

P M A A W E E K L Y REVIEW

September 6, 2019

WR-19-34

Marketers Meet Demand for Fuel Throughout Areas Impacted by Hurricane Dorian *New Storm Developing*

Thanks to the exceptional work of petroleum marketers who have worked around the clock since reports of the pending hurricane were first out, access to fuel has been nearly constant, with only some short outages in Southern Florida during the worst of the forecasts.

Marketers and station operators not only work diligently before disasters, but are also a sort of “first responder” refueling as quickly as possible, once the roads are clear enough to traverse, and marketers continue to meet the accelerated demand that follows during what is often a long recovery.

PMAA began working to ease obstacles on August 26, beginning with obtaining a HOS regional waiver. For the numerous federal and state declarations, waivers, and No Action Assurance letters, go to pmaa.org. In addition to battling obstacles and helping marketers prepare for the storm, Florida’s Petroleum Marketers Association's executive director, Ned Bowman, graciously invited PMAA to continue working the storm from Florida instead of D.C. PMAA Vice President Sherri Stone flew to Tallahassee and joined Ned at the Florida Emergency Operations Center (EOC) last weekend. Working from the Florida EOC allowed Sherri and Ned to respond to federal DHS, FEMA, DOE, EPA and DOT requests faster and allowed Ned and Sherri to provide greater communication between industry and state and national governments.

PMAA's Disaster Response Director Sam Bell of Echols Oil Co., Inc. applauds PMAA members who are participants in the PMAA Disaster Fuel Response Program, a valuable resource for businesses in need of fuel or drivers.

Throughout this storm, references to port closures and re-openings have been frequent and will continue as status at ports change. For your quick reference click [here](#) for a list of terms that are helpful to know.

PMAA is keeping a close watch of several new disturbances that are developing, especially one off the coast of Africa with a high chance of development over the next five days that would be a problem the week after next.

White House Plans Five Percent Increase in RFS 2020 Blending Mandates

The Trump Administration is drafting a plan that would increase blending mandates under the RFS by five percent over 2019 volumes. The White House, EPA and Department of Agriculture are formulating final details of the plan. The increase in blending mandates are important to petroleum marketers because it could drive up RIN prices and force E15 on the market. The administration is taking this action in order to shore up support among farmers who are angry over falling crop prices from stagnant ethanol blending volume and loss of market share due to the recent increase in small refinery blending waivers and ongoing trade war with China.

According to reports, the Trump Administration is planning to increase total renewable fuel volumes by an additional billion gallons over the 20.4 billion-gallon total already set by the EPA in a recent rulemaking. Specifically, the plan seeks to increase the conventional renewable fuel blending mandate by 500 million gallons for 2020. The advanced biofuel blending mandate would also raise by 500 million gallons while the 2021 bio-mass based diesel blending level would fall by 250 million gallons. The administration's plan is unlikely to satisfy renewable fuel producers because the higher blending volumes are not sufficient to offset the 4.2 billion gallons of renewable fuel lost to small refinery blending waivers. The plan's expected unveiling could happen as soon as October 1.

EPA May Revoke Waiver Allowing California to Set Emissions Standards EPA and California Meet in Court Today Over Emissions Rules

The U.S. Environmental Protection Agency is mulling a plan that would revoke California's waiver that allows the state to set its own, more stringent auto emissions standards. Additionally, the plan would take away the requirement that California must sell an increasing number of electric vehicles (EVs) each year. Furthermore, the U.S. Department of Transportation plans to assert that the California standards are preempted by federal fuel economy regulations. The decision would almost certainly lead to a battle in court.

The potential move comes less than one month after Ford Motor Company, BMW AG, Volkswagen AG and Honda Motor Company, reached an agreement with California on emissions standards. Under the terms of the deal between the California Air Resources Board (CARB) and Ford, VW, Honda and BMW, the automakers would increase the average fuel economy of their fleets to around 50 miles per gallon by the end of the 2026. GM did not take a position on the agreement, and Fiat Chrysler indicated that it wasn't invited to the discussion.

Last August, the EPA and National Highway and Transportation Safety Administration (NHTSA) issued a proposed rule, known as "The Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule for Model Years 2021-2026 Passenger Cars and Light Trucks," that would freeze CAFE standards and corresponding greenhouse gas standards at 2020 levels and revoke the rights of individual states to adopt more stringent emissions standards. In October, PMAA submitted comments in support of the Trump Administration's proposed rule. PMAA highlighted numerous reasons why current CAFE standards could harm petroleum marketers and how important the Trump

Administration's proposed rule is needed. Click [here](#) to read the comments.

In other news, today, the EPA and California are meeting in the D.C. Circuit Court today where California will try to convince the court that former EPA Administrator Scott Pruitt's findings that the emissions standards should be weakened. California and 17 other states, as well as environmental groups, have argued that the findings used to make the decision were not backed by scientific evidence.

Please Pre-Register and Make Your FINAL Plans Now for PMAA's Fall Meeting at the NACS Show September 30-October 1

PMAA will hold its Fall Meeting in conjunction with the NACS Show on September 30-October 1 at the Hyatt Regency Atlanta located in the heart of downtown Atlanta. It is an excellent opportunity to meet your fellow marketers to discuss and learn more about our industry, while also enjoying all the great activities and restaurants that Atlanta has to offer.

The PMAA meeting will begin with a New Attendee Orientation mid-afternoon on September 30 followed by the Federal Legislative Update and fill you in on everything happening in Washington. A welcome reception with NACS to State Association Leaders (All PMAA members are welcome) will follow at Georgia World Congress Center. PMAA will provide round-trip shuttle service. On the morning of October 1, there will be a Buffet Breakfast followed by Region and Committee Meetings. The PMAA Board of Directors meeting is scheduled after the Distinguished Service Award Luncheon sponsored by PMAA's [Corporate Platinum Partner](#) Federated Insurance. New Mexico Marketer Benny Hodges is this year's recipient of PMAA's highest honor.

Click [here](#) for our **event website** for all details including registration with secure event payment processing through Cvent. **Please make your hotel reservations today, if you have not already done so. Please note that Hyatt Regency is almost sold out. [NACS Housing](#) will be assisting with reservations until end of business (Eastern Time) September 10 and will do their best to find rooms in the NACS Housing block. After that date, you will need to contact the hotels directly.** Responding to PMAA's event email is the recommended method to register or decline. Pre-registration is recommended to expedite your time during the conference, to assist us with our hotel guarantees and to have a name badge ready for you.

We look forward to seeing you in Atlanta!

Please note that the [NACS Show registration](#) is separate from the PMAA Meeting Registration.

Announcing Our Fall Meeting Speakers!

PMAA is pleased to announce the following speakers to address petroleum marketers attending PMAA's Fall Meeting at the NACS Show. All PMAA Committee Meetings will take place on Tuesday, October 1 from 10:15 am – 11:45 am at Hyatt Regency Atlanta.

The Heating Fuels Committee will feature **Christopher Lord and Austin Bachmann of Babington Burner Company**. The Motor Fuels Committee will feature **Kristi Moriarty of National Renewable Energy Laboratory (NREL)** and **Jeff Dzierzanowski of Source North America Corporation**, a PMAA Corporate Silver Partner. The Convenience Store Committee will feature **Matthew Domingo and Steve Kottak of RAI Trade Marketing Services Company**, a [PMAA Corporate Platinum Partner](#), and **William Hilliard of Atalo Holdings, Inc.**

All Speaker information is now available [here](#).

Federated Insurance Employment Practices Network Webinar

Hidden Dangers of Common Human Resources Mistakes: Tuesday, September 17, 2019, 1:00 p.m. CT

This one-hour webinar will identify the top 10 mistakes HR Managers and Risk Managers commonly make. We will describe real life examples and provide simple techniques any manager can use to avoid these mistakes or mitigate them if they occur. We will also touch on how these techniques and FEPN resources can be deployed to manage multi-generational workforce issues.

[Advanced registration](#) is required.

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

August 2019 PMAA Small Business Committee (SBC) PAC Contributions

PAC Co-Chairs Brad Bell and Tim Keigher are grateful for the PMAA Small Business Committee (SBC) PAC contributions from the following individuals during the August 1-31, 2019 time frame:

California: Bob Shuster, Gail Tesei

Idaho: Brett Adams, Dennis Baird, Holly Claiborn, Bob Coleman, Mike Jensen, Charley Jones, Justin Kerr, Nick Lynch, Scott Lynch

Louisiana: Anne Gauthier, Al Waguespack

Michigan: Robert Hohn

New Mexico: Brian Ashburn, Benny Hodges

New York: Rodney Derstine, Bruce Hall, Quincy Longacre, Joseph Mirabito, Richard Mirabito, Ross Mirabito, William Mirabito, Carolyn Roth, Bruce Shapiro

Oklahoma: Debra Ashmore

Virginia: James Addington, Nancy Allen, Robert Claytor, Danny Cockerham, Christopher Earhart, James Emmart, Timothy Hutchens, John Kimbler, Richard Koontz Jr., Wayne Mears,

James Ridenour Sr., William Russell, Sarah Sutton, Lester Terhune III, David Walsh, Stratford Ward Jr., John Watts Jr.

South Carolina: Ryan Adams, George Benjamin, Amanda Jean Curtis, Dennis Curtis, Walter Frick, Bill Hemingway, William Keenan, Thomas Madden, Elizabeth Simmons, Steve Spinks, Jason Terry

Texas: Daniel Kendrick

Purchase PAC Raffle Tickets for a Chance to Own a Dustin Johnson Autographed TaylorMade Golf Hat and a Titleist Velocity Masters Golf Ball



Purchase your PMAA Political Action Committee (PAC) raffle tickets now for an opportunity to win an autographed TaylorMade golf hat and a Titleist Velocity Masters golf ball with display case by Dustin Johnson. He is an American Professional golfer who plays on the PGA Tour. He has been a success almost from the moment he showed up on the PGA Tour as one of pro golf's longest drivers and he is ranked number 2 in the world of golf. It is also backed by

SportsMemorabilia.com's authenticity guarantee.

The PMAA SBC PAC will hold the raffle during the Fall Meeting in Atlanta, Georgia being held September 30 to October 1 and the raffle winner will be identified during the Board Meeting on October 1. The winner 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 fortunate owner of the Dustin Johnson's Collectibles.

The proceeds of the raffle will benefit the PMAA SBC PAC. The money distributed to the PAC is used to benefit federal legislators who support the industry and have a solid record on key industry legislative issues. Tickets are \$25 each or five for \$100. Advanced tickets are available until September 27 by contacting [Sabrina Pitcher](#) at 703-351-8000. Ticket sales will continue at PMAA's Fall Meeting in Atlanta, Georgia on September 30. Tickets must be paid for with personal funds by MasterCard, VISA, American Express, Cash or Check (checks should be made out to the PMAA Small Business Committee).

August 2019 PMAA MDF Contributors

PMAA's Marketer Defense Fund wants to thank the following individuals for their contributions during the August 1- 31 timeframe:

Colorado: Brian Haldorson

Connecticut: Robert Barrieau
Illinois: Matt Schrimpf
Louisiana: Al Waguespack
New Mexico: Benny Hodges
Oregon: Lila Leathers

Corporate donations are acceptable. MDF funds have been used for various studies, litigation and disaster relief dedicated to strengthening our lobbying efforts on Capitol Hill. Click [here](#) to donate to the PMAA MDF.

Federated Insurance: Risk Management Corner
Fire Prevention Not a Once-a-Year Responsibility

How often do you think about fire prevention? Weekly? Monthly? Yearly? On the off chance you come across an article on the subject? Unless your answer to that question is “daily,” you have some work to do.

Fire Prevention Week runs from October 6–12. It’s a great opportunity to remind yourself and your employees of the importance of fire prevention, but it shouldn’t be the only time of year you think about it.

To read about Federated’s recommended tips, please click [here](#). For additional information or to discuss further, please contact your [Federated](#) regional representative or PMAA’s **newly assigned** National Account Executive [Jack West](#) at 800.533.0472. **Federated is a PMAA Corporate Platinum Partner.**

INTL FCStone Hosting Energy Risk Management Academy November 12, 2019

[INTL FCStone Financial Inc.](#), a PMAA Corporate Bronze Partner, is hosting an [Energy Risk Academy](#) in Omaha, Nebraska on November 12. This interactive, pure educational seminar will provide you with an informative overview of the energy market and how implementing a price-risk management strategy could help protect your bottom line from being seriously impacted during volatile times.

In times of volatile energy prices, energy producers and consumers need to know all available Price Risk Management alternatives to meet their energy needs.

Besides the benefit of invaluable market knowledge, INTL FC Stone is offering PMAA members \$100 off the registration fee by using the discount code: **ENERGY**. Those members who register before October 15th will also receive an automatic early-bird discount of an additional \$50 off registration.