§ 80.1129 Requirements for separating RINs from volumes of renewable fuel.

(a)(1) Separation of a RIN from a volume of renewable fuel means termination of the assignment of the RIN to a volume of renewable fuel.

(2) RINs that have been separated from volumes of renewable fuel become unassigned RINs subject to the provisions of §80.1128(b).

(b) A RIN that is assigned to a volume of renewable fuel is separated from that volume only under one of the following conditions:

(1) Except as provided in paragraphs (b)(6) and (b)(8) of this section, a party that is an obligated party according to §80.1106 must separate any RINs that have been assigned to a volume of renewable fuel if they own that volume.

(2) Except as provided in paragraph (b)(5) of this section, any party that owns a volume of renewable fuel must separate any RINs that have been assigned to that volume once the volume is blended with gasoline or diesel to produce a motor vehicle fuel. A party may separate up to 2.5 RINs per gallon of fuel that is blended.

(3) Any party that exports a volume of renewable fuel must separate any RINs that have been assigned to the exported volume.

(4) Any party that produces, imports, owns, sells or uses a volume of neat renewable fuel may separate any RINs that have been assigned to that volume of neat renewable fuel if the party designates the neat renewable fuel as motor vehicle fuel, and the neat renewable fuel is used as a motor vehicle fuel.

(5) RINs assigned to a volume of biodiesel (mono-alkyl ester) can only be separated from that volume pursuant to paragraph (b)(2) of this section if such biodiesel is blended into diesel fuel at a concentration of 80 volume percent biodiesel (mono-alkyl ester) or less.

(i) This paragraph (b)(5) shall not apply to obligated parties or exporters of renewable fuel.

40 CFR Ch. I (7–1–10 Edition)

§ 80.1129

D = Applicable date.

\[ \Sigma \text{(RIN)}_i = \text{Sum of all assigned gallon-RINs with a K code of 1 that are owned on date D.} \]

\[ (V_i)_D = \text{Volume } i \text{ of renewable fuel owned on date D, standardized to 60 °F, in gallons.} \]

\[ EV_i = \text{Equivalence value representing volume } i. \]

\[ \Sigma (V_i \times EV_i)_D = \text{Sum of all volumes of renewable fuel owned on date D, multiplied by their respective equivalence values.} \]

(ii) The equivalence value EVi for use in the equation in paragraph (a)(5)(i) of this section for any volume of renewable fuel shall be 2.5.

(iii) The applicable dates are March 31, June 30, September 30, and December 31. For 2007 only, the applicable dates are September 30 and December 31.

(6) Any transfer of ownership of assigned RINs must be documented on product transfer documents generated pursuant to §80.1153.

(i) The RIN must be recorded on the product transfer document used to transfer ownership of the RIN and the volume to another party; or

(ii) The RIN must be recorded on a separate product transfer document transferred to the same party on the same day as the product transfer document used to transfer ownership of the volume of renewable fuel.

(b) RINs not assigned to volumes of renewable fuel. (1) Unassigned RIN, for the purposes of this subpart, means a RIN with a K code of 2 that has been separated from a volume of renewable fuel pursuant to §80.1126(e)(4) or §80.1129.

(2) Any party that has registered pursuant to §80.1150 can hold title to an unassigned RIN.

(3) Unassigned RINs can be transferred from one party to another any number of times.

(4) An unassigned batch-RIN can be divided by its holder into multiple batch-RINs, each representing a smaller number of gallon-RINs, if all of the following conditions are met:

(i) All RIN components other than SSSSSSSSS and EEEEEEEE are identical for the original parent and newly formed daughter RINs.

(ii) The sum of the gallon-RINs associated with the multiple daughter batch-RINs is equal to the gallon-RINs associated with the parent batch-RIN.

(i) This paragraph (b)(5) shall not apply to any party meeting the requirements of paragraph (b)(4) of this section.

(6) For RINs that an obligated party generates from renewable fuel that has not been blended into gasoline, the obligated party can only separate such RINs from volumes of renewable fuel if the number of gallon-RINs separated is less than or equal to its annual RVO.

(7) A producer or importer of cellulosic biomass ethanol or waste-derived ethanol can separate a portion of the RINs that it generates pursuant to §80.1126(e)(4).

(8) For a party that has received a small refinery exemption under §80.1141 or a small refiner exemption under §80.1142, and who is not otherwise an obligated party, during the period of time that the small refinery or small refiner exemption is in effect the party may only separate RINs that have been assigned to volumes of renewable fuel that the party blends into motor vehicle fuel in accordance with paragraph (b)(2) of this section.

(c) The party responsible for separating a RIN from a volume of renewable fuel shall change the K code in the RIN from a value of 1 to a value of 2 prior to transferring the RIN to any other party.

(d) Upon and after separation of a RIN from its associated volume, product transfer documents used to transfer ownership of the volume must continue to meet the requirements of §80.1153(a)(5)(ii).

(e) Any obligated party that uses a renewable fuel in a boiler or heater must retire any RINs associated with that volume of renewable fuel and report the retired RINs in the applicable reports under §80.1152.


$80.1131 Treatment of invalid RINs.

(a) Invalid RINs. An invalid RIN is a RIN that is any of the following:

(1) Is a duplicate of a valid RIN.

(2) Was based on volumes that have not been standardized to 60 °F.

(3) Has expired.

(4) Was based on an incorrect equivalence value.

(5) Is deemed invalid under §80.1167(g).

(6) Does not represent renewable fuel as it is defined in §80.1101.

(7) Was otherwise improperly generated.