SSDA News

Service Station Dealers of America and Allied Trades

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INSIDE THIS ISSUE:

Carmakers Launch Desperate Attempt to Delay Massachusetts Right-to-Repair Law

By Roy Littlefield

Major car manufacturers aren't giving up on their efforts to stymie Massachusetts' right to repair legislation.

Less than two years after residents in the state voted in favor of updated right to repair laws that would let independent auto repair shops receive telematics data from vehicles, groups representing auto manufacturers are now introducing their own new proposals that would delay the law's implementation.

If passed, the two new proposals, first viewed by Motherboard, would push back the starting date of Massachusetts' right to repair law to 2025, three years later than the original 2022 start date.

Though supporters of the proposal argue the extra years would give automakers more time to comply with the laws, the efforts were derided by critics like Massachusetts Right to Repair Coalition Director Tommy Hickey.

"Massachusetts consumers have spoken, and the law now gives them the right to control their own repair data so that they can get their car fixed where they want," Hickey told the Gloucester Daily Times.

"However, instead of listening to their customers and attempting to comply with the ballot initiative, automakers and dealers filed a baseless, anti-democratic lawsuit."

For those unaware, Massachusetts' 2020 law was intended to make it easier for small auto shops to access diagnostic data about vehicles without the need for proprietary tools available only to manufacturers.

When the law goes into effect, The Drive notes, it would require any automaker doing business in the state to allow this telematics data to be accessible through a smartphone app.

How to Recognize the Signs of Email Fraud

Cybercrime Is on the Rise

Cybercriminals are finding increasingly clever ways to infiltrate your business and compromise your security. Net Driven wants to make sure your shop is protected from harmful digital attacks.

You may be thinking, "Cybercrime only targets large corporations. I have nothing to worry about." However, every year one in five small organizations is a victim of cybercrime. Cybercriminals target smaller organizations because they assume that these businesses have fewer defenses in place to prevent cyberattacks.

"Well," you say, "is there anything I can do to avoid a cyberattack if it comes my way?" Good news, 100% of cybercrime can be prevented through the vigilance of your "human firewall." What is this resource? It's you and your team members, who can form an impenetrable barrier against cybercrime by knowing the types of attacks and how to address them.

Email Fraud

Did you know that 91% of data breaches are conducted through email fraud? Email allows cybercriminals to impersonate another entity as a means to connect with and extort your business. The most common type of email fraud is phishing.

"Phishing" is a fraudulent email that claims to be from a legitimate source in order to access sensitive information such as passwords and credit card numbers. For example, popular phishing angles include security alerts on your professional or private accounts, changes to your health benefits and HR announcements. But when you interact with these fraudulent emails, such as clicking a link or attachment, you could be compromising your private information and putting your shop at risk.

Recognize the Signs of a Phishing Email

Phishing emails have evolved to target specific emails by appearing highly personalized, such as addressing you by name or repeating some information about your position. It's important to always look twice at an email, as it can appear innocent at first but contain some telltale signs of fraud.

Here is a list of signs to identify a phishing email:

Fake "From" Email: Hackers often try to infiltrate businesses by impersonating a legitimate domain, such as a subscription service or vendor. Always make sure the "From" email is legitimate (e.g., ends in "@netdriven.com"). If you receive an email that seems out of the ordinary for your role (e.g., you work in sales but were billed an invoice), check with a coworker or supervisor to confirm that email is real and was meant for you.

Generic Greeting: Cybercriminals may not have access to your personal information, so they make do with generic email content. Openers such as "Dear Customer" may be a sign that the email was sent by a hacker.

Poor Writing: If you receive an email that is riddled with mistakes like misspellings and bad grammar and punctuation. Remember, a credible business would not send you an email that contains poor writing. Now, you may not be surprised to receive this email from your coworker who doesn't use punctuation, but keep your guard up if you receive an internal email has a strange tone or seems out of the ordinary.

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NET DRIVEN

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Urgent Content: Urgency is a common cyber-criminal tactic, as they're trying to fluster you into making a snap decision and walking into the trap. If you receive an unexpected email whose subject line urges you to open immediately or whose body message tells you to click on a link or download an attachment now, take a step back. Ask yourself, "Is this email asking me to do something out of the ordinary? Is there a legitimate reason I would need to act now?"

Fake Links & Attachments: Phishing emails use fraudulent links and attachments to breach your security walls and gain access to payment and contact information or slip a virus into your software. Doublecheck any links before clicking to determine the link structure looks normal and matches the email sender. Does the URL represent a real website and start with "HTTPS:"? Similarly, don't click on an unexpected of funny-looking attachment.

Tips to Stay Vigilant & Protect Your Business

Constant vigilance will prevent a security breach every single time. First, follow the three fundament steps of thwarting a cyberattack:

Stop: Check and doublecheck your incoming emails. Never absentmindedly click on an email.

Look: Look twice before you interact. Do you see any signs that the message is a phishing scam?

Think: Does this email look real? Is anything out of the ordinary?

Additional steps to prevent a security breach:

Create unique, complex passwords for every account & never share your password(s) with anyone.

If an email looks "phishy," contact the sender in a different way, such as by phone or visiting their website in a different browser.

Don't log into an account using a login link in an email. Go to the actual login page and enter your credentials there.

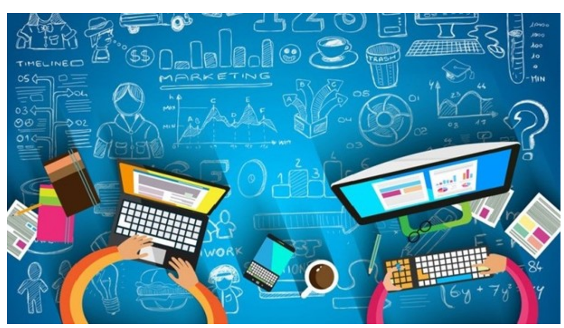
Use second-hand verification if you receive a strange email from a company or coworker. Make sure you always know to whom you're responding.

Don't click on an email attachment if you don't know what it's for or what's inside.

If you suspect an email is fake, report it as a phishing attempt to your email service provider immediately.

Bottom Line: Provide Security Awareness Training

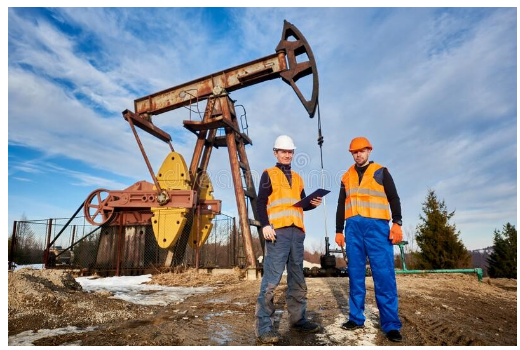
Your team can be your greatest cyber security asset or your biggest vulnerability, depending on how prepared they are to recognize and navigate a security threat. We highly recommend providing security awareness training for your entire team, as trained employees are more likely to notice and report suspicious emails. Create guidelines for your team to follow in terms of identifying and reporting suspicious emails and other security threats.



U.S. Drillers Add Most Oil and Gas Rigs in a Week Since April -Baker Hughes

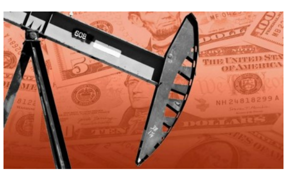
U.S. energy firms added the most oil and natural gas rigs in a week since April as rising oil prices prompt more drillers to return to the wellpad.

The oil and gas rig count, an early indicator of future output, rose 13 to 601 in the week to Jan. 14, its highest since April 2020, energy services firm Baker Hughes Co said in its closely followed report.



The total count was up 228, or 61%, over this time last year.

U.S. Crude Output to Rise to Record in 2023 on Shale Growth



U.S. annual oil production is set to rise to a record next year as shale producers continue to boost output.

Oil supply will average 12.41 million barrels a day in 2023, according to the Energy Information Administration.

That would surpass the current annual high of 12.3 million barrels a day set in 2019, the EIA said in its monthly Short-Term Energy Outlook report. The agency also lowered its production estimate for this year to 11.8 million barrels a day.

The projected rise in U.S. output would represent nine consecutive quarters of growth, beginning the last three months of 2021, the EIA said. U.S. crude production reached a monthly peak in late 2019, months before the pandemic jolted global markets and forced producers to slash output.

Since then oil prices have recovered by more than 50% but major producers have been weary of bringing back supplies too quickly, keeping monthly figures below pre-pandemic highs.

Natural gas to gasoline: A $6 billion proposal in PA, Bay Journal

A Texas-based energy company wants to build a $6 billion facility that would produce gasoline from natural gas near the Susquehanna River in northeastern Pennsylvania.

The plant would be built on part of 3,000-acre abandoned coal mine site, which the company says it will rehabilitate.

Nacero, founded in 2015, says its facility in Luzerne County, along with two other plants in Arizona and Texas, will produce the country's first zero- and low-carbon footprint gasoline for everyday cars and trucks at competitive prices. Construction at the Pennsylvania site would begin by 2024.

The company would produce gasoline from two sources of natural gas. One would be natural gas piped in from in the hydraulically fractured or "fracked" natural gas in Marcellus shale. Compared to petroleum gasoline, the company claims, the gas-derived fuel would have half the carbon lifecycle footprint — counting extraction, production, distribution and consumption. A second source would be methane gas released and captured from municipal landfills, decomposing animal waste and sewage plants. That gasoline would have a zero-carbon lifecycle footprint, according to the company.

Both fuels would be free of sulfur, one of the main pollutants from refined-oil gasoline that is a precursor to smog and has health impacts.

Under a law passed in 2020 to entice new petrochemical companies to locate in Pennsylvania's fracking regions, Nacero would get about $6.7 million in tax breaks from the state, per year, for 25 years.

Not everyone is on board, however. A coalition of 16 local and statewide environmental groups on Dec. 21 came out in opposition to the project. They said there is no evidence to back up Nacero's claims of such large carbon-footprint reductions.

"The environmental community is concerned that the proposed [project] will be the first in a new wave of proposals for fracked gas related projects marketed as good for the climate," a spokesperson for the coalition said, "but that instead will pollute local communities while emitting significant amounts of greenhouse gases and expanding the fracked gas industry."

In short, EPA must consider more complete, up-to-date information about the actual conditions of use in the workplace, and EPA must use the most current scientific tools to analyze this information.

Natural Gas Bans are New Front in Effort to Curb Emissions, CT Mirror

Lawmakers in New York are considering the nation's first statewide ban on natural gas connections in new buildings, following dozens of local governments that have passed similar policies in the past two years.

But as New York and other left-leaning states consider ways to limit natural gas and the greenhouse gas emissions it creates, 20 mostly Republican states have passed laws barring cities and counties from blocking gas hookups.

"Growing the demand for natural gas is exactly what the world does not need right now," said New York state Sen. Brian Kavanagh, the Democrat who sponsored the natural gas phaseout legislation. "If you build buildings that rely on fossil fuels, you are baking in very long-term needs."

Fossil fuel combustion in buildings, mostly for heating, is responsible for about 13% of greenhouse gas emissions in the United States, according to 2019 figures from the U.S. Environmental Protection Agency.

Kavanagh's bill would mandate all-electric buildings after 2023, except in cases where local permitting authorities determine they're not feasible, which may depend on the availability of equipment and labor. His efforts were bolstered late last month when council members in New York City voted to pass a similar ban, albeit on a slower timeline, by 2027. New York legislative leaders did not respond to requests for comment about the prospects for Kavanagh's bill in this year's session.

The New York City vote in December was by far the biggest victory for advocates of natural gas bans. They say it's a necessary step to curb future demand for fossil fuels and to limit the growth of climate change-causing carbon emissions.

Gas industry leaders and their political allies say the bans will raise construction costs and utility bills, while doing little to stop climate change.

"This is not really a climate solution," said Daniel Lapato, senior director of state affairs with the American Gas Association, an advocacy group for the natural gas industry. "When you start eliminating these options, you have to look at the cost implications to the homeowner."

Lapato pointed to gas companies' efforts to produce more renewable natural gas, which is methane captured from landfills, farms, and other sources. Laws to force electrification could stifle industry efforts to scale up that more climate-friendly option, he said.

Phasing out natural gas also will require an increase in electricity production and transmission as buildings consume more power for their heating systems. Unless that electricity is produced from clean sources, gas bans will simply shift emissions rather than reducing them. Most of the nation's electricity still comes from fossil fuels, although the use of coal—which has some of the highest emissions—is rapidly shrinking and it now produces less electricity than renewables. Carbon-free electricity from wind, solar, hydropower and nuclear projects now makes up about 40% of the nation's electricity supply, according to the U.S. Energy Information Administration.

Lawmakers pushing the bans say their plans will be phased in gradually enough to allow energy companies to meet the added demand with renewable electricity.

Natural gas bans also have drawn the ire of some restaurant industry groups, which say that chefs rely on flame cooking and tem-

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Natural Gas Bans are New Front in Effort to Curb Emissions, CT Mirror

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perature control that can't be easily replicated from electric sources. Some laws have specifically exempted gas stoves, which produce minimal emissions compared with building and water heating.

'We're sending a clear signal'

New York City's decision to ban natural gas connections in new construction was significant not only because the city is the largest in the United States, but also because it's a cold-weather city that relies extensively on natural gas for heating. Many of the cities that have enacted similar bans are on the West Coast—starting with Berkeley, California, in 2019—with warmer climates and less intensive gas use.

"New York City is a four-season city. We have very cold winters and hot summers, and we're saying all-electric is possible," said Annie Carforo, an organizer with WE ACT for Environmental Justice, a Manhattan-based community organization that supported the ban. "The No. 1 polluters in New York are big buildings, and there's a heavy reliance on natural gas."

The law will require newly permitted buildings shorter than seven stories to go all-electric by 2024, with taller buildings following in 2027. The ban applies to heating and clothes dryers, but currently exempts water heaters, which will eventually be included.

Council member James Gennaro, who chairs the council's Committee on Environmental Protection, said he consulted the construction industry and electrical utilities in crafting his proposal.

"We're walking slowly into this. We're not doing a cannonball, but we're sending a clear signal that this is how it's going to be," he said. "We're giving technologies an opportunity to mature and meet the challenge and for the grid to expand capacity and become fully renewable. But we can't stay here forever in a fossil fuel world."

Seattle leaders took similar action last year by strengthening existing restrictions on natural gas in new commercial and multifamily buildings. The city now bans the use of natural gas for heating and restricts gas-fueled water heating to certain building types.

Duane Jonlin, the city's energy code and energy conservation adviser, said roughly a third of Seattle's carbon emissions are from natural gas use in buildings.

Washington state also is considering statewide action on the issue. Gov. Jay Inslee, a Democrat, has proposed a measure that would require new buildings constructed after 2034 to reduce energy use intensity by 80%. While not an outright ban on natural gas, the measure would "require a significant shift towards zero emissions technologies," said Anna Lising, Inslee's senior energy adviser.

Nevertheless, gas proponents expect lawmakers to continue to push for a ban in the 2022 session.

"I think the move in the legislature is going to be to ban or remove natural gas as a source of heat in construction of new homes moving forward," said Jan Himebaugh, government affairs director with the Building Industry Association of Washington. "These policies have a large impact on the cost of housing in Washington, and it will drive up the cost of new homes."

Valero, Exxon among winners of U.S. sale of strategic oil reserves - DOE

The U.S. Energy Department said it had sold 18 million barrels of strategic crude oil reserves to six companies, including Exxon Mobil (XOM.N) and a unit of refiner Valero Energy Corp (VLO.N), after saying last year it would sell reserves to try to tamp down rising oil prices.

The Biden administration said last year that it would accelerate a previously approved sale of barrels - and loan out another 32 million barrels of crude - to try to lower oil prices that had reached multiyear highs. After a brief sell-off, the oil market's rally has resumed its upward path.

The largest bidder was Valero Marketing and Supply, which bought more than 8 million barrels, the Energy Department said in a statement on Thursday.

The other buyers were refiners Phillips 66 (PSX.N), Motiva Enterprises and Marathon Petroleum (MPC.N), along with merchant firm Gunvor USA and Exxon Mobil, the department said.

Valero, Exxon among winners of U.S. sale of strategic oil reserves - DOE

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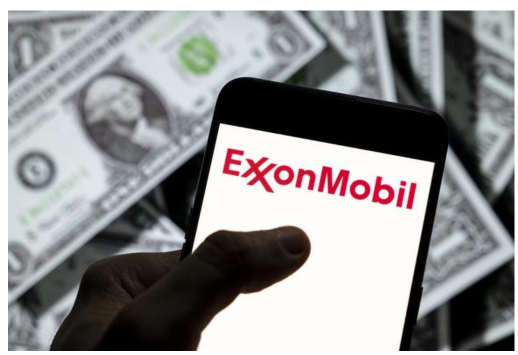
The U.S. strategic reserve was established in the 1970s after the 1973 Arab oil embargo. It currently holds nearly 600 million barrels of crude in caverns in Louisiana and Texas, enough for several months of supply.

In 2018, Congress mandated through the bipartisan Budget Act a total sale of 30 million barrels during fiscal years 2022 to 2025.

A total of 14 companies submitted 111 bids for evaluation.

The SPR plans to schedule deliveries between Feb. 1 and March 31, with early deliveries available in January if arrangements can be made, the department said.

The Energy Department has also already approved four exchanges of crude oil as part of the 32 million it has committed for loans. Companies that receive SPR crude oil through the exchange agree to return the amount of crude oil received, as well as an additional amount, depending on the length of time they hold the oil.



Energy Firms Upbeat About Future Prospects: KC Fed, Argus

Expectations for future activity remained upbeat in a fourth-quarter survey of energy companies by the Federal Reserve Bank of Kansas City.

Firms in US Central Great Plains states reported that oil prices need to be on average $73/bl to trigger a substantial increase in drilling, the survey showed. WTI crude futures closed today at $78.90/bl in New York.

The drilling and business activity index fell to 31 from 39, with positive levels indicating expansion. The total revenues index remained high, while the wages and benefits index reached a record.

"Drilling and business activity continued to grow through the end of 2021," said Chad Wilkerson, Oklahoma City branch executive and economist at the bank. "Revenues have risen along with higher wages and benefits for workers."

The future drilling and business activity index eased from 46 in the third quarter to 44 but was above the second-quarter reading of 41.

Almost a fifth of companies expected capital spending to increase significantly this year compared with 2021, while about half expected slight increases.

"Expect prices to remain steady due to supply constraints resulting from underinvestment coupled with disproportionate demand increase," said one respondent.

The poll was carried out between 15 December-3 January and included responses from companies across the Fed's 10th district, including Colorado, Kansas, Nebraska, Oklahoma, Wyoming, northern New Mexico and western Missouri.

Phillips 66 Optimistic on US Refining in 2022, Argus

US independent refiner Phillips 66 is optimistic about US refining economics in 2022, citing easing concerns over the Covid-19 pandemic and a less crowded field of competitors.

Governments may prove less likely to impose lockdowns this year as the Covid-19 pandemic wanes, even amid a recent increase in infections, Phillips 66 chief executive Greg Garland told an investor conference this week.

"I think if you looked at each successive wave, Covid has had less impact on demand," Garland said during the Goldman Sachs Energy and Clean Technology Conference. "I actually feel like we're moving more to an endemic phase versus a pandemic phase."

The effect of "unleashed pent-up demand" should support refining industries in 2022, as evidenced by gasoline and distillate demand levels that trended above 2019 levels at some points late last year. Implied demand for US gasoline averaged 9.1mn b/d in the four-week period ending 31 December, compared to 7.9mn b/d in the same period in 2020 and 8.9mn b/d in the same period in 2019, according to data from the US Energy Information Administration.

On the supply side, Phillips 66 faces a narrower field of US refining competitors following a number of rationalizations in recent years. The idling or conversion of around 4.5mn b/d in US refining capacity outpaces additions made across 2019, 2020 and 2021, supporting refining margins for US refiners able to keep units running.

Fourth quarter 2021 refining margins were "pretty good" and set the company up for strong cash generation this year, Garland said. US Gulf coast 3-2-1 crack spreads averaged $16.87/bl in the quarter, compared to $7.07/bl in the same period in 2020 and $11.70/bl in the same period of 2019, although historically high renewable fuel blending compliance costs likely ate into some of that margin growth.

Changing slates

Jet fuel was the laggard in the refining industry's recovery from the Covid-19 pandemic last year, but Phillips 66 is optimistic that the aviation industry will continue an upward swing this year, despite a chaotic holiday travel period in which airlines struggled to maintain staffing levels amid widespread Covid-19 infection among workers.

"Notwithstanding all the scenes we saw at the airports over the holidays, that wasn't people that didn't want to travel, that was flight crews and weather that impacted that," Garland said. "And so, I think we're going to see a continued improvement and recovery in jet demand as we move into 2022."

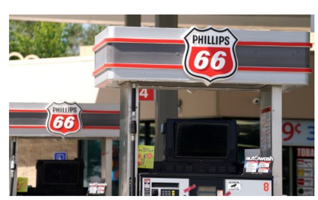
Strong demand for gasoline in 2021 and lower demand for jet fuel incentivized refiners to increase gasoline production and cut down on the pool of distillate products. But the company expects its refineries will revert back to producing more distillate as jet fuel demand recovers this year.

"I think as we look at our portfolio, we're more diesel heavy than our peers," said Phillips 66 investor relations head Jeff Dietert. "As diesel demand continues to grow and jet demand comes back, we expect to revert back to an environment where diesel cracks are $5/bl higher than gasoline cracks and we will see that benefit in our portfolio."

That diesel-heavy refining portfolio should also benefit from the return of more heavy sour barrels from Opec+ producers in 2022.

"The other thing that we've seen relative to our portfolio versus peers is that with Opec taking heavy sour barrels off the market, that heavy-sour discount moderated in 2020 and 2021," Dietert said. "We're seeing it starting to widen back out as Opec puts more barrels into the market, and we think they're going to put 2mn-3mn barrels a day more in 2022."

Phillips 66 reports fourth quarter financial earnings on 28 January.



Schlumberger Adjusts Operations Planning as U.S. COVID-19 Cases Soar, Reuters

Schlumberger (SLB.N), the world's largest oilfield services company, is adjusting operations planning as COVID-19 infections have soared among its U.S. workforce, the company said on Friday.
Schlumberger has had around 14 employees per day test positive for the virus this month, compared to roughly two per day in November, according to an internal document viewed by Reuters. It has about 14,000 U.S. employees.

"We are currently experiencing a rapid increase in confirmed cases," said spokeswoman Moira Duff. "As with many other business sectors, this requires us to adjust our operations planning to ensure the health and wellbeing of our employees and customers as we remain committed to fulfilling our service delivery standards safely."

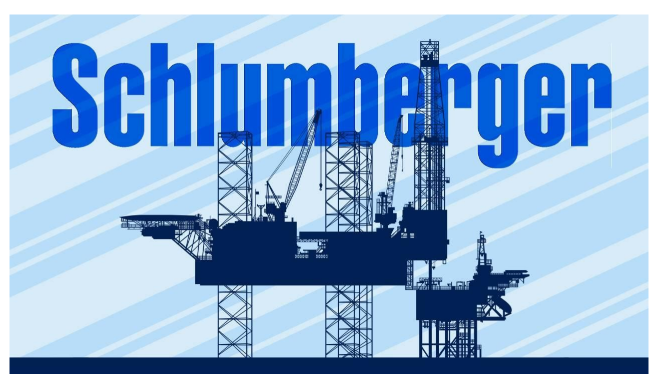
The company did not give details of how it was adjusting operations planning. Its U.S. workforce has suffered 13 Covid-19 related deaths since the pandemic began. All were unvaccinated and many "succumbed to the virus in the early phases of the pandemic," the spokeswoman said.

The United States is grappling with rapid transmission of the Omicron variant. There were nearly 1 million new cases reported in a single day this week, forcing some companies to cut work hours and schools to delay the start of in-person classes.

A 31-year-old Oklahoma man who died in December was a recent Schlumberger casualty, according to a health and safety report distributed to employees.

Schlumberger encourages but does not mandate vaccinations for its employees. About 66% of its workforce has voluntarily disclosed their vaccination status. It declined to say the percentage of workers who are vaccinated.

To deal with the Omicron surge, Schlumberger said it has focused on cluster case management procedures, indoor air quality standards, booster campaigns, and business continuity support as cases spike.



Biden Administration Seeks Reversal of Trump Move Opening up More Arctic Drilling, The Hill

The Biden administration is taking steps to reverse a move from former President Trump that opened up more of the Arctic for drilling.

In a statement, the Bureau of Land Management (BLM) said it will seek to revert to an Obama-era plan that leaves just 52 percent of the National Petroleum Reserve in Alaska available for oil and gas drilling. The Trump administration plan left 82 percent open for such purposes.

But the BLM said part of the Trump plan will remain, including "certain more protective lease stipulations and operating procedures for threatened and endangered species" implemented by its predecessor.

The National Petroleum Reserve in Alaska is an approximately 23-million-acre area in Alaska's north slope.

In 1923, then-President Warren Harding set the area aside as an emergency oil reserve for the Navy. It was later transferred to the BLM, which sells leases for companies to drill for oil in the area.

In a September memo, Interior official Laura Daniel-Davis raised concerns about drilling in the "biologically sensitive" Teshekpuk Lake Special Area. Opponents of the plan have raised concerns about drilling in that area, citing its importance for wildlife including polar bears.

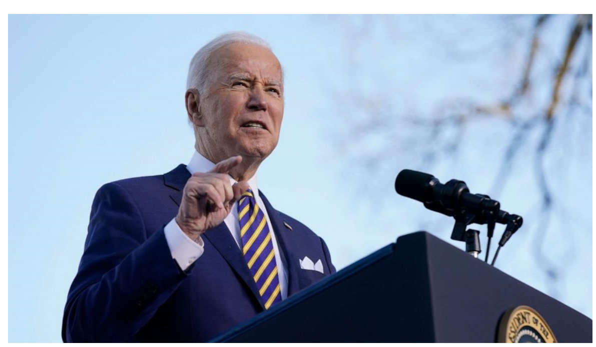
She also said that the Trump plan "contains other changes that reduce environmental protections in favor of further promoting oil and gas development."

But the Trump administration argued that in opening up more of the reserve, it was expanding the country's energy potential and creating jobs.

The latest announcement comes as part of litigation over the issue.

In its new announcement, the BLM outlined additional steps forward. It said it will tell the court that it does not think it needs to undertake a new environmental review.

Instead, it hopes to publish a new "record of decision" which formally establishes its policy following some endangered species consultations.



What Makes A Powerful Mission Statement, Burkus

Over the past several decades, organizational leaders have grown to appreciate the role of purpose in building a thriving company. A strong sense of purpose attracts great talent, keeps them motivated and engaged, and bonds them together with coworkers to increase collaboration. For many senior leaders, however, organizational purpose begins and ends with a few flowery words written on a plaque or on the front page of annual report.

Of course, we're talking about the mission statement.

The committee-crafted, jargon laden paragraph (or hopefully less) that gets quoted every so often in speeches and referenced in most printed documents. It's important to give credit for trying where its due: there are few organizations where leaders haven't given thought to answering the question of what we're working toward. That's great. But it's also important to point out the flaws in the status quo:

Most mission statements aren't all that inspiring.

They lack power either because they're wordy and complicated, or because they're written in an attempt to satisfy every stakeholder…which usually ends up inspiring none of them. Fortunately, there is an easy way to know whether or not your organization's mission statement inspires, or merely satisfies. In this article, we'll review the four elements of a powerful mission statement and offer some powerful examples as well.

Meaningful

The first element of a powerful mission statement is that it needs to be meaningful. It needs to be easy to tell from the words in the mission statement how the organization is making the world a better place or making people's lives better. It can't just be different. You may want to cram a mission statement full of language about how disruptive and innovative you are to the industry. But unless that innovation is also making things better (and lets face it…a lot of innovative organizations right now are not) then it's not a meaningful mission statement.

Consider electric car manufacturer Tesla. Telsa is most certainly innovative and is disrupting the automotive industry. But that's not its mission. Tesla's stated mission is "to accelerate the world's transition to sustainable energy." You see this in the car, but in the mission statement you see so much more good that will happen the closer we get to sustainable energy. That's what makes the mission of making cars so meaningful.

Believable

The second element of a powerful mission statement is that it needs to be believable. When people read it, and understand the meaning behind it, they need to also believe it is what the organization is focused on and can achieve. In other words, there can't be a mismatch between what the company does and what the mission statement says it does. And this is where a lot of mission statements go wrong. Not because they're not well-meaning, but because they're so vague that it's hard to connect the statement to the work being done. So, they're not believable.

A standout example is the mission statement for home improvement superstore The Home Depot. Their mission statement reads "The Home Depot is in the home improvement business and our goal is to provide the highest level of service, the broadest selection of products and the most competitive prices." It must have sounded nice in committee, but if you remove the two words "home improvement" it could be a mission statement for just about any store. It could be an auto parts store or a cannabis dispensary. And because of its vagueness—it's lack of believability—it lacks power.

Powerful

The third element of a powerful mission statement is that it needs to be powerful—and I realize it's a huge error to say powerful is an element of being powerful, but there is just not a better word to use. We could try a few others. It needs to be big. It needs to be audacious. It needs to be a sizeable challenge. It needs to be something more than increasing "shareholder value."

Consider the startup Péla. Péla started as company making cell phone and other device accessories out of a new type of plastic that was biodegradable. Their mission isn't to sell more cell phone cases, it's to use their technology to end single use plastic and other environmentally damaging waste products. Their mission is to work toward a "waste-free future." It's a powerful mission, and it explains why their product lines seem to defy convention. After producing device cases, they started producing sunglasses (a massive source of single-use plastic) and their most recent product is a home composting device. It seems illogical, until you remember the power behind their mission statement. These products move us closer to a waste free future.

Credible

The last element of a powerful mission statement is that it needs to be credible. It needs to be easy to understand how the organization can actually achieve the mission based on its existing assets, core competency, and industry. It needs to make sense to employees how their day-to-day actions are actually helping accomplish the stated mission.

A great example of how a credible mission affects the day-to-day motivation of people is the company Ellevest. Ellevest was founded after Sallie Krawcheck's shocking discovery that every roboadvisor investment firm on the market was programmed to assume its clients were male—with male earnings, male risk tolerance, and male life expectancy. So, Krawcheck and others started a roboadvisor specifically for females with the mission to "close the gender investing gap." And every new client who joins, and every existing client they help, moves Ellevest closer to closing the gender investment gap. It's simple to see how their work makes the vision a reality, and that's what makes it so credible.

If you're in a senior leadership role, and your mission statement lacks one of these four elements, you should consider revising or rewording it. But if you're not able to change it, you're not out of luck. Instead, take on the role of helping reframe the existing mission statement into one your team sees as meaningful, believable, powerful, and credible. Talk about how the existing mission plays into the projects your team works on. In doing so, you'll add a little power to their perspective on the mission, and a little more motivation to their work. Through reframing, you'll have gotten the team one step closer to a purpose that brings out the team's best work ever.

API Urges Methane Emissions Cuts Through Rules, Not Taxes

The American Petroleum Institute pledged Jan. 12 to work with legislators and regulators to bring down the oil and natural gas sector's methane emissions while continuing to explore the newer emissions reduction technologies, primarily carbon capture and storage.

At the API's annual State of American Energy event, API President and CEO Mike Sommers called on policymakers at the federal and state levels to use public-private partnerships to fund lower-carbon initiatives while creating regulations that promote certainty for oil and gas operators.

"Our industry brings the scale and expertise to make a lower-carbon future a reality," Sommers said. "This is about addition, not subtraction. America needs all the reliable, affordable, lower-carbon energy we can get."

Sommers said the API is against a methane fee proposed in Congress because it would duplicate API's own efforts to have the Environmental Protection Agency issue rules to directly reduce methane emissions. Curbing methane emissions is seen as one of the fastest ways to mitigate climate change.

"We support the direct regulation of methane," Sommers said. "Based on EPA numbers, our combined costs for that new methane regulation could exceed $15 billion. So, we don't think that it's right to impose both a new regulation — which we support — and a tax on top of that. We don't think a punitive tax which ultimately will blow through to American consumers is the right policy choice on this issue."

API Urges Methane Emissions Cuts Through Rules, Not Taxes

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In his opening remarks for the virtual event, Sommers said the Biden administration's efforts to restrict leasing on federal lands, while revoking key permits for pipeline projects such as TC Energy's Keystone XL oil pipeline, contributed to rising oil and gas prices.

"We begin 2022 with Americans viewing energy and its costs as major concerns," Sommers said.

"This is in part because lately, we've seen policies aimed at restricting production and delivery of U.S. natural gas and oil. These decisions exacerbate Americans' concerns and put upward pressure on their energy prices,."

With oil and gas investors no longer interested in oil and gas production growth, most US producers committed themselves to maintenance-level drilling plans in 2021 and have no plans in 2022 to increase production in in the face of higher prices.

"Energy prices are up because of an imbalance in supply and demand as the world deals with the pandemic impacts, inflation and other volatility," API spokeswoman Bethany Williams said. "There are many factors at play, including mixed signals from Washington and a policy environment that has contributed to uncertainty across the industry."

1532 Pointer Ridge Place, Suite G
Bowie, Maryland 20716

Phone: 301-390-0900
Fax: 301-390-3161
E-mail: rlittlefield2@wmda.net

2022 SSDA-AT Officers

President: Peter Kischak, New York	914-589-9161
Vice President: Sal Risalvato, New Jersey	732-256-9646
Past President: Dave Freitag, Ohio	419-217-0870

For more information on SSDA-AT, please contact::

Roy Littlefield, IV, Managing Director/ Editor

rlittlefield2@wmda.net ✦ 301-390-0900 ext. 137

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