

# Introduction to the EPA Moderated Transaction System

Workshop June 8<sup>th</sup>, 2009

U.S. Environmental Protection Agency  
Office of Transportation and Air Quality

# Overview - System Features

- The EMTS provides industry with the ability to report transactions and generate RINs in a structured uniform environment.
- Major features Include:
  - Users and Organizations registered with Part 80 will be integrated with EMTS
  - Central Transaction Point
  - Multiple methods of reporting
    - EMTS Web Application
    - Files may be submitted in batch
    - Industry file submissions through the Exchange Network (An EPA first with private industry)
    - Third Party Submissions
  - Open and accessible

# Overview - EPA Support for Industry Users

- The EMTS enables EPA staff to support your reporting needs. EPA staff can:
  - Publish announcements on EMTS web application
  - Track all transactions
  - Track history of trades
  - Identify common reporting issues and provide focused training
  - Update help content and FAQs and provide timely support to user.



# Overview - User Registration and Security

- Every user registers with certain abilities or “roles” (Submitter, Editor, Viewer)
- Roles are associated with an Organization
- Roles restrict a users ability to perform tasks in the EMTS
- Third party agents can have multiple roles with multiple Organizations
- Data is restricted by users role and Organization
- Users must have a CDX account
- Responsible Corporate Officer must have signature on file with OTAQ before data can be submitted

# Overview - Organizations and Facilities

- Register organizations with OTAQ including:
  - Facilities
  - Production Process
  - Production Volumes
  - All possible feedstocks
  - All Co-Products
- Business activities are used to check that EMTS transactions are correct



# Overview - Generating RINs

- RINs are the credits used in all transactions.
- RINs are:
  - Generated, traded, and stored in the EMTS
  - Held in an Organizations “Holding Account”
  - Can be “Locked”, preventing trades with the RINs batch
    - EPA may lock RINs (hopefully a rare occurrence)
    - An individual submitter may lock RINs

# Overview - Separating RINs

- RINs can be separated from their fuel by:
  - Submitting a “separate” transaction in a batch file, or
  - Creating a “separate” transaction in the EMTS Web Application.
- Report the reason for the separation. Some reasons include:
  - Blending Biodiesel to 80% volume or less
  - Exporting Fuel
  - Use in the neat form



# Overview - Selling and Buying RINs

- Trade is negotiated between you and trading partner
- Transaction must be reported to the EMTS. This is done by:
  - Submitting a “sell” transaction in a batch file, or
  - Creating a “sell” transaction in the EMTS Web Application.
- If you are buying RINs, accept or deny a sell offer from a trading partner
- “Buy” transactions can be completed by:
  - Submitting a “buy” transactions in a batch file, or
  - Responding to a pending “buy” transactions on the EMTS Web Application.
- Report the reason for the trade



# Overview - Retiring RINs

- RINs can be retired to meet an obligation or to report spillage, spoilage or other issue
- Retire RINS by:
  - Submitting a “retire” transaction in a batch file, or
  - Creating a “retire” transaction in the EMTS Web Application.
- Provide reason for retirement of RINs. Some reasons include:
  - Use for compliance
  - Spillage
- RINs can no longer be used in trades after retired

# Overview - Checking Transactions for Errors

- All transactions submitted to the EMTS are checked for formatting errors and quality assurance.
- All checks are considered critical and must pass
- If one or more checks do not pass, the entire batch file submission fails
- Notification is sent to user on failed submission status
- Immediate access provided to user through a feedback report



# Overview - E-Mail Notifications

- Users receive e-mails regarding activities
- E-mails are “aggregated”, reducing the number of e-mail received
- Key notifications include:
  - Receipt of submitted files
  - Acknowledgement of successful or unsuccessfully processed files
  - Information about pending trades
  - Reminders of incomplete transactions (EMTS will eventually purge incomplete transactions)

## Overview - Incomplete Transactions

- Occur when a pending “sell” transaction cannot be matched with a corresponding “buy” transaction
  - Buyer does not submit a transaction
  - Buyer reports different matching data than Seller
- EMTS notifies the Seller
- Seller resubmits transaction



# Overview - Reports

- Numerous reports are available on organizations' RIN data.
- Access to reports restricted to private Holding Account activity
- Reports include:
  - Current RIN holdings
  - QA feedback on failed file submissions
  - Summary and detailed list of all files submitted from Organization
  - Detailed information on all Organization transactions
  - List of notifications sent from the EMTS to Organization users
  - History of all trades involving your Organization

# Overview - Other Features

- Future versions of EMTS will include:
  - Ability to subscribe to specific Notifications
  - Ability to subscribe to specific Announcements





# RFS2 and EMTS Timelines

Workshop June 8<sup>th</sup>, 2009

U.S. Environmental Protection Agency  
Office of Transportation and Air Quality

# 2009 Timeline

