

## **WPMA MIRAGE ROOM BLOCK FOR THE 2014 CONVENTION ENDS JANUARY 15, 2014**

Make your reservations at the Mirage now before the room block ends January 15, 2014. Attendees may call the hotel directly at **1-800-499-6311** or go to [www.wpma.com/national-convention](http://www.wpma.com/national-convention) and [click on the Mirage link](#).

## **Thank You WPMA CONVENTION SPONSORS!**



### **DEBATE OVER OIL EXPORTS TAKES CENTER STAGE**

Record setting U.S. oil production from the Bakken and Eagle Ford shale developments has lawmakers debating whether to repeal a decades old law which directed the President to ban U.S. crude oil exports. The law dates back to the 1975 Energy Policy and Conservation Act in reaction to the 1973 Arab oil embargo which caused the world's oil prices to skyrocket. The law was intended to keep oil in the country and limit the nation's imports – only allowing oil exports in select circumstances by the Commerce Department. However, it's not entirely clear whether repealing the ban on oil exports will result in higher or lower U.S. gasoline prices.

Oil producers are pushing Congress to repeal the ban arguing that there isn't enough refining capacity to handle the oil production growth. Additionally, proponents of lifting the ban argue that it will create more jobs at home while weakening OPEC's global marketshare. Others are worried domestic oil prices will rise if the ban is lifted. Some U.S. refiners want to maintain the ban because they currently enjoy cheaper domestically produced crude oil prices (West Texas Intermediate crude oil contract) compared to the world's benchmark known as the Brent crude contract.

U.S. Energy Secretary Ernest Moniz has indicated that the Obama Administration is open to revisiting the ban while Congress plans to hold hearings over the issue in 2014.

### **TAX EXTENDERS REMAIN IN LIMBO**

On December 31, 2013, the one-dollar per gallon biodiesel blender's tax credit along with other energy tax incentives expired. While Congress is now back in full swing, it remains to be seen whether Congress has the appetite to pass an energy tax extenders package and make it retroactive in 2014. Multiple reports indicate Congress doesn't plan to address tax extenders while others indicate lawmakers may address them in March 2014 – when Congress must raise the nation's borrowing limit. Some reports even indicate Congress may tackle tax extenders during the 2014 lame-duck session.

In the meantime, PMAA will continue to support a clean extension of the one-dollar per-gallon biodiesel blender's tax credit and make it retroactive for 2014.

## API CONSIDERS RP1004 REVISION

The American Petroleum Institute will soon reaffirm or revise RP 1004, *Bottom Loading and Vapor Recovery for MC-306 & DOT-406 Tank Motor Vehicles*, 8th Edition, Reaffirmed February, 2011.

This Recommended Practice (RP) provides guidance to equipment users and manufacturers in the design and operation of bottom loading and vapor-recovery systems to provide greater reliability and interchangeability with safe features. This RP covers required and recommended features of the following aspects of bottom loading and vapor recovery:

- a. Tank vehicles equipped for bottom loading or vapor recovery,
- b. Loading installations equipped for bottom loading or vapor recovery,
- c. The configuration and operation of 4-in. (101.6-mm) adapters for bottom loading, and
- d. Secondary shutoff control systems.

PMAA is a member of the revision team that will review RP-1004. Those who take an interest in, or who are affected by, this publication are invited to join a revision team to first decide if revision or reaffirmation is appropriate, and, if it is, decide to revise the document to determine its content to be presented for ballot. There are no fees charged to participate. Most, if not all, work will be via phone and web conferencing. If interested, by February 14, 2014, please contact Nate Wall at [Walln@api.org](mailto:Walln@api.org).

## 2014 FEDERAL MOTOR FUEL EXCISE TAX RATES

**What's New:** The federal one-dollar per gallon biodiesel blender's credit expired at midnight on December 31, 2013. Biodiesel blends created before midnight December 31, 2013 are still eligible for the credit upon a timely return made pursuant to established filing procedures. Biodiesel blends created after midnight December 31, 2013 are not eligible for the one-dollar per gallon credit.

Currently, lawmakers are working to reinstate the biodiesel blender's credit. Whether these efforts will be successful is not known at this point. However, in the event that Congress reinstates the biodiesel credit retroactive to January 1, blenders should continue to maintain detailed blending records. All other federal motor fuel excise tax rates remain the same as 2013 rates.

The following federal motor fuel excise tax rates apply for 2014:

Product	Rate*	Cents Per/Gal
Gasoline	\$.184	18.4 cpg
Gasoline (removed for gasohol blending)	\$.184	18.4 cpg
Alcohol (for use in downstream gasohol blending)	\$.184	18.4 cpg
Aviation Gasoline	\$.194	19.4 cpg

The volume of alcohol and biodiesel blended into gasoline or clear diesel are taxed at full federal rate.

Alcohol Blender's Credit	(Expired 12/31/11)	
Biodiesel Blender's Credit	(Expired 12/31/13)	
Diesel (clear)	\$.244	24.4 cpg
Diesel (dyed)	\$.001	1/10th cpg
Diesel (used in trains)(dyed)**	\$.001	1/10th cpg
Diesel (removed for blending with biodiesel)	\$.244	24.4 cpg
Biodiesel (removed for blending with diesel)	\$.244	24.4 cpg
Kerosene (clear)	\$.244	24.4 cpg
Kerosene (dyed)	\$.001	1/10th cpg
Kerosene (clear - non-commercial aviation)***	\$.219	21.9 cpg
Kerosene (clear - for use in non-taxable aviation)	\$.001	1/10th cpg
Kerosene (clear - for use in commercial aviation)	\$.044	4.4 cpg
Propane	\$.183	18.3 cpg
Compressed Natural Gas	\$.183	18.3 cpg
Liquefied Natural Gas	\$.243	24.3 cpg

\* Rates include the \$.001 cpg federal Leaking Underground Storage Tank (LUST) tax. The LUST tax is non-refundable.

**\*\*This tax is paid by the railroads, NOT by petroleum marketers.**

**\*\*\* Marketers pay \$.244 cpg at the rack, user's rate is \$.219. Ultimate vendor claim is \$.025 cpg. The ultimate vendor is the only party that can make the claim for 2.5 cpg. Ultimate vendor must have a certificate from the ultimate purchaser verifying the fuel is used for non-commercial aviation. Ultimate vendor must have an IRS 637 UA registration to file claim.**

### **BENNY HODGES JOINS PMOCO MANAGEMENT COMMITTEE**

Benny Hodges, Chief Executive Officer of Belen, NM based Hodges Oil Company, will join the Management Committee of the Petroleum Marketers Oil Company, LLC (PMOCO), owner of the Spirit® brand. Hodges begins his Management Committee term effective January 1, 2014.

The outgoing Chairman of the Petroleum Marketers Association of America (PMAA), Hodges is currently beginning his 45th year as head of Hodges Oil Company, the business founded by his grandfather in 1923. The petroleum marketing wholesaler serves 750 accounts throughout central New Mexico and the Rio Grande corridor. "I am very excited to be able to participate with such a remarkable group, and hope that I may be able to contribute to the Management Committee," affirmed Hodges. "We are thrilled to welcome Benny Hodges to the PMOCO Management Committee," said Spirit® president Vera Haskins. "He brings his many years of experience and service to PMOCO and the Spirit® brand, and we look forward to his guidance."

Spirit® is a nationally recognized petroleum brand managed by marketers and owned by the nonprofit Petroleum Marketers Association of America (PMAA). Spirit® is committed to redefining independence for the American petroleum marketer. Spirit®'s minimal requirements, affordable fees and flexible business solutions give businesses of all sizes the control they need to compete aggressively in today's tough environment. Spirit® offers a sophisticated, patriotic brand image that inspires loyalty and confidence in consumers nationwide. For more information, visit [www.spiritpetroleum.com](http://www.spiritpetroleum.com) or call (215) 345-4119.

### **MARK YOUR CALENDARS FOR UPCOMING EVENTS IN 2014**

**May 8-9, 2014** – NPM&CSA Big Dog event – Red Rock Hotel & Casino Las Vegas, Nevada

**June 3-5, 2014** – MPMCSA Convention – Hilton Garden Inn – Missoula, Montana

**June 16-19, 2014** - WOMA Convention – Suncadia Lodge – Cle Elum, Washington

**August 6-8, 2014** – IPM&CSA Convention – Coeur d'Alene Resort – Coeur d'Alene, Idaho

**August 19-20, 2014** – NMPMA Convention – Marriott Pyramid North – Albuquerque, New Mexico

### **NPP A NEW WPMA MEMBER SERVICE**

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### **WPMA MEMBER SERVICES**



***Petro Pete: "I went to school to become a wit. Only got halfway through!"***

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