

September 13, 2013

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WP-09-13-13

PMAA TO HOST SOUTHERN CALIFORNIA DINNER AND GOLF EVENT

PMAA is hosting a dinner and golf event on Wednesday, November 20th and Thursday, November 21st at the Omni La Costa Resort and Spa in Carlsbad, California.

Costa Resort & Spa is Southern California's ultimate luxury retreat with a top-ranked spa, 36-hole San Diego golf course and luxuriously appointed rooms. A room rate of \$209 per room has been arranged for event attendees, and is good three days before and after the event if you wish to stay longer.

The PMAA event will begin Wednesday evening, November 20th with a cocktail reception from 6 – 7 pm and dinner immediately to follow at the resort (details TBA). On Thursday, November 21st, former two-time PGA Championship winner Dave Stockton will give golf lessons to attendees from 8 - 11am, followed by 18 holes of golf on La Costa's Championship Golf Course. For every \$1,500 donated to the event, each Sponsor will get one free round of golf and a lesson from Dave Stockton. Wednesday's reception sponsorship is \$4,500; the dinner sponsorship is \$6,000, and the beverage cart sponsorship is \$3,000.

Please invest in PMAA through one or more of these sponsorships.

BUSY AGENDA AWAITS CONGRESS

On Monday, lawmakers returned to Capitol Hill after a five week break. While Syria dominated the discussion, behind the scenes, lawmakers worked on legislation to avert a government shut down and a potential agreement to move a pending energy efficiency bill (S.1392) to the Senate floor. Next week, the House is expected to consider legislation to fund the government through December 15th and will also consider the nutrition title (SNAP program) of the Farm bill which it did not include in a previously passed Farm bill. The House's Farm bill nutrition title will cut \$40 billion from the SNAP program while the Senate version cuts \$4 billion. The good news is that the House bill does not include harmful language which could unfairly restrict some c-store owners from accepting SNAP benefits compared to its Senate counterpart. Farm bill action in the House will allow both chambers to eventually move towards a conference committee. The Senate has announced conferees and PMAA has already initiated a targeted grassroots campaign to prevent the Senate version from becoming law.

The House Transportation Committee will also take up its version of the Water Resources Development Act (WRDA) which its Senate companion bill included SPCC farm tank exemptions. While the initial House WRDA bill does not include SPCC language, it's expected an amendment will be attached when the Committee holds a markup next week. Although details have not been released, PMAA will continue to monitor the situation and report any news related to the SPCC farmer exemption provision.

In the Senate, Majority Leader Harry Reid (D-NV) and Minority Leader Mitch McConnell (R-KY) have been unable to reach an agreement on an amendment list to consider to the pending Shaheen-Portman energy efficiency bill (S. 1392). Senator John Hoeven (R-ND) intended to offer an amendment to force approval of the Keystone XL pipeline, but now, the latest proposal is a non-binding amendment which does not have the force of law. The strategy is to get Senators on the record stating specifically that the Keystone XL pipeline is of national interest.

Finally, Congress has until October 15th to raise the nation's borrowing limit (debt ceiling), however, it's uncertain how leadership plans to move forward.

REPORT: OIL INDUSTRY REDUCING CARBON EMISSIONS

This week, a study commissioned by API, reported that the oil industry is accomplishing major gains in reducing its carbon footprint. Between 2000 and 2012, the industry spent \$81 billion to reduce carbon emissions – more than the federal government and nearly all other industries combined. Other US industries invested an estimated \$91.2 billion, and the federal government invested an estimated \$79.7 billion. Last year, emissions were 13 percent lower than they were in 2005. Much of the credit can be attributed to the shale gas development in the North Central region of the country. Analysts also attribute the reduction due to the Great Recession which resulted in reduced motor fuels consumption. The report also highlighted that the oil and gas industry spent \$44.9 billion on advanced end-use technologies, including carbon capture and storage technologies. Click [here](http://www.api.org/~media/Files/EHS/climate-change/2013-key-investments-ghg-mitigation.pdf) (http://www.api.org/~media/Files/EHS/climate-change/2013-key-investments-ghg-mitigation.pdf) to read the report.

GAO REPORT CONCLUDES PHMSA WETLINE INCIDENT DATA IS UNRELIABLE

This week, the U.S. Government Accountability Office (GAO) released a scathing critique of the U.S. DOT Pipeline and Hazardous Materials Safety Administration's (PHMSA) wetlines incident data collection efforts. Congress ordered GAO to conduct the study after a successful lobbying campaign mounted by PMAA. The GAO report is important because PHMSA is attempting to use its incident data to support a rule PMAA opposes requiring cargo tank wetlines to be retrofitted with expensive purge equipment.

Specifically, the GAO reported that PHMSA's incident data cannot be used to reliably identify risks from incidents involving collisions with and spills from cargo tank wetlines because the incidents are not specifically identified in PHMSA's database and the data contain inaccuracies. PHMSA identifies wetline incidents through a resource-intensive process of reviewing carrier-reported incident reports. However, GAO found that the reports do not always clearly indicate whether an incident is wetline related and that information about the consequences of incidents, including fatalities, is not always accurate. This is the same conclusion was found by a PMAA-sponsored review of incident reports several years ago. The GAO said that PHMSA's cost benefit analysis for wetline retrofit overstated the number of fatalities the proposed rule would prevent when considering actual past incidents.

The GAO concluded that DOT should improve its wetline incident data by requiring carriers to specifically report wetline incidents and by improving its information on incident consequences. DOT should also address uncertainty in the assumptions and data underlying its regulatory cost-benefit analysis. DOT did not agree or disagree with the recommendations, but provided technical comments.

The GAO study will likely delay or derail the proposed wetline rule for the foreseeable future. PMAA Regulatory Counsel Mark Morgan will analyze the GAO findings and issue a more detailed report shortly.

NATIONWIDE TRUCK BRAKE INSPECTION BLITZ SET FOR SEPTEMBER 8 – 14

Federal, state and local regulators have been branching out across the nation conducting roadside inspections focusing on commercial motor vehicle brake systems. The inspection blitz is one of two enforcement and outreach campaigns dedicated to promoting truck brake safety sponsored by the Commercial Vehicle Safety Alliance (CVSA) each year. An unannounced brake check inspection blitz is held each spring along with the regularly scheduled brake safety week each fall. Petroleum marketers operating commercial motor vehicles including cargo tank trucks should inspect all brake systems to avoid a potential out-of-service order.

The fall campaign was scheduled for September 8 through this Saturday, September 14th and will involve inspectors from nearly every CVSA member jurisdiction and inspectors from the Federal Motor Carrier Safety Administration. More than 30,000 brake inspections are expected to be conducted during Brake Safety Week. Inspections conducted during Brake Safety Week consist primarily of brake specific inspections, though more thorough inspections are also conducted. Carriers are encouraged to be involved by helping educate drivers and mechanics about the importance of pre-trip inspections and proper brake maintenance. Operation Air Brake targets six items for inspection: driver's license, registration, low air warning device, pushrod travel (adjustment), brake linings/drums, leaks/air loss rate, and tractor protection system.

Specifically, the CVSA recommends the following brake inspection and maintenance steps be completed:

- Check for missing, non-functioning, loose, contaminated or cracked parts on the brake system;
- Check for "S" cam flip-over; Be alert for audible air leaks around brake components and lines;
- Check that the slack adjusters are the same length (from center of "S" cam to center of clevis pin), and that the air chambers on each axle are the same size;
- Check brake adjustment;
- Ensure the air system maintains air pressure between 90 and 100 psi; Measure pushrod travel;
- Inspect required brake system warning devices, such as ABS malfunction lamps and low air pressure warning devices;
- Inspect tractor protection system, including the bleed-back system on the trailer.

HPMA RECOMMENDS PETRO CLASSROOM FOR CLASS A, B AND C OPERATORS

The Hawaii regulations that went into effect August 27, 2013 for Class A, B and C operators state the following:

§11-281-46 Operator training.

(a) Operator designation and notice.

(1) No later than one hundred twenty days after the effective date of these rules, owners and operators must designate for each UST or tank system that is in use or temporarily out of use a class A, class B, and class C operator trained and certified in accordance with the requirements of this section.

The Hawaii Petroleum Marketers Association has recommended Petro Classroom for those looking for Class A, B, or C Operator Certification Training, as required by the Energy Policy Act of 2005. Petro Classroom offers affordable and convenient compliance training that not only meets, but exceeds the training requirements and guidelines established by the EPA. We currently offer Classroom and Online Training for Class A and B Operators and Online Training for Class C Operators.

To register go to: <http://www.wpma.com/hawaii>

Hawaii Training Classes

October 2, 2013 – Honolulu, HI
Doubletree by Hilton Alana Waikiki
1956 Ala Moana Blvd
Nanu Room
Honolulu, HI 96815

October 3, 2013 – Kahului-Maui, HI
Maui Beach Hotel
170 Kaahumanu Avenue
Maui Room – Located on the 2nd Floor
Kahului-Maui, HI 96732

JOIN PMAA IN ATLANTA THIS OCTOBER

PMAA will hold its Fall Meeting on October 11-12 at the Hyatt Regency Atlanta. Please view current information at <http://www.pmaa.org/pmaameetings/upcomingmeetings.asp>.

2014 WESTERN PETROLEUM MARKETERS CONVENTION & CONVENIENCE STORE EXPO LAS VEGAS, NEVADA

Start planning now to attend the 2014 WPMA Convention and Convenience Store Expo. It will be held at the Mirage in Las Vegas, Nevada. Mark your calendars for **February 18-20, 2014**.

MARK YOUR CALENDARS FOR UPCOMING EVENTS IN 2013

October 4, 2013 – HPMA Golf Tournament –Mauna Lani Resort, South Course– Kohala Coast, Big Island, HI

Petro Pete: ***“Some things are better left unsaid. If only I could determine which things.”***

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