

October 2023

Platts Northwest European Bio-propane and Bionaphtha assessments

Platts, part of S&P Global Commodity Insights, launched daily spot assessments of bio-propane and bionaphtha in Northwest Europe following extensive consultation with producers, consumers, traders and others in the oil, chemical and biofuel markets amid increasing supply and consumption, with market participants expressing keen interest in greater price transparency in these nascent markets.

On February 24, 2023, Platts launched assessments for bio-propane FCA Northwest Europe, and its premium over conventional fossil-based propane CIF NWE Large Cargo (PMABA00), details can be found here <https://www.spglobal.com/commodityinsights/en/our-methodology/subscriber-notes/022423-platts-launches-northwest-european-bio-propane-assessment>.

On September 1, 2023, Platts launched assessments for bionaphtha FOB Northwest Europe, and its premium over benchmark Platts CIF NWE naphtha cargo assessment (PAAAL00), details can be found here <https://www.spglobal.com/commodityinsights/en/our-methodology/subscriber-notes/090123-platts-launches-northwest-european-bionaphtha-assessments-sept-1>.

Description	Daily assessment	Monthly assessment
Bio-propane FCA NWE USD/mt	ABPRA00	ABPRA03
Bio-propane FCA NWE Eur/mt	ABPRC00	ABPRC03
Bio-propane FCA NWE Premium USD/mt	ABPRB00	ABPRB03
Platts Bio-Naphtha FOB NWE USD/mt	PAAAU00	PAAAU03
Platts Bio-Naphtha FOB NWE Eur/mt	PAABU00	PAABU03
Platts Bio-Naphtha FOB NWE Premium USD/mt	PAADU00	PAADU03
Platts Bio-Naphtha FOB NWE Premium Eur/mt	PAAEU00	PAAEU03

What is bio-propane and bionaphtha?

Bio-propane and bionaphtha produced from renewable feedstocks such as plant and vegetable waste, are chemically similar to their fossil-based counterparts produced from conventional oil refining, but have a much lower carbon footprint in comparison. These fuels are not produced as standalone products but are typically

side products of second-generation hydrotreated vegetable oil (HVO) bio-refineries, where hydrogen is used as a feedstock to refine waste oil streams to produce renewable distillates or sustainable aviation fuel as the main product or products. They are mainly used as a gasoline blending component or directly as a road fuel, as well as increasingly utilized in the production of bio-based chemicals.

What are the specifications reflected?

Platts Bio-propane FCA NWE assessments reflect material with a minimum content of 95% C3s and a maximum of 30% olefins, with sustainability documentation showing a minimum greenhouse gas saving of 50% when compared with the fossil fuel comparator, as per the European Union's Fuel Quality Directive calculation.

Platts Bio-naphtha FOB NWE assessments reflect open specification material with a minimum 65% paraffin content and a typical density of 0.69 kg/l to 0.735 kg/l, produced from non palm-based feedstock. In addition, the assessments reflect material accompanied with International Sustainability & Carbon Certification Plus (ISCC+) issued by a European Commission-approved auditing body. Where applicable, material accompanied with ISCC EU compliant certification and sustainability documentation showing a minimum greenhouse gas saving of 50% under RED II framework may be considered for the assessments, subject to normalization.

Additional requests for material to adhere to Kosher or Halal certifications may be normalized for the purpose of these assessments.

What are the parcel sizes and locations reflected?

Platts Bio-propane FCA NWE assessments reflect standard railcar and truck sizes of 20 mt to 500 mt for

FCA delivery ex-refinery/storage in Northwest Europe, 3-10 days forward from date of publication. Bids, offers and trades for barges available for FOB loading may be taken into consideration but may be normalized to reflect the standard reference size.

Platts Bio-naphtha FOB NWE assessments reflect parcels of 1,000-2,000 mt, loading five to 15 days forward on an FOB ARA (Amsterdam-Rotterdam-Antwerp) basis. Other locations within Northwest Europe may be considered for the assessment but may be normalized to reflect loadings basis ARA.

How do these prices fit into our existing coverage?

These assessments complement the extensive offering of Platts' global renewable fuels coverage, which now include:

- Bio-naphtha FOB Northwest Europe assessments from Sept. 1, 2023
- Sustainable Aviation Fuel (SAF) CIF ARA assessments from Sept. 1, 2023
- eMethanol cost-based FOB Rotterdam from June 19, 2023
- Bio-propane FCA Northwest Europe assessments from Feb. 24, 2023
- SAF cost-based from March 3, 2020

Who can benefit from these price assessments?

Europe's growing consumption and supply of renewable fuels is expected to keep rising in the mid and long-term, with further support from the upcoming EU Sustainable Aviation Fuel mandates in 2025.

The new assessments are underpinned by Platts' established Market on Close assessment methodology that is also used to assess major benchmarks including Platts Dated Brent, Platts ULSD 10ppmS CIF NWE Cargo,

and Platts Ethanol T2 FOB Rotterdam, and provide price transparency in this growing market. Platts publishes real-time market information including, but not limited to, firm bids, offers and interest to trade that are received from market participants throughout the day.

More information can be found in the online Methodology Guide available here

https://www.spglobal.com/commodityinsights/PlattsContent/_assets/_files/en/our-methodology/methodology-specifications/europe-africa-refined-products-methodology.pdf.

What other supporting information does Platts publish?

Platts publishes a weekly bio-propane commentary, alongside daily bio-propane price assessments. Platts also publishes weekly and monthly averages for Bio-propane FCA NWE, and monthly averages for Bio-naphtha FOB NWE.

The assessments are published in both USD/mt and Eur/mt, time-stamped at 1630 London time. The Eur/mt values reference a 16:30 London time-stamped assessment for the USD/Eur exchange rate, databased under the Platts code AAFCW00.

Where are these prices published?

The bio-propane FCA NWE assessments are published on Platts LPGaswire, Platts Biofuelscan and Platts alerts fixed pages PGL1775 and PCA1775, while the bio-propane FCA NWE premium over CIF NWE Cargo is published on Platts LPGaswire and Platts alerts fixed pages PGL1775 and PCA1775.

The Bio-naphtha FOB NWE assessments are published on Platts LPGaswire, Oilgram Price Report, APAG Marketscan, European Marketscan, US Marketscan and Platts alerts fixed pages PGA0034, PGA1110, PGA1111, PGA1310, PGA1311 and PGA1775.

How do companies submit their bids/offers or interest to trade to Platts?

Entities interested in participating in the Platts Market on Close assessment process for European LPG or European Naphtha should complete the MOC participation review request form found here

<https://www.spglobal.com/commodityinsights/en/our-methodology/participation-review>.

Reviewed MOC participants can submit their firm bids and offers for Bio-propane FCA NWE and/or Bio-Naphtha FOB NWE to the Platts editorial team (ICE chat ID: Platts_EMEA_LPG /Platts_EMEA_Naphtha) for publication each

day prior to the deadline for submission of new bids and offers at 1545 London time.

Who can I contact to learn more about these prices?

Interested parties are welcome to contact Platts at europe_products@spglobal.com, MRTS_biofuelsandfeedstocks@spglobal.com and petchems@spglobal.com.

For questions on the Platts Market on Close assessment process participation review please contact: market_integrity_review@spglobal.com.

Platts

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Contact Client Services:

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