GRANY

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Inside This Issue

Attention – REPAIR Act Customer Handout

Please find on the final page of this newsletter a handout to be given to ALL your customers. It explains the REPAIR Act in simple language and also explains how to send a letter to their U.S. senators and representatives requesting passage. Explain to them the necessity of the bill and ask them to use the weblink to sign on to this petition. Let them know that their support is critical to its passage.

Return to Pre-Pandemic Behaviors Pushes U.S. C-store Sales to New Highs in 2022

As traditional commuting and shopping behaviors continue to return to pre-pandemic levels, convenience stores saw record sales inside their stores in 2022, according to newly released data from the NACS.

2022 Sales Analysis

Total convenience industry sales topped $906.1 billion, of which $302.8 billion was from in-store sales, accounting for 33.4 percent of industry sales. Overall, in-store sales increased 9 percent in 2022. Packaged beverages, other tobacco products, salty snacks, candy and packaged sweet snacks all had double-digit sales growth year over year. The average basket — what customers spend per visit — increased 4.9 percent to $7.52.

Convenience stores, which sell an estimated 80 percent of the fuel purchased in the country, saw fuel sales increase 41.2 percent. However, this was largely a result of higher gas prices, which increased 33.7 percent to $4.04 last year. Fuel volumes, meanwhile, remained relatively flat.

At an industry level, convenience store transactions increased 8.5 percent last year, following an 8.8 percent increase in 2021 as the country emerged from the economic slowdown related to the COVID-19 pandemic. The two-year positive in-store transaction growth trend reverses a pre-pandemic five-year trend of declining performance.

Operating Costs Increase

Despite positive sales growth, direct store operating expenses (DSOE) also climbed, putting pressure on retailers. Credit card swipe fees at an industry level have increased 82 percent between 2020 and 2022, and now stand at $19.5 billion.

Labor costs rose as well, with average wages increasing 9.1 percent for full-time employees and 12.6 percent for part-time employees to an average of $14.33 per hour and $14.02 per hour, respectively. The c-store industry provided 2.44 million jobs across the U.S. in 2022.

Overall, the industry paid or collected $207 billion in taxes, with a per-store average of $1.4 million. It's estimated that stores also paid $4.3 billion in swipe fees on these taxes collected for the local, state and federal governments.

REPAIR Act Gains Eight Bipartisan Co-Sponsors

A group of eight representatives in the U.S. Congress that signed on in support of the REPAIR Act were recognized by the CAR Coalition, MEMA Aftermarket, Auto Care Association and SEMA in a recent press release.

Those representatives consisted of Zoe Lofgren (D-CA), Glenn Thompson (R-PA), Brittany Pettersen (D-CO), Tim Walberg (R-MI), Ro Khanna (D-CA), Carlos Gimenez (R-FL), Ann Kuster (D-NH) and Anna Paulina Luna (R-FL).

The REPAIR Act aims to provide vehicle owners and independent shops with access to tools and data needed to perform proper repairs on newer vehicles. It is currently the only bill presented that addresses the limits on who can work on vehicles and also applies to heavy-duty vehicles used for freight transportation.

"As a career first responder, protecting the American people and our public safety has been one of my top priorities in Congress," said one of the new co-sponsors, Congressman Carlos Gimenez (FL-28). "I'm proud to join my colleagues in co-sponsoring the bipartisan REPAIR Act, which ensures that car owners have access to their vehicle's data and can make informed, cost-saving decisions on where to take their car for repairs."

Maine Finalizes Right to Repair Ballot Question

Maine's Secretary of State Shenna Bellows has announced the final wording of the Right to Repair ballot question, WABI TV reports.

The ballot question–an initiative first sent to the legislature on March 21–went through a 30-day public comment period, during which only five comments were made.

The final result that voters will see will read: "Do you want to require vehicle manufacturers to standardize on-board diagnostic systems and provide remote access to those systems and mechanical data to owners and independent repair facilities?"

The signatures collected for the ballot by the Right To Repair coalition were first certified by the State Secretary back in February.

The initiative was first launched by Maine's Right To Repair coalition in an attempt to allow independent shops access to data on new vehicles. It aims to allow consumers to have the option of taking their cars to places besides a dealership, even when handling new, complex, and high-technology vehicles.

ProProctor Application Allows for Remote ASE Recertification

The National Institute for Automotive Service Excellence (ASE) has announced an option to take ASE recertification tests remotely through a new application called ProProctor, according to a press release.

ProProctor is available for all ASE recertification tests, save for the L1 and L2 tests. The application is to help service professionals complete recertification without the need to visit a test center.

They must be scheduled in advance and are monitored live by multiple proctors throughout the test. There will be a remote testing user guide provided in a confirmation e-mail to those who schedule a test-taking session.

Before scheduling a session, the ASE recommends test-takers take the time to ensure they have the Google Chrome browser and the ProProctor application installed on their computers and to complete the system readiness check. Test-takers must also have a movable web camera.

Tax Season Made Simple:
Four Expert Tips for Shop Owners

Sponsored by AutoLeap

Tip 1: Leverage experts

Joe Marconi, former shop owner and current Business Development Coach with Elite Worldwide, recognizes that you shouldn't manage tax season alone. "The first thing you must do is get a qualified CPA accountant," says Marconi. "You must meet with them at least every quarter because there's going to be course corrections throughout the year that you have to make."

Tip 2: Track expenses

One of the most common mistakes Alan Beech, President at Beech Consulting, sees his clients make is improper expense tracking. "They don't track their expenses properly," says Beech. "If they're not putting everything into the system, then they're not tracking, and they don't know their costs and expenses. They need a professional accounting program where it's easy to enter their expenses."

Tip 3: Use management software

Keeping track of your gross profit and expenses throughout the year can help ease the load when it's time to file. Effective shop management software can help in this area. "It's crucial that you have some sort of shop software because you want to understand your numbers," says Marconi. "Get your numbers and goals correct. Make sure that you know what margins you need to reach in terms of gross profit on your parts and gross profit on your labor…Once you set the parameters, set your goals, and make all the correct settings, you'll get a true account of your gross profit on your parts, your labor, and overall gross profit."

Tip 4: Plan ahead

Preparing for tax season is a constant process. Waiting too long to get your numbers in order will put you in a bad spot. Keeping your books in check can prevent any last-minute emergencies. "You need to have clean books. They have to be monitored, looked at, and reviewed continuously," says Marconi. "You can't wait until January. By June of every year, you should have a pretty good idea of where you are."

Stellantis Recalls 131K+ Ram Trucks

Stellantis has announced a recall of more than 131,000 of its Ram 1500 pickup trucks due to a software issue causing the trucks to unexpectedly stall, Autoblog reports.

The recall applies to “131,700 examples of the 1500 built from June 3, 2020, to September 12, 2021,” covering the entirety of production for the 2021 model year. Ram says that 100% of affected trucks will have the defect. Only models with the 5.7-liter Hemi V8 eTorque are affected by the recall.

After launching an investigation into the issue in January, engineers at Stellantis identified the powertrain control module software as the root of the problem.

The company stated that vehicles “may experience an engine shut-down caused by an over-rich fuel condition under certain operating conditions” as a result, but they did not detail under what conditions this would happen.

Defective Airbags Lead to BMW, Ford Recalls

Two automakers have issued recalls due to faulty airbags.

BMW has issued a stop-drive warning on 90,000 of its 3 Series, 5 Series, X5 and Z3 models from 2000-2006 due to a potential airbag defect.

According to Car and Driver, the automaker is asking owners of these vehicles to stop driving them immediately and contact their local BMW dealership to schedule repair, get towing for repair or have mobile repair performed.

Ford has expanded a recall of 90,000 Rangers from model years 2004-2006 due to a Takata airbag defect.

As reported by Autoblog, the recall aims to replace the driver-side airbag inflator in what the Detroit automaker has dubbed a "do-over" recall. Ford is asking owners of affected vehicles to contact their local dealership for repair.

NHTSA Challenged Over Airbag Inflator Recall

Tennesse-based air inflator manufacturer ARC Automotive Inc. could be facing a legal battle with the National Highway Traffic Safety Administration (NHTSA) after refusing a recall of their products, the Register Citizen reports.

The NHTSA ordered a recall of 67 million inflators from ARC Automotive Inc. of Knoxville after concluding from an eight-year investigation that the inflators are defective. They have been found to burst open and launch shrapnel toward drivers and are blamed for killing two individuals and injuring seven.

ARC insists that its products are not inherently defective, as expressed in a May 11 statement from ARC Vice President of Product Integrity Steve Gold. He dismissed the NHTSA’s findings, having said it “does not support a finding that a systemic and prevalent defect exists in this population.” He also argued that the NHTSA is overstepping by issuing a recall on an equipment manufacturer rather than an automaker.

The next likely step the NHTSA will take is to arrange a public hearing, which could lead to ARC being taken to court to have a recall enforced.

Currently, several automakers produce vehicles with the inflators, such as Volkswagen, Ford, BMW, and GM–the latter of which recently recalled almost 1 million vehicles containing ARC inflators.

Kia Recalls 180K Vehicles

Kia has issued a recall on approximately 108,000 of its 2019 Sedona minivans, 2017-2018 Cadenza sedans and 2017-2018 Niro hybrids due to a potential defect in the LCD display.

According to WPXI News, the defect may cause the LCD display to go blank, affecting the driver's ability to see important dashboard indicators, such as the speedometer, fuel gauge and warning lights.

Kia wants owners of affected vehicles to contact their local dealership for repair.

Rhode Island Trucking Company Owner Admits to Emissions Tampering Scheme

The owner of a Rhode Island trucking company and his two corporations have admitted to a federal court that they violated the U.S. Clean Air Act by selling software allowing diesel trucks to bypass emissions control systems, the Justice Department said Monday in a press release.

The Clean Air Act sets standards limiting air pollution from various vehicle engines. To meet those standards, vehicle manufacturers design and install components to reduce harmful emissions.

The Justice Department said that from Sept. 2014 through Aug. 27, 2019, Michael Collins, his company M&D Transportation Inc., his failed computer company Diesel Tune-Ups of RI Inc., conspired with trucking and diesel vehicle sales and repair firms throughout the country and a foreign national to change or disable electronic control modules and on-board diagnostic monitoring systems for heavy-duty vehicles.

For a fee, a foreign national downloaded the defeat software through a laptop computer that was connected to each vehicle. The business was promoted on Facebook claiming it increased power and fuel mileage, the government said.

At that same time the software was installed, diesel sales and service centers would often make other changes to emissions control systems, according to the release. Collins, of North Kingstown, R.I., used the same techniques to bypass emissions controls on some of M&D's diesel vehicles, the Justice Department said.

Collins' companies charged $1,700 to $3,650 per vehicle for the software installation. Some of the money was wired to the foreign national working with them.

"Tampering with diesel vehicles by installing defeat devices increases emissions of smog and soot, both of which contribute to serious health problems," said Tyler Amon, special agent in charge for the Environmental Protection Agency's criminal investigation division for New England.

Collins and his companies pleaded guilty to conspiracy to violate the Clean Air Act and are scheduled to be sentenced July 10, 2023.

-Reporting by Donna Harris

California Approves Rule Requiring End to New Combustion Truck Sales by 2036

The California Air Resources Board on Thursday approved an Advanced Clean Fleets rule that will require all new medium- and heavy-duty vehicles sold in the state to be zero emission by 2036.

The agency described the rule as the first in the world to mandate an end to the sale of new internal combustion powered trucks.

While trucks account for just 6% of the vehicles on California's roads, CARB estimates they are responsible for more than 35% of the state's transportation-generated nitrogen oxide emissions and a quarter of its on-road emissions.

"The new rule helps put California on a path toward accomplishing Gov. Gavin Newsom's goal of fully transitioning the trucks that travel across the state to zero emission technology by 2045," the agency said in a news release.

CARB said the rule is expected to generate $26.6 billion in savings from reduced asthma attacks, emergency room visits and respiratory illnesses. In addition, fleet owners will save an estimated $48 billion in their operating costs from the transition through 2050.

California has pledged to invest almost $3 billion between 2021 and 2025 in zero-emission trucks and infrastructure as part of a $9 billion multi-year program to decarbonize the transportation sector.

"The Advanced Clean Fleets rule is a reasonable and innovative approach to clean up the vehicles on our roads and ensure that Californians have the clean air that they want and deserve," CARB Chair Liane Randolph said in the release.

She said the rule provides manufacturers, truck owners and fueling providers the assurance that there will be a market and the demand for zero emission vehicles, while providing a flexible path to making the transition toward clean air.

The approval of the Advanced Clean Fleets rule follows the 2020 adoption of the Advanced Clean Trucks rule, which requires manufacturers to increase the sale of zero emission trucks.

The government projects that about 1.7 million clean trucks will hit California's roads by 2050.

--Reporting by Abdul Latheef

Number of States Proposing EV Mandates Grows

Several states have recently mandated a ban on gas-powered vehicles by 2035, following in step with California, according to Green Car Reports.

New Jersey is the latest state to release a ban on gas cars by 2035, announced this past week, along with "100% clean-energy use by 2035." They join fellow East Coast states New York, Connecticut, Massachusetts, Maine, Vermont, and Virginia in pushing forward the transition to EVs.

Though there has been some pushback seen, with Republicans attempting to repeal Virginia's adoption of the new standards during a Democrat-led state senate committee last month, the proposals were thrown out, the Virginia Mercury reported.

Some West Coast states have also planned to adopt these "Advanced Clean Cars II" standards as well: California, Washington, and Oregon. More and more states are coming on board as well such as Minnesota, and automakers are already expecting and preparing for an electric future for vehicles.

Some states may take different approaches to the EV transition, Green Car Reports notes, as "three out of the five U.S. states with the most EVs haven't had a mandate for them, according to a 2021 study." As more states mandate the transition, however, automakers are forced to have to adapt.

Study: Americans Lack Enthusiasm for EVs

As the Biden administration pushes for more electric vehicle sales, the United States still lags behind most other countries, Yahoo Finance reports.

According to a recent survey by the University of Chicago's Energy Policy Institute and the AP-NORC Center for Public Affairs Research, only two in every 10 Americans are "very likely" to purchase an EV.

In comparison, a recent EIB climate survey shows that two-thirds of Europeans are likely to choose an EV for their next vehicle, with 86% of new car sales in Norway being EVs according to statistics from Canary Media. In Iceland, EVs are 72% of new car sales.

China, too, has shown more eagerness for the EV transition than the U.S., with 16% of their new vehicles sold in 2021 being EVs. In the U.S., it was only 5%, placing it at 19 out of the 20 countries studied for EV sales.

The reason for Americans' apprehensiveness toward EVs stems from high price tags and a lack of adequate infrastructure. The World Economic Forum has stated that in the U.S., there are only 53,000 charging stations, compared to the 145,000 gas stations in the country.

Additionally, charging EVs is a time-consuming process, especially when a charging station is broken, which is the case with one-fourth of them, as climate advocacy group Cool the Earth discovered.

Report: Dealerships Lack EVs to Sell

As the demand for electric vehicles increases, dealerships nationwide have been unable to keep up, according to Green Car Reports.

The Rev Up Electric Vehicles report released recently by the Sierra Club lays out the results of a national survey conducted from June through November 2022 with randomly selected dealerships in each U.S. state.

It reported that almost two-thirds of dealerships did not have one EV available for sale and that 44% would have offered one if they could obtain one. The Western United States accounted for 45% of EV sales in the country in 2022, but the Sierra Club found that only 27% of dealerships in the region had an EV to offer for sale.

The conclusion of the study was that automakers were the root of the issue; unlike previous versions of the Rev Up Electric Vehicles report, which in 2016 reported dealerships showing disinterest in EVs, and in 2019 found that dealers were simply not equipped to sell them.

“While some dealerships are still reluctant to fully embrace EVs, many dealers are expressing a newfound eagerness to sell EVs,” the organization stated. “However, it is the responsibility of manufacturers to deliver more EVs to all dealers.”

Shell Wraps Up Acquisition of Volta

Shell USA Inc., a subsidiary of Shell plc, completed its previously announced $169 million acquisition of electric vehicle (EV) charging and media company Volta Inc.

With the closing, Shell now owns and operates one of the largest public EV charging networks in the United States. Volta's assets include an existing public EV charging network of more than 3,000 charge points at destination sites such as shopping centers, grocery stores and pharmacies across 31 U.S. states and territories, as well as a development pipeline of more than 3,400 additional charge points and capabilities to continue developing, operating and monetizing EV charging infrastructure.

With the acquisition Shell can scale its existing network and offerings to better participate in the long-term EV charging market opportunity within the U.S. Globally, Shell aims to expand its EV charging offer to operate more than 500,000 charge points by 2025 and around 2.5 million charge points by 2030. Today, Shell operates more than 140,000 public and private charge points around the world.

Volta's advertising capability and early mover advantage have allowed the company to secure prime spots and portfolio-level contracts with site hosts in high-value, high-traffic markets, according to Shell. While most of Volta's current revenue is generated through advertising, there are plans to increase the number of fast charging DC outlets with a paid charging model.

Transaction Details

Under the terms of the merger agreement, Shell USA acquired all outstanding shares of Class A common stock of Volta for a purchase price of approximately 86 cents per share in cash. At closing, Shell repaid Volta's third party debt of approximately $11 million.

Additionally, Shell provided $20 million in subordinated secured term loans to Volta to support its balance sheet and bridge it through the closing of the transaction.

Volta is now a member of the Shell Group, bringing with it a team of approximately 200 employees.

EPA Grants Emergency Waiver for Summer E15 Sales

Gasoline blended with up to 15 percent ethanol (E15) will be available for sale during the summer driving season following an April 28 emergency waiver issued by the U.S. Environmental Protection Agency (EPA).

This action is intended to provide Americans with relief at the pump from ongoing market supply issues created by Russia's war in Ukraine by increasing fuel supply and offering consumers more choices at the pump. Additionally, it will help protect them from fuel supply crises by reducing the country's reliance on imported fossil fuels, building U.S. energy independence and supporting American agriculture and manufacturing, the EPA said in a released statement.

E15 currently sells for about 25 cents less per gallon compared to E10.

In around two-thirds of the country, E15 is barred from being sold from terminals starting May 1 and at retail stations starting on June 2. The EPA does not anticipate any impact on air quality from this limited action.

Gasoline Prices Among Top Three Drivers of US Inflation: Report

Gasoline has been among the largest contributors to rising inflation, behind shelter and used cars and trucks, the U.S. Bureau of Labor Statistics reported Thursday.

"The increase in the gasoline index more than offset declines in other energy component indexes, and the energy index rose 0.6% in April," the bureau said in a news release. The energy index declined 5.1% year to year in April.

The Consumer Price Index for all items rose 0.4% in April, up from the 0.1% increase seen in March. Over the last 12 months, the CPI rose 4.9%, the smallest year-to-year increase since April 2021.

The gasoline price index increased 3.0% in April, though down 12.2% year to year. The April uptick, the fourth increase over the last seven months, followed a decline of 4.6% in March and two smaller increases in January and February.

Fuel oil prices have declined for five straight months, including a drop of 4.5% in April. The fuel oil index decreased 20.2% year to year. The electricity index, which has declined for two straight months, was down 0.7% in April but 8.4% higher on a year-to-year basis. Gas utility prices, down for three consecutive months, dropped 4.9% in April and 2.1% on a year-to-year basis.

Though the food index has remained flat for two consecutive months, it is still up 7.1% year to year. The food-at-home index declined two straight months including 0.2% in April but is 7.1% higher than it was a year ago. The index for food away from home has grown consistently over the past seven months, including 0.4% in April and is up 8.6% from a year ago, the bureau reported.

--Reporting by Donna Harris

US Gas Station Dollar Sales Hit 15-Month Low: Census Bureau Data

Census Bureau data updated on Tuesday shows monthly dollar sales at U.S. gas stations fell to a 15-month low in April, though sales remain historically high. April sales at gas stations fell for a fifth straight month to $54.648 billion, down about 1% from March and 17% below April 2022's $63.954 billion. The sales figures are adjusted for seasonal variations and holiday and trading day differences but not for price changes, the agency said.

Inflation is contributing to the still-elevated dollar figures, which surpassed $50 billion for the first time in the fall of 2021, according to figures dating back to 1992. Monthly gas station sales reached a record high of more than $67 billion in June 2022 when retail fuel prices also hit record highs.

For eight months last year, gas station sales breached the $60-billion mark. April is the sixth month since the June peak that gas station sales have slipped below $60 billion.

--Reporting by Donna Harris

US Vehicle Miles Traveled in March Rise 0.6% Year to Year: DOT

U.S. vehicle miles traveled in March rose 0.6% year to year as inclement weather in the West limited a larger gain, the Department of Transportation's Federal Highway Administration said Monday.

FHA's latest Traffic Trends report estimated that U.S. motorists traveled 271.2 billion vehicle miles in March. It also marked the third straight month vehicle traffic rose from the same month of last year.

On a seasonally adjusted basis, which removes seasonal factors, March's traffic was 0.3% higher than that in February, DOT said.

The West region, which includes Alaska, Hawaii and 12 states along the West Coast and in the Rocky Mountains, saw a 2.6% year-to-year drop in March traffic, underperforming the other four regions surveyed by DOT. Meanwhile, March vehicle traffic in the Northeast rose 2.6% year to year, DOT data showed.

Flooding in parts of California due to above-average heavy rain and snow continued to weigh on motorist traffic in March.

According to OPIS DemandPro, March U.S. average gasoline sales volumes at retail stations was down 0.9% from the same month of 2022.

Compared with March 2019 before any Covid-19 disruptions, average gasoline demand was 20.8% lower, according to OPIS numbers. Better fuel economy and the increasing popularity of electric vehicles may explain some of the lower fuel sales.

OPIS DemandPro data provides retail sales data collected from more than 30,000 station operators across the U.S.

DOT's data is collected from about 5,000 continuous traffic counting locations nationwide. Because of the limited sample sizes, caution should be used with the estimates, DOT said in its report.

--Reporting by Frank Tang

Convenience Retailers Gear Up for Memorial Day Weekend Travelers

An uptick in travelers for the unofficial start of summer can be a win for the convenience store industry.

According to AAA, 42.3 million Americans are projected to travel 50 miles or more from home this Memorial Day weekend — a 7 percent increase over 2022. With 2.7 million more people traveling compared to last year, it could be a sign of what's to come in the months ahead.

"This is expected to be the third busiest Memorial Day weekend since 2000, when AAA started tracking holiday travel," said Paula Twidale, senior vice president of AAA Travel.

Of the overall travel, 87.6 percent will be by car. Memorial Day road trips are up 6 percent over last year as 37.1 million Americans will drive to their destinations, an increase of more than 2 million. Good news for motorists, gas prices are lower this holiday compared to last year, when the national average was more than $4 a gallon. However, even with the lower prices at the pump, car travel this holiday will be shy of pre-pandemic numbers by about 500,000 travelers, according to AAA.

Valero Expects Tight Summer US Gasoline Market, Says Diesel Still Strong

Valero Energy Inc. expects a "very tight" U.S. summer gasoline market because of light storage builds over the winter and a dip in typical European import volumes, a company official said Thursday.

In addition, the independent refiner downplayed reports of soft diesel demand, saying demand in the market areas of its 15 refineries in the U.S., Canada and the U.K., remains strong.

In a call with financial analysts to discuss Valero's first-quarter financial results, Chief Commercial Officer Gary Simmons said seven-day average gasoline sales within the refiner's wholesale system was up 16% year to year, while those for diesel were up 25% over the same period.

In response to an analyst question about possible diesel weakness, Simmons said "we are just not seeing it."

He said diesel has been moving from the Gulf Coast (PADD 3) to the Midwest (PADD 2) to take advantage of price premiums from "a surge in agricultural demand" tied to the planting season.

In addition, he said the company is seeing Gulf Coast diesel move to the Northeast U.S. as well as to Latin America and Europe.

OPIS earlier this week reported U.S. refiners could face a diesel crack that is sharply lower than that in recent months, as NYMEX ULSD futures have plunged to levels last seen in 2021.

Some bank analysts also recently slashed their diesel margin forecast due to economic worries and higher supply from refiners.

Simmons added that this winter's market structure provided little incentive to move summer-grade gasoline or gasoline components into storage.

In addition, widespread refinery strikes in France also led to a drop in the typical number of European gasoline cargoes that arrived in the U.S. in the first quarter.

"We come into the driving season 10 million bbl below where we were last year on gasoline inventories. Summer grade gasoline is very tight and it is going to stress the Colonial system as we move into the driving season," he said.

Simmons was referring to the gasoline conveyed along the Colonial Pipeline to the Northeast from the Gulf Coast. European refiners send their excess gasoline to the U.S. and other overseas markets. Without those European imports, the Northeast relies more heavily on domestic resupply from the Gulf Coast.

The Energy Information Administration on Wednesday reported U.S. gasoline stocks were at 221.1 million bbl in the week ended Friday, down nearly 10 million bbl year to year and 17.5 million bbl below the five-year average.

--Reporting by Frank Tang

Average US Gas Station Wage Holds Steady for Two Straight Months: BLS

March average hourly wages for nonsupervisory workers at U.S. gas stations and gas stations with convenience stores were essentially unchanged from February, suggesting the industry is seeing some relief from wage inflation, according to the data issued last week by the Bureau of Labor Statistics.

But average hourly wages remain near record highs at between $16.50 and $17, the numbers showed.

The average hourly wage for nonsupervisory gas station workers fell 1ct in March to $16.73, but that's up 8.7% from $15.39/hour in the same month of 2022. The March average hourly wage for nonsupervisory workers at gas stations with convenience stores was unchanged for a second straight month $16.53, up 8.7% from the average $15.21 in March of last year.

Though gas station wages in general have been rising faster than wages for competing retailers, some retail channels saw March gains in the average hourly nonsupervisory wage, including food and beverage retailers, to $16.94 from $16.82; supermarkets, to $16.81 from $16.69; and pharmacies and drug retailers to $24.50 from $24.43.

The average hourly wage for liquor stores in March fell 5cts from February to $17.11. The average hourly wage for the overall retail trade dipped 2cts in March to $20.26 but BLS reported a 40ct increase in April to $20.66.

For all private industry, average nonsupervisory wages rose by 4cts in March to $28.46/hour and by 40cts in April to $28.86/hour, the data showed.

--Reporting by Donna Harris

ExxonMobil Rolling Out New IT Standards at US Stations

ExxonMobil Corp is rolling out technology updates and new IT standards to support point-of-sale software upgrades, Exxon Mobil Rewards+ app enhancements, Direct Debit+ and contactless chip payment card transactions, according to a notice the company sent to branded retailers and wholesalers Tuesday.

IT standards and software updates have been more frequent among major oil brands, particularly with the shift to innovations such as contactless payment, mobile loyalty apps and chip card acceptance.

ExxonMobil is offering branded wholesalers a $1,000 incentive per site for meeting the standards. However, effective Sept. 30, stations that fail to meet one or more of the requirements will be assessed monthly fees of $750. After Nov. 30, the penalty is $1,000 per month. Stations must comply with standards involving the Exxon Mobil Rewards+ loyalty and mobile app by July 31 to avoid a $250 penalty, the company said.

Sites that fail for the first time have 30 days to meet the requirements, the company said. The deadline for Gilbarco sites will be announced in the future because the software is still being tested. ExxonMobil said it will give stations with Gilbarco equipment at least 120 days to become compliant with the standards after the software's release is announced.

The major requires Gilbarco v22.01 and Verifone v3.12.40 POS software configured and online with updated payment host; the new Exxon Mobil Rewards+ app configured and online with updated loyalty host; indoor and outdoor contactless Europay Mastercard Visa (EMV) chip card standards for sites using contactless card readers outside; and outdoor EMV in New York, New Jersey, Florida, California, Texas and Michigan.

In other areas, outdoor EMV is "strongly recommended" for all sites, ExxonMobil said.

--Reporting by Donna Harris

Florida Man Sentenced to Five Years in Prison for New England Skimming Case

A U.S. district court judge in Boston last week sentenced Luis Angel Naranjo Rodriguez, of Hialeah, Fla., to five years in prison and three years of supervised release in connection with a scheme to steal personal data from thousands of debit and credit card accounts at gas stations across New England.

Judge Richard Stearns also ordered Rodriguez, 32, to pay $21,267 in restitution, the Department of Justice said in a press release.

Rodriguez pleaded guilty to eight counts of wire fraud, four counts of bank fraud, four counts of aggravated identity theft, one count of possessing 15 or more counterfeit or unauthorized cards and one count of possessing card skimming devices.

The Justice Department said Rodriguez installed card skimming devices in fuel dispensers at gas stations in several New England states. The devices were programmed to send his mobile phone a text message with stolen account information after customers had used their debit or credit cards.

Card skimming devices linked to the cell phone were traced to at least 11 different gas stations in Lynnfield, Concord, Malden, Taunton, Randolph and Raynham, Mass., Portland, Maine, Nashua, N.H., and Willington, Conn.

Between April and November 2019, Rodriguez's mobile phone received at least 4,878 text messages with stolen debit and credit card account numbers, DOJ said. Many of these texts also included the account holders' names and Personal Identification Numbers.

Naranjo Rodriguez cloned the account information onto gift cards and other prepaid cards, using them to make ATM withdrawals, purchase expensive merchandise for resale, and obtain cash back on debit card transactions, the news release said.

Security cameras at a Framingham, Mass., gas station and CVS in November 2019 captured Rodriguez using four cloned cards to withdraw money from ATMs. He was arrested that night at the Concord, Mass., Rotary Gulf gas station, while tampering with a fuel pump after the gas station had closed, the department said.

Investigators also found the four cloned cards from the ATM withdrawals earlier that night in his car, along with fuel pump keys, black latex gloves, four card skimming devices, and the mobile phone that was receiving the text messages with the stolen credit and debit card account numbers, DOJ said.

--Reporting by Donna Harris

US Backs Sale Of Citgo to Pay Venezuela Debts -- WSJ

The Biden administration indicated it would no longer protect Venezuela state-owned oil refiner Citgo Petroleum from seizure, backing a forced sale of the company to satisfy the South American government's foreign creditors.

The U.S. government intends to approve the sale of Venezuela's ownership stake in Citgo once a winning bidder emerges in a court-supervised auction process, according to filings by a special master appointed in Delaware federal court to oversee the potential transaction.

The U.S. position, disclosed in a Justice Department letter dated April 7 and filed by the special master in federal court Friday, marks a new stance toward Citgo, a prime target for Venezuela's creditors and a major state asset that owns refineries, pipelines and terminals and supplies thousands of Citgo-branded gas stations in the U.S.

The Houston-based company has been caught up for years in tensions between the regime in Caracas, its domestic opposition and their respective international allies. The U.S. gave control of Citgo to Venezuelan opposition leaders in 2019 as part of a pressure campaign against the country's president, Nicolás Maduro, while imposing sanctions that prohibited bondholders and other creditors from foreclosing on the company.

Any change in Citgo's control requires a license from the Treasury Department's Office of Foreign Assets Control, which said last year that ending the company's Venezuelan ownership to repay creditors would undercut the U.S. interest in supporting Venezuela's opposition movement. Since then, the Venezuelan opposition has lost sway, its parallel government has dissolved, and its onetime leader, Juan Guaidó, fled to the U.S.

OFAC now "intends to implement a favorable licensing policy for license applications in connection with the execution of a sale," according to the Justice Department letter filed in Delaware court.

Mr. Maduro, who has outlasted U.S. sanctions to remain Venezuela's de facto leader, condemned the potential loss of Citgo, calling it a slap in the face.

"We indignantly reject and repudiate this robbery of Citgo by the U.S. government," Mr. Maduro said during a May Day speech in Caracas on Monday.

Citgo declined to comment. Businesses that once partnered with Venezuela, including the gold mining venture Crystallex International, have targeted Citgo as the only valuable state asset they can seize through the U.S. court system as compensation for billions of dollars in unpaid claims.

A special master appointed in Delaware to design a sales process for Citgo said in court filings Friday that marketing the company to potential bidders should begin immediately because of the change in U.S. position. The sale procedures call for auctioning the shares of Citgo's parent holding company to cover a roughly $1 billion judgment held by Crystallex, which filed for bankruptcy in 2011 when its gold mining rights in Venezuela were expropriated.

Judge Leonard Stark of the U.S. District Court in Delaware has indicated that other creditors of Venezuela might also be able to collect proceeds from a potential sale. The judge has criticized Venezuela's failure to pay Crystallex, now a defunct shell that exists mainly to pursue litigation for its investors.

A sale of Citgo might generate proceeds sufficient to pay the debt to Crystallex, but Venezuela's total liabilities are far larger, including arbitration claims by dozens of other companies and roughly $60 billion of defaulted bond debt.

Lawyers for the Venezuelan opposition have disputed that Citgo can be ordered to the auction block by a U.S. court and are appealing some of Judge Stark's recent rulings. The company has considered bankruptcy as an option to protect its operations and sort out creditors' competing claims, The Wall Street Journal has reported.

A U.S. official said that a license authorizing the sale of Citgo is months away and will be issued only after due diligence with respect to the potential purchaser and its proposed transaction.

The Biden administration has taken steps toward relaxing sanctions on Venezuela's authoritarian regime but continues to recognize the opposition-controlled National Assembly as the country's "last remaining democratic institution," which is trying to negotiate from a position of weakness for free elections in 2024.

--Reporting by Andrew Scurria

New York State Tobacco Legislation

The State Health Department commissioned a new survey aimed at gauging support for an all-out tobacco prohibition. The survey was reportedly conducted by a nonprofit research organization and distributed to community leaders statewide, including county legislators and county directors of public health.

The New York State Legislature rejected a proposal to ban the sale of all flavored tobacco products, which would have included menthol. The proposal was first announced in February as part of Gov. Kathy Hochul's 2023-2024 fiscal year budget.

Convenience stores retailers were among opponents who argued a ban wouldn't drive people to stop smoking. The legislature did decide to keep a dollar increase in the excise tax on cigarettes, from $4.35 to $5.35.

Declining Cigarette Volumes Draw Some Concerns Among Tobacco Retailers

Retailers and wholesalers in the convenience channel hold a cautious outlook in the tobacco category as consumers continue to feel pressure from outside sources. According to Goldman Sachs' first quarter "Nicotine Nuggets" survey, the health of the tobacco consumer appears weaker given broad-based inflationary pressures, lower discretionary income and tightening regulations continue to drive lower usage and downtrading.

The survey gathered feedback from retailer and wholesaler contacts representing approximately 65,00 retailer locations across the United States, or roughly 40 percent of all tobacco outlets.

"Nicotine Nuggets" found that cigarette volume declines accelerated sequentially in the first three months of 2023, reflecting ongoing pressure on the consumer from broader inflation and frequent manufacturer price hikes — driving reduced tobacco purchase frequency, downtrading to affordable noncombustible options and fewer store trips but higher spending per store trip driven by inflation, according to Bonnie Herzog, Goldman Sachs senior financial analyst.

Other key takeaways from Nicotine Nuggets survey include:

- Downtrading pressure remained elevated in the quarter as inflationary pressures, including cigarette list price increases, weigh on consumer purchase decisions, driving a significant increase in market share of fourth tier/discount brands.
- Manufacturer pricing power is lower today vs. last year, according to 66 percent of respondents, with many highlighting that price increases are starting to have a significant impact on cigarette volumes and drive accelerated downtrading.
- Smokeless nicotine offerings remain strong, led by modern oral nicotine brands ZYN and ON!, supported by increased promotional activity.
- E-cigarette volumes decelerated, primarily reflecting weakness in JUUL, but VUSE Alto remains a bright spot of growth as it continues to capture market share from JUUL.

The promotional environment remained broadly unchanged for most nicotine categories; however, promotion levels were notably higher for premium cigarettes and nicotine pouches.

Altria Reaches $235M Agreement in JUUL-Related Court Cases

Altria Group Inc. reached agreement on terms to resolve at least 6,000 JUUL-related state and federal cases for $235 million.

In October 2019, the U.S. Judicial Panel on Multidistrict Litigation ordered the coordination or consolidation of federal individual and class action lawsuits related to JUUL in the U.S. District Court for the Northern District of California for pretrial purposes. The cases include approximately 50 economic class actions, approximately 4,500 personal injury actions and approximately 1,500 government entity actions, including approximately 1,400 school district cases, according to Altria.

These cases are covered by the agreement in addition to cases in a related state-court consolidated proceeding involving 750 cases.

The settlement does not apply to three cases brought by attorneys general, 35 cases brought by Native American tribes, 17 antitrust cases or three Canadian cases, the company added.

The settlement remains subject to the parties entering into one or more final settlement agreements approved by the relevant courts.

Reynolds Files Lawsuit in California to Protect Legal Tobacco Products

Reynolds American Inc. is taking action to keep its legal nonmenthol tobacco products on the market in California.

The company's subsidiary, R.J. Reynolds Tobacco Co. (RJRT), filed a lawsuit against California state officials, including Attorney General Robert Bonta, in response to Bona's issuance of several Notices of Determination that allege certain Camel and Newport cigarettes styles are "presumptively" flavored based on their promotional materials.

The lawsuit, filed in California state court, seeks declaratory and injunctive relief, including that the notices be rescinded.

According to Reynolds, RJRT stands by its new products and believes that they comply with California state law and can continue to be sold. Before introducing the products for sale, RJRT followed all applicable pre-market regulatory requirements.

"The new Camel and Newport styles do not impart a distinguishable taste or aroma other than tobacco and are marketed to clearly indicate that they are non-menthol," the company said. "The California attorney general's notices do not acknowledge the fact that RJRT's new product introductions are prominently labeled and marketed as nonmenthol."

On April 25, Bona sent letters to RJRT and ITG Brands LLC warning the tobacco companies that, after review of referred packaging and promotional materials, several products were "presumptively flavored under the California flavor ban law." For RJRT, state attorney general's office called out Camel Crush Oasis Silver, Camel Crush Oasis Blue, Camel Crush Oasis Green, Camel Crisp, Newport EXP Non-Menthol Mix, Newport EXP Non-Menthol Max, Newport Non-Menthol Green.

For ITG Brands, the letter called out Kool Non-Menthol and Kool Blue Non-Menthol.

Both companies had until June 23 to respond to the notices.

DMV Record Retrieval

DMV record retrieval is available to association members and affiliates at a cost of $12 per record. Additionally, you may order DMV certified paper abstracts of driver’s license, vehicle registration, and vehicle title records for an additional fee of $2 per abstract. Please call 518-452-4367

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SERVICE STATION DEALERS OF AMERICA AND ALLIED TRADES

Time Running Out to Claim $1.5 Billion in Refunds for Tax Year 2019, Taxpayers Face July 17 Deadline

The Internal Revenue Service announced that nearly 1.5 million people across the nation have unclaimed refunds for tax year 2019 but face a July 17 deadline to submit their tax return.

The IRS estimates almost $1.5 billion in refunds remain unclaimed because people haven't filed their 2019 tax returns yet. The average median refund is $893 for this year, and the IRS has done a special state-by-state calculation to show how many people are potentially eligible for these refunds.

"The 2019 tax returns came due during the pandemic, and many people may have overlooked or forgotten about these refunds," said IRS Commissioner Danny Werfel. "We want taxpayers to claim these refunds, but time is running out. People face a July 17 deadline to file their returns. We recommend taxpayers start soon to make sure they don't miss out."

Under the law, taxpayers usually have three years to file and claim their tax refunds. If they don't file within three years, the money becomes the property of the U.S. Treasury.

But for 2019 tax returns, people have more time than usual to file to claim their refunds. Usually, the normal filing deadline to claim old refunds falls around the April tax deadline, which is April 18 this year for 2022 tax returns. But the three-year window for 2019 unfiled returns was postponed to July 17, 2023, due to the COVID-19 pandemic emergency. The IRS issued Notice 2023-21 on Feb. 27, 2023, providing legal guidance on claims made by the postponed deadline.

The IRS estimates the midpoint for the potential unclaimed refunds for 2019 to be $893. That means half of the refunds are more than $893 and half are less.

"With the pandemic taking place when the 2019 tax returns were originally due, people faced extremely unusual situations. People may have simply forgotten about tax refunds with the deadline that year postponed all the way into July," Werfel said. "We frequently see students, part-time workers and others with little income overlook filing a tax return and never realize they may be owed a refund. We encourage people to review their records and start gathering records now, so they don't run the risk of missing the July deadline."

By missing out on filing a tax return, people stand to lose more than just their refund of taxes withheld or paid during 2019.

Many low- and moderate-income workers may be eligible for the Earned Income Tax Credit (EITC). For 2019, the credit was worth as much as $6,557. The EITC helps individuals and families whose incomes are below certain thresholds in 2019.

Those who are potentially eligible for EITC in 2019 had incomes below:

1. $50,162 ($55,952 if married filing jointly) for those with three or more qualifying children;
2. $46,703 ($52,493 if married filing jointly) for people with two qualifying children;
3. $41,094 ($46,884 if married filing jointly) for those with one qualifying child, and;
4. $15,570 ($21,370 if married filing jointly) for people without qualifying children.

The IRS reminds taxpayers seeking a 2019 tax refund that their checks may be held if they have not filed tax returns for 2020 and 2021. In addition, the refund will be applied to any amounts still owed to the IRS or a state tax agency and may be used to offset unpaid child support or past due federal debts, such as student loans.

Current and prior year tax forms (such as the tax year 2019 Forms 1040 and 1040-SR) and instructions are available on the IRS.gov Forms and Publications page or by calling toll-free 800-TAX-FORM (800-829-3676).

Need to file a 2019 tax return? Several options to get key documents
Although it's been several years since 2019, the IRS reminds taxpayers there are ways they can still gather the information they need to file this tax return. But people should start early to make sure they have enough time to file before the July deadline for 2019 refunds. Here are some options:

1. Request copies of key documents: Taxpayers who are missing Forms W-2, 1098, 1099 or 5498 for the years 2019, 2020 or 2021 can request copies from their employer, bank or other payers.
2. Use Get Transcript Online at IRS.gov. Taxpayers who are unable to get those missing forms from their employer or other payers can order a free wage and income transcript at IRS.gov using the Get Transcript Online tool. For many taxpayers, this is by far the quickest and easiest option.
3. Or request a transcript. Another option is for people to file Form 4506-T with the IRS to request a "wage and income transcript." A wage and income transcript shows data from information returns received by the IRS, such as Forms W-2, 1099, 1098, Form 5498 and IRA contribution information. Taxpayers can use the information from the transcript to file their tax return. But plan ahead – these written requests can take several weeks; people are strongly urged to try the other options first.

Repair Shops and Gasoline Dealers Association of New York

RSGDA

DO NOT TAKE APART YOUR OLD INSPECTION MACHINES.

They are not mailing out the new stickers yet; you will need to continue to use your old equipment until that happens.

If you have not done so, review the below videos to properly set up your new machines.
Make sure you watch the entire video, before taking any steps.

- **NYVIP3-Introduction**
- **System-Setup**
- **Heavy-Duty-Opacity-Inspections**
- **Safety-Inspections(Motorcycle-Trailer)**
- **Safety-and-OBD-Emissions-Inspections**
- **System-Use-and-Maintenance**
- **Management-and-Administrative-Functions**

Follow the links above to familiarize yourself with various elements and functionalities of your new equipment.

If you would like to order any of the accessories or cart in the videos, please log into your NYVIP Account.

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Rolling carts are now available via your login portal to **NYVIP**. They are $995 per cart. Login to where you purchased your inspection machine and they will be an available purchasing option.

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We attempted to get you a discount, but unfortunately despite repeated conversations, they were not flexible on pricing.

If you have any questions, please reach out to our Syracuse office by emailing **amanda@rsgda.com**.

REPAIR ACT INTRODUCED

The amount of data collected by modern vehicle on-board systems is staggering. But who owns that data; the vehicle owner or the manufacturer? When it comes to vehicle repair the fight to secure data access for vehicle owners and their chosen independent repair facilities continues. Neal Dunn (R-FL-02), Brendan Boyle (D-PA-02), Warren Davidson (R-OH-08), and Marie Gluesenkamp Perez (D-WA-03) introduced the "Right to Equitable and Professional Auto Industry Repair (REPAIR) Act" in the House of Representatives this year. The bill is aimed at giving small independent repair shops the same kind of data access that licensed vehicle dealerships already receive.

"Americans should not be forced to bring their cars to more costly and inconvenient dealerships for repairs when independent auto repair shops are often cheaper and far more accessible," said Rep. Rush. "But as cars become more advanced, manufacturers are getting sole access to important vehicle data while independent repair shops are increasingly locked out. The status quo for auto repair is not tenable, and it is getting worse. If the monopoly on vehicle repair data continues, it would affect nearly 860,000 blue-collar workers and 274,000 service facilities."

"The lack of meaningful consumer choice in the repair market harms low-income Americans and those in underserved communities most," Rush continued. "A single mother who relies on her vehicle to go to work and get her kids to school can't afford to wait days or weeks to have her car repaired at a dealership that is hours away and more expensive than the auto shop around the corner. The REPAIR Act is common sense, necessary legislation that will end manufacturers' monopoly on vehicle repair and maintenance and allow Americans the freedom to choose where to repair their vehicles."

WHAT YOU CAN DO

So what can you do as a vehicle owner to help the "Right to Repair" movement? Demand that the lawmakers that represent you also represent the need for fair and equitable access to all parts of the vehicle care equation. The NAPA AutoCare makes it easy to contact your Senator and Congressperson via their website form found at
https://member.napaautocare.com/OwnersRightToRepair
so you can let them know your concerns. The form will ask for your address and automatically identify your representatives while also drafting a letter to them. It's just that easy.

Please show your support for Right to Repair by using this webpage to send a letter to your federal lawmakers. It will take 30 seconds.