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EMA COMPLIANCE BULLETIN REMINDER: DOT ANNUAL HAZMAT REGISTRATION RENEWAL DUE BY JULY 1, 2022

The U.S. Department of Transportation's Pipeline and Hazardous Material Safety Administration (PHMSA) online portal for annual HAZMAT registration opened May 1, 2022. Registration renewals must be completed by July 1, 2022. Due to COVID-19 workplace restrictions and processing delays, marketers should register online this year and do so early. However, registrations that were submitted before May 1, 2022 will not be processed until the open season begins.

PHMSA requires both hazardous material transporters and those who ship hazardous materials through common carriers to register and pay a fee each year in return for a certificate of authority to operate in intrastate and/or interstate commerce. Since PHMSA allows multiyear registration, not all registration certificates are up for renewal by July 1, 2022. Marketers should look at their registration certificate for the date of renewal or search registration status at PHMSA's online portal at registration look-up to determine whether registration is due for renewal.

[Click here to read the EMA Compliance Bulletin](#)

INSIDE THE BELTWAY UPDATE

This week, EMA, NEFI, Clean Fuels Alliance America and several EMA state associations sent a letter to Congress urging immediate action in response to volatility in energy markets. Specifically, the letter urges lawmakers to offer heating fuel dealers guaranteed Small Business Administration loans; increase and expand tax credits for cost-saving home efficiency upgrades; enact long-term extensions for renewable fuel tax incentives; encourage greater U.S. energy production; boost the Low-Income Home Energy Assistance Program (LIHEAP); and increase funding for the Commodity Futures Trading Commission (CFTC).

Meanwhile, lawmakers continue to raise concerns over the Department of Transportation's rollout of electric vehicle (EV) charging funds authorized in last year's Bipartisan Infrastructure Law. Specifically, lawmakers from western states have argued that the Department's requirement that EV chargers be located every 50 miles is unreasonable and overly burdensome for many remote highway areas. This criticism is bipartisan, with Senator Jacky Rosen (D-NV) calling the criteria "challenging."

Next week, the House will likely vote on Democrat-led legislation barring "excessive" or "exploitative" fuel prices as part of Congress' attempt to help lower fuel prices. This "price gouging" legislation has little chance of passing the Senate. The "Price Gouging Prevention Act of 2022" would prohibit price gouging during all "abnormal market disruptions" – including the current pandemic – by authorizing the FTC and state attorneys general to enforce a federal ban against "unconscionably excessive price increases."

The road to a slimmed-down version of Build Back Better (BBB) is still unknown. Senator Joe Manchin (D-WV) continues holding bipartisan discussions over a clean energy package but has not engaged in formal discussions with the White House over a broader BBB-style package. While Senator Manchin would support tax increases to fight inflation, it's not clear whether fellow moderate Senator Kyrsten Sinema (D-AZ) would support the same. The legislative window for another domestic policy package is narrow, given Congressional focus on China legislation, Ukraine, the annual defense policy bill, and government funding.

EMA CHALLENGES EPA'S RECENT DECISION TO REINSTATE CALIFORNIA'S CLEAN AIR ACT (CAA) WAIVER FOR GHG/ZEV MANDATE

Today, EMA joined others in the liquid fuel supply chain in challenging a March 14, 2022, decision by the Biden Administration to reinstate California's waiver for its Advanced Clean Car program.

The Biden EPA waiver would restore the State of California's authority to set and enforce more stringent standards than the federal government for greenhouse gas emissions and its zero-emission vehicle (ZEV) mandate. The Clean Air Act (CAA) establishes federal regulation of motor vehicle emission standards and preempts state standards. However, the CAA gives California the ability to seek special treatment through a waiver of federal preemption. The CAA also allows other states to adopt California's standards as seventeen states and the District of Columbia have done.

Under the Trump Administration, EPA and the National Highway Traffic Safety Administration (NHTSA) issued a joint rulemaking that resulted in a withdrawal of a preexisting waiver granted to California in 2013, which the Biden Administration has now acted to restore. The Trump Administration's goal was to have "One National Program" (for fuel efficiency and GHG emission standards) to put cleaner internal combustion engines (ICEs) and electric vehicles (EVs) on

a level playing field. In restoring the California waiver by the Biden Administration, California will continue to mandate EVs to the detriment of cleaner greener liquid fuels and likely put small business energy marketers out of business.

EMA JOINS LETTER OPPOSING PROPOSED DOL RULEMAKING ALTERING OVERTIME REGULATIONS

On Wednesday, EMA and 93 organizations sent a [letter](#) to Secretary of Labor Marty Walsh urging him to abandon or at least postpone issuance of the Department of Labor's announced proposed rulemaking altering the overtime regulations under the Fair Labor Standards Act (FLSA).

Over the past two months, the employer community has warned DOL during its listening sessions that "The economy today cannot support changes to the white-collar exemptions under the FLSA." "Due to significant concerns with supply chain disruptions, workforce shortages, inflationary pressures, and the shifting dynamics of the American workforce following the COVID-19 pandemic, any rule change now would be ill-advised. Importantly, DOL last updated the overtime regulations only three years ago, which strongly suggests there is no need for urgency in issuing more changes."

SUPPLY OF DIESEL IS BECOMING A RETAIL PROBLEM

More and more contracts for diesel are moving to Europe as refiners are exporting higher than normal volumes, China is low on exports, and diesel refinery capacity has been reduced due to the COVID-induced shutdowns, conversions of some refineries to renewable diesel, and closures from 2021 hurricanes. This is leaving some marketers scrambling to obtain the fuel for their customers. EMA is working to obtain short term relief for marketers, as well as permanent solutions. For a detailed report regarding diesel supply, go to this report, [Key oil report sees little relief in current tight diesel market - FreightWaves](#).

DIESEL RETAIL PRICES HIT NEW RECORD

The American Automobile Association (AAA) reports that retail diesel prices hit a new record of \$5.43. The national average retail price of the fuel is up more than 75 percent from the same time last year and is \$1.20 higher than gasoline. Syracuse University Professor Patrick Penfield said, "Every 10 percent that fuel prices go up there's a point three percent increase in inflation. So that's what consumers are going to see - you're gonna keep seeing prices go up."
<http://natso.informz.net/z/cjUucD9taT0zNjMwMzkyJnA9MSZ1PTEzODk2NzM1MCZsaT0zNTEzMTE0Mg/index.html>

U.S. OIL PRODUCERS PUMP UP CAPEX

Fourth-quarter data from 42 U.S. exploration and production companies found that capital expenditures increased by 60 percent in the period compared with the third quarter of 2021. Despite the 60 percent increase, crude oil production remained 10 percent below pre-pandemic levels. The 42 companies tracked represent 33 percent of total U.S. crude oil production.
<http://natso.informz.net/z/cjUucD9taT0zNjMwMzkyJnA9MSZ1PTEzODk2NzM1MCZsaT0zNTEzMTE0Mw/index.html>

LARGE CARRIERS REMAIN OPTIMISTIC ON FREIGHT DEMAND

Despite rising fuel prices, truck parts shortages and an extremely tight labor market, large truckload carriers continue to hold a positive outlook for freight demand. In several first-quarter earnings calls, fleet executives acknowledged a softening of the spot truckload market but said the expansion of capacity will not greatly impact them.
<http://natso.informz.net/z/cjUucD9taT0zNjMwMzkyJnA9MSZ1PTEzODk2NzM1MCZsaT0zNTEzMTE0MQ/index.html>

MARK YOUR CALENDARS FOR UPCOMING EVENTS

June 7-8, 2022 – Montana (MPMCSA) Convention – Fairmont Hot Springs Resort – Fairmont, MT
June 20-22, 2022 – Washington (WI/ED) Convention – Suncadia Resort – Cle Elum, WA
June 23, 2022 - Utah (UPMRA) Summer Golf Classic - Stonebridge GC - West Valley City, UT
June 30, 2022 – Idaho (IPM&CSA) Golf Tournament – Canyon Springs GC – Twin Falls, ID
July 17-19, 2022 – Oregon (OFA) Annual Convention – Sunriver Resort – Sunriver, OR
August 3-5, 2022 – Idaho (IPM&CSA) Convention – Coeur d'Alene Resort – Coeur d'Alene, ID
August 22-24, 2022 – New Mexico (NMPMA) Convention – Sandia Resort & Casino – Albuquerque, NM
September 14-16, 2022 – Utah (UPMRA) Convention – Sheraton Park City Hotel – Park City, UT
February 21-23, 2023 – WPMA Convention & Expo – Mirage Hotel– Las Vegas, NV

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Petro Pete: "I get enough exercise just pushing my luck."

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