

April 8, 2016

Visit us online at [www.wpma.com](http://www.wpma.com)

WP-04-08-16

**INDUSTRY GROUPS CRITICIZE EPA OVER BACKGROUND OZONE ESTIMATES**

According to state environmental groups and industry groups, the EPA isn't doing enough to properly calculate background ozone effect on air quality, therefore making the EPA data not useful in supporting implementation of the 2015 national ozone standard that was set at 70 parts per billion (ppb). Background ozone is formed from natural sources in the U.S. plus natural and human related pollutant sources in countries outside the U.S. The groups say that the EPA ozone background estimates are incorrect and underestimate attainment problems for areas, particularly in more vulnerable places in the Western U.S. to achieve the 70 ppb standard.

It is expected that the issue of background ozone will become an important argument in upcoming litigation concerning the 2015 ozone standards, which the EPA has projected to cost nearly \$1.4 billion annually. PMAA has argued that the EPA's ozone standard is unattainable and will result in jobs losses. PMAA also opposed lowering the ozone standard in written comments to the White House and we continue to support legislation that will roll back or minimize the new ozone mandate, including legislation recently introduced by House Majority Leader Kevin McCarthy (R-CA) and Majority Whip Steve Scalise (R-LA), the "Ozone Standards Implementation Act of 2016" that would delay the EPA's implementation of its ozone standard in some states and completely exempt other areas from having to comply.

**SNAP COMMENTS DEADLINE EXTENDED TO MAY 18**

USDA's Food and Nutrition Service (FNS) has extended the comment period regarding the February 17, 2016, Supplemental Nutrition Assistance Program (SNAP) proposed rule such that final comments are now due on May 18 instead of April 18. To review the proposed rule, click [here](https://www.federalregister.gov/articles/2016/02/17/2016-03006/enhancing-retailer-standards-in-the-supplemental-nutrition-assistance-program-snap) (<https://www.federalregister.gov/articles/2016/02/17/2016-03006/enhancing-retailer-standards-in-the-supplemental-nutrition-assistance-program-snap>). The proposed rule goes much further in changing the retailer SNAP participation requirements than congress intended in the statutory requirements of the 2014 Farm Bill.

Under the proposed rule, in order for retailers to participate in the SNAP program, "multiple ingredient" items (cold pizza) would not be counted in any staple food category and would not count toward meeting a retailer's "depth of stock" requirements. Currently multiple ingredient foods can be counted under the category of the main ingredient. The proposal would require that retailers always have six different units of any food item that are in the store and are counted under the four mandated categories (requiring seven different options in each category) of eligibility for SNAP participation, i.e. 7x4=28, 28x6=168. Stores would be required to publicly display 168 units of single-ingredient food items at all times. FNS estimates that the costs for stocking additional items would be \$140 on average. Also the FNS proposes that stores that do not have 85% or more of their "total food sales" in items that are not cooked or heated on site, before or after purchase, that those stores would be ineligible for the program.

PMAA's Convenience Store Committee is drafting comments to submit on the rule.

In addition to submitting PMAA comments on the proposed rule, we will soon provide instructions for those retailers who would also like to submit their own comments for the record. Further, in the coming weeks, we will provide directions on reaching out to Members of Congress and the Senate to seek intervention of the FNS proposed regulatory over-reach.

**PMAA'S CONTINUED EMERGENCY PLANNING EFFORTS**

As we have done since Hurricane Sandy occurred, PMAA actively participated this week in the Oil and Natural Gas (ONG) Sector Coordinating Committee (SCC) meeting and the ONG SCC (industry)/Government Coordinating Committee (GCC) meeting. Prior to the meeting PMAA submitted comments for the updated industry/government handbook "Oil and Natural Gas Preparedness and Response Strategy". PMAA's Disaster Preparedness and Planning Task Force provided a great deal of feedback regarding the original 2014 ONG handbook as well as the National Petroleum Council's emergency handbook.

Sam Bell, PMAA's Director of Disaster Response spent Monday and Tuesday engaging in the meetings and making certain that the needs of marketers are heard and incorporated in plans that are a consequence of the groups' endeavors. In addition, PMAA's consistent involvement with these groups paves the way for faster government responses to waiver requests during emergencies.

**FAA TAX EXTENDERS BILL CLOSE TO BEING FINALIZED**

On Wednesday, the Senate resumed debate over reauthorization of the Federal Aviation Administration (FAA) bill, including discussion regarding potential inclusion of extension of some energy tax credits, particularly some that were not included in the 50 credits that were extended last year such as lifting oil export ban. Included in the deal is an investment

tax credit (ITC) for technologies such as geothermal and fuel cells that were left out of a year-end omnibus bill that extended the credits for the wind and solar industries. Also, in addition to a 30 percent credit for fuel cells and small wind projects, a portion of the investment tax credit provides a 10 percent credit for geothermal and combined heat and power projects.

Included in the 2015 tax extenders was the \$1 per-gallon biodiesel blender's tax credit and a 30 percent investment tax credit for alternative fuel pumps. This was a huge victory for petroleum marketers because there was a legislative push to move the biodiesel blender's credit to the production level. PMAA actively lobbied Congress on this, particularly on behalf of heating oil dealers and their consumers who almost certainly would have experienced an increase in the price of heating oil. However, Capitol Hill news outlets and Senate sources are confirming that the biodiesel tax credit is very likely to be included in the deal, due to a recent push by industry groups to move the credit to the producer level. PMAA recently signed on to a letter to the Senate Finance Committee opposing this push from a biodiesel blender's credit to a producer's credit.

While Senate Democrats believe a deal has been reached to extend certain renewable energy tax credits in the FAA bill, Republicans say that the Senate is still debating which amendments will be included as well as the length of the credits. Republican leaders have said that a compromise is likely as long as there are offsets that Democrats will agree to in exchange for the energy credits. Nonetheless, even if a deal is reached in the Senate, it would run into a road block in the form of a Republican controlled House.

### **PLEASE TAKE THE TIME TO RESERVE YOUR ROOMS AND REGISTER NOW FOR PMAA'S WASHINGTON CONFERENCE AND DAY ON THE HILL**

PMAA's 2016 annual Washington Conference and Day on the Hill will be held in Washington, DC from May 18-20. This forum unites marketers, state association executives and suppliers from across the country to openly discuss all the issues facing the petroleum marketing industry with their members of Congress and find solutions together.

The meeting will commence with an Opening Session / Issues Briefing and Region meetings in the afternoon of May 18 followed by a welcome reception including our PAC silent auction fundraiser. In addition, PMAA will hear from Adam Sieminski, Administrator of the Energy Information Administration (EIA), on the 18th. On the morning of May 19, there will be another issues briefing for those who were not able to attend the opening session. Marketers and association executives will then head to Capitol Hill for visits with their Congressional delegations. **Please be sure to make these appointments as soon as possible.** There will be a hospitality suite and luncheon on the Hill. On the evening of May 19, we will honor our new PMAA Chair Mike Bailey. Our conference will conclude after the PMAA Board of Directors meeting on May 20 following a buffet breakfast and committee meetings.

Please click [here](http://www.cvent.com/d/2fq23h) (<http://www.cvent.com/d/2fq23h>) for our **new event website** which includes dynamic online event registration with secure event payment processing through Cvent. It is very user friendly and we are confident you will find it more effective, professional and easy to use.

If you plan on attending PMAA's annual Washington Conference and Day on the Hill, please take the time now to make your room reservation through A Room with A View (our overflow hotel company) at 800.780.4343. Washington Marriott at Metro Center is now sold out. We are expecting an excellent turnout and would appreciate you and your members to plan ahead and make rooms reservations and complete online registration at your earliest convenience.

Please make your plans to attend this important and productive forum to meet with your members of Congress and network with other marketers from across the country! See you in DC in May!

### **FEDERATED INSURANCE – RISK MANAGEMENT CORNER** **UNDERSTANDING S.A.F.E. DRIVING**

The tanker driver was making a right turn on a road he traveled every day. This time, however, he could feel his load shift, his tank lift, and suddenly the entire transport was lying on its side. The truck and tank were totaled, and leaking fuel required environmental clean-up. The driver was not injured, but he was cited for excessive speed for the conditions. One moment of unsafe driving resulted in a \$250,000 insurance claim.

Rollover accidents like this one happen far too often in the petroleum industry. The tractor, tank, and load are usually total losses. Oftentimes, the driver is seriously injured or killed.

#### **What causes rollovers to happen?**

Some causes show up frequently in accident investigations. There are four common reasons for tanker accidents: Speed, Attention, Fatigue, and Emotion (S.A.F.E.). Individually, these factors can cause a rollover; in combination, an accident becomes almost a certainty.

- Excessive **Speed** requires quicker reaction and makes it difficult to recover from shifting loads.

- Lack of **Attention** takes the driver's eyes and mind off the road.
- Driver **Fatigue** slows reaction times, while equipment **Fatigue** adds to the rollover potential.
- **Emotion** can influence a driver's response to his or her environment.

### How can petroleum haulers prevent rollovers?

First and foremost, companies need to hire qualified drivers. At a minimum, review potential drivers' motor vehicle records, and consider including drug tests and background and reference checks as part of your hiring practices.

Next, train drivers on the effects Speed, Attention, Fatigue, and Emotion can have on their driving. Explain the consequences of taking corners too fast, answering phone calls, driving while fatigued, lack of proper vehicle maintenance, or being overly emotional behind the wheel. Stress the importance of being completely focused on driving.

Specific driver training can also include these points:

**Load surge dynamics.** Discuss how the make-up and distribution of the load impact stability: In general, a fully loaded tank is more stable under normal driving conditions and handles much differently than a partial load. Since partial loads are also impacted by load location—front, middle, or back compartment—filling and emptying tanks also factors into stability. As deliveries are made, tank stability changes. Drivers should know their route and fill their tank compartments accordingly. Unloading compartments in a specific sequence can help stability.

**Off-tracking and Emergency Situations.** Speed management can help the driver maintain control in emergency situations, such as sudden stops or swerving to avoid a collision. Proper speed also keeps the wheels on the road during turns, and reduces the effects of off-tracking (i.e., tank tires running over a curb, median, or roundabout).

**Distractions.** Distracted driving is becoming an epidemic on the nation's roads. Not only must petroleum haulers stay focused on driving, they must also stay alert for other motorists who may be distracted. Large trucks don't have the maneuverability or stopping ability of smaller vehicles, so maintaining focus behind the wheel can help drivers avoid situations in which emergency maneuvers may be necessary.

New tanker rollover awareness training materials (which can also help businesses comply with DOT special training requirements for cargo tank drivers) is now available to Federated Insurance clients. To learn more, contact your [local Federated Insurance representative](#).

### **FEDERATED INSURANCE INTRODUCES ENHANCED TANKER ROLLOVER PREVENTION PROGRAM**

Property damage, pollution liability, lost revenue, injuries, fatalities, damaged reputation—all potential outcomes of a single tanker rollover.

Petroleum marketers and transport companies know that simply alerting drivers to this risk may not be enough. But, when they combine critical information with compelling and effective training, they can help protect their drivers and the lives of other motorists.

To support our petroleum marketer clients and their employee drivers, [Federated Insurance](#) is introducing an enhanced tanker rollover education and prevention program: "The Point of No Return."

This updated program examines the causes, effects, and prevention of rollover accidents. The materials incorporate recommendations from Federated petroleum marketer clients and national recommending associations PMAA and SIGMA. Included are a training video and employee safety meeting handouts, which discuss the principles of S.A.F.E. driving (Speed, Attention, Fatigue, Emotion). These four factors can increase the potential for a rollover, but the knowledge gained through "The Point of No Return" tanker rollover prevention program could help drivers make it home safely every day.

"The Point of No Return" materials will be available to all Federated petroleum marketer clients in the months ahead. Please contact your local [Federated marketing representative](#) with questions.

### **2017 WPMAEXPO - LAS VEGAS, NEVADA**



Mark your calendars for February 21-23, 2017. Make plans now to attend the 2017 WPMAEXPO. It will be held once again at the Mirage in Las Vegas, Nevada.

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

**May 3, 2016** - Idaho (IPM&CSA) Boise Ranch GC PAC Golf Outing – Boise, Idaho  
**May 19-20, 2016** – Nevada (NPM&CSA) Big Dogs Shootout – Red Rock Resort & Casino – Las Vegas, Nevada  
**June 7-9, 2016** – Montana (MPMCSA) Convention – Fairmont Hot Springs Resort – Butte, Montana  
**June 20-23, 2016** - Washington (WOMA) Convention - Suncadia Resort - Cle Elum, Washington  
**June 23, 2016** – Utah (UPMRA) Summer Golf Classic – Mountain Dell Golf Course, Salt Lake City, Utah  
**June 29, 2016** – Idaho (IPM&CSA) Magic Valley PAC Golf Outing – Blue Lakes Country Club, Twin Falls, Idaho  
**August 3, 2016** – Idaho (IPM&CSA) Circling Raven GC PAC Golf Outing - Coeur d’Alene, Idaho  
**August 3 – 5, 2016** - Idaho (IPM&CSA) Convention - Coeur d’Alene Resort - Coeur d’Alene, Idaho  
**August 22-24, 2016** – New Mexico (NMPMA) Convention – Sandia Resort & Casino – Albuquerque, New Mexico  
**August 26, 2016** – Hawaii (HPMA) Golf Tournament – Honolulu Country Club – Honolulu, Hawaii  
**September 8, 2016** – Idaho (IPM&CSA) Teton Valley PAC Golf Outing – Huntsman Springs GC, Driggs, Idaho  
**September 14-16, 2016** - Utah (UPMRA) Convention - DoubleTree Hotel by Hilton - Park City, Utah  
**February 21 – 23, 2017** - WPMA Convention & Expo – Mirage Hotel, Las Vegas, Nevada  
**June 18-22, 2017** – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington  
**August 2-4, 2017** - Idaho (IPM&CSA) Convention – Sun Valley Resort, Sun Valley, Idaho  
**June 17-21, 2018** – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington  
**August 8-10, 2018** - Idaho (IPM&CSA) Convention - Coeur d’Alene Resort - Coeur d’Alene, Idaho

## **NPP WPMA MEMBER SERVICE**

WPMA has partnered with NPP to provide members discounts on many products and services. NPP negotiates the rates, and makes them available to WPMA members. Membership with NPP is free, and there is no obligation to purchase. Discounts through Verizon, Expedia, Fastenal, Cradlepoint, and more.

Register Now: <https://associations.mynpp.com/myNPP/memberSavings.xhtml?guid=RB3WUOFG>

## **WPMA MEMBER SERVICES**



**Petro Pete: “Who decided that the abbreviation for “pound” should be two letters it doesn’t contain?”**

© 2016 Western Petroleum Marketers Association - All rights reserved. No part of this work may be reproduced or copied in any form or by any means - graphic, electronic, or mechanical, including photocopying, recording, or otherwise. The information herein is also intended for the sole purpose of members of the Western Petroleum Marketers Association (WPMA). Any other use is strictly prohibited without the express written consent of the WPMA. If you do not wish to receive information via fax or e-mail, please contact WPMA at: (801) 263-9762, Fax: (801) 262-9413, or e-mail: [janr@wpma.com](mailto:janr@wpma.com). Thanks.



## **Classified Ads**

### **HIRING – Executive Director for the MT Petroleum Marketers & C-Store Association**

The MPMCSA is conducting a search for an Executive Director to manage the affairs of the State Association.

Position is as an independent contractor answering to the Board. Please go to the Montana home page, [www.wpma.com/montana](http://www.wpma.com/montana) to download the job prospectus.

### **For Sale**

Have taken a PetroVend C/OPT Card lock and 4 mechanical dispensers down, all in good condition  
2 Terminals , all the hardware, punch for making your own optic cards, ETC  
Lots of miscellaneous parts, 406/580-7630