

August 5, 2022

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WP-08-05-22



JON DORENBOS SLATED AS 2023 KEYNOTE SPEAKER

Jon Dorenbos played 14 seasons in the NFL, notably making the Pro Bowl twice as a member of the Philadelphia Eagles. In 2016, Jon competed on *America's Got Talent*, where he showcased his skills as a sleight-of-hand magician, making it to the finals and placing third overall in the competition amongst tens of thousands of competitors. He then put his talent on display as a guest on *Ellen*, who quickly became one of his biggest fans and advocates.

Known for his great sense of humor and positive outlook on life, Jon is a successful motivational speaker who uses his skills as a magician and his incredible life story to inspire.

The following information provided by:
EMA Energy Marketers of America



LEGISLATIVE UPDATE

It is an eventful week in Washington as Senate Democrats prepare to advance the Inflation Reduction Act (IRA) - a climate, health, and tax-focused reconciliation package developed behind closed doors between Senator Joe Manchin (D-WV) and Senate Majority Leader Chuck Schumer (D-NY). The IRA does not impose new taxes on small businesses and does not raise individual, corporate, capital gains rates, or change step up in basis. The main cost of the bill is \$360 billion for clean and traditional energy development. Originally, the bill would have been paid for by allowing Medicare to negotiate certain drug costs; instituting a 15% minimum corporate "book tax" for companies earning over \$1 billion; and closing the so-called carried interest loophole.

Throughout the week, everyone in Washington waited to see whether Senator Kyrsten Sinema (D-AZ), the necessary 50th Senate vote, would support the package. Late Thursday, Senator Sinema and Leader Schumer announced an agreement on the condition that Democrats maintain the carried interest loophole. Instead of taxing carried interest higher, the bill will impose a 1% excise tax on stock buybacks. Senator Sinema also secured a change to the corporate minimum tax by ensuring that accelerated depreciation still receives favorable treatment for tax purposes (this was a key concern for manufacturers). While Democrats and Republicans have traded jabs over the long-term effects of the bill, the nonpartisan Congressional Budget Office estimated that the bill would have a negligible effect on lowering inflation, but at least would not add to inflation. Senator Manchin – the chief architect of the bill – has painted the legislation as one of economic fairness to reduce American dependence on foreign energy supply chains.

This week, EMA, the Empire State Energy Association, National Energy & Fuels Institute, and the New York State Energy Coalition sent a [letter](#) urging Leader Schumer, and others in the New York delegation, to recognize the importance of fuel neutrality. Specifically, the groups called on the Senate Majority Leader to maintain the proposed "clean fuels production tax credit" after 2024 at the blender level and allow heating fuels to qualify. In addition, we argued for tax parity for any new credits awarded for fuels that compete for the same feedstocks, in particular, the sustainable aviation fuel (SAF) tax credit which will disrupt and may eventually eliminate the market for on- and off-road biodiesel and renewable diesel by diverting limited U.S. biofuel feedstocks to SAF. We have since learned from the Senate Finance Committee that the updated version of the bill will likely incorporate heating fuels into the category of fuels eligible for the clean fuel production tax credit. While not confirmed, this would be a significant victory for the heating fuels industry. [CLICK HERE](#) to write Congress over EMA's above concerns with the Inflation Reduction Act of 2022.

There is also ongoing debate on the EV provisions. Broadly speaking, the legislation allows for up to \$7,500 for consumer tax credits, but only if the vehicle meets certain domestic content restrictions and is under \$55,000 for sedans and \$80,000 for pickups and SUVs. Democratic Senators from Michigan – who represent many of the largest automakers – have warned that many vehicles will not be eligible for the credits under the current guidelines. There are also new income ceilings to access the credit -- \$300,000 for joint filers and \$150,000 for individual filers. Proposals have ranged from delaying the domestic content requirements to increasing the price and income ceilings.

Provisions could be changed ahead of time, or could be affected by the “vote-a-rama” process – roughly 20 hours of debate time where unlimited amendments can be considered. While some of the amendments will be designed for messaging and will likely fail, some could be constructive and may be adopted. The Senate will hold a rare weekend session to advance the bill before recessing after labor day. The earliest time for final passage is likely Monday or Tuesday.

FHWA SET TO OPEN FIRST ROUND OF EV INFRASTRUCTURE INSTALLATION FUNDING FOR ALL 50 STATES

U.S. Departments of Transportation and Energy this week announced the receipt of electric vehicle (EV) infrastructure deployment plans from all 50 states. The plans are required in order for states to obtain federal funding under the National Electric Vehicle Infrastructure (NEVI) Formula Program. The NEVI program was recently infused with \$5 billion in funding under the Bipartisan Infrastructure Law to be distributed over a five-year period starting in fiscal year 2022.

The good news is that states are encouraged to contract with private third parties, including energy marketers, to locate, install, operate and maintain EV charging stations along the federal highway system. States will need significant private party involvement because Federal Highway Administration (FHWA) guidelines prohibit installation of EV chargers at most highway rest areas. Those guidelines also require deployment of NEVI funded EV charging stations to be located within one mile of highway exit ramps, prime real estate already dominated by energy marketers. Some older highway rest areas with commercial activity in operation before the 1956 federal commercialization ban was adopted will be eligible for NEVI funded EV charging stations.

The FHWA will now review each state plan for compliance with federal EV siting guidelines. The agency’s goal is to review the 50 state programs so that the first wave of NEVI funding can be distributed before the end of the federal fiscal year on September 30th.

IT'S TIME FOR CONGRESS TO PASS CREDIT CARD SWIPE FEE REFORM!

Recently, Senate Majority Whip Dick Durbin (D-IL) and Senator Roger Marshall (R-KS) introduced the bipartisan “The Credit Card Competition Act,” (S.4674) which would ensure retailer choice in payment routing by requiring at least two unaffiliated processors on credit cards, the same process that is used for debit card transactions. Swipe fees remain the second highest operating cost for convenience stores which costs the industry \$138 billion.

There is nearly a dozen of independent networks that are equipped to route transactions, but a handful of dominant networks (VISA and Mastercard), have prevented them from competing in the credit card space limiting the choice of network. By allowing retailers a choice of network to handle a transaction, they can reduce costs and pass those savings onto the consumer. Introducing routing competition could save businesses and consumers upwards of \$11 billion annually according to payments consulting firm CMSPI.

“With the rising rate of inflation and its impact on motor fuel prices, it’s time for Congress to pass credit card swipe fee reform to reduce costs for small business energy marketers,” said EMA President Rob Underwood.

EMA is a member of the Merchants Payments Coalition (MPC), which represents retailers, supermarkets, restaurants, drug stores, convenience stores, gas stations, online merchants, and other businesses focused on reforming the U.S. payments system to make it more transparent and competitive. MPC firmly believes in opening up the payments market and introducing competition, which in turn would lower costs and drive innovation.

**[CLICK HERE TO URGE YOUR SENATORS TO COSPONSOR
“THE CREDIT CARD COMPETITION ACT!”](#)**

EMA SUBMITS COMMENTS ON FDA PROPOSED MENTHOL BAN

Last week, EMA submitted comments in opposition to the FDA’s proposed ruling to ban menthol in cigarettes and characterizing flavors of all kinds in cigars. Not only are these rules not necessary, but by the FDA’s own admission, these rules would inflict substantial economic damage on American small businesses.

The proposed rule is likely to lead to an illicit market and to exacerbate inflation. Losing these sales to an illicit market would be a serious blow to businesses who are already devastated by inflation, supply backlogs, labor shortages and the declining real wages of their customers. In addition, the proposed rule would have a cascading effect on EMA member companies who supply fuel to independently owned and operated small business gas stations. Retailers may have no alternative but to raise gas prices and in-store items to compensate for the loss of revenue due to the menthol/cigar characterizing flavor ban. However, given the magnitude of the proposed rule, EMA believes many small retailers would likely be forced out of business due to the loss of operating capital necessary to pay for their next load of fuel. This would leave wholesale energy marketers with a substantial account receivables amount which would likely put both the wholesaler and retailer out of business and lead to higher prices at the gas pump due to consolidation. **[CLICK HERE TO READ EMA’S COMMENTS.](#)**

SPR AT LOWEST LEVEL SINCE 1985

Last week, the U.S. Strategic Petroleum Reserve (SPR) dropped to 469.9 million barrels of crude. This is its lowest level since May 1985 and occurred the same week that the Biden Administration announced that it is releasing the next Notice of Sale to supply additional barrels of crude oil from the SPR onto the global market, building on the more than 125 million barrels of oil that have already been sold. An analysis from the Department of the Treasury estimates that the releases, along with coordinated releases from international partners, have reduced gasoline prices by about 40 cents per gallon compared to what they would have been absent these drawdowns.

The Administration is also announcing steps to repurchase oil for the SPR in future years, likely after FY2023, to help stabilize the market and encourage near-term supply. Click on the link to read the entire Reuter's [article](#).

Weekend Reads:

[Greens vs. Electric Vehicle Tax Credits – WSJ Subscription Required](#)

[POLITICO Pro | Article | CBO estimates EV sales will lag behind Biden's climate goals](#)

[Fuels Institute EV Council Publishes IJA Funding Program Overview](#)

[In Letter to Secretary Buttigieg, Chairs DeFazio, Norton and 56 House Members Support](#)

[Administration's Efforts to Track and Reduce Greenhouse Gas Emissions](#)

[America's New Energy Crisis – WSJ Subscription Required](#)

FEDERATED INSURANCE EMPLOYMENT PRACTICE NETWORK WEBINAR

Discrimination/Harassment Prevention: Tuesday, August 16, 2022, 12:00 p.m. CT

Would your organization benefit from some simple tools to mitigate the risk of discrimination and harassment claims?

Join this webinar to learn more about key steps employers can take today to evaluate their commitment to the prevention and successful resolution of discrimination and harassment claims. These are steps you can take at no additional cost and can put into practice right away.

[Advanced registration](#) is required for this 1-hour webinar.

Please always feel free to contact your [Federated](#) regional representative or EMA's National Account Executive [Jon Medo](#) at 800.533.0472 for any additional information or risk management questions. [Federated is a Partner in EMA's Board of Directors Council.](#)

NACS SHOW 2022: OCTOBER 1-4

Special EMA Members Code for NACS Show Registration

Registration is now open for the 2022 NACS Show in Las Vegas October 1 – 4 by [CLICKING HERE](#). When prompted, enter the EMA NACS Show Registration Code: **EMANS2022**. EMA encourages you to promote and share with your state association's member companies.

Please note that the NACS Show registration is separate from EMA's Fall Meeting registration which is now open. Again, the EMA NACS Show Registration Code is: **EMANS2022.

CASH, CASH, CASH & MORE CASH: MDF RAFFLE BEING HELD DURING EMA'S FALL MEETING AT THE NACS SHOW

Get your Energy Marketers of America Marketer Defense Fund (MDF) raffle tickets now for a chance to win \$1,000 in cash. The EMA MDF will hold a raffle during the Las Vegas, Nevada September 30-October 1 conference. The raffle winner will be identified on October 1 and does not have to be present to win. If you are not attending the conference, you will be notified the week following the October drawing if you are the \$1,000 "richer" raffle winner.

The proceeds of the raffle will benefit the EMA MDF. The EMA Marketers established the MDF to assure that the industry's best interests are represented on the legislative and regulatory front. This fund has already effectively defeated regulatory initiatives such as proposed requirements to place the point of compliance for fuel quality at the retailer, to force a 10-micron diesel filter mandate as well as a costly wetlines retrofit and automatic temperature compensation (ATC) at retail.

A marketer can make corporate contributions by check or credit card to this program and there is no limit on the amount of contribution. All the money is used to support EMA lobbying and regulatory goals. You can donate online by clicking [here](#) or scanning the QR code on the flyer.

Tickets are \$25 each or five for \$100. Advanced tickets are available until September 27. Ticket sales will continue at EMA's conference in Las Vegas until the drawing on October 1. Tickets can be purchased with personal or corporate funds by MasterCard, VISA, American Express, cash or check (checks should be made out to the Energy Marketers of America Marketer Defense Fund). To purchase tickets before September 27, please email completed [MDF Raffle flyer](#) to [Susan Isard](#).



Dreaming of a \$4,000 SCHOLARSHIP OPPORTUNITY?
for your full-time employees' high school seniors,
or your part-time high school senior employees

Encourage your high school seniors to download and fill-out an application form from www.wpma.com/scholarship and email application back before **MARCH 1st!**



WPMA
SCHOLARSHIP FOUNDATION

MARK YOUR CALENDARS FOR UPCOMING EVENTS

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

Be sure to subscribe to all of our social channels for great tips, industry trends, and insider information about association activities and upcoming events!



Petro Pete: "I was wondering why the Frisbee kept getting bigger and bigger, but then it hit me."

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If you do not wish to receive information via fax or e-mail, please contact WPMA at: (801) 263-9762, Fax: (801) 262-9413, or e-mail: kimw@wpma.com. Thanks.