

February 4, 2011

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DENNIS MILLER TO KEYNOTE WPMA CONVENTION



WPMA 2010-2011 President Rob Franklin is excited to announce Dennis Miller, “one of the premiere comedy talents in America today...” as the 2011 WPMA Convention keynote speaker. A man of many talents, Dennis Miller is a comedian, author, correspondent, host, political commentator, and a five-time Emmy award winner for his critically acclaimed HBO talk show “Dennis Miller Live”. He can currently be heard daily on “The Dennis Miller Show”, and in his frequent appearances on Fox News Channel’s “The O’Reilly Factor”. Come and join us at the WPMA Convention in February, and be sure to attend the Keynote session, featuring the irreverent and satirical humor of Dennis Miller.

WPMA 2011 EARLY BIRD TOP SPONSORS

WPMA thanks our Early Bird Top Sponsors of the 2011 Western Petroleum Marketers Convention and Convenience Store Expo.



SCHOLARSHIP TIME APPROACHES!

The time is fast approaching when the WPMA scholarship recipients for 2011 will be selected. March 1, 2011 is the cut-off date for applications to be postmarked and mailed to the WPMA office. Usually, there are less than 20 applicants for each WPMA state scholarship and the associate member scholarship, which makes the chances of receiving a scholarship very good. Applicants must be graduating high school seniors, and the son or daughter of a full-time employee of a WPMA member or associate member company. Applicant qualification information and the scholarship applications and are available to download at www.wpma.com, under the Scholarship Foundation link (scroll to the bottom of the Scholarship page). Scholarship applications are also available from the WPMA office by e-mailing kathym@wpma.com and requesting an application. As a reminder, the WPMA scholarships pay \$500 per semester for up to eight semesters to the recipients, for a total of \$4,000. **Employers, please remind your employees to request or download an application right away, and give their students a chance for some extra financial help in college!**

SENATE APPROVES 1099 REPEAL AMENDMENT

This week Senators agreed to an amendment to the Federal Aviation Administration (FAA) reauthorization bill that would repeal the Form 1099 expansion. Senator Stabenow’s (D-MI) amendment passed on a vote of 81-17. The amendment was essentially the same as Senator Johanns’ (R-NE) amendment with an offset consisting of a rescission of unspent spending authority.

The Senate still has some work on the FAA bill, and it is not certain to be accepted in the House because of the Form 1099 extension repeal and other revenue items that are in the bill. The House has the authority to initiate revenue bills and is likely to demand to first move their own revenue legislative vehicle, which could be their own Form 1099 repeal bill.

The House is taking 1099 repeal seriously. Last week, the House Ways and Means Committee heard from a panel regarding the onerous reporting provision. The President’s chairman of the Council of Economic Advisers, House Democrats and Republicans all agreed that repeal of the 1099 tax reporting provision should move quickly.

House Ways and Means Committee Chairman Dave Camp (R-MI) says a repeal bill will come before the full committee, but he has not said when that will occur. Rep. Dan Lungren (R-CA), has a bill to repeal the expansion (H.R. 4) but his doesn't specify an offset. And an identical bill has also been introduced by Senate Finance Chairman Max Baucus (D-MT).

MPC SENDS LETTER TO FED CHAIRMAN

On Wednesday, the Merchants Payments Coalition (MPC) sent a [letter](#) to Federal Reserve Chairman Ben Bernanke and every member of the House and Senate. The letter went to the Fed and the Hill with the names of over 1,500 companies and associations. This letter demonstrates the broad support from the retailer community and specifically independent petroleum marketers, for the Federal Reserve's proposed rule to reform debit swipe fees. PMAA has thanked the state associations for submitting company names and making it a big success.

If you and your members would like to continue your outreach to the Federal Reserve and Congress, you may submit comment letters through MPC's redesigned web site <http://www.unfaircreditcardfees.com/splash/>. The comment period closes February 22.

SENATE COMMITTEE VERY CONCERNED ABOUT OIL PRICES

On Thursday, Senate Energy and Natural Resources Committee Chairman Jeff Bingaman (D-NM) held a hearing on the oil market outlook for the 112th Congress. Testifying before the Committee were: Richard Newell, administrator, Energy Information Administration, Richard H Jones, executive director, International Energy Agency; Roger Diwan, partner and head of financial advisory, PFC Energy; and Jim Burkhard, managing director, Cambridge Energy Research Associates.

With West Texas Intermediate crude oil futures for March delivery hovering around \$90 a barrel and potentially rising due to the crisis in Egypt, House and Senate leaders are mulling legislative options from a Clean Energy Standard (CES), traditional oil production, greater use of biofuels and vehicle efficiency standards. Some witnesses said that while Egypt is not a major oil exporter (it produces less than one percent of the world's oil), the recent uprising in the country could spur other protests in surrounding countries that do have spare oil capacity which would impact prices. Additionally, IEA executive director Richard Jones said that OPEC inventory levels and refining capacity are on the rise and would likely offset any major demand increase in 2010.

Some witnesses suggested that because oil has become the new asset class for traditional investors, financial players are also having a greater impact than originally thought. Senator Ron Wyden (D-OR) targeted excessive speculation as the culprit to the recent rise in the price of oil. Mr. Burkhard of Cambridge Energy Research Associates agreed that money flows into the oil market were clearly increasing the price of oil and volatility in the short term. Ambassador Richard Jones of the IEA also agreed that the recent money flows into the market has had an impact on oil prices.

In related news, Federal Reserve Chairman Ben Bernanke said Thursday that the Fed's monetary policy does not cause rising commodity prices. The Chairman said that overall inflation remains quite low. Given inflation remaining stagnant, crude supplies above its five year average, and demand sluggish, PMAA believes the hot commodities trade is having an impact on oil prices. Since the start of the new year, investors have been placing bullish bets in oil and pulling money from the gold trade that consumed most of 2010. The Commodity Futures Trading Commission (CFTC) is expected to vote on a position limit proposal later this spring to bring stability and fairness to the oil futures market.

LEGISLATION TO LIMIT EPA'S GHG REGULATORY AUTHORITY INTRODUCED

This week several bills were introduced in the House and Senate to restrict the Environmental Protection Agency's (EPA) ability to regulate carbon emissions under the Clean Air Act. Senator Jim Inhofe (R-OK) and House Energy and Commerce Chairman Fred Upton (R-MI) introduced legislation that would permanently strip EPA of its authority to regulate carbon dioxide emissions from stationary sources, such as petroleum refineries and power plants.

Senator John Barrasso (R-WY) introduced legislation on Monday that goes further and prohibits all federal agencies, including the EPA from regulating greenhouse gas emissions. Barrasso's proposal would prohibit the federal government from using the National Environmental Policy Act (NEPA) or the Endangered Species Act (ESA) to regulate carbon emissions. The 2009 vehicle tailpipe emission standards and fuel efficiency standards through 2016 from the EPA would be exempt; however, the EPA would be barred from further increases in fuel efficiency standards to combat carbon emissions.

Also introduced this week was legislation by Senator Jay Rockefeller (D-WV) that could move in the Senate. The Rockefeller bill calls for a two year timeout on EPA's plan to implement curbs on carbon emissions from stationary sources. There was some interest in Senator Rockefeller's legislation last Congress but it adjourned before there was any substantial action on the measure.

While there is an appetite in Congress to set limits on EPA GHG regulations, securing a veto proof measure will require substantial bi-partisan support. PMAA believes that EPA should be restrained from regulating CO2 using the Clean Air Act. EPA should delay action until such time that Congress provides legislation specifically addressing climate change objectives.

PMAA ENERGY POLICY RECOMMENDATIONS SENT TO HILL

This week PMAA sent a letter to the House and Senate Leadership, and copied all Members of Congress, outlining our energy policy recommendations in response to the President's State of the Union message last week.

We reminded Congress that we are strong supporters of the development and use of alternative energy sources in blending with traditional petroleum products such as biofuels. We urged Congress to remember that for the next 100 years, traditional sources of domestically available energy resources of all kinds will need to be brought to bear to maintain the nation's economic and national security. Specifically, Congress needs to expedite oversight of deep water drilling projects, overhaul the Department of the Interior's Mineral Management Service, and get the U.S. back into the production of domestic crude oil, especially in the Gulf of Mexico.

PMAA communication to Congress also addressed the role a dramatically weakened U.S. dollar has on energy prices. Crude oil has increased in cost by more than 30 percent since this summer. Oil inventories are up, consumer demand is down – yet prices for heating oil and gasoline are rising. These increased costs are in part because the Federal Reserve has pumped trillions of dollars in an attempt to re-inflate the nation's economy. As more dollars flow out of the Fed and into the money supply, the less each dollar is worth. As the Fed drives down the value of the U.S. dollar, everything that is sold in dollars rises in price, which has a dramatic impact on people buying these necessities.

We also address an ongoing rally cry of petroleum marketers, the continued impact of excessive speculation in the commodities market. We urged Congress to continue to support and completely fund full implementation of the Derivatives Title in the Dodd-Frank Act.

Finally, we recommended that Congress develop energy policy in the span of 50-year intervals, and not the 2 and 4 year election cycles of recent efforts that have failed to strengthen our nation's energy infrastructure. Congress should consider creating a National Energy Resources Board, free of political cycles and appointments, whose purpose is the design and implementation of national energy policy for the next fifty years and whose charge is the safe, environmentally conscious, economically viable and market-driven energy security plan for the nation and our future.

PMAA MEMBERS PROFIT THROUGH RISK MANAGEMENT DESIGNATED RISK MANAGER SEMINAR OFFERED MARCH 28-30, 2011

Federated's Designated Risk Manager Training Program was developed to target specific risk management concerns for the petroleum transportation and convenience store industries. Companies that are the most successful controlling losses have designated a key person as their risk manager. This person is supported by top management and is both responsible and accountable for identifying loss exposures and implementing risk management solutions.

Through PMAA's relationship with Federated Insurance, there is no charge to attend this training and you do not have to be a current Federated client. However, attendees are responsible for air and ground transportation and lodging to and from Owatonna, Minnesota. Several of PMAA's members have attended in the past and can give referrals on the course content. According to **Andrew Woodard, Vice President of Elliott Oil Company** in Ottumwa, Iowa: "**The seminar was very professional and organized. On behalf of Elliott Oil Company, I would like to thank Federated for providing this seminar to our industry.**"

The class is limited to 20 attendees and the registration cutoff date is February 28. To reserve your spot in the upcoming session, or for answers to any questions you may have, contact Teri Thompson at Federated, (507) 455-7834 or txthompson@fedins.com.

For more details visit the [Designated Risk Manager Seminar](#) page on Federated's Internet site: www.federatedinsurance.com.

THE MERCHANTS PAYMENTS COALITION (MPC) RELEASES REDESIGNED WEB SITE

The Merchants Payments Coalition (MPC) released today its redesigned web site, www.unfaircreditcardfees.com. This site will allow retailers and consumers to urge Congress to support the Federal Reserve's proposed rulemaking on debit swipe fees. From the site, retailers can also communicate their support for the rule to the Fed.

Right now comments to the Federal Reserve are overwhelmingly opposed to the proposed rule. The banks and credit card companies are well organized and have made it their top priority to delay the implementation of this rule. Comments from marketers and consumers in support of the rule are critical. Please take a few minutes to visit the web site and urge Congress and the Federal Reserve to move quickly on the rule.

WARD WAYNE HINCKLEY 1929-2011



Nevada petroleum pioneer Ward Hinckley, passed away on Jan. 25. was a devoted husband, father and grandfather, widely respected businessman, civic pillar and avid outdoorsman.

In November 1953, Ward officially joined Wayne C. Hinckley, Inc., He worked in sales and ran a Flying A service station. Ward's father established a new distributor relationship with Wilshire Oil Co., owned by Gulf Oil Co., in 1962, and the Hinckley's took over leases of stations across northern Nevada. Ward became president of the company, now called WH Oil, in 1968. In 1971, he and business partner Mike Berry bought out Wayne Hinckley and renamed their distributorship Western Mountain Oil.

Ward carried on his father's stellar business reputation, and his word was his bond. He and partner Mike Berry once sold four service stations at a meeting in a bar in Elko, jotting details on the back of a napkin. The two continually expanded their business. They built a terminal in Sparks in 1977, renaming it Berry-Hinckley Terminal, Inc. They switched to the Exxon brand in 1983 and the same year spun off a separate branch of the corporation: full-size convenience stores they called Winner's Corners. Berry-Hinckley Industries came to include 38 of those stores with Chevron stations and three car washes, plus Western Energetix Corp. with a card-lock business and two terminals in Sparks. At its peak, Berry-Hinckley Industries had 475 employees. Ward retired in 2005, when Berry-Hinckley was sold.

Ward was heavily involved in his industry. A lifelong member of the Nevada Petroleum Marketers Association, he served as director of the Oil Heat Institute of Northern Nevada, the California Independent Oil Marketers Association, and the Pacific Oil Conference. He chaired the Pacific Oil Conference's Management Institute, at the Sahara Tahoe, in 1972; and chaired the Distributor Management Conference, Western Region, Kendall Refining Co., in Sun River, Ore., in 1976.

He is survived by his wife, Christel; his son, Art, daughter-in-law, Cindy, and their children: Sarah and Brett; his daughter, Carol Smith, son-in-law, Lance, and their children: Matt, Connor and Hannah; and his stepdaughter, Delone Hernandez, and her children: Anthony and Michael.

In lieu of flowers, contributions may be made in his name to the Center for Spiritual Living, 4685 Lakeside Drive Reno, NV 89509; or the Saint Mary's Foundation, 520 W. Sixth St., Reno, NV 89503.

2011 PETROLEUM MARKETERS LEADERSHIP INSTITUTE (PMLI)

The 2011 Petroleum Marketers Leadership Institute will be held at the Madison Hotel located downtown in Memphis, TN April 10 -12, 2011. In preparation for the 2011 Petroleum Marketers Leadership Institute, we need you to begin thinking of petroleum marketers who are active in your association who have "the right stuff". These are marketers who you can count on to support the industry and your state association. They are the ones who give of themselves and are often natural leaders. **PMAA relies heavily on state association executives to identify nominees/candidates for PMLI.** The value in PMLI is the cadre of leaders it is creating for our future. You can never have too many knowledgeable and dedicated leaders. State associations that have sent emerging leaders to the Institute the past seven years have already begun to reap its rewards.

As state associations, you are not obligated to pay anything for candidates to attend. Some states assist with travel related and tuition costs for their candidates but that varies from state to state. The most important thing is to make sure you give us a few names of marketers to invite. The tuition this year will be the same as last year \$425.00 per person and that includes meals and curriculum. When you compare this with other leadership programs of similar length, you'll find that the \$425.00 is a fraction of what other programs cost. From 2001 to 2010 we have had over 150 marketers go through PMLI and all of them have expressed very favorable comments about the program.

For more information please contact your state executive or the WPMA offices.

FOLLOW US ON FACEBOOK AND TWITTER

WPMA has now joined the Facebook and Twitter communities! Please visit us and become a fan, and stay on top of the latest updates, events and announcements from WPMA and the WPMA state associations.

To follow us on Twitter, go to twitter.com/WPMA_NOW.

Petro Pete: "If it weren't for the "Last Minute" we would never get anything done."

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Classified Ads

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- DOT 406 MC
- 1400 X 2 Comp
- Rear hose reel
- 2 ½ Pump with PTO
- Pro Tec Box & Rear bumper
- \$16,000.00 OBO

Contact Marty Hull – 360-520-3275 (cell) 360-736-2821