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BRAD LONGCAKE – NEW MPMCSA EXECUTIVE DIRECTOR



WPMA would like to introduce Mr. Brad Longcake, the new Executive Director for the Montana Petroleum Marketers and Convenience Store Association. Brad has been on the MPMCSA board since Montana's convention in June, and is learning the different aspects of managing the Association.

Brad grew up in Shelby, Montana, and attended Montana State University in Bozeman, obtaining a degree in biotechnology. After graduation he went to work for Merck Pharmaceuticals in Alaska where he was responsible for sales and business operations for the entire state. He earned a Master's in Business during his tenure with the company. In 2013, he and his family moved back to Helena, Montana when he was given the opportunity to manage two local pharmacies. Shortly after, he formed his own consulting company.

Brad wrote: "I am very excited to have the opportunity to work with all of [the members] at MPMCSA. I know that Ronna has put in a tremendous amount of time and effort to ensure that the interests of the group are heard and acted on. I plan to continue this tradition of hard work and tenacity. I plan to be very active in increasing our membership and strengthening our relationships at the legislative level. I know that my diverse skill set will lend its self to the group and I am very proud to be the new Executive Director."

Welcome, Brad, to the MPMCSA and the WPMA Boards!

CONGRESS RETURNS TO WORK

Congress is back in session for the remainder of September after a seven week recess. Their top priority is to pass a spending bill to keep the government running before the September 30th deadline. With so few days to work with, it is likely that a continuing resolution (CR) will be passed to keep the government funded; however, the question is how long the CR will be extended. The most likely scenario is a CR that would run through the November elections into early December. In this case, Congress would need to return in December to pass either an omnibus spending package or several "mini-buses" that would fund the government through 2017. Several reports have indicated that Speaker Ryan (R-WI) prefers to advance smaller packages of spending measures (mini-buses) if they can't get regular appropriations bills passed. So what does this mean for petroleum marketers?

PMAA will be working with like-minded associations that would include language in an omnibus or "mini-bus" appropriations bill which would delay implementation of the onerous menu-labeling final rule. Included in both the House and Senate passed Agriculture Committees' appropriations bills is menu labeling delay language. Also, there's the possibility that language could be included to delay the SNAP rule which, in its current form, would essentially prohibit retailers from participating in the SNAP program.

Congress may also try and pass language in the transportation appropriations bill which would prevent a reverse to the pre-2003 Hours of Service (HOS) rules. Without Congressional action, truckers will have to revert to pre-2003 rules that required drivers to do "rolling recaps" of their hours each week. PMAA strongly supports the effort to correct the statutory error and is part of a coalition pushing for this in Congress.

PMAA will keep you updated on the latest as the appropriations process plays out.

ENERGY BILL CONFEREES MEET FOR THE FIRST TIME

The conference committee in charge of working out a deal on an energy bill known as the "Energy Policy Modernization Act of 2016," met for the first time on Wednesday and again yesterday. There is still the possibility that an energy bill could be enacted in a lame duck Congress, however, the question is what will likely be in it. The House passed energy bill includes language that is not fuel neutral since it would expedite interstate natural gas pipeline approvals and does nothing to expedite oil pipelines. Specifically, the House bill would expand the federal land eligible for natural gas pipeline siting, including designation as National Energy Security Corridors, to include land in the National Park System.

Rather than deregulate the natural gas pipeline permitting process, Congress should require that regulators and gas companies increase system efficiency by requiring that the thousands of miles of existing natural gas pipelines that are aging or obsolete be repaired or replaced.

Although there are disagreements on many provisions, both bills include language relating to liquefied natural gas (LNG)

exports. One provision would require the Department of Energy (DOE) to approve or deny the use and operation of a liquefied natural gas (LNG) exports facility no later than 45 days after an environmental review conducted by the Federal Energy Regulatory Commission (FERC). A second provision would require the DOE to gather and distribute data on the destinations of LNG exports. These two provisions are relatively bipartisan and likely to be approved in the final agreement that may be passed during the lame-duck session. If a final bill is passed, it will be the first comprehensive energy reform package to be approved since 2007.

SWIPE FEE LEGISLATION TO BE MARKED UP NEXT TUESDAY

Over the past few months, the Durbin Amendment has been under attack via legislation that threatens to fully repeal it. House Financial Services Committee Chairman Jeb Hensarling's (R-TX) bill to provide an alternative to the 2010 Dodd-Frank Wall Street Reform Act will be marked up next Tuesday, September 13th. The "Financial CHOICE Act" would repeal the Durbin Amendment which would be extremely harmful for retailers.

PMAA opposes any attempt (Rep. Neugebauer (R-TX) has similar legislation) to weaken or repeal the Durbin Amendment that was included in the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act. Repealing it would be extremely harmful to retailers because it ultimately lowered debit card interchange fees which are the second highest expense to a retailer only behind labor. PMAA supported the Durbin amendment's passage in 2010 and is fighting to ensure it is not repealed. It is very important that you urge your House members to oppose the "Financial Choice Act".

OLSON TO FILL ENERGY SUBCOMMITTEE CHAIR

Following this week's resignation of Rep. Ed Whitfield (R-KY), Rep. Pete Olson (R-TX) announced that he will fill Whitfield's vacated chair of the Energy and Power Subcommittee on the House Energy Committee. Olson had been serving as vice chairman of the subcommittee.

Whitfield resigned on Tuesday, which is one year after declaring his retirement amid a House Ethics investigation.

The Subcommittee is important to petroleum marketers because it has jurisdiction over national energy policy; fossil and renewable energy; alternative fuels; energy conservation; energy information; pipelines; and the Clean Air Act and air emissions. Rep. Bobby Rush (D-Ill) serves as the Ranking Member of the Subcommittee.

DOE REPORT CALLS FOR UPDATES TO THE SPR AND NE HOME HEATING OIL RESERVE

On Wednesday the Department of Energy (DOE) released a [123 page report](#) outlining the need for Congress to fund the modernization of the Strategic Petroleum Reserve (SPR). According to the report findings, the SPR's long-term viability is at stake if changes are not made.

Following last year's congressional authorization of the sale of 124 million barrels of oil from the reserve, Senate Energy Committee Chairwoman Lisa Murkowski (R-Alaska) commissioned the study to examine the consequences of the sale and the state of the reserve. DOE found that the reserve must not shrink any more than already ordered by Congress

Furthermore the DOE report reviewed the Northeast Gasoline Supply Reserve that was created in 2014 and recommends an update of the Northeast Home Heating Oil Reserve which was created in 2000.

The DOE SPR recommendations would begin in 2022 and cost \$800 million to overhaul the infrastructure. That step would be followed in 2023 with the \$1.2 billion addition of marine terminals to enhance the SPR's distribution capacity.

These recommendations will have to be approved by Congress. PMAA will monitor and participate in these developments as the recommendations move forward.

HOUSE JUDICIARY COMMITTEE GOES AFTER OZONE FINAL RULE

Yesterday, the House Judiciary Committee marked up language that requires major, costly regulations from being implemented until after they have cleared court challenges. H.R. 3438, known as the Require Evaluation before Implementing Executive Wishlists (REVIEW) Act, takes a shot at the EPA because out of the 30 rules surpassing \$1 billion dollars in costs in the past 15 years, 19 have come from the EPA.

One of the most costly regulations in U.S. history was the 2015 ozone standard rule which carries an estimated price of \$1.4 billion. The 2015 rule revised the 2008 standard from 75 parts per billion (ppb) to 70 ppb. PMAA fought to keep the ozone standard at 75 ppb and submitted written comments because of the negative effects lowering the standard would have in cities that are in non-attainment.

DON'T TAKE A CHANCE – VALUATION METHODS FOR BUY-SELL AGREEMENTS

A Buy/Sell Agreement helps a business owner "lock in" a value for the business. The Agreement does this by using a "valuation formula." The formula you use could mean the difference between receiving liquidation value or fair market value. Does your valuation formula lock in fair market value?

Make sure your valuation method locks in the fair market value of your business. Take advantage of Federated's Agreement EvaluatorSM to receive an informal review on the strengths and weaknesses of your valuation formula along with the other terms of your Buy/Sell Agreement.

Please read more about the three common valuation formulas in its entirety [here](#). For additional information or to discuss this in further detail, please contact your [Federated](#) regional representative or PMAA's National Account Executive [Jerry Leemkuil](#) at 800.533.0472. Federated is a PMAA Corporate Platinum Partner.

FEDERATED INSURANCE'S WEBINAR: EMPLOYMENT INSIGHTS – HIRING PRACTICES ON SEPTEMBER 29 AT 2:00PM EDT

On **September 29th, 2016**, Federated is pleased to provide your members access to a complimentary one-hour webinar hosted by Enquiron® titled “**Employment Insights – Hiring Practices.**” This webinar will identify developing challenges and hidden dangers in the hiring process and highlight:

- Challenges in the hiring process
- Application, interview and offer stages
- Impact of upcoming overtime rules changes
- Status and trends impacting background checks
- What employers can do to refresh their procedures

[Advance Registration](#) is required. A recorded version of the webinar will be available on [federatedinsurance.com](#) for 60 days approximately one week after the live session if you are interested, but unable to attend.

For additional information or to discuss this in further detail, please contact your [Federated](#) regional representative or PMAA's National Account Executive [Jerry Leemkuil](#) at 800.533.0472. Federated is a PMAA Corporate Platinum Partner.

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

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

August 21-23, 2017 – New Mexico (NMPMA) Convention – Sandia Resort – Albuquerque, New Mexico

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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Register Now: <https://associations.mynpp.com/myNPP/memberSavings.xhtml?guid=RB3WUOFG>

WPMA MEMBER SERVICES



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Petro Pete: “My track record as an adult is mostly false starts, hurdles and running around in a circle.”

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