

CIOMA WEEKLY NEWS BRIEF

Jay McKeeman, Editor

December 30, 2005

- CALIFORNIA UST FEE RISES AS OF 1/1/06
- CARB RELEASES ANOTHER STUDY PROTOCOL ON ISD SYSTEMS
- WORKSHOP PLANNED ON VAPOR RECOVERY REQUIREMENTS FOR STATIONS THAT DISPENSE E85
- FUEL SHORTAGES IN NORTHWEST CALIFORNIA AVERTED
- EPA MOVES FORWARD ON RENEWABLE FUELS MANDATE
- CALIFORNIA EMPLOYERS FACE MANDATORY POSTER AND PAMPHLET CHANGES
- REMEMBER THE SURVEY!
- CIOMA OFFICE HOURS

CIOMA Vision: To make independent oil marketers so strong that we are the dominant force in the petroleum marketing industry.

Please note the following dates on your 2006 "important things to do" calendar:

April 28, 29, 30 – CIOMA/CIOMPAC Destruction Derby, Firebaugh, CA

June 25 – 28 – California Petroleum Conference, San Diego, CA

September 18 - 21, 2006 - Pacific Oil Conference, Reno Hilton, Reno, NV www.petroshow.com

CALIFORNIA UST FEE RISES AS OF 1/1/06

The per-gallon fee on fuels sold from or distributed to underground storage tanks rises from 1.3 cents per gallon to 1.4 cents per gallon on January 1st. The 1.4 cents per gallon fee is scheduled to remain at that level until the fee sunsets in 2011.

The fee was adjusted in 2004 when legislation was passed due to anticipated shortfalls in payouts over the operation period of the fund. Any further increases will have to be accomplished through new legislation.

CARB RELEASES ANOTHER STUDY PROTOCOL ON ISD SYSTEMS

A second announcement of an In Station Diagnostic (ISD) system review was released this week by the Air Resources Board. This review will focus on the field operation of ISD systems, comparing information gathered with results achieved during ISD system certification by CARB. A minimum of six sites in different regions will be evaluated.

CIOMA will be evaluating the protocols and will provide input to CAPCOA and CARB regarding the tests and their objectives. A copy of the protocols can be obtained at <http://www.arb.ca.gov/vapor/vapor.htm>.

WORKSHOP PLANNED ON VAPOR RECOVERY REQUIREMENTS FOR STATIONS THAT DISPENSE E85

CARB also announced a workshop on Thursday February 2nd (Groundhog Day) regarding the potential requirements for vapor recovery equipment as stations that might provide E-85 (gasoline containing 15% ethanol). The workshop will be held from 9:30a.m. – 1:00p.m. in the Cal/EPA headquarters building, 1101 I Street, Sacramento in the Byron Sher Auditorium. For more information contact:

Alex Santos at (916) 324-1003, or via email at asantos@arb.ca.gov or
Joe Guerrero at (916) 324-9487, or via email at jguerrer@arb.ca.gov.

FUEL SHORTAGES IN NORTHWEST CALIFORNIA AVERTED

Potential fuel shortages in Den Norte, Humboldt and Mendocino counties was averted when the Coast Guard allowed a barge loaded with fuel to land in Eureka. Stormy ocean conditions almost lead to the return of the barge to the San Francisco Bay Area. Several local officials had suggested that out-of-state fuel be allowed as an alternative, especially since several Native American tribes are importing the fuel for sale at their reservation retail outlets. These requests may spur new interest by CARB attorneys in investigating the legality of this practice.

EPA MOVES FORWARD ON RENEWABLE FUELS MANDATE

Earlier this week, EPA published its 2006 plans for implementing the "ethanol" mandate adopted in the 2005 Energy Policy Act. The regulation explains how industry will comply with the Energy Policy Act's default provision requiring that 2.78 percent of the gasoline sold or dispensed to U.S. motorists in 2006 be renewable fuel. The regulation is intended to provide market certainty for smooth implementation of the program in 2006 as EPA expands the program. Many of the act's other provisions regarding the Renewable Fuel Standard Program for 2007 and beyond will be implemented in subsequent regulations.

The program will significantly increase the volume of renewable fuels blended into motor vehicle fuels. Various renewable fuels can be used to meet the requirements of the program, including ethanol and biodiesel. Under this standard, refineries, blenders, and importers would collectively be responsible for meeting program requirements for 2006, where compliance would be calculated over the entire pool of gasoline sold to consumers. PMAA will be monitoring the implementation of this program closely.

Thanks to PMAA for this article.

CALIFORNIA EMPLOYERS FACE MANDATORY POSTER AND PAMPHLET CHANGES

Late 2005 actions by both federal and state government agencies require California employers to change the employment posters that must be displayed for employees and applicants as well as begin handing out a revised version of the workers' compensation information pamphlets.

On December 19, the U.S. Department of Labor issued new regulations implementing the Uniform Services Employment and Reemployment Rights Act of 1994 (USERRA). Included were changes in the information that must be provided to employees and dependents of employees who become members of the uniformed services or are activated to provide such service. This requires replacing the USERRA poster.

The California Division of Workers' Compensation advised that pamphlets provided to employees who are injured on the job must contain new benefits rates that become effective January 1, 2006.

In addition, the Employment Development Department (EDD) is making changes to its "Notice to Employees" posting, which covers rights to Unemployment Insurance (UI), State Disability Insurance (SDI) and Paid Family Leave (PFL). Other agencies have updated contact information or made technical changes and the Whistleblower's Rights poster has been updated to match the precise language issued by the Attorney General's Office. We recommend that you post the 2006 version of these posters and only distribute updated pamphlets to assure that both you and your employees have the most accurate information about these laws and their benefits.

What Should You Do?

- Replace your employment posters with the 2006 version of all updated federal and state agency posters.
- Distribute only updated versions of employee pamphlets to employees going on leaves of absence involving possible claims for workers' compensation, state disability insurance or paid family leave, or separating from employment.
- The 2006 Employment Poster and all required employee pamphlets can be ordered from the California Chamber of Commerce on line at <http://calchamber.01o.com/ajtk/servlet/JJ?H=2agqm2&R=1024808737> or by calling Customer Service at 1-800-331-8877.

Thanks to the California Chamber Labor Law Extra for this article.

REMEMBER THE SURVEY!

Marketer members – don't forget to fill out your 2005-2006 Member Census Survey. Companies who have filled out the survey by Friday January 13th will be put into a drawing for an Apple iPod.

CIOMA OFFICE HOURS

The CIOMA office will be closed on Monday January 2nd in observation of the New Year's Day holiday. Have a safe and sane, but fun, New Year's Eve.

California Independent Oil Marketers Association

3831 N Freeway Blvd Ste 130, Sacramento, CA 95834-1933

Phone: (916) 646-5999 Fax: (916) 646-5985

www.cioma.com