

FUEL THEFT ALERT

Late last week missing diesel fuel was discovered at a high speed diesel retail site in Idaho. Steve King from Lepco found several locations on the I-84, I-86 freeway have had similar events. It appears the thieves are refueling their over the road trucks by prying open the cabinet face on Tokiem dispensers and inserting a piece of plastic in the pulser in the dispenser. The dispenser pumps fuel into their trucks but the plastic jamming the pulser does not allow an accurate total on the amount of fuel put into the trucks. Idaho State Police are working to track down the bandits but want all of our WMPA friends to keep an eye out for these guys at their locations. Lepco has additional locking devices that can prevent this from happening again.

HAWAII MOVES TOWARD ENDING ETHANOL REQUIREMENT

Members of Hawaii's House and Senate agreed yesterday to compromise language that would eliminate Hawaii's mandate for 10% ethanol blends, effective Dec.31, 2015.

SB717 was introduced in January and was the subject of hearings in multiple committees. At one point, it was amended to delay the ending of the mandate until 2050. But the version reported from the joint Conference Committee yesterday returned the date to the original proposal of the end of this year.

Votes in both the House and Senate could occur as early as May 5.

The bill states the following: "The legislature finds that in some states the mandated use of renewable fuels has created some economic benefit because those states are able to produce or cheaply import renewable fuels. However, despite dozens of biomass, biodiesel, and ethanol facilities that have been proposed for Hawaii, no ethanol plants currently exist in the State. Since 2006, Hawaii has required that gasoline sold in the State include ten per cent ethanol. This requirement of blending ethanol into Hawaii's gasoline does not produce any economic benefit for the State; further, the import of ethanol creates an economic burden for state residents."

Gasoline sold in Hawaii is conventional, not RFG, with a 9.0 psi RVP maximum from June 1 through Sept. 15 at the retail level. According to the U.S. Energy Information Administration, gasoline demand in Hawaii was about 1.19 million gal/day in 2014, virtually unchanged from 2012 or 2013.

--Kevin Adler, kadler@opisnet.com

Published by Oil Price Information Service, www.opisnet.com

Copyright, Oil Price Information Service

PMAA RESPONDS TO RFA'S CLAIMS ON HIGHER ETHANOL BLEND COMPATIBILITY WITH CURRENT UST SYSTEMS

Today, PMAA responded to the Renewable Fuels Association's (RFA) claims that PMAA provided misleading statements in written comments to the House Energy and Commerce (E&C) Committee regarding the economic competitiveness of ethanol, E10 plus blend compatibility with existing underground storage tank (UST) system equipment at retail gasoline stations, the cost of installing infrastructure to distribute E10 plus blends and the retail sectors' acceptance of E85 blends. In March, PMAA submitted [comments](#) to the Committee in response to a hearing held entitled "21st Century Energy Markets: How the Changing Dynamics of World Energy Markets Impact our Economy and Energy Security." The Committee sought feedback on the rapidly changing energy market. PMAA focused a segment of its letter on ethanol's competitiveness with traditional motor fuels and highlighted its concerns with UST system compatibility. RFA responded to PMAA's letter, but unfortunately, RFA missed the point.

RFA essentially claimed that higher ethanol blends are compatible with current UST systems and are competitive with gasoline. RFA is far from the truth. PMAA's response letter to the Committee rejects RFA's assertions that current UST systems are compatible with higher blends of ethanol. PMAA told the Committee the issue of UST system compatibility is first and foremost a legal question that the RFA completely ignores. Simply stating that UST system equipment is compatible without any legal means to prove it, as RFA does in its rebuttal letter, has no basis in law and is intended solely to distort the E15 issue. PMAA pointed out that actual compatibility does not rise to the level of legal compatibility under the regulations and standards that tank owners must follow to remain in compliance. Compatibility is a legal standard that RFA attempts to paper over with incomplete data, false accusations and wishful thinking. PMAA also continues to maintain that E85 fueling pumps are unlikely to achieve meaningful growth without billions of dollars in government subsidies for installation of legally compatible underground storage tank systems and dispensers capable of handling higher content ethanol blends. Politically, such subsidies are unrealistic.

Furthermore, PMAA reiterated that it stands by its comment that low oil prices impact the competitiveness of ethanol blended fuel. Data from the Energy Information Administration (EIA) and DOE clearly supports PMAA's statement that ethanol must be priced approximately 30 percent lower than gasoline for motorists to achieve similar energy content. As gasoline prices plummeted, so did retailer acceptance of higher ethanol blends.

PMAA continues to support the retail sale of ethanol blends but only so long as it is safe and legal to do so.

PMAA TELLS CONGRESS NOT TO RAID LUST FUND

Of the multitude of proposals for funding the Highway Trust Fund (HTF) for the remainder of the year, repatriation has been ruled out by House Ways and Means Committee Chairman Paul Ryan (R-WI). Otherwise the Chairman did not report on how to fund the highway program that expires on May 31, but he expects to have a plan in the next three weeks.

PMAA continues to oppose any further transfer of the remaining \$485 million in the LUST Fund in any HTF proposal, and sent the Tax Committee Cardinals a [letter](#) stating our fund transfer opposition this week. Petroleum marketers have supported the LUST Fund and have paid \$3.8 billion in LUST taxes since its inception. Unfortunately, Congress has transferred \$3.4 billion from the LUST Fund to help pay for the HTF extension in the last two reauthorizations. PMAA opposed the transfers because states might increase underground storage tank fees to account for the LUST Fund shortfall. Congress could have lessened the blow by including language which would have required that future revenue collected for the LUST Fund is used for its intended purpose. If the fund isn't being used for its intended purpose, the fee should be eliminated.

HOUSE COMMITTEES ADDRESS HOURS-OF-SERVICE, INSURANCE MINIMUMS AND INCREASED TRUCK WEIGHT LIMITS

On Wednesday, the House Appropriations Subcommittee on Transportation, Housing and Urban Development approved funding levels for the Department of Transportation (DOT). Included is language which prohibits DOT from using funds to issue and implement new Motor Carrier Financial responsibility requirements. PMAA supports the language. Last year, the Federal Motor Carrier Safety Administration (FMCSA) published an Advanced Notice of Proposed Rulemaking (ANPRM) that PMAA believes is the basis for a planned increase in financial responsibility (FR) requirements (insurance) for commercial motor vehicles. FMCSA has publicly entertained the idea of increasing requirements to as much as \$4.5 million per truck for general freight, and a hike to as high as \$10 million for petroleum marketers from the current \$750,000 in liability insurance for general freight, \$1 million for home heating oil and \$5 million for gasoline and other hazardous materials. Under this scenario, premiums would be increased approximately 500 percent.

PMAA has been educating Congress on why there is no need to increase insurance minimums on petroleum marketers. Current FR requirements have been more than sufficient in ensuring over 99 percent of claims filed in motor vehicle crashes are fully covered since they were implemented subsequent to the passage of the Motor Carrier Act of 1980. In the rare instance that coverage is inadequate, claimants can pursue compensation in court for damages not covered by the carrier's insurance (assuming the motor carrier is at fault). FMCSA's ANPRM also ignores current market forces in the insurance industry that increase financial responsibility minimums when necessary to provide full coverage for damages based on risk. Ultimately, companies that cannot afford the increase would go out of business, resulting in less competition and increased prices. Furthermore, some insurance companies may not even be able to underwrite this level of exposure.

Additionally, the Subcommittee included language that would keep the current suspension of the 34-hour restart provisions of the Hours of Service (HOS) rule in effect until FMCSA completes its required study of that rule change. Specifically, the language would only revoke the rule's suspension if FMCSA's impact report shows that "drivers who operated under the restart provisions demonstrated statistically significant improvement in all outcomes related to safety, operator fatigue, driver health and longevity, and work schedules, in comparison to commercial motor vehicle drivers who operated under the restart provisions in effect on June 30, 2013."

Meanwhile, the House Subcommittee on Highways and Transit vetted an issue that is not likely to be voted on until next year when the surface transportation program is considered regarding whether to allow heavier trucks on the nation's interstate highways. In February, Reps. Reid Ribble (R-WI) and Michael Michaud (D-ME) introduced a bill to let states decide whether to allow 97,000-pound trucks on their highways and add an extra axle to increase braking capacity. The bill also lets DOT enforce the current limit of 80,000 pounds on parts of the interstate if the transportation secretary decides that "such operation poses an unreasonable safety risk." A new fee would be applied to the higher weight trucks that would help fund bridge repairs and maintenance.

contributed to the Thursday reception honoring PMAA Chairman Grady Gaubert.

PMAA APPLAUDS REINTRODUCTION OF "COMMON SENSE NUTRITION DISCLOSURE ACT"

PMAA would like to thank Reps. Cathy McMorris Rodgers (R-WA) and Loretta Sanchez (D-CA) for reintroducing the "Common Sense Nutrition Disclosure Act," (H.R. 2017). The Act would limit Menu Labeling language in the Affordable Care Act (ACA) to establishments that derive 50 percent or more of their revenue from food for immediate consumption and/or prepared and processed on-site. Last year, FDA finalized regulations required by Section 4205 (Menu Labeling) of the 2010 healthcare law. Unfortunately, under the final rule, convenience store owners with 20 or more locations doing

business under the same name and offering for sale substantially the same menu items, are required to list content information for standard menu items, such as posting calorie information on menus and menu-boards. The Menu Labeling final rule also requires covered establishments to provide, upon consumer request and as noted on menus and menu boards, written nutrition information about total calories, total fat, calories from fat, saturated fat, trans fat, cholesterol, sodium, total carbohydrates, fiber, sugars and protein. Retailers have until December 1, 2015 to comply.

In addition to limiting the Menu Labeling regulation to establishments that derive 50 percent or more of their revenue from food for immediate consumption and/or prepared and processed on-site, H.R. 2017 would also permit retailers to identify a single primary menu while not having to include nutrition labeling in other areas of the store. Under the existing regulations, every area where food is on display must each include calorie information for every item sold there. Furthermore, the bill would clarify that advertisements and posters do not need to be labeled and would provide flexibility in disclosing the caloric content for variable menu items that come in different flavors or varieties, and for combination meals. H.R. 2017 would also ensure that retailers acting in good faith are not penalized for inadvertent errors in complying with the rule and stipulate that individual store locations are not required to have an employee “certify” that the establishment has taken reasonable steps to comply with the requirements. Stores would have 90 days to correct any alleged violation without facing enforcement action. Finally, the bill would also delay regulatory implementation for two years.

PMAA encourages Senators Roy Blunt (R-MO) and Angus King (I-ME) to reintroduce their similar bill, also the “Commonsense Nutrition Disclosure Act,” that would bring a common sense solution to a regulation which unfairly burdens small business convenience store owners.

MARK YOUR CALENDARS FOR UPCOMING EVENTS

February 16 – 18, 2016 - WPMA Convention & Expo – Mirage Hotel, Las Vegas, Nevada

May 14 – 15, 2015 - Nevada (NPM&CSA) BIG DOGS – JW Marriott Las Vegas Resort & Spa, Nevada

June 2 – 4, 2015 - Montana (MPMCSA) Convention – Northern Hotel, Billings, Montana

June 22 – 25, 2015 - Washington (WOMA) Convention – Suncadia Resort, Cle Elum, Washington

August 5 – 7, 2015 - Idaho (IPM&CSA) Convention - Sun Valley Lodge - Sun Valley, Idaho

August 17-19, 2015 – New Mexico (NMPMA) - Marriott Pyramid North – Albuquerque, New Mexico

September 15-17, 2015 - Utah (UPMRA) Convention - Park City Marriott - Park City, Utah

August 3 – 5, 2016 - 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



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

Petro Pete: “Sometimes I feel like a semicolon. I don’t know where I belong.”

© 2014 Western Petroleum Marketers Association - All rights reserved. No part of this work may be reproduced or copied in any form or by any means - graphic, electronic, or mechanical, including photocopying, recording, or otherwise. The information herein is also intended for the sole purpose of members of the Western Petroleum Marketers Association (WPMA). Any other use is strictly prohibited without the express written consent of the WPMA. If you do not wish to receive information via fax or e-mail, please contact WPMA at: (801) 263-9762, Fax: (801) 262-9413, or e-mail: janr@wpma.com. Thanks.



Classified Ads

EMPLOYMENT OPPORTUNITY

Experienced Car Wash/Petroleum Technician Needed in Eastern Montana and Wyoming

- Northwest Fuel Systems specializes in installation and service of Petroleum and Car Wash Equipment throughout the Northwest.
- GREAT BENEFITS: 401K, FSA, Medical, Dental, Vacation, Clothing Allowance, Phone, Vehicle, Credit Card
- EMAIL: JOBS@NWESTCO.COM with resume and salary requirements

FOR SALE:

Idaho Petroleum Equipment Inc. has two new Containment Solutions fiberglass fuel tanks for sale with warranty

One of each *12,000 Gallon and **6,000/6,000 Split 12,000 gallon double wall tanks

dry interstitial, 42" sump, non-water tight lid and includes deadmen straps

*12,000 Tank- \$10,000.00 ** 6,000/6,000 Split Tank - \$15,000.00

Contact Juan @ 208.724.3390 or ipejuan3@gmail.com