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PLACARDING LANGUAGE INCLUDED IN HOUSE COMMITTEE BILL

Last week, the House Transportation and Infrastructure Committee unanimously approved legislation to provide a four-year reauthorization of the Department of Transportation's (DOT) pipeline safety program. H.R. 4937, the "Protecting our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2016," also included language of particular importance to PMAA.

The language would require the Secretary of Transportation to issue an advanced notice of proposed rulemaking to take public comment on a petition that calls for the Pipeline and Hazardous Materials Safety Administration (PHMSA) to rescind a July 2015 Interpretative Guidance so that marketers may resume placarding to the lowest flash point for both split loads and alternating straight loads of diesel fuel and gasoline.

In March the Senate passed the "SAFE PIPES Act," (S. 2276) marking a significant victory for PMAA. Included in the bill is language that was initially requested by PMAA. Section 4 of the bill is language that rescinds a recent Interpretative Guidance on placarding on cargo tank trucks. The language would force PHMSA to revert back to placarding to the lowest flash point for both split loads and alternating straight loads of diesel fuel and gasoline. This is a cost saving provision of \$3,450 per cargo tank truck, per year for marketers because they can ship diesel fuel, gasoline and heating fuel in different compartments of the same cargo tank vehicle under a gasoline placard, as well as ship straight loads of gasoline or diesel under the gasoline placard instead of affixing or switching multiple product placards.

PMAA prefers the Senate language over the House as the changes would occur more quickly under the Senate's direction. In making this point during the House Committee mark-up, Congressman Rob Woodall (R-GA) championed the issue. Click [here](https://youtu.be/Vlw3zxB5gtw?t=4770) (<https://youtu.be/Vlw3zxB5gtw?t=4770>) to see the video.

Some states have already begun enforcing the Interpretative Guidance and it is only a matter of time before all states do so. PMAA is working to fix the problem before other states begin to enforce the placarding change. The penalty for a violation is \$2,500. The states that have already begun enforcement will also benefit from the Senate fix as drivers will be able to resume placarding only to the lowest flashpoint for straight loads of gasoline and diesel. Otherwise the industry will incur an \$84 million cost the first year and \$80 million every year thereafter in material and primarily labor costs.

PMAA has worked with the Department of Transportation (DOT) since the Interpretative Guidance was released in June 2015, and began working with Congress once it was clear that DOT could not make the change without statute. PMAA continues working with the House and the Senate regarding the final language.

ARGUMENTS BEGIN IN FEDERAL COURT PROCEEDINGS ON OZONE STANDARD

Arguments regarding EPA's new ozone standard began in Federal court on April 22, with industry explaining why 70 parts per billion (ppb) is too low and environmentalists arguing it is too high. EPA is expected to respond by July 22 and a decision is expected next year.

On October 1, 2015, the EPA set the new ozone standard at 70 ppb, a reduction from the 75 ppb level set in 2008. Although the 70 ppb standard is not as low as many feared and is considered a compromise between industry and environmental interests, the ozone final rule still places a burden on some counties which could mean RFG and lower RVP fuels. In December a coalition of industry groups led by the U.S. Chamber of Commerce and the National Association of Manufacturers (NAM) sued the EPA over the finalized ozone standard. Joining the Chamber and NAM was the American Coke & Coal Chemicals Institute, American Fuel & Petrochemical Manufacturers, American Petroleum Institute, Independent Petroleum Association of America, National Oilseed Processors Association, Portland Cement Association, and the Utility Air Regulatory Group. The groups argue that the new standard is unattainable and will result in job losses. Last year, five states led by Arizona, also sued the EPA over the new ozone standard, claiming it would push too many counties into nonattainment.

PMAA has argued before the EPA, the White House and Congress that the EPA's 2015 ozone standard is unattainable and will result in more boutique fuels and higher prices at the pump. PMAA also opposed lowering the ozone standard in written comments to the White House and will continue to support legislation such as H.R. 4775 that would roll back the new ozone mandate, and H.R. 4000, which would bring certainty to states and localities by allowing adequate time for implementation of the ozone standard and resulting air quality benefits.

URGE YOUR MEMBERS OF CONGRESS TO SIGN ON TO LETTER OPPOSING SNAP RULE

House Agriculture Committee Chairman Michael Conaway (R-TX) and Ranking Member Collin Peterson (D-MN) have penned a [letter](#) to U.S. Secretary of Agriculture Tom Vilsack and Under Secretary for Food, Nutrition and Consumer Services Kevin Concannon expressing concerns with the proposed Enhancing Retailer Standards in the Supplemental Nutrition Assistance Program (SNAP) rule. The letter highlights the negative impacts some of the provisions in the proposed rule would have on retailers as well as lower income families.

By law, the rule, once finalized, will require retailers to meet these conditions in order to participate in the Supplemental Nutrition Assistance Program (SNAP). Retailers must offer for sale on a continuous basis a variety of at least seven foods in each of the four categories (1. dairy products; 2. meat, poultry, or fish; 3. fruits or vegetables; 4. bread or cereals) (Current law requires only three items in each category). It also requires SNAP retailers to stock at least one “perishable” food item in at least three of the four staple food categories. (Current law requires perishable items in only two of the staple food categories).

Unfortunately, USDA also exceeded the intent of Congress and added these unnecessary requirements in the proposed rule: “multiple ingredient” items (cold pizza) would not be counted in any staple food category and would not go toward meeting a retailer’s “depth of stock” requirements. Currently, multiple ingredient foods can be counted under the category of the main ingredient. In addition, the proposal would require that retailers always have six different units of any food item that are in the store and are counted under the four categories of eligibility for SNAP participation. This means that retailers who are currently required to stock 28 items on a continuous basis would have to stock 168 units of single-ingredient food items at all times in order to participate in the program.

PMAA asks that you reach out to your members of Congress to express your concerns regarding the proposed rule and request that the member sign on to the Conaway/Peterson letter. Your member can sign on to the letter by contacting either [Jadi Chapman](#) with Chairman Conaway’s office or [Lisa Shelton](#) with Ranking Member Peterson’s office.

In addition, PMAA urges you to submit your own comments on the proposed rule. Comments are due May 18th. PMAA encourages you to use this [template](http://www.pmaa.org/weeklyreview/attachments/SNAP_Template0416.docx) (http://www.pmaa.org/weeklyreview/attachments/SNAP_Template0416.docx) (which is a WORD file that can be personally edited) and then go to this [link](https://www.regulations.gov/#!submitComment;D=FNS-2016-0018-0099) (https://www.regulations.gov/#!submitComment;D=FNS-2016-0018-0099) to comment.

BUSINESS TAX PARITY ACT

This week Rep. Vern Buchanan (R-FL) introduced the “Main Street Fairness Act” to help ensure that businesses are on a level playing field by restoring rate parity between small business and the Fortune 500.

Buchanan is a member of the House Ways and Means Committee, and his bill is co-sponsored by Rep. Charles Boustany (R-LA), Chairman of the Ways and Means Tax Policy Subcommittee. Buchanan recognizes that the majority of businesses report through the individual side of the tax code, not the corporate side where corporations pay a maximum tax rate of 35 percent, while small business owners pay up to 39.6 percent under the individual income tax code on top of additional taxes on earnings and investments.

Although it is highly unlikely that Congress will undertake comprehensive tax reform this year, Buchanan’s bill will provide an important placeholder for the upcoming discussions on reform.

2017 WPMAEXPO - LAS VEGAS, NEVADA



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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May 3, 2016 - Idaho (IPM&CSA) Boise Ranch GC PAC Golf Outing – Boise, Idaho

May 19-20, 2016 – Nevada (NPM&CSA) Big Dogs Shootout – Red Rock Resort & Casino – Las Vegas, Nevada

June 7-9, 2016 – Montana (MPMCSA) Convention – Fairmont Hot Springs Resort – Butte, Montana

June 20-23, 2016 - Washington (WOMA) Convention - Suncadia Resort - Cle Elum, Washington

June 23, 2016 – Utah (UPMRA) Summer Golf Classic – Mountain Dell Golf Course, Salt Lake City, Utah

June 29, 2016 – Idaho (IPM&CSA) Magic Valley PAC Golf Outing – Blue Lakes Country Club, Twin Falls, Idaho

August 3, 2016 – Idaho (IPM&CSA) Circling Raven GC PAC Golf Outing - Coeur d’Alene, Idaho

August 3 – 5, 2016 - Idaho (IPM&CSA) Convention - Coeur d’Alene Resort - Coeur d’Alene, Idaho

August 22-24, 2016 – New Mexico (NMPMA) Convention – Sandia Resort & Casino – Albuquerque, New Mexico

August 26, 2016 – Hawaii (HPMA) Golf Tournament – Honolulu Country Club – Honolulu, Hawaii
September 8, 2016 – Idaho (IPM&CSA) Teton Valley PAC Golf Outing – Huntsman Springs GC, Driggs, Idaho
September 14-16, 2016 - Utah (UPMRA) Convention - DoubleTree Hotel by Hilton - Park City, Utah
February 21 – 23, 2017 - WPMA Convention & Expo – Mirage Hotel, Las Vegas, Nevada
June 18-22, 2017 – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington
August 2-4, 2017 - Idaho (IPM&CSA) Convention – Sun Valley Resort, Sun Valley, Idaho
June 17-21, 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

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Petro Pete: “Been reading up on the thesaurus lately because a mind is a terrible thing to garbage.”

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The MPMCSA is conducting a search for an Executive Director to manage the affairs of the State Association.

Position is as an independent contractor answering to the Board.

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