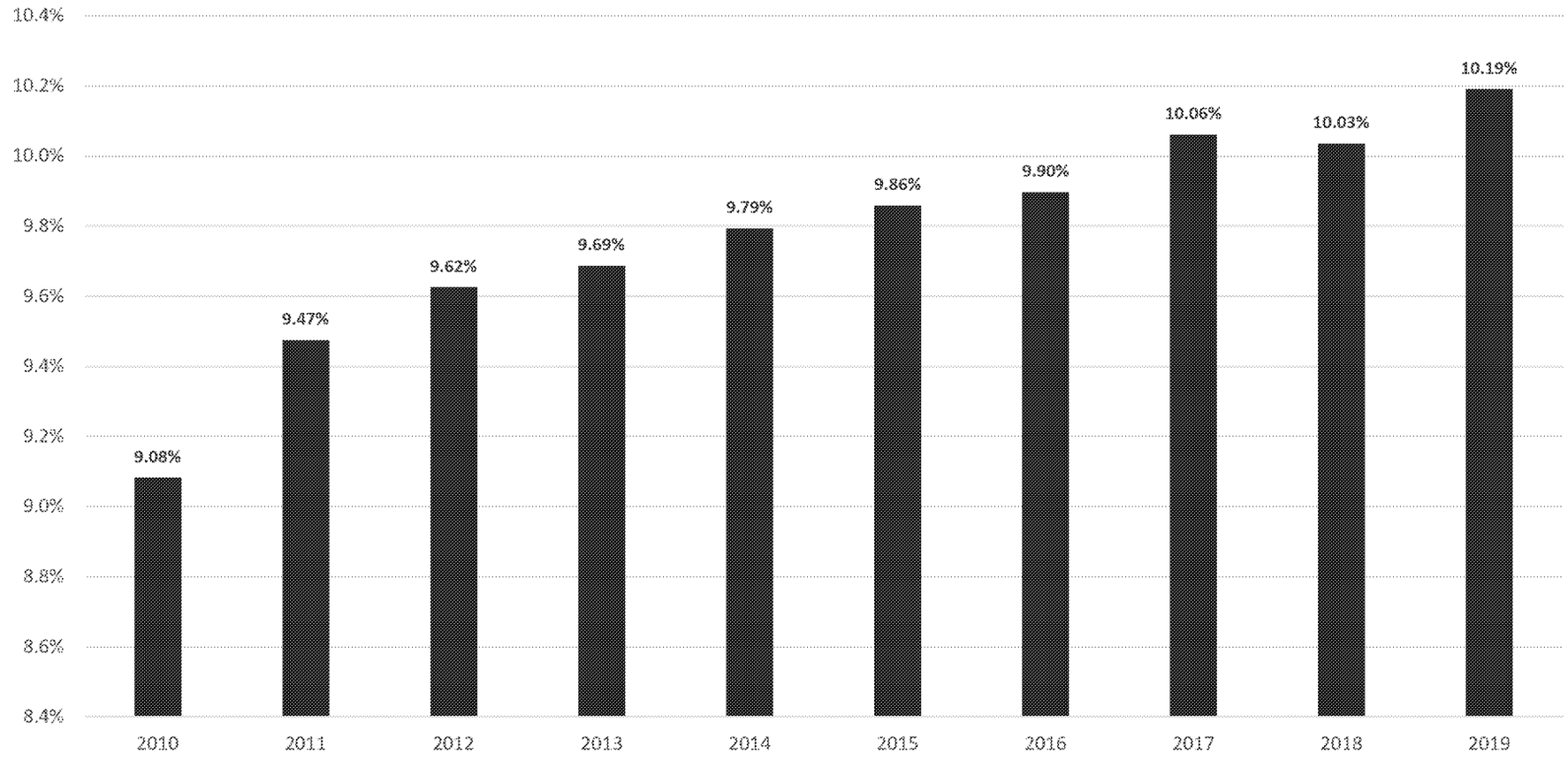
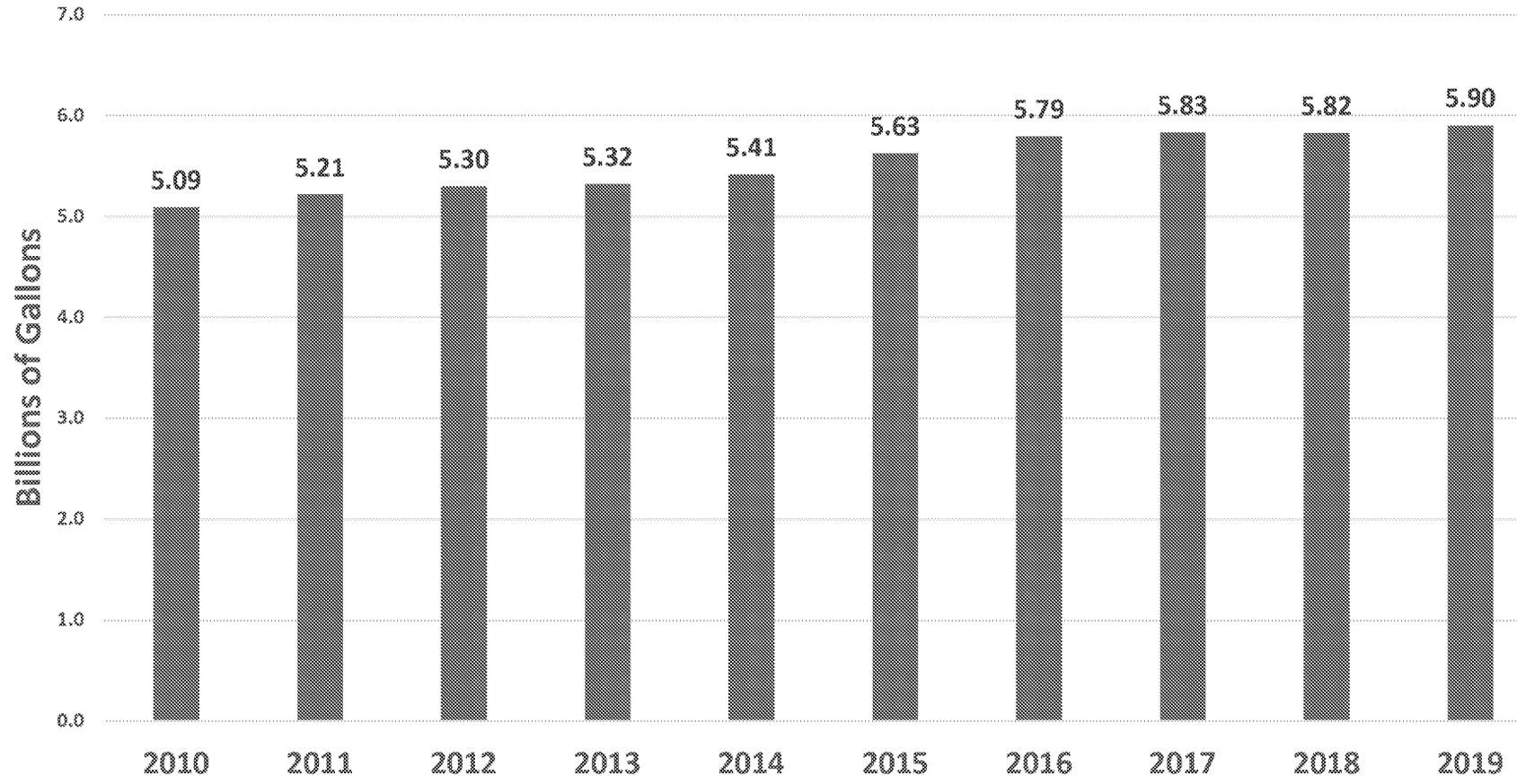
U.S. Ethanol Blend Rate
January through May



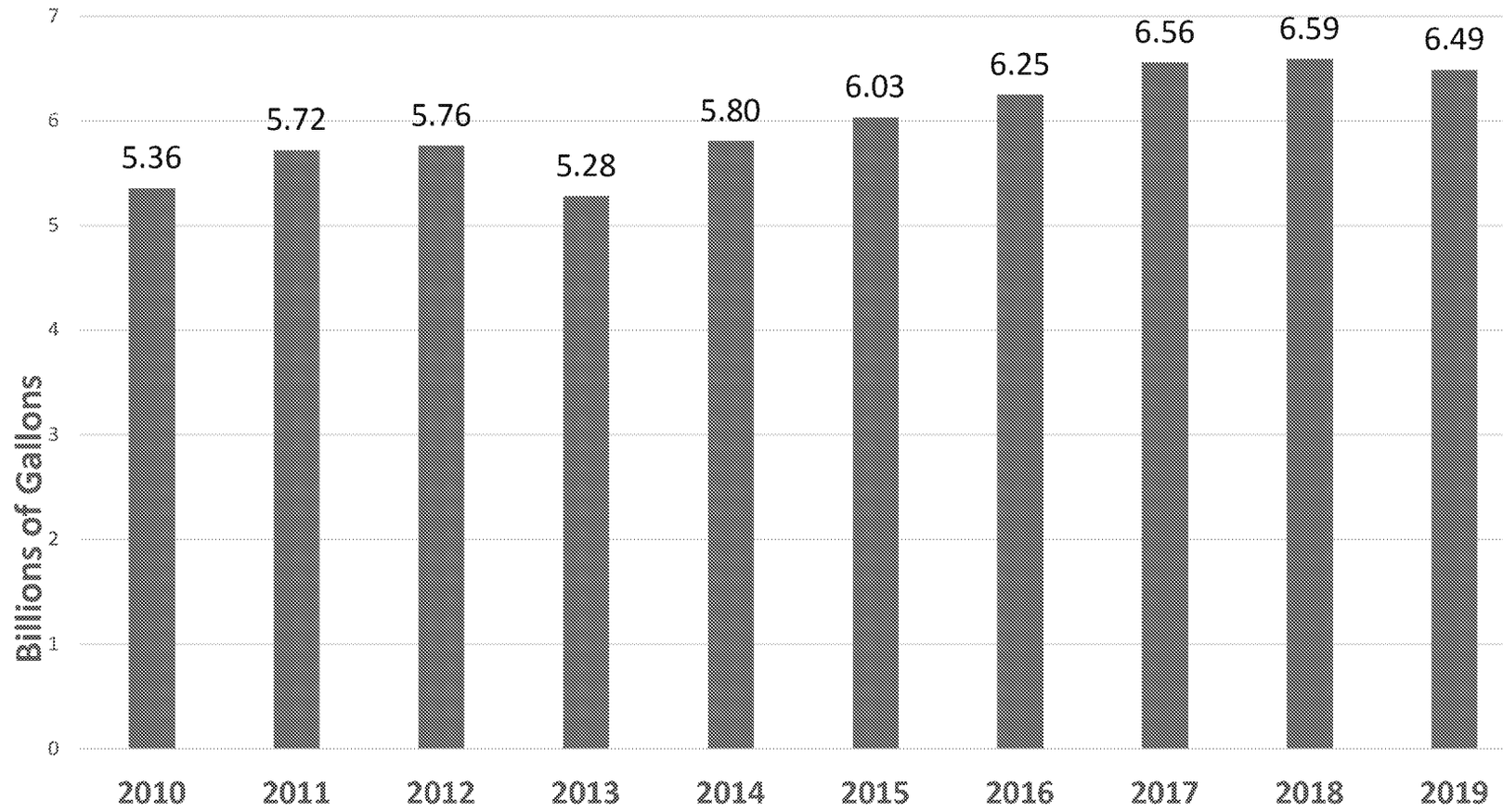
Sources: EIA, Argus Media

U.S. Ethanol Consumption
January through May
Cumulative



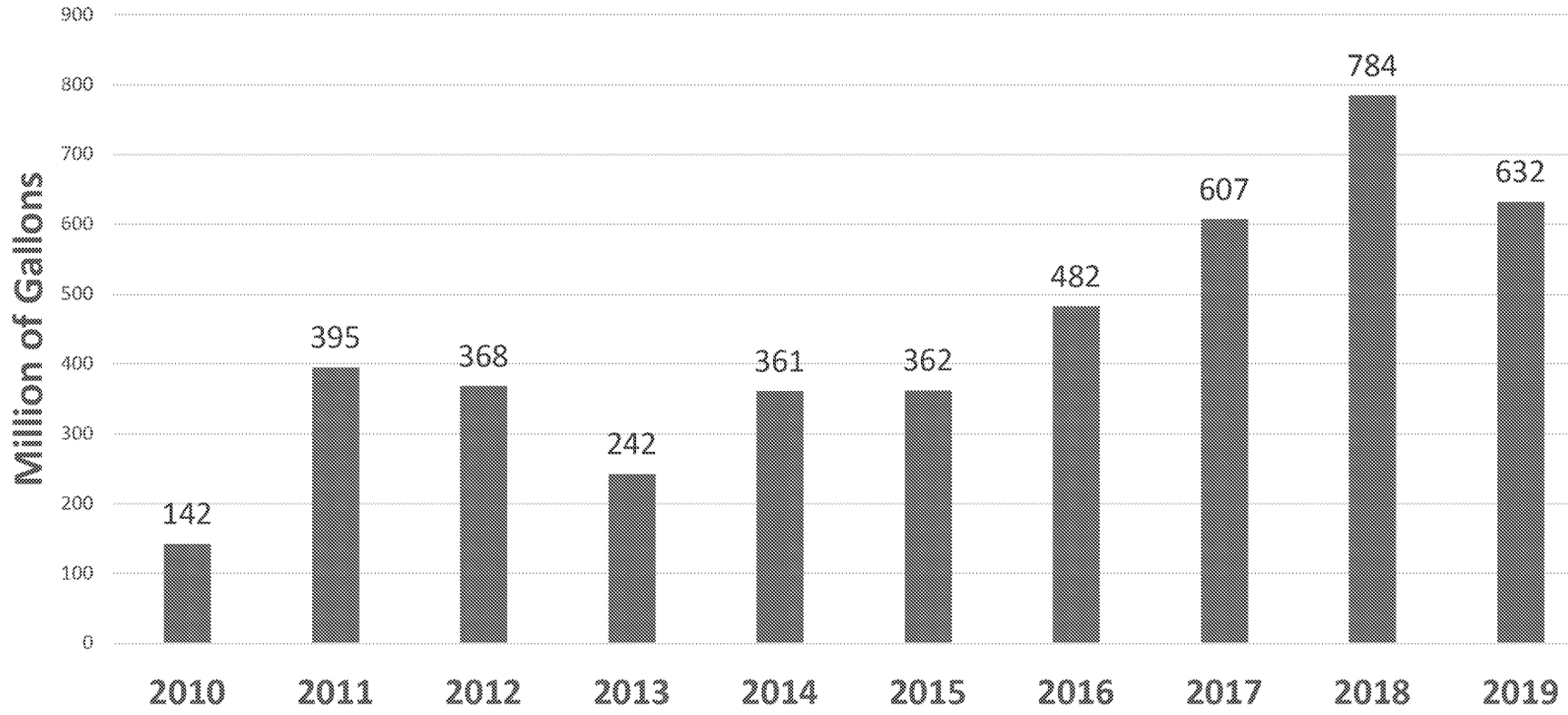
Sources: EIA, Argus Media

U.S. Ethanol Production January through May (Cumulative)



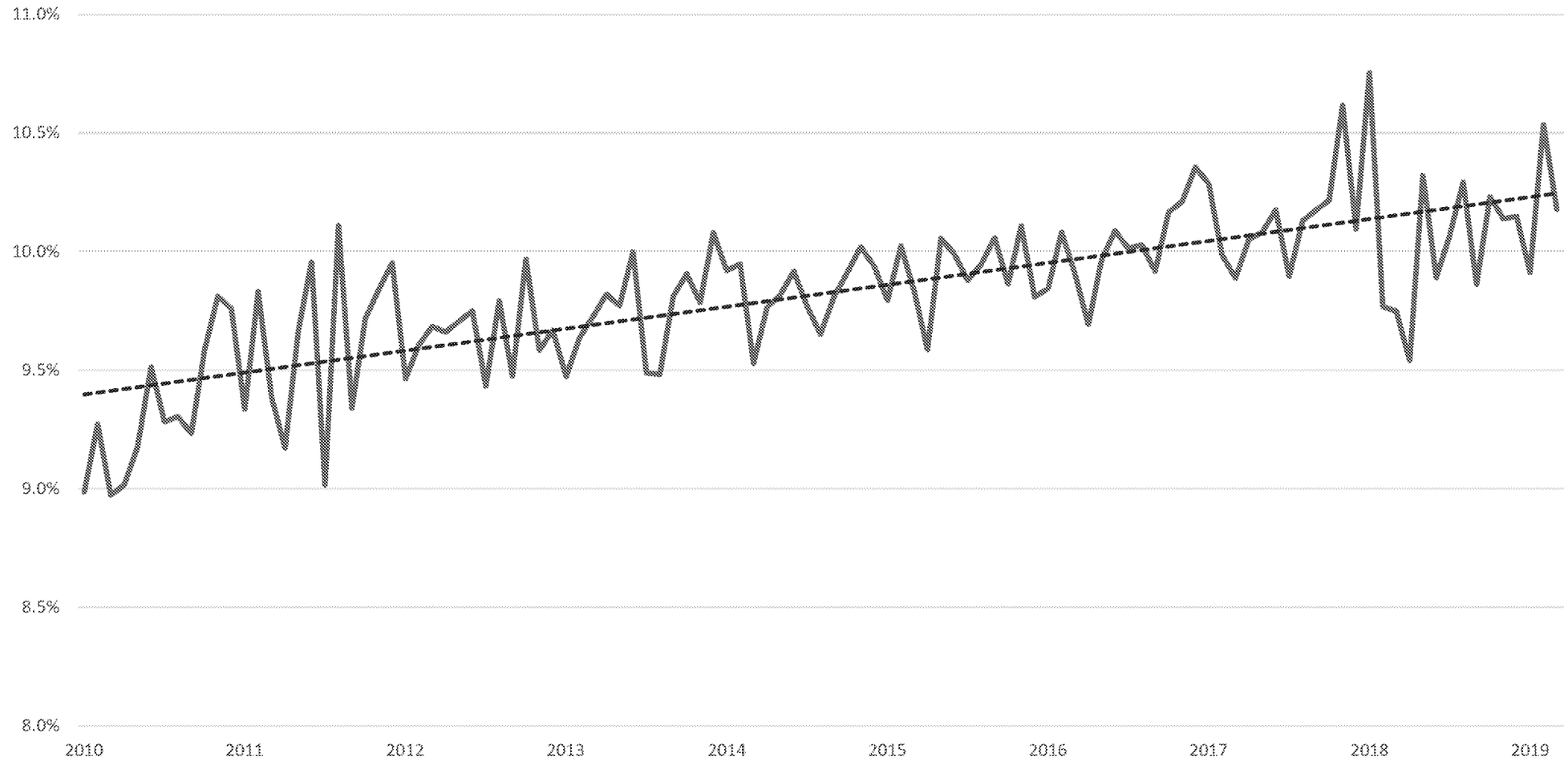
Sources: EIA, Argus Media

U.S. Ethanol Exports January through May (Cumulative)



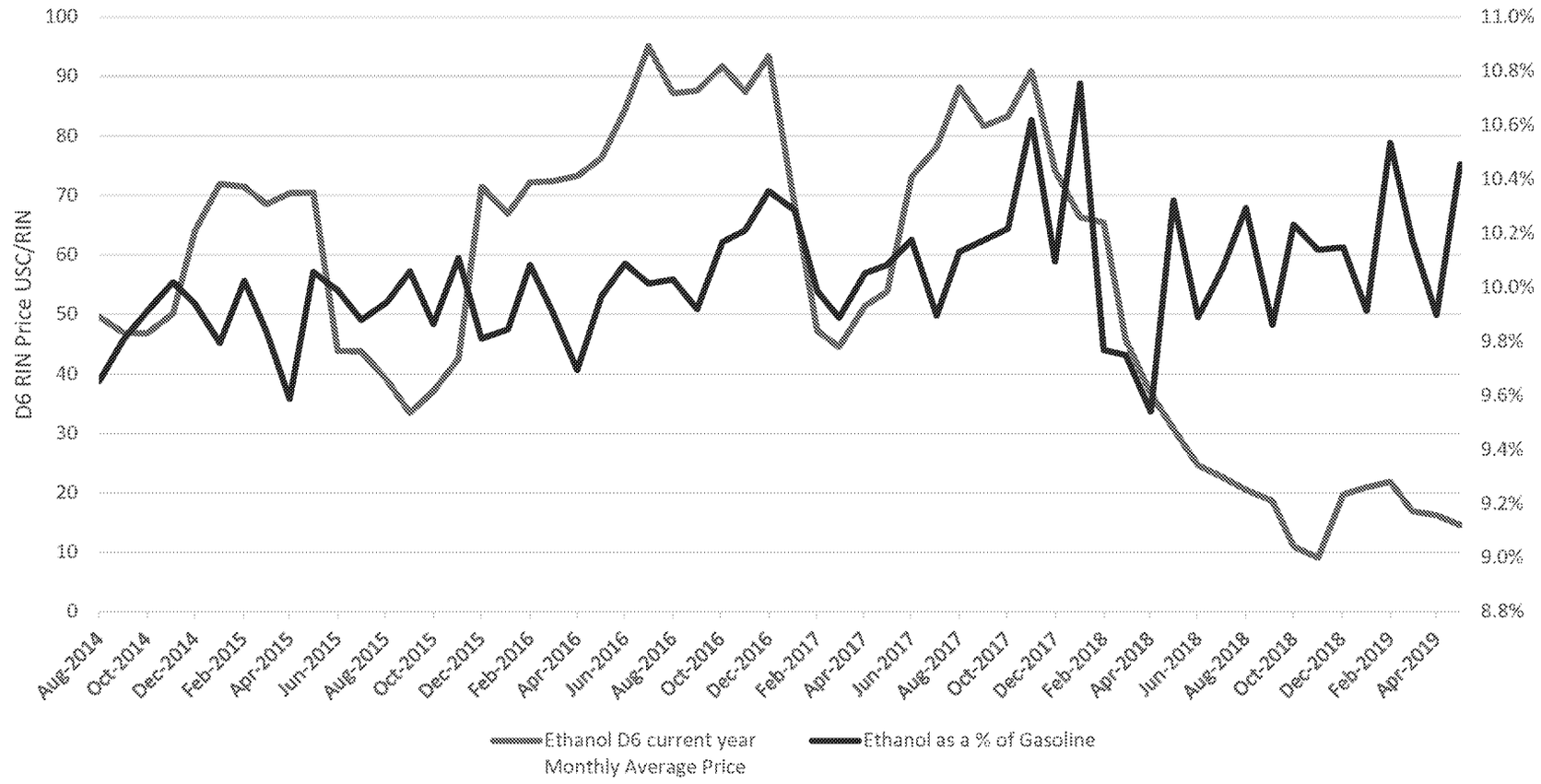
Sources: EIA, Argus Media

Ethanol Blend Rate



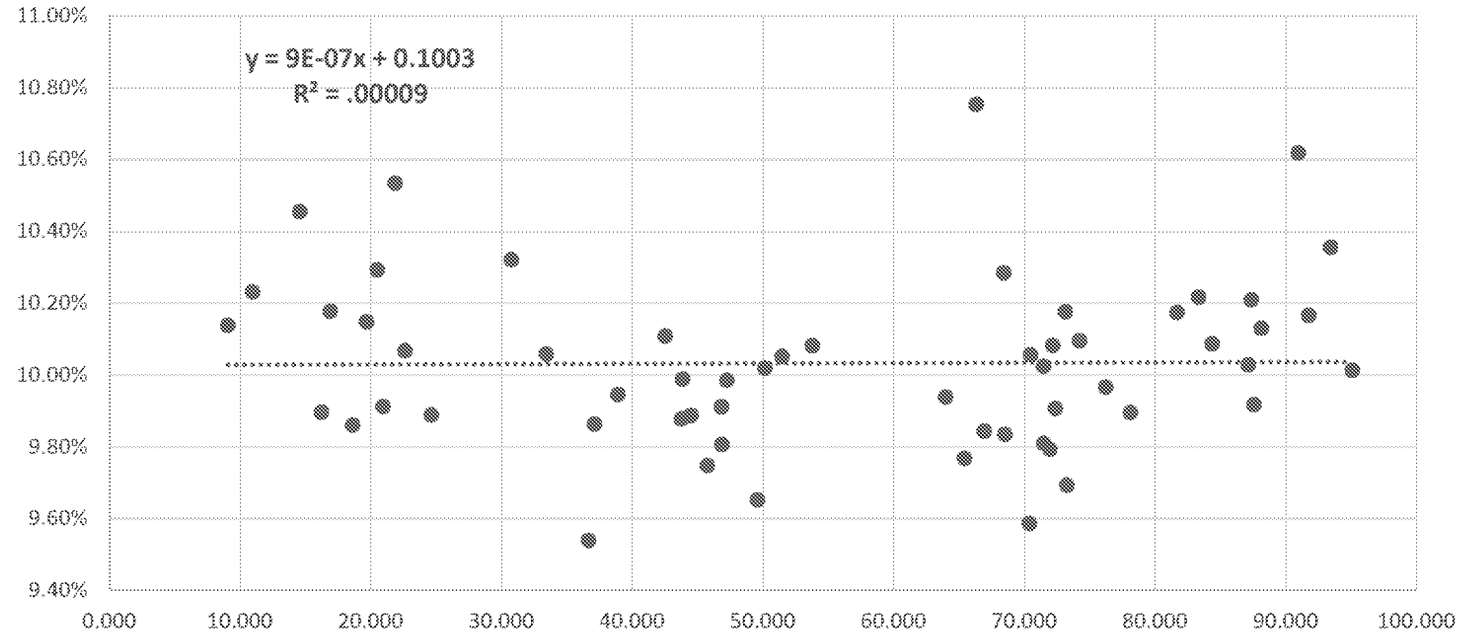
Sources: EIA, Argus Media

Current Year D6 RIN Price & Ethanol Blend Rate



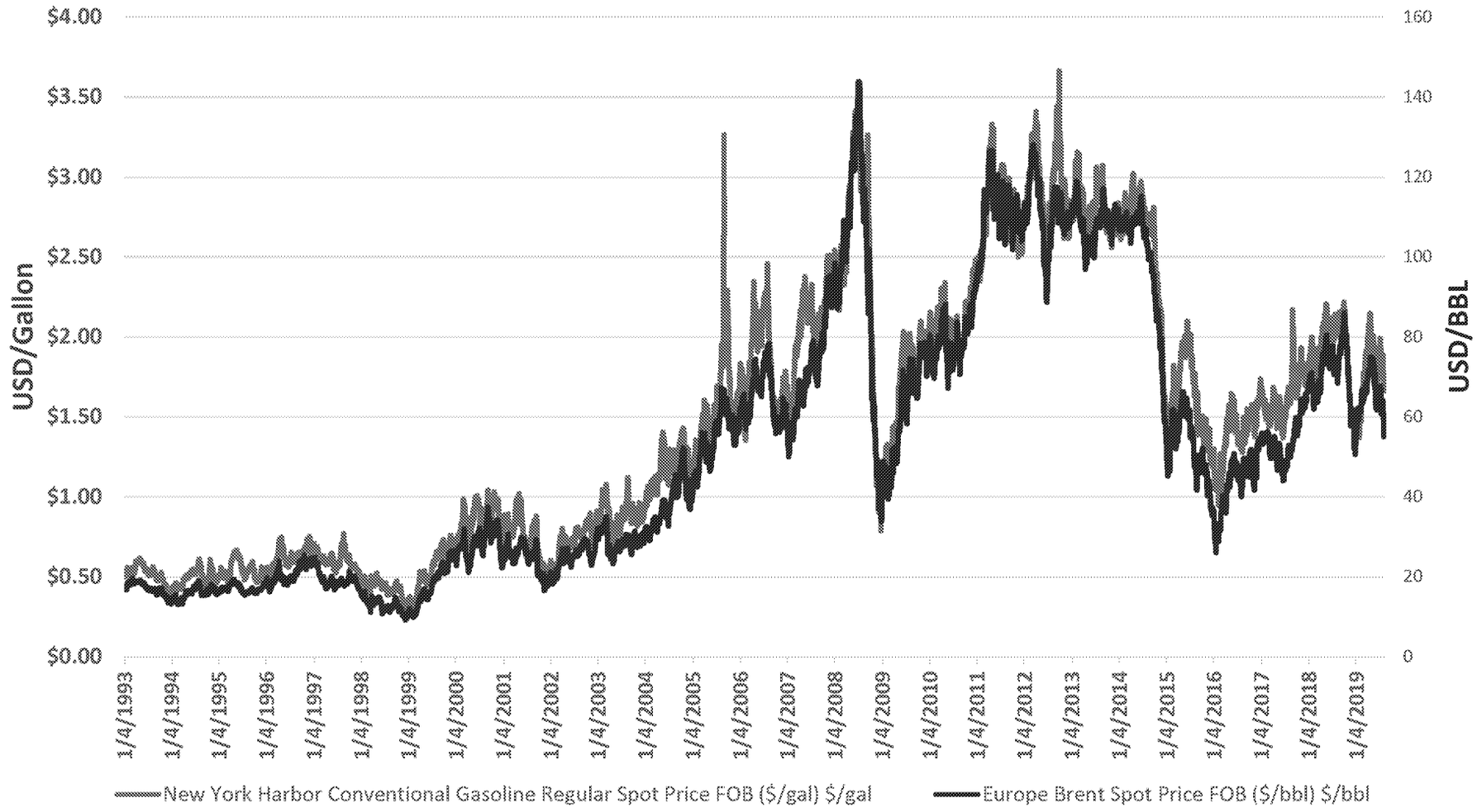
Sources: EIA, Argus Media

Scatter Plot – Does not Suggest Correlation Current Year D6 RIN Price vs Ethanol Blend Rate



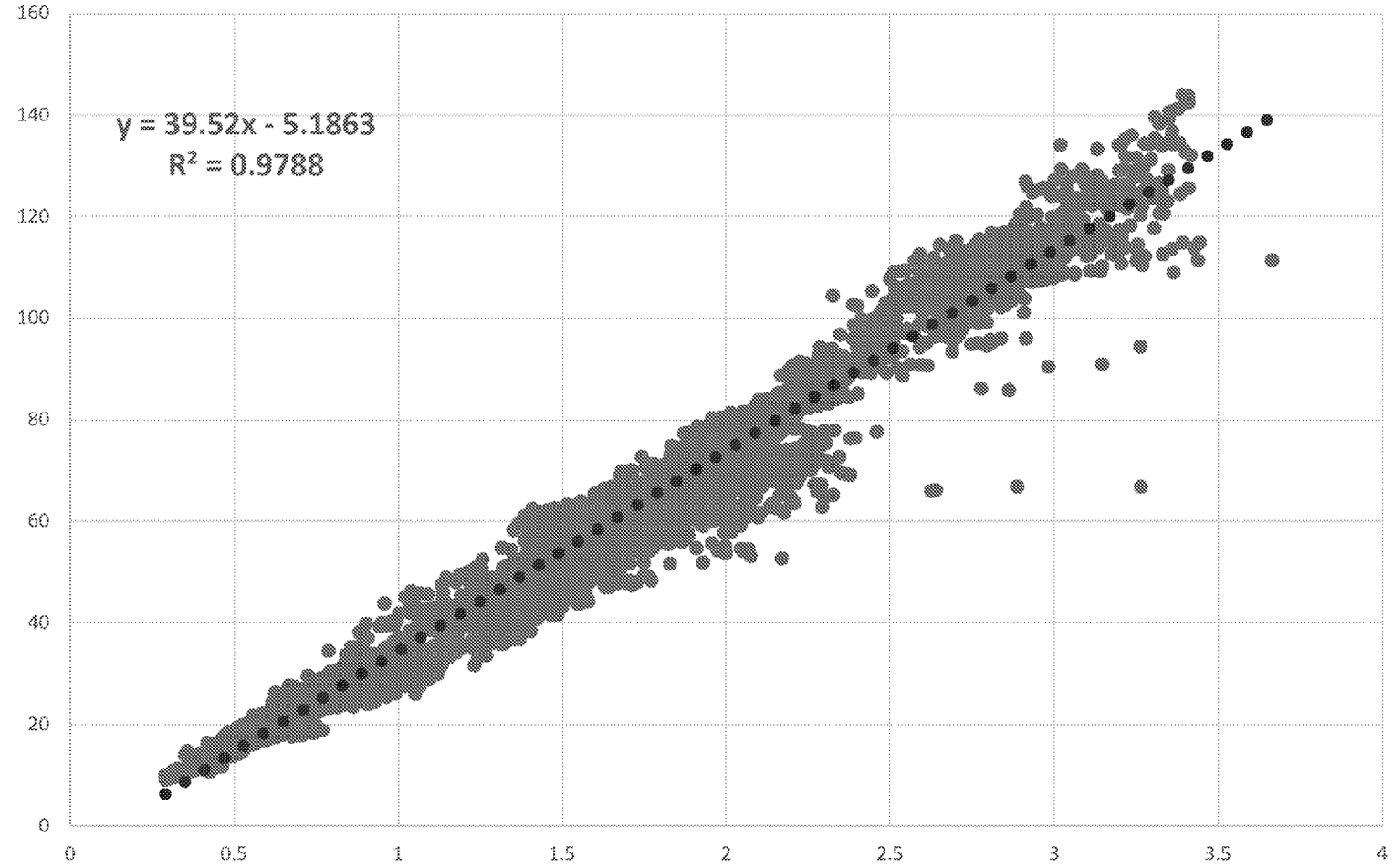
Sources: EIA, Argus Media

Spot Brent Crude Oil vs. NYH Conventional Gasoline (CBOB)



Sources: EIA, Argus Media

Scatter Plot – Suggesting High Correlation
Spot Brent Crude Oil vs. NYH Conventional Gasoline (CBOB)



Sources: EIA, Argus Media

Regression Analysis

SUMMARY OUTPUT: Ethanol Blend Rate a function of D6 RIN Price

Regression Statistics	
Multiple R	0.00925646
R Squared	0.00008568
Adjusted R Square	-0.017769931
Standard Error	0.00238313
Observations	58

R Squared suggests no correlation between Ethanol Blend Rate and D6 RIN Price

ANOVA

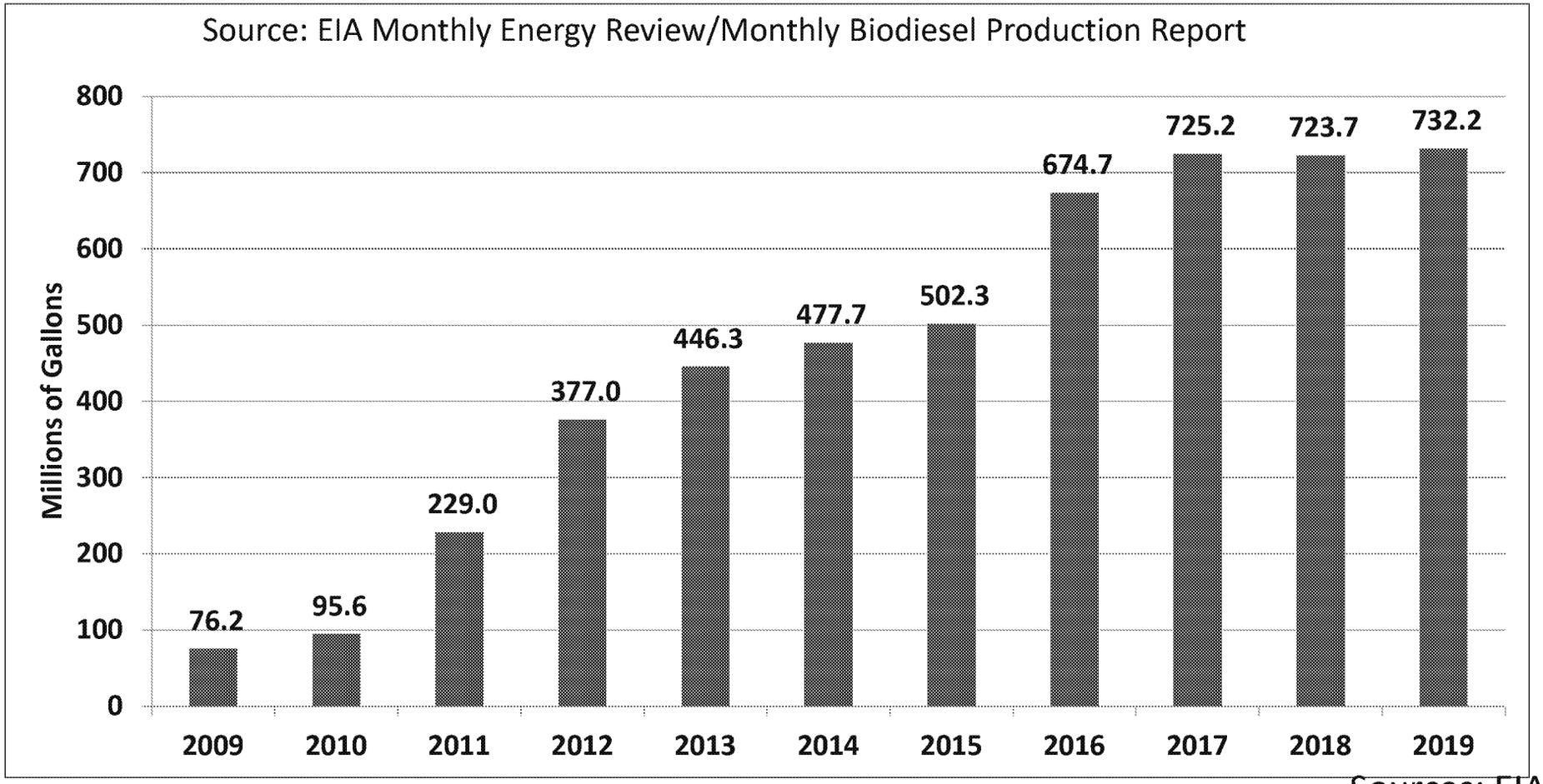
	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	2.72528E-08	2.72528E-08	0.004798606	0.945019906
Residual	56	0.000318041	5.67931E-06		
Total	57	0.000318069			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	0.100278688	0.000756527	132.5513963	1.21233E-71	0.098763182	0.101794193	0.098763182	0.101794193
X Variable 1	8.63534E-07	1.24658E-05	0.069271971	0.945019906	-2.41086E-05	2.58356E-05	-2.41086E-05	2.58356E-05

R-squared (R2) is a statistical measure that represents the proportion of the variance for a dependent variable that is explained by an independent variable or variables in a regression model.

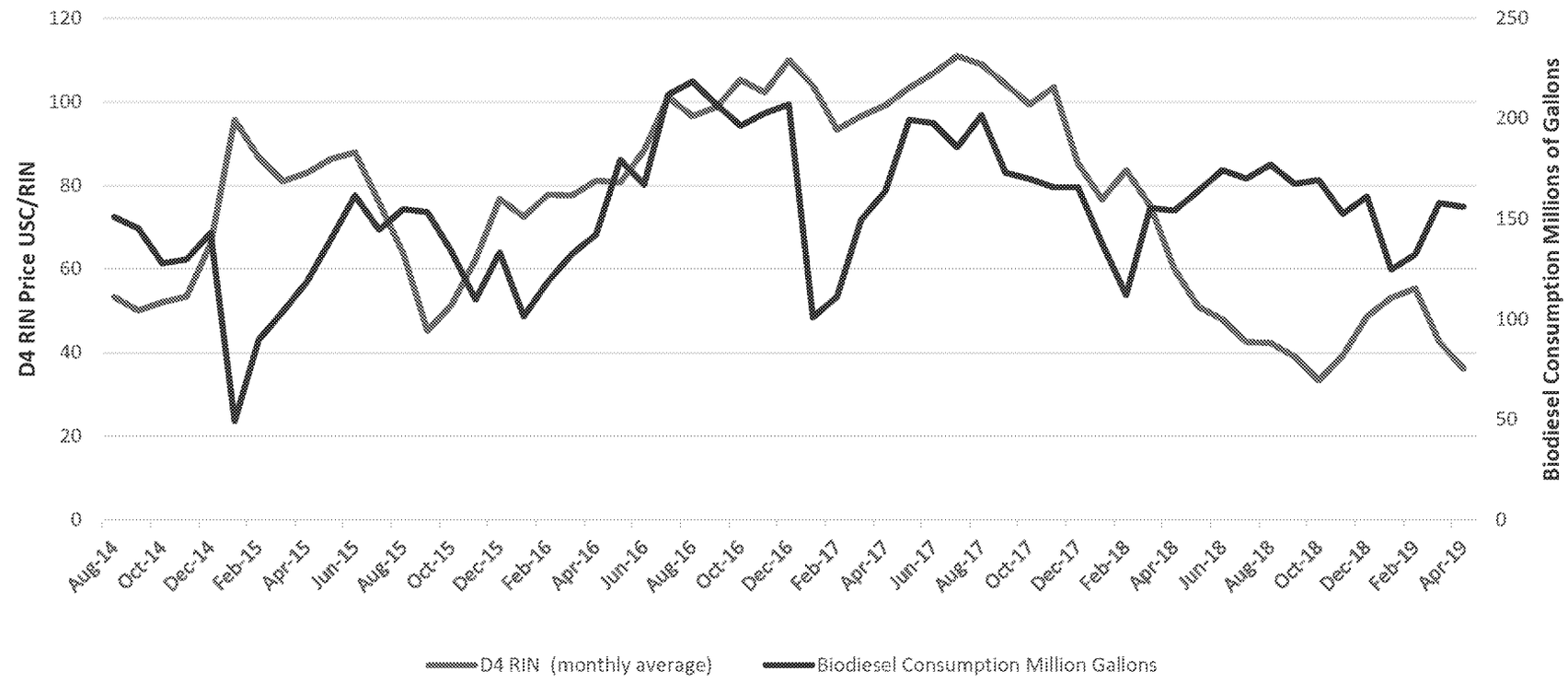
Sources: EIA, Argus Media

U.S. Biodiesel Consumption
January through May (cumulative)



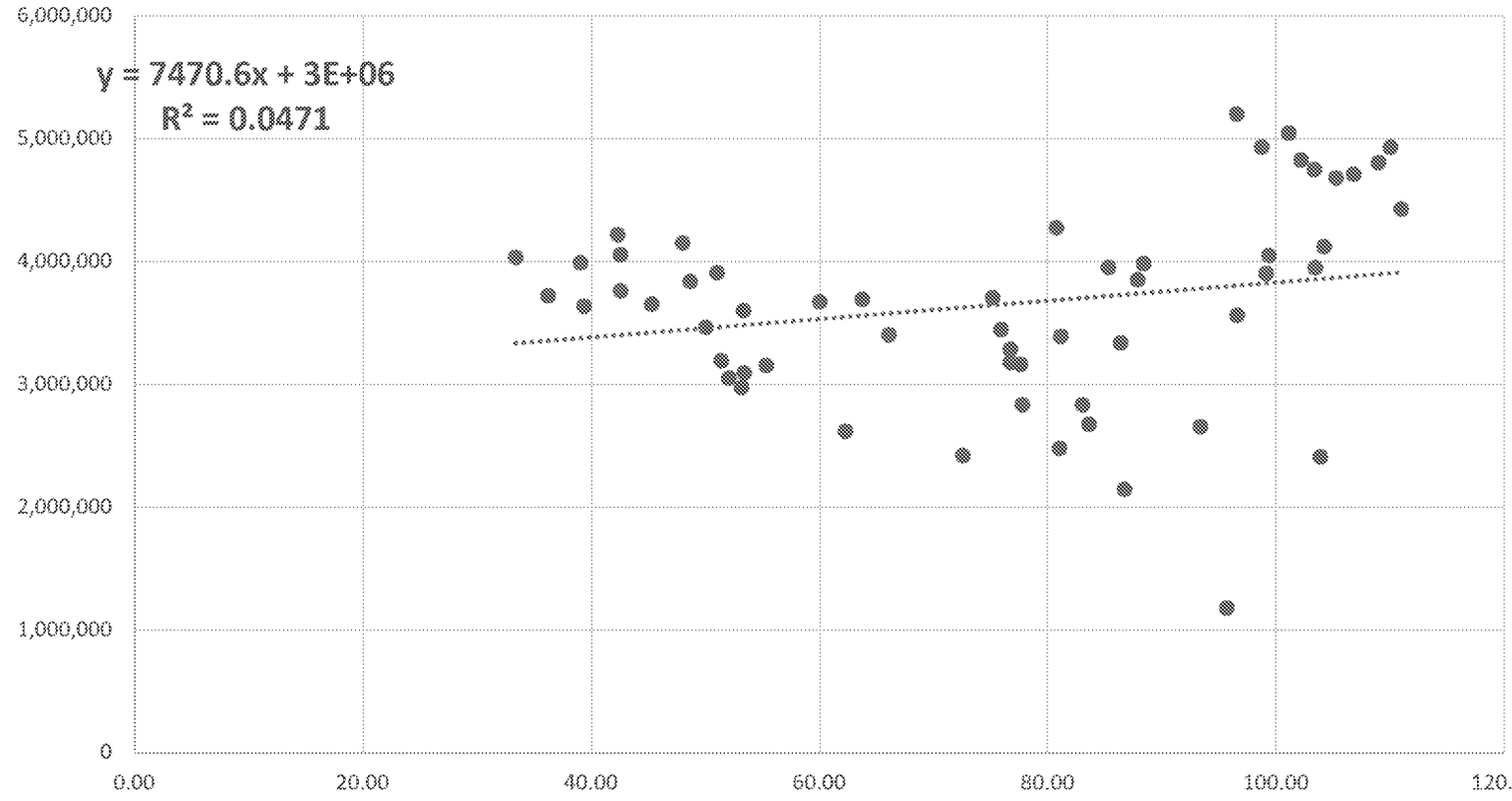
Sources: EIA, Argus Media

Monthly U.S. Biodiesel Consumption Vs Monthly D4 RIN Price



Sources: EIA, Argus Media

Biodiesel Consumption & D4 RIN Price



Sources: EIA, Argus Media

Regression Analysis
Biodiesel Consumption & D4 RIN Price

SUMMARY OUTPUT X=RIN Price Y = B100 Consumption

Regression Statistics	
Multiple R	0.217842333
R Squared	0.047455282
Adjusted R Square	0.029815565
Standard Error	23.07053805
Observations	56

R Squared suggests very minimal correlation between Biodiesel Consumption and D4 RIN Price

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	1431.88583	1431.88583	2.690251888	0.106776969
Residual	54	28741.4852	532.2497259		
Total	55	30173.37103			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	53.06561583	14.29768255	3.711483707	0.000488655	24.40048822	81.73074345	24.40048822	81.73074345
3596994	6.27871E-06	3.82802E-06	1.640198734	0.106776969	-1.396E-06	1.39534E-05	-1.396E-06	1.39534E-05

SUMMARY OUTPU X=Price Y=Production

Regression Statistics	
Multiple R	0.261739884
R Square	0.068507767
Adjusted R Square	0.051571544
Standard Error	23.26536562
Observations	57

ANOVA

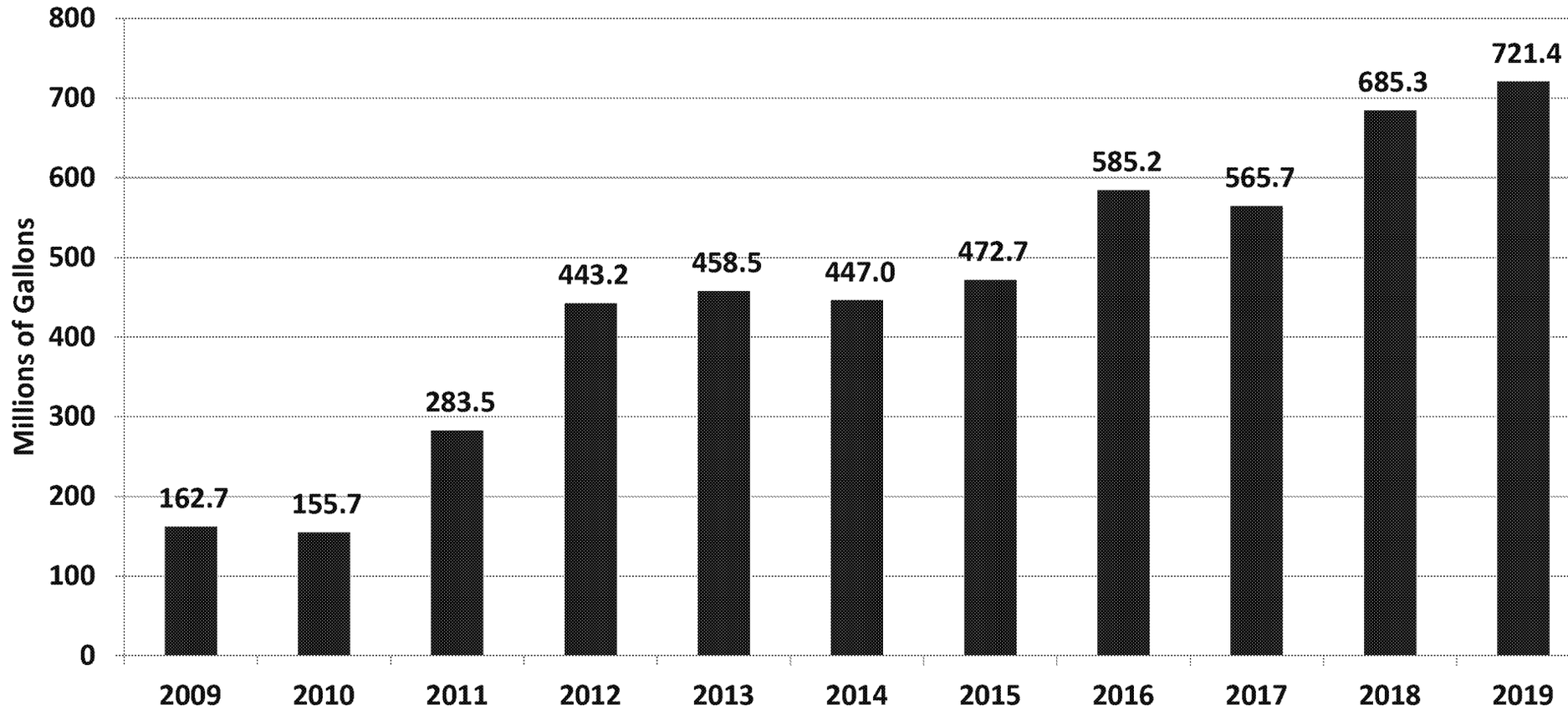
	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	2189.490307	2189.490307	4.04504412	0.049212282
Residual	55	29770.24806	541.2772374		
Total	56	31959.73836			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	110.9904683	18.05187563	6.148417514	9.25425E-08	74.81370112	147.1672355	74.81370112	147.1672355
2952380.952	-1.14479E-05	5.692E-06	-2.011229505	0.049212282	-2.28549E-05	-4.08954E-08	-2.28549E-05	-4.08954E-08

Sources: EIA, Argus Media

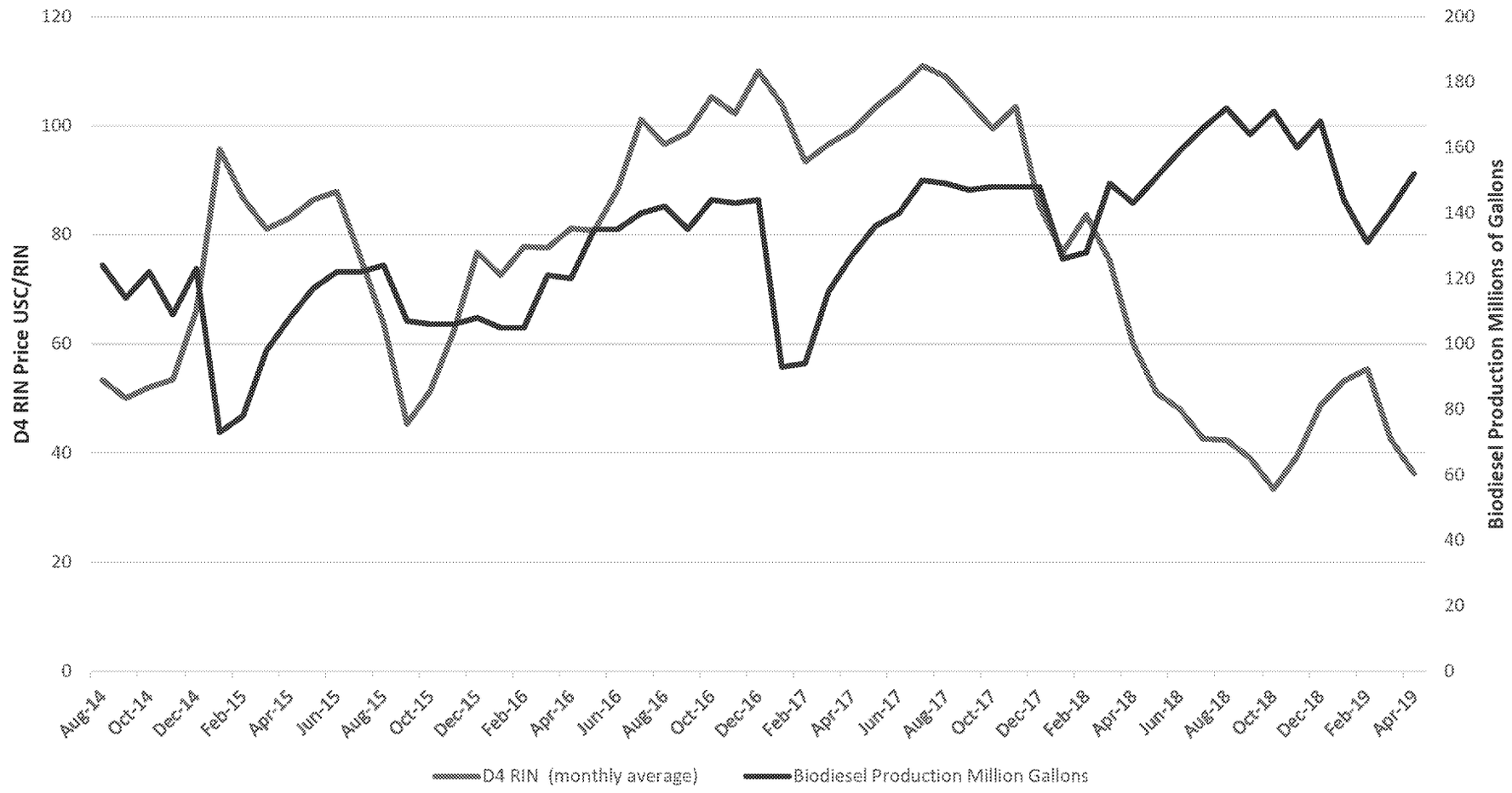
U.S. Biodiesel Production
January through May (cumulative)

Source: EIA Monthly Energy Review/Monthly Biodiesel Production Report



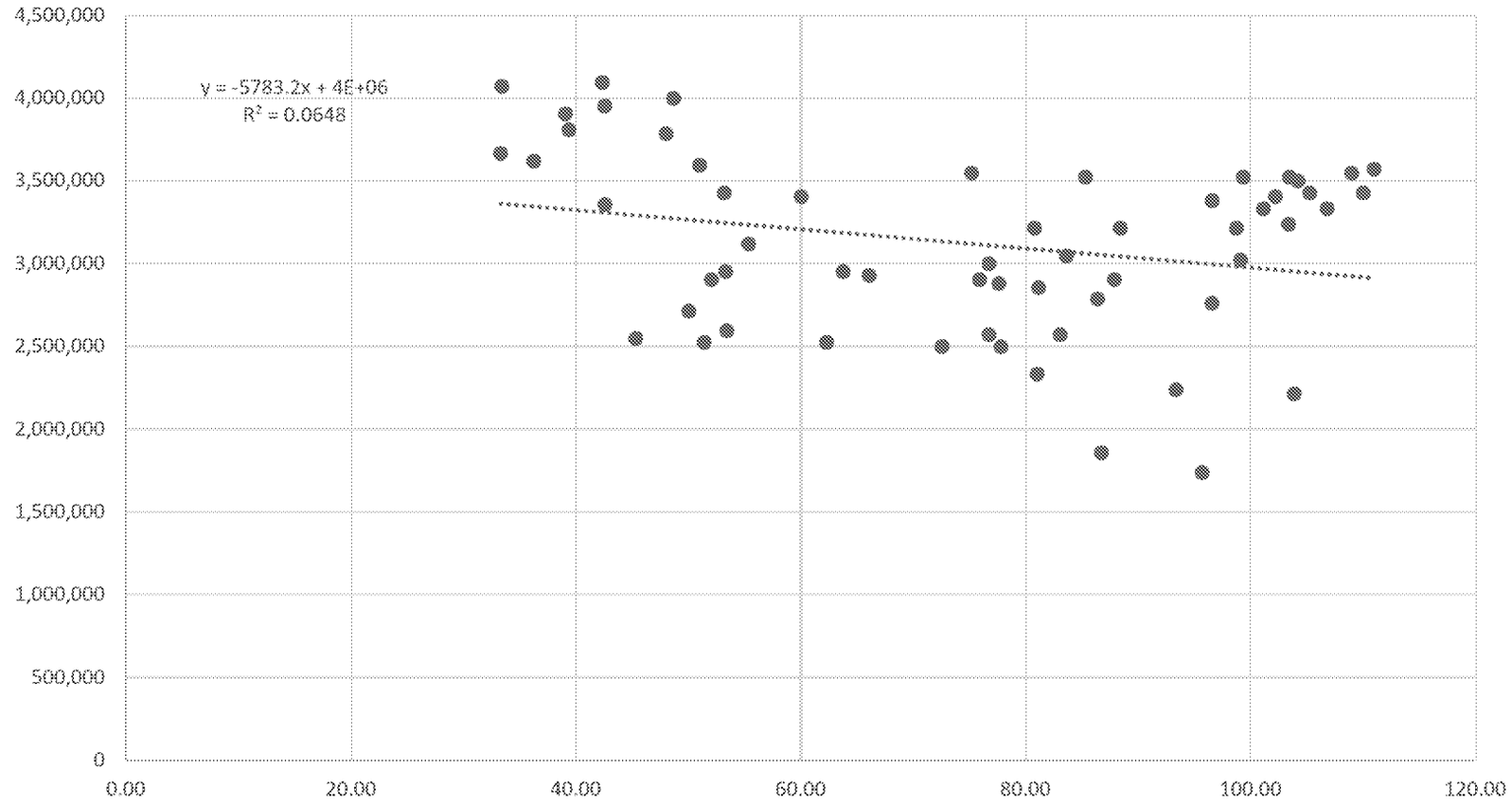
Sources: EIA, Argus Media

Monthly U.S. Biodiesel Production Vs Monthly D4 RIN Price



Sources: EIA, Argus Media

Linear Regression
Biodiesel Production & D4 RIN Price



Sources: EIA, Argus Media

Regression Analysis
Biodiesel Consumption & D4 RIN Price

SUMMARY OUTPUT **X=Price Y=Production**

Regression Statistics	
Multiple R	0.261739884
R Square	0.068507767
Adjusted R Sq	0.051571544
Standard Erro	23.26536562
Observations	57

R Squared suggests very minimal correlation between Biodiesel Consumption and D4 RIN Price

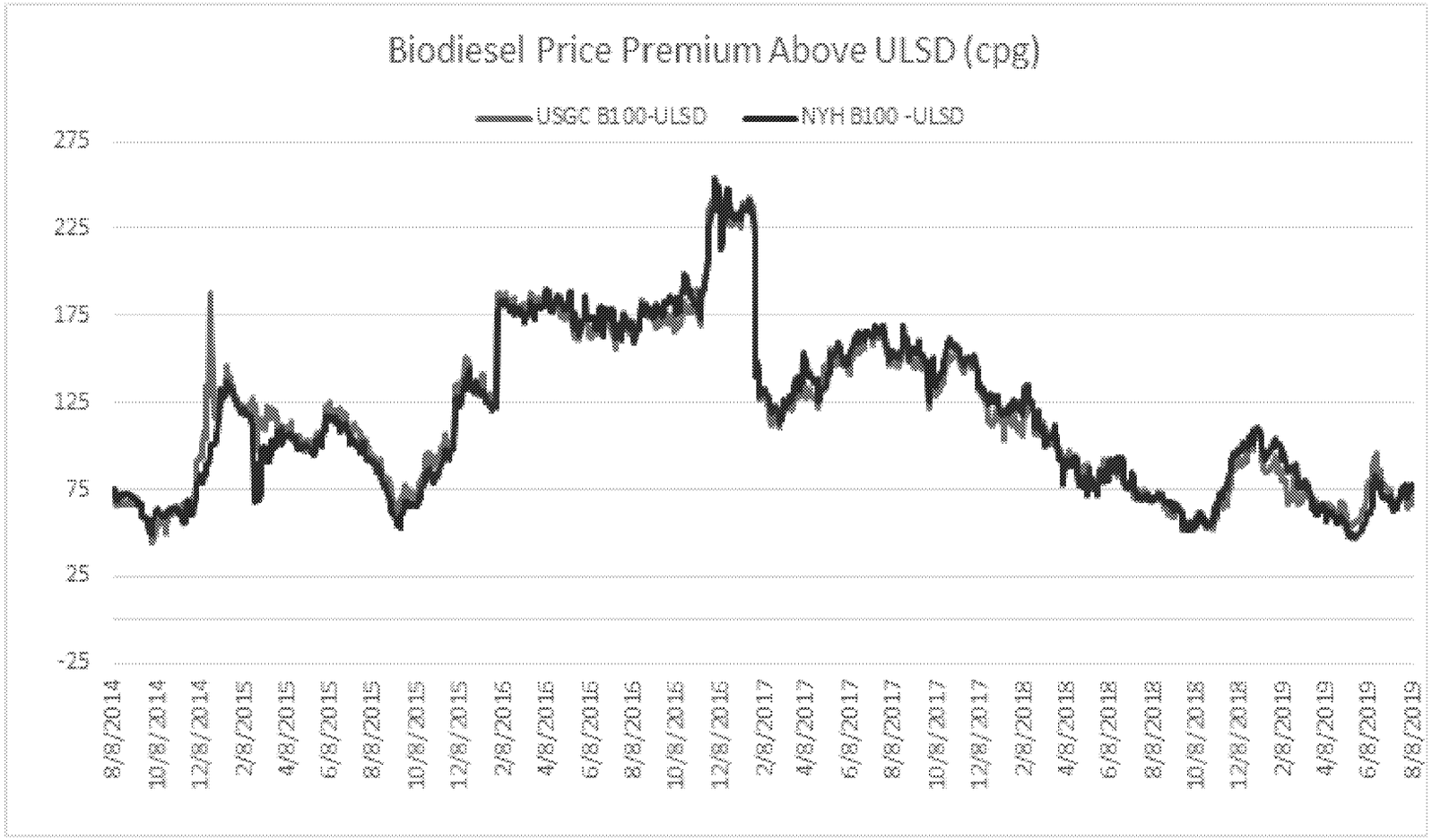
ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	2189.49031	2189.49031	4.04504412	0.049212282
Residual	55	29770.2481	541.277237		
Total	56	31959.7384			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	110.9904683	18.0518756	6.14841751	9.2542E-08	74.81370112	147.1672355	74.81370112	147.1672355
2952380.95	-1.14479E-05	5.692E-06	-2.0112295	0.04921228	-2.28549E-05	-4.08954E-08	-2.28549E-05	-4.08954E-08

Sources: EIA, Argus Media

Biodiesel is an expensive alternative to petroleum diesel



Sources: EIA, Argus Media