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| A picture containing company name  Description automatically generated | **Project funding proposal** |
| **Client** | Company name |
| **Project name** | RIN price modeling |
| **Project owner** | Employee’s name |
| **Hoekstra Trading contact** | George Hoekstra |
| **Project sponsor** | Name of person authorizing the purchase order |
| **Timing** | Mar 1 – Aug 31, 2024 |
| **Cost** | $20,000  |
| **Project description** |
| 1. Hoekstra Trading will deliver Hoekstra Research Report 10, RIN Pricing and Economics, its Attachments, and the ATTRACTOR spreadsheet in a 1-day face-to-face delivery meeting.
2. Hoekstra Trading will provide six months unlimited support to Company name by phone and E-mail to assist in our learning and use of this information to increase profit contribution from RIN strategy.
3. Hoekstra Trading will proactively identify and recommend specific RIN trading opportunities. Company name will decide whether to implement those opportunities. Hoekstra Trading guarantees we will identify at least one specific credit trading opportunity that clearly delivers > $30,000 profit and that would not otherwise have been captured.
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| **Business case and justification** |
| Company name can increase profit contribution from well-informed trading of Renewable Identification Numbers (RINs).Hoekstra Research Report 10, its Attachments, and the ATTRACTOR spreadsheet model are distinctive tools for calculating theoretical RIN values, understanding, tracking and evaluating RIN prices based on fundamental economic theory. Hoekstra’s ATTRACTOR spreadsheet is a user-friendly application of a theoretical RIN pricing model developed by professors at University of Illinois and Harvard University and applied by Hoekstra Trading in a spreadsheet that calculates a theoretical D4 RIN value and compares it to market prices. Since 2020, Hoekstra’s clients have consistently captured low-risk trading and arbitrage opportunities using the ATTRACTOR spreadsheet. Recently, the D4, D5, and D6 RINs fell from $1.50 in July 2023 to $0.40 in February 2024, wiping out $20 billion of RIN value. University of Illinois economists and Hoekstra Trading predicted this crash in prominent industry publications several months ahead, based on fundamental economic theory, and Hoekstra Trading clients exploited the slow response of market prices to the changed economic fundamentals. All evidence shows the RIN market is missing critical insights on what drives RIN price behavior. Hoekstra Trading’s information will enable us to exploit this mispricing to increase profit from our RIN strategy.  |
| **Alternatives** |
| If we don’t make this purchase, we will save the $20,000 project cost and will continue working without the fundamental understanding of RIN pricing and without the Attractor spreadsheet provided by Hoekstra. |
| **Risks** |
| It is possible no trading opportunities will be identified or captured or that a recommended trade will go bad due to unforeseen factors. |
| **Internal references** |
| Company name has purchased previous Hoekstra Trading Reports and used them to capture profit opportunities worth $millions/year. Company name employees have noticed Hoekstra’s published articles on the RBN Energy blog, LinkedIn, many industry journals, conference presentations, and the licensing of the D4T theoretical RIN value to Bloomberg Finance LP. |