



Biomass Assessment Methodology

Updated Aug 25, 2022

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Relevance of Rim Assessment Methodology

The purpose of all price assessments in reports issued by Rim Intelligence is to provide an indication to energy market players as to the levels at which transactions can take place so that trades can be done with high transparency and at reasonable prices. To achieve this purpose, we have set up “General Procedures for Price Assessment” as follows, and “Price Assessment Methodology” for each report. Detailed in the “General Procedures for Price Assessment” and “Price Assessment Methodology” for each report are processes and standards that we deem are necessary to achieve the above purpose. By following these processes and standards in making price assessments, we consider our Assessment Methodology to be appropriate.

Chapter 1: General Procedures for Price Assessment

Article 1: Purpose of price assessment

The purpose of all price assessments in our reports is to provide an indication to energy market players as to the levels at which transactions can take place so that trades can be done with high transparency and at reasonable prices.

Article 2: Conducting price assessment

To achieve the purpose outlined in Article 1, we have set up the following guidelines in our “General Procedures for Price Assessment”, and “Price Assessment Methodology” for each report. We follow these guidelines in making price assessments.

- Trades considered for price assessment
- Assessment window
- Priority in price assessment
- Selection of players providing market information
- Method of information gathering
- Establishment and role of supervisors
- Selection of supervisors
- Maintaining quality of review by supervisors
- Maintaining consistency in price assessment
- Reliability and adequacy of market information
- Making Assessment Methodology available
- Regular reviews of Assessment Methodology
- Amendments to Assessment Methodology
- Changes/Amendments to price assessment
- Quantity
- Reasons for using specific units for quantity (barrel etc.)

Article 3: Trades considered for price assessment

For each price index, our price assessment is based on quantities, delivery period and areas with the most liquidity. Further, details such as the value and quantity on which the assessment is based, market information which is used as a reference, and other platforms such as the Rim Trading Board and specific markets including trades carried out in Exchanges are included in the methodology of each report.

Article 4: Assessment window

For each price index, the time window considered appropriate for our price assessment is that which is deemed to be the most convenient and effective during trading hours in Asia, including Japan.

Article 5: Priority in price assessment

For each price index, among traded prices in transactions that take place between agreed parties or in other markets, bids and offers, the priority as to which price is considered first for assessment is determined and details are given in the methodology of each report.

Article 6: Selection of players providing market information

When selecting players to obtain information from, we take into account the quantity handled and the amount of influence on the market, without any bias towards buyers or sellers. We gather market information from many players including Majors, oil and gas producers, oil companies, traders, dealers and end-users. Each report team determines that there is no bias in the players it obtains information from in terms of area and the type of information they have. Should the player be deemed biased, the reporter and team leader may, after obtaining approval from the president, remove him from the list of players providing market information.

Article 7: Method of information gathering

Our reporters possess suitable quality and skill from a fair and neutral standpoint. Reporters carry out information gathering mainly by telephone but also by email and chat. To ensure the credibility of the player from whom information is gathered, the reporter will call the player's company directly to confirm that the player is indeed working for that company.

Article 8: Establishment and role of supervisor

Two or more supervisors are assigned to each report. Before each report is issued, at least one of the supervisors checks if the price assessment and its basis are in line with the Assessment Methodology and to ensure that consistency is maintained.

Article 9: Selection of supervisors

The supervisor has knowledge and experience in the product and market for which price assessment is conducted. The selection of supervisors requires approval from the board of directors. The supervisor is not involved in price assessment and writing of commentary for the report of which he is in charge.

Article 10: Maintaining quality of review by supervisors

For reports for which the supervisor is not the president, the president conducts regular spot checks to maintain the quality of the supervisor's review. After a spot check, a proof of the spot check will be kept.

Article 11: Maintaining consistency in price assessment

Besides reviews by supervisors, assessment simulation is conducted regularly to maintain consistency among reporters in price assessment.

Article 12: Reliability and adequacy of market information

Each reporter performing price assessment determines whether a trade was done by the parties involved and whether the information was suspicious or unusual by checking with the relevant parties and other multiple parties, with further investigation carried out if necessary. If unusual market information regarding a trade by parties involved or suspicious information is found, additional information gathering will be carried out before making a judgment as to whether or not to remove the information for consideration for price assessment. Major issues are to be reported promptly to the supervisor and the president. Of these, important professional judgments will be recorded in each report team's information gathering memo, assessment process sheet etc. If it is necessary to check whether the information provided is suspicious, we may consider obtaining information from the back office.

For certain markets with low liquidity, market information for price assessment may be obtained from a single source. Even in such a situation, we follow processes detailed in our

Assessment Methodology to determine if such market information can be used for price assessment. We do not disregard the information in making price assessment merely because it is obtained from a single source.

Players giving market information are expected to provide all relevant information that meets the conditions for price assessment stated in our Assessment Methodology, which is published on our website.

Article 13: Making our Assessment Methodology available

The Assessment Methodology approved by two or more members of the board of directors is published on our website, whereby external market players involved in trading, players providing market information and our subscribers can access.

Article 14: Regular reviews of Assessment Methodology

Our Assessment Methodology is reviewed at least once a year (during the board of directors' meeting held in October) or when substantial changes have taken place in the market. After each review, we may consider making amendments to our Assessment Methodology if deemed necessary. When reviewing our Assessment Methodology, we may consider views obtained from external market players and our subscribers.

Article 15: Amendments to Assessment Methodology

If amendments to our Assessment Methodology that affect the price assessment process are deemed necessary, discussions are conducted within each report team and amendments are submitted to two or more members of the board of directors for approval. After the amendments are approved by two or more members of the board of directors, a notice of the amendments and the effective date will be placed in our reports in principle one month before, but at least two weeks prior to the effective date.

After the amendments are approved by two or more members of the board of directors, the Assessment Methodology with the amendments reflected has to be approved by two or more members of the board of directors by the effective date.

When making amendments to our Assessment Methodology that affect the price assessment process, we accept inquiries regarding such amendments from external market players and our subscribers. These inquiries are, in principle, published in our reports or on our website, but if the party making the inquiries requests us not to do so, we may not disclose the details for confidentiality reasons.

For amendments to our Assessment Methodology that do not affect the price assessment process, after approval by two or more members of the board of directors, the amendments will be announced in our reports and effected promptly.

Article 16: Changes/Amendments to price assessment

Price assessments in our reports will not be amended after they are published, except for typing and spelling mistakes.

Chapter 2 Price Assessment Methodology for Biomass Report

Price Assessment Principle

Purpose of price assessment:

The purpose of price assessment is to reflect the actual market for biomass fuel (wood pellets and PKS) in which standard spot buying and selling take place on the day of publication.

Definition of price:

Even if no transactions take place, the value of a commodity may change. The price reflects the changing values of a commodity. The value of a commodity may change depending on supply/demand fundamentals, production costs, the situation in other markets, and players' perspectives.

Assessment method:

Price assessment basically takes into account information on deals done, bids/offers and supply/demand situation obtained by 10:00 Tokyo time on the publication day. Top priority is given to the latest deals done and bid/offer levels within the assessment window. In the absence of deals, bids and offers, buying and selling indications are used as a reference. Standard conditions such as cargo volume, loading or delivery period, quality and payment period are priority to be taken into account in price assessment.

When reporters obtain several deals or bid/offer, the priority is cargoes with clear standard conditions such as cargo volume, loading or delivery period and quality.

Extremely low or high prices may be excluded when reporters judge that the prices are apart from range, considering bid/offer from many market players and supply/demand fundamentals, even if this case is correct.

The following three contract information can be used as a basis for assessing prices.

- (1) Confirmed by both trading parties
- (2) Confirmed by one of the trading parties
- (3) Information from multiple reliable third parties

Although (1) is the most reliable information, due to various restrictions, many cases fall into (2) and (3). In Rim Intelligence (referred to as Rim), in principle, the information in the case of (1) is used for price assessment, and the information in (2) and (3) is also taken into account. In addition, even if the information is directly from the trading party, if it turns out to be incorrect, it will not be used.

Values of commodities are determined by competition among sellers and buyers. Higher bids are considered to be closer to market values than lower bids, and lower offers are considered to be closer to market values than higher offers.

Other market trends such as supply/demand and exchange rates are basically considered in deal prices and bids/offers. If price information is scarce, these other market trends are taken into account in the price assessment.

Products

Wood pellets, PKS (Palm Kernel Shell) and freight costs

Wood Pellets FOB Southeast Asia Spot Prices

Rim assesses FOB Southeast Asia spot wood pellets prices on a fixed price basis. All prices are assessed based on information collected in the course of market research by reporters by the closing time of assessments.

Structure of the FOB Southeast Asia Wood Pellets Market

Rim defines the three business parties in the FOB Southeast Asia market as follows:

Supplier	A company that owns facilities and stockyards in Southeast Asia, the loading place of wood pellets, and sells wood pellets which are produced there.
Trader	A company that buys wood pellets which is produced in Southeast Asia and sells them. It does not matter if the company owns facilities or stockyards there or owns power plants which use wood pellets in Japan.
Power Producer	A company that buys wood pellets from suppliers or traders to use them at its own power plant(s).

Rim defines a standard FOB Southeast Asia spot wood pellets market transaction as follows:

Case 1 A supplier sells wood pellets to a trader on an FOB basis.

Case 2 A supplier sells wood pellets to a power producer on an FOB basis.

Case 3 A trader sells wood pellets to another trader on an FOB basis.

Case 4 A trader sells wood pellets to a power producer on an FOB basis.

FOB Southeast Asia spot wood pellets are assessed for South Korea and Japan. The price for South Korea or Japan may be assessed based on the price for the other.

Standard Size:

FOB Southeast Asia spot wood pellets prices are for 10,000mt, which Rim considers standard. Values for contracts for smaller or larger volumes may be considered.

Loading Port:

FOB Southeast Asia spot wood pellets prices are for cargoes to be transacted on an FOB basis for loading at main ports in Vietnam or Malaysia. Prices for other places may be taken into account, considering the difference in freight costs and supply/demand at the area.

Delivery Port:

FOB Southeast Asia spot wood pellets prices for South Korea are for bulk or container cargoes to be delivered into main ports in South Korea.

FOB Southeast Asia spot wood pellets prices for Japan are for bulk cargoes to be delivered into main ports in Japan.

Quality Specifications:

FOB Southeast Asia spot wood pellets prices are for cargoes of which quality is equivalent to quality specifications defined by Individual Biomass Contract of Federation of Energy

Traders (EEFT).

Assessment Window:

Rim's assessment window for FOB Southeast Asia spot wood pellets prices starts after the publication of the previous issue and closes at 10:00 Tokyo time on the publication day of the current issue.

Price Unit:

FOB Southeast Asia spot wood pellets prices are in \$/mt and Yen/mt.

Time Window:

FOB Southeast Asia spot wood pellets prices are for cargoes loading in the next month, the month after next and the month that is three months ahead of the publication day. When the publication day shifts to the next month, the time window also advances one month.

Price Unit:

FOB Southeast Asia spot wood pellets prices are basically indicated in the price range of \$1.00-10.00/mt. In cases where offers alone are heard and no bids are countered in the market, the price range could be indicated up to \$10.00/mt by taking into account market movements. Similarly, this can be applied in cases where bids alone are heard.

Standard Transaction for Rim Assessment:

Outright transactions on a spot basis are taken into account. Price assessments are made based on deal prices, bids and offers, selling/buying ideas in the over the counter (OTC) market obtained by Rim reporters. Term transactions, package deals, swap deals may be used as a reference but would not be fully taken into account for price assessment.

Wood Pellets

FOB North America Spot Prices

Rim assesses FOB North America spot wood pellets prices on a fixed price basis. All prices are assessed based on information collected in the course of market research by reporters by the closing time of assessments.

Structure of the FOB North America Wood Pellets Market

Rim defines the three business parties in the FOB North America market as follows:

Supplier	A company that owns facilities and stockyards in North America, the loading place of wood pellets, and sells wood pellets which are produced there.
Trader	A company that buys wood pellets which is produced in North America and sells them. It does not matter if the company owns facilities or stockyards there or owns power plants which use wood pellets in Japan.
Power Producer	A company that buys wood pellets from suppliers or traders to use them at its own power plant(s).

Rim defines a standard FOB North America spot wood pellets market transaction as follows:

Case 1 A supplier sells wood pellets to a trader on an FOB basis.

Case 2 A supplier sells wood pellets to a power producer on an FOB basis.

Case 3 A trader sells wood pellets to another trader on an FOB basis.

Case 4 A trader sells wood pellets to a power producer on an FOB basis.

Standard Size:

FOB North America spot wood pellets are for 28,000-40,000mt, which Rim considers standard. Values for contracts for smaller or larger volumes may be considered.

Loading Port:

FOB North America spot wood pellets prices are for cargoes to be transacted on an FOB basis for loading at main ports in Canada or the United States. Prices for other places may be taken into account, considering the difference in freight costs and supply/demand at the area.

Delivery Port:

FOB North America spot wood pellets prices are for bulk cargoes to be delivered into main ports in Japan.

Quality Specifications:

FOB North America spot wood pellets prices are for cargoes of which quality is equivalent to quality specifications defined by Individual Biomass Contract of Federation of Energy Traders (EEFT).

Assessment Window:

Rim's assessment window for FOB North America spot wood pellets prices starts after the publication of the previous issue and closes at 10:00 Tokyo time on the publication day of

the current issue.

Price Unit:

FOB North America spot wood pellets prices are in \$/mt and Yen/mt.

Time Window:

FOB North America spot wood pellets prices are for cargoes loading in the next month, the month after next and the month that is three months ahead of the publication day. When the publication day shifts to the next month, the time window also advances one month.

Price Unit:

FOB North America spot wood pellets prices are basically indicated in the price range of \$1.00-10.00/mt. In cases where offers alone are heard and no bids are countered in the market, the price range could be indicated up to \$10.00/mt by taking into account market movements. Similarly, this can be applied in cases where bids alone are heard.

Standard Transaction for Rim Assessment:

Outright transactions on a spot basis are taken into account. Price assessments are made based on deal prices, bids and offers, selling/buying ideas in the over the counter (OTC) market obtained by Rim reporters. Term transactions, package deals, swap deals may be used as a reference but would not be fully taken into account for price assessment.

Wood Pellets

CFR Japan spot prices

Rim assesses CFR Japan spot prices for physical cargoes of wood pellets on a fixed price basis.

All prices are assessed based on information collected in the course of market research by Rim reporters by the assessment window.

Structure of the CFR Japan Wood Pellets Market

The CFR Japan market consists of market players shown below.

Supplier	A company that owns facilities including plants or stockyards in Southeast Asia or North America, loading places of wood pellets, and sells wood pellets that are produced there.
Trader	A company that buys wood pellets that are produced in Southeast Asia and North America, and sells them. It does not matter if the company owns facilities including plants or stockyards there or owns power plants that use wood pellets as fuel.
Power Producer	A company that buys wood pellets from suppliers or traders to use them at its own power plant(s).

Rim defines a standard CFR Japan spot wood pellets market transaction as follows:

Case 1 A supplier sells wood pellets to a trader on a CFR basis.

Case 2 A supplier sells wood pellets to a power producer on a CFR basis.

Case 3 A trader sells wood pellets to another trader on a CFR basis.

Case 4 A trader sells wood pellets to a power producer on a CFR basis.

Standard Size

CFR Japan spot wood pellets prices are for 10,000mt, which Rim considers standard.

Values for contracts for smaller or larger volumes may be considered.

Delivery Port

CFR Japan spot wood pellets prices are for bulk cargoes to be delivered into main ports in Japan. Values for contracts for bulk cargoes to be delivered into other ports may be considered by taking account the difference in actual freight rates.

Quality Specifications

CFR Japan spot wood pellets prices are for cargoes of which quality is equivalent to quality specifications defined by Individual Biomass Contract of Federation of Energy Traders (EEFT).

Assessment Window

Rim's assessment window for CFR Japan spot wood pellets prices starts after the publication of the previous issue and closes at 10:00 Tokyo time on the publication day of the current issue.

Price Unit

CFR Japan spot wood pellets prices are in \$/mt and Yen/mt.

Time Window

CFR Japan spot wood pellets prices are for cargoes to be delivered in the next month, the month after next and the month that is three months ahead of the publication day. When the publication day shifts to the next month, the time window also advances one month.

Price range

CFR Japan spot wood pellets prices are basically indicated in the price range of \$1.00-10.00/mt. In cases where offers alone are heard and no bids are countered in the market, the price range could be indicated up to \$10.00/mt by taking into account market movements. Similarly, this can be applied in cases where bids alone are heard.

Standard Transaction for Rim Assessment

Outright transactions on a spot basis are taken into account. Price assessments are made based on deal prices, bids and offers, selling/buying ideas in the over the counter (OTC) market obtained by Rim reporters. Term transactions, package deals, swap deals may be used as a reference but would not be fully taken into account for price assessment.

Wood Pellets

Spot Freight Rates

Rim assesses freight rates for bulk vessels that transport wood pellets for the following routes, based on one-port loading and one-port discharge. The price of A-B may be assessed based on the price of other routes.

The price is indicated on a fixed price basis.

A. Vietnam-Japan

B. North America (Canada/the US)-Japan

Standard Size

Standard vessel size used in the assessment is 10,000mt for Vietnam-Japan.

Standard vessel size used in the assessment is 28,000-40,000mt for North America -Japan. Values for contracts for smaller or larger volumes may also be considered.

Loading Port

Rim assesses freight rates of vessels that load wood pellets at main ports in Vietnam and in North America (Canada and the US). Freight rates for other routes may be considered by taking into account the difference in actual freight rates or supply/demand fundamentals in other regions.

Delivery Port

Rim assesses freight rates of vessels that discharge wood pellets at main ports in Japan. Freight rates for other routes may be considered by taking into account the difference in actual freight rates or supply/demand fundamentals in other regions.

Assessment Window

Rim's assessment window for spot freight rates starts after the publication of the previous issue and closes at 10:00 Tokyo time on the publication day of the current issue.

Price Unit

The freight rates are in \$/mt.

Time Window

The freight rates are valued for a period of 15 to 60 days ahead of the publication day.

Price range

Spot freight rates are basically indicated in the price range of \$1.00-10.00/mt. In cases where offers alone are heard and no bids are countered in the market, the price range could be indicated up to \$10.00/mt by taking into account market movements. Similarly, this can be applied in cases where bids alone are heard.

Standard Transaction for Rim Assessment

Outright transactions on a spot basis are taken into account. Price assessments are made based on deal prices, bids and offers, selling/buying ideas in the over the counter (OTC) market obtained by Rim reporters. Term transactions, package deals, swap deals may be used as a reference but would not be fully taken into account for price assessment.

PKS

FOB Indonesia Spot Prices

Rim assesses FOB Indonesia spot prices on a fixed price basis. Prices reflect various tariffs imposed when exporting from Indonesia.

All prices are assessed based on information collected in the course of market research by reporters by the closing time of assessments.

Structure of the FOB Indonesia PKS Market

The FOB Indonesia market consists of market players shown below.

Supplier	A company that owns facilities including processing plants and stockyards in Indonesia, the loading place of PKS, and sells PKS which is processed there.
Trader	A company that buys PKS which is processed in Indonesia and sells it. It does not matter if the company owns facilities including processing plants or stockyards there or owns power plants which use PKS in Japan.
Power Producer	A company that buys PKS from suppliers or traders to use it at its own power plant(s).

Rim defines a standard FOB Indonesia spot PKS market transaction as follows:

Case 1 A supplier sells PKS to a trader on an FOB basis.

Case 2 A supplier sells PKS to a power producer on an FOB basis.

Case 3 A trader sells PKS to another trader on an FOB basis.

Case 4 A trader sells PKS to a power producer on an FOB basis.

Standard Size

FOB Indonesia spot PKS prices are for 10,000mt, which Rim considers standard. Values for contracts for smaller or larger volumes may be considered.

Loading Port

FOB Indonesia spot PKS prices are for cargoes to be transacted on an FOB basis for loading at main ports in Indonesia.

Delivery Port

FOB Indonesia spot PKS prices are for bulk cargoes to be delivered into main ports in Japan.

Quality Specifications

FOB Indonesia spot PKS prices are for cargoes of which quality is shown below.

Water Content	Received basis	Maximum 20 %
Net Calorific value at constant pressure	Received basis	Minimum 3500 kcal/kg

Ash Content	Dried basis	Maximum 5 %
Additives (composition, mass)		Maximum 1 %
Chlorine	Dried basis	Maximum 0.07 %
Sulfur	Dried basis	Maximum 0.15 %
Sodium + Potassium	Dried basis	Maximum 0.20 %

Assessment Window

Rim's assessment window for FOB Indonesia spot PKS prices starts after the publication of the previous issue and closes at 10:00 Tokyo time on the publication day of the current issue.

Price Unit

FOB Indonesia spot PKS prices are in \$/mt and Yen/mt.

Time Window

FOB Indonesia spot PKS prices are for cargoes loading in the next month, the month after next and the month that is three months ahead of the publication day. When the publication day shifts to the next month, the time window also advances one month.

Price range

FOB Indonesia spot PKS prices are basically indicated in the price range of \$1.00-10.00/mt. In cases where offers alone are heard and no bids are countered in the market, the price range could be indicated up to \$10.00/mt by taking into account market movements. Similarly, this can be applied in cases where bids alone are heard.

Standard Transaction for Rim Assessment

Outright transactions on a spot basis are taken into account. Price assessments are made based on deal prices, bids and offers, selling/buying ideas in the over the counter (OTC) market obtained by Rim reporters. Term transactions, package deals, swap deals may be used as a reference but would not be fully taken into account for price assessment.

PKS

FOB Malaysia Spot Prices

Rim assesses FOB Malaysia spot prices on a fixed price basis.

All prices are assessed based on information collected in the course of market research by Rim reporters by the closing time.

Structure of the FOB Malaysia PKS Market

The FOB Indonesia market consists of market players shown below.

Supplier	A company that owns facilities including processing plants and stockyards in Malaysia, the loading place of PKS, and sells PKS which is processed there.
Trader	A company that buys PKS which is processed in Malaysia and sells it. It does not matter if the company owns facilities including processing plants or stockyards there or owns power plants which use PKS in Japan.
Power Producer	A company that buys PKS from suppliers or traders to use it at its own power plant(s).

Rim defines a standard FOB Malaysia spot PKS market transaction as follows:

Case 1 A supplier sells PKS to a trader on an FOB basis.

Case 2 A supplier sells PKS to a power producer on an FOB basis.

Case 3 A trader sells PKS to another trader on an FOB basis.

Case 4 A trader sells PKS to a power producer on an FOB basis.

Standard Size

FOB Malaysia spot PKS prices are for 10,000mt, which Rim considers standard. Values for contracts for smaller or larger volumes may be considered.

Loading Port

FOB Malaysia spot PKS prices are for cargoes to be transacted on an FOB basis for loading at main ports in Malaysia.

Delivery Port

FOB Malaysia spot PKS prices are for bulk cargoes to be delivered into main ports in Japan.

Quality Specifications

FOB Malaysia spot PKS prices are for cargoes of which quality is shown below.

Water Content	Received basis	Maximum 20 %
Net Calorific value at constant pressure	Received basis	Minimum 3500 kcal/kg
Ash Content	Dried basis	Maximum 5 %

Additives (composition, mass)		Maximum 1 %
Chlorine	Dried basis	Maximum 0.07 %
Sulfur	Dried basis	Maximum 0.15 %
Sodium + Potassium	Dried basis	Maximum 0.20 %

Assessment Window

Rim's assessment window for FOB Malaysia spot PKS prices starts after the publication of the previous issue and closes at 10:00 Tokyo time on the publication day of the current issue.

Price Unit

FOB Malaysia spot PKS prices are in \$/mt and Yen/mt.

Time Window

FOB Malaysia spot PKS prices are for cargoes loading in the next month, the month after next and the month that is three months ahead of the publication day. When the publication day shifts to the next month, the time window also advances one month.

Price range

FOB Malaysia spot PKS prices are basically indicated in the price range of \$1.00-10.00/mt. In cases where offers alone are heard and no bids are countered in the market, the price range could be indicated up to \$10.00/mt by taking into account market movements. Similarly, this can be applied in cases where bids alone are heard.

Standard Transaction for Rim Assessment

Outright transactions on a spot basis are taken into account. Price assessments are made based on deal prices, bids and offers, selling/buying ideas in the over the counter (OTC) market obtained by Rim reporters. Term transactions, package deals, swap deals may be used as a reference but would not be fully taken into account for price assessment.

PKS

CFR Japan spot prices

Rim assesses CFR Japan spot prices for physical cargoes of PKS on a fixed price basis. All prices are assessed based on information collected in the course of market research by Rim reporters by the assessment window.

Structure of the CFR Japan PKS Market

The CFR Japan market consists of market players shown below.

Supplier	A company that owns facilities including plants or stockyards in Indonesia or Malaysia, loading places of PKS, and sells PKS that is produced there.
Trader	A company that buys PKS that is produced in Indonesia or Malaysia and sells it. It does not matter if the company owns facilities including plants or stockyards there or owns power plants which use PKS as fuel.
Power Producer	A company that buys PKS from suppliers or traders to use it at its own power plant(s).

Rim defines a standard CFR Japan spot PKS market transaction as follows:

Case 1 A supplier sells PKS to a trader on a CFR basis.

Case 2 A supplier sells PKS to a power producer on a CFR basis.

Case 3 A trader sells PKS to another trader on a CFR basis.

Case 4 A trader sells PKS to a power producer on a CFR basis.

Standard Size

CFR Japan spot PKS prices are for 10,000mt, which Rim considers standard. Values for contracts for smaller or larger volumes may be considered.

Delivery Port

CFR Japan spot PKS prices are for bulk cargoes to be delivered into main ports in Japan.

Quality Specifications

CFR Japan spot PKS prices are for cargoes of which quality is shown below.

Water Content	Received basis	Maximum 20 %
Net Calorific value at constant pressure	Received basis	Minimum 3500 kcal/kg
Ash Content	Dried basis	Maximum 5 %
Additives (composition, mass)		Maximum 1 %
Chlorine	Dried basis	Maximum 0.07 %
Sulfur	Dried basis	Maximum 0.15 %
Sodium + Potassium	Dried basis	Maximum 0.20 %

Assessment Window

Rim's assessment window for CFR Japan spot PKS prices starts after the publication of the previous issue and closes at 10:00 Tokyo time on the publication day of the current issue.

Price Unit

CFR Japan spot PKS prices are in \$/mt and Yen/mt.

Time Window

CFR Japan spot PKS prices are for cargoes to be delivered in the next month, the month after next and the month that is three months ahead of the publication day. When the publication day shifts to the next month, the time window also advances one month.

Price range

CFR Japan spot PKS prices are basically indicated in the price range of \$1.00-10.00/mt. In cases where offers alone are heard and no bids are countered in the market, the price range could be indicated up to \$10.00/mt by taking into account market movements. Similarly, this can be applied in cases where bids alone are heard.

Standard Transaction for Rim Assessment

Outright transactions on a spot basis are taken into account. Price assessments are made based on deal prices, bids and offers, selling/buying ideas in the over the counter (OTC) market obtained by Rim reporters. Term transactions, package deals, swap deals may be used as a reference but would not be fully taken into account for price assessment.

PKS

Spot Freight Rates

Rim assesses freight rates for bulk vessels that transport PKS from Indonesia or Malaysia to Japan, based on one-port loading and one-port discharge. The price is assessed based on information collected in the course of market research by Rim reporters by the assessment window. The price is indicated on a fixed price basis.

Standard Size

Standard vessel size used in the assessment is 10,000mt. Values for contracts for smaller or larger volumes may also be considered.

Loading Port

Rim assesses freight rates of vessels that load PKS at main ports in Indonesia or Malaysia.

Delivery Port

Rim assesses freight rates of vessels that discharge PKS at main ports in Japan.

Assessment Window

Rim's assessment window for freight rates starts after the publication of the previous issue and closes at 10:00 Tokyo time on the publication day of the current issue.

Price Unit

The freight rates are in \$/mt.

Time Window

The freight rates are valued for a period of 15 to 60 days ahead of the publication day.

Price range

Spot freight rates are basically indicated in the price range of \$1.00-10.00/mt. In cases where offers alone are heard and no bids are countered in the market, the price range could be indicated up to \$10.00/mt by taking into account market movements. Similarly, this can be applied in cases where bids alone are heard.

Standard Transaction for Rim Assessment

Outright transactions on a spot basis are taken into account. Price assessments are made based on deal prices, bids and offers, selling/buying ideas in the over the counter (OTC) market obtained by Rim reporters. Term transactions, package deals, swap deals may be used as a reference but would not be fully taken into account for price assessment.