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CONGRESSIONAL UPDATE

This week, the House passed legislation that provides a two-month extension, through May 31, for Paycheck Protection Program (PPP) applications. There is bipartisan Senate support to pass the extension, but Republican Senators introduced a modified version, which would prevent the SBA Administrator from prioritizing certain businesses without approval from Congress. News reports speculate this effort is intended to pre-empt Biden Administration plans to direct certain funds specifically to minority-owned businesses. While the Senate is still expected to pass an extension, this development could delay passage, which will require the support of at least 10 Republican Senators to meet the Senate's 60-vote threshold.

Congress and the Biden Administration continue considering potential vehicles for a broad infrastructure package. However, battle lines are forming due to disagreements regarding potential tax increases. Democrats and the Biden Administration would prefer to pay for a package by raising corporate taxes, but Senate Minority Leader Mitch McConnell (R-KY) said Republicans would not support tax increases. While senior Senate Democrats and President Biden would prefer a bipartisan package, fundamental disagreements over the scope of a package and how to pay for a package may force Democrats to pursue a smaller package through budget reconciliation – the same process used to pass the most recent COVID-relief package. Alternatively, Democrats could negotiate a tailored bipartisan package with Republicans, likely focusing on surface transportation, and passing additional provisions through a partisan budget reconciliation process. This effort is supported by more moderate Senate democrats such as Sens. Joe Manchin (D-WV) and Kyrsten Sinema (D-AZ). While the House will be out of session the next three weeks, the powerful Ways and Means Committee plans to begin mapping out an infrastructure approach soon. There has been some discussion over a per-mile tax on commercial trucks, however, singling out trucking is a non-starter for conservatives unless the left agrees to repeal the EV tax credit and impose fees on EVs to shore up the highway trust fund. Bill Sullivan, the American Trucking Associations' executive vice president of advocacy, said the trucking industry "currently pays half the receipts into the Highway Trust Fund, while we're only 4 percent of vehicles and 9 percent of miles traveled" and they don't want to be "singled out with discriminatory truck-only fees to pay for our nation's infrastructure needs."

Also, this week, the Democratic and Republican leaders of the Senate Energy Committee cautioned the Biden Administration on its promises for Electric Vehicle (EV) deployment. Chairman Joe Manchin said he supports EVs overall but is concerned with U.S. reliance on China for critical minerals integral to EV components. Ranking Member John Barrasso (R-WY) said he was "concerned that [President Biden] wants to regulate the internal combustion engine out of existence and insist that all Americans use electric vehicles."

AP REPORT: AUTOS REQUEST A COMPROMISE ON FUEL ECONOMY STANDARDS

The AP reported this week that a coalition of automakers told the Biden administration it would agree to raise fuel economy standards but with tradeoffs and at rates lower than those brokered by California with five other car manufacturers. Fuel economy rules are important to energy marketers because federal fuel efficiency standards have a direct impact on consumer demand for transportation fuels.

The Biden Administration is likely to seek an increase in fuel economy standards, however, the autos are pushing back. The Trump Administration finalized a rollback of the standards last year to require a 1.5 percent annual increases in fuel efficiency through 2026, far below the Obama Administration's 5 percent requirement. The 1.5 percent improvement requirement matches auto manufacturers historic efficiency rate achieved by voluntary technological advancements.

During the Trump Administration, Ford Motor Company, BMW AG, Volkswagen AG and Honda Motor Company, reached an agreement with California on emissions standards which would increase the average fuel economy of their fleets to around 50 miles per gallon by the end of the 2026. The bottom line is that the autos would rather have a nationwide fuel economy standard rather than having a California standard that several liberal leaning states would match. Click [here](#) for the story.

WASHINGTON POST OPINION: ELECTRIC VEHICLES WON'T FIX OUR CARBON DILEMMA WITHOUT SOME HARD CHOICES ALONG THE WAY

A Washington Post Opinion article gives the electrification movement a reality check on what this means for cutting carbon emissions — starting with two numbers. The first is 281.4 million, which is how many vehicles there are in the United States' light-duty fleet, 99 percent of them powered by internal combustion engines. The second is 19.6, which is

how many years it would take for this fleet to become 90 percent electric — assuming it stayed at around 280 million and that every new vehicle sold from now on is an EV. Click [here](#) to read more. (Subscription required)

MULTI-STATE HOURS OF SERVICE WAIVER EXTENDED AGAIN, WITH ADDITION OF TENNESSEE

Late Tuesday, the Federal Motor Carrier Safety Administration (FMCSA) extended and modified a regional Hours of Service waiver for the following states due to winter storms: **KENTUCKY, LOUISIANA, OKLAHOMA, TEXAS, VIRGINIA, TENNESSEE AND WEST VIRGINIA through March 31.**

The emergency declaration applies to all states and jurisdictions listed above. This waiver covers all fuel deliveries (heating fuels, including propane, natural gas, and heating oil, and other fuel products, including gasoline) in the states and jurisdictions listed because they support the "emergency," which in this case, is maintaining adequate fuel distribution in those areas.

Important: The FMCSA waiver covers interstate shipment of fuel in and out of the states and jurisdictions listed in the waiver letter. The FMCSA waiver does not cover intrastate only shipments (deliveries that stay within the boundaries of a single state). State governors must issue waivers for intrastate shipments within their boundaries. State Governors typically issue such waivers as part of their Emergency Declaration, or when FMCSA waivers are put into effect. Most of these states have already issued intrastate HOS waivers. Click [here](#) to read the notice.

The Energy Marketers of America will continue to work closely with the FMCSA, DOE, DHS/FEMA and other federal agencies to ensure emergency preparedness and response waivers and solutions to problems that arise in response to the recent winter storms.

EMA AGAIN URGES CONGRESS TO PASS THE PPE EXTENSION ACT OF 2021

This week EMA and 93 other organizations wrote to thank Senate sponsors of the *PPP Extension Act of 2021*, which will extend the Small Business Administration's (SBA) Paycheck Protection Program (PPP) application period beyond the March 31, 2021 sunset date, to May 31, and to urge Congress to extend the Paycheck Protection Program (PPP) filing deadline by two months, to help businesses keep their workforce employed during the current health crisis.

EMA is concerned by the lack of progress on major Paycheck Protection Program (PPP) processing issues, including hold/error codes and application rejections due to Taxpayer Identification Number ("TIN") issues or mismatches, in addition to many unresolved technical problems with the current PPP process. These delays and denials may put many applicants in danger of not making the March 31st authorization deadline.

Nearly one year into the COVID-19 pandemic, the continued liquidity challenges of the small business sector are acute, especially for those business limited by dramatic capacity restrictions and other critical health and safety protocols in place to protect the public, consumers and workers from COVID-19.

HOUSE HEARING ON THE BUSINESS CASE FOR CLIMATE SOLUTIONS

On Wednesday, the House Transportation and Infrastructure Committee held a hearing, "The Business Case for Climate Solutions." With eight witnesses the hearing was long.

Shameek Konar, Chief Executive Officer Pilot Flying J, testified on behalf of the National Association of Truckstop Operators (NATSO) who said, "Federal incentive policies should harness the core competencies of the utility and retail fuel sectors. Neither sector can create a sustainable, nationwide EV charging network without the other, especially in an expeditious, efficient and economical way. The utility sector is best suited to perform the requisite generation development and power grid restructuring work. Fuel retailers are best positioned to own and operate EV charging stations (especially along Interstate highway locations) and provide transportation energy – including electricity – to consumers."

Mr. Konar also cautioned against adding EV charging stations at rest areas and allowing utilities to use ratepayers to expand EV infrastructure. "You've gone from two minutes to fuel a car to 40 minutes or 30 minutes to charge your car. If you can keep people more engaged and give them more things they can do—like at our travel centers or at retail stops, where you can eat, you can shower, you can do other things," he said. "It will only help the adoption of EVs. We need to keep that in mind. If you are stuck for 40 minutes in some place and it does not have a lot of amenities, it will be challenging." Mr. Konar also encouraged Congress to create a strong government programs and tax incentives for retailers, similar to the RFS and the biodiesel tax credit, for electrification to succeed.

Other witnesses included Frederick W. Smith, Chairman and Chief Executive Officer of FedEx Corporation, who testified that FedEx is designating more than \$2 billion of initial investment in three key areas: vehicle electrification, sustainable energy, and carbon sequestration. Mr. Smith pushed for lifting the ban on 33-foot truck trailers could reduce annual motor fuel use by 225 million gallons per year and reduce carbon emissions by 3 million tons per year.

Charles Hernick, Vice President of Policy and Advocacy, Citizens for Responsible Energy Solutions who advised members that the federal "...policy playbook should first and foremost harness the power of free markets—by encouraging transparency and accountability— and empower companies to achieve their self-set goals, not pursue heavy-handed, top-down mandates that drive up costs or reduce options."

VISA AND MASTERCARD POSTPONE SWIPE FEE INCREASES ANOTHER YEAR

In response to pleas from retailers and pressure from Congress, this week Visa and Mastercard announced that because of the pandemic they are again delaying planned fee increases. The delayed increases have been moved to April 2022.

Last week, Sen. Dick Durbin (D-IL) and Rep. Peter Welch (D-VT) sent a letter to VISA and MasterCard urging the companies to refrain from increasing swipe fees by \$1.2 billion scheduled to take effect in April. An increase in processing fees could be especially hard for convenience stores now that cash has become a less popular payment option with the COVID-19 pandemic. "Just as increased vaccination efforts start to give our Main Street business hope for a summer reopening, your companies propose slamming struggling merchants, and by extension consumers, with fee increases," Durbin and Welch said in the letter. "Raising your fees would undermine efforts to help the economy recover and further reduce Americans' purchasing power."

EMLI (PMLI) REGISTRATION IS OPEN NOW

We are excited to announce that registration is open for the Energy Marketers Leadership Institute (EMLI)!

EMLI is new and improved and is designed to make it easier and more affordable for WPMA members to attend. The EMLI programs will be delivered online via Zoom video conference and will include breakout rooms so that the leaders who are attending can interact and learn together.

Special thanks to Lea McCullough for her leadership in working with Meridian to design and deliver the EMLI programs. For more information on how to register go to: <https://emamasters.com/energy-marketers-leadership-institute/>

WPMA COVID-19 - CRITICAL REFERENCES FOR MEMBERS

Please visit our web site for up-to-date information related to your business and the COVID-19 pandemic. You will find the link on our home page at www.wpma.com.

MEMBERS AND ASSOCIATES - YOU CAN CONTRIBUTE!

WPMA welcomes industry-related articles for publication in the WPMA News magazine. All members and associate members of WPMA are eligible to submit items for publication. Articles will be included as space allows, and no self-promoting articles or editorials will be accepted. WPMA reserves the right to edit and make adaption of such contributions to accommodate the magazine's space and style. Please submit articles or content to Jan Roothoff, WPMA Administration/IT Director at janr@wpma.com, or mail to Jan Roothoff, Western Petroleum Marketers Association, PO Box 571500, Murray, UT 84157-1500. Submissions for the Winter edition of WPMA News magazine are due before November 1st. Later submissions will be considered for the Spring issue.

MARK YOUR CALENDARS FOR UPCOMING EVENTS

May 6-7, 2021 - Nevada (NPM&CSA) Big Dogs - Red Rock Hotel & Casino - Las Vegas, NV
June 7-9, 2021 - Montana (MPMCSA) Convention -Fairmont Hot Springs Resort - Fairmont, MT
June 21-24, 2021 - Washington (WIED) Convention - Suncadia Resort - Cle Elum, WA
June 24, 2021 - Utah (UPMRA) Summer Golf Classic - Bountiful Ridge GC - Bountiful, UT
July 17-19, 2021 - Oregon (OFA) Annual Conference - Sunriver Resort - Sunriver, OR
August 4-6, 2021 - Idaho (IPM&CSA) Convention - Sun Valley Resort - Sun Valley, ID
August 23-25, 2021 - New Mexico (NMPMA) Convention - Sandia Resort & Casino - Albuquerque, NM
September 15-17, 2021 - Utah (UPMRA) Convention - Sheraton Park City Hotel - Park City, UT
February 22-24, 2022 – WPMA Convention & Expo – Mirage Hotel– Las Vegas, NV

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: *“I’ve reached the age where my train of thought often leaves the station without me.”*

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