From: Sandra Dunphy
To: Larson, Ben
Cc: Rivers, Tahani
Subject: Re: Invalid RIN replacement instructions
Date: Tuesday, August 25, 2015 8:05:29 AM

Calumet Superior.

Sent from my iPhone

On Aug 25, 2015, at 4:48 AM, Larson, Ben <Larson.Ben@epa.gov> wrote:

Sandra,

Good morning, I apologize for the delayed response. Unfortunately your emails are automatically going to my Junk Folder, again my apologies.

Thank you for the notification on the deficit carryover. Who is your client?

Thanks,

-Ben

From: Sandra Dunphy <sandra.dunphy@weaver.com>
Sent: Sunday, August 23, 2015 11:33 PM
To: Larson, Ben
Cc: Rivers, Tahani
Subject: FW: Invalid RIN replacement instructions

Hi Ben,

Any further word on this question? Please advise.

Thank you,
Sandra

From: Sandra Dunphy
Sent: Tuesday, August 18, 2015 12:27 PM

To: 'Larson, Ben'
Cc: Rivers, Tahani
Subject: RE: Invalid RIN replacement instructions

They have no 2013 RINs in inventory and would like to use 2014 RINs to replace the invalid 2011 RINs they used. They were notifying EPA per this line in the instructions you sent previously:

Please notify EPA at support@epamts-support.com if you will carry a deficit from 2013 into 2014.

If they use 2014 RINs to cover the shortfall, they will carry forward a deficit from 2013 to 2014.

Sandra

From: Larson, Ben [mailto:Larson.Ben@epa.gov]
Sent: Tuesday, August 18, 2015 12:24 PM
To: Sandra Dunphy
Cc: Rivers, Tahani
Subject: Re: Invalid RIN replacement instructions

Sandra,

Good afternoon, thank you for your email. Is the company you're representing trying to do something different than the steps outlined (annual compliance report resubmissions with deficit carryover) in the Jul 31 correspondence or the NOV?

Thanks,

-Ben

From: Sandra Dunphy <sandra.dunphy@weaver.com>
Sent: Wednesday, August 12, 2015 12:00 PM
To: Larson, Ben
Subject: FW: Invalid RIN replacement instructions

Hello Ben,

We have a client who no longer has any 2013 RINs in their inventory, but does have 2014 and 2015 RINs in inventory.

Would it be possible for them to use 2014 RINs to cover their deficit created by the invalidation of 2011 RINs?

This client used 200,000 invalid 2011 RINs.

If allowable, they could file an early 2014 RFS0303 which contained only the deficit carryover and show only the retirement of 200,000 2014 D4 RINs. Therefore when they did their actual 2014 report next year, it would start clean with just their 2014 actual RVO retirements.

Please let me know. I've also left you a voicemail message about this situation.

Thank you,

Sandra Dunphy

Sandra Dunphy
Weaver
Director
Energy Compliance Services

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From: Larson, Ben via RT [mailto:support@epamts-support.com]
Sent: Friday, July 31, 2015 4:25 PM
To:
Cc: dong.jaimee@epa.gov
Subject: RIN Replacement for RVO Compliance

Per the notice from EPA's Office of Enforcement and Compliance Assurance (OECA) sent via email on 7/29/2015, please follow these steps to meet your requirements under 40 C.F.R. 80.1431, which requires that you remove invalid RINs from your affected annual compliance reports and resubmit corrected reports.

RIN replacement for RVO compliance purposes in 2010, 2011, or 2012:
COMPANY must take the following steps to resubmit corrected reports and, as applicable, replace invalid RINs with valid RFS2 RINs with the same D Code as the invalid RINs. If invalid RINs have been used for the 2010 compliance year, then the 2010 Annual Compliance Report will need to be resubmitted to include a 2010 deficit carry-over into 2011. Similarly, if invalid RINs have been used for the 2011 compliance year, then the 2011 Annual Compliance report will need to be resubmitted to include a 2011 deficit carry-over into 2012. If necessary, Annual Compliance reports for the subsequent year(s) will need to be resubmitted to include deficits as well. The 2012 annual compliance reports may include the retirement of valid RFS 2012 RINs (Step 2 below) in order to prevent a deficit carry-over into the 2013 compliance year. If 2012 RINs are not available, the deficit carries over into 2013 and 2013 RINs may be used.

Note: If you plan to use 2013 RINs for replacement, you must still retire the 2013 RINs within the time stated in the notice from EPA. This deadline is separate from

the 2013 annual compliance deadline.

1) Prepare an Annual Compliance Report resubmission for any year where these RINs were retired in EMTS using any of the following codes:

80 – Demonstrate Annual Compliance
120 – Remedial Action – Retire for Compliance
130 – Remediation of Invalid RIN Use for Compliance

You must prepare an Annual Compliance Report resubmission by adjusting the applicable Annual Compliance Report and reducing the total amount of invalid RINs used for compliance from the appropriate field. You must make sure to specify that this is a report type (Field 2) of "R" indicating a resubmission along with the report resubmission date (Field 4). This will result in a deficit carryover, or increase an existing deficit carryover, into the subsequent compliance year.

2) RFS2 EMTS RINs Supplemental Retirement. Prepare and submit a retirement transaction, via an XML file or the EMTS web application, for RINs with the appropriate D code and an EMTS Retirement Code of 130 - Remediation of Invalid RIN Use for Compliance. Also, the retirement transaction must include "OECA NOV ID 8192" in the additional information field of the retirement transaction.

Note: The EMTS transaction(s) taken in step 2 will appear in your next quarterly EMTS Transaction Report. As with all RFS quarterly reports, the quarterly EMTS Transaction Report must be certified and submitted to EPA by the appropriate deadline. Please see 40 CFR 80.1451 for more information and the EMTS Quarterly Reports Presentation found at http://www.epa.gov/otaq/fuels/renewablefuels/emtshtml/emtsmeetings.htm .

3) Update the RFS0303: Annual Compliance Report based on the retirement transactions in step 2. Please update this report even if the total amount of RINs in this report is unchanged based on supplemental retirements. Please notify EPA at support@epamts-support.com if you will carry a deficit from 2013 into 2014. Pursuant to 40 C.F.R. 80.1427(b)(1)(ii) a party may not carry a deficit for two consecutive calendar years for the same RVO. As more fully set forth in the OECA email, the EPA intends to present an Administrative Settlement Agreement to you that will resolve all use and shortfall violations, but will not include additional penalties for shortfall violations.

4) Submit the completed resubmission of the Annual Compliance Report(s) via CDX/DCFuels. The quarterly EMTS Transaction Report must be certified and

submitted pursuant to 40 C.F.R. 80.1451.

If you would like a list of the affected batch numbers for your company, please reply to this email and we will send the encrypted files to you in a separate email. If you have any other questions, for the fastest response time, please also reply to this email at support@epamts-support.com.

Sincerely,
-Ben Larson
US EPA | OAR | OTAQ | Fuels Compliance

--- Sign up for Fuels Programs alerts through Enviroflash:
https://enviroflash.epa.gov/enviroflashOTAQPublic/Subscriber.do?method=start

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