

FARMER SPCC EXEMPTION UPDATE

This week, House and Senate Water Resources Reform and Development Act (WRRDA) conferees agreed to a Conference Report which includes an SPCC exemption for farmers. The House will consider the WRRDA Conference Report as early as next Tuesday and the Senate is expected to follow shortly thereafter. WRRDA will likely pass both chambers overwhelmingly.

The SPCC language in the final WRRDA Conference agreement would increase threshold sizes for Aboveground Storage Tank (AST) regulation at the farm level, and allow more farms to self-certify spill plans compared to current EPA SPCC Regulations. Specifically the language would:

- Exempt all farm tanks of 1,000 gallons or less from the SPCC rule, and farms with an aggregate tank storage capacity of 2,500 gallons or less would not have to comply with EPA's SPCC rule.
- 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. Self-certify no single tank above 10,000.
- Require a professional engineer to 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 a reportable oil discharge history.

FMCSA PROPOSES RULE ADDRESSING COERCIVE PRESSURE ON DRIVERS TO VIOLATE U.S. DOT REGULATIONS

The Federal Motor Carrier Safety Administration (FMCSA) issued a proposed rule that would prohibit motor carriers, shippers and receivers from "coercing" drivers into violating federal hours of service limits, CDL license requirements, drug and alcohol testing rules and other U.S. DOT regulations. The proposed rule would apply to petroleum marketers who transport products, arrange for transportation through for-hire motor carriers or receive products delivered by drivers operating in interstate commerce. The FMCSA believes the rule is necessary due to increased economic pressures on drivers to deliver products on a schedule that is difficult or impossible to meet without violating U.S. DOT regulations.

According to the FMCSA, drivers are most often under coercive pressure to operate equipment with mechanical failures or drive beyond federal hours of service limits. The FMCSA cites complaints from drivers who refuse to violate federal regulations and are subsequently threatened, either implicitly or explicitly with job loss, reduced pay, fewer loads or unfavorable schedules. The proposed rule would hold carriers, shippers and receivers liable for such coercive pressure and impose maximum penalties of \$11,000 and possible loss of operating authority. The good news is the proposed rule requires drivers to prove that the entity exerting coercive pressure "knew or should have known" it would lead to violation of U.S. DOT regulations – a very difficult and high standard of proof to maintain. The rule is aimed primarily at long haul drivers but has implications for short hauler operations as well.

SENATE COMMITTEE APPROVES HIGHWAY PORTION OF TRANSPORTATION BILL

Yesterday, the Senate Environment and Public Works Committee unanimously approved the highway bill (S. 2322). The six-year bill primarily continues current policy and funds highway programs at current levels plus inflation. However, the bill does direct the Transportation Department to study alternative revenue mechanisms for the Highway Trust Fund. Other portions of the transportation bill, including financing, still have to be worked out in other committees. PMAA and like-minded associations are communicating our continued opposition to commercialization of rest stops including a proposal requiring the DOT to map out a national network of electrical vehicle corridors and recharging stations.

TAX EXTENDERS BILL BLOCKED

Yesterday, the Senate Finance Committee's \$80 billion tax extenders package in tax cuts extension bill (S. 2260) failed to obtain the necessary 60 votes needed to advance. The measure was another victim of ongoing partisan battles that have dominated the Senate in recent weeks. Republicans are insisting on expanded opportunities to offer amendments and Democrats are resisting. The vote on advancing the bill was 53-40, seven short of the 60 needed to move forward. Finance Committee Chairman Ron Wyden (D-OR) plans to work with Republicans on bill modifications and then bring the bill back to the Floor for a vote next week. Ranking Member Orrin Hatch (R-UT) intends to work with Wyden as long as both parties are allowed to offer amendments to the bill.

Two measures of particular importance to PMAA are the one-dollar-per-gallon biodiesel blender's tax credit and the credit for oilheat boilers that are included in S. 2260.

FEDERAL COURT UPHOLDS EPA'S NEW PARTICULATE MATTER STANDARD

A federal appeals court last week rejected an industry challenge to more stringent EPA regulations imposing stronger health standards for fine particulate matter (sometimes referred to as soot.) The U.S. Court of Appeals for the District of Columbia Circuit ruled the Clean Air Act gives EPA substantial discretion in setting air quality standards. EPA lowered the fine particulate matter limit to 12 micrograms per cubic meter believing the existing 15 microgram standard did not sufficiently protect public health. The ruling could lead to stronger restrictions on diesel engine emissions.

The National Association of Manufacturers filed a legal challenge to the regulations last year arguing the EPA overreached their legal authority and that the tougher standard would significantly slow businesses' plans for growth. The appeals court ruled 3-0 that industry failed to show the EPA acted unreasonably when adopting the 12 microgram standard. No decision has been made yet on whether to appeal the court's decision.

MARK YOUR CALENDARS FOR UPCOMING EVENTS IN 2014

June 3-5, 2014 – MPMCSA Convention – Hilton Garden Inn – Missoula, Montana

June 16-19, 2014 – WOMA Convention – Suncadia Lodge – Cle Elum, Washington

June 19, 2014 – UPMRA Summer Golf Classic – Davis Park Golf Course – Kaysville, Utah

August 6-8, 2014 – IPM&CSA Convention – Coeur d'Alene Resort – Coeur d'Alene, Idaho

August 19-20, 2014 – NMPMA Convention – Marriott Pyramid North – Albuquerque, New Mexico

August 25, 2014 – HPGA Golf Tournament – Oahu Country Club Course – Oahu, Hawaii

September 10-12, 2014 – UPMRA Convention – Park City Marriott – Park City, Utah

2015 WPMA CONVENTION & CONVENIENCE STORE EXPO – LAS VEGAS, NEVADA

Mark your calendars for February 17-19, 2015. Make plans now to attend the 2015 WPMA Convention and Convenience Store Expo. It will be held once again at the Mirage in Las Vegas, Nevada.

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Petro Pete: "Is there another word for synonym?"

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FOR SALE:

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*12,000 Tank- \$11,972.40 ** 6,000/6,000 Split Tank - \$18,289.20

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