

May 8, 2009

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ANNOUNCING THE 2009 WPMA SCHOLARSHIP RECIPIENTS!

WPMA is pleased to announce the WPMA Scholarship recipients for 2009. Following is a list of the students, with their state, hometown, and the WPMA member company through which they applied for the scholarship.

Please read the June issue of the WPM News magazine for a full report on each of these recipients!

State	Recipient's Name	Hometown	WPMA Company
Hawaii	Kristian Liwanag	Aiea	Aloha Petroleum Ltd
Idaho	Jacob Gentry	Fruitland	Campo Oil Company
Montana	Grahm DeMars	Dutton	Mountain View Co-op
Nevada	Megan Johnson	Spring Creek	Western Energetix
New Mexico	Julie Franken	Las Vegas	Franken Oil & Distributing
Utah	Michelle Gessel	Layton	Flying J
Washington	Raechel Chandler	Moxee	Chandler Enterprises Inc
Associate	Margaret Knorr	Artesia, New Mexico	Navajo Refining Company

COSPONSORS NEEDED FOR FUTURES MARKET REFORM BILL

Earlier this year, the House Agriculture Committee approved legislation that would bring greater transparency and accountability to commodity futures markets. The chief sponsor of the legislation, House Agriculture Committee Chairman Collin Peterson (D-MN), has asked PMAA members to reach out to their member of Congress in order to build support for the "Derivatives Markets Transparency and Accountability Act of 2009," H.R. 977. Peterson is working with House Speaker Nancy Pelosi (D-CA) on striking a deal with House Financial Services Chairman Barney Frank (D-MA) to move H.R. 977 to the House calendar. Currently, the bill is in limbo due to some jurisdictional concerns.

PMAA Treasurer Sean Cota of Cota & Cota Inc. testified earlier this year on H.R. 977 and was influential in strengthening the legislation. H.R. 977 accomplishes many PMAA objectives. It requires foreign boards of trade that provides services to U.S. participants to adopt, for each of its contracts, position limits or position accountability standards for speculators, requires large trader reporting, requires the CFTC to classify index traders and swap dealers that would bring transparency to commodity markets, requires most over-the-counter (OTC) transactions to strict reporting requirements, increases staff at the CFTC, and finally, the legislation requires that most OTC transactions be settled and cleared through a CFTC regulated derivatives clearing organization (DCO). There are changes that PMAA would like to see made in the legislation, and the Chairman and his staff are committed to considering those changes as the bill moves forward.

In the meantime, however, it is important that your Member of Congress cosponsor the legislation. This will be a top message for many of you who will be in D.C. next week for PMAA's "Day on the Hill" on Thursday, May 14. If you are not going to be in town to ask your members to cosponsor the bill, please call the U.S. House switchboard at (202) 224-3121 or you can go to <http://www.stopoilspeculators.com> to send a letter to your Representative.

CENTRAL WEIGHTS AND MEASURES OFFICIALS OPPOSE ATC

Earlier this week, the Central Weights and Measures Association (CWMA) held their annual meeting in St. Louis, Missouri. Public hearings and work sessions were held to address both automatic temperature compensation (ATC) voting proposals coming up at the National Conference on Weights & Measures (NCWM) annual meeting in San Antonio this July. PMAA along with members of the PUMP Coalition attended the meeting and urged the CWMA to oppose both the mandatory and permissive use of ATC. Officials were keenly aware that two major ATC studies have now been performed and both studies concluded that retail ATC will have a negative financial impact on consumers.

On Monday, CWMA Laws and Regulations committee made the recommendation to outright oppose both the permissive and mandatory use of ATC. In the end, CWMA officials unanimously voted to oppose both the permissive and mandatory use of ATC devices. Furthermore, CWMA "further feels that a proposal should be developed to prohibit the use of ATC at retail (with the exception of VTM) in order to address the uncertainty of whether ATC is permitted, if not specifically prohibited, by regulation." "VMT" stands for "vehicle tank meters."

The two voting proposals that NCWM will consider in San Antonio this July:

- **Mandatory ATC:** The first proposal is model provisions that would provide a roll-in if a state wanted to mandate ATC no later than January 1, 2020.
- **Permissive ATC:** The second ATC proposal is model provisions that would cover ATC requirements on a permissive basis if it was authorized by a state.

The upcoming NCWM meeting in San Antonio will be a crucial period in the ATC discussion. PMAA urges everyone to attend the meeting in San Antonio this July because of these two significant ATC votes. To register for the NCWM annual meeting, please visit: <http://www.ncwm.net> for more information.

PMAA will continue an open dialogue with NCWM officials and will be urging them to vote “no” on mandatory and permissive use of ATC this summer.

WETLINES ISSUE LIKELY REVIVED IN LEGISLATION

PMAA has learned that the Democratic Majority Staff of the House Transportation and Infrastructure Committee currently is giving strong consideration to including language in the 2009 Highway Transportation Reauthorization Bill to mandate the removal of gasoline and other flammable materials from cargo tank loading and unloading lines. While we have not seen the exact language, we believe that the mandate could take place one year from enactment of the bill. We assume that the ban would require retrofit of existing trailers. We can expect the Hazardous Materials Act Reauthorization title of the bill to be considered quickly so PMAA will organize an opposition strategy. The measure could be considered in a hearing on May 14 during PMAA’s “Day on the Hill”.

The committee staff is aware that DOT information shows only two potential wetlines incidents with no injuries in the past six and one-half years. We believe that advocates of the ban, having twice failed to accomplish their objective through the regulatory process, are now trying to impose their will through Congressional action. The National Transportation Safety Board continues to try to gain evidence to support its past recommendations to ban wetlines.

The challenge this time will be especially difficult since we are dealing with a legislative and not a regulatory process. PMAA will be coordinating its lobbying efforts closely with the National Tank Truck Carriers (NTTC), American Trucking Associations (ATA) and other petroleum associations.

FDA REGULATION OF TOBACCO BILL INTRODUCED IN SENATE

On Tuesday, Senate Health, Education, Labor and Pensions Committee (HELP) Chairman Edward Kennedy (D-MA) introduced FDA regulation of tobacco legislation (S. 982) which is similar to legislation introduced last year. The HELP Committee could take up the legislation as early as next week.

The legislation includes provisions that would allow the FDA to regulate sales of tobacco on Native American lands and regulate Internet tobacco sales but it still has problems for retailers. The bill would punish retailers if the packaging, labeling or advertising for tobacco products are found to be out of compliance with regulations that are to be determined by the FDA. Retailers are rarely involved with those decisions and should not be punished for manufacturers’ mistakes. Also, state and local laws are not pre-empted meaning the bill does not prohibit states or localities from enacting additional measures on the sale, distribution, possession, exposure and access to tobacco products. Furthermore, this version of Kennedy’s language includes new labeling provisions that would require graphic health photos in color to cover half of every pack. The bill has 45 cosponsors.

Senate Majority Leader Harry Reid (D-NV) has indicated that he plans to have the Senate take up FDA regulation of tobacco legislation after the Memorial Day recess. However, Senator Richard Burr (R-NC) may block the bill when it comes to the Senate floor which would then require 60 votes to pass the measure. If the Senate obtains the necessary 60 votes for passage, it will then be sent to the President for his signature. President Obama is likely to sign the legislation since he cosponsored a similar bill when he was in the Senate. PMAA continues to oppose FDA regulation of tobacco.

EPA RELEASES RFS2 PROPOSED RULE

This week EPA finally released its proposed renewable fuels rule commonly referred to as RFS 2. This rule exceeds 1000 pages and is going to require extensive review before PMAA prepares its comments. We have already begun the review process; PMAA will publish a Regulatory Report this afternoon. We should have some early analysis to offer at PMAA meetings next week.

CARD CHECK COMPROMISE POSSIBLY IN THE WORKS

When Pennsylvania Senator Arlen Specter switched from the Republican party to the Democratic party last week, many pro-labor lobbyists saw this as an opportunity to push the "Employee Free Choice Act" commonly referred to as "card check" through the Senate. Although a supporter of card check last year, Senator Specter reported prior to his party switch that he would not support card check. Now he reports that he might be open to negotiation if certain changes are made particularly as they relate to a person's right to vote privately. Therefore, Sen. Tom Harkin (D-IA) is working to include Specter's proposed changes to the card check legislation in order to get the 60 votes needed to overcome a Republican filibuster. One of Specter's proposed changes includes requiring the National Labor Relations Board elections to take place within 14 days and to cut the time necessary for disputing elections.

The Employee Free Choice Act (EFCA) was passed by the House last year. It would have removed the secret-balloting process for workers voting whether to unionize. Instead, workers would be forced to vote publicly in front of a union representative leaving workers open to coercion and intimidation. Another harmful provision is if a newly recognized union and employer fail to agree on a contract within 120 days, there would be binding arbitration to determine the contract. With union membership sliding, unions see bill enactment of card check as the most important step toward reversing their loss of power.

PMAA opposes the "Employee Free Choice Act" in any form.

PMAA WASHINGTON CONFERENCE AND DAY ON THE HILL IS ALMOST HERE!

PMAA's annual Washington Conference and Day on the Hill will be held in our Nation's Capitol of Washington, DC from May 13-15. This forum unites marketers, state association executives and suppliers from across the country to openly discuss all the issues facing the petroleum marketing industry with members of Congress and find solutions together.

The meeting will begin with a welcome reception including PAC silent auction on the evening of May 13th. On the morning of May 14th, marketers will head to Capitol Hill for visits with their Congressional delegations. The PMAA Board of Directors will meet on May 15th. The Distinguished Service Award luncheon honoring Jim Buhrmaster of New York will conclude the conference.

If you have not registered to attend the meeting, now is the time to do so! Please be sure to complete a registration form as soon as possible. A complete conference schedule is available for planning purposes at [http://www.pmaa.org/userfiles/file/Washington Conference/2009/Conference Schedule 2\(1\).pdf](http://www.pmaa.org/userfiles/file/Washington%20Conference/2009/Conference%20Schedule%20(1).pdf). Please contact Susan Isard at 703.351.8000 with any additional questions. We look forward to seeing many of you in our Nation's Capital!

2010 WESTERN PETROLEUM MARKETERS CONVENTION & CONVENIENCE STORE EXPO LAS VEGAS, NEVADA

Start planning now to attend the 2010 WPMA Convention and Convenience Store Expo. It will be held at the Mirage in Las Vegas, Nevada. Mark your calendars for February 16-18, 2010.

SAVE THE DATES FOR THESE UPCOMING EVENTS IN 2009

June 9-11, 2009 – MPMCSA Convention, Trade Show & Golf – Hilton Garden Inn, Missoula, MT
June 18, 2009 – UPMRA Golf Classic – Wasatch Mountain State Park, Midway, UT
June 23-25, 2009 – WOMA Convention and Golf Tournament – Suncadia Resort, Cle Elum, WA
July 29-30, 2009 – IPM&CSA Convention and Golf Tournament – Sun Valley Resort, Sun Valley, ID
August 30-31, 2009 – NMPMA Convention and Golf Tournament – Embassy Suites, Albuquerque, NM
September 20-22, 2009 – UPMRA Convention and Golf Tournament – Courtyard Marriott, St. George, UT

Petro Pete: "A crumb from a winner's table is better than a feast from a loser's table!"

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