

March 16, 2012

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SENATE FINALIZES HIGHWAY BILL**Rest Area Commercialization Amendment Fails**

Earlier this week, the Senate approved a two year, \$109 billion highway reauthorization bill, known as the "Moving Ahead for Progress in the 21st Century Act of 2011," or "MAP-21 (S. 1813), by a vote of 74-22. Among the amendments considered this week was Senator Rob Portman's (R-OH) provision to allow states to commercialize rest areas. PMAA strongly opposed the amendment and it failed by a vote of 12-86. The Portman amendment would have killed small business jobs and would not have brought states additional revenue if they were allowed to commercialize rest areas.

PMAA would like to thank everyone for their many calls and emails into Senate staff. It definitely had a positive impact! Your grassroots efforts sent a clear message to Congress that it is very bad public policy to commercialize rest stops, choosing state government interests over small business. Last Friday, many of the pundits were predicting this to be a razor thin vote going either way. The pundits continually underestimate the grassroots capabilities of retailers when they can unite behind an issue.

The twelve Senators who voted for the Portman amendment are: Ayotte (R-NH), Carper (D-DE), Coats (R-IN), Coons (D-DE), Crapo (R-ID), Kyle (R-AZ), Lieberman (I-CT), McCain (R-AZ), Murkowski (R-AK), Portman (R-OH), Risch (R-ID), and Toomey (R-PA).

Additionally, Senator Debbie Stabenow (D-MI) had an amendment which would have renewed for one year the one-dollar-per-gallon biodiesel tax credit as well as the home heating oil equipment credit. However, the amendment failed by a vote of 49 – 49. Sixty votes were required for passage. Senator DeMint (R-SC) introduced his amendment to repeal all energy tax subsidies including the biodiesel tax credit, but that amendment failed overwhelming by a vote of 26 – 72. The Senate also voted on an amendment by Senators Menendez (D-NJ), Reid (D-NV) and Burr (R-NC), which would provide a new tax on CNG and LNG to pay for new subsidies for natural gas transportation infrastructure and converting trucks to run on CNG or LNG. The vote required 60 votes for passage, but it came up short by a vote of 51 – 47.

Last Thursday, the Senate did not approve an amendment by Senator Hoeven (R-ND), which would approve the Keystone XL pipeline by a vote of 56 – 42. Sixty votes were needed for passage and Senator David Vitter (R-LA) offered an amendment yesterday which would have opened the outer continental shelf for oil exploration but the amendment failed by a vote of 46 – 52. PMAA supported both these amendments which would bring much needed oil supplies to reduce prices at the pump.

PMAA still has concerns with the Senate bill because it would transfer three billion dollars from the Leaking Underground Storage Tank (LUST) trust fund to pay into the Highway Fund and it would also change the allocation of the \$.001 of the penny LUST tax. The change will permanently dedicate one third of the existing \$.001 LUST tax to the Highway Trust Fund and two thirds to the LUST Trust Fund. PMAA opposes this change and believes this is bad public policy. If the money is not being used for the LUST program, the LUST tax should be reduced or eliminated.

Meanwhile in the House, Speaker Boehner (R-OH) indicated last week that the House may take up the Senate highway bill when the House returns the week of March 19th. There has been unwillingness among House conservatives to vote on the original House plan to pass a five-year \$260 billion highway bill due to the bill's cost projections. Included in the House bill, but not in the Senate bill, is PMAA supported wetlines language which would bar the Department of Transportation from moving forward with its proposed rule until a thorough cost-benefit analysis was completed.

PMAA JOINS COALITION TO OPPOSE TRANSFER OF HMEP FUNDS

This week PMAA joined 34 other associations in a letter to House Appropriations staff opposing the committee's suggestion to reprogram unexpended Hazardous Materials Emergency Preparedness (HMEP) funds to support the Pipeline and Hazardous Materials Safety Administration's (PHMSA) operating budget.

Although this is not a new PHMSA proposal, with budgets particularly tight now, Congress continues to look for ways to move funds from one account to another (just as the Senate agreed to in the Highway bill, to move \$3 billion from the LUST Trust Funds to the Highway Trust Fund). The Interested Parties for Hazardous Materials Transportation opposed moving the funds for the following reasons.

First, the hazardous materials registration fee account is subject to specific statutory uses and limitations. Second, by statute, the fee must be adjusted to reflect any unexpected balance in the account. Third, the Interested Parties would like to see additional funding for PHMSA regulatory activities such as incorporating longstanding special permits into the Hazardous Materials Regulations. Finally, the Interested Parties opposed the dedication of registration funds to other agency purposes because PHMSA has largely caused its own budget problems. In 2009, PHMSA unilaterally (and possibly illegally) imposed new Standard Operating Procedures and fitness criteria for evaluating applications for special permits and approvals. These changes, which were made without notice and comment rulemaking as required by the Administrative Procedure Act, created substantial additional staffing needs to address non-existent safety concerns to the extent that 24 percent of OHMS' FY 2013 budget request would be used to support this program. The Subcommittee should look to reprogramming misallocated assets from this program to the more worthy needs within OHMS.

NATIONAL WEBINAR FOR PETROLEUM MARKETERS ASSOCIATION OF AMERICA

The Renewable Fuel Standard 2 and Biodiesel –Taking Advantage of New Markets, Managing Risks, and Maximizing Profits

Implementation of the Renewable Fuel Standard (RFS-2) has helped spur increases in biodiesel volumes and they are projected to continue to rise. Within the RFS-2, biodiesel can now be used in many different economic sectors that currently use diesel fuel such as agriculture, underground mining, railroads, marine, and off-road construction. Opportunities exist within the RFS-2 program to increase biodiesel use and blending which could benefit the petroleum distributor and retailer due to capturing the monetary value in Renewable Identification Numbers (RINs). RINs have become the competitive edge for hundreds of marketers.

The objective of this national webinar will be to strengthen the knowledge base of PMAA members by 1) providing a quick overview of the state of the biodiesel industry in 2012 and fuel quality aspects pertinent to the RFS-2, and 2) delivering “real time” relevant information concerning what petroleum distributors and retailers need to know about the RFS-2 and how they may benefit from participation in the RFS-2 program.

Topics covered will include:

- The Renewable Fuel Standard-2 and components to the RFS-2 (sustainability, qualified feedstocks and fuel pathways, ASTM definition) for the biodiesel industry
- New markets and potential for biodiesel in the RFS-2
- RFS-2 compliance by obligated parties and their obligations (Renewable Volume Obligation)
- Introduction to Renewable Identification Numbers (RINs)
- Taking title and blending the RIN
- RIN transaction tracking
- Reporting requirements
- Selling RINs and “Buyer Beware”
- RIN prices and dynamics in the marketplace
- Question and Answer

Webinar Presenters: Jeff Hove, RIN Alliance & Richard Nelson, NBB

Webinar date: March 27th

Webinar Time: 10:00 to 11:00 a.m. CST

Webinar Login Information: <https://www1.gotomeeting.com/register/576867792>

For more information, please contact: Jeff Hove or Ginger Thune, RINAlliance (866) 433-7467 or Richard Nelson (785) 532-4999.

PLAN TO DELIVER MORE PLUG-IN VEHICLES RELEASED

A pro plug-in electric vehicle (PEVs) coalition released a plan this week to accelerate the development of electric vehicles. The plan consists of addressing regulatory hurdles, encouraging public-private investment in charging infrastructure and a public PEV education program. The coalition includes the Washington State Department of Transportation, General Motors Co., and the Natural Resources Defense Council. While this is welcome news for environmental advocates, electric vehicles still have a long way to go. Charging electric vehicles takes several hours, and the public has yet to accept the electric vehicle as a primary mode of transportation. Furthermore, questions still linger surrounding the environmental impact of electric vehicles. Although electric vehicles emit no tailpipe CO2 or pollutants such as NOx, the electricity to power PEVs comes from coal and natural gas which are not CO2 neutral.

In December 2010, the first commercially available all-electric car, the Nissan Leaf, was introduced to the public, however, Nissan Leaf sales have been dismissed. Nissan saw sales of the Leaf drop to 676 in January, down from 954 the previous month. The coalition plans to address PEVs shortfalls especially, given the Chevy Volt's battery issues that have led to fires.

REMINDER: COMPLIANCE DEADLINE IS HERE FOR NEW ADA ATM REQUIREMENTS

PMAA would like to remind petroleum marketers of the March 15, 2012 compliance deadline for new ATM requirements under the American for Disability Act. The new rule implementing the new ATM standard was published by the U.S. Department of Justice in August 2011 and is part of a larger revamp of ADA standard requirements generally (2010 ADA Standards). The new ATM standard adopts 2004 recommendations by the ADA Access Board requiring ATMs to be equipped with speech output, privacy controls, tactilely-discernible input controls, display screens, and Braille instructions. The good news is that most current ATMs should be fully compliant with the new requirements which have been on the books as guidelines for manufacturers to follow since 2004. The standards require ATMs to be accessible to and independently usable by persons with visual impairments. Marketers should check ATM equipment specification information for ADA compliance status. The ADA also allows for an exemption from the new ATM requirements for any business that can demonstrate compliance would impose an undue economic burden. In addition, the DOJ will not independently enforce the ADA requirements unless a third party lawsuit from complaining parties is filed. Nevertheless, ADA compliance has been an active area for large class action law suits since the law's inception in 1991. For more information on all new 2010 ADA Standards, go to the ADA homepage at <http://www.ada.gov/>.

2013 WESTERN PETROLEUM MARKETERS CONVENTION & CONVENIENCE STORE EXPO LAS VEGAS, NEVADA

Start planning now to attend the 2013 WPMA Convention and Convenience Store Expo. It will be held at the Mirage in Las Vegas, Nevada. Mark your calendars for February 19-21, 2013.

MARK YOUR CALENDARS FOR UPCOMING EVENTS IN 2012

May 10-11, 2012– Nevada - NPM&CSA Convention/Big Dogs Event – 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: “A candle loses nothing by lighting another candle.”

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Classified Ads

FOR SALE

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- 12 heated reach in doors
- 1- walk in door complete with racks and shelves

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

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