

May 10, 2013

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NORA LEGISLATION INTRODUCED IN SENATE

On Thursday, Senators Jeanne Shaheen (D-NH) and Susan Collins (R-ME) introduced bipartisan legislation known as the Oilheat Efficiency, Renewable Fuel Research and Jobs Training Act, (S.913) which reauthorizes the National Oilheat Research Alliance Act. NORA was established in 2000 and expired in February 2010. The bill would extend the NORA program through 2020 and redirects more funds for research, development and deployment of new ultra-efficient oilheating technologies such as biofuel-blended product. Last Congress, NORA garnered 71 House cosponsors (33 Republicans, 38 Democrats) and 15 cosponsors in the Senate. PMAA looks to build upon those cosponsorships during the 113th Congress and seek final enactment of the bill.

NORA is funded by a check-off program that allows the industry to support and fund critical initiatives for oilheat businesses, technicians, and consumers at no cost to local, state and the federal government. Without Congressional reauthorization, the oilheat industry will lose its ability to work cooperatively to provide efficient technologies that benefit consumers and to stay competitive in the marketplace. The program has already provided tremendous benefits to the industry and its consumers by reducing oilheat consumption by 30 percent over the last decade . nearly \$600 in annual savings per customer.

Original cosponsors include: Senators Richard Blumenthal (D-CT), William Cowan (D-MA), Christopher Coons (D-DE), Kirsten Gillibrand (D-NY), Christopher Murphy (D-CT), Jack Reed (D-RI), Sheldon Whitehouse (D-RI) and Bernie Sanders (I-VT).

SENATE APPROVES SPCC EXEMPTION FOR FARMERS

On Wednesday, the Senate adopted an amendment introduced by Senators Mark Pryor (D-AR) and Jim Inhofe (R-OK) to the Water Resources Development Act (WRDA) which would increase threshold sizes for Aboveground Storage Tank (AST) regulation at the farm level, and allow more farms to self-certify spill plans.

The Pryor-Inhofe amendment would:

- Increase the farm exemption threshold with up to 6,000 gallons aggregate of aboveground oil storage pending the completion of a study looking at a permanent exemption for farms with 2,500 to 6,000 gallons.
- Permit farms to self-certify their spill prevention plans if their aggregate aboveground oil storage is between 6,000 and 20,000 gallons with no individual tank greater than 10,000 gallons and no history of oil spills.
- A professional engineer must certify the plan if the farm has an individual storage tank greater than 10,000 gallons, an aggregate aboveground oil storage greater than or equal to 20,000 gallons, or no history of oil spills.

If the Senate passes WRDA, the measure would go to the House for consideration where the House could amend the legislation with its own SPCC tank threshold exemption levels. If the Pryor-Inhofe amendment is ultimately signed into law, then farmers will be granted the tank threshold exemptions and the amendment to delay EPA's SPCC regulations until September 30, 2013 will be moot.

In the meantime, EPA's SPCC rule is slated to go into effect TODAY for farmers. The rule requires farmers to hire a certified professional engineer to design a SPCC plan and have secondary containment installed. As petroleum marketers well know, the SPCC rule is applicable to any facility, including farms, with an aggregate aboveground oil storage capacity of 1,320 gallons in tanks of 55 gallons or greater. However, whether the rule will be enforced now is unclear. Included in passage of the continuing resolution (CR), which was signed into law in March, is language which delays SPCC compliance deadlines for farmers through September 30, 2013. The amendment prevents funds from being used through Fiscal Year 2013 to implement requirements of EPA's SPCC rule. See the next article for more related information regarding SPCC compliance.

EPA WILL NOT ENFORCE MAY 10, 2013 COMPLIANCE DEADLINE FOR FARMERS

The U.S. EPA compliance deadline for farmers to comply with federal SPCC requirements is May 10, 2013. However, Congress recently passed legislation earlier this year that prevents the EPA from enforcing the SPCC requirements against farmers through September 30, 2013. This means that although farmers are still required to comply with SPCC regulations by the EPA deadline, no enforcement action can be taken against farmers who are not in compliance by May 10.

The temporary enforcement ban has put farmers in a legal limbo of sorts. However, it is unlikely the EPA will retroactively enforce SPCC requirements against those farmers who are not in compliance by May 10 once the agency gets its regulatory enforcement powers back beginning October 1. In the meantime, Congress is considering a number of amendments that would delay, reduce or eliminate altogether SPCC requirements for farmers. It is too early to tell if any of these efforts on behalf of farmers will be passed by Congress.

There is nothing in the federal regulations that prevent marketers from continuing to supply farm tanks that are not in compliance with SPCC regulations.

The following is some general information that marketers can provide to their farm customers that will move them on the path to compliance:

When is the SPCC deadline for farm tanks?

The deadline for farmers to comply with SPCC regulations is May 10, 2013. However, Congress has recently passed legislation that prevents the EPA from enforcing SPCC regulations until October 1, 2013.

What is considered a farm under SPCC?

Under SPCC, a farm is: a facility on a tract of land devoted to the production of crops or raising of animals, including fish, which produced and sold, or normally would have produced and sold, \$1,000 or more of agricultural products during a year.+

Is my farm covered by SPCC?

If a farm meets all the following criteria, then SPCC regulations apply:

- Stores, transfers, uses or consumes oil or oil products, such as diesel fuel, gasoline, kerosene, lube oil, hydraulic oil, adjuvant oil, crop oil, vegetable oil or animal fat; and
- Stores more than 1,320 gallons in aboveground containers (count all containers with a capacity of 55 gallons or more) or more than 42,000 gallons in USTs.

If my farm is covered by SPCC, what should I do?

The EPA requires you to prepare and implement an SPCC Plan. Many farmers will need to have their Plan certified by a Professional Engineer (PE). However, you may be eligible to self-certify your amended Plan without the aid of a PE if:

- Your farm has a total oil storage capacity between 1,320 and 10,000 gallons in aboveground containers, and the farm has a good spill history (as described in the SPCC rule), you may prepare and self-certify your own Plan. (However, if you decide to use certain alternate measures allowed by the federal SPCC Rule, you will need a PE.)
- Your farm has storage capacity of more than 10,000 gallons or has had an oil spill you may need to prepare an SPCC Plan certified by a PE

What information will I need to prepare an SPCC Plan for my farm?

- A list of the oil containers at the farm by parcel (including the contents and location of each container);
- A brief description of the procedures that you will use to prevent oil spills. For example, steps you use to transfer fuel from a storage tank to your farm vehicles that reduce the possibility of a fuel spill;
- A brief description of the measures you installed to prevent oil from reaching water.
- A brief description of the measures you will use to contain and cleanup an oil spill to water; and
- A list of emergency contacts and first responders.

What spill prevention measures are required to be in my SPCC plan

- Use containers suitable for the oil stored. For example, use a container designed for flammable liquids to store gasoline;
- Identify contractors or other local personnel who can help you clean up an oil spill;
- Provide overfill prevention for your oil storage containers. You could use a high-level alarm or audible vent or establish a procedure to fill containers;
- Provide effective, sized secondary containment for bulk storage containers, such as a dike or a remote impoundment. The containment must be able to hold the full capacity of the container plus possible rainfall. The dike may be constructed of earth or concrete. A double-walled tank may also suffice;

- Provide effective, general secondary containment to address the most likely discharge where you transfer oil to and from containers and for mobile refuelers, such as fuel nurse tanks mounted on trucks or trailers. For example, you may use sorbent materials, drip pans or curbing for these areas; and
- Periodically inspect and test pipes and containers. You should visually inspect aboveground pipes and inspect aboveground containers following industry standards. You must leak test buried pipes when they are installed or repaired. EPA recommends you keep a written record of your inspections.

Where can I get more information?

Please call the EPA Oil Information Center at (800) 424-9346. Farmers should also contact their local farm bureau or co-op for more information.

Finally, many farmers are under the mistaken belief that their fuel supplier is responsible for bringing their farm tanks into compliance with SPCC. This is not the case. The EPA rule requires the “owner or operator of the facility” (in this case the farm) to comply with SPCC. Of course, if the tank located at the farm is a skid tank owned by the fuel supplier, then the responsibility for SPCC compliance could arguably reside with the supplier and not the farmer. Unless responsibility for compliance is assigned to the farmer through a supply contract or other written agreement in which case the farmer will not likely remain a customer for long.

But, the general standard for the industry is for skid tank owners to make their tanks fully compliant with all regulations before deploying them for service in the field. It is also important to note there is no specific delivery prohibition in the federal regulations preventing marketers from placing product in a farm tank that is not SPCC compliant. The farmer remains legally responsible for spills from the tank not caused by the negligence of the supplier.

MONTANA VACATION AND MORE NEW ITEMS FOR THE MAY 15 SILENT AUCTION!

Get ready for a fun evening at the PMAA DC conference welcome reception next week! In addition to catching up with your friends and colleagues, you will have the opportunity to bid on many fantastic items that will be in the PMAA Small Business Committee (SBC) PAC Silent Auction.

PMAA PAC Co-Chair Gerry Ramm and Doug Alexander have donated a BIG SKY Ski or Summer VACATION in Montana. Enjoy skiing at the best not-so-well-known ski area in the country, where lift lines are non-existent and the snow runs deep!! Enjoy three nights / four days at the luxury Black Eagle condo located in The Mountain Village, Big Sky Resort, Montana. Black Eagle is a ski-in, ski-out complex and is about 200 yards from all the resort facilities. This area is also known for summer fun. Summer attractions include hiking, fly-fishing and white river.

Furthermore, PMAA Past Chairman, Stanley Roberts has donated multiple items that are certain to garner attention and bidding. First, a Scrimshaw collection bone box, hand crafted from ox bone and featuring an intricate sperm whale carving along with the year 1793. Featuring elegant brass details and a green felt lining, this hinged nautical box is ideal for holding your treasures or as a gift for a sea lover, history buff or anyone that appreciates art when they see it. Second, a Camillus Cutlery two blade pocket knife that is perfect for camping, fishing, tactical activities or a gift.

Third, a Tunisian fish platter formed at a small ceramic studio in Nabeul, Tunisia, where red earthenware clay is formed by hand, fired to create a bisque, and then painted entirely freehand, without the use of decals or machines. Finally, Stanley has contributed a must read for history buffs, *The War of 1812 & The Rise of the U.S. Navy* by Mark Collins Jenkins, David Taylor with a foreword by Douglas Brinkley.

Gene Inglesby and WPMA contributed two Brighton Collection Handbags designed from the highest quality materials, with a focus on the smallest details. Assuring that each piece you wear will be as functional as it is fashionable. Any woman will fall in love with a Brighton Collection Handbag!

PMAA also appreciates Jay McKeeman of the California Independent Oil Marketers Association for contributing his No-Girly-Man BBQ Set. No back yard or campground cooking area is complete without Danger Men Cooking accoutrements: the Happy Hooker+BBQ Tool, marinade pan and Messy Finger Device. Also included are wine barrel chunks from McNab Ridge Winery/Refinery. Throw a couple on the coals, slap the lid on and you have a great wine/oak smoke infusion. Find Jay's favorite Tri Tip recipe and Uncle Jay concoction - you will impress your guests with a total outdoor cooking adventure!

As already reported, Reed Rinehart of McNab Ridge Wine Company (California) has contributed a generous assortment of McNab autographed wines for the auction. The McNab Family Reserve designation is granted only to vineyards of distinction-the fruit stands out the moment it arrives at the winery and Reed has contributed four of his best. First, a 2009 Oakville NAPA Valley Cabernet Sauvignon chosen from Sangiacomo Vineyards in Oakville. The 2009 had plentiful spring rains resulting in small berries with deeply concentrated flavors. Summer was consistently cool which allowed for slow steady ripening providing hints of blackberry, dark chocolate and roasted nuts. Second, a 2009 Dry Creek Valley Sonoma County Cabernet Sauvignon: The grapes for this cabernet were hand-selected and harvested from Lago di Merlo Vineyards

in the Dry Creek Valley of Sonoma County. The cabernet was grown in well-drained volcanic and uplifted shale on Dry Creek Valley hillsides. The 2009 vintage started out with a dry spring that was mild enough to ward off frost.

The third bottle is a 2009 Mendocino Cabernet Sauvignon. Rich Parducci selected grapes from two neighboring vineyards: Charter Oak Vineyards on the west bank of the Russian River and Largo Ridge Vineyards directly to the east of the river. Finally, a 2009 Cabernet Sauvignon Trio consisting of a blend of three appellations, the components were each harvested, crushed, fermented and barrel-aged separately. The trio provides classic cabernet aromas, soft and smooth entry, and supple mid-palate and dark fruit flavors.

Marketers from the Utah Association have contributed an Alta Ski Resort Day Package for two! Ski the Greatest Snow on Earth! You and a companion will be hosted by John Hill, UPMRA State Director, for a day of skiing at Alta Ski Resort, Utah. The package includes two ski passes to Alta Ski Resort, lunch at Watson's Shelter with Alta 75th Anniversary Ale, and John Hill as your personal mountain tour guide for the day.

Vermont oil marketers contributed exquisite Silver Forest Hand Crafted Earrings. Silver Forest creates wearable art that incorporates natural elements, ancient cultures and a subtle sense of humor in their designs!

Tennessee oil marketers also contributed handmade jewelry, two unique pieces made by artisans in Nashville. The ring is amethyst and white topaz set in 24k gold over sterling. The earrings are hammered 18k gold over sterling silver and amethyst with 14K gold filled earwires.

North Dakota marketers contributed a TUMI wheeled carry-on garment bag that is made from durable, high performance NXT nylon fabric and has many interior and exterior pocket, a telescoping handle and two-wheel system. The TUMI carry-on bag can be useful during your trip back home from DC as you can place your additional silent auction purchases in the bag!

Of course the Washington oil marketers contributed the first silent auction item for 2013, a diamond necklace and diamond earrings!. The diamond hoop style earrings feature 1/6 carat total weight round brilliant diamonds set in a gorgeous sterling silver design. The fabulous cuff style bracelet features 1/4 carat total weight round brilliant diamonds set in a gorgeous sterling silver design.

The auction will take place in conjunction with PMAA's Washington Conference on May 15 during the welcome reception. For the past several years there has been tremendous support in contributions for the auction and PMAA SBC PAC Co-Chairs Gerry Ramm and Michael Fields urge your participation again this year! If you have items that you would like to contribute for the Silent Auction, please contact [Sabrina Pitcher](mailto: Sabrina.Pitcher@PMAA.org) at [703-351-8000](tel:703-351-8000).

BIODIESEL WEBINAR OFFERED

The Renewable Fuel Standard (RFS2) along with the Biodiesel Mixture Credit has helped spur increases in biodiesel volumes and they are expected to continue to increase in 2013. The foundation upon which the national biodiesel industry has been built involves the ASTM fuel specifications of D6751, D975, and D7467 and the national biodiesel accreditation program, BQ-9000. To qualify within the RFS-2, biodiesel or blends (e.g., B5, B20, etc.) must meet strict fuel quality specifications starting with production through retail delivery and use which directly involves petroleum distributors and their infrastructure. Therefore, distributors need to be sure the biodiesel they purchase and retail meets all current specifications.

The focus of this national webinar will be to 1) provide a quick overview of the biodiesel industry in 2013 and moving forward, 2) review critical points in the biodiesel fuel supply chain with respect to maintaining fuel quality, 3) present the most current information on the latest ASTM biodiesel fuel specifications and BQ-9000, and 4) discuss and state-level actions regarding biodiesel fuel quality.

Webinar date: Wednesday, May 22, 2013
Webinar Time: 2:00 to 3:00 p.m. CST
Webinar Login Information: <https://www1.gotomeeting.com/register/731522632>

For more information, please contact Richard Nelson at 785-317-2981.

[National Biodiesel Board](#), a PMAA Platinum Partner, looks forward to you joining them on this webinar and the opportunity to answer your questions.

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2014 WESTERN PETROLEUM MARKETERS CONVENTION & CONVENIENCE STORE EXPO LAS VEGAS, NEVADA



Start planning now to attend the 2014 WPMA Convention and Convenience Store Expo. It will be held at the Mirage in Las Vegas, Nevada. Mark your calendars for **February 18-20, 2014**.

Access the WPMA National Convention page by scanning the QR code on the left with your smart device.

MARK YOUR CALENDARS FOR UPCOMING EVENTS IN 2013

June 4-6, 2013 - Montana (MPMCSA) Convention - Holiday Inn Grand - Billings, Montana

June 17-20, 2013 - Washington (WOMA) Convention - Suncadia Lodge - Cle Elum, Washington

June 20, 2013 . UPMRA Summer Golf Classic . South Mountain Golf Course . Draper, Utah

July 31-August 2, 2013 - Idaho (IPM&CSA) Convention - Sun Valley Resort - Sun Valley, Idaho

August 27-29, 2013 . New Mexico (NMPMA) Convention . Albuquerque Marriott Pyramid North, Albuquerque, NM

September 12-13, 2013 - Utah (UPMRA) Convention - Zermatt Resort - Midway, UT

Petro Pete: *"I have never been hurt by what I have not said."*

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