

May 20, 2016

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WP-05-20-16

BILL INTRODUCED TO CAP THE ETHANOL MANDATE AT 9.7 PERCENT**PMAA Fully Supports the Legislation**

Reps. Bill Flores (R-TX), Peter Welch (D-VT), Bob Goodlatte (R-VA) and Jim Costa (D-CA) have introduced bipartisan legislation known as "The Food and Fuel Consumer Protection Act," (H.R. 5180), which directs the EPA to consider current market realities and cap the maximum volume of ethanol blended into the nation's fuel supply at 9.7 percent of projected gasoline demand as determined by the Energy Information Administration (EIA). It also requires EPA to meet its statutory deadlines in setting annual RFS volumes. If the EPA fails to meet a deadline, the previous RFS volumes under the blend wall would apply.

PMAA fully supports this common sense bill because existing UST equipment is only certified by Underwriters Laboratories (UL) to use ethanol blends up to 10 percent. There is no path forward to recertify existing equipment for blends greater than 10 percent short of total replacement at a cost of more than \$200,000 per retail site. The inability to recertify existing equipment is a major impediment to dispensing and storage of E15 because federal, state, and local laws and regulations, national and international fire codes, as well as all commercial insurance policies, require the use of UL certified storage and dispensing equipment. Dispensing ethanol blends higher than 10 percent with non-certified equipment exposes retailers to legal liability for non-compliance with state fire codes and will subject them to significant civil penalties and possible closures. Moreover, E10 plus blends may lead to a significant increase in equipment failure. As a result, releases from UST systems may increase exponentially.

"Due to UST compatibility limitations with E10 plus blends, PMAA supports a reasonable RFS compromise that maintains ethanol in our nation's fuel supply, but not to a level that would force dispensing and storage of E15 at the retail level," said PMAA President Rob Underwood.

PMAA also plans to meet with the EPA and White House Office of Management and Budget next Thursday to press EPA not to exceed 9.7 percent ethanol in the gasoline supply for 2017 and to recognize the real world lack of demand for E85. PMAA and marketers will continue to educate policy makers/EPA to allow marketers to continue to sell E0.

HOUSE SUBCOMMITTEE PASSES LEGISLATION TO DELAY OZONE STANDARD

Yesterday, the House Energy and Power Subcommittee approved on a party line vote, 15-13, the "Ozone Standards Implementation Act."

The bill would extend state deadlines to submit implementation plans for the new ozone standard of 70 parts per billion until 2026 and also extends the statutory review cycle for all of the National Ambient Air Quality Standards from five years to ten years. It also would order EPA's Clean Air Scientific Advisory Committee to provide advice to EPA on new standards' "adverse public health, welfare, social, economic or energy effects," among other changes.

PMAA recently joined over 200 associations, companies and state groups in a letter of support for the bill and is pleased that it passed the subcommittee. The bill now moves to the full committee for consideration.

PLEASE SUBMIT YOUR COMMENTS ON THE SNAP PROPOSED RULE ASAP

The Food and Nutrition Service (FNS) exceeded the intent of Congress and added unnecessary requirements in the proposed rule which will force out small business convenience store owners from accepting SNAP benefits. PMAA urges you to submit your own comments on the proposed rule which are due May 18th. PMAA encourages you to use this [template](#) (which is a WORD file that can be personally edited) and then go to this link to comment. (<https://www.regulations.gov/#!submitComment;D=FNS-2016-0018-0099>)

LANGUAGE TO RETAIN HOS 34 HOUR RESTART TO MOVE NEXT WEEK**Without a Fix Truckers Will be at Risk of Reverting Back to Pre-2003 Requirements**

This week PMAA joined 94 other associations in communicating strong support for language in S. 2844, the FY 2017 Transportation-HUD Appropriations bill, which would prevent a reverse to the pre 2003 Hours of Service (HOS) rules. Without Congressional action, truckers will have to revert to pre-2003 rules that required drivers to do "rolling recaps" of their hours each week.

PMAA strongly supports the effort to correct the statutory error and is part of a coalition pushing for this in Congress. Senate floor action is expected next week on the Transportation Appropriations bill which includes the necessary technical fix to retain the 34-hour restart.

FDA ISSUES NEW REGULATIONS ON E-CIGARETTES AND OTHER TOBACCO PRODUCTS

The FDA has released its long awaited final “deeming” rules for e-cigarettes, cigars, pipe tobacco and other tobacco products it had not previously regulated. Under the rules, the newly regulated tobacco products will be subject to the same general requirements to which cigarettes and smokeless tobacco are already subject, including those related to: adulterated and misbranded products; ingredients listing; health documents submission; reporting of harmful and potentially harmful constituents; and registration and product listing. The rules become effective 90 days from publication (approximately August 8, 2016).

As part of the final rules, the FDA maintained the February 15, 2007 predicate date. This date is important as it determines which pathways a product can take to stay in and/or enter the marketplace. Products that were not in the market on February 15, 2007, nor have a comparable product that was in the market on this date, must submit a Pre-Market Tobacco Application (PMTA). The PMTA requires a product to meet a regulatory hurdle that is very complex and costly. Some have estimated that a single PMTA could cost up to several million dollars. As such, the regulatory hurdle to enter the marketplace will be much higher for e-cigarettes than for traditional cigarettes. Because of the speed at which innovation has occurred with e-vapor products since 2007, essentially all products currently being sold to consumers fall into this regulatory trap.

To solve the problem of a predicate date that is almost 10 years old, legislative efforts are underway to change the date. The House Agriculture Appropriations bill that recently passed out of committee includes bi-partisan language that would change the predicate date for newly deemed products to the effective date of the new rules. The language, introduced by Representatives Cole (R, 4th-OK) and Bishop (D, 2nd-GA), would also address other important topics such as requiring that the FDA issue final battery standards within 24 months and requiring that all e-vapor products be sold in non-self-service fashion (with the exception of in adult only facilities). Now that the Agriculture Appropriations bill has been passed out of committee, the debate will continue when the bill comes up for consideration in the full House of Representatives.

PMAA supports the Cole/Bishop predicate date legislation during upcoming floor consideration.

SENATE HOLDS HEARING ON DOL PROPOSED OVERTIME RULE

Yesterday, the Senate Committee on Small Business and Entrepreneurship, held a hearing entitled, “An Examination of the Administration’s Overtime Rule and the Rising Costs of Doing Business.” At the hearing, Committee Members examined the Department of Labor’s (DOL) proposed overtime pay rule and the subsequent impact on small businesses.

During the hearing, Senator Vitter (R-LA) questioned Tammy McCutchen, former Administrator of the U.S. Department of Labor’s Wage and Hour Division, on the impacts of DOL’s broad rule on states whose percent of salaried full-time workers earning below \$970 per week was over 40 percent. Ms. McCutchen made clear that lower cost-of-living states, such as Louisiana, would disproportionately carry a higher economic burden than others from the Administration’s latest one-size-fits-all approach.

Meanwhile, Senator’s Tim Scott (R-SC) and Lamar Alexander (R-TN) along with Congressmen Tim Walberg (R-MI) and John Kline (R-MN) recently proposed legislation to combat the proposed rule. The “Protecting Workplace Advancement and Opportunity Act” (S. 2707 and H.R. 4773) would require the DOL to consider the economic impact the rule would have on the business community.

PMAA fully supports this legislation.

ANNUAL HAZMAT REGISTRATION DUE JULY 1

The U.S. DOT’s Pipeline and Hazardous Material Safety Administration (PHMSA) requires hazardous material transporters to register and pay a fee each year in return for a certificate of operation. PHMSA began mailing the 2016-2017 registration information to HAZMAT transporters earlier this month. Only those with expiring DOT PHMSA HAZMAT registration certificates must re-register before July 1, 2016 or risk losing authority to operate and pay substantial civil penalty. The validity of HAZMAT registration certificates are checked at roadside inspections.

Who must register and pay the fee?

HAZMAT Transporters - Any business (intrastate or interstate) shipping hazardous materials requiring a U.S. DOT placard must register each year and pay the fee. Petroleum Marketers, common carriers of petroleum products and propane suppliers who ship their products in trucks must register and pay the fee.

IMPORTANT! Petroleum marketers that only operate cargo tank vehicles with a capacity of 3500 gallons or less are exempt from the registration requirements.

What happens if I don’t register?

Loss of Operating Authority - If you fail to register by the deadline, then you lose your authority to operate your trucks in both intrastate and interstate commerce. Your authority to operate is the certificate you receive from PHMSA once you register and pay the fee. A current certificate must be kept in the cab of each HAZMAT vehicle at all times. If you are subject to a roadside inspection or DOT audit and do not have a current certificate, your authority to operate will be revoked and you could be fined up to \$37,500 per day of violation.

Why is the U.S. DOT collecting the fee?

Emergency Response Funding - The money collected from the registration program is given back to state emergency response authorities in the form of training grants for fire and police and emergency preparedness organizations.

How do I know my registration is current or not?

Registration Look-up - Registration status may be checked on line by clicking here: [Registration Look-Up](#). Enter either your company name, U.S. DOT number or zip code in the data fields provided to check whether your HAZMAT registration certificate is current.

How do I register?

Registration Options - There are several ways to register:

U.S. Mail - You must register by filling out the 2016-2017 registration application and sending it by U.S. Mail to PHMSA (along with the required fee). PHMSA generally mails new registration forms out to all registrants. If you have not yet received a form for the 2016-2017 registration year, one may be downloaded from the Internet by clicking here: [Registration Form](#)

Online Registration - On-line registration is available by clicking here: [Online Registration](#). On-line registration allows you to register, pay the fee and download your operating certificate.

When is the HAZMAT registration deadline?

Deadline - July 1, 2016 for those who have expiring certificates

IMPORTANT! Since registrations can be multiyear, not all certificates will expire on July 1. Check the expiration date on your HAZMAT certificate or information in the Registration Look-Up link above before registering by mail or online.

What documentation should I put in my trucks after July 1, 2016?

Certificate Documentation - Place a photocopy of the updated certificate in the cab of each HAZMAT motor vehicle by July 1, 2016.

How much is the annual HAZMAT registration fee?

Two-Tiered Fee System -The annual registration fee is based business size - Small Business Registration Fee - For registration year 2016-2017 the fee for small businesses is \$275 for one year; \$525 for two years (2016-2018) and \$775 for three years (2016-2019). Large Business Registration Fee - For registration year 2016-2017 the fee for large businesses is \$2,600 for one year.

How do I determine the size of my business so I know which fee to pay?

Business Size Calculation for Determining the Fee Amount - It is very likely that your business qualifies for the lower registration fee. Determining size is left up to the company applying for the registration certificate. PHMSA follows Small Business Administration (SBA) size categories to classify whether a business is large or small for the purposes of determining the amount of the annual registration fee. The SBA determines business size according to NAICS (North American Industrial Classification System) codes based on either the number of employees in the company or on annual gross receipts. The following NAICS codes and size criteria apply when calculating which fee to pay:

NAICS CODE 424710 - Petroleum Bulk Stations or Terminals: Petroleum marketers in this category are considered small businesses and must pay the \$275 fee if the company employs fewer than 100 employees.

NAICS CODE 424720 - Petroleum and Petroleum Product Wholesalers (no bulk storage): Petroleum marketers in this category are considered small businesses and must pay the \$275 fee if the company employs fewer than 100 employees.

NAICS CODE 454311 - Heating Oil Dealers: Heating oil dealers in this category are considered small businesses and must pay the \$275 fee if the company employs fewer than 50 employees.

NAICS CODE 454312 - Liquefied Petroleum Gas Dealers: Propane dealers in this category are considered small businesses and must pay the \$275 fee if the company employs fewer than 50 employees.

What if I registered as a large business but now I qualify for the small business fee?

If your business circumstances have changed and you now qualify for small business status under the HAZMAT registration fee, contact PMAA Regulatory Counsel, Mark S. Morgan at mmorgan@pmaa.org.

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

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

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Petro Pete: "If opportunity doesn't knock, build a door."

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