

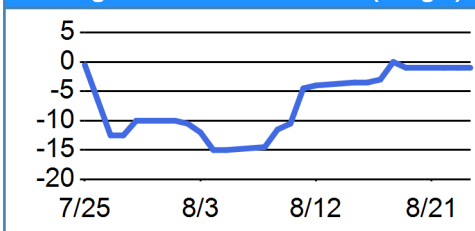
OPIS West Coast Spot Market Report OPIS A DOW JONES COMPANY

A Daily Report on U.S. West Coast Spot Prices plus News and Commentary

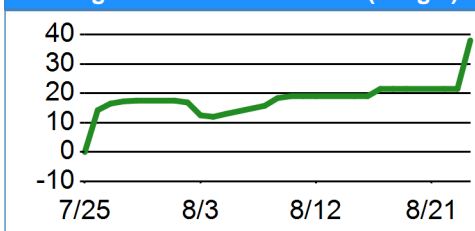
August 24, 2022

West Coast 30-Day Average Snapshot

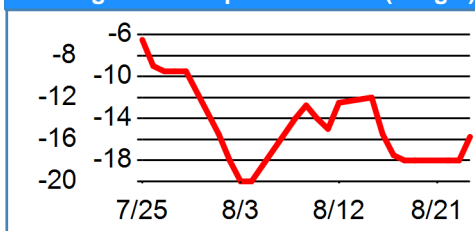
Los Angeles CARB No. 2 Basis (cts/gal)



Los Angeles CARBOB-R Basis (cts/gal)



Los Angeles Jet-Pipe LAX Basis (cts/gal)



CASH TRADE CENTERS ON LOS ANGELES CARBOB

8/24/2022 - Crude futures ended higher Wednesday after a back-and-forth session, helped by signs that the U.S. will not make additional concessions to Iran to restore Tehran's nuclear pact with the West, which would significantly increase global supply.

Iran's foreign ministry said on Wednesday that Tehran has received the U.S. response to a European Union-drafted final offer to save a 2015 nuclear pact between Iran and the West, according to news reports. However, Iran did not indicate how close it is in reaching a new deal, the reports said.

Refined product futures were mixed, with NYMEX RBOB futures tumbling after the latest U.S. Energy Information Administration (EIA) data showed that implied gasoline demand had fallen to its lowest weekly reading in more than two decades. The report, for the week ending Aug. 19, was released Wednesday morning.

October NYMEX West Texas Intermediate crude rose \$1.15/bbl, to \$94.89/bbl, on CME Globex, after it finished more than \$3/bbl higher Tuesday. The second-month November WTI also gained about \$1.15/bbl, to \$94.40/bbl.

London-based October Brent crude, the global oil benchmark outside of the U.S., rose \$1/bbl, to \$101.22/bbl, on ICE Futures Europe. November Brent was up around \$1.17/bbl, to \$100.34/bbl.

The most active NYMEX October RBOB settled down 9.93cts/gal at \$2.6470/gal on CME Globex, and the front-month September RBOB fell 13.23cts/gal, to \$2.8007/gal.

The most active NYMEX October ultra-low-sulfur diesel finished 16.04cts/gal higher at \$3.9649/gal, and September ULSD rose 17.13cts/gal, to \$4.0132/gal.

EIA on Wednesday estimated implied U.S. gasoline demand in the week ending Aug. 19 at just 8.434 million b/d, the lowest weekly reading for the month in 23 years.

Analysts attributed ULSD's strength to high natural gas prices, particularly in

(Continued on Page 3)

New York Mercantile Exchange at Settlement

WTI Crude Oil (\$/bbl)		
Month	Price	Change
OCT	94.89	1.15
NOV	94.40	1.15
DEC	93.65	1.12

RBOB Unleaded (cts/gal)		
Month	Price	Change
SEP	280.07	-13.23
OCT	264.70	-9.93
NOV	259.66	-7.16

ULSD (cts/gal)		
Month	Price	Change
SEP	401.32	17.13
OCT	396.49	16.04
NOV	389.97	15.14

L.A. 3-2-1 Crack Spread*	
Price (\$/bbl)	Change
36.32	-1.39

*Crack is based on midpoints for L.A. CARBOB Gasoline, CARB and ANS

Snapshot of OPIS Mean West Coast Prompt Month Spot Pipeline Prices and Basis Differentials (cts/gal)

Product	Los Angeles				Bay Area				Pacific Northwest			
	Physical Prices		Basis Diff.		Physical Prices		Basis Diff.		Physical Prices		Basis Diff.	
	Mean	Change	Mean	Change	Mean	Change	Mean	Change	Mean	Change	Mean	Change
ULS No. 2	396.490	16.040	0.000	0.000	406.240	16.050	9.750	3.750	414.320	17.130	13.000	0.000
CARB No. 2	395.490	16.040	-1.000	0.000	406.240	16.050	9.750	3.750	---	---	---	---
Sub-oct Reg	301.700	-12.100	37.000	16.500	304.200	-12.430	39.500	-2.500	308.570	-13.230	28.500	0.000
Sub-oct Pre	346.700	-19.600	82.000	9.000	320.200	-12.430	55.500	-2.500	338.570	-33.730	58.500	-20.500
CARBOB-R**	302.700	-12.100	38.000	16.500	304.700	-12.430	40.000	-2.500	308.570	-13.230	28.500	0.000
CARBOB-P**	342.700	-19.600	78.000	9.000	320.700	-12.430	56.000	-2.500	338.570	-33.730	58.500	-20.500
JET **	380.740	14.550	-15.750	2.250	380.740	14.550	-15.750	2.250	396.240	14.550	-0.250	2.250
JET-WTG AVG	380.655	14.465	-15.835	2.165	---	---	---	---	---	---	---	---
B5	---	---	---	---	---	---	---	---	411.320	17.130	10.000	0.000
AZRBOB-R	324.200	-12.100	59.500	16.500	---	---	---	---	---	---	---	---
AZRBOB-P	357.700	-12.100	93.000	16.500	---	---	---	---	---	---	---	---
CARB RFG-R	302.680	-11.790	---	---	304.480	-12.090	---	---	---	---	---	---
CARB RFG-P	338.680	-18.540	---	---	318.880	-12.090	---	---	---	---	---	---

Full price display on page 2. Note: **L.A. Jet Fuel is JET-PipeLAX, Bay Area Jet Fuel is JET-Pipe, PNW CARBOB-R is Suboctane-Reg (FOB Seattle), PNW CARBOB-P is Sub-octane-Pre (FOB Seattle).

OPIS West Coast Prompt Spot Pipeline Prices and Basis Differentials (cts/gal)

Los Angeles

Product	Timing	Physical Prices				Basis Differentials				
		Low	High	Mean	Change	Low	High	Mean	Change	Wt. Avg
ULS No. 2	SEP	395.99	396.99	396.490	16.040	-0.50	0.50	0.000	0.000	--
CARB No. 2	SEP	394.99	395.99	395.490	16.040	-1.50	-0.50	-1.000	0.000	395.490
JET-PipeLAX	SEP	380.49	380.99	380.740	14.550	-16.00	-15.50	-15.750	2.250	380.655
Sub-Oct Reg 9.0 RVP	SEP	299.70	303.70	301.700	-12.100	35.00	39.00	37.000	16.500	--
Sub-Oct Pre 9.0 RVP	SEP	344.70	348.70	346.700	-19.600	80.00	84.00	82.000	9.000	--
AZRBOB-R 5.7 RVP	SEP	322.20	326.20	324.200	-12.100	57.50	61.50	59.500	16.500	--
AZRBOB-P 5.7 RVP	SEP	355.70	359.70	357.700	-12.100	91.00	95.00	93.000	16.500	--
CARBOB-R 5.99 RVP	SEP	300.70	304.70	302.700	-12.100	36.00	40.00	38.000	16.500	302.510
CARBOB-P 5.99 RVP	SEP	340.70	344.70	342.700	-19.600	76.00	80.00	78.000	9.000	--
CARB-RFG Reg	SEP	300.13	305.23	302.680	-11.790	--	--	--	--	--
CARB-RFG Pre	SEP	336.13	341.23	338.680	-18.540	--	--	--	--	--

San Francisco

Product	Timing	Physical Prices				Basis Differentials				
		Low	High	Mean	Change	Low	High	Mean	Change	Wt. Avg
ULS No. 2	SEP	405.74	406.74	406.240	16.050	9.25	10.25	9.750	3.750	--
CARB No. 2	SEP	405.74	406.74	406.240	16.050	9.25	10.25	9.750	3.750	406.240
JET-Pipe	SEP	380.49	380.99	380.740	14.550	-16.00	-15.50	-15.750	2.250	--
Sub-Oct Reg 7.8 RVP	SEP	303.70	304.70	304.200	-12.430	39.00	40.00	39.500	-2.500	--
Sub-Oct Pre 7.8 RVP	SEP	319.70	320.70	320.200	-12.430	55.00	56.00	55.500	-2.500	--
CARBOB-R 5.99 RVP	SEP	304.20	305.20	304.700	-12.430	39.50	40.50	40.000	-2.500	304.700
CARBOB-P 5.99 RVP	SEP	320.20	321.20	320.700	-12.430	55.50	56.50	56.000	-2.500	--
CARB-RFG Reg	SEP	303.28	305.68	304.480	-12.090	--	--	--	--	--
CARB-RFG Pre	SEP	317.68	320.08	318.880	-12.090	--	--	--	--	--

Pacific Northwest

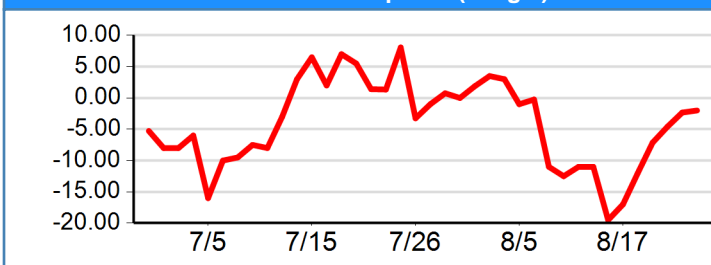
Product	Timing	Physical Prices				Basis Differentials			
		Low	High	Mean	Change	Low	High	Mean	Change
ULS No. 2	PMT AUG	413.82	414.82	414.320	17.130	12.50	13.50	13.000	0.000
JET-Pipe	PMT AUG	395.99	396.49	396.240	14.550	-0.50	0.00	-0.250	2.250
B5	PMT AUG	410.82	411.82	411.320	17.130	9.50	10.50	10.000	0.000
Sub-Oct Reg 7.8 RVP	PMT AUG	308.07	309.07	308.570	-13.230	28.00	29.00	28.500	0.000
Sub-Oct Pre 7.8 RVP	PMT AUG	338.07	339.07	338.570	-33.730	58.00	59.00	58.500	-20.500
Sub-Oct Reg 9.0 (Seattle)	PMT AUG	308.07	309.07	308.570	-13.230	28.00	29.00	28.500	0.000
Sub-Oct Pre 9.0 (Seattle)	PMT AUG	338.07	339.07	338.570	-33.730	58.00	59.00	58.500	-20.500

Los Angeles Physical Forward Curve Prices

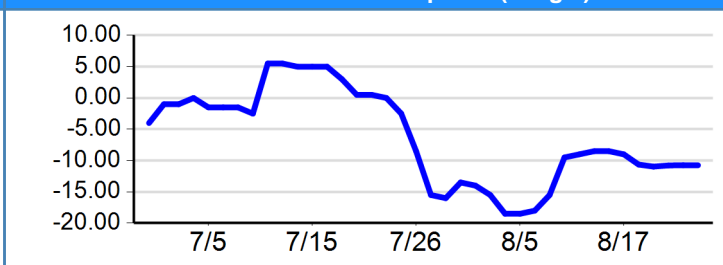
Product	Timing	Physical Prices				Basis Differentials			
		Low	High	Mean	Change	Low	High	Mean	Change
CARBOB-R 5.99 RVP	OCT	297.66	298.16	297.910	-18.220	38.00	38.50	38.250	-3.250
CARBOB-R 10.5 RVP	NOV	282.66	283.66	283.160	--	27.00	28.00	27.500	--
CARBOB-R 12.5 RVP	DEC	268.58	269.58	269.080	--	15.50	16.50	16.000	--
ULS No. 2	OCT	389.97	390.97	390.470	15.140	0.00	1.00	0.500	0.000
CARB No. 2	OCT	388.97	389.97	389.470	15.140	-1.00	0.00	-0.500	0.000
JET-PipeLAX	OCT	377.97	378.97	378.470	15.020	-12.00	-11.00	-11.500	5.500
JET-PipeLAX	NOV	376.70	377.70	377.200	13.870	-6.50	-5.50	-6.000	5.500

*NOTE: L.A. gasoline prices are WEST LINE, and S.F. gasoline prices are NORTH LINE-ZERO LINE. Las Vegas gasoline is represented by L.A. regular sub-octane and premium sub-octane. AZRBOB is the year around gasoline product for Arizona. Pacific Northwest gasoline and No.2 oil prices are FOB Portland Olympic Pipeline; PNW Jet Fuel is FOB Seattle Barge. CARB RFG-R and CARB RFG-P in L.A. and S.F. is not a fungible pipeline product, but a reflection of the value of blending CARBOB with 10% ethanol. Ethanol quotes on page 4 are for ethanol delivered rail car to West Coast locations.

LA vs. SF CARBOB Differential Spread (cts/gal)



LA vs. SF CARB Diesel Differential Spread (cts/gal)



L.A. Paper Forward Curve Basis Differential (cts/gal)

Product	Timing	Low	High	Mean	Change
CARBOB	SEP	39.50	40.50	40.000	-4.000
CARBOB	OCT	39.50	40.50	40.000	-5.000
CARBOB	Q4	29.50	30.50	30.000	-10.000
CARBOB	Q1	32.50	33.50	33.000	-10.000
CARB No. 2	SEP	0.50	1.50	1.000	0.000
CARB No. 2	OCT	1.00	2.00	1.500	0.000
CARB No. 2	Q4	16.00	17.00	16.500	0.000
JET-PipeLAX	SEP	-15.00	-14.00	-14.500	0.000
JET-PipeLAX	OCT	-9.50	-8.50	-9.000	0.000
JET-PipeLAX	Q4	-5.50	-4.50	-5.000	0.000

PADD 5 EIA Inventory - Week Ending 08/19

Location	This Week	Last Week	Last Year	Week Change	Year Change
Gasoline	27,683	28,145	29,303	-462	-1,620
No. 2 Oil	12,090	12,302	11,901	-212	189
ULSD < 15ppm	10,998	11,320	11,111	-322	-113
Kerosene Jet	9,355	9,643	8,178	-288	1,177
Residual Fuel	5,213	4,908	6,059	305	-846
Crude Oil	48,412	50,443	47,003	-2,031	1,409
Crude Input	2,074	2,027	2,251	47	-177

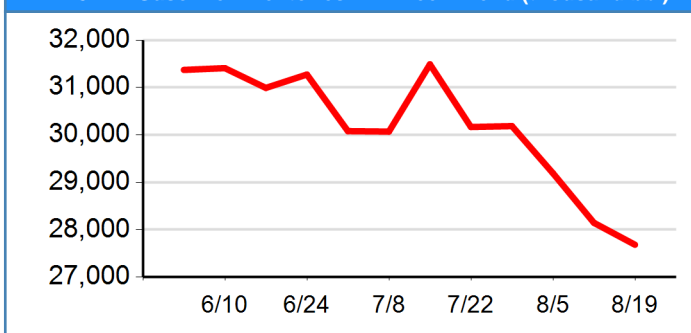
Note: Inventory levels are in thousands of barrels.

California CEC Inventory - Week Ending 08/12

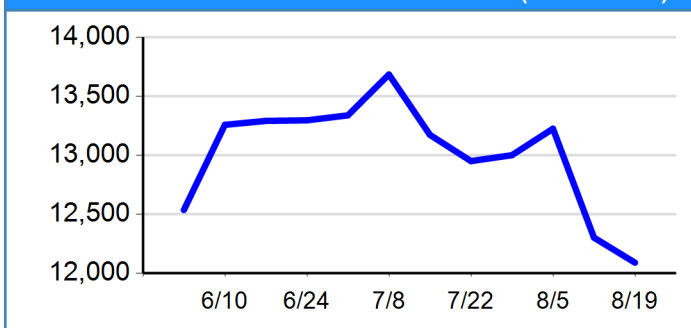
Location	This Week	Last Week	Last Year	Week Change	Year Change
CARB RFG	5,689	5,649	5,291	40	398
Non-Calif. Gasoline	969	901	1,459	68	-490
Gasoline Blend. Components	4,728	5,377	5,526	-649	-798
CARB-Diesel	1,814	2,077	2,033	-263	-219
Other Diesel	1,684	1,556	1,490	128	194
Kerosene Jet	3,175	3,516	2,660	-341	515
Crude Oil	14,526	13,346	14,097	1,180	429
Crude Input	9,103	9,508	10,294	-405	-1,191

Note: Inventory levels are in thousands of barrels.

PADD 5 EIA Gasoline Inventories - 12 Week Trend (thousand bbl)



PADD 5 EIA Distillate Inventories - 12 Week Trend (thousand bbl)



Europe, which could prompt end-users to turn to distillates such as diesel and heating oil instead of gas.

If EIA's estimates are confirmed, U.S. gasoline demand so far this year is about 2% below the same period of last year, with the four-week average down 7% year to year.

According to OPIS DemandPro, which surveys more than 35,000 gas stations across the U.S., average station gasoline volumes so far in August were down 18.4% versus the same month in 2019, when COVID-19 was not a factor.

That was an improvement from July, when demand was 19.5% lower than the same time in 2019.

--Reporting by Frank Tang, ftang@opisnet.com; Editing by Barbara Chuck, bchuck@opisnet.com

US WEST COAST GAS INVENTORIES AT NINE-MONTH LOWS, EIA FIGURES SHOW

Gasoline inventories in the U.S. West Coast (PADD 5) declined for the third week in a row and sit at nine-month lows, according to data released Wednesday from the U.S. Energy Information Administration (EIA).

Gasoline stocks for the region drew 500,000 bbl, to 27.7 million bbl the week of Aug. 19, according to EIA data. The last time gas inventories in PADD 5 slipped below 28 million bbl was December.

PADD 5 refinery utilization was 82.4% versus 81% the week before and 88.5% during the same time last year.

Gasoline imports ticked higher to 5,000 b/d, up from 3,000 b/d the week prior and jet fuel imports declined to zero from 81,000 b/d the previous week, according to EIA data.

Jet fuel inventories in the region drew 300,000 bbl, to 9.4 million bbl, during the week of Aug. 19.

Distillates stocks totaled 12.1 million bbl after a decline of 200,000 bbl.

--Reporting by Bayan Raji, braji@opisnet.com; Editing by Barbara Chuck, bchuck@opisnet.com

LOPEZ OBRADOR PLANS TO DISCUSS US TRADE CONCERNS WITH BLINKEN IN SEPTEMBER

Mexico's President Andres Manuel Lopez Obrador on Wednesday said his government likely will discuss U.S. energy trade complaints when U.S. Secretary of State Antony Blinken visits Mexico in September.

"We'll probably approach the energy discussion because we consider this is a political topic ... we have a very good relationship in the economic, so I think this is political," the president said in a morning meeting with reporters.

The U.S. and Canada in July said they would see dispute settlement consultations under the U.S.-Mexico-Canada Agreement (USMCA) over energy policies the U.S. said favor Mexico's state-owned oil company Pemex and state-owned power company CFE over private companies.

Lopez Obrador on Wednesday said his government has already met with officials from 16 U.S. companies and offered to address their concerns. "Most of these cases concluded in new U.S. investments in Mexico," he said.

Mexico on Tuesday launched the requested trade talks. Under the USMCA, if the parties are unable to reach an agreement within 75 days, then the U.S. and Canada may ask that a panel of experts review their complaints.

In filing its complaint, Washington charged that Mexico has improperly denied or failed to act on U.S. energy companies' requests for new permits to permit extensions they need to operate in the country.

(Continued on Page 4)

WC/WTI-NYMEX/Atlantic Basin Crude Values (\$/bbl)

Product	Low	High	Last	Change
Alaska North Slope	103.55	104.05	103.80	0.25
SJV	87.86	88.36	88.11	0.00
Line 63	99.55	100.05	99.80	0.25
WTI	92.79	95.40	94.89	1.15
THUMS	88.61	89.11	88.86	0.00
Brent	99.10	101.90	101.22	1.00

U.S. West Coast Crude Oil Postings (\$/bbl)

Location	API	Chev	API	PMTC	API	MOBIL
Buena Vista	26.0	98.79	26.0	94.91	26.0	101.38
Hunt. Beach	---	---	20.0	90.46	---	---
Kern River	---	---	13.0	87.46	---	---
Long Beach	---	---	27.0	93.91	---	---
Midway Sunset	13.0	94.24	13.0	90.95	13.0	97.33
Wilmington	---	---	17.0	88.21	---	---
Effective Date	08/23		08/19		08/23	
Location	API	STUSCO	API	UNION 76		
Buena Vista	26.0	97.80	26.0	101.25		
Midway Sunset	13.0	95.85	13.0	96.35		
Effective Date	08/23		08/23			

Today's Closing Singapore Prompt Jet Kerosene Prices

Market	Low	High	Mean	Change
FOB Singapore (\$/bbl)	144.93	145.03	144.98	2.150

OPIS Ethanol Prices (cts/gal)

Market	Timing	Low	High	Mean	Change
LA CI 79.90	PROMPT	295.00	310.00	302.500	-9.000
LA CI 79.90	ANY	293.00	308.00	300.500	-9.000
SF CI 79.90	PROMPT	295.00	310.00	302.500	-9.000
SF CI 79.90	ANY	293.00	308.00	300.500	-9.000
Oregon CI 69.89	PROMPT	294.00	306.00	300.000	-9.000
Washington Eth.	PROMPT	283.00	290.00	286.500	-6.500
Phoenix Eth.	PROMPT	277.00	281.00	279.000	-6.500

OPIS California Low Carbon Fuel Standard

Product	Low	High	Mean	Change
Carbon Credit (\$/MT)	88.000	89.000	88.5000	0.2500
CI Pts Ethanol (\$/CI)	0.00717	0.00725	0.007210	0.000020
CI Pts Biodiesel (\$/CI)	0.01110	0.01123	0.011165	0.000030
Carbon CPG Diesel (cts/gal)	11.88	12.02	11.950	0.035
Carbon CPG Dsl 95% (cts/gal)	11.29	11.41	11.350	0.035
Carbon CPG Gasoline (cts/gal)	11.91	12.04	11.975	0.035
Carbon CPG Gas 90% (cts/gal)	10.72	10.84	10.780	0.030

OPIS U.S. RIN Values (cts/RIN)

Product	Year	Low	High	Mean	Change
Corn Ethanol	2020	161.50	168.00	164.750	-0.250
Corn Ethanol	2021	161.50	166.50	164.000	-0.250
Corn Ethanol	2022	161.50	165.50	163.500	-0.250
Biodiesel	2020	194.00	197.00	195.500	0.500
Biodiesel	2021	182.00	185.00	183.500	0.500
Biodiesel	2022	176.50	180.50	178.500	0.500
Cellulosic	2020	322.00	342.00	332.000	0.000
Cellulosic	2021	335.00	338.00	336.500	0.000
Cellulosic	2022	285.00	289.00	287.000	0.000
Adv. Biofuel	2020	193.00	197.00	195.000	0.500
Adv. Biofuel	2021	181.00	185.00	183.000	0.500
Adv. Biofuel	2022	175.50	180.50	178.000	0.500

The U.S also argued that Mexico discriminated against private companies by provide only Pemex with a five year-extension to comply with the maximum sulfur content requirements for diesel fuel.

By denying the same extension to other market players, Mexican energy regulator CRE failed to be impartial in how it regulates companies in the energy sector, U.S. Trade Representative Katherine Tai said last month.

Mexico's economic secretary on Wednesday tweeted that Under Secretary of Economy Luz Maria de la Mora had spoken by phone with U.S Deputy Trade Representative Jayme White to discuss bilateral issues Tai raised at the second USMCA Free Trade Commission meeting in July.

In that call, the agency said White and De la Mora reaffirmed their commitment to the bilateral economic and trade relationship and the importance of communication in continuing to implement the USMCA.

--Reporting by Karla Omaa, komana@opisnet.com; Editing by Jeff Barber, jbarber@opisnet.com

REFINED PRODUCTS ASSESSMENT LOGIC:

L.A. CARBOB-R 5.99 lb. RVP: September prompt was assessed at the NYMEX October RBOB contract plus 38cts/gal, based on trades between plus 36cts/gal and 40cts/gal.

L.A. CARB No. 2: September prompt was assessed at the NYMEX October ULSD contract minus 1cts/gal, unchanged on the day, based on a trade at that level.

L.A. ULS No. 2: September prompt was assessed at flat to the NYMEX October ULSD contract, with no bids or offers seen.

L.A. JET - Pipe LAX: September prompt was assessed at the NYMEX October ULSD contract minus 15.75cts/gal, based on trades at minus 16cts/gal and 15.50cts/gal.

S.F. CARBOB-R 5.99 lb. RVP: September prompt was assessed at the NYMEX October RBOB contract plus 40cts/gal, based on a trade at that level.

S.F. CARB No. 2: September prompt was assessed at the NYMEX October ULSD contract plus 9.75cts/gal, with no bids or offers seen.

PNW SUB-OCT Reg 7.8 lb. RVP: August prompt was assessed at the NYMEX September RBOB contract plus 28.50cts/gal, unchanged on the day, based on a bid at plus 10cts/gal and an offer at plus 33cts/gal.

PNW ULS No. 2: August prompt was assessed at the NYMEX September ULSD contract plus 13cts/gal, unchanged on the day, based on an offer at plus 19cts/gal and no bids seen.

WEST COAST REFINED PRODUCTS ANALYSIS:

Los Angeles gasoline products rolled to September-delivered barrels as prompt with the start of Wednesday's session, and differentials now pricing against much-cheaper NYMEX October RBOB futures ramped up to absorb the wide pricing spread between reference months.

September L.A. CARBOB traded between 36cts/gal to 40cts/gal over October RBOB futures. Barrels most recently transacted 36.50cts/gal above the Merc. Outright prices were assessed \$3.0270/gal.

October L.A. CARBOB traded 38cts/gal and 38.50cts/gal over November RBOB futures, good for a full-day price of

(Continued on Page 5)

Calif. Carbon Allowance Assessments (\$/mt)

Vintage	Timing	Low	High	Mean
Previous Yr.	PMT AUG '22	27.83	30.92	29.375
Previous Yr.	FWD DEC '22	28.02	31.47	29.745
Current Yr.	PMT AUG '22	27.86	30.95	29.405
Current Yr.	FWD DEC '22	28.05	31.50	29.775
Next Yr.	PMT AUG '22	27.84	30.93	29.385
Next Yr.	FWD DEC '22	28.03	31.48	29.755

Prompt Calif. Cap-at-the-Rack Prices (cts/gal)

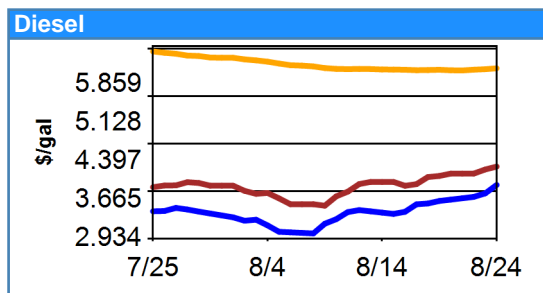
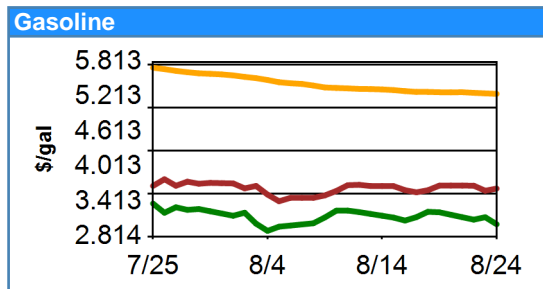
Product	Price	Wk Avg	30-Day Avg
Summer CARB RFG-R	23.70	24.598	24.205
Summer CARB RFG-M	23.64	24.543	24.151
Summer CARB RFG-P	23.62	24.515	24.124
CARB No.2	30.11	31.255	30.756
B5 Biodiesel	28.61	29.693	29.220
LPG	17.11	17.764	17.480
LNG (cts/DGE)	21.52	22.342	21.986

Today's Spot-to-Rack-to-Retail Snapshot

Gasoline (\$/gal)	Price	Change
Basket of Racks	3.640	0.037
Retail Average	5.265	-0.008
L.A. CARBOB-R	3.027	-0.121

Diesel (\$/gal)	Price	Change
Basket of Racks	4.304	0.055
Retail Average	6.170	0.017
L.A. CARB No. 2	3.955	0.160

30-Day Spot-to-Rack-to-Retail Trend



Legend

— L.A. CARBOB-R	— Basket of Racks
— L.A. CARB No. 2	— Retail Average

NOTE: The methodology for the Rack-to-Retail Trend Snapshot can be found at: <http://www.opisnet.com/about/methodology.aspx>.

\$2.9791/gal.

Los Angeles premium CARBOB regrade values on Wednesday fell 7cts after barrels transacted at a differential of 40cts/gal over Los Angeles regular CARBOB. Prices fell 19.60cts, to \$3.4270/gal with futures selling adding to that decline.

Premium sub-octane, a regrade to premium L.A. CARBOB saw prices fall by 19.60cts, to \$3.4670/gal.

After starting August at a regrade of 21.50cts/gal over regular L.A. CARBOB, premium CARBOB differentials spent the last couple of weeks gaining momentum.

Regrade values to CARBOB were plus 23cts/gal or 42cts/gal over September futures, on Aug. 11, according to OPIS data, and 29cts/gal over L.A. CARBOB on Aug. 12.

Premium CARBOB jumped to 48cts/gal over regular L.A. CARBOB on Aug. 16, with differentials assessed 61.50cts/gal over the NYMEX, according to OPIS data.

Market participants linked the Aug. 16 movements on premium grade blendstock to potential supply tightness on reformate and alkylate, due to a lack of gasoline imports in August, which are key ingredients to make these high-octane blendstocks, OPIS reported at the time.

Wednesday's decline possibly represents a normalization of trade levels after the recent run-up.

Los Angeles jet fuel also rolled to September delivery as prompt Wednesday morning. Barrels traded 16cts/gal and 15.50cts/gal below NYMEX October ULSD futures, representing an increase of 2.25cts compared to where August differentials were assessed Tuesday. Outright prices added about 14cts to end the session at \$3.8074/gal.

September L.A. CARB diesel traded 1ct/gal below the Merc, the same level assessed on Tuesday. Prices finished the day \$3.9549/gal, a gain of 16cts.

Los Angeles ULSD differentials were also unchanged, at flat with the Merc, and prices were \$3.9649/gal.

San Francisco CARBOB prices fell 12.43cts to \$3.0470/gal primarily due to paper selling but weaker cash trade levels also added to the losses. Barrels traded 40cts/gal over the Merc, representing a decline of 2.50cts versus the previous session's mean.

Bay Area CARB diesel and ULSD rolled to September-delivered timing as prompt at the start of Wednesday's session and futures premiums added 3.75cts with the shift to help absorb the pricing spread between reference months.

Bay Area CARB diesel prices were 16.05cts higher at \$4.0624/gal with differentials assessed 9.75cts/gal over October ULSD futures. Bay Area ULSD was flat with CARB diesel, based on a previously established pricing relationship.

Pacific Northwest (PNW) sub-octane was seen bid 10cts/gal over September RBOB futures and offered plus 33cts/gal, leaving differentials unchanged at plus 28.50cts/gal. Prices fell with Merc selling pressure to \$3.0857/gal, a decline of 13.23cts.

PNW premium sub-octane prices and differentials dropped sharply again Wednesday amid continued selling interest.

An offer for premium sub-octane at plus 59cts/gal against NYMEX September RBOB futures placed differentials 20.50cts below the previous assessed mean. Prices tanked 33.73cts to \$3.3857/gal.

"It's probably just a resupply in the market," one West Coast refined products trader said. "It's been tight and pretty elevated this last month."

PNW ULSD prices lifted 17cts with paper support to \$4.1432/gal and differentials were pegged 13cts/gal over September futures. An offer was seen plus 19cts/gal.

--Reporting by Bayan Raji, braji@opisnet.com; Editing by Kylee West, kwest@opisnet.com

OPIS West Coast Spot Market Deal Log

Los Angeles

Product	Timing	Differential	Reference	kbbl	Notes
CARBOB Regular 5.99 RVP Prompt	SEP	+36.00	Oct RBOB	25	
CARBOB Regular 5.99 RVP Prompt	SEP	+38.00	Oct RBOB	25	
CARBOB Regular 5.99 RVP Prompt	SEP	+40.00	Oct RBOB	25	
CARBOB Regular 5.99 RVP Any	OCT	+38.00	Nov RBOB	25	
CARBOB Regular 5.99 RVP Prompt	SEP	+40.00	Oct RBOB	25	
CARBOB Regular 5.99 RVP Any	OCT	+38.50	Nov RBOB	25	
CARBOB Regular 5.99 RVP Prompt	SEP	+38.00	Oct RBOB	25	
CARBOB Regular 5.99 RVP Prompt	SEP	+37.00	Oct RBOB	25	
CARBOB Regular 5.99 RVP Prompt	SEP	+37.00	Oct RBOB	25	
CARBOB Regular 5.99 RVP Prompt	SEP	+36.50	Oct RBOB	25	
CARBOB Premium 5.99 RVP Prompt	SEP	+40.00	CARBOB Regular 5.99 RVP	25	
CARBOB Premium 5.99 RVP Other	SEP	+30.00	CARBOB Regular 5.99 RVP	25	Backhalf September
CARB No2 Prompt	SEP	-1.00	Oct No2	25	
Jet LAX Prompt	SEP	-16.00	Oct No2	50	
Jet LAX Prompt	SEP	-15.50	Oct No2	25	

San Francisco

Product	Timing	Differential	Reference	kbbl	Notes
CARBOB Regular 5.99 RVP Prompt	SEP	+40.00	Oct RBOB	25	

Pacific Northwest

No deals confirmed.

Los Angeles Paper

No deals confirmed.

U.S. West Coast Price Discovery Methodology

Editors confirm and record deals done for gasoline and distillate products with a minimum pipeline size of 10,000 bbl in California and 5,000 bbl in the Pacific Northwest. As the majority of the market is done on an EFP basis, we follow deals as basis discounts or premiums to the New York Mercantile Exchange. We consider fixed-price deals only if they fall within the full-day differential range based off the NYMEX at settlement. Fixed price deals in California spot markets are converted to an EFP when reported and confirmed and then reapplied to the NYMEX settlement price.

OPIS does publish "prompt" ranges, which are trades that reflect "any month / buyers option" transactions. "Buyers option" gives the buyer the choice of taking delivery in any of the four cycles in throughout the month. In Los Angeles, OPIS identifies the prompt Kinder Morgan cycle for timing clarity but ranges are buyer option/any month lifting.

OPIS works with the Kinder Morgan Pipeline to determine the timing of the various cycles throughout the month. Typically, each month has four pumping cycles. In cases where it is close to the end of the months trading cycle, OPIS reserves the right to roll coverage forward to the more liquid month.

For the Los Angeles market, OPIS follows the Kinder Morgan West Line, and in the Bay area the OPIS assessment is for the Kinder Morgan Zero Line. In the Pacific Northwest, prices are FOB Portland - Olympic Pipeline and jet fuel is FOB Seattle barge. For complete methodology, visit <http://www.opisnet.com/about/methodology.aspx>

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