

Anti-Subsidy Questionnaire (Importer)

Case AS0067: Hydrotreated vegetable oil (HVO) originating in the United States of America (US)

Period of Investigation (POI):	<input type="text" value="1 January 2024 to 31 December 2024"/>
Injury period:	<input type="text" value="1 January 2021 to 31 December 2024"/>
Deadline for response:	<input type="text" value="7 June 2025"/>
Contact details:	<input type="text" value="AS0067@traderemedies.gov.uk"/>
Completed on behalf of:	<input type="text" value="Valero Energy Ltd"/>

When you have completed this form, indicate the **confidentiality status** of this document by placing an X in the relevant box below:

- Confidential
 Non-Confidential – will be made publicly available

Your completed response must comprise this questionnaire and the corresponding annex. Please note that you will have to provide a **Confidential** and a **Non-Confidential** version of both the questionnaire and annex, as well as any additional documents you append. All documents should be uploaded to the Trade Remedies Service (www.trade-remedies.service.gov.uk) by **23 May 2025**.

Table of Contents

Introduction	3
About us, this case and this questionnaire	3
Instructions on completing this questionnaire	4
Preparing confidential and non-confidential copies.....	5
Providing information from subsidiaries or associated companies.....	6
What happens next.....	6
Verifying the information you supply	6
The scope of this investigation	8
The Goods	8
Like goods.....	9
Product Control Numbers.....	9
SECTION A: Company structure and operations	12
A1 Identity and contact details	12
A2 About your company.....	13
A3 Organisational structure.....	14
A4 Board members and principal shareholders	14
A6 Accounting practices.....	15
A7 Your company’s products	17
A8 Suppliers of the imported goods	19
SECTION B: Imports and forward orders	21
B1 Imports.....	21
B2 Imports reconciliation.....	21
B3 Details of import transactions	21
B4 Forward orders	22
SECTION C: Sales and selling expenses	23
C1 Sales of the goods concerned	23
C2 Sales reconciliation	23
C3 Sales of goods incorporating the goods concerned and/or like goods.....	23
C4 Sales transactions	23
SECTION D: Cause of injury	24
SECTION E: Economic Interest Test	25
E1 Background	25
E2 Your company.....	26
E3 Potential impacts of a measure.....	26
SECTION F: Checklist and appendices	31

Introduction

About us, this case and this questionnaire

The Trade Remedies Authority (TRA) investigates whether trade remedies are needed to prevent injury to UK industry. The TRA has been established to provide the UK with its own independent trade remedies system.

This case is investigating the allegation that HVO from the US are causing injury to producers in the UK because the goods have benefited from a subsidy from a foreign authority.

A subsidy exists if there is:

- a financial contribution by a foreign authority which confers a benefit on the recipient (usually an industry or business manufacturing goods); or
- a form of income or price support.

Not all subsidies are countervailable (meaning they can be offset through trade remedies). A subsidy is countervailable if it is specific to certain companies or industries and granted either directly or indirectly for the manufacture, production, export or transport of goods.

Why should I take part?

We are seeking your cooperation as a UK importer of the goods concerned to identify whether a countervailing duty may be required to counteract the effect of a subsidy.

The information your company provides will help us to reach a fair and proportionate decision.

How do I respond?

Detailed guidance on how to complete the questionnaire is provided in the [instructions](#) section below.

Please provide all the information requested by 23 May 2025. We may need to issue a deficiency notice if we determine that the information supplied in the questionnaire is incomplete or inadequate. We may also send a notice requesting clarification or supplementary information if necessary. Therefore, please provide as much detail as possible in your responses.

Where can I find more information?

Our [trade remedies guidance](#) provides general information about our investigations and processes we follow.

If you have any specific questions relating to the case, now or while you're completing the questionnaire, please contact the Case Team at AS0067@traderemedies.gov.uk.

You can also find out more about the regulatory basis of our investigations. The TRA investigates cases under the provisions of *Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (as Amended)* and under the *Taxation (Cross-border Trade) Act 2018*.

Instructions on completing this questionnaire

Preparing your response

This section sets out guidance on how to complete this questionnaire.

If you think you won't be able to complete the questionnaire within the required time, please contact the Case Team ahead of the deadline using the contact details on the cover of this questionnaire. You should outline the length of extension you need and the reasons why. We will notify you of our decision.

If we can accommodate an extension, we will publish a note on our [public file](#) to record both the request and the extension granted.

How to answer the questions

Please read and follow all the instructions carefully. You will need to substantiate all claims with relevant data and information. You may be asked to attach supporting documents in appendices to supplement your responses. To help us verify your information, please retain all these documents, your completed spreadsheet annex and any calculations you made when developing your responses.

Please also note the following points:

- Do not leave any questions blank. If the question is not relevant to your organisation, please explain why.
- If the answer to a question is “zero”, “no” or “none”, please write this rather than leaving the answer blank.
- Please complete the spreadsheet annex as requested. Annex are named to correspond to the relevant sections of this questionnaire and must be completed with reference to the instructions provided. If you feel you cannot present the information as requested, please contact your Case Team as soon as possible.
- Please provide all formulas and calculations used within your questionnaire response.
- If there is insufficient space in any part of the questionnaire to provide the details requested, or we ask for copies of additional information, please submit this information as appendices. Please ensure that any attachments are given a corresponding appendix reference in the title of the document and that these are referenced in the boxes provided.
- Any documents not in English should be accompanied by an English translation.

- Please provide all dates in the UK format DD/MM/YYYY (e.g., 23/05/2019).
- Unless otherwise stated, ‘year’ or ‘calendar year’ refers to the period 1 January – 31 December and ‘quarter’ refers to the associated three-month periods (e.g., 1 January – 31 March, 1 April – 30 June, etc).
- Identify all units of measurement and currencies used in tables, calculations and lists, if not provided by the corresponding instructions, and use units of measurement consistently (e.g., do not use kg and metric tonnes interchangeably).
- For all numerical figures, where appropriate please express every third number with a comma (e.g., ‘1,300’ for one-thousand three hundred, ‘1,300,000’ for one million and three-hundred thousand).
- Please limit all sales/currency/income figures to two decimal places, apply a full point as a decimal separator and use the appropriate currency symbol or abbreviation (e.g., £1,300.00).
- Provide all costing figures as actual amounts. Where actual amounts cannot be provided and you have reported standard costing instead, please indicate this in the relevant answer, and explain the variance from actual costs, if any.
- All figures should be reported net of tax unless otherwise stated.
- Please refer to the case number, **AS0067**, in any correspondence with the TRA.

Preparing confidential and non-confidential copies

You will need to submit one confidential version and one non-confidential version of your questionnaire and the corresponding spreadsheet annex by the due date. We will publish the non-confidential version on the public file. **Please ensure that each page of information you provide is clearly marked either “Confidential” or “Non-Confidential” in the header.**

Please see our guidance on [how to submit information](#) for further details on what can be considered confidential and how to prepare a non-confidential version of this questionnaire.

In preparing your response, please note the following:

- It is your responsibility to ensure that the non-confidential version does not contain any confidential information.
- Remember to include a statement explaining why information obtained in your response should be treated as confidential (e.g., the data is commercially sensitive).
- Provide the source for all information or data you don’t own and clearly state any restrictions on sharing it.
- If you do *not* provide a non-confidential summary (or a statement of reasons why you cannot provide this) each time you provide confidential information, the TRA may disregard the information you give us.

All information provided to the TRA in confidence will be treated accordingly and only used for this investigation (except in limited circumstance as permitted by regulation 46 of the *Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019*) and will be stored in protected systems. The non-confidential version of your

submission will be placed on the public file, which is available on www.trade-remedies.service.gov.uk/public/cases.

Providing information from subsidiaries or associated companies

Section A of this questionnaire includes detailed questions about your company structure. Although this questionnaire is intended for your company, our investigation covers all subsidiaries and any other associated companies involved in the import, production, sale, R&D, distribution and/or supply of the like good and/or goods concerned.

Please note, both natural persons (individuals) and legal persons (e.g. companies) are considered to be associated where they meet the definition of 'Related Persons' in [Regulation 128 of the Customs \(Import Duty\) \(EU Exit\) Regulations 2018](#).

- If any of your subsidiaries or associated companies are also a UK importer of the goods concerned or the like goods, they should **also** complete an Importer questionnaire. Please make sure you provide your subsidiaries with access to it.
- If your subsidiaries or associated companies are not UK importers but are involved in the downstream sales of the goods concerned or the like goods, your questionnaire response should include information from those companies.

If you have any queries about this part of the process, please contact the Case Team using the details provided on the cover of this questionnaire.

What happens next

Once you have completed your questionnaire responses including the corresponding annex and any additional documents requested, you must upload confidential and non-confidential versions through our [Trade Remedies Service](#). Following this:

- you will receive an email confirming the documents have been uploaded successfully;
- the Case Team will contact you if further information is required
- the non-confidential responses will be placed on the public file; and
- the Case Team may contact you to arrange a visit to verify the information contained in your responses.

Verifying the information you supply

The TRA will verify, as far as possible, the information provided to us. As part of this process, we may conduct verification visits. If we need to verify information that you provide by visiting your premises, the Case Team will contact you to arrange this.

Visits can last several days, during which we will want to speak to management and staff to help establish the completeness, relevance and accuracy of the information provided.

Please keep a record of formulas and steps used in your calculations and other related material/documentation as it may be asked for during verification.

Please indicate any dates when you would be unable to host a verification visit.

The team would not be available from [sensitive – period].
Appendix reference:

Once verification is complete, the TRA will prepare a report and share a draft with you. The TRA will then ask you to prepare a non-confidential copy of the report for the public record.

The scope of this investigation

The Goods

The goods subject to investigation (the Goods Concerned) are:

Biodiesel (or paraffinic diesel fuel / gasoil) obtained from synthesis or hydrotreatment of oils and fats of non-fossil origin, in pure form or as included in a blend, originating in the United States of America (US). This biodiesel is commonly known as hydrotreated (hydrogenated) vegetable oil diesel (HVO), renewable diesel or green diesel. Synthetic paraffinic kerosene (also known as sustainable aviation fuel (SAF)) is excluded from this description of biodiesel.

The Goods Concerned are subject to the following commodity codes:

1516209821	1518009923	2710194429	2710194810	2710201699
1516209823	1518009929	2710194432	2710194890	3824999210
1516209829	1518009932	2710194439	2710201121	3824999213
1516209832	1518009939	2710194621	2710201123	3824999214
1516209839	2710194221	2710194629	2710201129	3824999216
1518009121	2710194223	2710194623	2710201132	3824999219
1518009123	2710194229	2710194632	2710201139	3826009011
1518009129	2710194321	2710194639	2710201621	3826009019
1518009132	2710194329	2710194721	2710201623	3826009039
1518009139	2710194339	2710194723	2710201629	
1518009511	2710194390	2710194729	2710201632	
1518009519	2710194421	2710194732	2710201639	
1518009921	2710194423	2710194739	2710201692	

The following are considered Like Goods for the purposes of this investigation:

Fatty-acid mono-alkylesters (FAME) from non-fossil origin, in pure form or as included in a blend, excluding sustainable aviation fuel,

and

Biodiesel (or paraffinic diesel fuel / gasoil) obtained from synthesis or hydrotreatment of oils and fats of non-fossil origin, in pure form or as included in a blend, originating in the UK or Rest of World (RoW). This biodiesel is commonly known as hydrotreated (hydrogenated) vegetable oil diesel (HVO), renewable diesel or green diesel. Synthetic paraffinic kerosene (also known as sustainable aviation fuel (SAF)) is excluded from this description of biodiesel.

Like goods

In addition to seeking information about your company's export sales to the UK of the goods concerned, this questionnaire will also ask about your sales of like goods in your domestic market and to third countries. Any reference to 'like goods' in this questionnaire refers to goods which are like the goods concerned in all respects, or with characteristics closely resembling them.

Please follow the instructions for each question to provide the appropriate information.

Product Control Numbers

The TRA uses Product Control Numbers (PCNs) to define and distinguish the different types of products that fall under the goods description above.

PCNs, which come in the form of an **alphanumeric code**, help to create a categorisation system so that comparisons can be made between goods produced in the domestic UK market and those produced in foreign markets.

Characteristic	Symbol	Description
Type	F	FAME (fatty-acid mono-alkyl esters)
	P	Hydrotreated vegetable oil (HVO) / Paraffinic Diesel Fuel / Gasoil
Cold Filter Plugging Point (CFPP) in degrees centigrade to nearest degree	1	Higher than +9
	2	Higher than or equal to 0 but lower than or equal to +9
	3	Lower than 0 but higher than or equal to -9
	4	Lower than -9 but higher than or equal to -40
	5	Lower than -40
Feedstock	1	biodiesel from feedstocks subject to incentives (singled counted according to UK RTFO categories)
	2	biodiesel from feedstocks subject to incentives (double counted according to UK RTFO categories)
	0	other/special purpose sold without any certificate
Form	R(100)	Pure form
	B(XX)	XX equals percentage of biodiesel blended with mineral diesel (The nearest percentage rounded down to a whole number)

Example: HVO, with a CFPP of –20C, made by used cooking oil, and blended with mineral diesel at 7% would be: P42B07

HVO, with a CFPP of –30C, made by used cooking oil, and blended with mineral diesel at 99% would be: P42B99

In this questionnaire and the corresponding annexes, you will be asked to construct PCNs representing the different types of products you produce. When giving your PCNs, please do not use any spaces, dashes or other means of separation, and ensure you follow the order of characteristics outlined in the table above.

1. Please provide details of any technical or physical characteristic not included in the PCN structure that may affect the price comparison between products.

The price comparison between HVO and FAME is not possible due to various technical and physical characteristics of the products:

- **FAME:** Consists of fatty acid methyl esters. Its chemical structure is different from fossil diesel.
 - **Density:** Generally higher than fossil diesel (e.g., 860-900 kg/m³).
 - **Cold Flow Properties:** More susceptible to gelling or waxing in cold temperatures, leading to potential issues like clogged filters. Different grades are available for various climates.
 - **Storage Stability:** Can absorb atmospheric water, leading to sludge buildup, microbial growth (diesel bug), and reduced stability over time. It has a shorter shelf life (around 6 months for pure FAME).
 - **Engine Compatibility:** Can be blended with fossil diesel up to 7% (B7) without engine modifications in Europe.
 - **Oxygen Content:** Contains oxygen, which contributes to cleaner combustion but can sometimes lead to slightly higher NOx emissions.
 - **Cetane Number:** Generally above 40.
- **HVO:** Is a synthetic paraffinic hydrocarbon, chemically identical to fossil diesel. It is "FAME-free" and "fossil-free."
 - **Density:** Similar to fossil diesel.
 - **Cold Flow Properties:** Excellent cold-weather performance with very low cloud and pour points (often below -40°C), making it highly resistant to gelling.
 - **Storage Stability:** Highly stable and resistant to water absorption and microbial growth. It has a significantly longer shelf life, up to 10 years if stored correctly.
 - **Engine Compatibility:** A true "drop-in" replacement for conventional diesel fuel. It can be used in existing diesel engines without any modifications and meets European Standard EN15940.
 - **Oxygen Content:** Practically oxygen-free.

- **Cetane Number:** Significantly higher than both FAME and fossil diesel (often 85+), leading to more complete combustion and better engine performance.
- **Impurities:** Virtually free from aromatics, sulphur, and metals.

Environmental Impact:

- **HVO:** Generally offers a greater reduction in net CO2 emissions (up to 90% or more) and significantly reduces particulate matter (PM) and nitrogen oxide (NOx) emissions compared to fossil diesel. Studies suggest HVO contributes less to life cycle GHG emissions than FAME biodiesel.
- **FAME:** Also reduces emissions, particularly particulate matter, carbon monoxide, and hydrocarbons due to its oxygen content. However, some studies have linked FAME use to a small increase in NOx emissions.

2. Please comment on the suitability of the PCN structure in regard to your product range. This may include areas such as:
- Categorisation of features
 - Number of Products included under “Other” which may exclude a fair comparison
 - Specialised products which may unduly influence the comparison

N/A

3. Please provide details of any manufacturing process differences which you feel may influence the PCN structure and the price comparison between the goods concerned and the like goods.

CFPP for UK diesel as per UK:EN590 is -5 degrees C during summer, and -15 during winter. PCN codes of -9 to -40 degrees C are much wider than industry norms. -40 degrees C would be for arctic use and is not relevant to the UK. FAME CFPP rarely gets lower than -5 degrees C, hence the blending constraints within the BS:EN590 specification. [commercially sensitive information]

SECTION A: Company structure and operations

A1 Identity and contact details

1. Please complete the table below, ensuring that the point of contact given has the authority to provide this information:

Legal name of company:	Valero Energy Ltd.
Legal structure (e.g., limited company, limited liability partnership)	Private Limited Company
Year of establishment:	June 12, 2013
Other operating names:	N/A
Company registration number:	8566216
Place of registration:	United Kingdom
Name (point of contact):	[sensitive – contains personal information]
Position:	[sensitive – contains personal information]
Address:	27th Floor, One Canada Square, Canary Wharf, London. E14 5AA
Telephone No:	[sensitive – contains personal information]
Email:	[sensitive – contains personal information]
Website:	www.Valero.com

2. If you have appointed an external party to act on your behalf in this investigation, please provide their details and attach a letter of authority confirming the TRA should contact them directly.

Name:	[sensitive – contains personal information] Hogan Lovells International LLP
Address:	9 Rue Belliard, B-1040 Bruxelles, Belgium
Telephone No.:	[sensitive – contains personal information]
Email:	[sensitive – contains personal information]
Confirm they have signed authority to act (Yes/No):	Yes
Appendix reference: A1_2	

A2 About your company

1. Please describe the role of your company, in the UK market, for the like goods and/or goods concerned, (e.g., buying or selling agent, importer/distributor, importer/wholesaler, importer/retailer or importer/end user).

Valero Energy Corporation (NYSE: VLO) ("Valero"), through its subsidiaries, is an international manufacturer and marketer of transportation fuels, and a leader in the commercialisation of emerging low-carbon intensity biofuels. Valero is a Fortune 50 company based in San Antonio, Texas, and it operates [commercially sensitive information].

In the UK, Valero Energy Ltd, a subsidiary of Valero Energy Corporation, owns and operates Pembroke Refinery in West Wales, which is one of Europe's largest and most complex refineries, has ownership interests in four major pipelines, seven fuel terminals and a large aviation fuels business. Valero Energy Ltd is an importer of the goods and like goods subject to review in the UK. As an obligated supplier under the RTFO, Valero is required to place biofuels on the market, as it does through blended and neat forms, having introduced HVO rack sales into our terminal network.

Appendix reference: A2_1a – c

2. Please provide details of any changes in the legal form of your business over the past 5 years, for example, mergers, acquisitions and/or sales.

Date	Legal form	Explanation of change
N/A	N/A	N/A

+Add additional rows as required.

3. List and explain all authorisations your company has been required to obtain to import, sell or distribute the goods concerned and the like goods. These may include licences, permits or permissions. Indicate if your company is subject to any direct or indirect, quantitative or other, restrictions on any of these activities.

Valero Energy Ltd has approval to operate a motor fuels warehouse and act as an excise warehouse keeper. We have an EORI number that allows us to bring goods into and out of the country. We hold and operate excise and customs deferment accounts. We have end use approvals that allow us to bring in certain goods to our refinery are subject to customs duty without paying the customs duty as we are putting those goods to further processing. We also hold AEO-C (Authorised Economic Operator – Customs) authority which is a 'gold standard' approval to show we have excellent controls and procedures in place in relation to our imports/exports.

Appendix reference: A2_3(a) – (d)

4. State whether your company is a member of any representative organisations. If so, provide a copy of the relevant documentation.

Valero Energy Ltd is a member of a number of industry trade associations, including:

- Fuels Industry UK (FIUK, www.fuelsindustryuk.org);
- Tank Storage Association (TSA, www.tankstorage.org.uk);
- UK & Ireland Fuel Distributors Association (UKIFDA, www.ukifda.org);
- FuelsEurope (www.fuelseurope.eu); and
- Concawe (www.concawe.eu).

Appendix reference: A2_4(a) – (d)

A3 Organisational structure

1. Please complete **Annex A3 – Operational Structure** for your company’s worldwide corporate structure and affiliations.

Please see additional notes in the annex for assistance on how to complete it.

2. Please explain, or demonstrate in a diagram, the legal structure of your company showing the internal hierarchical and organisational structure, all sites/locations and departments which are involved in the production, sales, R&D, supply and distribution of the like goods for domestic and export markets. Clearly indicate the different production stages carried out by your company, if applicable.

Please see attached corporate organisational chart.

Appendix reference: A3_2

A4 Board members and principal shareholders

1. Please complete the table below for any shareholder with >5% holding in the company who also has interest in any organisation related to the production, marketing, administration, and sale of the like good in the UK or the US.

Name	Shareholding in company	Name of other companies in which person holds interest	Activity of other companies
[commercially sensitive information]			

+Add additional rows as required

2. Please complete the table below for any members of the Board of Directors who also has interest in any organisation related to the production, marketing, administration and sale of the like good in the UK or the US.

Name	Position on Board of Directors	Name of other companies in which person holds interest	Activity of other companies
[commercially sensitive information]			

+Add additional rows as required

A5 Operational links with other companies or persons

1. Complete the table below if your company has established long-term agreements and/or relationships with any parties / companies located in the UK, the US or in third countries for the production (e.g., sub-contracting), supply and sale of the like goods, or other licensing, technical patent or compensatory agreements.

If your company has long-term agreements with other companies for the supply of goods destined for internal sale (e.g., captive use), please provide the contract to demonstrate this.

Company name and address	Nature of agreement	Company registration number and place of registration	Appendix number of contract
[commercially sensitive information]			

+Add additional rows as required

A6 Accounting practices

1. Give the address where your company's accounting records are kept. If records are maintained in different locations, please indicate which records are kept at which location. If records are digital and do not have a physical location, please mark as N/A.

Records address	What records are held?
[commercially sensitive information]	

+Add additional rows as required

2. Please give the financial year convention your company uses for its accounts (e.g., 1 January – 31 December). If any changes have occurred with respect to this period or in your accounting practices over the last five financial years, please describe these changes.

1 January – 31 December. [commercially sensitive information]	Appendix reference:
---	---------------------

3. For your company and any associated companies involved in the production, marketing, or sales of your goods, please attach a copy of your annual reports, covering the injury period, including the financial statements and audit report.

[commercially sensitive information]	Appendix reference: A6_3(a) – (c)
--------------------------------------	-----------------------------------

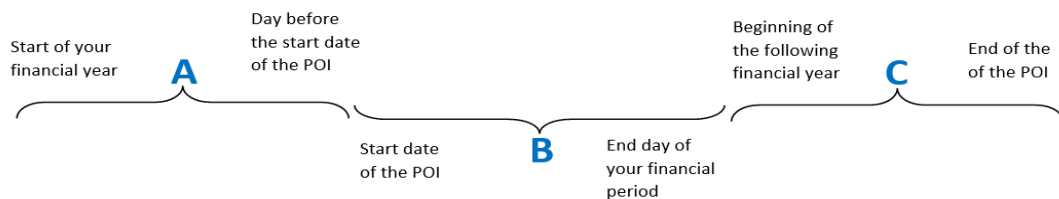
4. If your accounts are unaudited, please attach a copy of your unaudited financial statements for the injury period.

Not yet available.	Appendix reference:
--------------------	---------------------

5. Please attach a copy of your company’s trial balance (in original and spreadsheet form) covering the POI 1 January 2024 to 31 December 2024. If your financial year is fully aligned with the POI, this is all that is required.

Where your financial period is not aligned with the POI, please provide trial balances (in original and spreadsheet form) to cover the following periods:

- A. the trial balance which starts from the beginning of your financial year and ends on 31 December 2023;
- B. the trial balance which starts from 1 January 2024 to the end of your financial year; and
- C. the trial balance which starts from the beginning of your following financial year and ends on 31 December 2024



[commercially sensitive information]	Appendix reference: A6_5
--------------------------------------	--------------------------

6. For your company and any associated companies involved in the import, marketing or sales of the goods concerned, and the like goods, please attach copies of relevant management reports (e.g., profit and loss statement) for the profit centre that includes the goods and like goods. Please provide these reports for the (i) POI and (ii) most recently completed financial year.

The attached management reports [commercially sensitive information]
--

Appendix reference: A6_6a – b

7. If your company is part of a group of companies, please attach a copy of the consolidated accounts of the group for the most recently completed financial year.

See Question A2_1.

Appendix reference: A2_1

8. Please provide a detailed description of your financial accounting system, explaining how sub-ledgers (e.g., costing, debtors, creditors) and other sales or production systems integrate with the general ledger. Please provide a description of how it links to the management accounting system, including any manual interventions. Please also attach:
- your company's chart of accounts
 - your company's cost centres.

[commercially sensitive information]

Appendix reference: A6_8a – b

9. Have you changed your financial policies and/or accounting systems during the injury period? Please explain any changes, including dates and the reasons for those changes along with the financial impact of those changes on the goods concerned or like goods.

[commercially sensitive information] 1 January 2021 – 31 December 2024.

Appendix reference:

A7 Your company's products

1. Please complete **Annex A7 – Your company's products**.

Please see additional notes in the annex for assistance on how to complete it.

2. Explain the internal coding system your company uses to classify your range of goods concerned.

Technical documentation (such as sales catalogues, safety standards, technical data, etc.) should be attached for each model where available.

Goods Concerned: Hydrotreated (hydrogenated) vegetable oil diesel (HVO) [commercially sensitive information]

Appendix reference: A7_2(a) – (c)

3. If your company does not use the same product codes across imports, sales and invoicing, please explain how they differ.

[commercially sensitive information]

Appendix reference:

4. Please list all main categories of products produced and/or traded by your company and indicate
- . which category covers the goods concerned
 - . which incorporate the goods concerned or like goods

As per above.

Appendix reference:

5. Indicate in the box below any physical, commercial, or functional differences between the like goods and the goods concerned. If these differences cause distinguishable variations in price, explain those differences and the effect they have. Attach any evidence you have that is relevant.

HVO meets EN15940 specification. This is a low density high cetane diesel specification that can either be used neat in heavy duty vehicles without modification or used as a blend stream into EN590 road diesel or BS2869 Class C2 Fuels Oils – Agricultural, Domestic, Commercial and Fixed Industrial Combustion Applications. EN590 road diesel is the European standard for road diesel that is applicable to the vast majority of diesel fuelled road vehicles.

In refinery blending, HVO will bring other diesel streams that exceed the density specification of EN590 or fall below the cetane specification of EN590 back into compliance with the specification. There is no specific limit to how much HVO can be blended into a diesel stream; any amount is allowed as long as all other specifications are allowed. Given that the only parameter that product meeting EN 15940 does not meet EN590 is density, then HVO blending into road diesel is limited by the minimum specification listed in EN590 table 2 or table 3. From our experience, this can mean blending at up to around 50% HVO into other diesel streams, especially where those diesel streams exceed the EN590 maximum density specification (eg ULSD that meets the US Colonial 62 Grade).

In contrast, FAME is limited in its ability to blend into road diesel. It is constrained by:

- i) the explicit maximum limit of 7.0% volume set out in table 1 of EN590. This is a limit imposed in the specification at the requirement of diesel engine manufacturers to ensure appropriate operation of the engine and fuel system over the life of the equipment;
- ii) exceeding the maximum density specification of diesel (as FAME density is substantially higher than ULSD maximum specification);
- iii) exceeding the maximum temperature allowed for Cold Filter Plugging Point requirement of the specification (as shown in table NC2 referencing table 2 of EN590);

- iv) exceeding the maximum temperature allowed for cloud point property (as shown in table NC2 of EN590);
- v) exceeding the Filter Blocking Tendency specifications for EN590 that are described in NC.3 of EN590, where an explicit filter blocking limit and saturated monoglyceride contents are specified. FAME is the only source of saturated monoglyceride in the these fossil and ULSD blends.

The multiple use and blending flexibility of HVO over FAME means that HVO is an inherently better quality fuel. This is commonly reflected in the price of HVO. Where global markets drive the price of HVO to be close to parity with FAME, HVO will be the preferred blending component due to the higher degree of flexibility and positive impact on product specifications compared to FAME.

We will be preparing an advocacy submission focusing on the difference between HVO and FAME and the fact that they cannot be compared.

Appendix reference:

6. Indicate the relevance of the incorporated goods concerned and/or like goods in relation to the finished product.

As explained above in A7.5, HVO when incorporated with fossil diesel improves the fuel quality in many different properties. Key to these properties are the improvement to diesel density (by lowering it) and diesel cetane (by increasing it). Many refineries are constrained by cetane and density specifications so find a strong economic incentive to use HVO as a blend stream to relax refinery constraints. This increases the refinery economic performance and consequently make HVO a premium product.

Both FAME and HVO allow companies to meet the biofuel blending requirements set out by RTFO rules and legislation in the UK. As answered in A7.5, FAME cannot be blended above 7.0% into EN590, whereas HVO can be blended at much higher proportions into EN590 or sold into fleets directly as EN15940 without any vehicle modifications.

Given the current RTFO obligation rate and assuming a full 10% Ethanol Blend into the UK gasolines pool, there is a requirement to blend biofuels into the diesel at greater than 7.0%, the FAME blending limit, or sell neat biofuels. Thereby, there is a market requirement for HVO blending or neat sales so that the whole UK market can meet the RTFO obligation. HVO is advantaged over FAME as it can be blended beyond the 7.0% limit or be sold directly to fleet users without vehicle modification. This again demonstrates the superior attributes of HVO over FAME as a biodiesel product.

Appendix reference:

A8 Suppliers of the imported goods

1. Please provide the contact details for each supplier that supplies you with the goods concerned. Include those suppliers from countries not under investigation,

if applicable. If the supplier is not the manufacturer of the goods, please provide the details of the manufacturer in the table in section **A9** below.

Supplier name	Address	Contact details (email and phone number)	Is the supplier the manufacturer of the goods?
[commercially sensitive information]			

+Add additional rows as required

[commercially sensitive information]

A9 Details of the manufacturer of the goods

- For each supplier that is not a manufacturer of the goods concerned in the table in section **A8** above, please provide the details of the manufacturer in the table below

Supplier	Manufacturer name	Manufacturer Address	Contact details (email and phone number)
[commercially sensitive information]			

+Add additional rows as required

SECTION B: Imports and forward orders

B1 Imports

1. Please complete **Annex B1- Imports** by country for the injury period for the goods concerned and like goods. Please provide the information on a CIF basis if possible.

Please see additional notes in the annex for assistance on how to complete it

2. If your imports in **Annex B1- Imports** have not been made on a CIF basis, please explain the basis on which they have been reported.

[commercially sensitive information]

Appendix reference:

B2 Imports reconciliation

1. Please complete the Imports reconciliation table in **Annex B2 – Imports reconciliation** starting from the bottom of the table and filling in only the white cells.

Please see additional notes in the annex for assistance on how to complete it.

B3 Details of import transactions

1. Please complete the **Annex B3 - Import transactions**, providing transaction level details of imports of the goods concerned from the US during the POI.

Please see additional notes in the annex for assistance on how to complete it

2. Please provide invoices and any supporting documents for two of the transactions stated within **Annex B3 – Import transactions**. Use the box below to give an overview of any supporting documents provided.

See attached invoices and supporting documents for two transactions: [commercially sensitive information]

Appendix reference: B3_2 (a) – (b)

3. Referring to the costs you stated in **Annex B3 – Import transactions**, for the goods concerned please indicate which costs were incurred by your company between frontier and arrival of the goods at your warehouse and categorise them as duties, import costs or post-import costs. Are these costs incurred as a

percentage of the purchase price, or as a fixed amount per unit of the goods concerned?

N/A

Appendix reference:

B4 Forward orders

1. Please provide details in **Annex B4 – Forward orders** and attach copies of forward contracts/ongoing supply agreements for the goods concerned for up to one year ahead. Comment on these forward contracts – are they a usual way of doing business in your industry? Has there been any variation in the volume and value of forward contracts over time? If so, what has caused this variation?

[commercially sensitive information]

Appendix reference:

SECTION C: Sales and selling expenses

C1 Sales of the goods concerned

1. Please complete **Annex C1 – Sales**. Provide annual sales figures for the goods concerned imported from the US and the like goods from all other countries imported into the UK by your company. Please state the value and quantity of these goods sold in the UK or re-exported during the injury period. Where known and if applicable, please state each source country of the like goods.

C2 Sales reconciliation

1. Please complete the Imports reconciliation table in **Annex C2 – Sales reconciliation** starting from the bottom of the table and filling in only the white cells. Please see additional notes in the annex for assistance on how to complete it.

C3 Sales of goods incorporating the goods concerned and/or like goods

1. If applicable, please complete **Annex C3 - Sales incorporating the goods concerned or like goods**, providing information on the value and volume of goods produced by your company incorporating the goods concerned or like goods, where the good concerned or like goods are sourced from the US and all other countries and the end product is sold in the UK or exported.

C4 Sales transactions

1. Please complete **Annex C4 – Sales transactions**. Please provide the requested information for the goods concerned you sold on the UK market during the POI.
2. Please provide invoices and any supporting documents for two of the transactions stated within **Annex C4 – Sales transactions**. Use the box below to give an overview of any supporting documents provided.

See attached invoices and supporting documents for two transactions: [commercially sensitive information].

Appendix reference: C4_2

SECTION D: Cause of injury

The purpose of this section is to collect further information as to the cause of the alleged injury. Note that the information submitted at this point can only be taken into account if supported by **factual evidence**.

1. Aside from the imports of the goods concerned from the country under investigation, please provide details of any other reasons that could have resulted in the alleged injury suffered by the UK industry, for example: contraction in demand or changes in the pattern of consumption of the like goods in the UK or developments in technology.

VEL will be providing a submission on the question of injury and public interest together with DGD.

Appendix reference:

SECTION E: Economic Interest Test

The Economic Interest Test helps the TRA assess the economic impact of a measure compared to what would happen if it the measure was not in place. There are six factors which the TRA must consider as part of the Economic Interest Test:

- i) The injury caused by the importation of the subsidised goods to UK industry and the benefits to that industry in removing the injury.
- ii) The economic significance of affected industries and consumers in the UK.
- iii) The likely impact on affected industries and consumers in the UK.
- iv) The likely impact on particular geographic areas, or particular groups, in the UK.
- v) The likely consequences for the competitive environment and for the structure of markets for goods in the UK.
- vi) Other matters that the TRA considers relevant.

The questions in this section will contribute to this assessment. Please provide information broken down by each of your company's UK sites/facilities, where relevant and possible.

E1 Background

1. Please provide the names, legal addresses and telephone numbers of the following domestic companies:
 - Those that produce HVO in the UK;
 - Those that produce FAME in the UK;
 - Those that are involved in the importation, distribution, or sale of HVO from third countries.

There are no HVO producers in the UK. [commercially sensitive information]

Appendix reference:

2. Please provide the physical addresses (including postcode) of all your company's UK sites/facilities involved in the importation of HVO.

[commercially sensitive information]

Appendix reference:

3. Please provide an overview of your downstream supply chain. Please indicate who the consumers of HVO are, which industry and level of trade they relate to and whether they are companies or private individuals.

Valero Energy Ltd imports HVO [commercially sensitive information]

Appendix reference:

E2 Your company

4. Please complete **Annex E1 – Economic Interest Test**, providing employment figures in full-time equivalents (FTE) for each of your company’s UK sites or facilities.
5. How would these employment figures be affected if a countervailing measure was imposed? Please support your claims with evidence.

[commercially sensitive information]	Appendix reference:
--------------------------------------	---------------------

6. How would your domestic sales of HVO be affected if a countervailing measure was imposed? Please support your claims with evidence.

Domestic sales of HVO would decrease without the availability of US HVO imports. The UK and Europe is net short HVO and relies on imports of HVO from the US and elsewhere, therefore the removal of US HVO from the market would mean there will be a shortage of import supply availability.	Appendix reference:
--	---------------------

7. How significant are the imports of HVO relative to your company’s overall volume of imports?

[commercially sensitive information]	Appendix reference:
--------------------------------------	---------------------

E3 Potential impacts of a measure

8. Please describe how you would expect an increase in the import prices of HVO to affect each of the following. Where possible, please support your claims with evidence.
 - Domestic prices of HVO in the UK;

All HVO sold in the UK is imported, so any increase in import prices will be passed on to customers and result in increases domestic prices for HVO in the UK.	Appendix reference:
--	---------------------

- Domestic prices of FAME in the UK;

UK is a net importer of FAME, therefore FAME prices are driven by wider European and global market dynamics, which are not affected by UK HVO prices.	
---	--

Appendix reference:

- Total UK production of HVO;

No change – there is no production of HVO in the UK.
--

Appendix reference:

- Total UK production of FAME;

No change – FAME production economics are driven by wider European and global market dynamics, which are not affected by UK HVO prices.

Appendix reference:

- Total imports of HVO from the US and other third countries to the UK; and

US HVO is a significant source of supply which could not be easily replaced by imports from other countries.
--

Appendix reference:

- Total exports of HVO from the UK.

No change – HVO is not exported from the UK.
--

Appendix reference:

9. Do you know of any related industries that would be affected if a countervailing measure was imposed?

Please consider in particular:

- Upstream industries – those who produce inputs (such as raw materials) needed for the production of HVO;

No impact – feedstocks for HVO will continue to be exported to production plants in the US and elsewhere.

Appendix reference:

- Downstream industries – those who purchase HVO;

Without US HVO imports, there will be less HVO available in the UK so downstream Oil Distributor and Reseller companies who purchase HVO and sell to end-users would lose business. In addition, a shortage of HVO could mean that end users of HVO would miss their carbon reduction targets without HVO available to them.
--

Appendix reference:

- Industries for complimentary goods – those which would typically be bought alongside HVO (such as ink being bought with printers); and

No impact.

Appendix reference:

- Industries for substitute goods – those which might be bought instead of HVO (such as margarine instead of butter).

Without US HVO imports, there will be less HVO available in the UK, so customers will be forced to switch to Diesel instead of HVO and therefore demand for Diesel will increase.

Appendix reference:

10. To what extent would you expect any changes in prices of HVO to be passed onto final consumers?

All cost increases will be passed on to customers.

Appendix reference:

11. Would your plans for investment or expansion in the UK over the next five years be affected if a countervailing measure was imposed? Please support your claims with evidence.

[commercially sensitive information]

Appendix reference:

12. As a public body, the TRA has an obligation under the Equality Act 2010 to ensure that the possible effects of its activities on different people are considered. This Public Sector Equality Duty covers the following protected characteristics:

- age,
- disability,
- gender reassignment,
- marriage or civil partnership,
- pregnancy and maternity,
- race,
- religion or belief,
- sex, and
- sexual orientation.

Please provide any relevant information about whether the imposition of a countervailing measure might disproportionately affect any of these groups or any other particular group.

No effect.

Appendix reference:

13. How would the number or range of suppliers in the HVO market be affected if a countervailing measure was imposed? Please provide an explanation.

Without US HVO imports, it is likely that the number of suppliers would reduce because there would be less HVO available to import into the UK.

Appendix reference:

14. How would the suppliers' ability to differentiate their products by price, quality, service or innovation in the HVO market be affected if a countervailing measure was imposed? Please provide an explanation.

No effect.

Appendix reference:

15. How would the cost of switching between suppliers in the HVO market be affected if a countervailing measure was imposed? Please provide an explanation.

No effect.

Appendix reference:

16. How would the suppliers' ability to set agreed prices between themselves or for certain consumers or products be affected if a countervailing measure was imposed? Please provide an explanation.

No effect.

Appendix reference:

17. How would the choices of HVO available to consumers be affected if a countervailing measure was imposed? Please provide an explanation.

Without US HVO, there would be less HVO available for import into the UK, which would likely lead to a reduced number of suppliers and thereby reduce choice for the end-consumer.

Appendix reference:

18. How would the ability of downstream businesses or consumers to make informed decisions be affected if a countervailing measure was imposed? Please provide an explanation.

No effect.

Appendix reference:

19. Are there any additional economic factors that you consider to be relevant for the Economic Interest Test in this investigation?

There is currently no UK production of HVO so the UK is completely dependent on imports. Prior to, UK only sources HVO from the EU. However, demand for HVO in the EU is increasing. Both in the EU and the UK, the blend wall of 7% has been reached meaning that it not possible to blend more than 7% of traditional biodiesel into fossil diesel. This blend wall therefore also caps demand for traditional biodiesel. Contrary to FAME, HVO is not subject to such blend wall limitation. In light of the UK's climate goals, in particular to become GHG neutral by 2050, imports of HVO would be able to contribute greatly to the UK's GHG reduction targets, including the 'Net Zero' emissions by 2050 legislation. In addition, any reduction in HVO sales in the UK would result in higher Diesel sales (as the next alternative to HVO) and increase the UK's GHG emissions as a result.

Appendix reference:

SECTION F: Checklist and appendices

This section is an aid to ensure that you have completed all sections of this questionnaire.

Section	Please tick if you have responded to all questions
Section A – Company structure and operations	✓
Section B – Imports and forward orders	✓
Section C – Sales and selling expenses	✓
Section D – Cause of Injury	✓
Section E – Economic Interest Test	✓

+Add additional rows as required

Please list any appendices that you have referenced in your responses and are attaching with this questionnaire.

Appendix reference	Document title
[commercially sensitive information]	[commercially sensitive information]

+Add additional rows as required