

April 15, 2016

Visit us online at www.wpma.com

WP-04-15-16

HOUSE HOLDS HEARING ON NEW OZONE STANDARD

On Thursday, the House Energy and Power Subcommittee held a hearing regarding H.R. 4755, the "Ozone Standards Implementation Act of 2016," which would allow states more time to implement the controversial 2015 National Ambient Air Quality Standard (NAAQS) set by the EPA. Among the witnesses who testified before the committee was the Chairman of the Texas Commission on Environmental Quality, Dr. Brian Shaw, who expressed many concerns with the ozone standard that was recently reduced from 75 parts per billion (ppb) to 70 ppb. He stated that many areas in Texas would not be able to reach attainment with the new standard and expressed his support for H.R. 4755, sponsored by Rep. Pete Olson (R-TX).

Most House conservative members offered their support for the legislation while committee liberals opposed. The majority of the witnesses were from Western states that are struggling to reach attainment, so most expressed support for Rep. Olson's language, adding that it would provide much needed relief for the areas currently in non-attainment. Some questioned why EPA went ahead with new ozone standards when the country can't even meet the current standards under the George W. Bush Administration's 2008 ozone standards set at 75ppb.

PMAA opposed lowering the ozone standard in written comments to the White House and will continue to support legislation that would provide relief from the new onerous requirements, including Rep. Olson's "Ozone Standards Implementation Act of 2016."

ENERGY TAX EXTENDERS UNABLE TO CATCH A RIDE ON THE FAA BILL

This week, several Senators attempted to attach a few energy tax incentives to the FAA reauthorization bill. However, their attempts failed after the number of tax incentive requests ballooned, such as incentives for beer or distilled spirits and rental cars. PMAA learned that there was an attempt to attach biodiesel production tax credit language to the FAA bill and immediately worked with several groups including NATSO, SIGMA, NACS, ATA and the Advanced Biofuels Association to oppose it. Click [here](#) (<http://www.pmaa.org/weeklyreview/attachments/2016%20Senate%20Finance%20Blenders%20Credit%20FINAL.PDF>) to read the letter.

Under current law, the \$1 per gallon biodiesel blender's tax credit is extended through 2016.

MOST COMPANIES WANT TO ROLLBACK THE OBAMACARE EMPLOYER MANDATE

Global consulting firm Mercer released a survey this week showing that 70 percent of businesses with 50 or more employees want to roll back Obamacare's employer mandate. Although these businesses want to offer coverage, they feel proving to the government that they provide the coverage is a highly significant burden.

The final portion of the employer mandate for businesses with 50 or more employees went into effect in January 2016, meaning that those companies must offer affordable health insurance to at least 95 percent of their workers who work 30 or more hours a week, or face a heavy penalty.

In February, the House attempted to override President Obama's veto of legislation, which would change the definition of Obamacare's full time employee from a 30 hour work week to the standard 40 hour requirement. The bill, known as the "Save American Workers Act of 2015," passed by a vote of 252- 172 in January, and was vetoed by Obama two days after House passage. With a vote of 241-186, Republicans were unable to obtain the 290 votes needed to override the Presidential veto.

In 2014, the Obama Administration decided to delay employer mandate fines for employers with 50 to 99 full-time workers until January 1, 2016 if they fail to offer workers health insurance. Companies with more workers could avoid some penalties in 2015 if they show they were offering coverage to at least 70 percent of full-time workers. The move came after PMAA and other associations pressured the Obama administration to peel back the law's insurance requirements. Some companies had trimmed workers' hours to below 30 hours a week to avoid paying a penalty if they didn't offer insurance.

PMAA strongly supported the delay but remains concerned about long term consequences of the mandate for PMAA members. A change in presidential leadership will be required before the Affordable Care Act is repealed or significantly modified.

ONCE-STALLED SENATE ENERGY BILL TO MOVE FORWARD

On Wednesday, Senators reached a deal to act on a comprehensive energy bill as soon as next week. The bill was at a standstill for over two months due to holds by Senators who disagreed over how to handle the water crisis in Flint, Michigan. The holds have now been lifted and the bill will now move forward without any amendments related to the Flint water crisis.

S. 2012, the “Energy Policy Modernization Act of 2015,” would require the Department of Energy to approve or deny the use and operation of an LNG export facility no later than 45 days after an environmental review conducted by the Federal Energy Regulatory Commission (FERC). It would also require the Department of Energy to gather and distribute data on the destinations of LNG exports.

The bill, sponsored by Chairwoman Senator Lisa Murkowski (R-AK) and Ranking Member Maria Cantwell (D-WA), has broad bipartisan support and is expected to easily pass the Senate. The House approved its own energy bill, H.R. 8, in early December by a vote of 249-174. It is unclear whether Congress will actually pass an energy bill before the November elections, but it is possible that it could muster the votes during a lame duck session.

SENATE COMMITTEE PASSES CFTC REAUTHORIZATION BILL PMAA AND NEFI OUTLINE CONCERNS

On Thursday, the Senate Agriculture Committee marked up and passed legislation that would reauthorize the Commodity Futures Trading Commission (CFTC). PMAA and the New England Fuels Institute (NEFI) communicated our concerns with the draft bill via a letter to Committee Chairman Pat Roberts (R-KS) and Ranking Member Debbie Stabenow (D-MI) prior to the mark up.

We opposed the draft bill, known as the “Commodity End-User Relief Act,” because it would further expand the workload of the CFTC but fail to address its serious lack of funding. We are also concerned that the bill would require the CFTC to broaden the definition of a “bona fide hedge transaction,” thereby, causing further delay of the long-overdue rulemaking on speculative position limits and opening the door to unwarranted exemptions from such limits.

Although CFTC Chairman Timothy Massad also has concerns about the bill, he is “committed to continuing to work with Congress throughout this process, particularly on making sure end-users like agricultural producers can continue to safely and affordably use the derivatives markets, while ensuring these markets do not generate excessive risk to our financial system.”

EXPANDING NATIONAL PRESENCE DISCUSSED AT 2016 PMOCO ANNUAL MEETING

Earlier this year, the Management Committee of the Petroleum Marketers Oil Company, LLC, owner of the Spirit® Petroleum brand, held its annual meeting in Dallas, TX. The committee focused on marketing the company’s strengths to expand its reach nationally.

Committee chairman Bill Herdrich, of Rushville, IN, emphasized the goal of expanding Spirit®’s presence nationally. He and the committee discussed ways to build upon the positive momentum that the company currently has going. He mentioned the excellent reputation that Spirit® has among its current vendors and plans to bring that message to other markets. “Our licensees like us. Our wholesalers like us. So we’re working to let the rest of the country know what Spirit has to offer them as well,” he explained.

Benny Hodges, committee member from Belen, NM, agreed. “We had a comprehensive discussion involving the most effective way to expand the Spirit® message to reach larger audiences and impart the advantages of branding,” he commented. “We hope to augment the sales staff and increase the number of locations nationwide.”

Spirit® is a nationally recognized petroleum brand managed by marketers and owned by the non-profit 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](http://www.spiritpetroleum.com/) (http://www.spiritpetroleum.com/) or call 215.345.4119.

ESTATE TAX PLANS ARE NOT ONLY FOR THE RICH AND FAMOUS

In 2012, Congress passed the American Taxpayer Relief Act, which finally provided business owners and their advisors with some needed certainty around planning for gift and estate taxes. To recap, each person currently has an exemption amount of \$5.45 million (for 2016), which can be used to pass assets to heirs free from gift tax during life, or estate taxes at death. Assets can still pass tax-free between spouses, and “portability” allows a surviving spouse to use any exemption not used by his or her deceased spouse. This effectively gives a married couple the ability to pass \$10.9 million to their heirs without incurring any federal transfer tax liability.

As a result, planning for estate taxes has become less of a concern for many business owners. In fact, the Urban-

Brookings Tax Policy Center (TPC) estimates that only 0.2 percent of all estates from 2015 will owe estate taxes. Put another way, 99.8 percent of decedents will probably not be subject to the federal estate tax!

Please read more about putting a plan in place to protect your company in its entirety [here](http://www.pmaa.org/weeklyreview/attachments/Its%20Your%20Life041516.pdf) (<http://www.pmaa.org/weeklyreview/attachments/Its%20Your%20Life041516.pdf>). For additional information or to discuss this in further detail, please contact your [Federated](#) regional representative or PMAA's National Account Executive [Jerry Leemkuil](#) at 800.533.0472.

IT'S TIME TO REGISTER 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. Please make your plans now to attend this important and productive forum to meet with your members of Congress to openly discuss all the issues facing the petroleum marketing industry and to network with other marketers from across the country!

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 meet 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 beautiful 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. We want to make your conference experience smooth and easy.

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. They serve as our waitlist so when rooms become available, members will be moved to Washington Marriott at Metro Center.

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 next month!

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.myntpp.com/myNPP/memberSavings.xhtml?guid=RB3WUOFG>

WPMA MEMBER SERVICES



Petro Pete: "I keep trying to lose weight, but it keeps finding me."

© 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. 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 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