

February 17, 2017

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PLAN TO ATTEND THE 2017 WPMAEXPO

WPMAEXPO

Mark your calendars for February 21-23, 2017. Make plans now to attend the 2017 WPMAEXPO. It will be held once again at the Mirage in Las Vegas, Nevada.

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WPMA OFFICES WILL BE CLOSED

The WPMA offices will be closed the week of February 20 thru February 24 for our 2017 WPMAEXPO. There will be no WPMA Weekly Update sent out on Friday, February 24. We hope to see you at the convention.

SCHOLARSHIP DEADLINE IS APPROACHING!

The time is fast approaching when the WPMA scholarship recipients for 2017 will be selected. **March 1, 2017 is the cut-off date** for applications to be postmarked and mailed to the WPMA office. Usually, there are less than 15 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.

Applicant qualification information and the scholarship applications are available to download at <http://www.wpma.com/pdf/scholarship/Scholarship-Application102016-e.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 your employees to request or download an application right away, and give their students a chance for some extra financial help in college!**

EPA NOMINEE PRUITT TO BE CONFIRMED LATER TODAY

Yesterday, Democratic Senators Manchin (D-WV) and Heidi Heitkamp (D-ND) joined all Senate Republicans to move ahead with Scott Pruitt's nomination to lead the EPA. The final vote will take place later today and it's expected that Scott Pruitt will be confirmed as the next EPA Administrator.

If confirmed, Pruitt will be able to rewrite or rescind environmental regulations including the RFS. In 2013, Pruitt filed a "friend of the court" brief in an RFS lawsuit challenging the corn ethanol mandate. "The evidence is clear that the current ethanol fuel mandate is unworkable," Pruitt said in a press statement in 2013. Supporters, including Senate EPW Chairman Barrasso of Wyoming, say he would rein in overzealous Obama-era rules and restore balance to environmental regulation, making good on Trump's promise to focus the EPA on its core mission of protecting the air and water.

Meanwhile, uncertainty on how the Trump Administration will tackle the RFS has significantly reduced the value of Renewable Identification Numbers (RINs). Responsibility for complying with the RFS currently falls to refiners who must

buy RINs to prove their fuel has been blended with biofuel. Companies, including Valero and CVR Energy, have said they are being pressed by the annual government mandates that require that they use increasing amounts of ethanol in motor fuels. These companies are spending hundreds of millions of dollars to comply with the RFS and have petitioned EPA to shift this responsibility downstream to "position holders" at the terminal rack.

PMAA continues to urge Congress and the Administration to lower the corn ethanol mandate which will resolve UST compatibility concerns with E10 plus blends. Additionally, reducing the ethanol mandate will reduce RIN values which will bring fairness to the retail motor fuels marketplace.

PMAA CALLS FOR WHITE HOUSE CONFERENCE ON SMALL BUSINESS

This week, PMAA and other members of the Small Business Legislative Council (SBLC) sent a [letter](#) to President Trump.

We requested that the President sign an Executive Order authorizing the next White House Conference on Small Business (WHCSB) which has not taken place in over two decades.

The WHCSB was a series of conferences that occurred in 1980, 1986, and 1995. They were convened by Presidents Carter, Reagan and Clinton to foster better relationships with the business community, Congress and the White House to develop innovative policy solutions to economic problems.

Each of the Conferences issued 60 policy recommendations, and elected regional implementation teams that worked closely with Small Business Administration (SBA) officials in monitoring congressional and executive branch action on the recommendations. Small businesses account for 99 percent of U.S. private sector employers and 64 percent of net new private sector jobs. It's time for another White House Conference on Small Business.

BILLS INTRODUCED TO MINIMIZE OR ELIMINATE EPA

Last week, Representative Sam Johnson (R-TX) introduced the "Wasteful EPA Programs Elimination Act" which would close all EPA regional offices, eliminate climate change programs, halt new regulations on ground-level ozone pollution, and require the agency to lease unused property.

Government coffers would save \$7.5 billion annually, leaving the agency with a budget of less than \$1 billion. Other legislation that would eliminate the EPA was introduced recently by Rep. Gaetz (R-FL).

PMAA URGES CHAO TO REFORM CARRIER SAFETY FITNESS PROGRAM

PMAA joined other industries this week in [asking](#) DOT Secretary Chao to rescind the Safety Fitness Determination NPRM until FMCSA completes reforms to the Compliance, Safety and Accountability (CSA) program/Safety Measurement System (SMS).

Last year, the FMCSA issued a Notice of Proposed Rulemaking: "Carrier Safety Fitness Determination." The current safety fitness rating system ranks carriers as Satisfactory, Conditional or Unsatisfactory based on a comprehensive safety compliance review. The proposal would radically modify the Safety Fitness rating system in which carriers are evaluated for both the enforcement community and the general public. The new methodology would be based on on-road safety data using five of the Agency's seven Behavior Analysis and Safety Improvement Categories (BASICS); an investigation, which will consider all seven BASICS, or a combination of on-road safety data and investigation information. The proposed new system would remove all of the existing ratings and create only one rating, "Unfit."

Our primary concern with the proposal is that the methodology utilizes flawed CSA/SMS data and scores, which Congress directed the agency to review and reform just months earlier in the Fixing America's Surface Transportation Systems Act (FAST Act) enacted in December of 2015.

While we support the goal of an easily understandable, rational safety fitness determination system, this proposal is built on a flawed foundation. FMCSA must complete reforms to the CSA/SMS system before proceeding to a new method of evaluating safety fitness of carriers.

FEDERATED INSURANCE RISK MANAGEMENT ACADEMY SEMINAR OFFERED APRIL 24-26, 2017

Federated Insurance is offering complimentary risk management training for petroleum marketers on April 24-26, 2017. Through this valuable session, you will discover methods you can use immediately to help protect profits by reducing risk at your business.

Companies that are the most successful at controlling losses and protecting profits have integrated risk management into their overall company culture. Many 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.

This seminar is geared toward helping your risk manager learn the exposures specific to our industry, Connect with peers

from across the country, and apply these best practices within your business.

Class size is limited to 25. For more information or to reserve your spot in the upcoming session, please contact Royetta Spurgeon at Federated Insurance by calling 507.455.5604, or e-mailing drm@fedins.com. **Federated is a PMAA Corporate Platinum Partner.**

ANNUAL EPCRA TIER II REPORTS DUE BY MARCH 1, 2017

EPA EPCRA Tier II reports must be filed for bulk plants, marinas and fleet fueling facilities and select retail gasoline facilities that stored more than **10,000 pounds (minimum 1,626 gallons)** of hazardous chemicals (petroleum fuels) at any single time during the 2016 calendar year. EPCRA 2016 reports must be filed with state emergency response authorities no later than **March 1, 2017**. Retail gasoline facilities with a storage capacity greater than 75,000 gallons of gasoline and/or 100,000 gallons or more of diesel fuel must also file EPCRA reports. Federal regulations exempt retail fueling facilities at or below these product capacity thresholds from the annual Tier II inventory reporting. Some states have set lower reporting thresholds, use unique Tier II reporting forms or require electronic filing. Petroleum marketers should contact their state EPCRA office to verify any state variances in Tier II reporting requirements (see contact information below).

EPCRA PAPER FORMS AND ELECTRONIC SUBMISSION SOFTWARE:

- EPCRA Tier II forms for paper filing may be downloaded here: [EPCRA Forms](https://www.epa.gov/epcra/epcra-tier-ii-emergency-and-hazardous-chemical-inventory-form). (<https://www.epa.gov/epcra/epcra-tier-ii-emergency-and-hazardous-chemical-inventory-form>)
- **IMPORTANT!** Many states now require EPCRA reports be filed electronically and have adopted the EPA's Tier2 Submit electronic filing portal. Tier2 Submit electronic filing for Windows and MacIntosh applications may be downloaded here: [EPCRA Electronic Filing](https://www.epa.gov/epcra/tier2-submit-software). (<https://www.epa.gov/epcra/tier2-submit-software>)
- An electronic filing tutorial may be downloaded here: [Electronic Filing Tutorial](https://www.epa.gov/epcra/2016-tier2-submit-tutorial). (<https://www.epa.gov/epcra/2016-tier2-submit-tutorial>)
- A complete list of state EPCRA Tier II requirements and procedures can be downloaded here: [State EPCRA Requirements](https://www.epa.gov/epcra/state-tier-ii-reporting-requirements-and-procedures). (<https://www.epa.gov/epcra/state-tier-ii-reporting-requirements-and-procedures>)

EPCRA CAS NUMBERS:

- The following CAS designations (from material safety data sheets) must also be included on EPCRA Tier II reports;
 - **Gasoline** (CAS 8006-61-9);
 - **Diesel Fuel** (CAS 68476-34-6);
 - **Kerosene** (CAS 8008-20-6);
 - **Fuel Oil** (CAS 68476-30-2);
 - **Aviation Gasoline** (CAS Mixture);
 - **Jet A** (CAS Mixture);
 - **JP 8** (CAS Mixture).

EPCRA NAICS CODE:

- Standard Industrial Classification (SIC) codes can no longer be used to describe facilities on EPCRA Tier II reports. Instead, North American Industrial Classification System (NAICS) codes must be used. Applicable NAICS codes for the petroleum marketing industry include:
 - **Petroleum Bulk plants** - NAICS 424710
 - **Heating Oil Dealers** - NAICS 454311
 - **Retail Gasoline Stations with Convenience Stores** - NAICS 447110
 - **Retail Gasoline Stations without Convenience Stores** - NAICS 447190
 - **Cardlock Sites** – NAICS 447190.

PENALTY FOR FAILURE TO FILE EPCRA TIER II:

- The EPA fine for violating EPCRA Tier II reporting is \$37,500 per day, per violation. EPA checks for filing of EPCRA Tier II reports during routine compliance audits or after a release has occurred.

RECENT ADDITIONS TO TIER II FORM:

- EPCRA Tier II forms now ask whether the facility is subject to emergency planning under Section 302 of EPCRA (Toxic Release Inventory or TRI) or the chemical accident prevention requirements under 112r of the Clean Air Act (Risk Management Program or RMP). For small bulk plant operators the answer to these questions is almost always

“NO”. Typically, small petroleum bulk plants operated by petroleum marketers located downstream of the terminal rack are NOT subject to TRI or RMP. While these small bulk plants must comply with Spill prevention Control and Countermeasure (SPCC) this is not the same as TRI or RMP.

MARK YOUR CALENDARS FOR UPCOMING EVENTS

February 21-23, 2017 – WPMA Convention & Expo – Mirage Hotel– Las Vegas, Nevada

March 1, 2017 – Utah (UPMRA) Day on Capitol Hill – Salt Lake City, Utah

May 4-5, 2017– Nevada (NPM&CSA) Big Dogs Shootout – TBD, Nevada

June 6-8, 2017 – Montana (MPMCSA) Convention – Northern Hotel – Billings, Montana

June 19-22, 2017 – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington

June 22, 2017 – Utah (UPMRA) Summer Classic PAC Golf Outing – TBD, Utah

August 2-4, 2017 – Idaho (IPM&CSA) Convention – Sun Valley Resort – Sun Valley, Idaho

August 21-23, 2017 – New Mexico (NMPMA) Convention – Sandia Resort – Albuquerque, New Mexico

September 13-15, 2017 – Utah (UPMRA) Convention – Zermatt Resort – Midway, Utah

June 18-21, 2018 – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington

August 8-10, 2018 – Idaho (IPM&CSA) Convention – Coeur d’Alene Resort – Coeur d’Alene, Idaho

NPP WPMA MEMBER SERVICE

WPMA has partnered with NPP to provide members discounts on many products and services. NPP negotiates the rates, and makes them available to WPMA members. Membership with NPP is free, and there is no obligation to purchase. Discounts through Verizon, Expedia, Fastenal, Cradlepoint, and more.

Register Now: <https://associations.mynpp.com/myNPP/memberSavings.xhtml?guid=RB3WUOFG>

WPMA MEMBER SERVICES



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Petro Pete: “Why do dogs always race to the door when the doorbell rings? It’s hardly ever for them.”

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