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## And the Light Bulb Went On

**T**his column is typically dedicated to issues regarding M&A and financing. This month, I am focusing on lobbying and legislative matters, because the impact of legislation can have a profound effect on a company's internal financial health.

Recently I attended an industry-sponsored legislative activity in Washington at PetroProperties & Finance. We met with lawmakers in Congress and their staffs, delivering key points on a range of topics affecting our industry, including the Ethanol Tax; the Renewable Fuels Standard (RFS), which resulted in the EPA allowing the use of E15 in post-2000 model year vehicles; and the Federal Highway Reauthorization Plan, which could commercialize interstate rest areas.

Before I remark about these and other issues, I must comment about our dysfunctional 112th Congress. While on The Hill, Congress was voting on the BULB Act. The bill would have repealed a law requiring that traditional incandescent light bulbs be 30% more efficient. And, as could have been predicted, the vote was mostly partisan (Democrats want the efficiency standards to remain, Republicans do not). There was even one U.S. representative on the floor for the vote who could not somehow represent his constituents and make a decision, and voted "present." We're talking about light bulbs here! Why can't the consumer market consider the cost and efficiency benefits and then decide which bulbs to use? Why is government intervening with a legislative mandate regarding how lighting is delivered

into our homes in view of so many other significant issues affecting our economy? May Edison fans unite!

### TACKLING THE ISSUES

Now, back to the issues affecting our industry. While the 45-cents-per-gallon Ethanol Tax credit for blenders (4.5 cents per E10 gallon) would expire on its own



at the end of 2011, some in Congress may want to advance the timing without realizing that fuel marketers and jobbers have contracts in place that reflect the credit. We opposed this, of course. The use of E15 is also interesting, and while we do not oppose the product per se, the issue is that many cars on the road cannot use this fuel (2000 model year and earlier), and gas-station equipment (tanks and MPDs) may not be UL certified, both of which present liability issues for station owners and operators. More education of lawmakers is needed here.

I hope rest-area commercialization will fail, because it would effectively force the closure of a large share of the 97,000 small retail gas/convenience store businesses located at or near interstate highway exits. This would occur at the cost of many local jobs and tax income for municipalities.

Another issue that came up was the reduction in debit-card fees imposed on retailers. While the amount was less than what we requested, we achieved some success after years of failing to breach the force field around card fees created by Visa and MasterCard. We should now begin a campaign to reduce the fees on credit-card transactions, which are far higher and make up the lion's share of all card transactions.

### WHAT TO DO

My advice to you as fuel marketers is as follows:

► **Develop a relationship with your state/federal lawmakers:** They will listen to you as their constituents, and they cannot possibly have full knowl-

edge and understanding of the thousands of bills they are presented with each year. Take the opportunity to educate them on issues that affect your company and its employees. And, remember, they need your vote.

► **Stay in touch with the issues:** Information and knowledge are powerful. Get to know the issues that are being kicked around in Washington. There are websites that can help you target the topics that affect your business. The best one I have found is [www.thomas.gov](http://www.thomas.gov), which is run by the Library of Congress.

► **One person can make a difference:** Although it is a daunting task to effect change in Washington (President Obama a case in point), your voice will be heard. Get to know the issues well enough to educate lawmakers why a particular bill is bad, good or could be made better. ■