

January 15, 2010

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2010 WESTERN PETROLEUM MARKETERS CONVENTION & CONVENIENCE STORE EXPO

The 2010 WPMA Convention and Convenience Store Expo is only a month away! We are excited to have as our Keynote Speaker, **Condoleezza Rice**, U.S. Secretary of State (2005-2009). We are also pleased to announce our other speakers, including Michael Davis from NACS, who will be presenting the C-Store Workshop on Tuesday. On Wednesday Jean Jones Wilkinson will present the PEI Workshop, "Dealing with Difficult People", and the ladies attending the convention are invited to attend the Ladies' Luncheon, featuring Alicia Richmond, owner of Chic on a Shoestring, who will host a fashion show and discuss wardrobe essentials. Our Thursday morning workshops include presentations by Dan Gilligan, PMAA President, Pat Cooper from Federated Insurance and Rob Gardner from ExxonMobil.

Register now to attend the 2010 WPMA Convention and Convenience Store Expo. It will be held at the Mirage in Las Vegas, Nevada. Mark your calendars for February 16-18, 2010. You can register online at <http://www.wpma.com>.

ATV TO BE RAFFLED AT WPMA 2010 CONVENTION

The WPMA Scholarship Foundation is sponsoring a raffle of a Polaris Sportsman 550 Touring EPS ATV. Only 250 tickets will be sold, so the odds of winning are very good. Tickets are being sold through the WPMA office, for a donation of \$100 per ticket. The drawing will be held Thursday, February 18th at the WPMA Convention Buffet Brunch in the trade show area in Las Vegas, Nevada. The winner does not need to be present to win.

All proceeds from the raffle will help fund eight \$4,000 scholarships awarded by the Foundation each year. For more information or to purchase tickets, contact the WPMA office at 801-263-9762.

WPMA THANKS ALL WHO PARTICIPATED IN THE PETITION TO FIGHT UNFAIR CREDIT/DEBIT CARD SWIPE FEES

WPMA would like to thank all of those who helped with the campaign to fight unfair credit and debit card swipe fees. Please remember to remove the petition kits and assemble the materials for delivery to NACS. The deadline for the delivery of completed petitions to NACS is February 15, 2010.

PMAA RESPONDS TO WASHINGTON POST ARTICLE ABOUT RISING GASOLINE PRICES

On Tuesday PMAA responded to an article in the Washington Post titled, "Rising Gas Prices Could Be a Drag on Economic Recovery." PMAA explained that petroleum retailers feel the pressure from high gasoline and diesel prices too and outlined how "investor demand" in energy futures markets contributes to higher prices.

As is common, the article focused blame on oil producers and refiners for higher prices without any reference to the Wall Street influence in futures markets. PMAA saw this article as an opportunity to remind the driving public that petroleum retailers also suffer from higher prices and that PMAA is working to ensure supply and demand fundamentals, not investor demand, are the prime factors in energy commodity markets.

CFTC ISSUES PROPOSED RULEMAKING ON ENERGY POSITION LIMITS – VICTORY FOR PETROLEUM MARKETERS

Yesterday, the Commodity Futures Trading Commission (CFTC) issued its much anticipated notice of proposed rulemaking to re-establish speculative position limits on regulated derivatives including crude oil, natural gas, heating oil and gasoline blendstock contracts. The proposed rulemaking would apply to all regulated exchanges including the New York Mercantile Exchange (NYMEX) and the Intercontinental Exchange (ICE).

Yesterday's CFTC announcement is a victory for PMAA, NEFI and the Commodity Markets Oversight Coalition (CMOC). This is an initial step in an extensive process to effectively regulate energy futures markets in order to prevent excessive speculation. Position limits existed in the energy futures markets until passage of the Commodity Futures Modernization Act of 2000 (CFMA). Since 2001, the petroleum industry has seen volatile price swings that cannot always be explained by supply and demand fundamentals. PMAA continues to support legislative and regulatory approaches to overturn exemptions granted through the CFMA.

The proposed rulemaking is intended to limit the concentration of energy contract positions and to promote fair and orderly markets while maintaining exemptions for entities using derivatives to hedge commercial risk. Swap dealer exemptions would be heavily scrutinized under the rulemaking and they would have to file for an exemption through the CFTC and

provide monthly reports of their actual risk management needs.

Although yesterday's notice of proposed rulemaking will go a long way to ensure that futures markets are reflective of supply and demand fundamentals, PMAA urges Congress to pass commodity futures market reform legislation to capture the entire over-the-counter (OTC) derivatives marketplace. Because of this proposed rulemaking, once Congress enacts language that captures OTC derivatives, CFTC will be able to move quickly to encompass position limits on the full marketplace. Without Congressional action, CFTC's ability to effectively monitor the entire OTC marketplace cannot be fulfilled. PMAA's Futures Market Reform Task Force along with NEFI and CMOC, are working with members of the Senate Agriculture and Banking Committee staff to ensure petroleum marketers concerns are heard in the final crafting of derivatives legislation.

PMAA applauds the Commission for its first step forward to regulate futures markets. The proposed rulemaking will be open for 90 days and PMAA will submit comments on behalf of motor fuels and heating oil marketers.

ASSOCIATION MEMBERS PROFIT THROUGH RISK MANAGEMENT: DESIGNATED RISK MANAGER SEMINAR - MARCH 22-24, 2010

The Designated Risk Manager Training Program was developed by Federated to target specific risk management concerns for the petroleum transportation and convenience store industries. Companies that are the most successful controlling losses have designated a key person as their risk manager. This person is supported by top management and is both responsible and accountable for identifying loss exposures and implementing risk management solutions.

Through PMAA's partnership with Federated Insurance, there is no charge to attend this training and you do not have to be a current Federated client. Attendees, however, are responsible for air and ground transportation to and from Owatonna, Minnesota, and lodging in Owatonna.

"The days spent at your seminar were valuable and the return on the investment of time and money should pay back many times over through the years," said Gerry Ramm, Chairman, PMAA Executive Committee and a senior executive with Inland Oil Company/Wenatchee Petroleum, Ephrata, WA.

Registration

The class is limited to 20 attendees and the registration cutoff date is February 22. To reserve your spot in the upcoming session, or for answers to any questions you may have, please contact Jina Duchnowski at 800.533.0472, x5604.

MARK YOUR CALENDARS FOR UPCOMING EVENTS IN 2010

June 8-10, 2010 – MPMCSA Convention – Billings Hotel and Convention Center – Billings, Montana

June 22-24, 2010 – WOMA Convention – Suncadia Lodge – Cle Elum, Washington

August 4-6, 2010 – IPM&CSA Convention – Schweitzer Mountain Resort – Sandpoint, Idaho

August 31-September 1, 2010 – NMPMA Convention – Embassy Suites, Albuquerque, New Mexico

September 8-10, 2010 – UPMRA Convention – Park City Marriott – Park City, Utah

Petro Pete: "I used to have a handle on life, and then it broke."

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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.