

December 22, 2022

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WP-12-22-22



WPMA wishes you the very merriest of holidays!

HOLIDAY OFFICE CLOSURES:

Closed for Christmas - Friday, December 23, and Monday December 26, 2022

Closed for New Year - Friday, December 30, and Monday January 2, 2023.

The following information provided by: **EMA**
Energy Marketers of America



MULTI-STATE HOURS OF SERVICE WAIVER ISSUED FOR HEATING FUELS

The Federal Motor Carrier Safety Administration (FMCSA) issued a multistate Hours of Service waiver for Heating oil, Propane and Natural Gas for 15 days through January 6, 2023, for the following states due to Winter Storm Elliott: ALABAMA, ARKANSAS, CALIFORNIA, COLORADO, CONNECTICUT, DELAWARE, DISTRICT OF COLUMBIA, GEORGIA, IDAHO, ILLINOIS, INDIANA, IOWA, KANSAS, KENTUCKY, MAINE, MARYLAND, MASSACHUSETTS, MICHIGAN, MINNESOTA, MISSISSIPPI, MISSOURI, MONTANA, NEBRASKA, NEW HAMPSHIRE, NEW JERSEY, NEW YORK, NEVADA, NORTH CAROLINA, NORTH DAKOTA, OHIO, OKLAHOMA, OREGON, PENNSYLVANIA, RHODE ISLAND, SOUTH CAROLINA, SOUTH DAKOTA, TENNESSEE, TEXAS, UTAH, VERMONT, VIRGINIA, WASHINGTON, WEST VIRGINIA, WISCONSIN, AND WYOMING.

The emergency declaration applies to all states and jurisdictions listed above. This waiver covers all heating fuel deliveries in the states and jurisdictions listed because they support the "emergency," which in this case, is maintaining adequate heating fuel distribution in those areas.

Important: The FMCSA waiver covers interstate shipment of heating fuel in and out of the states and jurisdictions listed in the waiver letter. The FMCSA waiver does not cover intrastate only shipments (deliveries that stay within the boundaries of a single state). State governors must issue waivers for intrastate shipments within their boundaries. State Governors typically issue such waivers as part of their Emergency Declaration, or when FMCSA waivers are put into effect. Some of these states have already issued intrastate HOS waivers. Click [here](#) to read the notice and [here](#) for questions regarding the waiver.

The Energy Marketers of America will continue to work closely with the FMCSA, DOE, DHS/FEMA and other federal agencies to ensure emergency preparedness and response waivers and solutions to problems that arise in response to Winter Storm Elliott.

CONGRESS SET TO APPROVE OMNIBUS SPENDING BILL

Congress is still considering and likely to approve a \$1.7 trillion spending bill which would fund the government through the end of the FY 2023 (September 30, 2023). Under the current Continuing Resolution (CR), Congress has until midnight Friday to approve the spending bill. This is the final legislative item before lawmakers leave town for the holidays and mark an end to the 117th Congress.

Of significance for energy marketers, the bill includes:

- \$93.2 million for the Leaking Underground Storage Tank (LUST) fund which matches previous funding levels. An additional \$1 million for cleanup due to Hurricanes Fiona and Ian.

- \$4 billion for the Low-Income Home Energy Assistance Program (LIHEAP), a \$200 million increase from FY 2022. Including the emergency supplemental funding that passed this Fall, LIHEAP will receive approximately \$5 billion in FY 2023.
- \$207 million for the Strategic Petroleum Reserve (SPR). The spending bill cancels the sale of 140 million barrels of oil from the Strategic Petroleum Reserve mandated by Congress. As a result, total congressionally mandated drawdowns between FY23 and FY31 drop from 265.6m to 125.6m barrels.
- \$7 million for the Northeast Home Heating Oil Reserve which is a slight boost compared to previous years.
- \$10 billion for EPA which is a \$576 million increase from current levels including \$100 million for diesel emissions reduction grants, an \$8 million increase.
- \$803 million for the Federal Highway Administration Emergency Relief Program to reimburse states for costs to repair damaged roads and bridges from eligible disasters and \$3 billion for the Community Development Block Grant Disaster Recovery Program (CDBG-DR) to help communities recover from major declared disasters.
- \$1.218 billion for the Small Business Administration (SBA), which is \$188 million more than fiscal year 2022, and includes \$179 million for SBA disaster loan program.

EMA COMMENTS ON HAZMAT REGISTRATION AND FEE ASSESSMENT PROGRAM

On Wednesday, EMA submitted comments on the Pipeline and Hazardous Materials Safety Administration's (PHMSA) Advance Notice of Proposed Rulemaking (ANPRM) regarding potential changes to the hazardous materials registration and fee assessment program. EMA opposed any fee increase on small business registrants.

The Infrastructure Investment and Jobs Act (IIJA) of 2021 authorized PHMSA to collect a total annual authorization ceiling of \$46,825,000 to carry out the emergency preparedness grant program for fiscal years 2022 through 2026. The IIJA increases the current funding authorization by \$18,500,00. EMA argued that any resulting fee increases permitted by Congress due to the increased funding authorization should be collected by increased fees for large business registrants and by expansion of the registration program to exempted materials and persons who acquire approvals or special permits. [Click here](#) to read the comments.

REMINDER: SUPERFUND TAX ON CRUDE OIL BEGINS JANUARY 1, 2023

What the 16.4 Cents Per Barrel Tax Means for Downstream Energy Marketers and Tax-Exempt Purchasers

The Inflation Reduction Act of 2022 reimposes the long-expired Superfund excise tax on crude oil at the rate of 16.4 cents per barrel beginning January 1, 2023. EMA is receiving inquiries about how the Superfund tax will affect downstream energy marketers and tax-exempt purchasers (state and local governments, etc.).

First and foremost, refiners are the only parties liable for payment of the Superfund tax. It is important for energy marketers to understand that once crude is refined, the tax becomes a manufacturing cost refiners include in the price per gallon of finished product. No other party downstream of the refinery gate is liable for the Superfund tax because it is passed down as a cost not a tax.

Some suppliers break out the additional per gallon cost associated with the tax on supply invoices and identify it as the "Superfund Tax." However, this practice is not legally required for downstream parties and often creates confusion for both energy marketers and tax-exempt purchasers. Therefore, to avoid confusion, energy marketers are advised not to break out the Superfund tax as a separate line item on invoices or supply contract bids because tax exempt purchasers will object to any charge identified as a "tax." There are no downstream exemptions from the Superfund tax.

Finally, the Superfund tax is only imposed on the crude portion of blended product. As a result, downstream blenders of ethanol, biodiesel or any other non-crude renewable fuels are not liable for the tax. Finally, the Superfund tax is indexed annually to the rate of inflation and expires on December 31, 2032, unless extended by Congress.

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

WEEKEND READS:

[TOYOTA CHIEF SAYS 'SILENT MAJORITY' HAS DOUBTS ABOUT PURSUING ONLY EVS | WALL STREET JOURNAL](#)

[US reaches 140k public EV charging ports as key federal official says \\$90B infrastructure investment needed](#)

[States Attempt to Help Americans Facing Rising Energy Costs](#)

[Whom Do Credit-Card-Rewards Programs Really Reward?](#)(The New Yorker, subscription may be required)

[ESG Investing Wars Hit Public Nerve Amid BlackRock Saga \(1\) | Bloomberg Law](#)

FEDERATED INSURANCE: IT'S YOUR LIFE

Is Your Business Prepared for an Unexpected Absence?

Fires are a hazard that we can all take steps to minimize and prepare for. We check smoke detectors and change the batteries when needed. We teach our children how to get out of the house and where to meet outside if there is ever a fire in our home. From elementary schools to large corporations, organizations hold fire drills periodically to make sure everyone knows what to do in the event of an emergency. This concept can, and should, be applied to your business continuity plan. Have you held a company "fire drill" lately to prepare for an unexpected absence?

Please click [here](#) to know what questions to ask and the answers to these questions before an unexpected event occurs.

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.

PLEASE SUPPORT THE 2023 SCHOLARSHIP SILENT AUCTION!

In May 2023, the WPMA Scholarship Foundation will award \$32,000 in scholarships to graduating high school seniors. The Foundation receives a large portion of its funding from the annual Scholarship Silent Auction held at the WPMAEXPO in February. Please support the Scholarship Foundation by donating an item with a value of \$100 or more to the 2023 Scholarship Silent Auction.

Past Silent Auction donations have included tickets to sporting events, vacation packages, decorator items, electronics, sports equipment, logo clothing, jewelry, tools, and accessories. If you would like to donate an item, please fill out the Silent Auction Donation Form available under the Scholarship tab on the WPMA website <https://www.wpma.com/pdf/scholarship/SA19Generic-DonationFrm0701w.pdf> or e-mail Kathy Michaelis at kathym@wpma.com.

The value of items donated to the auction is tax-deductible.

THANK YOU WPMA EXPO 2023 TOP SPONSORS as of December 16, 2022

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PLEASE NOTE UPCOMING DATES FOR WPMA EVENTS

February 21-23, 2023 - WPMA Convention & EXPO - Mirage Hotel- Las Vegas, NV

April 27-28, 2023 – Nevada Big Dogs – Red Rock Hotel/Sienna Golf Course – Las Vegas, NV

June 6-7, 2023 – MPMCSA Montana Convention – Fairmont Hot Springs – Fairmont, MT

June 19-21, 2023 – WIED Washington Convention – Suncadia Lodge, Cle Elum, WA

July 16-18, 2023 – OFA Oregon Conference – Sunriver Resort – Sunriver, OR

August 2-4, 2023 – IPM&CSA Idaho Convention – Sun Valley Resort – Sun Valley, ID

My wish list.
A WPMA Scholarship!

\$4,000
SCHOLARSHIP
OPPORTUNITY!

WPMA
SCHOLARSHIP FOUNDATION

CLICK HERE
for **WPMA**
SCHOLARSHIP
2023
Information!

WPMA SCHOLARSHIP APPLICATION NOW DIGITAL!

For all graduating seniors wanting to apply for one of the nine scholarships awarded through the WPMA Scholarship Foundation, the application process is now completely digital!

Simply click below to access the scholarship portal and create a password to begin. Students have the ability to leave the application and return at their convenience.

Don't miss this opportunity to help the next generation start out on the right foot by sharing this information with any of your co-workers with a graduating senior. Seniors who work part-time for a marketer member company, and have been employed at least 90 days, are also eligible to apply.

[CLICK HERE TO ACCESS SCHOLARSHIP PORTAL](#)



Petro Pete: Well, to be Frank with you, I'd have to change my name.

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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.