

WASHINGTON Oil Marketers Association State Report

LEGISLATIVELY SPEAKING:

The largest bill we are battling in the Session so far this year is HB 1314/SB 5283. Both are Governor Inslee's bills to implement a carbon pollution market program to reduce greenhouse gas emissions – essentially a Cap and Trade Bill. Inslee has created a list of 130 “Major Polluters” in the state of Washington that would be required to purchase carbon credits in advance and then trade them on the open market to downstream customers. These “major polluters” would create a \$1 Billion revenue stream in the carbon credit market, which would be used to offset other deficits in the State Budget. There are several holes in this bill, and we do not believe that the bill will pass out of the House, but if it does, we are certain it can't pass the Senate's sniff test. Of the 130 polluters on the list, over 40 of those are WOMA members who distribute enough fuel to breach a 25,000 metric ton of carbon emissions ceiling, which triggers your inclusion on the list. WOMA has coined the phrase “The Dirty 130” out of sarcasm.

The above bill is just one of a three-pronged approach to the Governor's quest for carbon reduction. In January, Inslee announced he has directed the Department of Ecology to publish proposed rules on a Low Carbon Fuel Standard program that will be implemented with just two stakeholder meetings, conveniently scheduled opposite our WPMA regional convention. This makes it quite difficult for members to pack the room and oppose such “rule making process.” We believe the Department of Ecology will be challenged legally, but it is clear that Inslee is focused on creating as many carbon reduction programs as he can during his time in the Governor's seat.

The third (but likely not last) approach will be to put an initiative in front of the voters implementing a Cap and Trade program to carbon reduction in Washington State. He will present it as if consumers/voters will not be hit with an increase in fuel costs, and that the “Dirty 130” will be tasked with paying the bill. There is nothing further from the truth, and WOMA/WSPA will be tasked with unveiling the dirty truth of the Governor's proposals.

There two active and noteworthy coalitions working hard against these activities. The first is the [Washington Consumers for Sound Fuel Policy](#), which has over 20 State Associations included as members. The second is the [Washington Climate Collaborative](#). Both are great sites that offer facts about what will occur if Inslee's plans are implemented. In the end, the question is really “*What are Washingtonian's willing to pay for a 1% reduction in carbon emissions.*” Is it \$1/gallon? \$2/gallon? We shall see soon.

Other bills that are plaguing us this session include HB 631, which relates to Tribes and Fuel Tax Agreements, and SB 5330, which is a proposal to study the elimination of Stage II systems in Washington. Plus, we will certainly be looking at

a gas tax increase for transportation funding, as well as meeting the needs for the McCleary decision by the Supreme Court that we need to fund K-12 education at a higher level.

WOMA CONVENTION:

The WOMA convention planning is underway, and I am excited to introduce some new things to the mix. Dates are June 22 -25, 2015 at Suncadia Resort again, and our Keynote Speaker will be Rob McKenna, former Attorney General and Gubernatorial Candidate in 2013.

PASSING OF TONY REINHARD:

WOMA is sad to announce the passing of an industry icon, Tony Reinhard, on January 31st. Due to a tragic accident the previous week, Tony suffered several significant and traumatic brain injuries from a fall from his boat. His services were held Saturday, February 7th.

As we all start to digest the passing of Tony, many have asked what you can do to honor him. The WOMA Board has been hard at work developing an idea to pay tribute to Tony at the upcoming 2015 WOMA Convention. Beginning this year, we are organizing the “**WOMA Memorial Scholarship**” to be given to the runner-up applicant of the WPMA Scholarship award. Each year WOMA will be able to make the educational Scholarship in tribute or honor of someone special, or to a lost member of our group. This year, the tribute will be in **Tony Reinhard's** name.

The Association will fund the \$1000 towards the scholarship, but other corporations or members are welcome to donate additional funds in honor of Tony as well. So if you were looking for a way to thank Tony, and didn't want to send flowers, you could donate to our “[WOMA Memorial Scholarship](#)” fund and it would help build the scholarship for one lucky Senior going into college. It is our way of saying thank you to the many years of hard work and dedication Tony gave to our industry. Please contact me directly if you would like to make a contribution or have any questions.

In addition, we are dedicating the WOMA Silent Auction to Tony indefinitely. From this year forward, the proceeds from the **Tony Reinhard Benefit Silent Auction** will go towards funding the WOMA Memorial Scholarship and create an endowment for years to come.



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