

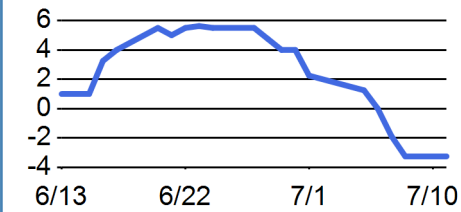
OPIS West Coast Spot Market Report

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

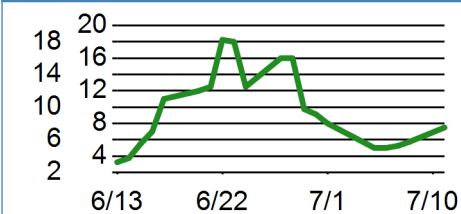
Monday, July 11, 2016

West Coast 30-Day Average Snapshot

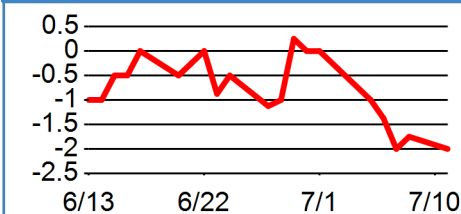
Los Angeles CARB No. 2 Basis (cts/gal)



Los Angeles CARBOB-R Basis (cts/gal)



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



AFTERNOON FLARING AT TORRANCE LIFTS L.A. CARBOB

7/11/2016 - Oil prices moved through a mixed formal session, with WTI and Brent seeing modest losses while gasoline and diesel saw modest gains. The electronic aftermarket, however, saw consistent selling with crude again approaching multi-month lows.

WTI settled 65cts/bbl lower at \$44.76/bbl without any clear steering currents, other than expectations that runs this month will probably represent a peak for the year. Later trading in WTI saw the August contract dip another 23cts/bbl to \$44.53/bbl, and dollar strength was a motivating factor. Brent also continued to slip through the afternoon with last quotes barely above \$46/bbl at \$46.06/bbl. In addition to the shaky futures' prices, reports indicate that actual dated spot Brent can be procured at a discount to futures of more than \$1.25/bbl.

Gasoline managed to ride a little higher in the formal Monday session with August RBOB settling at \$1.3835/gal, reflecting a 1.27cts/gal rise for the day.

But more than half of the gain was wiped out in late electronic trading, which saw August contracts slip 70pts/gal to \$1.3765/gal.

Some of the day's increase could be attributed to reports of at least two northeastern refiners cutting runs, in part because of RINs' compliance costs that have escalated well over \$4 bbl, for the theoretical "RIN-less" refiner.

Diesel saw very little action and small changes in price today. The regular NYMEX session saw a settle of \$1.4163/gal, an increase of 40pts/gal, but this contract withered a bit in after hours' action.

--Tom Kloza, tkloza@opisnet.com

PBF TO EXPAND UNBRANDED GASOLINE SALE TO 3 SOCAL TERMINALS THIS WEEK

PBF Energy will begin to offer unbranded gasoline in Orange, Colton and Mission Valley, Calif., this week, following its entry into Southern California more than a week ago, industry sources told OPIS on Monday.

(Continued on Page 3)

New York Mercantile Exchange at Settlement

WTI Crude Oil (\$/bbl)		
Month	Price	Change
AUG	44.76	-0.65
SEP	45.52	-0.60
OCT	46.22	-0.53

RBOB Unleaded (cts/gal)		
Month	Price	Change
AUG	138.35	1.27
SEP	139.22	0.74
OCT	131.65	0.54

ULSD (cts/gal)		
Month	Price	Change
AUG	141.63	0.40
SEP	143.86	0.14
OCT	146.07	0.08

L.A. 3-2-1 Crack Spread*	
Price (\$/bbl)	Change
17.80	1.55

*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	138.380	0.400	-3.250	0.000	142.130	0.400	0.500	0.000	156.880	0.150	15.250	-0.250
CARB No. 2	138.380	0.400	-3.250	0.000	142.130	0.400	0.500	0.000	---	---	---	---
Sub-oct Reg	140.850	3.020	2.500	1.750	148.350	1.270	10.000	0.000	155.350	0.270	17.000	-1.000
Sub-oct Pre	181.850	3.020	43.500	1.750	181.350	1.270	43.000	0.000	193.350	0.270	55.000	-1.000
CARBOB-R**	145.850	3.020	7.500	1.750	148.350	1.270	10.000	0.000	152.350	0.270	14.000	-1.000
CARBOB-P**	181.850	3.020	43.500	1.750	181.350	1.270	43.000	0.000	190.350	0.270	52.000	-1.000
JET **	139.630	0.150	-2.000	-0.250	141.130	0.150	-0.500	-0.250	139.630	0.150	-2.000	-0.250
JET-WTG AVG	139.630	0.150	-2.000	-0.250	---	---	---	---	---	---	---	---
B5	---	---	---	---	---	---	---	---	158.380	0.150	16.750	-0.250
AZRBOB-R	151.100	3.020	12.750	1.750	---	---	---	---	---	---	---	---
AZRBOB-P	186.100	3.020	47.750	1.750	---	---	---	---	---	---	---	---
CARB RFG-R	149.065	2.918	---	---	151.315	1.343	---	---	---	---	---	---
CARB RFG-P	181.465	2.918	---	---	181.015	1.343	---	---	---	---	---	---

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				Wt. Avg
		Low	High	Mean	Change	Low	High	Mean	Change	
ULS NO. 2	JUL	137.88	138.88	138.380	0.40	-3.750	-2.750	-3.250	0.000	--
CARB No. 2	JUL	137.88	138.88	138.380	0.40	-3.750	-2.750	-3.250	0.000	138.380
JET-PipeLAX	JUL	139.13	140.13	139.630	0.15	-2.500	-1.500	-2.000	-0.250	139.630
Sub-Oct Reg 9.0 RVP	JUL	139.35	142.35	140.850	3.02	1.000	4.000	2.500	1.750	--
Sub-Oct Pre 9.0 RVP	JUL	180.35	183.35	181.850	3.02	42.000	45.000	43.500	1.750	--
AZRBOB-R 5.7 RVP	JUL	149.60	152.60	151.100	3.02	11.250	14.250	12.750	1.750	--
AZRBOB-P 5.7 RVP	JUL	184.60	187.60	186.100	3.02	46.250	49.250	47.750	1.750	--
CARBOB-R 5.99 RVP	JUL	144.35	147.35	145.850	3.02	6.000	9.000	7.500	1.750	146.220
CARBOB-P 5.99 RVP	JUL	180.35	183.35	181.850	3.02	42.000	45.000	43.500	1.750	--
CARB-RFG Reg	JUN	147.62	150.52	149.065	--	--	--	--	--	--
CARB-RFG Pre	JUN	180.02	182.92	181.465	--	--	--	--	--	--

San Francisco

Product	Timing	Physical Prices				Basis Differentials				Wt. Avg
		Low	High	Mean	Change	Low	High	Mean	Change	
ULS NO. 2	JUL	141.63	142.63	142.130	0.40	0.000	1.000	0.500	0.000	--
CARB No. 2	JUL	141.63	142.63	142.130	0.40	0.000	1.000	0.500	0.000	142.130
JET-Pipe	JUL	140.63	141.63	141.130	0.15	-1.000	0.000	-0.500	-0.250	--
Sub-Oct Reg 7.8 RVP	JUL	147.35	149.35	148.350	1.27	9.000	11.000	10.000	0.000	--
Sub-Oct Pre 7.8 RVP	JUL	180.35	182.35	181.350	1.27	42.000	44.000	43.000	0.000	--
CARBOB-R 5.99 RVP	JUL	147.35	149.35	148.350	1.27	9.000	11.000	10.000	0.000	148.350
CARBOB-P 5.99 RVP	JUL	180.35	182.35	181.350	1.27	42.000	44.000	43.000	0.000	--
CARB-RFG Reg	JUN	150.32	152.32	151.315	--	--	--	--	--	--
CARB-RFG Pre	JUN	180.02	182.02	181.015	--	--	--	--	--	--

Pacific Northwest

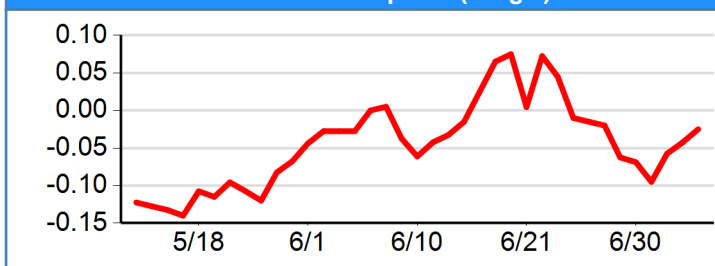
Product	Timing	Physical Prices				Basis Differentials			
		Low	High	Mean	Change	Low	High	Mean	Change
ULS NO. 2	PMT JUL	156.63	157.13	156.880	0.15	15.000	15.500	15.250	-0.250
JET-Pipe	PMT JUL	139.13	140.13	139.630	0.15	-2.500	-1.500	-2.000	-0.250
B5	PMT JUL	158.13	158.63	158.380	0.15	16.500	17.000	16.750	-0.250
Sub-Oct Reg 7.8 RVP	PMT JUL	154.85	155.85	155.350	0.27	16.500	17.500	17.000	-1.000
Sub-Oct Pre 7.8 RVP	PMT JUL	192.85	193.85	193.350	0.27	54.500	55.500	55.000	-1.000
Sub-Oct Reg 13.5 (Seattle)	PMT JUL	151.85	152.85	152.350	0.27	13.500	14.500	14.000	-1.000
Sub-Oct Pre 13.5 (Seattle)	PMT JUL	189.85	190.85	190.350	0.27	51.500	52.500	52.000	-1.000

Los Angeles Physical Forward Curve Prices

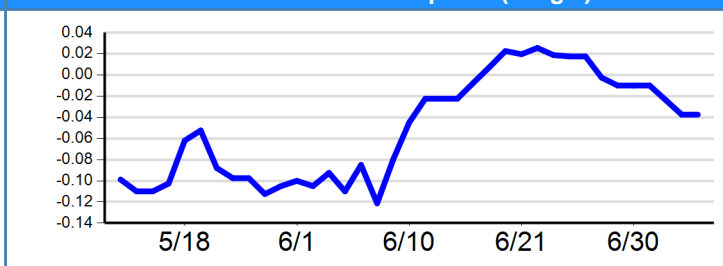
Product	Timing	Physical Prices				Basis Differentials			
		Low	High	Mean	Change	Low	High	Mean	Change
CARBOB-R 5.99 RVP	AUG	148.22	149.22	148.72	3.24	9.000	10.000	9.500	2.500
CARBOB-R 5.99 RVP	SEP	147.65	148.65	148.15	3.04	16.000	17.000	16.500	2.500
CARBOB-R 5.99 RVP	OCT	147.12	148.12	147.62	3.52	16.000	17.000	16.500	3.000
CARB No. 2	AUG	142.11	143.11	142.61	0.64	-1.750	-0.750	-1.250	0.500
JET-PipeLAX	AUG	139.61	140.61	140.11	0.14	-4.250	-3.250	-3.750	0.000
JET-PipeLAX	SEP	139.57	140.57	140.07	0.08	-6.500	-5.500	-6.000	0.000

*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	AUG	7.000	8.000	7.500	0.500
CARBOB	SEP	14.000	15.000	14.500	1.000
CARBOB	Q4	9.500	10.500	10.000	0.500
CARBOB	Q1	14.000	15.000	14.500	0.000
CARB No. 2	AUG	-1.500	-0.500	-1.000	0.000
CARB No. 2	SEP	0.500	1.500	1.000	0.000
CARB No. 2	Q4	1.000	2.000	1.500	0.000
JET-PipeLAX	AUG	-4.500	-3.500	-4.000	0.500
JET-PipeLAX	SEP	-6.000	-5.000	-5.500	0.500
JET-PipeLAX	Q4	-6.500	-5.500	-6.000	-1.000

PADD 5 EIA Inventory - Week Ending 07/01

Location	This Week	Last Week	Last Year	Week Change	Year Change
Gasoline	27,868	28,250	27,755	-382	113
No. 2 Oil	13,105	13,360	12,505	-255	600
ULSD < 15ppm	11,670	12,039	11,424	-369	246
Kerosene Jet	8,062	8,338	8,693	-276	-631
Residual Fuel	4,741	4,833	5,539	-92	-798
Crude Oil	60,380	61,731	56,870	-1,351	3,510
Crude Input	2,483	2,515	2,391	-32	92

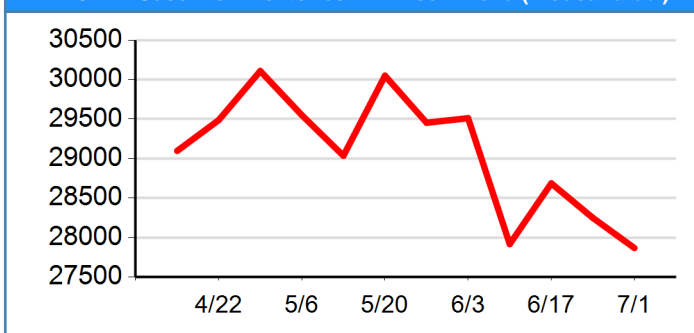
Note: Inventory levels are in thousands of barrels.

California CEC Inventory - Week Ending 07/01

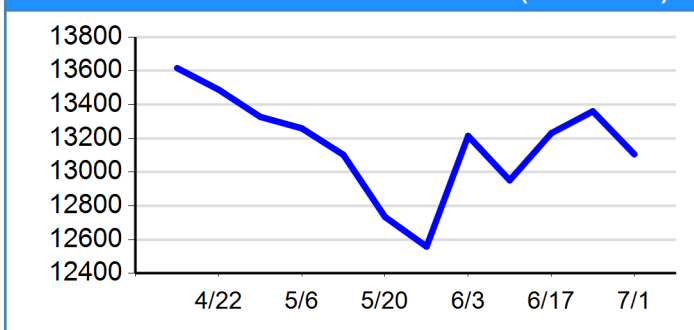
Location	This Week	Last Week	Last Year	Week Change	Year Change
CARB RFG	4,988	5,143	4,503	-155	485
Non-Calif. Gasoline	1,432	1,079	1,230	353	202
Gasoline Blend. Components	5,167	5,048	5,542	119	-375
CARB-Diesel	1,626	2,056	2,137	-430	-511
Other Diesel	1,224	1,307	1,135	-83	89
Kerosene Jet	2,701	2,903	2,806	-202	-105
Crude Oil	16,254	16,802	15,555	-548	699
Crude Input	12,153	12,252	11,772	-99	381

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)



During the Independence Day weekend, PBF began to offer bulk gasoline supplies for the first time at Vernon, Calif., which is south of downtown Los Angeles.

Besides the four terminals, PBF is looking to expand its unbranded fuel offer to other terminals in Southern California. This will depend on demand/supply, price competition, logistics and the number of players at those locations.

The entry into the Southern California bulk market follows PBF Energy's takeover the 157,800-b/d Torrance, Calif., refinery from ExxonMobil on July 1.

In addition to gasoline, the new player on the West Coast will offer bulk distillates at some Kinder Morgan terminals in Southern California later.

So far, PBF is seen slowly ramping up its bulk fuel sale effort, with little pricing information available. PBF does not have plans to post rack prices in South California, but this could change later.

Apart from increasing its bulk market presence in South California, PBF is also supplying fuel to legacy contracts with ex-ExxonMobil rack customers.

PBF inherited some branded and unbranded fuel supply contracts in the Los Angeles area from ExxonMobil, but those represent only a minimal volume as ExxonMobil had canceled most of its unbranded-fuel supply contracts in that market late last year and sold off a majority of its branded contracts to Couche-Tard.

As seen in other regional markets, PBF will sell bulk fuel on both previous-day and same-day prices in Southern California. This will vary from customer to customer via private negotiations.

ExxonMobil, the previous owner of the Torrance refinery, had Southern California rack buyers on both same-day price and previous-day price contracts, and most buyers held both types of contracts to maximize profit, depending on day-to-day price changes. A rack buyer could lift more supplies from its previous-day price contract if there was a significant overnight price spike. However, this rack play was limited by supply allocations based on individual contracts.

Besides rack supplies, PBF is also supplying jet fuel to Los Angeles airport via a direct pipeline.

--Edgar Ang, eang@opisnet.com

GOLDEN GATE BOOSTS NEVADA ULSD SUPPLY WITH NEW HYDROTREATER

Golden Gate Petroleum has completed the \$12 million "state of the art" hydrotreater installation at its refinery in McCarran, Nev., near Reno, the company said Monday.

The new hydrotreater is producing some 75,000 bbl of ULSD a month, which Golden Gate will use to sell ULSD on-highway via its fuel delivery services, and to supply its gas stations in a truck stop network in northern Nevada. The company owns 10 retail gasoline stations and four retail/truck stops in the region, with two more truck stops currently under construction. The new fuel will also be supplied at Golden Gate's loading rack at the refinery.

Prior to the installation, the refinery produced low-sulfur diesel, which has been now replaced with ultra-low sulfur diesel. The facility also produces gasoline.

"Production of ULSD at our new hydrotreater provides exciting opportunities for growth and an expanded service-area for our customers," said Dennis O'Keefe, CEO of family-owned Golden Gate Petroleum. "We're proud to localize production and supply a growing market."

Looking ahead, the company plans to expand marketing into

(Continued on Page 4)

OPIS Spot Feedstocks Values

Product	Range (cts/gal)		Diff to 70/30 (cts/gal)		Diff to WTI (\$/bbl)		Diff to ANS (\$/bbl)	
	Low	High	Low	High	Low	High	Low	High
Low Sulfur VGO	138.60	140.60	-5.00	-3.00	13.45	14.30	15.80	16.65
High Sulfur VGO	134.60	136.60	-9.00	-7.00	11.80	12.60	14.15	14.95
Light Cycle Oil	116.65	118.65	-21.75	-19.75	2.50	3.25	---	---

OPIS Spot NGL Ranges (cts/gal)

Market	Date	Propane		N.Butane		Butane Mix		Isobutane		N. Gasoline	
		Low	High	Low	High	Low	High	Low	High	Low	High
Delivered LA Basis	7/11	51.88	54.88	56.00	56.50	56.00	56.50	93.63	94.63	---	---
Delivered Bakersfield	7/11	60.88	62.88	66.00	66.50	66.00	66.50	---	---	67.25	68.50
Delivered Bay Area	7/11	47.88	48.88	56.00	56.50	56.00	56.50	93.63	64.63	---	---

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

Product	Low	High	Last	Change
Alaska North Slope	42.16	42.66	42.41	-0.65
Line 63	38.16	38.66	38.41	-0.65
THUMS	33.12	33.62	33.37	0.00

Product	Low	High	Last	Change
SJV	32.37	32.87	32.62	0.00
WTI	44.54	45.76	44.76	-0.65
Brent	45.90	47.10	46.25	-0.51

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

Location	API	Chev	API	PMTG	API	MOBIL
Buena Vista	26.0	42.91	26.0	40.82	26.0	44.86
Hunt. Beach	---	---	20.0	34.97	---	---
Kern River	---	---	13.0	31.97	---	---
Long Beach	---	---	27.0	38.42	---	---
Midway Sunset	13.0	38.36	13.0	35.46	13.0	39.01
Wilmington	---	---	17.0	32.72	---	---
Effective Date		07/08		07/07		07/08

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

Location	API	STUSCO	API	UNION 76
Buena Vista	26.0	44.55	26.0	40.45
Midway Sunset	13.0	39.20	13.0	35.15
Effective Date		07/08		07/08

Today's Closing Singapore Prompt Jet Kerosene Prices

Market	Low	High	Mean	Change
FOB Singapore (\$/bbl)	54.87	54.97	54.92	-0.770

OPIS Ethanol Prices (cts/gal)

Market	Timing	Low	High	Mean	Change
LA CI 79.90	PROMPT	177.00	179.00	178.000	2.000
LA CI 79.90	ANY	175.00	178.00	176.500	1.500
SF CI 79.90	PROMPT	177.00	179.00	178.000	2.000
SF CI 79.90	ANY	175.00	178.00	176.500	1.500
Phoenix Eth.	PROMPT	165.00	167.00	166.000	-0.500
P.N.W. Eth.	PROMPT	172.00	176.00	174.000	1.000

OPIS California Low Carbon Fuel Standard

Product	Low	High	Mean	Change
Carbon Credit (\$/MT)	70.000	72.000	71.0000	-6.000
Carbon Intensity Pts (\$/CI)	0.00571	0.00587	0.005790	-0.0005
Carbon CPG Diesel (cts/gal)	1.92	1.98	1.950	-0.1650
Carbon CPG Dsl 95% (cts/gal)	1.82	1.88	1.850	-0.1550
Carbon CPG Gasoline (cts/gal)	2.74	2.82	2.780	-0.2400
Carbon CPG Gas 90% (cts/gal)	2.47	2.54	2.505	-0.2150

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

Product	Year	Low	High	Mean	Change
Corn Ethanol	2015	95.25	99.25	97.25	3.125
Corn Ethanol	2016	95.00	99.00	97.00	3.125
Biodiesel	2015	103.00	108.00	105.50	4.125
Biodiesel	2016	100.00	105.00	102.50	3.875
Cellulosic	2015	124.00	126.00	125.00	0.000
Cellulosic	2016	178.00	183.00	180.50	1.000
Adv. Biofuel	2015	99.50	104.50	102.00	4.875
Adv. Biofuel	2016	96.50	101.50	99.00	3.875

Utah and western Colorado, which it says will complement its transmix processing, NGL fractionation operations and gasoline blending terminal located in Grand Junction, Colo.

Golden Gate Petroleum, headquartered in Martinez, Calif., is one of the largest petroleum and biofuels distributors in the Western U.S. with offices in Reno, Grand Junction and Hamburg, Germany.

--Kylee West, kwest@opisnet.com

TESORO ANACORTES FCC RESTART DELAYED

The restart of the fluid catalytic cracker and associated alkylation unit at Tesoro's 125,000-b/d Anacortes, Wash., refinery has been delayed by at least two weeks, West Coast sources said Monday afternoon.

As previously reported by OPIS, the company initially took the units off line in late June following a mechanical failure.

A Tesoro representative was not immediately available for comment on the current status of the units or a potential restart timeline.

--Kylee West, kwest@opisnet.com

--Denton Cinquegrana, dcinquegrana@opisnet.com

Flaring at PBF Torrance Refinery, Fire Department on Scene PBF's 157,800-b/d Torrance, Calif., refinery was flaring Monday afternoon, according to a notification from the Torrance City alerts system.

The Torrance Fire Department is currently on the scene, the alert said.

The cause of the flaring was unknown, as representatives for the Fire Departments and PBF were not immediately available at presstime.

As previously reported by OPIS, PBF took control of the Torrance refinery from ExxonMobil on July 1.

--Kylee West, kwest@opisnet.com

WEST COAST REFINED PRODUCTS ASSESSMENT LOGIC: L.A. CARBOB-R 5.99 RVP: July prompt was assessed at the NYMEX August RBOB contract plus 7.5cts/gal, based on trades at plus 6cts/gal to plus 9cts/gal.

L.A. CARB No. 2: July prompt was assessed at the NYMEX August ULSD contract minus 3.25cts/gal, unchanged from the previous day.

L.A. JET-Pipe LAX: July prompt was assessed at minus

(Continued on Page 5)

Calif. Carbon Allowance Assessments (\$/mt)

Vintage	Timing	Low	High	Mean
Current Yr.	PMT JUL '16	12.64	12.66	12.650
Current Yr.	FWD DEC '16	12.68	12.70	12.690
Previous Yr.	PMT JUL '16	12.64	12.66	12.650
Previous Yr.	FWD DEC '16	12.68	12.70	12.690

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

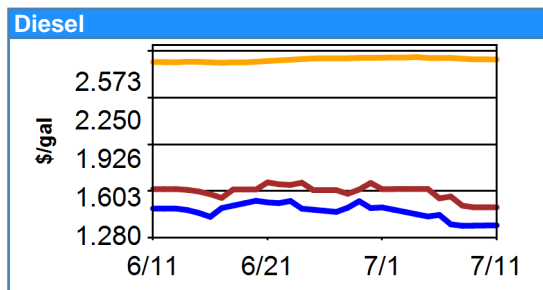
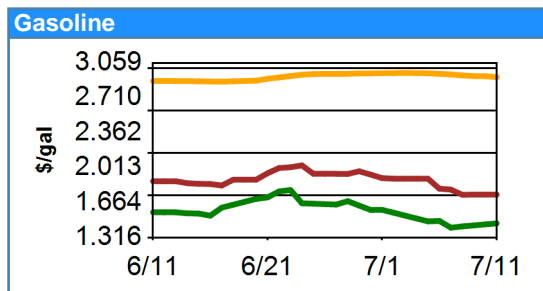
Product	Price	Wk Avg	30-Day Avg
Summer CARB RFG-R	10.19	10.188	10.172
Summer CARB RFG-M	10.17	10.168	10.150
Summer CARB RFG-P	10.16	10.156	10.137
CARB No.2	12.95	12.946	12.924
B5 Biodiesel	12.31	12.306	12.282
Propane	7.11	7.108	7.096
LNG (cts/DGE)	9.26	9.258	9.241

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

Gasoline (\$/gal)	Price	Change
Basket of Racks	1.746	0.002
Retail Average	2.917	-0.018
L.A. CARBOB-R	1.459	0.030

Diesel (\$/gal)	Price	Change
Basket of Racks	1.535	-0.014
Retail Average	2.776	-0.007
L.A. CARB No. 2	1.384	0.004

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>.

2.5cts/gal to the NYMEX August ULSD contract, based on trades at minus 2.5cts/gal to 1.5cts/gal.

S.F. CARBOB-R 5.99 RVP: July prompt was assessed the NYMEX August RBOB contract plus 10cts/gal, unchanged from the previous day.

S.F. CARB No. 2: July prompt was assessed at the NYMEX August ULSD plus 0.5cts/gal, unchanged from the previous day.

PNW SUB-OCT REG 7.8 RVP: June prompt was assessed at the NYMEX August RBOB contract plus 17cts/gal based on trade at plus 17cts/gal

PNW ULS No. 2: May prompt was assessed at the NYMEX July ULSD contract plus 15.25cts/gal, based on trades from plus 15cts/gal to plus 15.5cts/gal.

WEST COAST REFINED PRODUCTS ANALYSIS:

Arguably today was one of the more boring days in futures trading as products pushed higher and crude oil lost a little bit of values. Volumes also appeared to not be as stout as they have been in previous sessions. The small products gains though helped give refinery crack spreads on the screen a much needed boost, but overall the gasoline crack spread is considered to be quite poor for July.

As light as the paper gains were today, stronger CARBOB differentials extended the futures gains. After starting out trading at a 6cts premium L.A. CARBOB moved steadily higher appearing to stall out at an 8cts premium. The July CARBOB market took another leg higher after flaring at the PBF Torrance refinery was reported and trades then moved to 8.5-9cts over the screen with flat prices ranging from \$1.4435-1.47/gal on the day.

After being largely rangebound for the past several days L.A. CARBOB has had a mini-breakout of sorts. Sources tell OPIS that one of the key refiner sellers over the past two days appears to not be as active or aggressive today, but also with the Anacortes refinery still experiencing problems with an FCC unit the arb to the Northwest appears to be wide open. Northwest gasoline is amongst the strongest in the country trading 17cts over the futures leaving spot values at the \$1.5535/gal level.

Outer month differentials were also stronger today in L.A. with August CARBOB trading 9-10cts over the screen or roughly \$1.485/gal. The September market did not trade but was pegged at a 16.5cts premium. San Francisco CARBOB was unchanged as bids and offers surrounded a 10cts premium.

Distillate markets were slightly higher as differentials did not see much movement today. Los Angeles ULSD traded 3.25cts under the futures market leaving spot values in the \$1.4213/gal level with CARB diesel to be considered in the same territory. August CARB diesel was bid at a 1.75cts discount to September futures, but did not see much of a counter today. San Francisco CARB diesel remains quiet with the market still pegged 50 points over the futures market.

A few jet fuel trades were confirmed done in a 1.5-2.5cts discount range versus the futures market as prices inched up slightly to either side of \$1.3963/gal. There was some swaps activity in jet fuel today with September trading at 5.5cts under the futures market and the 4th quarter getting done at a 6cts discount.

The Northwest saw a couple of trades get done from 15-15.5cts over the screen as spot prices are near the \$1.5688/gal level.

OPIS West Coast Spot Market Deal Log

Los Angeles

Product	Timing	Differential	Reference	kbbl	Notes
CARBOB Regular 5.99 RVP Prompt	JUL	+6.00	Aug RBOB	25	
CARBOB Regular 5.99 RVP Prompt	JUL	+7.00	Aug RBOB	25	
CARBOB Regular 5.99 RVP Prompt	JUL	+6.50	Aug RBOB	25	
CARBOB Regular 5.99 RVP Any	AUG	+9.00	Sep RBOB		
CARBOB Regular 5.99 RVP Prompt	JUL	+7.50	Aug RBOB	25	
CARBOB Regular 5.99 RVP Prompt	JUL	+8.00	Aug RBOB	25	
CARBOB Regular 5.99 RVP Any	AUG	+9.00	Sep RBOB	25	
CARBOB Regular 5.99 RVP Any	AUG	+9.50	Sep RBOB		
CARBOB Regular 5.99 RVP Prompt	JUL	+8.50	Aug RBOB	25	
CARBOB Regular 5.99 RVP Prompt	JUL	+8.50	Aug RBOB	25	
CARBOB Regular 5.99 RVP Prompt	JUL	+9.00	Aug RBOB	25	
CARBOB Regular 5.99 RVP Any	AUG	+9.75	Sep RBOB	25	
CARBOB Regular 5.99 RVP Any	AUG	+10.00	Sep RBOB	25	
CARBOB Regular 5.99 RVP Prompt	JUL	+10.00	Aug RBOB	25	Trade Received After Deadline
ULS No2 Prompt	JUL	-3.25	Aug No2	25	
Jet LAX Prompt	JUL	-1.50	Aug No2	25	
Jet LAX Prompt	JUL	-1.50	Aug No2	25	
Jet LAX Prompt	JUL	-2.50	Aug No2	25	
Jet LAX Prompt	JUL	-2.00	Aug No2	25	
Jet LAX Prompt	JUL	-2.50	Aug No2	25	

San Francisco

No deals confirmed.

Pacific Northwest

Product	Timing	Differential	Reference	kbbl	Notes
Sub-Octane Unleaded 7.8 RVP Prompt	PMT JUL	+17.00	Aug RBOB		
ULS No2 Prompt	PMT JUL	+15.50	Aug No2	10	
ULS No2 Prompt	PMT JUL	+15.00	Aug No2	10	

Los Angeles Paper

Product	Timing	Differential	Reference	kbbl	Notes
Jet LAX Other	Quarter 4	-6.00	Dec No2	25	
Jet LAX Other	SEP	-5.50	Oct No2	25	
Jet LAX Other	SEP	-5.50	Oct No2	25	
Jet LAX Other	SEP	-5.50	Oct No2	25	

California

Product	Timing	Cash Price	Reference	Volume (K)	Notes
CCA Current Year Forward	DEC 16	0.03	Current Year CCA Prompt+1 AUG 2016	580	V16 Dec16/Aug16 spread, \$0.03

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.

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