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### **SENATE PANEL APPROVES ENERGY BILL; HOUSE CLIMATE CHANGE BILL COULD MOVE NEXT WEEK**

This week the Senate Energy and Natural Resources Committee approved the "American Clean Energy Leadership Act of 2009" by a vote of 15 – 8. Immediately following passage of the bill, Republican and Democratic Senators announced their intent to offer amendments once the bill reaches the Senate floor which will occur this fall. One of the most contentious sections of the energy bill was the expansion of oil and gas leasing off the coast of Florida. Senator Bill Nelson (D-FL) may try to amend this language that would allow offshore oil rigs to drill 45 miles off the coast of Florida. The amendment that was adopted by the Committee would move the no-drill buffer zone from 100 to 235 miles off the coast of Florida to 45 miles.

Although PMAA is still in the process of thoroughly reviewing the bill, we can report now that among the Senate Energy bill's provisions important to PMAA are:

- The development of a 30 million barrel refined-petroleum product (motor fuels) reserve.
- Expansion of offshore drilling.
- Enhancing transparency to energy futures markets which would require the 50 largest traders of oil contracts to report to federal regulators all of their oil reserves and would require some oil traders to divulge reserves held in offshore tankers in order to provide additional transparency.
- \$1.7 billion for the Weatherization Assistance Program (WAP) for 2011 - 2015. Provisions in the bill would provide weatherization grants to states which demonstrate energy efficiency retrofit programs based on the cost-effectiveness of the programs; the number and quality of jobs created; the quantity of energy and water saved; and the development of an effective plan for evaluation, measurement, and verification of energy savings.

Senate Majority Leader Harry Reid (D-NV) intends to bring the combined energy and climate change bill to the floor for a vote this fall. Environment and Public Works Committee (EPW) Chairwoman Barbara Boxer (D-CA) plans to mark up a global climate change bill before the August recess. If the EPW Committee is successful in approving climate change legislation, the bill will face significant obstacles in obtaining the necessary 60 votes to overcome a likely filibuster.

On the other side of the Hill, House leadership intends to vote on the comprehensive global climate change bill by the end of next week. The climate bill, known as the "American Clean Energy and Security Act (ACES)" (H.R. 2454), authored by House Energy and Commerce Committee Chairman Henry Waxman (D-CA) and Energy and Environment Subcommittee Chairman Ed Markey (D-MA) will limit amendments, which would be due Wednesday, with floor debate starting on Thursday or Friday of next week. At this time, it is still unclear whether Waxman and House Agriculture Chairman Collin Peterson (D-MN) will reach an agreement on the legislation. Working out a delicate compromise with Peterson has proven a difficult task for Waxman over the last few weeks. Peterson complains that the ACES bill leaves the Midwest at a competitive disadvantage compared with electric utilities in the Eastern and Western seaboard.

PMAA will continue to work with members of Congress to make certain that marketers concerns are heard regarding cap-and-trade, commodities reform, heating assistance programs and the refined motor fuels product reserve.

### **CFTC EMERGENCY POWER BILL**

During the ongoing consideration of S.1023, the Travel Promotion Act, Senator Bernie Sanders (I-VT) and Senator Mark Begich (D-AK) will offer an amendment to require the Commodity Futures Trading Commission (CFTC) to use its emergency authority to prevent the manipulation of oil prices. Last July, the House of Representatives passed an identical bill (H.R. 6377) by a vote of 402-19, but the bill did not become law. Specifically, the Sanders amendment requires the CFTC to: immediately curb the role of excessive speculation in any contract market within the jurisdiction and control of the CFTC, on or through which energy futures or swaps are traded; and eliminate excessive speculation, price distortion, sudden or unreasonable fluctuations or unwarranted changes in prices, or other unlawful activity that is causing major market disturbances that prevent the market from accurately reflecting the forces of supply and demand for energy commodities. PMAA fully supports the amendment which could be considered as early as Monday.

### **PMAA SEEKS MARKETER EXAMPLES ON LIFO ACCOUNTING**

President Obama wants to end "Last In First Out" (LIFO) inventory accounting. Many independent petroleum marketing companies use LIFO and will pay significantly higher taxes if LIFO is repealed. The Obama proposal will phase out LIFO over eight years beginning in 2012 and is expected to raise \$61 billion in tax revenues over those eight years. PMAA is opposed to LIFO repeal and will be providing examples of its potential harmful consequences to the tax writing committees.

PMAA urgently needs petroleum marketers to provide specific examples of how LIFO repeal will harm their business. For example, we know one of our members is currently carrying \$400,000 for LIFO reserve and much of it can be attributed to inflation. If LIFO is repealed, the \$400,000 will be unfairly recognized as income and subject to tax. PMAA needs hundreds of examples such as this to provide to the Congressional offices.

PMAA has asked its 47 member associations to send out the survey found at [http://pmaa.org/news/attachments/PMAA\\_LIFO\\_Survey\\_6-8-09.pdf](http://pmaa.org/news/attachments/PMAA_LIFO_Survey_6-8-09.pdf) to its members. Please complete this one minute survey. A link to the survey is also available at [http://www.surveymonkey.com/s.aspx?sm=T68XaWHo7AWEmXljs857aQ\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=T68XaWHo7AWEmXljs857aQ_3d_3d).

### **HIGHWAY BILL DISCUSSION DRAFT INCLUDES WETLINES ISSUE**

Representative James Oberstar (D-MN), Chairman of the House Transportation and Infrastructure Committee, released a document that outlines his goals and objectives in drafting the "THE SURFACE TRANSPORTATION AUTHORIZATION ACT OF 2009." The document includes a discussion of wetlines related issues but does not layout exactly what legislative language he will propose. Some of the details highlighted in the draft concerning wetlines are inaccurate and PMAA will be working to have the record corrected. PMAA marketers and association executives have been holding meetings with House members who serve on the House T&I Committee to discuss wetlines related issues.

### **COALITION LETTER TO HILL OPPOSES REST AREA COMMERCIALIZATION**

This week a Partnership to Save Highway Communities Coalition letter opposing interstate rest area commercialization was sent to all members of the House Transportation and Infrastructure Committee. PMAA joined the coalition that was put together by NATSO earlier this year to oppose federal efforts to commercialize rest areas. The coalition consists of NATSO, PMAA, NACS, SIGMA, API, NASM and several fast food chains and restaurants.

Current law prohibits interstate rest areas built after January 1, 1960, from offering commercial services which has resulted in the establishment of over 60,000 businesses and two million jobs along U.S. interstate highways. The coalition letter urges Committee members to maintain the prohibition of commercial activity on the interstate right-of-way.

Recently, some state governments have supported the idea of commercializing rest areas, and subsequently, contracting fueling and other services to private vendors to raise government revenue. While advocates for commercialization claim that such services will benefit the public, the reality is that rest area commercialization would close as many as half of the nearby interchange-based businesses. PMAA is concerned that interstate-based gasoline retailers will be unable to compete with commercialized rest areas, which are conveniently located on the highway right-of-way, and would create a de facto monopoly in favor of businesses operated out of rest areas. Interstate rest area commercialization would destroy the property tax base of local governments and put many retailers out of business. Such commercialization would result in an unfair competitive environment for privately-operated retailers, and would destroy a successful economic business model that has proven beneficial for both consumers and retailers.

House Transportation and Infrastructure Committee Chairman James Oberstar (D-MN) plans to release the Committee's version of the highway reauthorization bill tomorrow. PMAA will continue to coordinate with NATSO and the Coalition to fight interstate rest area commercialization.

### **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.

### **REGISTER NOW 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: "Statistics can be made to prove anything - even the truth."**

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## CLASSIFIED ADS

### FOR SALE...SHORT AND SWEET



1995 Ford CF7000 fuel delivery truck

- 190 HP diesel
- 6-speed
- Air
- 113" WB
- 1450 gal 2-comp tank
- Blackmer pump
- Can pump out through delivery hose, great for pumpouts, Stove oil, Tight quarters
- Well maintained
- Looks good,
- Runs well
- \$19,995.00

Acme Fuel Co. Olympia, WA 360-943-1133

### FOR SALE BY OWNER

#### Soldier Summit, Utah - Mountain Convenience Store



Newly remodeled one-of-a-kind, profitable business - located on top of Soldier Summit, with full exposure to busy Highway 6 (located in-between Spanish Fork and Price). Located across from the newly offered Soldier Summit Mountain Estates with over 154 premier multi acre cabin lots. Summit Station is the hub to many outdoor activities.

#### For Sale by Owner

- 2-Acres of Real Estate
- 475-feet of highway frontage
- Full exposure to busy highway 6
- Recently completely remodeled 2008
- Includes 100-year jailhouse building
- Many upgrades
- Two Brand new Wayne Ovations pumps
- Two AST's 8,000 fuel tank
- One AST 10,000-fuel tank
- Currently Tesoro Brand
- Approved 1,200-foot building addition with plans
- An additional 3.15-acres with approximately 600-feet of highway frontage
- Many possibilities!

Sale Price - \$598,000

Owner Agent  
801-885-3838

### BOBTAIL FOR SALE

Polk Oil Company is selling a 2007 Kenworth T 300 Bobtail truck.

- 9282.3 miles
- 515.3 hours
- 2500 gallon aluminum tank with 4 compartments of 800, 700, 500 and 500 gallons that is designed for top loading.
- Blackmer pump and 150 feet of hose.
- 250 horse Caterpillar engine.

Let us know if you want us to send you a detailed breakdown of the entire package.

Contact JW Sellers at 505-660-3791 or Don McTeigue at 505-603-7611.