports that EPA would "likely" announce exemption approval for about 22 small refineries for the 2019 compliance year –less than a week before the Trump administration is to hand over the keys to President-elect Joe Biden.

Still, one veteran trader noted surprising resilience in RINs at midweek. "Any other day, news like that would put prices down 10cts." Instead, prices reacted by only shifting a penny or so, and that, to some, indicated an upward bias on RINs values that showed up in Thursday's rally.

The added SRE and RFS deadline uncertainty by Thursday also sent 2020 D6 RIN prices higher. The credits traded early at 80cts/RIN, about flat to 2021 vintage credits, and peaked at 90cts/RIN by midday Thursday, before ending the day assessed at 85cts/RIN, up 9cts from Wednesday.

D6 2019 RINs started Thursday trading at 74cts but rushed to catch up with the other D6 vintages at 90cts/RIN. OPIS also heard 2019s discussed at a 3-ct discount to 2020 D6s. The credits gained 9cts Thursday to be assessed at 82cts/RIN.

Biomass-based diesel D4 2021 RINs also rallied, but the gains Thursday came in a much calmer fashion. OPIS noted only light trading with a morning D4 deal at 96cts/RIN, followed by bids that steadily climbed to $1 heading into midday. Thursday afternoon brought word of 2021 vintage D4 trades from 99cts to $1.05/RIN – a range that moved D4 prices well above Wednesday prices, when trading brought a high of 95.5cts/RIN. OPIS assessed the credits on Thursday at $1.0050/RIN, up 7cts on the day and the first day-to-day D4 price gain in five sessions.

Previous-year D4s remained very quiet, with little discussion reported aside from early bids at 98cts/RIN and some midday talk that placed the credits at about a nickel premium over 2021 D4s. OPIS on Thursday assessed the 2020 credits at $1.04/RIN, or up 8cts on the day. D4 2019 credits assessed at $1.01/RIN Thursday also followed 8cts higher day to day.

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Weekly Biofuels Stock Performance

Company	Symbol		1/14/21	1/7/21	change	% change
Adecoagro SA	AGRO	⇧	7.87	7.34	$0.53	7.22%
Aemetis	AMTX	⇧	3.50	3.09	$0.41	13.27%
The Andersons, Inc.	ANDE	⇩	25.36	25.55	-$0.19	-0.74%
Archer Daniels Midland	ADM	⇧	52.87	52.43	$0.44	0.84%
Bunge	BG	⇧	72.25	69.44	$2.81	4.05%
Cielo Waste Solutions Corp	CMC.CN	⇩	0.080	0.085	-C$0.01	-5.88%
Cosan	CZZ	⇧	20.14	18.81	$1.33	7.07%
Darling Ingredients	DAR	⇧	66.66	66.40	$0.26	0.39%
FutureFuel Corp.	FF	⇧	14.19	14.14	$0.05	0.35%
GEVO	GEVO	⇧	6.800	4.480	$2.32	51.79%
Green Plains	GPRE	⇩	18.43	18.85	-$0.42	-2.23%
Marathon Petroleum Corporation	MPC	⇧	45.52	44.17	$1.35	3.06%
Neste	NESTE.HE	⇩	62.26	64.18	-€1.92	-2.99%
Novozymes	NVZMY	⇧	58.22	56.70	$1.52	2.68%
Pacific Ethanol	PEIX	⇧	7.42	6.14	$1.28	20.85%
Renewable Energy Group	REGI	⇩	83.19	88.04	-$4.85	-5.51%
REX American Resources	REX	⇧	90.41	88.50	$1.91	2.16%
Valero Energy	VLO	⇧	60.27	59.67	$0.60	1.01%
Velocys	VLS.L	⇧	11.10	10.91	£0.19	1.74%
DJIA	DJI	⇩	30,991.52	31,041.13	-$49.61	-0.16%

Stock Market Movers:

Green Plains completes high-grade alcohol upgrades to York, Nebraska, plant

Green Plains has completed upgrades to its York, Nebraska, plant that will allow the facility to begin producing 50 million gal/year of high-grade alcohol for use in sanitizers and disinfectants, the Omaha, Nebraska-based company said last week.

The project is part of the company's effort to sharpen its focus on higher-margin products, including byproducts, such as high-protein animal feed and distillers corn and high quality alcohol to meet high demand from the disinfectant industry because of the COVID-19 pandemic.

Green Plains in August said it had signed a supply deal with Reckitt Benckiser, which manufactures Lysol-brand disinfectants. It signed an agreement with GE Connect for joint production of cleaning products and disinfectants in June, a month after reaching a deal to provide Xerox Holdings with high-grade alcohol from the York plant.

Work at the York plant included installation of a distillation production unit that enables the company to produce U.S. Pharmacopeia (USP) grade alcohol.

CEO and President Todd Becker in a statement said, "now that we are producing USP Grade alcohol at scale we are expanding our customer base to consumer product companies that seek higher quality alcohols while continuing to serve our existing customers."

The company plans to install a 25-million-gal/year industrial alcohol facility at its Wood River, Nebraska, ethanol plant, boosting the company's annual production of high-grade alcohol at the two plants to 75 million gal/year.

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Pacific Ethanol changes name to Alto Ingredients, reflecting change in focus

Pacific Ethanol, which in October said it planned to deemphasize fuel ethanol production to focus on specialty alcohols and essential ingredients, has renamed itself Alto Ingredients, the Sacramento, Calif.-based company said last week.

The company name change came into effect on Thursday of last week on the Nasdaq market, with shares to begin trading under the ticker symbol ALTO starting Feb. 1.

"We have chosen our new corporate name and brand to represent our many high-quality products, which our customers incorporate into a range of vital finished goods that touch people's everyday lives, from cleaning solutions to pharmaceuticals," CEO Mike Kandris said in a statement.

"We are capitalizing on our unique capability to manufacture high-grade alcohols for the food, beverage, health and ingredients markets, and to process corn into high-protein feed, pet food and renewable fuel."

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Government Policy:

EPA invites public comments on requests to waive 2019, 2020 RFS obligations

EPA on Friday said it will seek public comment on petitions it received last year for general waivers of the 2019 and 2020 Renewable Fuel Standard (RFS) compliance obligations.

Under the Clean Air Act (CAA), the agency can reduce annual RFS blending obligations in whole or in part if it concludes that meeting the requirements would cause severe harm to the economy or environment of a state, a region or the entire U.S.

In a notice scheduled to be published in the Federal Register – a day before the Biden administration takes office – the agency said it will ask for feedback on a number of petitions it received last year to invoke the general waiver authority.

Those requests include a March 30 petition from a group of small refiners asking that the agency use its general waiver authority to excuse their individual 2019 and 2020 compliance obligations.

In the request, the refiners cited the downturn in transportation fuel demand caused by the COVID-19 pandemic and last January's ruling by the 10th U.S. Circuit Court of Appeals that would limit EPA's ability to grant individual small refinery exemptions (SREs).

EPA said the petition offered "a new legal interpretation" that would allow it to waive individual obligations using the general waiver authority.

In addition, the agency is requesting comment on three separate petitions filed in in April and May by the governors of Louisiana, Oklahoma, Texas, Utah, Wyoming and Pennsylvania that asked EPA to approve a general waiver.

Each of those petitions argued that the relief is needed because of the drop in fuel demand caused by the coronavirus outbreak.

EPA also is asking for comments on a general waiver request submitted by the National Wildlife Federation, which argued that RFS blending volumes are causing severe environmental harm as more land is being cultivated to produce corn, resulting, among other things, in the loss of habitat and increase agricultural runoff that had damaged water quality.

The agency said it is seeking comment on the petitions "to foster public dialogue on these issues and to inform" future decision-making.

"At this time, we are not reconsidering or otherwise reexamining the 2019 and 2020 RFS rulemakings or any other prior action," it said.

"We are also not proposing to either grant or deny any of the petitions."

Renewable fuels groups were quick to push back on EPA's decision to seek feedback on the petitions. The Renewable Fuels Association (RFA) referred to a letter it sent EPA in April that urged the agency to deny requests from refiners and oil-state governors, saying they failed to meet the criteria for granting a waiver.

"This is nothing more than one last desperate attempt by the refiners to undermine the RFS and protect their chokehold on the nation's fuel markets," RFA President and CEO Geoff Cooper said. "But it cannot succeed because EPA has no authority to waive RFS volumes unless the petitioners show that the RFS itself is the cause of the 'severe economic harm' to a state, region, or the nation.

"Such a showing would be impossible, especially because the renewable fuel blending requirements have already adjusted lower in tandem with COVID-related changes in gasoline and diesel consumption."

Growth Energy CEO Emily Skor said that given President-elect Biden's commitments on the campaign trail, we're confident his incoming team will uphold the integrity of the RFS and reject these oil-backed waiver requests before rural recovery is derailed."

"Let's call this for exactly what it is," Mike McAdams, president of the Advanced Biofuels Association (ABFA), said. "It's a purposeful present to the Biden administration that they will have to unwind at the beginning of their administration, it has no foundation, no showing of criteria defending the proposal.

"So much for a smooth transition and looking after America. For four years these guys have done everything possible to undermine the RFS."

Brian Jennings, CEO of the American Coalition for Ethanol (ACE), in a statement said opening the general waiver requests for comment breathes life into "unwarranted petitions from refiners and oil-state governors." He said the agency "should have denied the waiver requests outright because the petitioners failed to meet the thresholds established by the law and previous precedent" – proving that implementation of the RFS is the cause of severe economic harm, "not outside factors such as COVID-19."

"By choosing to seek comment on the RFS waivers instead of denying them outright, EPA is creating uncertainty about RFS blend levels and downward pressure on RIN prices, which in turn, will reduce incentives to blend E15 and E85 and increase gas prices for consumers."

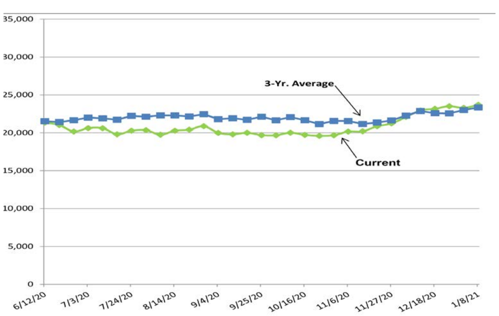
The Fueling American Jobs Coalition, a group composed of merchant refiners, small retailers and refinery labor unions, welcomed the agency's move. "Amidst unrelenting demand destruction for motor fuels due to the COVID-19 pandemic, [EPA] today took long-awaited action to move forward on bipartisan requests from six U.S. governors to waive applicable obligations" under the RFS.

The group said the decision to seek comments on the waiver requests "reflects the fact that action now is timelier than ever because refineries continue to suffer unprecedent financial losses and facility shutdowns, with limited prospects for immediate recovery. ... EPA's move finally

Key Supply and Demand Statistics (thousand barrels)

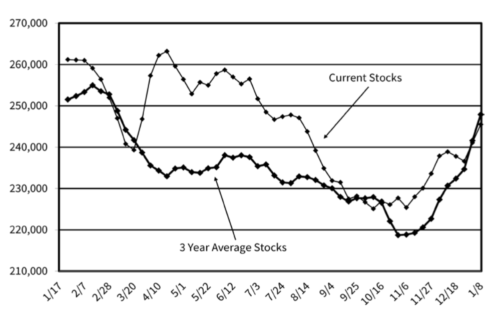
Ethanol Supply

Ethanol	Current	Prev Mo	3-Yr Avg
PADD 1 Inventories	7,839	7,187	7,543
PADD 2 Inventories	7,958	7,904	7,972
PADD 3 Inventories	4,579	4,642	4,507
PADD 4 Inventories	378	385	389
PADD 5 Inventories	2,938	3,167	2,940
Total Inventories	**23,692**	**23,285**	**23,350**



Gasoline Supply

Gasoline	Current	Last Week	3-Yr Avg
PADD 1 Inventories	68,100	67,800	63,367
PADD 2 Inventories	53,000	51,100	55,500
PADD 3 Inventories	82,700	82,100	88,467
PADD 4 Inventories	8,400	8,600	7,900
PADD 5 Inventories	33,200	31,400	32,633
Total Inventories	**245,400**	**241,000**	**247,867**



Ethanol Production

Ethanol	Current	Prev Mo	3-Yr Avg
PADD 1	321	342	761
PADD 2	28,087	26,447	29,274
PADD 3	408	449	760
PADD 4	314	282	432
PADD 5	272	258	12,343
Total Production	**29,402**	**27,778**	**43,570**

Gasoline Production

Gasoline	Current	Last Week	3-Yr Avg
PADD 1	2,647	2,477	2,881
PADD 2	1,936	2,037	2,322
PADD 3	1,824	1,984	2,337
PADD 4	262	265	276
PADD 5	1,199	1,169	1,468
Total Production	**7,868**	**7,932**	**9,284**

provides an appropriate and overdue ray of hope to these major state employers."

The American Fuel & Petrochemical Manufacturers (AFPM) said if "there ever was a time for EPA to use the general waiver authority entrusted to them in statute, it is certainly now. Seven U.S. refineries have closed or announced plans to close over the past two years and RFS regulatory burdens are only getting more expensive," the organization added.

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EPA seeks feedback on possible changes to E15 labeling, compatibility issues

EPA on Friday said it will seek public comment on labeling and compatibility issues tied to selling E15 at retail pumps, proposing changes that renewable fuels groups said could expand consumer access to the higher-ethanol blend.

In a notice scheduled to be published in the Federal Register on Tuesday – a day before the Biden administration takes office – the agency said it will seek feedback on whether to modify the E15 warning label or remove it entirely.

The agency also asked for feedback on whether state and local governments can be preempted from requiring different labels on fuel dispensers.

In addition, EPA said to facilitate the proper storage of E15 in underground storage tank systems (USTs), it is proposing to modify the regulations to grant certain allowances for compatibility demonstration for storage of ethanol blends. EPA also proposed requirements for future UST installations or component replacements that would ensure compatibility with higher blends of ethanol.

E15 is currently approved for all light-duty vehicles model year (MY) 2001 and newer. In 2019, EPA lifted restrictions on the sale of E15 during the summer driving season, a move that has helped encourage more retailers to begin offering the blend.

EPA said it received comments that the existing E15 label warning that the blend is not to be used in MY 2000 and earlier vehicles is no longer needed and has inhibited growth of E15 in the marketplace.

"Other stakeholders have suggested that the growth in E15 at retail stations exacerbates concerns over mis-fueling of vehicles and equipment not designed for it, and suggest that the current label is no longer explicit enough about what vehicles and engines cannot use E15 making it insufficient to protect against mis-fueling," EPA said.

"We are pleased to see this first step toward removing onerous labeling and underground tank requirements and expanding access to E15 for American drivers," Growth Energy CEO Emily Skor said in a statement. "With 95% of vehicles approved for E15 and over 18 billion miles driven on the fuel, the best outcome for this rulemaking is to remove the label entirely."

Renewable Fuels Association (RFA) President and CEO Geoff Cooper said the proposals should help provide consumers with better access to E15 blends. "RFA is pleased to see that EPA is finally issuing its long-awaited proposal to remove unnecessary barriers to E15 expansion in the marketplace. We have long supported reforms and changes to the E15 pump label, which has deterred American drivers from using the lower-carbon, lower-cost, more-efficient E15 blend.

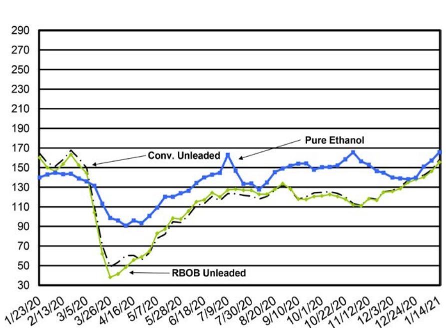
American Coalition for Ethanol (ACE) CEO Brian Jennings said that although the E15 proposal is good news for ethanol, the agency's proposal to seek comments on petitions that it invoke its general waiver authority (see story above) soured the news.

"ACE strongly supports EPA's proposal to make E15 more accessible to retailers and motorists, but once again, the Trump EPA has chosen to bundle a promise to do right by ethanol with a poison pill gift to oil refiners," Jennings said in a statement.

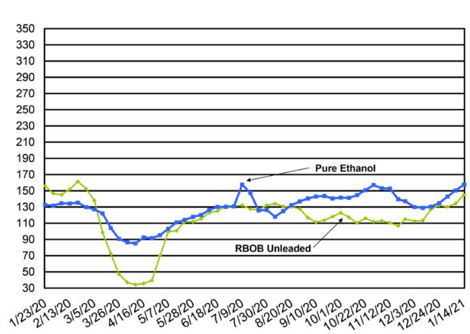
The American Petroleum Institute (API), the American Fuel and Petrochemical Manufacturers (AFPM), the Outdoor Power Equipment Institute (OPEI), the National Marine Manufacturers

Ethanol vs. Spot Unleaded and "BOBs" in Key Markets

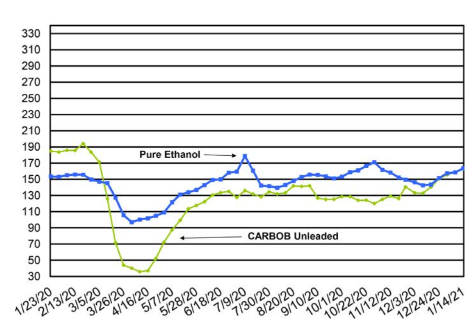
New York



Chicago



Los Angeles



Note: OPIS Refined Spots and Ethanol averages are based on full-day prompt assessments for each market.

Association (NMMA) and the American Motorcyclists Association (AMA) attacked the E15 proposals in a joint statement, saying they are "deeply concerned about the administration's reckless proposal to deprive consumers of basic information concerning their engine's compatibility with fuels they purchase."

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In Key Commodity Markets:

In finished markets...

Petroleum complex prices last week rose to levels not seen since the very early days of the U.S. coronavirus outbreak, finding support from Thursday comments by U.S. Federal Reserve Chairman Jerome Powell saying he saw no immediate need to raise interest rates.

The NYMEX front-month February RBOB contract added 0.51ct Thursday to settle at $1.5539/gal, up 7.12cts week to week. Thursday's settle marked the highest for the front-month RBOB futures contract since March 4 when it reached $1.5555/gal. The forward-month March RBOB gasoline contract moved in harness with the front-month contract, adding 0.71ct Thursday to settle at $1.5538/gal, up 6.77cts week to week and a mere point below the front-month contract.

Gasoline futures followed crude futures that began to move higher at midweek. The front-month February West Texas Intermediate (WTI) crude oil futures contract settled Thursday at $53.57/bbl, up 66cts on the day and $2.74 on the week. The settle was the highest level since Feb. 20.

Gasoline and crude oil futures rose Wednesday after the U.S. Energy Information Administration (EIA) released its weekly supply and demand estimates.

The agency said crude inventory in the week ended Jan. 8 tumbled by 3.248 million bbl to 482.211 million bbl, a fifth-straight weekly pullback from a four-month high to an eight-month low. Stocks, however, remained about 12% above the year-ago level. Gasoline stocks rose 4.395 million bbl to 245.476 million bbl, a five-month high. Gasoline inventory in the report week was about 5% below the same time last year.

Four of the five PADD regions posted week-to-week builds in gasoline stocks, led by a 1.914-million-bbl rise in Midwest stocks to 53.047 million bbl, a seven-month high. West Coast supplies added 1.738 million bbl to 33.182 million bbl, an eight-month high, and Gulf Coast stocks jumped 656,000 bbl to 82.743 million bbl, a three-month high. East Coast stocks added 348,000 bbl to 68.132 million bbl. The lone draw came in the Rocky Mountain region, where supply dropped by 259,000 bbl to 8.373 million bbl, down from a seven-month high hit in the previous week.

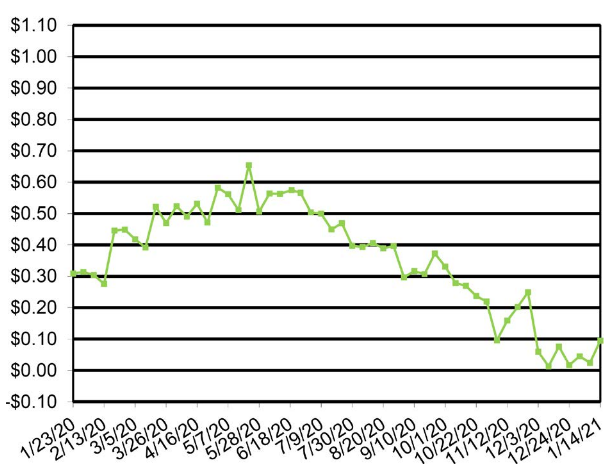
Gasoline exports slipped to 598,000 b/d from 883,000 b/d in the previous week and came in just below the year-ago level of 608,000 b/d. Exports still nearly doubled total imports, which at 383,000 b/d, were down from the previous week's rate of 445,000 b/d and the year-ago level of 445,000 b/d.

Gasoline production dipped 64,000 b/d on week to 7.868 million b/d, a nine-month low. Production was down over 15% from the year-ago number and the five-year average of 9.611 million b/d and 9.476 million b/d, respectively. Despite the lower gasoline production, the U.S. refinery utilization rate rose to 81.97% from 80.681% in the week prior. That was down from 92.158% a year ago.

EIA's measurement of gasoline demand rose to 7.532 million b/d, up 91,000 b/d on the week. Demand is 48% above the 5.065 million b/d low hit in early April, but still trails the year-ago level of 8.558 million b/d and the five-year average of 8.472 million b/d by about 12%.

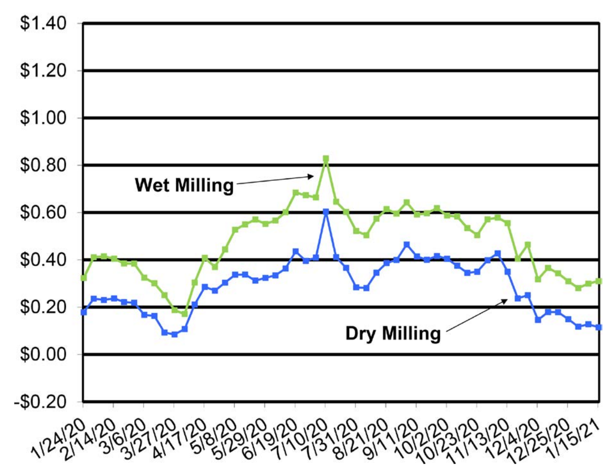
Plant Profitability

Biodiesel Gross Margins for Midwestern Plants ($/gal)



*Biodiesel production margin calculated from cash feedstock costs and sales values for soy methyl ester biodiesel plants and are estimates of industry trends under current market conditions. Profits for any given biodiesel plant could be higher or lower.

Ethanol Gross Margins for Midwestern Plants ($/gal)



*Dry Milling margin calculated from cash feedstock and product sales values for wet and dry-mill plants and are an estimate of the industry trend under current market conditions. Profits for any given ethanol plant could be higher or lower.

An OPIS survey of more than 15,000 stations nationwide showed the average volume of retail fuel sales in the week ended Jan. 9 rose 2.7% from the previous week. Sales volumes were nearly 16% below the same week in 2020.

Shell has shut the FCC at the 340,000-b/d refinery in Deer Park, Texas, after a mechanical issue, market sources said on Thursday. Elsewhere, two separate flaring incidents were reported at Shell's 149,000-b/d Puget Sound refinery in Anacortes, Wash., this week, and unplanned flaring occurred at the Wilmington section of the 147,000-b/d Phillips 66 Los Angeles refinery on Jan. 10, according to regulatory filings.

In cash gasoline markets on Thursday, Gulf Coast CBOB discounts widened by 1.425cts on the week to 3.5cts under the NYMEX RBOB contract, while Chicago CBOB added 1.125cts on the week at 11cts under. Group 3 sub-octane gasoline markets shed 0.5ct over the week to stand 5.5cts under the Merc, and New York CBOB differentials shed 50 points on the week at a 1-ct premium.

In West Coast cash gasoline markets, Los Angeles CARBOB shed 3.5cts over the week to a 7.5-ct premium to NYMEX futures. San Francisco CARBOB premiums at 5cts were down 7cts week to week. The Pacific

National Renewable Fuel Feedstock/Co-Product Price Index

Feedstock/Co-product	Location/Source	Spot Price	Previous	4-Wk. Avg.
Palm Olein	US/Gulf Coast	$0.5000/lb	$0.5200	$0.4956
Soybean Oil - Crude Degummed	Central Illinois	$0.4518/lb	$0.4684	$0.4531
Soybean Oil - Crude Degummed	Central Illinois - USDA	$0.4274/lb	$0.4492	$0.4342
Soybean Oil - RBD*	Central Illinois - USDA	$0.4818/lb	$0.4984	$0.5031
Canola Oil	West Coast	$0.5718/lb	$0.5884	$0.5731
Canola Oil	Midwest	$0.5518/lb	$0.5684	$0.5531
Corn Oil - Crude	Midwest	$0.5000/lb	$0.4100	$0.4325
Corn Oil - Refined	Midwest	$0.6000/lb	$0.5150	$0.5338
Corn Oil - Distillers	Midwest	$0.3988/lb	$0.3919	$0.3778
Beef tallow	Chicago	$0.4000/lb	$0.3750	$0.3200
Choice White Grease	Chicago	$0.3600/lb	$0.3200	$0.2900
Poultry Fat (Low FFA)**	Southeastern US	$0.3950/lb	$0.3750	$0.3300
Yellow Grease	Illinois	$0.2850/lb	$0.2700	$0.2725
Methanol	US Gulf Coast	$1.0350/gal	$1.1400	$1.1313
Soy Meal (Hi-Pro)***	Illinois Truck	$467.00/ton	$448.00	$408.00
Corn	Central Illinois	$5.4800/bu	$5.1800	$4.3900
Soybeans	Central Illinois	$14.2600/bu	$13.7100	$11.6200
Crude Glycerin (80%)	FOB Midwest	$0.0750/lb	$0.0700	$0.0600
DDG-S (Distillers Dried Grains w/ Solubles)	Eastern Cornbelt - USDA	$213.8750/ton	$204.3750	$206.3125
Corn	Kansas City - USDA	$5.2775/bu	$4.9400	$4.8613
ULSD	OPIS National Average	$1.6041/gal	$1.5242	$1.5270
RBOB	OPIS National Average	$1.5999/gal	$1.5362	$1.5091
Ethanol	OPIS National Average	$1.6053/gal	$1.5247	$1.4856
Unleaded RFG	OPIS National Average	$1.5592/gal	$1.4798	$1.4581
Natural Gasoline	Mt. Belvieu Non-TET	$1.2094/gal	$1.1606	$1.1142
Natural Gasoline	Conway In-well	$1.1900/gal	$1.1450	$1.1138
Ethanol RINs (Current Year)	OPIS National Average	$0.8500/RIN	$0.9100	$0.8238
Ethanol RINs (Previous Year)	OPIS National Average	$0.8500/RIN	$0.9200	$0.8250
Cellulosic RINs (Current Year)	OPIS National Average	$2.1000/RIN	$2.0700	$2.0950
Cellulosic RINs (Previous Year)	OPIS National Average	$2.2250/RIN	$2.2000	$2.1500
Biodiesel RINs (Current Year)	OPIS National Average	$1.005/RIN	$1.0450	$1.0125
Biodiesel RINs (Previous Year)	OPIS National Average	$1.0400/RIN	$1.1150	$1.0369
Advanced Biofuel RINs (Current Year)	OPIS National Average	$1.000/RIN	$1.0400	$1.0075
Advanced Biofuel RINs (Previous Year)	OPIS National Average	$1.0350/RIN	$1.1100	$1.0319
CA LCFS Carbon Credit	California	$162.5000/mt	$160.5000	$161.1875
CA LCFS Carbon Intensity	California	$0.0132/CI	$0.0131	$0.0131

*refined, bleached, deodorized **free fatty acids ***high protein

Data provided, in part, by World Energy, www.worldenergy.net

Northwest sub-octane gasoline premium narrowed by 5.5cts to stand at 1ct.

The national average price for regular unleaded gasoline was $2.365/gal on Thursday, according to the latest data from AAA using data compiled by OPIS. That had street prices up 6.6cts from week-ago levels and 20.1cts above month-ago levels. On a year-to-year comparison, prices are still 21cts below the average of $2.575/gal at the same time last year.

U.S. average rack-to-retail gasoline margins in the week that ended Jan. 11 fell to levels not seen since late February. OPIS data had retail margins averaging 22.3cts/gal in the U.S., down 1.9cts week to week as retail prices added 5.1cts to $2.308/gal and rack prices gained 7cts to $1.539/gal, both levels not seen since early March.

In natural gas...

After the release of revised weather forecasts that took away some of the chill predicted in earlier outlooks, natural gas markets started to retreat from weather-related gains seen earlier last week.

Spot gas trading was more mixed than futures on Thursday, with most of the next-day trading wrapped up before near-term temperature forecasts shifted. Still, Henry Hub next-day spots slipped about 2cts Thursday to $2.73/mmbtu, unchanged week to week. Chicago Citygate spots trading $2.64/mmbtu rose 1ct on Thursday, but also were unchanged week to week.

It was NYMEX natural gas futures trading that by the Thursday settle reflected the shift in weather forecasting after traders earlier in the day digested a larger-than-expected draw out from U.S. gas stock reported by EIA. Front-month February gas gave back 6.1cts to settle at $2.666/mmbtu, down 6.3cts week to week. The March contract shed 5.9cts Thursday to settle at $2.63/mmbtu, down 6.1cts week to week.

Still, the Merc losses came after some twists and turns during the day, including some upside after EIA reported a 134 bcf pull from storage in the week ended Jan. 8., roughly 5% more than the range of average trade expectations. While the withdrawal left gas stores running about 4.1% above the same week of last year and 7.3% higher than the five-year average, the average rate of draw shown so far by EIA during the November-through-March gas withdrawal season is running 3% below the five-year average. EIA said that if the remainder of the withdrawal season matches the five-year average draw for that period, U.S. gas supply will end March with 2,2024 bcf, some 218 bcf, or nearly 12.1%, more than the five-year average.

The outlook for supply, and concerns over lighter draws for the season, helped the shifting weather forecast patterns take precedence a bullish weekly draw. But trade sources cautioned that weather forecasts shift quickly. “February is the coldest month, and this time of year it won’t take much from forecasts to reestablish a little bullish momentum – at least short-term,” said one market player.

Monthly EIA forecasting updates issued last week said the agency expects Henry Hub spot prices this year will climb nearly $1 from 2020 to average $3.01/mmbtu, limiting use for power generation amid reduced gas production. The agency also offered its first take on 2022 Hub prices, which is predicted will average $3.37/mmbtu, up 8.6% from this year.

The agency also said it expects natural gas demand this year will total 80.73 bcf/d, down 2.8% from 2020. For 2022, it forecast a further fall in gas use to 79.03 bcf/d, down 2.1% year on year.

“Most of the decline in natural gas consumption is the result of less natural gas use in the power sector, which EIA forecasts to decline because of rising natural gas prices. These declines are partly offset by rising natural gas use in other sectors,” the agency said.

The six-month NYMEX futures strip settled Thursday at an average of $2.6865/mmbtu, down 5.25cts week to week and holding a 4.35-ct discount to Henry Hub cash values.

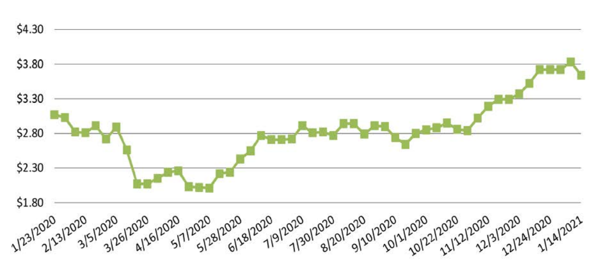
In corn markets...

Not all the fireworks in the corn pit came after USDA released a bullish monthly forecast for corn early last week, but most of it did as the three nearby Chicago Board of Trade corn contracts all quickly ran up against the 25-ct exchange-limit gain and settled there on Tuesday.

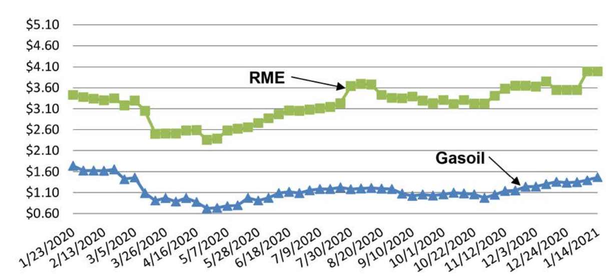
The market went on to extend those gains later in the week and in Thursday trading the front-month March corn futures contract gained 9.75cts to settle at $5.3425/bu, marking an impressive 40.25-ct week-to-week rise. The May

European Biodiesel Spot Markets

Rotterdam FAME ($/gal)



Rotterdam RME/Gasoil ($/gal)



contract added 10cts Thursday to settle at $5.3775/bu, up 42.75cts week to week.

Some trade sources expect to see a little profit-taking to emerge and temper the price rise that followed the release of a USDA forecast that cut the 2020-2021 yield expectations by 3.8 bu/acre to 172 bu/acre and significantly dampened production as well as the inventory carry for the season far more than most traders and analysts were expecting.

The agency also boosted its forecast for the 2020-2021 farm corn price average by 5%, revising it from $4/bu to $4.20/bu, with expectations for sharply lower corn production outpacing the cuts in exports, corn used for ethanol, and less feed and residual use.

The agency reported export bookings totaling 1.438 million metric tons of corn in the week ended Jan. 7, putting old crop corn commitments at 70% of the revised USDA export forecast, down 100 million bu, to 2.55 billion bu. The implications from USDA are for a cut in U.S. corn shipments this summer as South American supply hits the market.

Cash corn talks moved well over the $5 threshold last week, with Kansas City yellow No. 2 truck corn at $5.2625-$5.29.25/by. Chicago No. 2 yellow corn had spot talks running $5.3625-$5.3925/bu.

In biodiesel...

Biodiesel's price discount to conventional diesel narrowed by about 40% last week, while market sources said buying interest has been weak on continued uncertainty over when EPA will propose and finalize its 2021 renewable volume obligation (RVO) and recent volatility in soybean oil prices.

The average U.S. B100 rack price was $4.083/gal on Thursday, up 5.4cts week to week, while on-road petroleum diesel at the rack averaged $1.676/gal, up 6.3cts.

2021 D4 Renewable Identification Number (RIN) credit prices eased after hitting multi-year highs in the previous week.

D4 credit prices assessed by OPIS on Thursday at $1.04/RIN eased slightly from $1.045/RIN in the prior week and well below the previous-week high when the credits reached an OPIS-assessed price of $1.09/RIN at midweek, the highest since Nov. 10, 2017.

Cash prices for soybean oil that had risen three weeks in a row ended that streak last week, with the input down about 2.68cts week to week; and the soybean oil/heating oil futures spread, or BOHO, by Thursday had tightened by 27.86cts week to week, to about $1.45.

One market source said uncertainty over when EPA will issue its proposed Renewable Volume Obligation (RVO), which was due Nov. 30, continued to keep buyers on the sidelines last week, along with soybean oil prices that one source said have been "all over the board."

Including the $1/gal federal biomass-based diesel blender's tax credit and D4 RINs that provided an additional $1.56 in value, petroleum diesel's price premium to B100 fell 10.4cts, about 40% from the previous week to 15.3cts.

In DDGs...

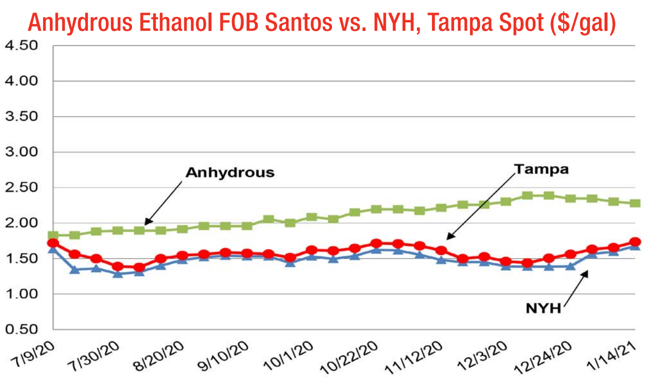
The Midwest market for distiller dried grains mostly firmed last week, though there were some pockets of mixed pricing that are expected to get a boost from last week's sharp rise in corn prices.

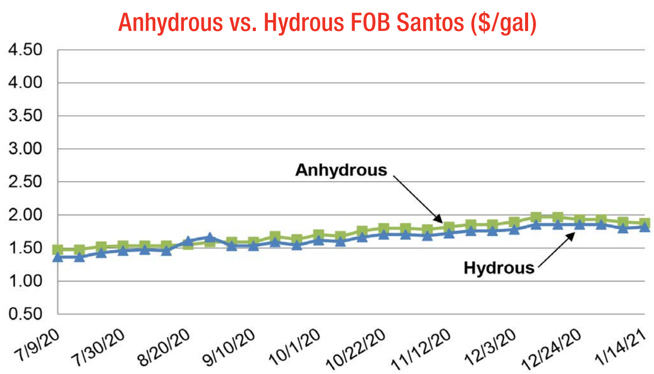
In Iowa, FOB price quotes for DDGs ranged from flat to $10 higher at $195-$240/ton, while Minnesota DDGs had were unchanged. Eastern Corn Belt DDGs priced from $207-$240 added $6-$7 week to week.

The western areas of the Corn Belt reported Nebraska DDGs from $210-$246 off by $10 to $4 higher on the week, with firmer highs showing up later in the week. The $225-$235 DDG range out of Kansas showed prices talked anywhere from $15 lower to $10 higher.

There were reports that DDG supply was tough to find in some markets as global buyers may have entered the market after the spike in corn prices Still, export-oriented values firmed more sharply by late last week. For example, CIF NOLA New Orleans DDGs from $262-$284 climbed $12-$20

Brazil Ethanol Spot





Brazil ethanol is anhydrous FOB Santos and includes a transportation fee and tax.

week to week. DDGs delivered to California at $290 indicated $10-$13 week-to-week price gains.

Stronger barge and rail shipping rates have also been reported and trade sources said the value of DDGs relative to corn and other feeds, such as soybean meal, remained historically high.

In natural gasoline...

Mont Belvieu natural gasoline (C5) prices retreated some from the midweek high, although both crude and RBOB futures contracts managed to eke out gains in Thursday trading.

Non-TET C5 closed at $1.219375/gal Thursday, with a month-to-date (MTD) average of $1.177708/gal. In other grades, TET C5 averaged $1.24/gal, with a MTD of $1.194167/gal. Targa was $1.224375/gal, with a MTD of $1.186875/gal.

In the Midwest, Conway C5 last showed up at $1.19/gal with a MTD of $1.16/gal. Further north, Edmonton natural gasoline was $1.263450/bbl, or $0.15/bbl under to $1.00/bbl over the prompt WTI average.

Meantime, backwardation of non-TET C5 prices appeared down the forward curve based on OPIS NGL Forwards data.

In ultra-low-sulfur diesel...

U.S. diesel production fell in the first week of 2021, despite refinery crude oil operations that hit the highest point since late August, EIA said last week.

Total distillate production in the week ended Jan. 8 slumped 2.6%, or 124,000 b/d, to 4.661 million b/d, even as distillate fuels in storage expanded by more than 3% week-to-week to 163.205 million bbl and overall refinery gross runs (crude oil and other feedstocks) jumped 1.6% to 15.071 million b/d. Such numbers for the week underscored emerging concerns in the market over the ongoing increase in distillate inventories even as refiners pull back on output.

Solid product builds reported last week by EIA showed up across the country. Total distillate supplies continue to hover at a more than 10 million bbl surplus to the five-year high, although more concerning, perhaps, are calculations showing that over the past three weeks distillate supplies expanded by 14.22 million bbl.

Ultra-low-sulfur diesel (ULSD) inventory numbers largely tracked total distillate movers, but with EIA putting stocks at 152.294 million bbl, supply expanded even more than overall distillates, rising by more than 5.1 million bbl, or 3.5%, and running 15.6% above last year. Every U.S. region reported higher ULSD supply for the report week and all, except the Midwest, sport year-on-year surpluses.

The Midwest might emerge as a ULSD supply sore spot with the 28.275 million bbl in stocks running 14.7% below the same time last year. Still the region reported a 1.635 million bbl week-to-week gain.

Distillate imports remained solid week-to-week, at 346,000 b/d, with most of it moving into the East Coast and aiding the 1.3 million bbl growth in distillate stockpiles there.

EIA also released its latest monthly Short-Term Energy Outlook forecast last week, noting that U.S. diesel fuel consumption appeared less affected by responses to the COVID-19 pandemic than most other fuels because it is driven more by economic activity and freight movement and less affected by travel restrictions. The agency said it expects distillate fuel consumption to average 4 million b/d this year, tilting up to 4.1 million b/d in 2022, and that is about flat with the agency estimates for 2019.

European and Brazilian Markets:

	RME	FAME	Ethanol T2
Rotterdam	$3.99	$3.64	$2.29/€1.89

Prices in U.S. $/gal., 1/14/21. Data supplied by F.O. Licht, a unit of IHS Markit.

European Markets

Neste will provide fuel supplier Avfuel Corp. with sustainable aviation fuel (SAF) in the U.S., the Finnish refiner said last week.

Avfuel will be a branded SAF distributor for Neste and will sell the product under the name “Neste MY Sustainable Aviation Fuel.” Terms of the deal were not disclosed.

Monterey Jet Center, an Avfuel-branded company that provides general aviation services at the Monterey County, Calif., regional airport, will be the first customer to receive a consistent supply of SAF, Neste said, with the first delivery scheduled in the first quarter of 2021.

The companies will work with the Monterey Jet Center to ensure the process works smoothly before rolling the program out to a larger customer base, Neste said.

Neste said Avfuel’s customers include aviation service companies, airports, flight departments, original equipment manufacturers and commercial operators.

Avfuel CEO Craig Sincock in a statement called the partnership “an exciting development for the industry’s sustainability initiative and a natural next step in response to aviation’s growing demand for SAF.”

Neste expects to have the capacity to produce some 515 million gal of SAF annually by 2023, up from 34 million gal now.

The move continues recent inroads made by Neste in the SAF field. The company in December said DHL Express became the first cargo operator to use its SAF on flights leaving San Francisco International Airport.

Also last month, Neste said that it acquired a minority stake in Aircraft Fuel Supply B.V. (AFS), the owner and operator of fuel storage at Amsterdam Airport Schiphol. Neste’s share in

AFS would allow the company to offer a continuing supply of SAF to airlines operating at the airport.

In October, Neste said that it would supply an undisclosed amount of SAF to Japan's All Nippon Airways under a multiyear agreement, marking its first SAF deal with an Asian airline.

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French Total and Engie will cooperate in developing, building and operating green hydrogen production and storage facilities at the 500,000 mt/year La Mède biorefinery at Châteauneuf-les-Martigues in the southeastern Provence-Alpes-Côte d'Azur region to create supplies for biofuel output, the energy producers said in a joint statement released last week.

The carbon-free hydrogen would be used to produce renewable biodiesel at the La Mède biofuel refinery, which turns vegetable oil (such as rapeseed, palm, sunflower) and treated waste (animal fats, cooking oil, residues) into hydrotreated vegetable oil. The remainder would be sold to external users.

Market update

Biodiesel prices were mixed last week.

RME FOB ARA had a bid-ask range of EUR975 to EUR995/mt, up from EUR965 to EUR980/mt a week earlier. SME FOB ARA's range was EUR910 to EUR925/mt, down from the previous week's EUR945 to EUR960/mt. PME FOB ARA had a range of EUR850 to EUR865/mt, down from EUR890 to EUR905/mt a week earlier. FAME 0 FOB ARA's range of EUR890 to EUR905/mt was down from the previous week's EUR925 to EUR940/mt.

Data is supplied by F.O. Licht, a unit of IHS Markit.

Michael Schneider, mschneider@opisnet.com

Brazilian Markets

Anhydrous Ethanol $1.8359-$1.9116 Hydrous Ethanol $1.7981-$1.8359
(FOB Santos, 1/14/21, prices in U.S. $/gal)

Production discipline on the part of Brazil's ethanol producers has kept inventories in check despite diminished demand for transportation fuels stemming from the COVID-19 pandemic.

However, the concern now is that ethanol production at the start of the South Central region's 2021/2022 season – in April – will not ramp up as quickly as it did in April of last year.

The South Central region has entered its interharvest period, which corresponds roughly with the calendar first quarter. As of end-December, 258 regional units had wrapped up 2020/2021 crush operations, on par with 257 units that had done the same by the end of 2019, the Brazilian Sugarcane Industry Association (UNICA) reported last week.

UNICA expects that, during January, 10 regional units will continue to produce ethanol, with five of those units producing exclusively corn ethanol, three processing sugarcane, and two units capable of processing both corn and sugarcane.

At end-December, Brazil-wide ethanol inventories were up by 3.8% year on year to 8.744 billion liters, figures from Brazil's Ministry of Agriculture show. Anhydrous ethanol inventories were up by 3.4% year on year to 3.328 billion liters, and hydrous ethanol inventories were up by 4.0% to 5.416 billion liters.

That's a far cry from end-April 2020, when Brazil-wide hydrous ethanol inventories were up by 119% year on year and anhydrous ethanol inventories were up by 107%.

The concern now is how quickly South Central ethanol production will ramp up in April and May after existing inventories get largely depleted during the remainder of the interharvest period.

Projections from the University of São Paulo's ESALQ school of agriculture indicate that the late arrival of rains will delay the development of many cane fields, with the greatest impact seen on cane intended for harvest at the start of the 2021/2022 season.

Latest production figures

While hydrous ethanol production saw something of an uptick in second-half December, hydrous ethanol output from the start of the 2020/2021 season remains the laggard behind sugar and anhydrous ethanol.

Hydrous ethanol production in second-half December totaled 106 million liters – up 25.94% year on year – with corn ethanol representing 88.67 million liters of the output.

Anhydrous ethanol production in second-half December was down 24.38% year on year to 40 million liters, and sugar production was down 13.68% to 11,000 tons. The cane crush was down 38.16% to 453,000 tons.

From the start of the current season through end-December, hydrous ethanol production was down 11.60% year on year to 19.71 billion liters, and anhydrous ethanol production was down 2.70% to 9.59 billion liters. Sugar production was up by 44.22% to 38.20 million tons, and the cane crush was up by 3.16% to 597.36 million tons.

In Brazil, hydrous ethanol competes with gasoline at the pump, and anhydrous ethanol is blended into gasoline at a blend rate of 27%.

From the start of the current season through end-December, regional corn ethanol production totaled 1.86 billion liters, representing a year-on-year increase of 76.34%.

Market Update

For the week ended Jan. 9, hydrous ethanol remained competitively priced with gasoline only in the states of Goiás, Minas Gerais and São Paulo, Brazil's National Oil, Gas and Biofuels Agency (ANP) reported.

Because of its lower fuel efficiency, hydrous ethanol loses competitiveness when its pump price surpasses 70% of the price of gasoline.

ANP assessed the price relationship at 68.82% in Goiás, 68.84% in Minas Gerais and 70.95% in São Paulo – putting hydrous ethanol just on the cusp of being competitive with gasoline in that state.

The states where it was least advantageous for flex-fuel vehicle drivers to fill up with hydrous ethanol were Rio Grande do Sul (92.6%), Pará (87.36%) and Roraima (83.96%).

Brad Addington, baddington@opisnet.com

News of the Week:

Calif. governor's proposed state 2021-22 budget sets $4.1B for climate plans

California Gov. Gavin Newsom (D) is setting $4.1 billion for climate change plans as part of a proposed $227 billion budget for 2021-2022.

Newsom unveiled the budget Friday, which proposes $1.4 billion for the state's cap-and-trade program expenditure plan to address air and water quality, low-carbon and electric vehicles (EV) programs.

There's "nothing bigger than low-carbon green growth. Nothing more impactful, nothing more meaningful from an economic paradigm and inclusion paradigm than changing the way we produce and consume energy by investing in the future," Newsom said in a press conference Friday announcing the proposed budget.

Average U.S. ethanol margin returns to black, prices rise: CARD

The average margin for U.S. ethanol in the week ended Jan. 8 returned to the black after two straight weeks in negative territory, while ethanol, corn and natural gas prices all increased sharply, Iowa State University's Center for Agricultural and Rural Development (CARD) said last Monday.

The school said the average return over operating costs last week at a typical dry-mill ethanol plant was 0.83ct, up about 10.94cts from the minus 10.11cts it reported for the week ended Dec. 31, 2020. The negative run through the start of this month had been the first time margins dipped into negative territory since April 8, 2020, when state and local government COVID-19-related shutdown orders were in widespread effect.

CARD said the average Iowa ethanol price last week rose to $1.385/gal from $1.25/gal in the previous week. That was 15.5cts above the year-ago price.

The Rise Fund acquires majority stake in RNG marketer Element Markets

The Rise Fund, a San Francisco-based investment firm, has acquired a majority stake in Houston-based Element Markets LLC, the leading independent marketer of renewable natural gas (RNG) and environmental commodities in North America, the companies said Tuesday.

Terms of the transaction were not disclosed.

"The Rise Fund's mission to deliver positive social and environmental impact alongside competitive financial returns is perfectly aligned with Element Markets' value proposition," said Angela Schwarz, chief executive officer and co-president of Element Markets. "We are excited to partner with The Rise Fund to expand into new environmental markets and continue to deliver a best-in-class solution for our partners and clients."

Second fuel supplier sues Sundive Commodity claiming failure to deliver RINs

Fuel supplier RIL USA has filed suit against Sundive Commodity Group in a Texas district court alleging the trading company failed to provide it with an undisclosed number of Renewable Identification Number (RIN) credits it had committed to deliver by Dec. 31.

The company's suit, filed with a Harris County, Texas, district court, on Jan. 6, came roughly a week after Valero Marketing & Supply sued Sundive, claiming the firm failed to deliver on contracts to provide it with more than 33 million D6 RINs over a three-month period that began in September.

Valero said that because of Sundive's failure to deliver the RINs, it was forced to spend an additional $10.1 million to buy higher-priced credits in the market to satisfy its Renewable Fuel Standard (RFS) compliance obligation.

In its complaint, RIL said that from May 29 to Sept. 23, 2020, it entered into "numerous agreements" to buy both D6 conventional ethanol and D4 biomass-based diesel RINs from Sundive. All had a transfer date of Dec. 31, according to the complaint.

LCFS weekly transfer average price retreats from two-month high: CARB

Low Carbon Fuel Standard (LCFS) weekly credit transfer prices in the week ended Jan. 10 pulled back from a two-month high hit in the previous week, while transfer volumes also retreated from a record high, according to data released late Tuesday by the California Air Resources Board (CARB).

The volume-weighted average price was down $2.77 week on week at $196.70/credit, after last week hitting the highest level since the week ended Oct. 19. The average price for transfers categorized by CARB as Type 1 transfers averaged $197.83/credit, down 10cts from the previous week.

LCFS prices have held relatively steady in recent weeks and have maintained distance from the cap level of $217.97/credit. Tuesday's assessment at $201/credit was up $1.75 on the week.

French Total, Engie join ranks to produce green hydrogen at La Mède refinery

French Total and Engie will cooperate in developing, building and operating green hydrogen production and storage facilities at the 500,000 mt/year La Mède biorefinery at Châteauneuf-les-Martigues in the southeastern Provence-Alpes-Côte d'Azur region to create supplies for biofuel output, the energy producers said in a joint statement released late Tuesday.

Subject to funding and relevant permits, the partners plan to erect a 40-megawatt (MW) electrolyzer at the refining site by 2024 that would initially produce 5 tons/day of green hydrogen, powered from solar farms with a combined capacity of more than 100 MW.

First-stage production could avoid 15,000 tons/year of carbon dioxide emissions, they estimate.

CARB: December LCFS credit prices climb 1.5% as activity surges

The price of California's Low Carbon Fuel Standard credits firmed over December but remained within the relatively tight average range for values reported since the middle of summer - even as transfer activity and volume both rebounded from a November lull, the California Air Resources Board (CARB) reported.

The average per-credit price for LCFS credits reached $199 in December, up $3, or 1.53%, from the month before and the highest average since the July average matched that figure, according to CARB's latest Monthly LCFS Credit Transfer Activity Report. That put LCFS values 1.02% higher than CARB reported it a year ago, but it also remained within the $196-$199 monthly average that CARB-reported credit prices hugged ever since retreating from $202/credit averaged in June.

Credit prices in January continued to bump up near and at times crossed the $200/credit level, lately heading to the middle of the month being worked as high as $203/credit as CARB released its report on Tuesday.

Midwest GOP senators ask EPA chief to take no action on pending SREs

Seven Midwest U.S. Senate Republicans on Thursday asked EPA Administrator Andrew Wheeler to "summarily freeze" any agency decision on pending small-refinery exemptions (SREs) until the U.S. Supreme Court completes its review of a circuit court of appeals ruling last year that would limit the agency's ability to grant such waivers.

"Alarming news reports indicate that your Environmental Protection Agency may issue numerous pending small refinery exemptions, which would be a devastating blow to biofuel producers and the farmers who sell to them," the senators told Wheeler. "We urge you not to take such action."

Several news organizations this week reported that EPA plans to approve an unknown number of the 32 pending SRE requests for the 2019 Renewable Fuel Standard (RFS) compliance year.

The letter was signed by Chuck Grassley and Joni Ernst of Iowa, Mike Rounds of South Dakota, Roger Marshall of Kansas, Deb Fischer of Nebraska, and Roy Blount and Josh Hawley of Missouri.

'Clear shift' in U.S. climate lawmaking expected on democratic majority: IHSM

With the 117th U.S. Congress underway and President-elect Joe Biden's administration taking office on Jan. 20, efforts to combat climate change are expected to increase, according to IHS Markit.

"While we do not expect a 'sea change' on the legislative front involving climate change, there will be a clear shift, which will accelerate efforts to combat climate change," IHS Markit Principal Journalist Roger Bernard said in an analysis on the 2021 federal policy landscape published Wednesday. "The control of the House, Senate and White House by Democrats will facilitate it, but the close margins will temper the degree of change that can be accomplished."

Democrats own a 222-211 majority in the House and have a 50-50 tie with Republicans in the Senate, with Vice President-elect Kamala Harris casting deciding votes, giving Democrats control.