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The following information provided by:
EMA Energy Marketers of America

CALIFORNIA ADOPTS GASOLINE POWERED VEHICLE BAN

The California Air Resources Board (CARB) yesterday adopted a far-reaching plan to ban the sales of all new gasoline and diesel-powered cars, trucks and SUVs in the State by 2035. The ambitious regulations will likely reverberate throughout the country, as other states adopt similar bans and auto manufacturers move forward with their own plans to phase out internal-combustion engine vehicles from their model lineups over the next two decades.

"Americans want choice over the type of vehicles they purchase and the last thing they need is a "California car" mandate. There are better ways to reduce emissions through cleaner greener liquid fuels coupled with new and improved internal combustion engines. Furthermore, the reality of the cost and availability of EVs is yet to be seen as states and the feds place fees on EVs to offset lost revenue from fuel taxes where in the past EVs enjoyed the roads for free. And don't forget about the significant tax incentives which can't last forever, and for many, are not sufficient to make an EV affordable as well as the increase in electric rates to support increased electric demand and infrastructure improvements," said EMA President Rob Underwood.

California Ban on Gasoline Powered Vehicles

The California ban will be phased-in over 13 years. The State will require 35% of all new car sales to be electric or hydrogen by 2026 followed by 68% in 2030 and 100% by 2035. There are special rules for plug-in hybrid vehicles. Not all gasoline-powered vehicles will be forced off the roads under the CARB regulations. The ban allows drivers to keep their current gasoline-powered vehicles on the road and permits the continued sale of used gasoline-powered vehicles throughout the State. CARB estimates that its newly adopted regulations will avoid the equivalent of 915 million barrels of oil in greenhouse gas emissions reductions between 2026 and 2040.

States Set to Adopt the California Ban

Clean Air Act Section 177 allows other states to adopt California's motor vehicle emission standards. Section 177 requires states that choose to do so must adopt emission standards identical to the California standards. Currently, 17 states (New York, Massachusetts, Vermont, Maine, Pennsylvania, Connecticut, Rhode Island, Washington, Oregon, New Jersey, Maryland, Delaware, Colorado, Minnesota, Nevada, Virginia, and New Mexico) and the District of Columbia, representing 35.9 percent of all new vehicle sales sold in the U.S., have adopted California's prior vehicle emission standards. It is expected that these and other states will move quickly to adopt California's electric vehicle mandate after California receives a Clean Air Act waiver from the U.S. EPA. CARB staff acknowledged in the rulemaking documents that its ban on gasoline-powered cars by 2035 requires the Clean Air Act waiver from EPA and the State expects to receive it.

EMA Action

EMA has been actively engaged in the fight against banning gasoline powered vehicles since California Governor Gavin Newsom authorized the ban in a 2020 executive order. On May 13, 2022, EMA filed a petition with a federal Court of Appeals in Washington, D.C., asking the court to review the Biden Administration's restoration of the Clean Air Act waiver allowing California to set its own air pollution standards. That waiver was revoked by the Trump administration in 2019. The EMA petition was filed to challenge the restoration of the waiver on various grounds, including that California does not require the more stringent standards to meet any extraordinary or compelling conditions that are unique to California as the Clean Air Act requires. If the court overturns the waiver as requested by EMA, California is likely to lose the authority it claims to ban gasoline powered vehicles in the State. If that happens, any state attempting to adopt the California ban will lose their authority to act as well.

Separate from the current court action, EMA will oppose California's waiver request for gasoline-powered vehicle ban when it is submitted to EPA. If EPA does not have the authority under the Clean Air Act to ban gasoline-powered vehicles, it is difficult to see how it can allow California to exercise such authority under the statute.

Challenges Likely to Slow Transition to Electric Vehicles

Even if the EMA petition in court is not successful, there are plenty practical challenges expected to slow the transition to electric vehicles for years to come. First, and foremost is the lack of investment in EV charging infrastructure across the United States. California has only 80,000 of the 250,000 EV charging stations it needs to meet expected demand as the ban begins to phase in. Despite the recent multibillion-dollar investment in new EV charging infrastructure by Congress, there will still be a significant shortage of charging stations nationwide once those funds are expended by the states. Moreover, a major overhaul of the nation's electric power plants and transmission grid must occur to meet the higher demand a transition to all electric vehicles will create. Another challenge is the chronic shortage of EV models that consumers can afford even with new state and federal incentives for electric vehicle purchases. The EV shortage is not expected to end anytime soon as materials needed to manufacture batteries are in critically short supply and

the supply chains used to move them are disrupted. Finally, most consumers remain skeptical that electric vehicles can match the performance standards and mileage range of gasoline powered vehicles.

REGULATORY REPORT: USDA ANNOUNCES AVAILABILITY OF $100 MILLION IN NEW HIGHER BLEND INFRASTRUCTURE GRANTS

The United States Department of Agriculture (USDA) has announced the availability of approximately $100 million in competitive grants to transportation fueling facilities for the installation and upgrade of equipment compatible higher blend renewable fuels. The goal of HBIIP is to increase the market availability of higher blend biofuels.
Under the HBIIP, funds will be awarded to assist transportation fueling and fuel distribution facilities to convert their current facilities through upgrade of existing or installation of new equipment required to ensure compatibility with ethanol blends over 10% and biodiesel blends over 5%. HBIIP also applies to heating oil distribution facilities with or seeking higher blend infrastructure.

Grant Distribution
The good news for energy marketers is that $75 million of the $100 million in available funding is earmarked for retail facilities. In addition, 40% of the funding earmarked for retail facilities will be made exclusively to small business energy marketers with 10 or fewer stations. The remaining $25 million will be made available to midstream transportation fuel storage and distribution facilities.

Cost Sharing
The program will share 50% of total project costs up to $2.5 million per applicant for existing retail stations. There is a matching fund requirement for applicants of at least $1 for every $1 in grant funds provided by the USDA. Matching funds plus grant funds must equal total eligible project cost.

Eligible Applicants
The funds are available for gasoline service stations, convenience stores, hypermarket fueling stations; fleet facilities, including transportation, freight, rail and marine.

Eligible Project Costs
Eligible Project Costs are only those costs incurred after the date that a complete application is submitted and that are directly related to the use and purposes of the HBIIP. The grants must be used to: upgrade or install or otherwise retrofit fueling equipment including dispensers and UST system components; tanks, pumps, ancillary equipment; lines, gaskets, and sealants, and other infrastructure; fees for construction permits and licenses; and professional service fees for qualified consultants, contractors, installers, and other third-party services.

Ineligible Project Costs
Ineligible project costs for HBIIP grants include, but are not limited to: incurred expense, equipment purchase, or paid service prior to the date a complete application is submitted; renewable diesel projects; used equipment and vehicles; construction or equipment costs that would be incurred regardless of the installation of higher blend fuel infrastructure; purchase of real property or land; Lease payments, funding of political or lobbying activities; to pay off any Federal direct or guaranteed loan or any other form of Federal debt.

Anticipated Award Date:
The Department of Agriculture anticipates making awards 90 days after the application deadline.

Performance Period:
The grant period is not to exceed 36-months, unless otherwise specified in the Grant Agreement or agreed to by the Agency.

Application Information
Only one HBIIP application may be submitted per HBIIP applicant. An application may request HBIIP assistance for more than one location that is owned and/or legally controlled by the applicant entity. An HBIIP applicant may receive only one award under this grant distribution. New construction of fueling stations, locations or facilities constructed during the grant period are restricted from receiving HBIIP grant funds for underground tanks.

Application Submission
Instructions and additional resources including an application guide are available at the HBIIP website.

Application Due Date
Applications due no later than 4:30 PM Eastern time, November 21, 2022.

Got Questions?
Contact Mark S. Morgan, Regulatory Counsel at mmorgan@emamerica.org.

EMA WESTERN STATES REQUEST FLEXIBILITY IN DEPLOYING EV CHARGING STATIONS

States will be the major players in the implementation of the EV charging infrastructure under the National Electric Vehicle Infrastructure (NEVI) Formula and Competitive Grant programs funded under the Infrastructure Investment and Jobs Act. As of August 1st, all 50 states have submitted their EV Infrastructure Deployment Plan for the implementation of EV charging infrastructure to USDOT for approval (anticipated by September 30th). These plans vary from state-to-state regarding the location, funding, and operation of the EV infrastructure.

In response to the state plans, sixteen western state organizations representing fuel retailers submitted a **letter** to the Western Governors Association expressing concern over the potential for unfair competition and the need for incentives to encourage private investment in EV charging infrastructure. The associations emphasize the value of supporting local businesses and communities by maintaining the ban on commercialization of the Interstate public right-of-way, developing incentive programs to encourage the expansion of EV charging in the long-term, and provide flexibility in the location of the EV charging infrastructure. Allowing EV charging in public right-of-way areas would have a significant impact on businesses that depend on their location at highway exits and will significantly reduce any incentive for private investment in EV charging.

Incentivizing the established network of existing businesses conveniently located along interstate and other highways to invest in EV charging is essential for creating a competitive playing field for introducing EV chargers and the successful long-term implementation and expansion of the EV infrastructure. These businesses (including travel centers, fuel retailers and convenience stores) are already located in close proximity to interstates and other major highways to offer EV charging services as well as maintain the chargers. Finally, flexibility is needed in locating EV charging infrastructure. Rigid adherence to the U.S. DOT's requirement for the location of EV chargers every 50-miles is unnecessary and potentially counterproductive.

WEEKEND READS:
California is preparing to make its dire energy problems much, much worse

Can the Visa-Mastercard duopoly be broken? (Subscription Required)

White House warning of potential oil shortage in New England this winter (Video)

COVID public health emergency appears to be headed for extension

FERC grants Mountain Valley Pipeline more time to build

Major NLRB decisions slow to arrive under Biden appointees

Jerome Powell's Dilemma: What if the Drivers of Inflation Are Here to Stay? (Subscription Required)

EMA FALL MEETING
Please Make Your Hotel Reservations and Register Now for EMA's Fall Meeting at the NACS Show September 30-October 1
EMA will hold its Fall Meeting in conjunction with the NACS Show on September 30-October 1 at the Sahara Las Vegas. You can find all conference details **HERE** from how to make your hotel reservations through NACS housing, to viewing the conference schedule and registering with secure event payment processing. Registrations must be received by August 29 to be included in our hotel guarantee.

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 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.

FEDERATED INSURANCE: IT'S YOUR LIFE
Planning for the Family Business Transition: "What's Next"
As a business owner, you understand that ultimately you may face the challenge that your role as a leader at your company will one day end. This can be difficult, especially if your business is family owned and operated. Or, you may have already experienced this kind of transition through an illness, death, sale, or the business being passed down through generations. If you are planning to pass your business to family, it is important to discuss it with them openly and honestly.
Please click **here** to read about some of the common barriers that can contribute to a lack of succession planning.

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.

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

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

WPMAEXPO KEYNOTE SPEAKER IS JON DORENBOS

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 know they say that money talks, but all mine says is 'Goodbye.'"**

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.