WPMA
News and Information for the Petroleum Marketers Industry
weekly update

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WPMA OFFICES WILL BE CLOSED FEBRUARY 17 - 21 FOR OUR NATIONAL WPMAEXPO

The WPMA offices will be closed the week of February 17 thru February 21 for our 2020 WPMAEXPO. There will be no WPMA Weekly Update sent out on Friday, February 21. We hope to see you at the convention.

WPMA EXPO

February 18-20, 2020. The Mirage Las Vegas, Nevada.

THANK YOU WPMA EXPO 2020 TOP SPONSORS

as of January 10, 2020

Presidential

Chevron, Federated Insurance, Marathon, Shell, Sinclair

Premier

ExxonMobil, HollyFrontier, Phillips 66, Conoco, 76, Pro Petroleum, RacePRO, Valero

ANNUAL EPCRA TIER II REPORTS DUE MARCH 1ST

EPA EPCRA Tier 2 reports must be filed by March 1, 2020 for the 2019 reporting year. Facilities that store over 10,000 pounds of hazardous chemicals onsite at any point during the previous calendar year must file an EPCRA tier II report. This means any amount of petroleum product stored on site, in bulk plants (above ground and underground), marinas, wholesale fleet fueling facilities, skid tanks and heating oil tanks used to heat facility buildings must be counted towards the 10,000-pound reporting threshold.

Also, retail gasoline facilities with 75,000 gallons or less of gasoline storage capacity and 100,000 gallons or less of diesel fuel storage capacity are exempt from EPCRA reporting requirements. Retail gasoline facilities with storage capacities greater than the 75,000/100,000-gallon reporting threshold do not qualify for this exemption. Instead, these facilities must apply the 10,000-pound threshold to determine whether an EPCRA Tier II report must be filed.

FMCSA REDUCES 2020 UNIFIED CARRIER REGISTRATION FEE FOR INTERSTATE CARRIERS

The Federal Motor Carrier Safety Administration (FMCSA) has issued a final rule that reduces the annual registration fees paid by interstate motor carriers under the Unified Carrier Registration (UCR) plan. The rule is important to all petroleum marketers and heating fuel dealers who operate cargo tank vehicles and transports that cross a state boundary. The UCR does not apply to intrastate carriers. The UCR was created by the Unified Carrier Registration Act of 2005.

UCR replaced the former Single State Registration System for registering and collecting fees from operators of vehicles engaged in interstate commerce. The fees are being reduced because the UCR program brought in more revenue from registrations that it is allowed to collect annually by each statutory mandate. FMCSA said it is reducing the 2020 annual registration fees collected by states for motor carriers, brokers and freight forwarders by 14.45 percent below the 2018 registration level. The fees will remain at the same level for 2021 and subsequent years unless revised in the future.

The FMCSA estimates it will collect $111,777,060 from UCR registration in 2020. The rates are graduated based on the number of trucks a carrier has in its fleet. The revenue collected through the UCR program is redistributed back to the states for motor carrier safety programs. The following fee reductions were made to the 2020 UCR:

2020 UNITED CARRIER REGISTRATION 0RIGINAL AND FINAL REDUCED FEE						
Number of Vehicles	1-2	3-5	6-20	21-100	101-1000	1000+
2020 Fee (Original)	$60	$180	$357	$1,248	$5,946	$58,060
2020 Fee (Reduced)	$59	$176	$351	$1,224	$5,835	$56,977

URGE HOUSE LAWMAKERS TO OPPOSE THE BAN ON MENTHOL CIGARETTES

In the coming weeks, the House is expected to vote on a bill that will ban menthol cigarettes. H.R. 2339, known as the "Reversing the Youth Epidemic Act," would wipe out a wide range of popular menthol cigarette products from convenience store shelves which could hurt businesses and threaten the larger economy.

Click here (https://www.pmaa.org/advocacy/advocacy/#/27) to urge your members of Congress to oppose H.R. 2339.

PRESIDENT TRUMP RELEASES 2021 BUDGET PROPOSAL

This week, the Trump Administration released its Fiscal Year (FY) 2021 budget proposal totaling $4.8 trillion in spending.

Like all presidential budgets, ultimate passage of President Trump's 2021 budget proposal is not likely, especially since democrats have the majority in the House. In both chambers, most domestic programs have bipartisan advocates. And in the Senate, bipartisan support will be imperative because it takes 60 votes to move spending bills past delaying tactics.

The budget would eliminate the Low-Income Home Energy Assistance Program (LIHEAP) that is intended to help lower-income households maintain energy services in their homes, reduce their energy burdens and protect their health and safety. The Weatherization Assistance Program (WAP) under the Department of Energy would also be eliminated.

The budget seeks:

- $92 million for Leaking Underground Storage Tank (LUST) Fund.
- $35.4 billion for the Department of Energy (DOE), an 8 percent decrease from the 2020 enacted level. The proposal also calls for the sale of 15 million barrels of oil from the Strategic Petroleum Reserve (SPR).
- To disestablish the Northeast Gasoline Supply Reserve (NGSR) and sell one million barrels of refined product currently held in the reserve. The NGSR is very costly to maintain, has not been used for its intended purpose, and is not a practical solution for a severe supply interruption, as, for example, the reserve would only be able to meet one day's worth of gasoline demand in the Northeast States.
- To disestablish the Northeast Home Heating Oil Reserve (NEHHOR) and sell the one million barrels of ultra-low sulfur distillate currently held in the reserve, with proceeds from the sale intended for deficit reduction.
- A 78 percent cut to DOE's Office of Energy Efficiency and Renewable Energy (EERE) research on advanced vehicle technology, a 72 percent cut to its solar energy research, a 74 percent cut to wind energy research, and an 81 percent cut in its energy efficiency research.
- $6.7 billion for the Environmental Protection Agency (EPA), a 26 percent decrease from the 2020 enacted level.
- $6.2 billion for the Food and Drug Administration (FDA), a $265 million increase from the 2020 enacted level.
- $182 billion in cuts over a decade to the Supplemental Nutrition Assistance Program (SNAP) and once again proposes the implementation of a harvest box program which would take billions in SNAP benefits that are spent in stores and divert the money to supplying SNAP recipients with delivery boxes of nonperishable foods.
- $11 billion for the Department of Labor (DOL), an 11 percent decrease from the 2020 enacted level.
- $1 trillion in federal investment for infrastructure which would be split into two components; an $810 billion, 10-year reauthorization of surface transportation programs including $602 billion for highway infrastructure; and $190 billion in investments for other infrastructure sectors including water and broadband.

Finally, President Trump's budget proposal recommends removing tobacco from Food and Drug Administration's (FDA) regulation and will instead create a new agency within the Department of Health and Human Services (HHS) that would be responsible for the oversight of tobacco products.

GOP RELEASE CLIMATE PACKAGE

Businesses Also Release Climate Dividend Plan

This week, House Minority Leader Kevin McCarthy, Reps. Garret Graves (LA), Greg Walden (OR), Bruce Westerman (AR), David Schweikert (AZ), Brad Wenstrup (OH), Dan Crenshaw (TX), and David McKinley (WV) announced the release of several bills aimed at tackling climate change.

The bills focus on technological innovation, carbon capture technology, research and development, and making the carbon capture tax credit permanent in addition to facilitating more tree planting to appeal to moderate voters and counter

Democrat' attacks on the GOP for not doing enough to tackle climate change. Last month, President Trump committed that the U.S. would participate in a global initiative to plant 1 trillion trees. Other than the tree initiative which would require $55 million of new funds, the other bills would be funded by reallocating $125 million from DOE and $85 million from EPA.

Some conservative groups were quick to question the GOP climate package including the American Energy Alliance, Competitive Enterprise Institute and Club for Growth while Democrats said it does not go far enough to reduce CO2 emissions.

Meanwhile, yesterday, the Climate Leadership Council which consists of businesses, banks and utilities released their proposed "carbon dividend" proposal that would aim to slash greenhouse gas emissions 50 percent below 2005 levels by 2035. Their proposal is also unlikely to have widespread support among either party.

The plan would impose an escalating emissions fee at "the refinery exit or at the first point that fuels enter the economy," such as mines, wells or ports, and would use the funds to pay a dividend to households. An escalating $40 per-ton emissions fee would begin as early as 2021, scrapping some carbon regulations, instituting a dividend that would return an average of $2,000 to a U.S. family of four and a carbon border adjustment that will impose a fee on goods from countries that lack a similar carbon price. The Council's plan calls for the federal government to preempt carbon regulations from stationary sources, as well as future federal low-carbon fuel standards and mobile source emissions from non-road vehicles like farm equipment.

Included in the plan is a provision that would increase the fee to 7.5 percent above inflation, rather than the default five percent, after five years if emissions are projected to fall short of the 50 percent cut by 2035. That new rate would climb to 10 percent above inflation if emissions still aren't on track two years later.

GOP RESPONDS TO DEMOCRATS' CALL FOR ENERGY TAX CREDIT HEARING

Earlier this week, 27 Senate Democrats sent Finance Committee Chairman Chuck Grassley (R-IA) a letter urging him to schedule a hearing on proposals that would provide tax benefits for energy sources that are "crucial to combat climate change" since the Committee has yet to hold a hearing on tax extenders in the current Congress.

The proposals include "addressing the adoption of electric vehicles, expanding existing provisions to incorporate new technologies like energy storage or nascent industries like offshore wind, and sweeping rewrites of energy tax policy, such as the Clean Energy for America Act."

Senator Grassley fired back in a letter that criticized a lack of hearings on energy policy arguing that he has worked for energy tax incentive extensions, but that the Democrats insistence on a major expansion of the electric vehicle tax credit derailed broader efforts to extend or expand other energy incentives. Grassley said in this letter: "Repeated attempts were made to find a path forward to markup tax extenders and a handful of new associated energy provisions. Yet each time, the insistence on expanding the EV credit, primarily to the benefit of high-income earners, continually derailed these efforts. All this, despite the strong opposition to such an expansion on the Committee and in the Senate, which virtually assured that such a bill, even if it could be reported by the Committee, would have no path to success."

CDC RECOMMENDATIONS FOR BUSINESSES REGARDING CORONAVIRUS

The Centers for Disease Control and Prevention (CDC) has posted interim guidance for businesses and employers to plan and respond to the 2019 novel coronavirus, now officially renamed COVID-19.

SCHOLARSHIP APPLICANTS NEEDED!!!

The time is fast approaching when the WPMA scholarship recipients for 2020 will be selected. **MARCH 1, 2020 IS THE CUT-OFF DATE** for applications to be **E-MAILED IN OR POSTMARKED AND MAILED** to the WPMA office. Usually, there are less than 10 applicants for each WPMA state scholarship 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.

NEW THIS YEAR! High School seniors who are currently working part-time for a WPMA member company, and have been employed for at least 90 days, may also apply for the scholarship.

Newly Updated applicant qualification information and submission options are listed on the updated scholarship application, available at https://www.wpma.com/pdf/scholarship/Scholarship-Application2020.pdf. Scholarship applications are also available from the WPMA office by e-mailing kathym@wpma.com and requesting an application.

The WPMA scholarships pay $500 per semester for up to eight semesters, for a maximum award of $4,000. **Employers, please remind all of your full-time employees or part-time senior student employees to request or download an application right away, and give our students a chance for some extra financial help with college or vocational training!**

MARK YOUR CALENDARS FOR UPCOMING EVENTS

February 18-20, 2020 – WPMA Convention & Expo – Mirage Hotel– Las Vegas, NV
April 21, 2020 – IPM&CSA PAC Golf Tournament – Ridgecrest GC – Nampa, ID
April 21-23, 2020 - Federated Insurance Risk Management Academy
May 7-8, 2020 – Nevada NPM&CSA – Big Dogs - Las Vegas, NV
June 2-3, 2020 – Montana MPMCSA – Convention – Fairmont Hot Springs Resort – Fairmont, MT
June 22-25, 2020 – Washington (WOMA) – Convention – Suncadia Resort – Cle Elum, Washington
August 5-7, 2020 – Idaho (IPM&CSA) Convention – Coeur d' Alene Resort – Coeur d' Alene, Idaho
August 17-19, 2020 – New Mexico (NMPMA) Convention – Sandia Resort & Casino – Albuquerque, NM
September 9-10, 2020 – Utah (UPMRA) – Convention – Park City Marriott – Park City, Utah
September 15-17, 2020 - Federated Insurance Risk Management Academy
November 2, 2020 – Hawaii (HPMA) Golf Tournament – Oahu Country Club – Honolulu, HI

WPMA MEMBER SERVICES

Be sure to subscribe to all of our social channels for great tips, industry trends, and insider information about association activities and upcoming events!

Petro Pete: *"Faith is the ability to not panic."*