

**AS0067 HVO from USA:  
St. Bernard Renewables LLC  
Meeting with UK Trade Remedies Authority (TRA)**

**TRA, Reading UK**

**Thursday, 8 January 2026**

# Agenda

- 1. Introductory Remarks and Company Overview**
- 2. Like Goods and Interchangeability Overview**
- 3. Injury Analysis**
- 4. Subsidy Issues**
- 5. EIT Analysis**
- 6. Concluding Remarks**
- 7. Next Steps**

## About SBR

- SBR is a 50-50 joint-venture between PBF Energy and Enilive
- SBR began production in 2023, with 2024 being its first full year of production.
- SBR produces HVO at its Chalmette, LA bio-refinery.
- [REDACTED] bbls produced in 2024; UK imports [REDACTED]

## The TRA Investigations

- SBR welcomes this opportunity to present our views on the current investigation, which will impact SBR and UK market for HVO.
  - SBR applauds TRA's decision to terminate the AD0068 Dumping investigation.
  - SBR hopes and expects TRA will reach the same conclusion for the AS0067 Subsidy investigation.

## The Marketplace in 2024

- While early 2024 boasted strong renewable diesel margins, as more domestic HVO capacity came online throughout the year, the Renewable Identification Numbers (RINs) market became oversupplied and put downward pressure on credit values and producer's margins.

## The Marketplace in 2025 and 2026+

- Policy uncertainty was the theme in 2025 and continues into 2026, putting pressure on producers' economics.
  - The 45Z tax credit replaced the BTC, but is structured differently. Most notably, non-US feedstock is not eligible.
  - The EPA was delayed in issuing the proposed RVO mandates for 2026 and 2027.
  - Evolving tariffs affected producer's confidence in early 2025 and foreign feedstocks became uneconomic.
- Feedstock markets tightened in late 2024 and 2025 as low-carbon feedstock requirements under 45z/CFPC favored low CI feedstocks (e.g., waste oils over higher Carbon Intensity (CI) feedstocks like vegetable oils).
- With the switch to 45z in 2025 and depressed RIN prices, weaker biofuel producers were forced to reduce or cease production given the significant loss of the value stack.

# Like Goods and Interchangeability

## FAME and HVO are NOT like goods.

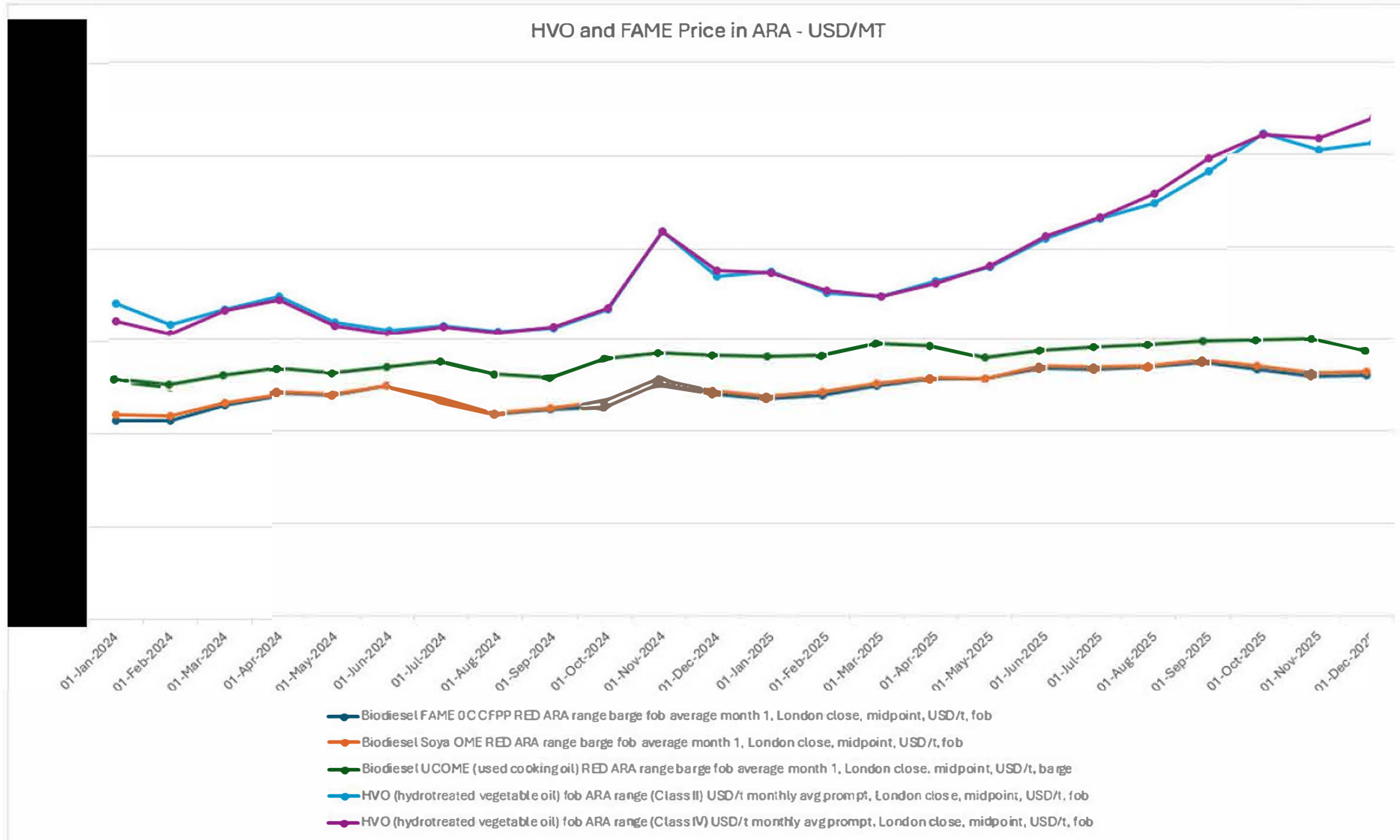
- There are NO current producers of HVO in the UK, and none on the immediate horizon.
- FAME and HVO are NOT substitutes, nor are they interchangeable.
- FAME and HVO are subject to individual, international standards.

## The FAME and HVO markets are maturing and diverging.

- The current markets for FAME are capped at the 7% standard EN590 limits.
- HVO is the fuel of the future for decarbonization of the diesel market.

	HVO	FAME	COMMENT
Retail Road Transport	Full drop-in	7% cap on use	EN590 limitation on FAME means it is only a partial limited substitute for HVO
Non Retail Road Transport	Drop-in Replacement HVO100	No drop-in use	FAME is not a substitute for HVO100
Non Retail Rail Transport	HVO100	No drop-in use	FAME is not a substitute for HVO100
Non Retail Transport Other	HVO100	No drop-in use	FAME is not a substitute for HVO100
Non Transport Power Generation	HVO100	No drop-in use	FAME is not a substitute for HVO100

# Market Analysis – HVO v. FAME



## 2025 price comparison: US origin UCO Based HVO/RD vs UCOME 112

Month	UCOME ARA PRICE - USD/MT	SBR RD EXPORT PRICE ARA - USD/MT	SBR RD EXPORTED VOLUMES - MT
Jan-25			
Feb-25			
Mar-25			
Apr-25			
May-25			
Jun-25			
Jul-25			
Aug-25			
Sep-25			
Oct-25			
Nov-25			
Dec-25			
Jan-26			

\*FOB Sale, [redacted] of freight US-ARA have been assumed

### ARA (Amsterdam, Rotterdam Antwerp) prices have been considered for comparison:

- ARA represent the main reference market for both Biodiesel and FAME in Europe and UK prices are commonly estimated as ARA prices plus/minus a small logistic differential to account for the freight (10-30 USD/MT).
- UCOME prices have been sourced from Argus average monthly assessment.
- HVO prices have been sourced from SBR 2025 actual sales of UCO based HVO in export. Largest part of this product has been delivered by SBR in ARA to customers which imported such product into UK.

## Market Contest

- In 2025, prices for US Origin HVO sold in export have been keeping increasing, following HVO global trend (in Europe and Asia), underpinned by demand increase in mainly in the Eurozone.
- FAME prices remained steady widening the gap vs HVO, as regulatory mandates increase and corporate decarbonization targets requires more HVO vs conventional biodiesel.
- Starting from Q2 2025, the price for US Origin HVO sold into export (ARA and UK) has been between [REDACTED] [REDACTED] higher than the one for FAME.

## Key Conclusions

- FAME and HVO are not like goods → If FAME and HVO had been considered replaceable products (like goods), then why would UK customers have paid such a high premium to get a similar/replaceable products?
- Based on current and 2025 HVO export prices no injuries could have been caused by US origin HVO on FAME production in UK, as US Origin HVO in ARA/UK has always been traded at premium vs conventional biodiesel.

## 2024

### Eurozone:

- European and UK road-transport biofuels market was characterized by oversupply and weak demand due to certificate carry-over, softer diesel consumption and strong imports (notably from China).
- Prices were generally depressed, with HVO premiums narrowing close to FAME prices.

### US:

- Weak domestic HVO market due to oversupply keeping down pressure on prices.
- BTC available in US.

- [REDACTED]

**Result: narrowing of the price premium of HVO vs FAME for in US and more generally worldwide.**

## 2025

### Eurozone:

- Biofuel market tightened significantly as RED III implementation, the reduction/elimination of carry-over mechanisms in key countries and EU anti-dumping measures against Chinese Biodiesel/HVO reshaped trade flows.
- Demand increasingly favored advanced and waste-based biofuels, strengthening HVO's strategic position versus conventional FAME.

### US:

- Expiration of the BTC program lowering the credit value up to 0 for the US Origin HVO produced from UCO (suitable for export into UK).
- New import duties increased raw material cost for HVO producers particularly affecting feedstock used to produce HVO suitable for UK export (ISCC UCO).
- General increase in US HVO prices both in the domestic market and in export.

**Result: strong increase in HVO export prices which outpaced conventional biodiesel ones in UK and Eurozone**

- Review and summarize the conclusions on Injury made in the Response to the SEF.
- TRA should have received a copy of the excel file which contains SBR's Injury analysis.
- SBR will review this data against the TRA's finding of injury.
- The objective is to ensure SBR has understood the data in the SEF, to review this data against the TRA's finding of injury, and to answer any questions from the TRA.
- Reinforce findings based on post 2024 market data for HVO and FAME.

## Injury Analysis - Conclusions

- Trends for FAME and HVO are out of step.
- The data does not point to Injury being caused by imports of US HVO.
- Evidence of Injury clearly linked to the significance of, and dependence on, export sales of UK FAME.
- Imposing countervailing measures on HVO from US unwarranted and is not in the economic interest of the UK.

## Subsidies Generally

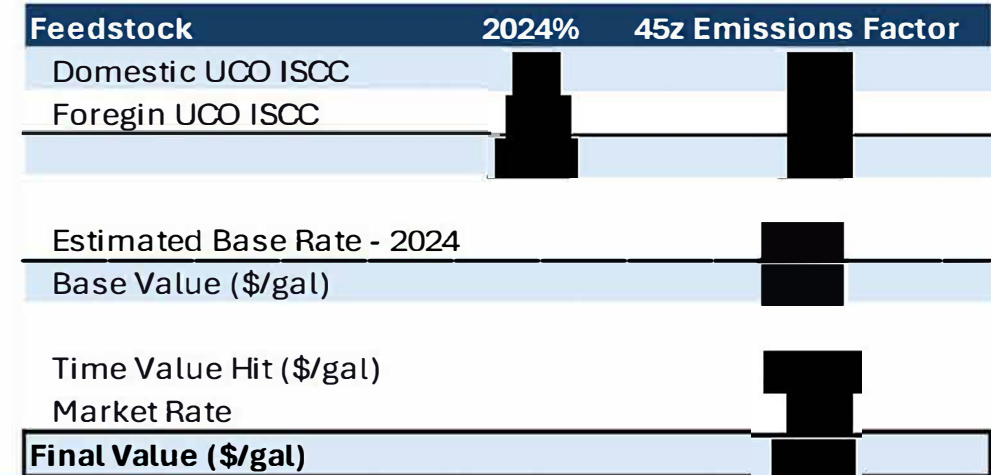
- The SEF fails to provide sufficient detail and evidence to support the conclusion that BTC credits are countervailable subsidies – and the value of such subsidies when received by recipients.
- This same analysis is needed for CFPC.
  - The value of CFPC subsidies is far less than the value of credits conferred under BTC – and these lower rates provide the limit for the imposition of any measures by TRA/UK.
  - TRA did not ask for information about CFPC during verification.
- SBR is willing to provide such further information as TRA requests in order to clarify the differences between the two programs.

Program Feature	BTC	CFPC	CFPC Notes
Is claimed by the fuel blender	Yes	No	Is a Producer only credit
Is \$1/gallon (minimum value)	Yes	No	\$1/gallon is the base rate maximum value but no current feedstock pathways for HVO could achieve this rate
Is available for HVO and FAME only	Yes	No	Is available for sustainable aviation fuel, or “SAF,” and non-SAF Transportation fuels, including ethanol, petrol and renewable natural gas
Can be claimed for imports	Yes	No	Imported fuels cannot qualify for the CFPC
Can be claimed for foreign feedstocks used in production of the finished fuel	Yes	No	2025 excludes foreign UCO, 2026 forward excludes foreign UCO and animal fats
Has a value tied to modeled GHG emissions	No	Yes	
Has reduced rates if certain Prevailing Wage and Apprenticeship requirements are not met	No	Yes	
Requires independent verifications	No	Yes	
Is implemented by the Internal Revenue Service	Yes	Yes	

## Quantifying the Value of the Differences

- SBR used its 2024 TRA verified data on exports/sales to show the substantial and overwhelming reduction in value of CFPC credits that would have been paid on these exports when compared to actual amounts received under BTC.
- This data shows a [redacted] reduction in the amount of credits payable to SBR.
- To make the calculation SBR:
  - Determined the origin of the raw materials used to produce the HVO
  - Applied a maximum amount of credit payable for US origin raw materials and zero for any non-US raw material used
  - Allocated the results across all exports made by SBR during the POI.

2024



Term	Definition
Emissions Factor	Compares the transportation fuel's carbon intensity against a baseline of 50kg CO2e/mmBTU and is rounded to the nearest multiple of 0.1.
Base Rate	The value of the credit, which is adjusted annually for inflation. Started at \$1/gal in 2022.
Base Value	Base Rate * Emissions Factor
Time Value Hit	The value lost due to the inherent delay in the monetization process. [redacted]
Market Rate	Current rate at which a US tax paying entity would be willing to purchase 45z credits.
Final Value	Net value per gallon to SBR.

### The application of anti-subsidy duties will:

- Destroy HVO availability and consumption in the UK.
- Increase RTFO compliance cost for the downstream sector, and ultimately the price for UK consumers.
  - During 2025, with no duties on US-Origin HVO, Other RTFC price increased 32% versus 2024.
- Jeopardize the environmental performance of transport and industrial sector.

- The SEF does not lay a foundation to impose anti-subsidy trade measures.
  - There is no domestic UK HVO industry.
  - FAME and HVO are not ‘like goods.’
  - TRA has not evidenced an “Injury” from US HVO, versus other factors (e.g., FAME exports).
  - The SEF inappropriately conflates the BTC with the CFPC; TRA’s CFPC analysis is inadequate.
- Trade measures will have detrimental economic impacts to the UK HVO marketplace. Access to affordable HVO:
  - Aligns with UK’s climate policy goals; and
  - Supports consumer choice.
- This matter should be terminated immediately, for reasons discussed. No anti-subsidy trade measures should be imposed.
  - Taking action to protect the FAME industry is inappropriate.
  - SBR opposes TRA recommending that the Minister impose trade measures.
  - SBR, again, requests a hearing in this matter.

# | Back-Up Slides





## Esso Ethos + 25% Renewable Diesel

“Esso Ethos” is a diesel fuel containing a minimum of 25% renewable content, of which the renewable component is HVO derived from RTFO-compliant used cooking oil. The product is marketed as compliant with existing diesel standards and is fully interchangeable with conventional diesel, requiring no engine modifications and being suitable for all diesel engines approved for B7 fuel.

The product is labelled and sold as B7 diesel because the FAME content remains within the 7% regulatory limit, with the additional renewable content above that threshold necessarily provided by HVO. This illustrates that HVO, but not FAME, can be used to exceed the B7 renewable content ceiling while maintaining fuel compliance.

The document confirms that Esso Ethos™ 25% Renewable Diesel:

- is intended for the same applications as conventional diesel;
- is marketed as a “drop-in” fuel, allowing seamless switching between conventional diesel and higher-renewable blends;
- incorporates proprietary additives to ensure engine cleanliness, protection, and performance comparable to conventional fuels.
- Esso states that the product delivers approximately 15% lower lifecycle greenhouse gas (GHG) emissions compared with conventional diesel, calculated on a “well-to-wheel” basis in accordance with RTFO lifecycle methodology.



## CEVA Logistics

CEVA Logistics has invested in the rollout of HVO100 biofuel infrastructure across the UK, enabling a nationwide low-carbon road transport network supported by biofuel tanks at 18 locations. This investment allows CEVA to target up to 450 HVO-powered vehicles in the UK by the end of 2025, significantly expanding from its current fleet and helping customers decarbonise their supply chains. The HVO100 fuel, made from recycled cooking oils and certified under international sustainability standards, delivers up to a 90% reduction in CO<sub>2</sub> emissions from well to wheel and has already helped CEVA cut tens of thousands of tonnes of CO<sub>2</sub> in the UK and across Europe.

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## Like Goods and Interchangeability

### British Airways

BRITISH AIRWAYS



British Airways has launched a multi-million-pound programme to overhaul its ground operations at Heathrow Airport, significantly reducing emissions by transitioning vehicles and equipment away from diesel and towards HVO, electric and hybrid alternatives.

More than 90% of BA's ground vehicles and equipment at Heathrow are now zero-emissions when in use or powered by HVO, with over 750 pieces of equipment already converted, including fuel bowzers, baggage tugs and passenger steps.

The move, supplied by Phillips 66, is expected to save more than 6,000 tonnes of CO<sub>2</sub> annually and forms part of BA's wider £7 billion transformation plan to modernise operations, improve air quality around Heathrow and support the airline's long-term commitment to achieving net-zero emissions by 2050.

### Arriva Group

Arriva Group's Chiltern Railways has signed a lease agreement for 13 modern trains that will enter passenger service from 2026, operating on HVO fuel to significantly reduce emissions on non-electrified routes.

Approved by the UK Department for Transport, the new fleet will replace the oldest trains on Chiltern's network between London, Buckinghamshire, Oxfordshire and the West Midlands, improving reliability, accessibility and passenger comfort while enabling additional services from late 2026.

The move builds on Chiltern's position as the first UK passenger train operator to introduce HVO at scale, with the renewable fuel capable of reducing well-to-wheel emissions by up to 90%, and supports Arriva's wider long-term strategy to modernise fleets, improve fuel efficiency and decarbonise rail operations across its European network.

## Like Goods and Interchangeability

### Ocean Network Express



Ocean Network Express (ONE) and Freightliner have introduced HVO fuel to power rail freight services in the UK, marking a significant step in reducing emissions from inland cargo transport.

Following a successful six-month pilot, the switch to certified HVO—made from verified waste fats and oils—can reduce CO<sub>2</sub> emissions by up to 90% compared with conventional diesel, with the trial alone saving an estimated 488 tonnes of CO<sub>2</sub>.

The initiative forms part of ONE's green rail offering, enabling customers to lower and certify their carbon footprint, while reinforcing Freightliner's and ONE's shared commitment to more sustainable, low-carbon supply chains and progress toward net-zero targets.

### Rolls Royce



Rolls-Royce and UK power solutions specialist AVK have strengthened their long-standing partnership through a new 5-year supply agreement that guarantees production capacity for mtu Series 4000 emergency power generators, supporting the growing demand from data centres across the UK and Ireland.

The agreement secures AVK's position as the exclusive system integrator and focuses on delivering reliable, low-carbon critical power solutions, with the generators fully compatible with HVO to help reduce emissions while maintaining energy security.

The partnership builds on more than 20 years of collaboration, including the delivery of AVK's 600th mtu generator, and reinforces both companies' commitment to innovation, sustainability and resilient power infrastructure for mission-critical applications.