

**2016 WPMAEXPO - LAS VEGAS, NEVADA**

Mark your calendars for February 16-18, 2016. Make plans now to attend the 2016 WPMAEXPO. It will be held once again at the Mirage in Las Vegas, Nevada.

**PMAA REPRESENTS MARKETERS' INTERESTS AT NATIONAL CONFERENCE OF FEDERAL AND STATE UST REGULATORS**

This week, PMAA attended the National Tanks Conference in Phoenix, Arizona. The annual meeting is important to petroleum marketers because it brings together state and federal underground storage tank regulators in a single forum to discuss UST issues including, enforcement, regulatory developments, policy and new technologies. The meeting was particularly well attended this year due to the EPA's recent UST regulatory overhaul that added significant new requirements to underground storage tank system testing and monitoring.

State UST regulators from all 50 states were in attendance seeking guidance on how to implement the new federal requirements. EPA has granted independent UST regulatory authority to 38 states provided their regulations are at least equally protective to the environment as the federal UST requirements. This means that over the next three years 38 states will be adopting their own UST regulations necessary to implement federal requirements. Meanwhile, the new UST federal regulations apply directly to the 11 remaining states without program approval.

New UST system testing requirements and monthly walk through inspections must be adopted in all 38 states. These new regulations impose significant costs to petroleum marketers. PMAA successfully convinced EPA to reduce industry wide costs proposed in the rules by nearly a billion dollars by eliminating requirements for integrity testing of interstitial spaces in double walled equipment, reducing the frequency of testing and inspection of UST components and adding regulatory flexibility. PMAA is continuing work to reduce tank owners' compliance costs further.

Studies presented at the conference show that national UST compliance rates have increased to 75 percent and are steadily climbing. Nevertheless, vendors and equipment manufacturers who were heavily represented on presentation panels and at the associated trade show painted a grimmer picture of compliance in an effort to convince state regulators to adopt more stringent requirements. PMAA is working with meeting organizers to establish tank owner representation on the seminar panels at future meetings. PMAA is also preparing technical and policy information for association executives in the 38 states with program approval for use in responding to upcoming state UST rulemakings implementing the federal requirements as well as compliance information for the 11 states that must follow the EPA regulations.

The following link (<http://www.epa.gov/oust/states/spamap.htm>) indicates which states have independent program authority and those that do not must follow the federal regulations.

**HOUSE ENERGY COMMITTEE REPEALS U.S. CRUDE OIL EXPORT BAN**

Amendment Adopted to Require Study on RFS and Ozone Regs' Impact on Gas Prices

Yesterday, the House Committee on Energy and Commerce passed H.R. 702 which would end the decades-old ban on U.S. crude oil exports by a vote of 31-19. Reps. Gene Green (TX), Kurt Schrader (OR) and Cardenas (CA) were the only democrats who voted in favor of the bill.

Rep. Pompeo's (R-KS) amendment also passed the committee and would require the government to complete a study on the impacts the Renewable Fuel Standard (RFS) and the ozone regulations currently have on motor fuels prices. Specifically, the language requires that the Secretary of Energy must provide the study's findings to Congress no later than six months after the enactment of the bill.

The House is expected to pass the bill in the next few months. However, supporters of a similar bill in the Senate are struggling to find must-pass legislation to which it can be attached since the lack of time in the Senate's legislative calendar to pass a standalone bill on oil exports is unlikely. When asked about the bill, White House press secretary Josh Earnest said, "We've got a position on this, which is this is a policy decision made over at the Commerce Department, and for that

reason we wouldn't support legislation like the one that has been put forward by Republicans." President Obama has stated that he will veto this legislation if it reaches his desk.

PMAA is currently neutral on repealing the crude oil export ban.

### **FDA ISSUES DRAFT GUIDANCE FOR MENU-LABELING**

This week, the Food and Drug Administration (FDA) issued its draft guidance to assist restaurants and retail establishments with menu-labeling compliance. FDA indicated that the draft guidance is intended to help businesses comply with the final rule.

On December 1, 2014, the FDA published the Menu Labeling Rule requiring covered establishments to disclose calorie and certain nutrition information for standard menu items. In July 2015, the FDA delayed compliance with the menu labeling rule until December 1, 2016.

Unfortunately, under the final rule, convenience store owners with 20 or more locations doing business under the same name and offering for sale substantially the same menu items, are required to list calorie information for standard menu items, such as posting calorie information on menus and menu-boards. Specifically, the number of establishments owned and operated by a particular company/individual is not what matters under the rule. What matters is whether there are multiple locations doing business under the same name (and offering for sale substantially the same menu items). For example, if you own three businesses and there are no other businesses with that name, you are not covered. If you own three stores all with a branded name then you do meet this criteria. The menu labeling final rule also requires covered establishments to provide, upon consumer request and as noted on menus and menu boards, written nutrition information about total calories, total fat, calories from fat, saturated fat, trans fat, cholesterol, sodium, total carbohydrates, fiber, sugars and protein.

Earlier this year, legislation strongly supported by PMAA was introduced to provide relief from the final rule for retailers. Reps. Cathy McMorris Rodgers (R-WA) and Loretta Sanchez (D-CA) reintroduced, the "Common Sense Nutrition Disclosure Act," (H.R. 2017) which would modify the Menu Labeling language in Obamacare to permit retailers to identify a single primary menu while not having to include nutrition labeling in other areas of the store. Under the existing regulations, every area where food is on display must each include calorie information for every item sold there. Furthermore, the bill would clarify that advertisements and posters do not need to be labeled and would provide flexibility in disclosing the caloric content for variable menu items that come in different flavors or varieties, and for combination meals.

H.R. 2017 would also ensure that retailers acting in good faith are not penalized for inadvertent errors in complying with the rule and stipulate that individual store locations are not required to have an employee "certify" that the establishment has taken reasonable steps to comply with the requirements. Stores would have 90 days to correct any alleged violation without facing enforcement action. Finally, the bill would also delay regulatory implementation for two additional years.

Write your member of Congress in support of H.R. 2017.

### **SOME TAX EXTENDER PROVISIONS MADE PERMANENT BY HOUSE TAX COMMITTEE**

This week, the House Ways and Means Committee passed legislation to make bonus depreciation (H.R. 2510), active financing exemption (H.R. 961) and a bill to extend the 15-year recovery period for qualified leasehold, restaurant and retail improvements (H.R. 765) permanent. The House already passed several permanent extender bills earlier this year, including Section 179 expensing.

Meanwhile, the Senate Finance Committee approved a bill in July that would extend fifty-two tax provisions that expired on December 31, 2014. Included in the package are two year extensions of the 30 percent investment tax credit for alternative fuel pumps, an extension of the 50 percent bonus depreciation to qualified property purchased and placed in service before January 1, 2017 and Section 179 expensing. The bill would also amend the Section 179 expensing limits so that, for the first time, the maximum deduction and phase will be indexed for inflation. The Senate Finance Committee bill also extends through 2016 the \$0.50 per gallon alternative fuel tax credit and alternative fuel mixture tax credit. This credit can be claimed as a nonrefundable excise tax credit or a refundable income tax credit for the blending and sale of alternative fuel mixtures including compressed or liquefied natural gas, ethanol, biofuels, and liquefied hydrogen.

PMAA strongly supports these extensions and has worked with Congress on the renewals.

The Senate package also included language important to PMAA – a two year renewal of the biodiesel blender's tax credit that expired on Dec. 31, 2014. However, the committee also passed an amendment sponsored by Sens. Grassley (R-IA), Cantwell (D-WA) and Thune (R-SD) that would move the credit from the blender to the producer. PMAA is opposed to the amendment because the credit will not likely be passed on to the marketer if it is taken at the production level. Furthermore, the language would disconnect the credit from biodiesel consumption, and simply be a subsidy for domestic production which is contrary to the original intent of the biodiesel tax credit which was to promote the use of biodiesel in the marketplace.

PMAA is working closely with NATSO and SIGMA to maintain the biodiesel credit at the blender level. We would also appreciate it if you would write members of Congress.

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

- September 15-17, 2015** - Utah (UPMRA) Convention - Park City Marriott - Park City, Utah
- October 7, 2015** – Idaho (IPM&CSA) – PAC Golf Tournament – Boise Ranch Golf Course, Boise, Idaho
- February 16 – 18, 2016** - WPMA Convention & Expo – Mirage Hotel, Las Vegas, Nevada
- 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
- 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
- September 14-16, 2016** - Utah (UPMRA) Convention - DoubleTree Hotel by Hilton - Park City, Utah

### **NPP WPMA MEMBER SERVICE**

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**Petro Pete: "Good judgment comes from experience. Experience comes from bad judgment." - Will Rogers**

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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- \$9,5000.00 \*\* 6,000/6,000 Split Tank - \$14,500.00 or best offer

Contact Juan @ 208.724.3390 or [ipejuan3@gmail.com](mailto:ipejuan3@gmail.com)

### **HIRING: CFO POSITION**

**Story Distributing Company**, a "Premiere MT Petroleum Distributor", located in Bozeman, MT is seeking a Chief Financial Officer (CFO) to manage the entire range of financial functions for the organization. Requires a four-year bachelor's degree in accounting, plus 4 or more years' direct work experience in accounting and a valid Certified Public Accountant (CPA) license.

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