

SD OIL & LP GAS CHRONICLE NEWS

January 2012 Newsletter

The official publication
of the South Dakota
Petroleum and
Propane Marketers
Association

Published 11 times
annually

Volume 12, Issue 1

January 2012

2012 SDP₂MA Scholarships available on association website

In 2012, the Association will only be offering scholarships for employee's or employee's family members.

Two scholarships will be awarded in the amount of \$500 each to a South Dakota high school senior who will be attending an accredited SD College, University, Technical Institute, or Trade School. Student or parent must be an employee of a current dues paying member of the association who have remitted their 2012 dues.

Scholarship must be RECEIVED in the association office by **March 30, 2012** with the scholarship flyer ATTACHED.

Students will be judged on the following criteria: achievements, community involvement, and future goals. Also, students will be asked to indicate why they would be a good recipient of this scholarship

PMAA News

Update from Washington, DC

PMAA TASK FORCE EXAMINES PROPOSED UST REGULATIONS

The PMAA UST Task Force met in January 2012 in Baltimore, MD to draft written comments on the U.S. EPA's proposed changes to federal underground storage tank regulations. The EPA rule would implement many of the provisions required by the Energy Policy Act of 2005, including UST operator training requirements as well as secondary containment for new and replaced tanks, piping and dispensers. The proposed rule would also incorporate existing EPA guidelines on compatibility of mid-range ethanol and biodiesel blends with existing UST system components. Included in the proposed rule is a series of monitoring and integrity testing standards for interstitial areas of secondarily contained tanks and piping. The group also considered the regulatory impact on tank owners of each proposal and analyzed the EPA's small business regulatory impact analysis for accuracy.

Task Force members expressed concern that the heavy regulatory burden imposed by the proposed requirements for monitoring and testing secondary containment would create a disincentive for single walled equipment owners to upgrade. The proposed testing requirements for interstitial spaces by pressurization with air or water could also damage older equipment that is not designed for such tests and void manufacturer warranties. The group found that the EPA cost estimates for determining regulatory impact were grossly underestimated. Given the EPA concern about the risk of equipment failure resulting from improper installation, the group felt the EPA should focus on installer certification programs and standards for installation and initial testing.

The Task Force will continue developing a response to the proposed rule over the

coming month. Comments are due to EPA by February 16, 2012.

PRESIDENT OBAMA REJECTS THE KEYSTONE XL PIPELINE

President Obama denied a permit for the Keystone XL Pipeline citing that the State Department needs more time to review the pipeline even though it is estimated to create at least 20,000 US jobs and bring oil supplies to Gulf Coast refineries.

Included in H.R. 3765, the "Temporary Payroll Tax Cut Continuation Act" that was signed into law last month, was language that required the President to make a decision on the pipeline by February 21. Wednesday's announcement came unexpectedly and has frustrated House and Senate Republicans.

In mid January, Senators John Hoeven (R-ND), Minority Leader Mitch McConnell (R-KY), Richard Lugar (R-IN), David Vitter (R-LA), Lisa Murkowski (R-AK) and Mike Johanns (R-NE) indicated that they intended to draft legislation that would give Congress the ability to approve the pipeline should the President reject it. Citing the powers given to Congress in the Constitution to regulate commerce with foreign nations, Senator Hoeven believes Congress has the ability to approve the pipeline without the President's consent. PMAA supports efforts in the House and Senate to have the pipeline approved as soon as possible.

Most labor unions along with API and the U.S. Chamber of Commerce support the Keystone XL Pipeline. However, environmental groups adamantly oppose the pipeline arguing that the project wouldn't create thousands of jobs

and that the carbon emissions from Canadian tar sands would negatively impact the environment. They've also threatened to withhold support for the President in the 2012 reelection cycle.

PMAA is greatly disappointed in the President's decision to deny the permit, and plans to initiate a strong grassroots communications campaign following next week's House Energy Committee's congressional hearing on Keystone.

OBAMA'S COUNCIL ON JOBS ENERGY REPORT

President Obama's 27-member Council on Jobs and Competitiveness released a report urging the Administration to open more federal lands to energy development, to speed permitting of new pipelines and transmission projects, to sustain investments in research and development, and to extend energy tax credits and increase energy efficiencies in order to create jobs and strengthen energy security. The government should continue to expand use of renewable energy, but global demand for fossil fuels will increase as people in developing countries rise to middle-class lifestyles. According to the final report, over time, innovation and technological advancements will reduce America's reliance on fossil fuels, but until then we need to be "all in."

Many argue the findings are inconsistent with the Administration's barring of development in the Atlantic and Pacific oceans and the slow approval for development of oil-rich waters near Alaska. Of course, many business leaders, including petroleum marketers and lawmakers of both parties have urged the President to approve the Keystone XL pipeline. The council, chaired by General Electric Company CEO Jeffrey Immelt, also recommends that the President encourage production on leases the oil and gas industry already owns.

PRESIDENT OBAMA SEEKS AUTHORITY TO CONSOLIDATE GOVERNMENT, ELEVATE SBA

On January 13, 2012, President Obama will ask Congress for broad consolidation authority so that he can propose to merge parts of the federal government, with an initial proposal that would save the government three billion dollars and would begin with the consolidation of the Small Business Administration; the Office of the U.S. Trade Representative; the Export-Import Bank; the Overseas Private Investment Corporation; and the Trade and Development Agency. The initial proposal is directed at helping small businesses work through red tape and under the merger, the current SBA Administrator position would be elevated to a cabinet-level position.

Although Congressional Republicans say the proposal doesn't go far enough, Congressman Darrell Issa (R-CA), chairman of the House Oversight and Government Reform Committee, said that he is ready to work with the President on the reorganization.

Such authority was last held by former President Ronald Reagan in the 1980s. The authority would permit Congress to vote on each proposed merger, and any proposal must require a reduction in the size of government and must save the government money.

MARK YOUR
CALENDARS!

Annual Convention and EXPO

September 25-26, 2012

Ramkota Hotel

Sioux Falls, SD

NPGA News Washington Update

NPGA GRANTED INTERVENOR STATUS

On January 13, the Federal Energy Regulatory Commission (FERC) issued an order granting NPGA's request to intervene in a proceeding related to Dixie Pipeline's injection allocation policy. Dixie filed with FERC proposing a new policy on December 16, 2011, and Dow protested on December 28, 2011. In its order granting NPGA intervenor status, the Commission also concluded that a number of issues require additional clarification that can best be addressed at a technical conference. A technical conference is an informal, off-the-record conference at which the parties and the Commission's staff can explore the issues raised by the filing, gain an understanding of the facts, and obtain additional information regarding the positions of the parties to facilitate a more prompt resolution of issues raised by the filing. Following the technical conference, the parties will have an opportunity to file comments that will be included in the formal record of the proceeding and will form the basis of the Commission's final decision on the filing. FERC has provided a 180-day period in which to convene the technical conference.

WORK WILL BEGIN ON THE 2014 EDITION OF NFPA 58 LP-GAS CODE

Work will begin on the 2014 edition of NFPA 58 LP-Gas Code as the National Fire Protection Association's (NFPA) Technical Committee on Liquefied Petroleum Gases prepares to meet next week in San Diego. More than 175 proposals will be considered and acted upon by the committee and the results will be published in the Report on Proposals later this spring.

NPGA's Technology, Standards and Safety Committee developed several proposals and will be represented at the meeting to discuss and vote on all of them. All the NPGA proposals were considered by the Board of Directors or the Executive Committee prior to being submitted to NFPA.

In addition to NPGA's proposals, several others were submitted by committee members and others. Here are some of the more notable proposals that were submitted:

- Three proposals were submitted to address the issues related to snow and ice accumulating on propane equipment. Several incidents have occurred where snow and ice fell off roofs onto piping and regulators adjacent to the building.
- A proposal was made to change the design pressure for underground tanks from 250 psig to 200 psig.
- A proposal would prohibit the installation of containers less than 125 gallons water capacity beneath building overhangs and balconies.
- Another proposal would require that liquid transfers to and from all cargo transports be protected by a passive shutdown system, regardless of whether the hose being used is carried on the truck or is kept at the facility where the transfer is taking place.

These are just a few of the many issues that will be addressed at the meeting. For more information, please contact NPGA's **Bruce Swiecicki**.

Dean Travis
Regional Operations Manager



TEECO
PRODUCTS, INC.

The best in LP-Gas equipment.

414 E. Blvd. N. - Rapid City, SD 57701
Ph: 800-843-8660 • Fax: 888-843-8660
dean@teecoproducts.com

ONE Call, ONE Company



Your Federated representative, along with a dedicated support team, has access to a wide variety of products and services. Discover the value of being able to access all of these services—with only one call—using one company.

Visit www.federatedinsurance.com to find a representative near you.



Federated Mutual Insurance Company • Federated Service Insurance Company* • Federated Life Insurance Company
Home Office: 121 East Park Square • Owatonna, Minnesota 55060 • Phone: (507) 455-5200 • www.federatedinsurance.com

*Federated Service Company is not licensed in the states of NH, NJ, RI, and VT.

© Copyright 2012 • Federated Mutual Insurance Company

News from the SD Legislature

Bills of Interest to SDP₂MA Members

The following bills are items that would affect members of the association. The association will take a position on most of these and testify accordingly.

HB 1030

An Act to revise certain provisions regarding the effective date of certain tax collection allowances.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 10-45C-16 be amended to read as follows:

10-45C-16. ~~When~~ Whenever the cumulative total of the net revenue received pursuant to § 10-45C-15 exceeds ~~ten~~ twenty million dollars, a collection allowance established pursuant to § 10-45-27.2 shall become effective the following July first.

HB 1073

An Act to prohibit certain indemnity provisions in motor carrier transportation contracts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. Terms used in this Act mean:

(1) "Affiliate," any employee or agent of a promisee, or any independent contractor who is directly responsible to a promisee other than a motor carrier that is a party to a motor carrier transportation contract with the promisee or an employee or agent of such motor carrier or an independent contractor directly responsible to such motor carrier;

(2) "Motor carrier transportation contract," a contract or agreement between a motor carrier and a promisee covering the transportation of property for hire by the motor carrier; the motor carrier's entrance on property for the purpose of loading, unloading, or transporting property for hire; or any service of the motor carrier that is incidental to these activities, including the storage of property;

(3) "Promisee," any person who enters into a motor carrier transportation contract with a motor carrier.

Section 2. Notwithstanding any other law, no provision of a motor carrier transportation contract, and no covenant or agreement collateral to or affecting a motor carrier transportation contract, may require the motor carrier to indemnify, hold harmless, or defend the promisee or affiliate, or have the effect of indemnifying, holding harmless, or defending the promisee or affiliate from or against any liability for loss or damage resulting from the negligence, intentional acts, or omissions of the promisee or affiliate. Any contract or agreement in violation of this Act is void and unenforceable.

Section 3. This Act does not apply to the Uniform Intermodal Interchange and Facilities Access Agreement administered by the Intermodal Association of North America or any other agreement providing for the interchange, use, or possession of intermodal chassis, containers, or other intermodal equipment.

.....continued from page 8



POWERFUL **PRODUCTIVE** PERFORMANCE

Design. Install. Service.

- Station design, construction & project management
- Certified Gilbarco Veeder-Root Distributor
- Tank manufacturing, plant design & installation



Technical Service



Installation

Bulk Transportation Made Easy

- Custom engineered designs
- Inventory completed for quick availability
- 44,000 sq. ft. tank manufacturing facility
- 70,000 sq. ft. truck & trailer manufacturing facility



10,600 Gallon LP Transport



6,700 Gallon LP Bobtail



4,200 Gallon Refined Fuel Truck



800-992-8981
westmor-ind.com



HB 1138

An Act to declare that any person who maintains or provides roll-your-own cigarette machines at retail establishments are cigarette manufacturers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That chapter 10-50 be amended by adding thereto a NEW SECTION to read as follows:

Any person that maintains or provides a machine at any retail establishment that enables any consumer to process at that establishment tobacco or any product that is made or derived from tobacco into a roll or tube is deemed to be a manufacturer of cigarettes. The product produced by the machine is deemed to be a cigarette that was sold to a consumer for purposes of this chapter and chapters 10-50B and 34-49.

HB 1193

An Act to regulate the sale of dextromethorphan and to provide a penalty thereto.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That chapter 34-20D be amended by adding thereto a NEW SECTION to read as follows:

For purposes of this Act, dextromethorphan is the dextrorotatory isomer of 3-methoxy-N-methylmorphinan, including its salts, but not including its racemic or levorotatory forms. Section 2. That chapter 34-20D be amended by adding thereto a NEW SECTION to read as follows:

No person, corporation, or retail distributor may willfully and knowingly supply, deliver, or give possession of a drug, material, compound, mixture, preparation, or substance containing any quantity of dextromethorphan to a person under eighteen years of age in an over-the-counter sale without a prescription. A violation of this section is punishable by a fine not exceeding two hundred fifty dollars.

The fine imposed pursuant to section 2 of this Act may not be imposed on a retail clerk who fails to require and obtain proof of age from the purchaser unless the retail clerk is a willful participant in an ongoing criminal conspiracy to violate the provisions of this Act prohibiting the sale of dextromethorphan to minors.

Section 3. That chapter 34-20D be amended by adding thereto a NEW SECTION to read as follows:

It is an affirmative defense to any criminal prosecution under section 2 of this Act that a person, corporation, or retail distributor, or his or her agent or employee, demanded, was shown, and acted in reasonable reliance upon bona fide evidence of majority and identity.

Section 4. That chapter 34-20D be amended by adding thereto a NEW SECTION to read as follows:

.... continued on page 9



Brian Larson...
 South Dakota Area Sales Manager
 605.670.9621
Bergquist
 bergquistinc.com
 Regional Sales Center...**800.328.6291**
 Serving the Propane & Compressed Gas Industries
 with Equipment & Technical Assistance



TankWagonMaster Ltd.

New And Used Tank Trucks Available












800-573-1690
www.tankwagonmaster.com
800-573-1690

For purposes of this Act, bona fide evidence of majority and identity is a document issued by a federal, state, county, or municipal government, or subdivision or agency thereof, that bears the name, date of birth, description, and picture of the person.

Section 5. That chapter 34-20D be amended by adding thereto a NEW SECTION to read as follows:

No employee or retailer is civilly liable to any injured person or the person's estate for any injury suffered, including any wrongful death, or property damage suffered due to the sale of any dextromethorphan product in violation of § 34-20D-1.

Section 6. That chapter 34-20D be amended by adding thereto a NEW SECTION to read as follows:

No county or municipality may establish requirements or establish a penalty that is higher or more stringent than the requirements or penalties established by this chapter.

SB17

An Act to require certain fuel tax returns and reports to be filed by electronic means and to require certain fuel taxes to be remitted by electronic transfer.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That chapter 10-47B be amended by adding thereto a NEW SECTION to read as follows:

Any entity who holds a license issued pursuant to this chapter or any entity subject to the provisions of this chapter shall file returns or reports by electronic means with the department and shall remit tax by electronic transfer to the department unless the secretary permits an entity to file returns or reports by nonelectronic means and permits an entity to remit tax by nonelectronic means.

Section 2. That § 10-59-33.1 be amended to read as follows:

10-59-33.1. This section applies to any return, report, or remittance filed pursuant to chapter 10-47B. Any For any return or report that is required to be filed by electronic means, the return or report shall be filed by electronic means on or before the twenty-third day of the month following each period. If the twenty-third day of the month falls on a Saturday, Sunday, legal holiday enumerated in § 1-5-1, or a day the Federal Reserve Bank is closed, the return or report is due on the next succeeding day that is not a Saturday, Sunday, legal holiday enumerated in § 1-5-1, or a day the Federal Reserve Bank is closed.

For any tax that is required to be remitted by electronic transfer, the tax shall be remitted on or before the second to the last day of the month following each period. For the purpose of remitting any tax by electronic transfer pursuant to this section, the last day and the second to the last day of the month means the last day and the second to the last day of the month which are not a Saturday, Sunday, legal holiday enumerated in § 1-5-1, or a day the Federal Reserve Bank is closed.

.... continued on page 10

Patricia Haberling
VP Customer Development



P.O. Box 8245
Rapid City, SD 57709
phaberling@wyref.com



Office: 605-342-1614
800-658-4776
Cell: 605-390-0338



Rinnai
TANKLESS WATER HEATERS

Call Fairbank For All Your Propane Needs **Fairbank**

Yankton, SD 1-800-843-7913

www.fairbankequipment.com

Whatever It Takes

If the secretary permits any entity to file returns or reports by nonelectronic means, permits any entity to remit tax by nonelectronic means, or both, pursuant to section 1 of this Act, any return, report, or remittance which is required to be filed pursuant to chapter 10-47B is timely filed if mailed, postage prepaid, or is filed by electronic means, on or before the due date of the reporting period, and is received by the department. If the due date falls on a Saturday, Sunday, legal holiday enumerated in § 1-5-1, or a day the Federal Reserve Bank is closed, the return, report, or remittance is timely filed if mailed, postage prepaid, or is filed by electronic means, on the next succeeding day which is not a Saturday, Sunday, legal holiday enumerated in § 1-5-1, or a day the Federal Reserve Bank is closed. A United States Postal Service postmark is evidence of the date of mailing for the purpose of timely filing of returns, reports, or remittances.

Section 3. That § 10-47B-95 be amended to read as follows:

10-47B-95. For the purpose of determining the amount of motor fuel and special fuel tax due, each importer shall file with the department on forms prescribed and furnished by the department a monthly report. ~~If the department deems it necessary, the report shall be filed by electronic methods.~~ In addition to the information required pursuant to § 10-47B-97, the department may require the reporting of any information reasonably necessary to determine the amount of fuel excise tax due.

SB41

An Act to authorize retailers to choose whether to submit pseudoephedrine purchase records electronically or in writing.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 34-20D-8 be amended to read as follows:

34-20D-8. If offering for sale a product containing pseudoephedrine or ephedrine as an active ingredient, a retailer shall, before making such a sale, require and make a record of the identification of the person purchasing the product containing pseudoephedrine or ephedrine. For purposes of this section, the term, identification, means a document issued by a governmental agency which contains a description of the person or a photograph of the person, or both, and gives the person's date of birth, such as a ~~driver's~~ driver license, passport, or military identification card. The retailer shall maintain the record of identification, including the purchaser's name and date of birth. On August 1, 2006, and no later than the fifth day of every month thereafter, the retailer shall ~~send~~ submit, electronically or in writing, any such records to the Office of the Attorney General. No retailer may use or maintain the record for any private or commercial purpose or disclose the record to any person, except as authorized by law. The retailer shall disclose the record, upon request, to a law enforcement agency for a law enforcement purpose.

SB100

Act to modify the ethanol production incentive payment to include qualified producers of biobutanol.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 10-47B-3 be amended by adding thereto a NEW SUBDIVISION to read as follows:

2012 Certified Employee Training Program CETP

Please email the following address for registration forms for all classes: dawna@sdp2ma-sdacs.com or go online to www.sdp2ma-sdacs.com and find registration forms under the CETP tab.

2012 Class Schedule

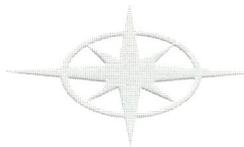
Basic Principles (1.0)

| | |
|-----------------|-------------|
| January 4-5 | Pierre |
| March 7-8 | Rapid City |
| May 2-3 | Mitchell |
| July 11-12 | Aberdeen |
| September 24-25 | Sioux Falls |
| November 7-8 | Watertown |

Propane Delivery (2.2/2.4)

| | |
|--------------|-------------|
| February 7-9 | Pierre |
| April 3-5 | Rapid City |
| June 5-7 | Mitchell |
| August 7-9 | Aberdeen |
| October 2-4 | Sioux Falls |
| December 4-6 | Watertown |

| | | |
|----------------------------|--------------------|-----------------|
| 4.1 Distribution Sytems | April 24-25 | Mitchell |
| 4.2 Distribution Systems | May 8-10 | Mitchell |
| 3.0 Plant Operations | June 19-21 | Mitchell |
| 6.0 Appliance Installation | August 21-22 | Mitchell |
| Cylinder Fill | May 14 Rapid City, | May 15 Yankton, |
| | May 16 Sioux Falls | May 17 Aberdeen |



Kathleen Jamison
Sales Representative

WESTERN PETROLEUM COMPANY
9531 West 78th Street
Eden Prairie, MN 55344
kjamison@westernpetro.com

800-972-3835 Ext 510
Office 952-941-9090
Fax 952-828-5558



**Eagle Welding &
Petroleum Equipment**

James Reining - Owner & Operator

3069 Cty Rd 8 SE
St. Cloud, MN 56304

P: 763.360.0215 F: 320.230.4969

www.eagleweldingmn.com



News from NACS

Corn Prices Rise Worldwide Due to US Ethanol Policy

The new director general of the United Nation's Food and Agriculture Organization says that cereals should not be used for biofuels.

NEW YORK – According to the United Nations' Food and Agriculture Organization (FAO), U.S. ethanol use is increasing the cost of grain prices worldwide, Bloomberg reports.

"FAO has been raising its voice against using food to produce bio energy," said Jose Graziano da Silva, director general of FAO. That's "especially" the case for corn in the U.S. and oilseeds in [Europe](#), he said.

Corn futures closed at \$6.115 a bushel last week, nearly triple the \$2.1175 a bushel sold for a decade ago. Part of the U.S. corn production is used to produce ethanol, while rapeseed is used in Europe to make biodiesel.

"We have been looking into the details of the price, and nowadays there is no doubt that the use of maize in the U.S. for biofuels affects the prices of maize all over the world," Graziano da Silva said.

Da Silva characterized biofuels as a "promise," explaining that technological improvements are required to "completely change" that.

"The position we have right now in FAO is that cereals should not be used for biofuels production," he said.

VA Legislation Proposes Pump Toll, ABC Manager Change

The Virginia House of Representatives is considering a bill that would establish the nation's first pump toll, while a separate state Senate proposal would require a convenience store ABC manager to have U.S. residency.

RICHMOND, Va. – Two bills before the Virginia Assembly would significantly impact the state's convenience stores, said Michael O'Connor, president of the Virginia Petroleum Convenience and Grocery Association.

House bill 802 would establish the nation's first pump toll by starting every motor fuel purchase at 50 cents, with the half dollar going to the state fuels tax fund and additional taxes on wholesale gas and diesel. "This would total would be about \$600 million per year," said O'Connor.

The measure would also add an additional 50 cent tax for every sale over 35 gallons, add a new tax of \$1 for every 12 gallons of wholesale gasoline sold, and add another new tax of \$1 for every 60 gallons of wholesale diesel sold. "Our association has a longstanding policy that fuels taxes must continue to be assessed at the pump, not be tied to any artificial index, and be transparent to the industry and motoring public. House bill 802 meets none of those tests and we will oppose it strongly," said O'Connor.

Over in the Senate, State Sen. Frank Wagner has introduced Senate bill 515 that would require that every convenience store ABC manager, who has to be present in the store at all times, to be either a "resident of the

..continued on page 16



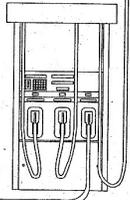
FAUSER
ENERGY RESOURCES

1640 Normandy Court, Suite A
Lincoln, NE 68512
phone 402-466-5800
800-541-1226
fax 402-466-8339
www.fausenergy.com
balt@fauserenergy.com

Bruce Alt
Marketing Representative



SIoux EQUIPMENT COMPANY
"Petroleum Equipment Specialists"
1310 East 39th Street North
Sioux Falls, SD 57104
Phone (605) 334-1653
Fax (605) 334-4258
Lubrication, Air Compressor, & Lift Equipment



"Biobutanol," butyl alcohol produced from cereal grains and blended with gasoline; Section 2. That § 10-47B-3 be amended by adding thereto a NEW SUBDIVISION to read as follows:

"Qualified biobutanol producer," any person who engages in the business of producing biobutanol for sale, use, or distribution and who produced qualified ethyl alcohol on or before December 31, 2006, and is therefore eligible for receiving incentive payments for the production of ethyl alcohol under § 10-47B-162;

Section 3. That § 10-47B-162 be amended to read as follows:

10-47B-162. A production incentive payment of twenty cents per gallon is available to ethanol producers for ethyl alcohol which is fully distilled and produced in South Dakota and to qualified biobutanol producers for biobutanol fully produced in South Dakota. To be eligible for this payment, the ethyl alcohol shall be denatured and subsequently blended with gasoline to create ethanol blend. The ethyl alcohol shall be ninety-nine percent pure and shall be distilled from cereal grains. Annual production incentive payments for any facility may not exceed one million dollars. An ethanol production facility is eligible for a production incentive payment under this section only if the facility has produced qualifying ethyl alcohol on or before December 31, 2006. No facility may receive any production incentive payments in an amount greater than nine million six hundred eighty-two thousand dollars. The cumulative annual production incentive payments made under this section may not exceed four million dollars for fiscal year 2003, five million dollars for fiscal year 2004, six million dollars for fiscal year 2005, seven million dollars for fiscal year 2006, seven million dollars for fiscal year 2007, seven million dollars for fiscal year 2008, seven million dollars for fiscal year 2009, seven million dollars for fiscal year 2010, seven million dollars for fiscal year 2011, four million dollars for fiscal year 2012, four million dollars for fiscal year 2013, four million five hundred thousand dollars for fiscal year 2014, four million five hundred thousand dollars for fiscal year 2015, four million five hundred thousand dollars for fiscal year 2016, and seven million dollars per fiscal year thereafter. Payments from the ethanol fuel fund shall be prorated equally to all of the facilities each month based on claims submitted for that month and the amount of funds available for that month. No facility may receive payment for more than four hundred sixteen thousand six hundred sixty-seven gallons per month. If excess funds are available in the fund in any given month, payment may be made to facilities for previous months when funds were not sufficient to pay the claims from the previous months. All moneys available in the ethanol fuel fund at the end of the fiscal year shall be prorated equally to the facilities based upon all unpaid claims received through the end of that fiscal year.

Contact Dave Hankins or Steve Risewick



We Take Trade Ins!



Now and Used Tank Wagons and Transport Tankers

800-362-2910 Web Site: www.senecatank.com








Dennis Gamble
General Manager of Lubricants

WESTERN PETROLEUM COMPANY 800-972-3835 Ext 1514
 Office 319-352-0202
 130 Willow Lawn Drive Fax 319-352-0505
 Waverly, IA 50677 Cell 612-801-4166
 dgamble@westernpetro.com Computer Fax 866-543-1428

PMAA Regulatory Report

OSHA Compliance Deadline - Feb 1, 2012

Executive Summary: The U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) require certain employers to record workplace related injury and illnesses and post an annual summary for employee inspection. The workplace injury and illness recordkeeping and posting requirements apply to businesses with more than 10 employees. An annual summary of all workplace injuries and illnesses occurring in 2011 must be posted in the workplace of applicable employees between February 1 and April 30, 2012.

2011 OSHA WORKPLACE INJURY AND ILLNESS POSTING REQUIRED BY FEBRUARY 1, 2012: The 2011 posting cycle for OSHA's workplace injury and illness reporting rule begins on February 1, 2012. The 2011 cycle is the eleventh posting since OSHA finalized major revisions to the reporting rule in 2001. The OSHA injury and illness rule applies to workplaces with **more than** 10 employees.

Compliance: A workplace "establishment" with **more than** 10 employees must maintain OSHA injury and illness reports and post an annual summary for employee inspection. An "establishment" is an economic unit, generally at a single physical location where business is conducted or services rendered. The following workplace establishments with more than 10 employees must comply with the OSHA injury and illness requirements:

- **Gasoline Service Stations (without c-stores) (NAICS Code 447190)** are **exempt** from the OSHA injury and illness requirements regardless of the number of employees.
- **Convenience Food Stores with Gasoline Stations (NAICS Code 447110).** Where a convenience store and gasoline station is combined, exemption from the OSHA injury and illness reporting rule will depend on the "primary activity" at the establishment. The primary activity of an establishment is determined by value of receipts for each business activity. If the value of receipts for fuel sales is greater than c-store sales, then the establishment classified as a Gasoline Service Station and **exempt** from injury and illness reporting rule. If the c-store gross receipts are greater then you must comply.
- **Petroleum Bulk Plants (NAICS Code 424710)** with more than 10 employees working at the bulk plant or company headquarters must comply with the OSHA injury and illness requirements. This category includes motor fuel, heating oil and propane bulk facilities.
- **Petroleum and Petroleum Products Merchant Wholesalers - No Bulk Facilities (NAICS 424720)** with more than 10 employees must comply with the OSHA injury and illness requirements.
- **Heating Oil Dealers (NAICS Code 454311)** with 10 or more employees must comply with the OSHA injury and illness requirements.

Compliance Steps: Use OSHA Form 301 to record workplace injury or illness within 7 days of occurrence. Compile all injury and illness records occurring over a calendar year on **OSHA Form 300**. Post a summary of the injury and illness log in the workplace on **OSHA Form 300A** from February 1 to April 30, 2012. OSHA Forms may be downloaded at: <http://www.osha.gov/recordkeeping/RKforms.html>

CAUTION! AK, AZ, CA, HA, IN, IA, KY, MD, MI, MN, NV, NM, NC, OR, SC, TN UT, VT, VA, WA and WY have their own state OSHA programs for private employees. These states follow federal rules but may vary slightly. Go to <http://www.osha.gov/dcsp/osp/index.html> to find contact information for state programs.

www.fairbankequipment.com

REGO
PRODUCTS

Made in the USA

Call Fairbank For All Your Propane Needs

Fairbank
Whatever It Takes

Yankton, SD 1-800-843-7913

GROWMARK
ENERGY

JOHN HEPLER
ENERGY ACCOUNT MANAGER

1701 TOWANDA AVE
PO BOX 2500
BLOOMINGTON, IL 61702-2500

CELL: (515) 291-9531
FAX: (309) 557-7386
EMAIL: jhepler@growmark.com

GROWMARK ENERGY is a division of GROWMARK, Inc.



Cold Hard Fact.

Customer warm and fuzzies can disappear real fast if their fuel filters ice-up using your fuel

FACT: ULSD and bio-diesel have a higher water content than previous fuels. As temperature declines, their ability to hold water in solution diminishes and water droplets begin forming in the fuel. Condensation droplets often form in the tank when daytime temperatures are above freezing, followed by freezing temperatures at night. They may also be created when cold fuel is delivered into a warmer, below grade tank. ***These water droplets, if not managed can quickly turn into harmful filter clogging crystals.***

Western Petroleum's Yukon GPMSM program effectively manages this water problem by continuously filtering and drying internal tank air and harmlessly removing water molecules from the fuel.

Put a water/fuel management program to work in your tanks. Contact Western Petroleum today and ask how you can become Yukon GPMSM certified.



WESTERN PETROLEUM COMPANY

GPMSM is a service mark of Western Petroleum Company

800-972-3835

www.yukondieselfuel.com



.....NACS News Continued

U.S.” or legally present in the U.S.” O’Connor said his group would closely monitor this bill.

Cash Still Reigns Supreme

The payment form ranks at the top for most Americans.

NEW YORK – Despite the growing popularity of credit and debit cards, a new report from Javelin Strategy & Research found that most Americans still prefer to pay with cash when it comes to small, everyday purchases, the HuffingtonPost reports.

More than three-quarters (79%) of consumers indicated they had used cash for purchases in the last week, while around 65% of credit and debit card users said they paid with plastic during the past seven days.

The Javelin report also questioned if consumers would still use debit cards if they had to pay a fee — the majority of those surveyed said they would replace their debit card with checks and cash, while a mere quarter said they would switch to credit cards.

With the future of debit cards more unknown, cash has risen in popularity, especially for smaller purchases like coffee or food, said David Albertazzi, an Aite Groupe senior research analyst. “We will see consumers convert [back] to cash for smaller transactions and credit card use will increase this year.”

The usage of cash indicates that Americans would rather not increase their debt by using credit cards, which spells good news for consumers and small retailers, and not-so-good news for banks, which will have less revenue from transaction fees.

To recover a dip in revenue, banks have started cajoling consumers to use credit cards. “[Financial institutions’] new messaging is that rewards are around

something specific,” said Beth Robertson, Javelin director of payments research. “And to get [consumers] to use credit more actively, especially if the price point is \$11 or below.”

NACS Provides Comments to FDA on Tobacco Marketing

The letter also covers comments on non-face-to-face sale and distribution of tobacco products as well as advertising and promotion.

WASHINGTON, D.C. – NACS has sent comments to the U.S. Food and Drug Administration (FDA) regarding its Advanced Notice of Proposed Rulemaking for the non-face-to-face sale and distribution of tobacco products and advertising, promotion, and marketing of tobacco products.

In the letter, NACS requested the agency to enforce all tobacco regulations against brick-and-mortar stores and online retailers. The comments emphasized the effort of convenience stores to combat underage purchases of tobacco products, highlighting the We Card program.

“FDA should, for example, do what it can to help prevent tax evasion by online sellers of cigarettes. In addition, FDA should require delivery personnel delivering tobacco products to check the identification not only of the delivery’s recipient, but also of whomever purchased the product online (in the event that the two are different).

“And, it is imperative that there be strong federal enforcement of all requirements with respect to Tribal sales of tobacco products, both in stores and on the Internet. This cannot be outsourced to tribes that have an economic interest in selling tobacco. Finally, for all regulations relating to signage and marketing, images on websites should be regulated just like in-store signage in order to ensure FDA’s policy objectives are met and eliminate any regulatory gaps.”