# Guidance for RFS2010 Annual Compliance Reporting

United States
Environmental Protection
Agency

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Compliance and Innovative Strategies Division
Office of Transportation and Air Quality
U.S. Environmental Protection Agency

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**Guidance for RFS 2010 Annual Compliance Reporting**

This guidance document is intended to assist obligated parties and renewable fuel exporters in reporting their RFS2 Renewable Volume Obligations (RVOs) reporting for the 2010 compliance year. The reports for 2010 are due February 28, 2011. In addition to this guidance document, EPA has posted RVO Q&As that can be found on the RFS web site at: http://www.epa.gov/otaq/fuels/renewablefuels/compliancehelp/rfs2-aq.htm#7.

Any obligated party, as described in §80.1406, that produced or imported gasoline or MVNRLM diesel fuel for use in the contiguous 48 states plus Hawaii (Alaska if they opt-in) during a given compliance period must submit an RFS2 Annual Compliance Report pursuant to §80.1451(a).

Any exporter of renewable fuels, as described in §80.1430, that exported a volume of renewable fuel from the contiguous 48 states plus Hawaii (Alaska if they opt-in) during a given compliance period must submit an RFS2 Annual Compliance Report pursuant to §80.1451(a).

Parties that have more than one business activity that generate multiple Renewable Volume Obligations (RVOs), must report the information separately (i.e. imports, exports, and refining obligations must be met separately). Further, prior to retiring RFS2 RINs for compliance gasoline and diesel refiners are required to indicate the compliance level that they choose to report based on (aggregate or refinery by refinery) in the OTAQReg: Fuels Programs Registration interface on Central Data Exchange (CDX).

This guidance document does not discuss all of the specific Biomass-Based Diesel RVO requirements and flexibilities. However, obligated parties should note that the 2010 Biomass-Based Diesel standard consists of the combined 2009 and 2010 volume requirements. Additionally, obligated parties should pay close attention to the specific requirements and flexibilities for 2010 Biomass-based diesel compliance in regulations (40 CFR 80.1427(a)(7)) and to the instructions in the RFS0301 report.

The guidance document will briefly discuss new features that have been implemented in EMTS to assist obligated parties and renewable fuel exporters with their RFS2 annual compliance requirements. These features will aid users in completing their RFS0301 Annual Compliance Report, which is required pursuant to §80.1451(a). For more information on all EMTS features, please visit the EMTS documents webpage at: http://www.epa.gov/otaq/fuels/renewablefuels/emtshtml/emtsdocuments.htm

Regulated parties may use this document to aid in achieving compliance with the RFS2 program regulations. However, this document does not in any way alter the requirements of those regulations. This document does not establish or change legal rights or obligations. It does not establish binding rules or requirements and is not fully determinative of the issues addressed. Agency decisions in any particular case will be made applying the law and regulations on the basis of specific facts and actual action.

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**1.0  General Information for Obligated Parties**

All obligated parties are required to submit the RFS0301: RFS2 2010 Annual Compliance Report.  The RFS0301 report is used to demonstrate compliance with the Renewable Volume Obligations that obligated parties and exporters acquired based on their compliance year activities.

The following information is general information for all obligated parties.  There is specific information based on the business activities of the obligated party in sections 2 through 4.

**1.1  What information do I have to submit for 2010 Annual Compliance?**

Obligated parties and renewable fuel exporters are required to submit all information listed in §80.1451(a).  All of the required RFS2 RIN information and the majority of the required RFS1 RIN information will be entered and submitted in the RFS0301 report.

Pursuant to 80.1451(a)(xi) parties are required to submit a list of all RFS1 RINs retired for compliance.  The RFS2 RIN information submitted on the RFS0301 report satisfies all of the requirements in 80.1451(a).  However, all individual RFS1 RIN numbers retired for compliance will be retired via the RFS0201: RFS1 RIN Transaction Report and the aggregate amount of RINs retired will be reported on the RFS0301.

- If RFS1 RINs have been retired for compliance during the first quarter 2011 (before February 28), a partial RFS0201 report must be filed with <u>only</u> the RFS1 RINs being retired for compliance.
- If all RFS1 RINs have been retired for compliance during the fourth quarter, then a partial RFS0201 report will not have to be filled out.

**1.2  What RINs can be used to satisfy each Renewable Volume Obligation?**

In 2010, both RFS1 RINs and RFS2 RINs (transacted in EMTS) may be used for compliance purposes.  For 2011 compliance, unused 2010 RFS1 RINs may be eligible to be used for compliance purposes in addition to unused 2010 and 2011 RFS2 RINs.

*Different Types of RINs:*
Under RFS2, certain types of RINs can be used to fulfill various obligations.  Pursuant to 40 CFR 80.1427(a)(2)-(4), the following types of RINs may be used to satisfy the specific RVOs:

RINs Generated Under RFS1

- A RIN generated pursuant to §80.1126 with a D code of 2 and an RR code of 15, 16, or 17 is deemed equivalent to a RIN with a D code of 4 generated pursuant to §80.1426.
- A RIN generated pursuant to §80.1126 with a D code of 1 and RR code of 25 is deemed equivalent to a RIN with a D code of 3 generated pursuant to §80.1426.
- All other RINs generated pursuant to §80.1126 are deemed equivalent to RINs with a D code of 6 generated pursuant to §80.1426.

*Note:* RFS1 RINs will still be identified as they were in RFS1 regardless of the D code equivalent specified in the regulations (i.e. RFS1 RINs cannot be changed to RFS2 D codes or RR codes)

RINs Generated Under RFS2

- RINs with a D code of 3 or 7 are valid for compliance with the cellulosic biofuel RVO.
- RINs with a D code of 4 or 7 are valid for compliance with the biomass-based diesel RVO.
- RINs with a D code of 3, 4, 5, or 7 are valid for compliance with the advanced biofuel RVO.
- RINs with a D code of 3, 4, 5, 6, or 7 are valid for compliance with the renewable fuel RVO.

*Renewable Volume Obligation Nesting:*
RVOs are "nested," meaning that certain types of RINs can be used to satisfy multiple RVOs. For example, a RIN with a D code of 4 may be used toward satisfying a biomass-based diesel RVO, an advanced biofuel RVO and renewable fuel RVO for the same compliance year. However, a RIN with a D code of 5 or 6 may not be used to meet a biomass-based diesel RVO.

**Table 1 – Which RIN D codes can satisfy each Renewable Volume Obligation (RVO) pursuant to 40 CFR 80.1427(a)(2)-(4)?**

| D Code | Cellulosic Biofuel RVO | Biomass-Based Diesel RVO | Advanced Biofuel RVO | Renewable Fuel RVO |
|--------|------------------------|--------------------------|----------------------|--------------------|
| 3 | X | | X | X |
| 4 | | X | X | X |
| 5 | | | X | X |
| 6 | | | | X |
| 7 | X* | X* | X | X |

*Note:* X* indicates a RIN with a D code of 7 may be used to meet either the Cellulosic Biofuel RVO or the Biomass-Based Diesel RVO, but not both RVOs pursuant to 40 CFR 80.1427(3)(ii).

*Additional Notes:*
1) When filling out the RFS0301 report, parties must carry the entire number of RINs used for compliance purposes throughout the nested standards regardless of it showing too many RINs in the other RVO categories.

    For example:
- An obligated party uses 400 D3 RFS2 RINs for compliance, then 400 must appear in field 24 for the rows with "CB", "AF", and "RF" in field 9.
- An obligated party uses 110,000 D4 RFS2 RINs for compliance, then 110,000 must appear in field 25 for the rows with "BD", "AF", and "RF" in field 9.

2) RINs can only be used in one compliance year

> For example:
> - An obligated party cannot use a D5 RIN to fulfill the advanced biofuel RVO 2010 and then use the same RIN to fulfill the renewable fuel RVO in 2011.

### 1.3  What is the last day that I can obtain RINs for compliance?

Both RFS1 and RFS2 RINs used to meet the 2010 obligation may be traded until February 28, 2011 following the end of the compliance year.  For the 2010 compliance year, the RFS0301: 2010 Annual Compliance Report must be submitted. The RFS0300: Annual Compliance Report was for compliance years 2007 through 2009.

*Additional RFS2 EMTS RIN Notes:*
1. In order to retire RFS2 RINs for compliance by the deadline, all transactions must be completed and processed in EMTS.  Although EMTS can accept and process certain transactions rather quickly, RIN retirements may take longer to process when multiple RIN batches are involved.  Therefore, parties should try to complete their RIN retirements by February 21, 2011.  If EMTS is unable to process the transactions by February 28, then those RINs will be unavailable for retirement in that compliance year.

2. As discussed above, RIN retirements may take longer to process when multiple RIN batches are involved.  Due to a longer processing time, a session in the EMTS User Interface may timeout prior to the processing completion.  Therefore, EPA suggests that parties who intend to retire a large quantity of RINs for compliance use an XML file. XML files should be submitted at least one week prior to the compliance deadline (e.g. February 21).  Obligated parties using the web user interface should retire no more than one million RINs at a time to avoid system delays.

## 1.4 EMTS Features
*Compliance Data User Interface in EMTS*



The Compliance Data user interface page in EMTS is a listing of all RINs retired for compliance, broken out by:

- RIN Type (D code)
- RIN Year
- Compliance Level (AGREF, AGIMP, EXPRT, or refinery-by-refinery)
- RIN Quantity

Obligated parties should use this page to accurately reflect the correct RIN quantities that have been retired for compliance on the Annual Compliance Report. This page will assist parties to complete fields 24 through 28 of the RFS0301: 2010 Annual Compliance Report.

This interface can be found under the Reports Tab on the horizontal toolbar in EMTS.

## 2.0 Obligated Parties: Gasoline or Diesel Refiners

Refiners of gasoline or diesel may comply in the aggregate or on a refinery-by-refinery basis. Prior to the retirement of RFS2 RINs in EMTS, refiners must update their registration via the OTAQReg: Fuels Programs Registration application to indicate how they plan to comply.

## 2.1 Refiners: Selecting Compliance Level in CDX

Pursuant to 80.1406(c)(1), an obligated party may comply with its annual compliance requirements for all of its refineries in aggregate, or for each refinery individually. However, if the obligated party carries a deficit from one year to the next, then the party must maintain the same approach to aggregation in the next calendar year.

In order to select the compliance level, a CDX user will login to CDX and:

1. Select the **OTAQReg: Fuels Programs Registration** link.
2. On the OTAQ Registration Program Home page, under the **Company Information** header, the user will select the **Edit – [Company Name]** link.
3. On the Edit Company Information page, under the **Company** Details tab, the user will scroll down to the bottom of the page and select the compliance level.



4. Once the compliance level has been selected, if no other updates need to be made in the registration, click **Review and Submit.**
5. Review the information.  The user will be unable to edit any information on this page.  If the information looks correct, click **Next.**
6. The user must print out the PDF forms that are generated on the **Company Information Change** page.  Once the forms are printed, click **Submit.**

*Note:*  The PDF registration must be printed and signed by the responsible corporate officer (RCO) that EPA currently has on file for the company.  These forms must be sent to EPA by either:

| US Mail: | Commercial Delivery: |
|---|---|
| U.S. Environmental Protection Agency | U.S. Environmental Protection Agency |
| Fuels Programs Registration (6406J) | Fuels Programs Registration |
| 1200 Pennsylvania Avenue, NW | Room 647C, 202-343-9038 |
| Washington, DC 20460 | 1310 L Street, NW |

7.  On the final page, click the **Continue** button to return to the main menu.  EPA can only process one request per company at a time.  If you make edits before EPA has processed your paperwork.  Your edits will be lost and you will need to restart the process.

## 2.2  Refiners: RFS0301 Guidance (also available in the RFS0301 report instructions)

The RFS0301 reporting instructions can be found on the Renewable Fuel Standards Reporting Forms web page at http://www.epa.gov/otaq/regs/fuels/rfsforms.htm.

In [Field No. 8] of the RFS0301 report, the refiner must enter either AGREF (aggregate) or the 5 digit facility ID (refinery-by-refinery).  Regardless, the refiner will have at least four rows, one for each RVO (renewable fuel, advanced biofuel, biomass-based diesel and cellulosic biofuel.)

*Note:*  If complying refinery-by-refinery, the obligated party should have one row for each RVO at each refinery (e.g. 2 refineries will have 8 rows, 3 refineries will have 12 rows, etc.).

Fields that must contain "NA" in the RFS0301: RFS2 2010 Annual Compliance Report
*   For a row with field 9 as **CB**, "NA" must be entered in field 14,15,16,17,18,19,20,21,25,26,27
*   For a row with field 9 as **BD**, "NA" must be entered in field 14,20,21,22,23,24,26,27,29,30,31
*   For a row with field 9 as **AB**, "NA" must be entered in field 14,15,16,20,21,27,29,30,31
*   For a row with field 9 as **RF**, "NA" must be entered in field 15,16,29,30,31

Prior-year RIN limits
*   For a row with field 9 as **CB**, the amount of prior year RINs that may be used for compliance must satisfy the following formula:
    $$[\text{No. 22}] \le 0.20 \text{ x } [\text{No. 13}]$$
*   For a row with field 9 as **BD**, the amount of prior year RINs that may be used for compliance must satisfy the following formulas:
    $$[\text{No. 17}] \le 0.087 \text{ x } ([\text{No. 13}] - [\text{No.15}] - [\text{No. 16}])$$
    $$[\text{No. 17}] + [\text{No. 18}] \le 0.20 \text{ x } ([\text{No. 13}] - [\text{No.15}] - [\text{No. 16}])$$
*   For a row with field 9 as **AB**, the amount of prior year RINs that may be used for compliance must satisfy the following formulas:
    $$[\text{No. 17}] \le 0.087 \text{ x } [\text{No. 13}]$$
    $$[\text{No. 17}] + [\text{No. 18}] + [\text{No. 22}] \le 0.20 \text{ x } [\text{No. 13}]$$
*   For a row with field 9 as **RF**, the amount of prior year RINs that may be used for compliance must satisfy the following formulas:
    $$[\text{No. 17}] \le 0.087 \text{ x } ([\text{No. 13}] + [\text{No. 14}])$$
    $$[\text{No. 17}] + [\text{No. 18}] + [\text{No. 20}] + [\text{No. 22}] \le 0.20 \text{ x } ([\text{No. 13}] + [\text{No. 14}])$$

**Note:** In 2010 only, field No. 14 only applies to the Renewable Fuel RVO.  In 2011 and later, field No. 14 will apply to all RVOs.

- Deficit Carryover limits Per §80.1427(b)(1)(iii), an obligated party may not carry more than 57% of their biomass-based diesel RVO from 2010 to 2011. Therefore, for a row with field 9 as BD, the following formula must be satisfied:

  [No. 32] ≤ 0.57 x [No.13]

  **Note:** This limit does not apply to renewable fuel exporters

## 2.3 Refiners: Deficit Carryovers

An obligated party who fails to meet its obligation in a given year may carryover a deficit into the following year pursuant to 40 CFR 80.1427(b) given that they meet the following requirements:
- A deficit has not been carried over from the previous year for that specific RVO;
- The party meets all RVOs of the deficit category in the following year; and
- For biomass-based diesel RVO in 2011, the deficit from 2010 is no larger than 57% of the party's 2010 biomass-based diesel RVO.

A deficit is calculated according to the following formula:

$$D_i = RVO_i - [(\Sigma RINNUM)_i + (\Sigma RINNUM)i\text{-}1]$$

Where:

$D_i$= The deficit, in gallons, generated in calendar year i that must be carried over to year i+1 if allowed pursuant to paragraph (b)(1) of this section.

$RVO_i$= The Renewable Volume Obligation for the obligated party or renewable fuel exporter for calendar year i, in gallons.

$(\Sigma RINNUM)_i$= Sum of all acquired gallon-RINs that were generated in year i and are being applied towards the $RVO_i$, in gallons.

$(\Sigma RINNUM)i\text{-}1$= Sum of all acquired gallon-RINs that were generated in year i-1 and are being applied towards the $RVO_i$, in gallons.

### 3.0  Obligated Parties: Gasoline or Diesel Importers

Importers of gasoline or diesel must comply in aggregate.

In [Field No. 8] of the RFS0301 report, the importer must enter AGIMP and will have four rows, one for each RVO.

### 3.1  Importers: RFS0301 Guidance (also available in the RFS0301 report instructions)

The RFS0301 reporting instructions can be found on the Renewable Fuel Standards Reporting Forms web page at http://www.epa.gov/otaq/regs/fuels/rfsforms.htm.

Fields that must contain "NA" in the RFS0301: RFS2 2010 Annual Compliance Report
- For a row with field 9 as **CB**, "NA" must be entered in field 14,15,16,17,18,19,20,21,25,26,27
- For a row with field 9 as **BD**, "NA" must be entered in field 14,20,21,22,23,24,26,27,29,30,31
- For a row with field 9 as **AB**, "NA" must be entered in field 14,15,16,20,21,27,29,30,31
- For a row with field 9 as **RF**, "NA" must be entered in field 15,16,29,30,31

Prior-year RIN limits
- For a row with field 9 as **CB**, the amount of prior year RINs that may be used for compliance must satisfy the following formula:
  $$[\text{No. 22}] \leq 0.20 \text{ x } [\text{No. 13}]$$
- For a row with field 9 as **BD**, the amount of prior year RINs that may be used for compliance must satisfy the following formulas:
  $$[\text{No. 17}] \leq 0.087 \text{ x } ([\text{No. 13}] - [\text{No.15}] - [\text{No. 16}])$$
  $$[\text{No. 17}] + [\text{No. 18}] \leq 0.20 \text{ x } ([\text{No. 13}] - [\text{No.15}] - [\text{No. 16}])$$
- For a row with field 9 as **AB**, the amount of prior year RINs that may be used for compliance must satisfy the following formulas:
  $$[\text{No. 17}] \leq 0.087 \text{ x } [\text{No. 13}]$$
  $$[\text{No. 17}] + [\text{No. 18}] + [\text{No. 22}] \leq 0.20 \text{ x } [\text{No. 13}]$$
- For a row with field 9 as **RF**, the amount of prior year RINs that may be used for compliance must satisfy the following formulas:
  $$[\text{No. 17}] \leq 0.087 \text{ x } ([\text{No. 13}] + [\text{No. 14}])$$
  $$[\text{No. 17}] + [\text{No. 18}] + [\text{No. 20}] + [\text{No. 22}] \leq 0.20 \text{ x } ([\text{No. 13}] + [\text{No. 14}])$$

  **Note:** In 2010 only, field No. 14 only applies to the Renewable Fuel RVO.  In 2011 and later, field No. 14 will apply to all RVOs.

Deficit Carryover limits
- Per §80.1427(b)(1)(iii), an obligated party may not carry more than 57% of their biomass-based diesel RVO from 2010 to 2011.  Therefore, for a row with field 9 as BD, the following formula must be satisfied:
  $$[\text{No. 32}] \leq 0.57 \text{ x } [\text{No.13}]$$

**Note:** This limit does not apply to renewable fuel exporters

## 3.2 Importers: Deficit Carryovers

An obligated party who fails to meet its obligation in a given year may carryover a deficit into the following year pursuant to 40 CFR 80.1427(b) given that they meet the following requirements:
- A deficit has not been carried over from the previous year for that specific RVO;
- The party meets all RVOs of the deficit category in the following year; and
- For biomass-based diesel RVO in 2011, the deficit from 2010 is no larger than 57% of the party's 2010 biomass-based diesel RVO.

A deficit is calculated according to the following formula:

$$D_i = RVO_i - [(\Sigma RINNUM)_i + (\Sigma RINNUM)i\text{-}1]$$

Where:

$D_i$= The deficit, in gallons, generated in calendar year i that must be carried over to year i+1 if allowed pursuant to paragraph (b)(1) of this section.

$RVO_i$= The Renewable Volume Obligation for the obligated party or renewable fuel exporter for calendar year i, in gallons.

$(\Sigma RINNUM)_i$= Sum of all acquired gallon-RINs that were generated in year i and are being applied towards the $RVO_i$, in gallons.

$(\Sigma RINNUM)i\text{-}1$= Sum of all acquired gallon-RINs that were generated in year i-1 and are being applied towards the $RVO_i$, in gallons.

## 4.0 Renewable Fuel Exporters

Renewable fuel exporters must comply in aggregate.

In [Field No. 8] of the RFS0301 report, the exporter must enter EXPRT and will have between one and four rows based on the export activity.

*Note:* Renewable fuel exporters that have an RVO other than renewable fuel incur nested obligations (e.g. for an export of biodiesel, an exporter will have a Biomass-Based Diesel RVO, an Advanced Biofuel RVO, and a Renewable Fuel RVO). Table 2 describes which volumes of renewable fuel need to be included when an exporter calculates their RVO(s), pursuant to §80.1407.

**Table 2 – This table describes which volumes of a renewable fuel export incur specific Renewable Volume Obligations (RVO) pursuant to §80.1430.**

| Renewable Fuel Export | Cellulosic Biofuel RVO | Biomass-Based Diesel RVO | Advanced Biofuel RVO | Renewable Fuel RVO |
|---|---|---|---|---|
| **Biodiesel** | No | Yes | Yes | Yes |
| **Non-Ester Renewable Diesel** | No | Yes | Yes | Yes |
| **Cellulosic Biofuel** | Yes | No | Yes | Yes |
| **Cellulosic Diesel** | Either Cellulosic Biofuel or Biomass-Based Diesel (only 1) | | Yes | Yes |
| **Advanced Biofuel** | No | No | Yes | Yes |
| **Renewable Fuel** | No | No | No | Yes |

## 4.1 Exporters: RFS0301 Guidance (also available in the RFS0301 report instructions)

The RFS0301 reporting instructions can be found on the Renewable Fuel Standards Reporting Forms web page at http://www.epa.gov/otaq/regs/fuels/rfsforms.htm.

Fields that must contain "NA" in the RFS0301: RFS2 2010 Annual Compliance Report
- For a row with field 9 as **CB**, "NA" must be entered in field 14,15,16,17,18,19,20,21,25,26,27
- For a row with field 9 as **BD**, "NA" must be entered in field 14,20,21,22,23,24,26,27,29,30,31
- For a row with field 9 as **AB**, "NA" must be entered in field 14,15,16,20,21,27,29,30,31
- For a row with field 9 as **RF**, "NA" must be entered in field 15,16,29,30,31

Fields that must contain "NA in the RFS0301: RFS2 2010 Annual Compliance Report for Exporters only
- For all rows with [Field No. 8] as EXPRT , "NA" must be entered in fields 15 and 16

Prior-year RIN limits
- For a row with field 9 as **CB**, the amount of prior year RINs that may be used for compliance must satisfy the following formula:

    [No. 22] ≤ 0.20 x [No. 13]

- For a row with field 9 as **BD**, the amount of prior year RINs that may be used for compliance must satisfy the following formulas:

    [No. 17] ≤ 0.087 x ([No. 13] - [No.15] - [No. 16])

    [No. 17] + [No. 18] ≤ 0.20 x ([No. 13] - [No.15] - [No. 16])

- For a row with field 9 as **AB**, the amount of prior year RINs that may be used for compliance must satisfy the following formulas:

    [No. 17] ≤ 0.087 x [No. 13]

    [No. 17] + [No. 18] + [No. 22] ≤ 0.20 x [No. 13]

- For a row with field 9 as **RF**, the amount of prior year RINs that may be used for compliance must satisfy the following formulas:

    [No. 17] ≤ 0.087 x ([No. 13] + [No. 14])

    [No. 17] + [No. 18] + [No. 20] + [No. 22] ≤ 0.20 x ([No. 13] + [No. 14])

**Note:** In 2010 only, field No. 14 only applies to the Renewable Fuel RVO. In 2011 and later, field No. 14 will apply to all RVOs.

## 4.2 Exporters: Deficit Carryovers

An obligated party who fails to meet its obligation in a given year may carryover a deficit into the following year pursuant to 40 CFR 80.1427(b) given that they meet the following requirements:
- A deficit has not been carried over from the previous year for that specific RVO; and
- The party meets all RVOs of the deficit category in the following year.

A deficit is calculated according to the following formula:

$$D_i = RVO_i - [(\Sigma RINNUM)_i + (\Sigma RINNUM)_{i-1}]$$

Where:

$D_i$ = The deficit, in gallons, generated in calendar year i that must be carried over to year i+1 if allowed pursuant to paragraph (b)(1) of this section.

$RVO_i$ = The Renewable Volume Obligation for the obligated party or renewable fuel exporter for calendar year i, in gallons.

$(\Sigma RINNUM)_i$ = Sum of all acquired gallon-RINs that were generated in year i and are being applied towards the $RVO_i$, in gallons.

$(\Sigma RINNUM)_{i-1}$ = Sum of all acquired gallon-RINs that were generated in year i-1 and are being applied towards the $RVO_i$, in gallons.

**5.0 Purchasing Cellulosic Biofuel Waiver Credits**

Any obligated party, as described in §80.1406, that produces or imports Gasoline or MVNRLM Diesel fuel for use in the contiguous 48 states plus Hawaii (Alaska if they opt-in) during a given compliance period, must submit an RFS2 Annual Compliance Report under §80.1451(a).

Pursuant to §80.1456, if EPA reduces the applicable volume of cellulosic biofuel pursuant to section 211(o)(7)(D)(i) of the Clean Air Act (42 U.S.C. 7545(o)(7)(D)(i)) for any given compliance year, then EPA will provide cellulosic biofuel waiver credits for purchase for that compliance year.

EPA has three methods for obligated parties to purchase EPA Cellulosic Biofuel Waiver Credits (Only **one** may be used):
1. Pay.gov electronic payment (credit card, debit card, or eCheck);
2. Fedwire payment (bank wire transfer); or
3. Mail Payment (paper check).

**5.1 Pay.gov Electronic Payments**

The OTAQ Cellulosic Biofuel Wavier Credits application is hosted by the Central Data Exchange (CDX). CDX is the system that EPA has provided to all programs to standardize and centralize the reporting functions and data submissions that are required of the various EPA regulated communities. In order to access Cellulosic Biofuel Waiver Credits, users must first be registered users of CDX.

**5.1.1 Adding Pay.gov application to an existing CDX account:**

In order to access Pay.gov, the user must add the application to their CDX account. Please add the Pay.gov application by following these steps:
- Login to CDX (http://cdx.epa.gov)
- You will be at the **MyCDX** page. Please select the "Edit Current Account Profiles" link:

- On the **Edit Organization Profiles**, select the "Add New Program" link:



- On the **Add Program** page, find the "Cellulosic Biofuel Waiver Credits Pay.gov Application (OTAQWaiverCredits) and click "Add":

**Add Program**

Assessment Cleanup and Redevelopment Exchange System (ACRES): ○

Environmental Appeals Board (EAB): ○

Audit Policy Self-Disclosure (eDisclosure): ○

Facility Registry System - Update Service (FRS-US): ○

Great Lakes Environmental Database Query System (GLENDA): ○

Exchange Network Grant Semi-Annual Reporting Forms (IEPB): ○

Lead-Based Paint Program (LEAD): ○

LT2: LT2, Stage 2, and IDSE Plan/Report Entry (LT2): ○

National Environmental Methods Index Contaminants (NEMI-CBR): ○

Ozone Depleting Substances (ODS): ○

Cellulosic Biofuel Waiver Credits Pay.gov Application (OTAQWaiverCredits): ◉

Radionuclide NESHAPs (RAD): ○

Radiation Network (RADNET): ○

Stormwater Notice of Intent (eNOI) (SWENOI): ○

Toxic Release Inventory Made Easy Web (TRIMEweb): ○

TRI State Data Exchange (TRISDX): ○

TSCA (TSCA): ○

Toxic Substance Control Act - HaSD Form (TSCA-HASD): ○

Compliance Information Systems (VERIFY): ○

Request Manufacturer Code for OTAQ Compliance (VERIFY MFR REG): ○

Water Contaminant Information Tool (WCIT): ○

[ ADD ]　[ CANCEL ]

- On the **Add Role** page, all fields are completed with the exception of the "ID" field. Per the instructions, please enter "N/A" and click "Add":

Use the TAB key to move from field to field. ✱ = REQUIRED FIELD

Role: A SUBMITTER ✱

Program ID Type: Submitter ID N/A ✱

Submission Method: WEBFORM ✱

Please enter N/A.

ADD

- You will then receive the following message:

MyCDX > Registration

Congratulations! You have successfully completed the online portion of CDX registration. You should receive an e-mail confirmation shortly confirming receipt of your information.

Finished

*Note:* EPA must activate the addition of Pay.gov to your CDX profile. Until EPA has activated this, you will not be able to see the Pay.gov application.

In order to activate the Pay.gov application, users must submit a letter, on company letterhead requesting the activation of the Pay.gov application:

*To Whom It May Concern:*

*I, [Insert RCO name], [Insert RCO Title], of [Insert Company Name and EPA ID] establish [User Name] of [User Company] as a delegate for the purpose of submitting the following reports for me to the US Environmental Protection Agency via the Central Data Exchange (CDX):*

*OTAQWaiverCredits: Cellulosic Biofuel Waiver Credits Pay.gov Application—Company Submitter Role—Pay.gov portal: Pay.gov is used to purchase cellulosic biofuel waiver credits to be applied to a company's RVO. In order to use this application, the user must know the amount of cellulosic biofuel waiver credits that the company needs. Additionally, a company may not purchase more credits than their company needs; nor may a company transfer credits to another party.*

### 5.1.2  Accessing the Cellulosic Biofuel Waiver Credit Program Application

In order to access the Cellulosic Biofuel Waiver Credit Program Application, the "OTAQWaiverCredits: Cellulosic Biofuel Waiver Credits Pay.gov Application" must be active in the user profile.  Once it is active, it will show up on the **MyCDX** homepage.  Click on the "OTAQWaiverCredits: Cellulosic Biofuel Waiver Credits Pay.gov Application" link to continue.

- The Cellulosic Biofuel Waiver Credit Program Home page looks like this:



- Once on the homepage, click on "Purchase Credits" link to the left of the page.
- The "Purchase Information" page is where you will provide your payment information:

- The following information must be provided on the **Purchase Credits** page:
    - Company Name (selected from the drop down menu);
    - Compliance Level;
    - Facility ID (only required if complying on a refinery by refinery basis); and
    - Number of Credits to be purchased.

- Once all the information has been entered on the **Purchase Credits** page, click the "Calculate Total" button.

- This will direct you to the **Review Purchase Information** page:



- Confirm the following information on the **Purchase Information** page:
    - Amount of credits being purchased;
    - Per-credit price; and
    - Total purchasing price.

- If all the information looks correct click the "Continue to Pay.gov" button.

- The **Payment Information** must be entered in order to continue with the purchase:



- Once all the information is added, click the "Continue with ACH Payment" button to continue.

- The **Authorize Payment** page contains the payment summary. Users may opt to enter in an email address to receive a confirmation receipt if they choose.



**EPA** United States Environmental Protection Agency

# Cellulosic Biofuel Waiver Credits

**Online Payment**                                      Return to your originating application

**Step 2: Authorize Payment**                                                    1 | 2

**Payment Summary**    Edit this information

Account Holder Name: Test                              Payment Date: 02/02/2011
Payment Amount: $312.00                               Number of Credits: 200
Account Type: Personal Checking                    Total Purchase (in USD): 312.0
Routing Number: 042000424                            Company Name: MRR Inc
Account Number: 1111                                      Company ID: 3244
Check Number: 1111                    Facility ID (only if complying on a Refiner by Refiner basis):

**Email Confirmation Receipt**

To have a confirmation sent to you upon completion of this transaction, provide an email address and confirmation below.

Email Address: [                                    ]
Confirm Email Address: [                            ]

CC: [                                               ]   Separate multiple email addresses with a comma

**Authorization and Disclosure**

**Required fields are indicated with a red asterisk** *

I agree to the authorization and disclosure language  ☐ *

```
Authorization and Disclosure--Consumers and Businesses

The debit transaction(s) to which you are agreeing are handled on behalf of Federal
agencies by "Pay.gov," which consists of services offered by the U.S. Treasury
Department's Financial Management Service. As used in this document, "we" or "us"
refers to the Financial Management Service and its agents and contractors operating
Pay.gov. "You" refers to the end-user reading this document and agreeing to it prior
to engaging in a debit transaction.

I. Consumers

A. Authorization

You acknowledge that you have read and understand the consumer disclosure language and
authorize the Federal Reserve financial institution of Cleveland to debit the named
financial institution account. This authorization is to remain in full force and
effect until we have received notification of its termination in such time and in such
manner as to afford Pay.gov a reasonable opportunity to act on it, or unless otherwise
terminated for any reason by Pay.gov.

B. Disclosure
```

View Authorization and Disclosure in a separate window.

Press the "Submit Payment" Button only once. Pressing the button more than once could result in multiple transactions.

[ Submit Payment ]  [ Cancel ]

**Note:** Please avoid navigating the site using your browser's Back Button - this may lead to incomplete data being transmitted and pages being loaded incorrectly. Please use the links provided whenever possible.

- If all the information is correct, the user must read accept the Authorization and Disclosure statement by clicking on the check box.  Then the user may click "Submit Payment".

- Once the submission has been accepted, the **Credit Purchase History Detail** page will be displayed.  At the top of this page, it will indicate that the submission was a success:



Congratulations! You have successfully submitted your payment to purchase cellulosic biofuel waiver credits.

If you have any general or technical questions related to the Central Data Exchange (CDX) you may contact any of the following:

- Telephone – Person-to-person telephone support is available from the CDX Help Desk 8:00 am – 6:00 pm EST. Call our toll-free line at 888-890-1995.

- Email - Send e-mail to Technical Support at helpdesk@epacdx.net with "Technical Support" in the Subject line.

- Fax- Assistance requests are accepted 24 hours a day at 703-227-4199. Support personnel will respond to faxed requests Monday through Friday from 8:00 am to 6:00 pm EST.

## 5.2 Electronic Payments via Fedwire

Be sure to include your company name, company id and reference "EPA Cellulosic Biofuel Waiver Credits" on the funds transfer.

Receiving Financial Institution = TREAS NYC
Receiving FI ABA (routing #) = 021030004
Beneficiary Account = 68011233
Beneficiary Name = EPA

On the RFS0301 Report, [Field No. 30] = Fedwire


## 5.3 Mail Payment

Parties must submit the RFS2 Cellulosic Biofuel Waiver Credit Form along with their paper checks. This form can be found on the RFS Reporting Forms webpage
http://www.epa.gov/otaq/regs/fuels/rfsforms.htm

In addition to the form mentioned above, paper checks must have the following information:

- Pay to the order of: U.S. EPA
- Memo: RFS2 – CB

**Address for check payments:**
US Environmental Protection Agency
Las Vegas Finance Center
PO Box 979087
St. Louis, MO 63197-9000

On the RFS0301 Report, [Field No. 30] = Mail

*Additional Notes:*
- Renewable Fuel Exporters and other non-obligated parties may not purchase EPA cellulosic biofuel waiver credits
- Pursuant to 80.1456(b)(2), EPA cellulosic biofuel waiver credits are **nonrefundable**.
- Pursuant to 80.1456(b)(3), EPA cellulosic biofuel waiver credits are **nontransferable**.
- Pursuant to 80.1456(b)(4), EPA cellulosic biofuel waiver credits may only be used for an obligated party's current year cellulosic biofuel RVO and not towards any prior year deficit cellulosic biofuel volume obligations.