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EPA RELEASES ULSD ACCELERATED CORROSION STUDY

The EPA released its long awaited field study on accelerated corrosion of UST system components storing and dispensing ultra-low sulfur diesel fuel (ULSD). The EPA found that 83 percent of the 42 UST systems studied had moderate to severe corrosion on metal components including; submersible turbine pump shafts, automatic tank gauge probe shafts, flapper valves, ball valves, inner walls of tanks and fuel suction tubes. While the EPA said accelerated corrosion “could be a very common occurrence” in UST systems storing diesel fuel, it acknowledged the sampling was small and cannot be used to predict whether the incidence of moderate to severe corrosion on metal components is higher or lower in retail UST systems nationwide. The EPA is recommending that owners check their diesel fuel UST systems for similar corrosion.

The EPA study did not conduct any research into possible causes for accelerated corrosion in diesel fuel UST systems. There is currently no definitive research that has identified what causes accelerated corrosion although microbial growth is a leading factor. The Coordinating Research Council (CRC) is planning a study to research the cause of accelerated corrosion later this year. ***PMAA requested the CRC study to research possible causes that may occur above the terminal rack.***

The PMAA ULSD Corrosion Task Force is working closely with the EPA and other industry groups to address the issue of accelerated corrosion through further study, including research into potential fuel quality issues above the terminal rack that may lead to accelerated corrosion downstream.

ADA REFORM ACT MOVES THROUGH COMMITTEE

Earlier this month, the House Judiciary Committee passed H.R. 3765, the “ADA Education and Reform Act,” which aims to put an end to “drive-by” lawsuits where attorneys look for minor, easily correctable Americans with Disabilities Act (ADA) infractions so they can file a lawsuit and make some cash.

In recent years, convenience store owners have fallen victim to predatory lawsuits that serve the interests of trial lawyers while doing little to help the individuals that the ADA was designed to protect.

The vast majority of retail station owners strive to serve their customers to the best of their ability and rely on the ADA to help ensure that customers with disabilities can use their services. Many small to medium sized businesses cannot afford a court case and are forced to settle and pay fees for a violation that they did not commit.

This bill which was introduced by Rep. Poe (R-TX), prohibits sending demand letters or other pre-suit notifications alleging a violation of ADA public accommodation requirements if the notification does not specify the circumstances under which an individual was actually denied access. The notification must specify: the property address, the specific ADA sections alleged to have been violated, whether a request for assistance in removing an architectural barrier was made, and whether the barrier was permanent or temporary.

The bill also prohibits commencement of civil action based on the failure to remove an architectural barrier to access into an existing public accommodation unless: the aggrieved person has provided to the owners or operators a written notice specific enough to identify the barrier, and the owners or operators fail to provide the person with a written description outlining improvements that will be made to improve the barrier or they fail to remove the barrier or make substantial progress after providing such a description.

PMAA supports this legislation that would minimize the ability of predatory attorneys to harm petroleum marketers.

PMAA SENDS LETTER TO FHA OPPOSING COMMERCIALIZATION OF THE RIGHT OF WAY

PMAA recently sent a letter to Federal Highway Administration (FHA) Administrator Gregory Nadeau asking that the government refrain from approving any proposals to use commercialized advertising on the right of way. PMAA also opposes the commercialization of rest stops on highways because they hurt petroleum marketers and other small businesses located at nearby intersections.

Commercializing rest areas could jeopardize private businesses that have operated under the current law for the past 50 years and established locations at highway exits. Due to their convenient locations for motorists, state-owned commercial rest areas have established virtual monopolies on the sale of services to highway travelers. Allowing corporate logo advertising would not only hurt petroleum marketers and small businesses, but would also create a safety hazard.

In the 2012 transportation bill, a Senate amendment seeking to overturn the prohibition on commercial rest areas was

overwhelmingly defeated by a vote of 86-12. Additionally, the House voted down a measure last November that would have allowed corporations to purchase advertisements to be placed on the right of way.

LEGISLATION REINTRODUCED TO MOVE BIODIESEL TAX CREDIT TO PRODUCERS

Senators Grassley (R-IA) and Cantwell (D-WA) recently introduced legislation that would extend the expiring biodiesel tax credit for three years through 2019. The legislation, known as the “Biodiesel Tax Incentive Reform and Extension Act of 2016,” would move the \$1 per gallon tax credit from the blender to the producer.

PMAA opposes moving the blender’s credit to the production level because it would effectively kill any below the rack biodiesel blending and subsequent savings to consumers. Leaving the biodiesel tax credit at the blender level will ensure that the fuel remains competitive in the marketplace. Petroleum marketers have legitimate concerns that much of the tax credit will be pocketed by producers and not passed on to marketers and consumers. In the current environment where biodiesel is not competitive with conventional diesel without the tax credit, it is essential that the \$1-per-gallon tax credit be passed on to the consumer.

Late last year, Congress passed a tax extenders package that includes the \$1 per-gallon biodiesel blender’s tax credit. Maintaining the credit at the blender level was a huge victory for petroleum marketers because like this year, there was a legislative push to move the biodiesel blender’s credit to the production level. PMAA was concerned with limited access to supply, blending logistics in the tax and dyed system and we were concerned that the credit would not be passed to consumers if moved to a production credit. PMAA actively lobbied Congress on this, particularly on behalf of heating oil dealers and their consumers who almost certainly would have experienced an increase in the price of heating oil.

PMAA continues to meet with Senate offices to encourage Senators to support a straight extension of the credit again and to oppose all legislative efforts to move the tax credit to a producer level.

WALMART PROHIBITS USE OF VISA CREDIT CARDS IN CANADA

On June 11, Walmart Canada announced that it will stop accepting Visa credit cards because interchange fees applied to Visa credit card purchases remain unacceptably high. Ironically, a response from Visa said the credit card company offered Walmart one of the lowest rates available to any merchant in the country.

For standard VISA retail purchases made in-store, fees range from 1.42 to 2.08 per cent. Meanwhile, the fees for MasterCard’s purchases at independent retailers range from 1.44 to 2 percent, and MasterCard offers lower rates to retailers the size of Walmart.

Like the Merchants Payment Coalition (MPC) in the U.S., the Retail Council of Canada (RCC) is pushing for a permanent regulatory solution to high interchange fees, urging Parliament to support legislation that seeks to empower the minister of finance to cap interchange rates like countries such as Australia, Switzerland and Israel have done.

PMAA and the MPC are committed to achieving full swipe fee reform. American retailers pay the highest swipe fees of all the developed countries—up to 4 percent in credit-card swipe fees. That’s a 10,000 percent profit margin, since the transaction costs the bank only a few cents. For petroleum marketers, swipe fees are the highest expense other than payroll.

FUND CREATED FOR POLICE OFFICERS KILLED IN LOUISIANA

Following the heinous murder of the police officers in Baton Rouge Louisiana, many members of the PMAA family of associations wish to provide support for the officers’ families. There are several means to do so, starting with a fund that was established in 1988, the East Baton Rouge First Responder’s Fund from the Baton Rouge Area Foundation provides support to families of injured or fallen law enforcement and first response professionals. Donations to the fund can be made by clicking the link [HERE](http://www.braf.org/ebfirstresponders) (<http://www.braf.org/ebfirstresponders>).

The shooting occurred near B-Quick convenience store which is family owned since 1951. Justin Alford of B-Quick serves on the Louisiana Oil Marketers and Convenience Store Association’s Board of Directors. Donations for the officers’ families can also be made payable to EBRSO – “Name of the Fund” and mailed to P.O. Box 3277, Attn: Finance Office, Baton Rouge, LA 70821. Donations can also be made at any JP Morgan Chase Bank location referencing the account to which you wish to donate. Furthermore, individual GoFundMe accounts have been set up to directly support the families of Officer Montrell Jackson, Officer Matthew Gerald and Sheriff’s Deputy Brad Garafola.

POKEMON GO CAN BOOST YOUR BUSINESS OR COVER CRIMINAL ACTIVITY

Since Pokemon Go was released on July 4, many businesses have experienced large groups of people coming to their site in order to play the game. For some this can be an advantage (some stores are promoting their Pokemon status on Facebook) but it can also cause security problems. While it is important that businesses are aware of the game it is also important that people not dismiss suspicious activity.

The app is generating \$1.6m per day for Niantic, Nintendo, Google and the Pokemon Company and analysts predict that

Apple will make \$3 billion in revenue from the game in the next two years as iPhone users can use PokéCoins to buy additional features. The American Heart Association is touting Pokemon Go as a way to promote exercise and boost heart health - as long as people remember to look up from their phones. However, there has been an increase of crime, suspicious activity reports, and traffic accidents linked to in-game locations where people are attempting to advance in the game by capturing Pokémon creatures or obtaining in-game items.

A state government bulletin specifically notes that some people may use the game to gain access to non-public areas and claim they are playing Pokémon Go as a means to circumvent law enforcement or security. The Department of Defense has issued guidelines for playing the game to military and intelligence personnel and police departments around the country have issued guidance as well.

Furthermore, the International Association of IT Asset Managers has called on IT departments around the country to ban the app from their corporate devices—those provided by employers as well as employee devices connected to enterprise networks as part of a bring-your-own-device (BYOD) strategy. Initially the app was allowed access to nearly every part of users' Google accounts and although that has been corrected, there is a rise in malware associated with the app.

The game was first released in the U.S., Australia and New Zealand, and has since been released in 20 other countries. Pokemon Go is close to a release in Japan and the country's National Center of Incident Readiness and Strategy for Cybersecurity issued a warning about being taken in by fake apps and suggested players not use their real names when playing.

Businesses can submit a removal request by going to the Pokemon Go support [page](https://support.pokemongo.nianticlabs.com/hc/en-us/articles/221968408) (https://support.pokemongo.nianticlabs.com/hc/en-us/articles/221968408) and clicking on "Request Removal of a PokeStop or Gym." It will require an email address, a subject line, and a selection of why the reported PokeStop/Gym should be removed. However, requesting a removal does not ensure that the business will be removed, and, since the game has already been hacked, businesses are cautioned to use discretion with the information provided to the app developers to remove a site from the game.

HEAVY HIGHWAY VEHICLE USE TAX FILING REQUIREMENTS FOR REPORTING YEAR 2016-2017

Background: The IRS has just published a revised Form 2290 and instructions required for payment of the federal heavy highway vehicle use (HHVU) tax for the 2016-2017 reporting year. Most petroleum marketers must pay the annual HHVU tax on each cargo tank vehicle and transport with a gross vehicle weight of 55,000 pounds or greater that travels 5,000 miles or more per year. The HHVU is important to petroleum marketers because proof of payment of the tax is required to obtain or renew state motor vehicle registrations.

Reporting Year: The 2016-2017 HHVU tax reporting year runs from July 1, 2016 to June 30, 2017.

Vehicles Subject to the HHVU Tax: The HHVU tax is paid on each vehicle with a gross vehicle weight of 55,000 pounds and greater that travels 5,000 miles or more per year. The HHVU applies to most petroleum cargo tank vehicles and transports.

Tax Amount: The amount of the HHVU tax is calculated based on gross vehicle weight (GVW) and the month the vehicle is first used during the reporting year. The minimum annual HHVU weight tax is \$100 for vehicles in use during the period between July 1, 2016 and July 31, 2017 having a GVW of 55,000 pounds and increases to a maximum \$550 for vehicles with a GVW over 75,000 pounds. For vehicles not in use during July 2016, the applicable annual HHVU weight rate is reduced by 1/12 for each calendar month after July 31 until the vehicle is first used. For example, the annual HHVU tax on a vehicle first used in October of the 2016-2017 reporting year is reduced by 3/12ths of the annual rate based on GVW because it was not in use for the first three months of the reporting year. The weight rates and monthly proration calculations are fully explained in IRS Form 2290 and instructions.

Payment Due Date: For vehicles placed in use after June 30, 2016, the due date for the HHVU tax is the last day of the month following the month that the vehicle was first used during the reporting year. Payments received after this deadline is subject to penalties and interest.

HHUV Forms and Instructions: IRS Form 2290 (revised 07/16) may be downloaded by clicking [here](https://www.irs.gov/pub/irs-pdf/f2290.pdf) (https://www.irs.gov/pub/irs-pdf/f2290.pdf).

2017 WPMAEXPO - LAS VEGAS, NEVADA



Mark your calendars for **February 21-23, 2017**. Make plans now to attend the **2017 WPMAEXPO**. It will be held once again at the Mirage in Las Vegas, Nevada.

MARK YOUR CALENDARS FOR UPCOMING EVENTS

August 3, 2016 – Idaho (IPM&CSA) Circling Raven GC PAC Golf Outing – Coeur d'Alene, Idaho
August 3-5, 2016 – Idaho (IPM&CSA) Convention – Coeur d'Alene Resort – Coeur d'Alene, Idaho
August 22-24, 2016 – New Mexico (NMPMA) Convention – Sandia Resort & Casino – Albuquerque, New Mexico
August 26, 2016 – Hawaii (HPMA) Golf Tournament – Honolulu Country Club – Honolulu, Hawaii
September 8, 2016 – Idaho (IPM&CSA) Teton Valley PAC Golf Outing – Huntsman Springs GC – Driggs, Idaho
September 14-16, 2016 – Utah (UPMRA) Convention - DoubleTree Hotel by Hilton – Park City, Utah
December 8, 2016 – Washington (WOMA) Christmas Party – SAFECO Field – Seattle, Washington

February 21-23, 2017 – WPMA Convention & Expo – Mirage Hotel– Las Vegas, Nevada

March 1, 2017 – Utah (UPMRA) Day on Capitol Hill – Salt Lake City, Utah

May, 2017– Nevada (NPM&CSA) Big Dogs Shootout – TBD, Nevada

June 6-8, 2017 – Montana (MPMCSA) Convention – Northern Hotel – Billings, Montana

June 19-22, 2017 – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington

June 22, 2017 – Utah (UPMRA) Summer Classic PAC Golf Outing – TBD, Utah

August 2-4, 2017 – Idaho (IPM&CSA) Convention – Sun Valley Resort – Sun Valley, Idaho

September 13-15, 2017 – Utah (UPMRA) Convention – Zermatt Resort – Midway, Utah

June 18-21, 2018 – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington

August 8-10, 2018 – Idaho (IPM&CSA) Convention – Coeur d'Alene Resort – Coeur d'Alene, Idaho

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Petro Pete: “Forget a wall, we should just put caution tape around the borders of America.”

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