

February 10, 2012

Visit us online at www.wpma.com

WP-02-10-12

WPMA THANKS OUR 2012 WPMA CONVENTION AND CONVENIENCE STORE EXPO TOP SPONSORS



PRESIDENTIAL SPONSOR



CONVENTION EVENT SPONSORS



DIAMOND SPONSORS



GOLF PLATINUM SPONSORS

LAST DAY TO REGISTER ONLINE FOR THE 2012 WPMA CONVENTION & CONVENIENCE STORE EXPO



Today is the last day to register online for the 2012 WPMA Convention & Convenience Store Expo. After today those wishing to attend may register on site.

To register online go to: <http://www.wpma.com/national-convention>

Access the WPMA National Convention page by scanning the QR code on the left with your smart device.

SCHOLARSHIP APPLICATION DEADLINE APPROACHES!

The time is fast approaching when the WPMA scholarship recipients for 2012 will be selected. March 1, 2012 is the cut-off date for applications to be postmarked and mailed to the WPMA office. Usually, there are less than 20 applicants for each WPMA state and the associate member scholarship, which makes the chances of receiving a scholarship very good. Applicants must be graduating high school seniors, and the son or daughter of a full-time employee of a WPMA member or associate member company. Applicant qualification information and the scholarship applications are available to download at www.wpma.com, under the Scholarship link at the top of the home page. As a reminder, the WPMA scholarships pay \$500 per semester for up to eight semesters, for a total of \$4,000. **Employers, please remind your employees to download an application right away, and give their students a chance for some extra financial help in college!**

PLEASE SUPPORT THE SCHOLARSHIP FOUNDATION AND SILENT AUCTION!

In 2012, the WPMA Scholarship Foundation will award \$32,000 in scholarships to graduating high school seniors. The Foundation receives a large portion of its working capital through income from the annual Scholarship Silent Auction held at the WPMA convention in February. Please support the Scholarship Foundation by donating an item to the 2012 Scholarship Silent Auction.

Past Silent Auction donations have included tickets to sporting events, vacation packages, decorator items, electronics, sports equipment, logo clothing, jewelry, tools, accessories, etc. Silent Auction donation forms are available on the WPMA website, www.wpma.com, under the Scholarship link. Donations to the Foundation are tax deductible, and donors will receive recognition on convention signage and in the Expo program, in the Silent Auction brochure and next to the item in the auction.

If you have questions, please contact Kathy Michaelis at the WPMA office: 888-252-5550, or e-mail kathym@wpma.com.

SCHOLARSHIP FOUNDATION ANNOUNCES FIRST LIFETIME COLUMN CLUB MEMBER!

The WPMA Scholarship Foundation is pleased to announce that the first donor to reach the Foundation's "Lifetime Column Club" donation level is Bob Ogan, current WPMA President and owner of Wenatchee Petroleum in Wenatchee, Washington. The Lifetime Column Club donation level requires a donation of \$10,000 to the endowed funds.

The WPMA Scholarship Foundation would like to sincerely thank Bob for his generous support. Each year, \$32,000 in scholarships is awarded to the WPMA scholarship recipients. Through these \$1,000 donations to the endowed funds, the Foundation hopes to someday be entirely self-sustaining.

EPA GRANTS EXTENDED COMMENT PERIOD ON UST PROPOSALS

On Thursday EPA granted a request by PMAA and other industry associations to extend the public comment period for the agency's proposed changes to the underground storage tank (UST) requirements published in the Federal Register on November 18, 2011. The February 16, 2012 comment deadline is extended to April 16, 2012. PMAA requested the 60-day extension in order to conduct an in-depth review of a proposed PEI standard published on January 24, 2012 that would largely implement the EPA's controversial interstitial integrity test requirements for existing tanks, pipes and sump areas. PMAA's UST Task Force is concerned that EPA's interstitial integrity testing proposal may force the widespread replacement of existing double walled UST system piping. The final PEI RP-1200 interstitial integrity test will largely determine whether secondarily contained equipment must be replaced.

PMAA intends to study the proposed PEI standard more closely for potential impact on overall compliance costs imposed by the proposed EPA rule. The compliance cost analysis will be a key component of written comments on the EPA proposal. PMAA also plans to submit comments on the proposed PEI standard.

ENERGY COMMITTEE LEADERS QUESTION EPA ABOUT FRAUDULENT RINS

This week House Energy Committee Chairman Fred Upton (R-MI) and Energy and Power Subcommittee Chairman Ed Whitfield (R-KY) redirected their concerns regarding abuses under EPA's Renewable Fuels Program via the sale of fraudulent RINs, and have focused on EPA's role in harming the purchasers of those credits.

Committee Chairman Upton and Subcommittee Chairman Whitfield asked EPA to release information about its administration of the program. The Members of Congress want to ensure that the program is running fairly and efficiently and have asked EPA to provide by February 15 a chronology of its actions related to Clean Green (one of the companies being investigated for falsely selling credits) as well as its communications with the companies that purchased the fraudulent credits. They also asked for the steps EPA is taking to reduce uncertainty in the program.

HOUSE AND SENATE TO TAKE UP HIGHWAY BILLS NEXT WEEK

Urge Congress to Oppose Rest Area Provision in House Bill

Next week, both the House and Senate will consider their Highway reauthorization bills. The House will consider its five-year \$260 billion highway reauthorization bill known as the "American Energy & Infrastructure Jobs Act" (H.R. 7) while the Senate, on Thursday, voted 85 - 11 to start debating its two year highway reauthorization bill. Many amendments are expected in both chambers.

Included in the House version is Section 1703 which would allow states to set up tourist-convenience shops in rest areas, selling "tourism related merchandise." The language is open-ended by defining eligible activities as "commercial activities that provide goods, services, and information serving the traveling public and the commercial motor carrier industry." The activities include sales of "state promotional or tourist items; tourism-related merchandise and products, including electronics and clothing; historical or tourism-related entertainment items, including event and attraction tickets, ATMs, and lottery machines." Essentially, this opens the door to expanded retail services at rest areas which would punish small businesses located at or near interstate exits.

PMAA vigorously opposes the retail language in section 1703 which would roll-back the 50 year prohibition on rest area commercialization to allow states to set up retail shops selling "tourism-related merchandise, including clothing and electronics," and other items like lottery at rest areas.

PMAA asks that you to call your member of Congress and urge them to oppose the retail language of Section 1703.

SENATE FINANCE COMMITTEE APPROVES HIGHWAY FUNDING BILL

Tuesday evening, the Senate Finance Committee approved its draft legislation to pay for a two-year extension of the highway reauthorization bill by a vote of 17 – 6, including four Republicans. The Committee was tasked with closing the \$13 billion gap that remained between the Senate Environment and Public Works Committee's bill's cost and the projected revenue from motor fuels excise taxes to pay for the two-year reauthorization which totaled \$109 billion.

The legislation would reauthorize through September 30, 2015 the current 18.3 cents-per-gallon (cpg) gasoline tax, the 24.3 cpg diesel tax and the .001 cpg Leaking Underground Storage Tank (LUST) tax. However, the draft bill provides that .0033 (cpg) of the .001 (cpg) LUST tax be dedicated to the Highway Trust Fund. Finally, the draft bill would reauthorize expenditure authority for the Highway Trust Fund (HTF) through Sept. 30, 2013.

One of the proposals to close the funding gap included a transfer of \$3 billion from the Leaking Underground Storage Tank (LUST) Trust Fund to the highway fund. Ultimately, the draft bill that passed included the transfer of three billion dollars from LUST Trust Fund to the Highway Trust Fund. However, Senators Ben Cardin (D-MD) and Tom Carper (D-DE) urged Finance Committee Chairman Max Baucus (D-MT) to find other offsets which wouldn't include the LUST fund transfer.

PMAA is vigorously opposed to any proposal to remove vital funds which support important UST related programs and will work with members in both the House and Senate who agree with our arguments that the transfer would have unintended consequences. Last month, PMAA wrote to Senate Finance Committee Chairman Max Baucus (D-MT) urging him to find other ways to pay for the highway bill without raiding the LUST fund. PMAA argued that the LUST Fund should be used solely to support UST leak prevention and remediation programs. The transfer of three billion dollars from the fund would cripple important programs and ultimately harm marketing companies who have paid the tax and built the fund over the past 25 years.

Several Senators offered amendments during the markup of the bill, however, most were withdrawn. Senators Maria Cantwell (D-WA) and Charles Grassley (R-IA) planned to offer an amendment which would have created a biodiesel production tax credit (rather than blender's credit) for three years. PMAA vigorously opposed this amendment that takes the tax credit from blenders and gives it to producers. The amendment was never considered during the committee markup.

Amendments offered by Senator Michael Enzi (R-WY) and Senate Finance Committee Ranking Member Orrin Hatch (R-UT) were eventually withdrawn, too. Senator Enzi's amendment would have indexed the motor fuels excise taxes to inflation. Senator O Hatch's amendment would have stripped most of Chairman Baucus's offsets with expanded oil and gas drilling revenues and would have approved the Keystone XL pipeline.

Senate Majority Leader Harry Reid (D-NV) immediately filed cloture following the Finance Committee markup on a motion to proceed to the Senate highway bill (S. 1813) known as the "Moving Ahead for Progress in the 21st Century (MAP-21) Act" which now sets up a vote this Thursday afternoon. 60 votes will be needed to end debate and vote on final passage. The legislation approved by the Senate Finance Committee did not fully offset the cost of the highway bill. Senators will need to find additional offsets before the Senate votes on the highway bill.

Since the differences between the House and Senate highway bills are significant, it is unclear if a comprehensive bill can emerge before March 31, 2012, when the current highway law expires.

HOUSE AND SENATE ACT TO OPEN KEYSTONE

The House Energy and Commerce Committee approved H.R. 3548, the North American Energy Access Act today. The bill would transfer authority for permitting the 1,700-mile Keystone project to the Federal Energy Regulatory Commission (FERC) and direct the commission to approve the project within 30 days. The panel adopted a substitute amendment by Lee Terry (R-NE) that would specify that no presidential permits would be required for the construction, operation and maintenance of the pipeline and that FERC could not stipulate additional conditions for the project.

Rep. Terry's legislation is among several bills the House and Senate are considering related to the construction of the Keystone pipeline. Last week Congressmen Ed Markey (D-MA), Henry Waxman (D-CA), Steve Cohen (D-TN), Gerry Connolly (D-VA), and Peter Welch (D-VT) introduced legislation to ensure that oil and refined fuel transported through the Keystone XL pipeline remains in the United States and not exported in an effort to keep domestic energy prices affordable.

The legislation would allow the President to waive the requirement that the oil and refined fuels be sold in the US if he certifies that selling them to other countries would not result in higher domestic consumption of fuels from countries hostile

toward the US or would lead to higher energy costs for refiners and consumers.

The legislation was introduced after a December 2011 hearing where representatives of the pipeline's owner TransCanada said that they could not guarantee that the fuel would not be exported. The legislation isn't likely to move in the House but the concerns about keeping the crude and refined fuel in the US could make it more difficult to find broad bipartisan support for legislation like Rep. Terry's.

Although Rep. Terry's bill passed 33-20, during a hearing before the committee, Rep. John Dingell (D-MI) suggested the bill was unlikely to be approved by the Senate nor signed by Obama. H.R. 3548 is likely to be included in the broader House Transportation package (H.R. 7) that is expected to reach the Floor next week.

It is also important to note that a recent investigation from the State Department's Office of Inspector General (OIG) found no evidence of improper communication between the State Department and the Canadian government or TransCanada, who applied for a permit build the pipeline. Three US Senators and 11 Congressmen requested the investigation.

HOUSE COMMITTEE PASSES E-15 SCIENTIFIC REVIEW REQUIREMENT

The political debate in Congress surrounding E-15 (gasoline with 15 percent ethanol) has not diminished. Thirty one trade associations with a variety of concerns about E-15 asked the House Science Committee to pass legislation requiring EPA to do more studies on the new fuel.

Today the Science Committee passed legislation that would require the Environmental Protection Agency and the National Academy of Sciences to conduct an 18-month scientific and technical analysis to determine if introducing increased ethanol into the U.S. fuel supply is safe. Completion of the study would be required prior to granting a final Clean Air Act waiver to gasoline that contains 15 percent ethanol. The bill, H.R. 3199, sponsored by Rep. James Sensenbrenner (R-WI) was approved by a vote of 19-7.

PMAA's primary concerns about E-15 relate to retailer liability, quality survey regulations and infrastructure compatibility.

EPA STAGE I VIDEO NOW AVAILABLE ONLINE

To assist petroleum marketer compliance with federal vapor control regulations, the US EPA has now made available online a Stage I educational video. WPMA members can view the video at <http://1.usa.gov/xPSZ6a>.

Special thanks are due to the staff of the North Carolina Petroleum and Convenience Marketers (NCPCM) who assisted EPA in conducting this project.

Questions and comments should be directed to Maria Malave (202) 564-7027, EPA's Office of Environmental Compliance or Andrea Siefers (919) 541-1185, Sector Policies and Programs Division.

NPM&CSA AND THE NEVADA TRUCKING ASSOCIATION KICK OFF CAMPAIGN AGAINST HUMAN TRAFFICKING

During the WPMA Expo the Nevada Petroleum Marketers, in conjunction with the Nevada Trucking Association, will kick off a campaign of education and awareness against human trafficking on Nevada's highways and truck stops.

The coalition is holding a press conference on Wednesday, February 22 at Morton's Travel Plaza in North Las Vegas said Peter Krueger association exec. The coalition's goal is provide training on how to spot and who to call if underage human trafficking is suspected at their facility.

REGISTRATION IS NOW OPEN FOR PMAA'S WASHINGTON CONFERENCE AND DAY ON THE HILL SCHEDULED FOR MAY

PMAA's 2012 annual Washington Conference and Day on the Hill will be held in Washington, DC from May 16-18. Our industry continues to have dozens of important legislative and regulatory issues to discuss with members of Congress and the Day on the Hill continues to be the primary focus of this conference.

The meeting will begin with an issues briefing and committee meetings on the afternoon of May 16th followed by a welcome reception including our PAC silent auction fundraiser. On the morning of May 17th, there will be another issues briefing if you did not arrive in time for the first one. Marketers and association executives will then head to Capitol Hill for visits with their Congressional delegations. Please be sure to make these appointments at your earliest convenience. There will be a hospitality suite and luncheon on the Hill. On the evening of May 18th, we will honor our new PMAA Chair, Stanley Roberts. Our conference will conclude after the PMAA Board of Directors meet on May 18th following regional meetings.

If you plan on attending PMAA's Annual Washington Conference and Day on the Hill, now is the time to make your room reservation as we are nearly sold out. We have two hundred members who have reserved rooms in our block on our peak night! Please note that we will have an overflow hotel option once we are completely sold out at The Washington Court.

MARK YOUR CALENDARS FOR UPCOMING EVENTS IN 2012

May 9-10, 2012– Nevada - NPM&CSA Convention – Las Vegas, Nevada

June 5-7, 2012 – Montana - MPMCSA Convention – Billings Hotel and Convention Center – Billings, Montana

June 18-21, 2012 – Washington - WOMA Convention – Suncadia Lodge – Cle Elum, Washington

June 19, 2012 – Idaho-IPM&CSA 1:30 pm Annual DEQ/UST Compliance and Informational Meeting with DEQ staff at DEQ

June 21, 2012 – Utah - UPMRA Summer Golf Classic – Old Mill Golf Course – Draper, UT

August 1-3, 2012 – Idaho - IPM&CSA Convention – Coeur d’Alene Resort, Coeur d’Alene, Idaho

August 15-16, 2012 – Utah - UPMRA Convention – Zermatt Resort (tentative), Midway, UT

August 27-29, 2012 – New Mexico - NMPMA Convention and Trade Show – Embassy Suites – Albuquerque, New Mexico

Petro Pete: “Plan to be spontaneous, tomorrow.”

© 2011 Western Petroleum Marketers Association - All rights reserved. No part of this work may be reproduced or copied in any form or by any means - graphic, electronic, or mechanical, including photocopying, recording, or otherwise. The information herein is also intended for the sole purpose of members of the Western Petroleum Marketers Association (WPMA). Any other use is strictly prohibited without the express written consent of the WPMA.

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.

Classified Ads

FOR SALE

Refrigerated Walk in Box

- 9' 8" deep X 37' long
- 12 heated reach in doors
- 1- walk in door complete with racks and shelves

WANTED

Looking for late model 4500 gallon, 4 or 5 compartment truck tank with barrel boot, dual pumping system.

Contact:

ELLIS L PIERCE

PIERCE OIL COMPANY, INC.

PO BOX 792

332 WEST RAILROAD AVENUE

PRICE, UTAH 84501

435.637.3211

435.637.6628 FAX