

WE CARD AWARENESS MONTH - SEPTEMBER 2014

We Card Awareness Month Participation Tools are available for your use now at www.wecard.org/ads.

A template for securing a Governor's proclamation of support, print ads and logos for your publications, website and emails are easily downloaded there and available for you to utilize what's most appropriate for you.

We Card's goal is to highlight September as a time to encourage retailers to train or re-train store employees, order 2015 We Card materials (calendars and kits) and raise awareness of FDA regulation, state and local law compliance. For the third consecutive year, FDA is on track toward completing 100,000 compliance checks nationwide. Ongoing state level and local compliance checks and the focus on e-cigarettes and vapor products as age-restricted products in nearly 40 states now make it a terrific opportunity to step up responsible retailing efforts to identify and prevent age-restricted product sales to minors.

It's a great opportunity for you to communicate the "We Card" responsible retailing message to your association's members while highlighting your association's support to your stakeholders.

Please keep We Card updated on your Awareness Month participation efforts by contacting Doug Anderson at The We Card Program, Inc. at danderson@wecard.org or 888-872-4603 ext. 24.

SEVERAL ENERGY BILLS APPROVED IN HOUSE

This week, the GOP-controlled House approved several energy bills related to LNG exports, streamlining oil and natural gas cross-border pipeline expansion, expanded offshore oil and gas drilling, and changes designed to speed up the leasing and permitting processes for onshore oil and gas projects.

The House approved on Tuesday the "North American Energy Infrastructure Act" (H.R. 3301) largely along party lines by a vote of 238 – 173. It was sponsored by House Energy and Commerce (E&C) Committee Chairman Fred Upton (R-MI) and E&C Committee member Gene Green (D-TX). The bill would eliminate the need for presidential permits to construct energy projects that would cross the U.S. border with Canada and Mexico. It would streamline the federal permitting process for oil and natural gas pipelines by requiring federal agencies to issue a "certificate of crossing" within 120 days after completing of a final environmental review, unless the project would not be in the public interest. The Senate is unlikely to consider the bill and the White House would veto the bill if approved by Congress.

On Thursday, PMAA supported the "Lowering Gasoline Prices to Fuel an America that Works Act" (H.R.4899) which would expand off-shore oil and gas drilling off the Atlantic and Pacific coasts, streamline the leasing and permitting processes for developing energy resources on federal lands, allow drilling in the National Petroleum Reserve-Alaska, share federal leasing revenues with energy producing states and require the creation of a national strategic plan for on-shore and off-shore energy development. While H.R. 4899 passed largely upon party lines by a vote of 229 - 185, it is viewed as a political messaging bill given it is unlikely the Senate will consider the legislation.

The House also approved legislation sponsored by Rep. Cory Gardner (R-CO) to expedite LNG exports. The "Domestic Prosperity and Global Freedom Act" (H.R.6) would streamline Department of Energy's (DOE) LNG export process by requiring DOE to issue a decision on any existing application within 30 days of enactment or 30 days after the completion of a required environmental impact statement, assessment or finding of no significant impact. Similar legislation has been introduced in the Senate (S. 2494) that would set a 45 day deadline. Many Senate Democrat lawmakers have raised concerns that expediting LNG exports will increase the cost of domestic natural gas. The Senate is not expected to consider the legislation.

HOUSE PASSES CFTC REAUTHORIZATION BILL

Earlier in the week, the House approved the CFTC reauthorization bill known as the "Customer Protection and End User Relief Act" (H.R. 4413) by a vote of 265-144. PMAA opposed the bill along with NEFI because we had some concerns over provisions which would make it easier for hedge funds and big banks to further delay urgently needed futures market reforms. A CFTC reauthorization bill could make it to the President's desk, so PMAA plans to work with like-minded associations to make sure the harmful House CFTC provisions do not make it into the Senate bill.

PMAA and NEFI sent a [letter](http://www.pmaa.org/weeklyreview/attachments/PMAANEFI_Letter_HR4413.pdf) (http://www.pmaa.org/weeklyreview/attachments/PMAANEFI_Letter_HR4413.pdf) in opposition to H.R. 4413.

PROPOSALS TO PATCH HIGHWAY TRUST FUND CONSIDERED

On Thursday, the Senate Finance Committee attempted to move forward on a plan to raise eight billion dollars to fund the Highway Trust Fund (HFT) through the end of the year. While the Committee was able to agree to an overall funding proposal, it delayed a final vote until after the July 4th recess in order to hash out the details. Additionally, Finance Committee Ranking Member Orrin Hatch (R-UT) said he planned to work with House Ways and Means Committee Chairman Dave Camp (R-MI) to come up with a bipartisan and bicameral proposal to keep the HFT solvent through December 31st.

The initial Senate Finance Committee version included language which would increase the Heavy Vehicle Use Tax (HVUT) from \$550 to \$1,100 (would raise \$1.3 billion over 10 years), but the idea was scrapped after several groups including PMAA voiced concerns over the increase. One of the other proposals also looked to take the remaining \$1.4 billion from the Leaking Underground Storage Tank (LUST) fund, however, the Committee is likely to settle at \$750 million. PMAA and like-minded associations sent a letter in opposition of completely raiding the LUST fund. Other revenue raisers include a modification on required distribution rules for inherited IRAs and additional information regarding tax returns on mortgage interest. The Committee also proposed lowering the tax on LNG from 24.3 cpg to 14.1 cpg to align its energy content to a diesel gallon equivalent.

Several amendments were also offered including one which would increase the motor fuels tax by 12 cents and index it to inflation. Another amendment would index the motor fuels excise tax to inflation starting next year. A motor fuels tax increase is highly unlikely this year given it's an election year and its chances of moving forward are more likely in a comprehensive tax reform bill.

SENATE BILL WOULD REFORM OZONE REVIEW PROCESS

This week, Senator Jeff Flake (R-AZ) introduced the "Ozone Regulatory Delay and Extension of Assessment Length (ORDEAL) Act (S. 2514) which would extend EPA's timeline for reviewing and updating National Ambient Air Quality Standards (NAAQS) from five years to ten years. The bill would also block EPA from enforcing any new ozone standard until 2018. PMAA supports S. 2514.

EPA is under court order to issue a proposed rule to either revise or retain the current standard by December 1, 2014 and it's likely a standard between 60 ppb to 70 ppb would be proposed compared to the current 75 ppb standard. If the standard is eventually lowered, it would force more counties into non-attainment, and therefore, requiring RFG and lower RVP gasoline which would increase the cost of motor fuels. PMAA believes the economic consequences from a new ozone standard would be severe and must be considered. Current standards are working and the value of moving towards a lower ozone standard is not backed by scientific evidence. An overly stringent ozone standard would create bottlenecks and chaos in the gasoline marketplace.

HOUSE CLEARS BILL TO REVAMP EMERGENCY WAIVERS FOR HEATING FUELS

This week, the House approved, by voice vote, the "Reliable Home Heating Act" (S. 2086) which would provide state governors with greater autonomy in extending the Department of Transportation's temporary emergency declarations, including Hours of Service (HOS), up to an additional 60 days (for a total of 90 days) for propane and heating oil. The Senate bill sponsored by Senators John Thune (R-SD) and Amy Klobuchar (D-MN) was approved by unanimous consent last month. The bill would also provide an early warning system in which the U.S. Energy Information Administration (EIA) would notify governors when propane or heating oil supplies fall below the most recent five year average for more than three consecutive weeks. Currently, DOT temporary emergency declarations only last for 30 days which is not enough time to bring certainty to propane and heating oil suppliers.

President Obama is expected to sign S. 2086.

IRS ISSUES STANDARD BUSINESS MILEAGE DEDUCTION RATE FOR 2014

The Internal Revenue Service last week issued the 2014 optional standard mileage rates used to calculate the deductible costs of operating a vehicle for business, charitable, medical or moving purposes. Retroactive to January 1, 2014, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 56 cents per mile for business miles driven
- 23.5 cents per mile driven for medical or moving purposes
- 14 cents per mile driven in service of charitable organizations

The business, medical, and moving expense rates decrease one-half cent from the 2013 rates. The charitable rate is based on statute. The standard mileage rate for business is based on an annual study of the fixed and variable costs of operating an automobile. The rate for medical and moving purposes is based on the variable costs. Taxpayers always have the option of calculating the actual costs of using their vehicle rather than using the standard mileage rates.

IMPORTANT! It is important to note that the business standard mileage rate for a vehicle is not available to any taxpayer after using any depreciation method under the Modified Accelerated Cost Recovery System (MACRS) or after claiming a

Section 179 deduction for that vehicle. In addition, the business standard mileage rate cannot be used for more than four vehicles used simultaneously.

These and other requirements for a taxpayer using the standard mileage can be found in IRS Rev. Proc. 2010-51. This revenue procedure contains the standard mileage rates the amount a taxpayer must use in calculating reductions to basis for depreciation taken under the business standard mileage rate, and the maximum standard automobile cost that a taxpayer may use in computing the allowance under a fixed and variable rate plan.

IRS Rev Proc 2010-51 is available here: [Notice 2013-80](http://www.irs.gov/pub/irs-drop/n-13-80.pdf) (<http://www.irs.gov/pub/irs-drop/n-13-80.pdf>).

COMPLIANCE REMINDER! U.S. DOT ANNUAL HAZMAT REGISTRATION DEADLINE IS JULY 1

The U.S. DOT's Pipeline and Hazardous Material Safety Administration (PHMSA) requires all interstate and intrastate marketers transporting petroleum products in placarded vehicles to register and pay an annual HAZMAT fee. Registration is necessary to obtain federal operating authority for the transportation of hazardous materials.

Registration Deadline: Marketers with expiring HAZMAT registration certificates must register and pay the required fee by July 1, 2014

Registration Fee: The annual registration fee is \$275 for small businesses and \$2,600 for large businesses. Most petroleum marketers should qualify for the \$275 small business fee (see below).

Registration Process: Online registration is available at <http://phmsa.dot.gov/hazmat/registration>. Electronic registration allows registrants to download their operating certificate immediately.

Multi-year Registration: PHMSA allows one, two and three year registrations. As a result, not all current HAZMAT registrants will be required to re-register for the 2014-2015 registration cycle. Marketers should check their HAZMAT registration certificate for the date of expiration before attempting to register for the 2014-2015 registration period.

The following Q & A will assist in compliance:

Q. 1. Who must register and pay the fee?

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

Q. 2. What happens if I don't register?

A. 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 \$32,500 per day of violation.

Q. 3. Why is the U.S. DOT collecting the fee?

A. 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.

Q. 4. How Do I know my registration is current or not?

A. Registration status may be checked on line by logging onto: [the DOT.Gov lookup site](#). 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.

Q. 5. How do I register?

A. There are two ways to register. First you may mail in a paper registration form to PHMSA. A registration form and instructions can be downloaded at <http://hazmat.dot.gov/regs/register/register.htm>. You may also register online at <http://hazmat.dot.gov/regs/register/register.htm>. On-line registration allows you to register, pay the fee and download your operating certificate.

Q. 6. When is the HAZMAT registration deadline?

A. July 1, 2014 is the registration deadline for all new and expiring hazardous materials registration certificates.

Q. 7. What should I do with registration certificate once I receive it?

A. Keep the original certificate in your files and place a photocopy in the cab of each HAZMAT placarded vehicle by July 1, 2014.

Q. 8. How much is the annual HAZMAT registration fee?

A. The annual registration fee is based business size. For registration year 2014-2015, the fee for small businesses is \$275 for one year; \$525 for two years (2014-2016) and \$775 for three years (2014-2017). For registration year 2014-2015, the fee for large businesses is \$2,600 for one year.

Q. 9. How do I determine the size of my business so I know which fee to pay?

A. 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.

Q. 10. What if I registered as a large business but now I qualify for the small business fee?

A. If your business circumstances have changed and you now qualify for small business status under the HAZMAT registration fee, call Mark S. Morgan at (202) 364-6767 for further instructions.

Q. 11. Where can I get more information?

A. Contact Mark S. Morgan, PMAA Regulatory Counsel at (202) 364-6767 or mmorgan@pmaa.org.

MARK YOUR CALENDARS FOR UPCOMING EVENTS

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

August 25, 2014 – HPMA Golf Tournament – Oahu Country Club Course – Oahu, Hawaii

September 10-12, 2014 – UPMRA Convention – Park City Marriott – Park City, Utah

August 5 – 7, 2015 - Idaho (IPM&CSA) Convention - Sun Valley Lodge - Sun Valley, Idaho

August 3 – 5, 2016 - Idaho (IPM&CSA) Convention - Coeur d’Alene Resort - Coeur d’Alene, Idaho

2015 WPMA CONVENTION & CONVENIENCE STORE EXPO – LAS VEGAS, NEVADA

Mark your calendars for February 17-19, 2015. Make plans now to attend the 2015 WPMA Convention and Convenience Store Expo. It will be held once again at the Mirage in Las Vegas, Nevada.

NPP A NEW 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.shtml?guid=RB3WUOFG>

WPMA MEMBER SERVICES



Petro Pete: “Are you getting a puppy soon? Name it what you want but, remember, this will be the answer to security questions for the rest of your life.”

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Classified Ads

FOR SALE:

Idaho Petroleum Equipment Inc. has two new Containment Solutions fiberglass fuel tanks for sale with warranty

One of each *12,000 Gallon and **6,000/6,000 Split 12,000 gallon double wall tanks

dry interstitial, 42" sump, non-water tight lid and includes deadmen straps

*12,000 Tank- \$11,972.40 ** 6,000/6,000 Split Tank - \$18,289.20

Contact Juan @ 208.724.3390 or ipejuan3@gmail.com