

## MEMORANDUM

Date: November 8, 2024

Subject: Cellulosic Carryover RIN Calculation for Proposed Partial Waiver of 2024 Cellulosic Biofuel Volume Requirement

From: Nick Parsons, Office of Transportation and Air Quality, U.S. EPA

To: Docket No. EPA-HQ-OAR-2024-0411

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### I. Introduction

The purpose of this memorandum is to detail the calculations performed by EPA to estimate the number of 2023 cellulosic carryover RINs available to use for compliance in 2024.

### II. Number of Available Cellulosic Carryover RINs After Compliance With the 2023 Standards

In order to calculate the number of available 2023 cellulosic carryover RINs, we began with the 2023 compliance year data for cellulosic biofuel in Table II-1. From this data, we calculated that approximately 0.81 billion total cellulosic RINs were retired for compliance in the 2023 compliance year. Of this total, approximately 0.74 billion 2023 cellulosic RINs and 0.07 billion 2022 cellulosic carryover RINs were used.

**Table II-1: Cellulosic RINs Retired for Compliance in the 2023 Compliance Year<sup>a</sup>**

RIN Type	RIN Year		Total
	2022	2023	
D3	72,174,414	736,242,219	808,416,633
D7	236,352	208,643	444,995
<b>Total</b>	<b>72,410,766</b>	<b>736,450,862</b>	<b>808,861,628</b>

<sup>a</sup> Compliance data current as of October 10, 2024, and compiled from <https://www.epa.gov/fuels-registration-reporting-and-compliance-help/annual-compliance-data-obligated-parties-and>

<sup>a</sup> More detailed data on the RINs used to demonstrate compliance can be found in Table III-1.

Next, we calculated the net number of cellulosic RINs that were generated in 2023. To do this, we took the total number of cellulosic RINs generated in 2023 and then removed any RINs that were reported to have been generated in error, as well as any RINs that were retired for purposes other than satisfying an obligated party RVO (e.g., spills, remedial actions, enforcement obligations, etc.). Using the data in Table II-2, we calculated that a net of approximately 0.77 billion cellulosic RINs were generated in 2023.

**Table II-2: 2023 Net Cellulosic RINs Generated<sup>a</sup>**

<b>RIN Type</b>	<b>Total 2023 RINs Generated</b>	<b>RIN Errors<sup>b</sup></b>	<b>Other RIN Retirements<sup>c</sup></b>	<b>Net 2023 RINs Generated<sup>d</sup></b>
D3	774,735,157	1,587,010	6,538,749	766,609,398
D7	208,643	0	0	208,643
<b>Total</b>	<b>774,943,800</b>	<b>1,587,010</b>	<b>6,538,749</b>	<b>766,818,041</b>

<sup>a</sup> Data from September 2024 and compiled from [https://www.epa.gov/system/files/other-files/2024-10/availablerins\\_sep2024.csv](https://www.epa.gov/system/files/other-files/2024-10/availablerins_sep2024.csv) and [https://www.epa.gov/system/files/other-files/2024-10/retiretransaction\\_sep2024.csv](https://www.epa.gov/system/files/other-files/2024-10/retiretransaction_sep2024.csv).

<sup>b</sup> See Table III-2 for more detailed data.

<sup>c</sup> See Table III-3 for more detailed data.

<sup>d</sup> Net RINs Generated = Total RINs Generated – (RIN Errors + Other RIN Retirements).

To determine the total number of available 2023 cellulosic carryover RINs, we then subtracted the number of 2023 cellulosic RINs used for compliance with the 2023 cellulosic biofuel standard from the net number of 2023 cellulosic RINs generated. This calculation is provided in Table II-3 and shows that there are currently approximately 0.03 billion available 2023 cellulosic carryover RINs.

**Table II-3: Available 2023 Cellulosic Carryover RINs**

<b>RFS Standard</b>	<b>RIN Type</b>	<b>Net 2023 RINs Generated</b>	<b>2023 RINs Used for Compliance</b>	<b>Available 2023 Carryover RINs</b>
Cellulosic Biofuel	D3+D7	766,818,041	736,450,862	30,367,179

### III. 2023 Cellulosic RIN Retirement Data

**Table III-1: Cellulosic RINs Retired by Importers, Refiners, and Exporters in the 2023 Compliance Year<sup>a</sup>**

RIN Type	Year	Importers	Refiners	Exporters	Total
D3	2022	8,374,444	63,799,970	0	72,174,414
	2023	52,025,191	684,217,028	0	736,242,219
D7	2022	0	236,352	0	236,352
	2023	0	208,643	0	208,643
<b>Total</b>		60,399,635	748,461,993	0	808,861,628

<sup>a</sup> Compliance data current as of May 15, 2024, and compiled from Table 4 at <https://www.epa.gov/fuels-registration-reporting-and-compliance-help/annual-compliance-data-obligated-parties-and>

**Table III-2: 2023 Cellulosic RIN Errors<sup>a</sup>**

RIN Type	Import Volume Correction	Invalid RIN	Volume error correction	Total
<i>Retirement Code</i>	30	50	60	--
D3	0	1,587,010	0	1,587,010
D7	0	0	0	0
<b>Total</b>	0	1,587,010	0	1,587,010

<sup>a</sup> Data from September 2024 and compiled from [https://www.epa.gov/system/files/other-files/2024-10/retiretransaction\\_sep2024.csv](https://www.epa.gov/system/files/other-files/2024-10/retiretransaction_sep2024.csv).

**Table III-3: Other 2023 Cellulosic RIN Retirements<sup>a</sup>**

<b>RIN Type</b>	<b>Reported spill</b>	<b>Contaminated or spoiled fuel</b>	<b>Renewable fuel used in an ocean-going vessel</b>	<b>Enforcement Obligation</b>
<i>Retirement Code</i>	<i>10</i>	<i>20</i>	<i>40</i>	<i>70</i>
D3	0	0	0	219,156
D7	0	0	0	0
<b>Total</b>	0	0	0	219,156

<b>RIN Type</b>	<b>Renewable fuel used or designated to be used in any application that is not transportation fuel heating oil or jet fuel</b>	<b>Delayed RIN Retire per 80.1426(g)(3) only</b>	<b>Remedial action - Retirement pursuant to 80.1431(c)</b>	<b>Remedial Action - Retire for Compliance</b>
<i>Retirement Code</i>	<i>90</i>	<i>100</i>	<i>110</i>	<i>120</i>
D3	0	0	118,471	1,100
D7	0	0	0	0
<b>Total</b>	0	0	118,471	1,100

<b>RIN Type</b>	<b>Remediation of Invalid RIN Use for Compliance</b>	<b>2020 Small Refinery Alternative Compliance</b>	<b>Voluntary RIN Retirement</b>	<b>Feedstock using renewable fuel with RINs</b>	<b>Total</b>
<i>Retirement Code</i>	<i>130</i>	<i>150</i>	<i>160</i>	<i>170</i>	<i>--</i>
D3	0	6,200,022	0	0	6,538,749
D7	0	0	0	0	0
<b>Total</b>	0	6,200,022	0	0	6,538,749

<sup>a</sup> Data from September 2024 and compiled from [https://www.epa.gov/system/files/other-files/2024-10/retiretransaction\\_sep2024.csv](https://www.epa.gov/system/files/other-files/2024-10/retiretransaction_sep2024.csv).