SSDA News

Service Station Dealers of America and Allied Trades

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INSIDE THIS ISSUE:

SSDA-AT Mourns Loss of a Legend– Ralph Bombardiere

By Roy Littlefield

Ralph J. Bombardiere passed away unexpectedly but peacefully at home on Tuesday, August 25, 2020, surrounded by his family. Son of the late Rose and Saverio Bombardiere, he is survived by his wife, Catherine, brother Joseph, children Wayne (Theresa), Lynn Marie and Christopher; grandchildren, Jennifer, Chris topher, Dean, Nicole, Samantha, Kristine, Joseph, Michael, Christian and Matthew; by his great-grandchildren, Alfred and Isabella, and by his cousin and best friend, Vincent Cascini.

Born and reared in Brooklyn, Ralph graduated from New Utrecht High School and Brooklyn College. He moved to Staten Island in 1964. Becoming a small businessman, he had several gas stations in Brooklyn and Staten Island. Soon he became a renowned leader in the automotive repair and retail gasoline industry. In 1980 he became executive director of the N.Y.S. Association of Service Stations and Repair Shops, and made it the largest industry trade association in the nation. He was a pioneer in the development of emissions testing in New York and in Florida and would often walk the halls of Congress and Albany passionately fighting not for special favors for gas stations repair shops and the growing number of affiliated convenience stores, but just to give his members a shot at a level playing field so they could compete fairly. He also advised dealers around the world, and from countries as far away as South Africa.

Ralph loved being with his family, especially on his boat. Sometimes he would fondly reminisce about playing with his high school teammate and friend, baseball legend Sandy Koufax. His passion and devotion, though, always drew him back into the battle against bureaucracy, both in government and in the giant companies of the oil industry. In honor of his love and devotion to his members in the auto industry, he will be sorely missed by them, and long and fondly remembered.

Reflections on Ralph Bombardiere

By: Roy Littlefield Sr.

Members of the Gasoline and Automotive Service Dealers Association, the Service Station Dealers of America and Allied Trades, and service station dealer and automotive repair facility operators nationwide have lost a leader, a champion, an advocate, and a friend.

For thirty-six years I have watched Ralph represent our members, issues, and industry to lawmakers in Federal and State legislators, regulators, members of the media, and industry officials. Few knew the industry like he did, few were as respected as he was, and few made the impact that he made.

I will always remember the 1993 nationwide effort when Melvin Sherbert, Harry Murphy, Mike Ingle and so many other local members successfully moved the PMPA members through congress. Ralph coordinated a grass roots telephone campaign from New York; and made several trips to Capitol Hill to help us out.

Ralph headed up the largest state dealer association in America; but he always had time to aid any other state or regional association, to respond to any industry request, and to explain any issue. He was always a strong, consistent, and visible supporter of SSDA-AT. For those efforts, he was recognized years ago in the SSDA-AT Hall of Fame.

Ralph always told me that he would work for service station dealers and repair facility operators up until he passed away, and then he hoped and prayed that God would welcome him to Heaven.

Well, Ralph made good on his pledge to work until the end; and then, I am sure, God welcomed this very religious man into Heaven. God bless our dear friend.

RALPH BOMBARDIERE

Using Instagram to Expand Your Reach & Boost Your Sales

It's no secret that social media has exploded. Although Facebook, LinkedIn, YouTube, Twitter, and Instagram all started out as quick and easy ways to connect with friends and share content, they have gradually evolved into platforms that offer a dynamic way to build your business.

The onset of the COVID-19 pandemic has only increased their importance as internet usage took a geometric jump after more than 155-million Americans went into lockdown and began practicing social distancing this past spring – a shift that has dramatically altered the way people shop for tires, repairs, and parts and just about everything else. Even though the economy is opening up, most of your potential customers turn to the web as the first step of any buying journey in the "new normal."

While almost every business has a website and a Facebook page these days, most overlook the growing power of Instagram. Instagram marks its 10-year anniversary in 2020 and, with more than one billion visitors each month, the visual-centric platform that began as a photo-posting app has grown into the fastest growing social media platform today with a 5% growth per quarter—significantly ahead of Facebook at 3.14% for the same time frame. But compared to Face-

People surveyed say Instagram helps them with the following:

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book, Instagram is largely a network of younger users.

According to recent studies, more than half of the global Instagram user population is younger than 34 years old and the 18–24-year-old age group is the largest slice of that demographic. Overall, there's a mostly even split between the genders with 51% female and 49% male users.

This younger population is what makes it such a potent tool for dealers. With its easy-to-use visual interface, it's a great way to build your brand because Instagram puts a "face" on your business that encourages trust and engagement among potential customers. Having an Instagram account signals that your business is reputable, real, and transparent to this audience.

Plus, in the age of COVID, having another way that people can get to know your business is highly valuable.

Many of these younger buyers don't have a lot of experience in maintaining their vehicles, but all of them begin to shop for everything in their lives by browsing the internet. Most importantly, the platform is often used as the first step in the discovery portion of the sales funnel as a staggering 83% of Instagram users report that they use the app to discover new products and services on the platform.

But using Instagram for searching for products and services is just the start. Over one-third of Instagram users have used the app to purchase a product online, making them 70% more likely to do so than non-Instagram users. In addition to this, 75% of Instagram users take action, such as visiting a website, after looking at an Instagram advertising post.

Bottom line: If you are not using Instagram to promote your business, enhance your brand, engage a new generation of customers, and sell products and services directly, you're leaving money on the table!

Remembering Ralph

"So sorry to hear. Ralph was truly one of the most loyal and dedicated stalwarts of our Industry. I most admired his knowledge, not only of his states legislative matters but his genuine interest in everyone else's legal problems. Whenever I spoke to him he always took the time to answer my questions and provide insight into things affecting our association. When I think of Him I also remember the meetings with Mickey, Jerry, Bill ,You and the Gang. All pioneers of justice. Ralph RIP"

-Ross DiBono, Pennsylvania Gasoline Retailers Association & Allied Trades

Marathon Petroleum to Sell Gas-Station Chain to 7-Eleven Owners for $21 Billion

Fuel maker Marathon Petroleum agreed to sell its gas stations to the owners of the 7-Eleven convenience store chain for $21 billion in the largest U.S. energy-related deal of the year.

The all-cash agreement comes less than a year after Marathon agreed to spin off its convenience store chain, known as Speedway, under pressure from activist investors including Elliott Management.

To Keep America Competitive, We Must Prioritize Infrastructure Funding

It is more important than ever for our country to invest in areas that help get more people back to work. Lawmakers should prioritize the passage and implementation of a comprehensive infrastructure program that would immediately provide employment opportunities for many Americans.

The U.S. was in dire need of these upgrades even before the economic impacts of covid-19. Data from the National Association of Manufacturers (NAM) revealed infrastructure investment before the pandemic was only one-third of what it was in 1960. The NAM estimates that underinvestment in U.S. infrastructure worsens by the year.

This is an important issue for manufacturers, who are currently relying on outdated roads, bridges, waterways, ports, runways and drinking water systems, many of which are more than 50 years old. More than 54,000 bridges across the U.S. are rated "structurally deficient" according to NAM. Roadways, ports and waterways are in disrepair. The American Society of Civil Engineers released a report card in 2017 of infrastructure in the country and gave the nation a rating of D+.

These deficiencies take an additional toll on manufacturers' bottom lines, causing unreliable delivery times and increased fleet maintenance costs. Congested highway networks add $74.5 billion to transportation costs for manufacturers moving goods and raw materials by truck, according to the American Transportation Research Institute.

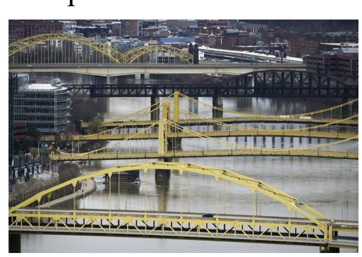
Manufacturing workers in the U.S., and all Americans, should refuse to settle for infrastructure that lags behind the rest of the world. China's infrastructure investment is almost double the size of the infrastructure spending in the U.S., and India's infrastructure investments are growing at triple the rate of infrastructure outlays in the U.S., Canada and Mexico combined. For America to remain globally competitive now and after this pandemic, our leaders must take the necessary steps to improve our infrastructure.

Our deteriorating national infrastructure is not solely a state or federal issue. It is not a small or large business issue. It is not a Democratic or a Republican issue. Infrastructure is an American issue that directly affects our ability to compete in the global marketplace and provide financial security for millions of American families.

The U.S. government must take action to rebuild our nation's infrastructure. It would ensure that the nation emerges on the other side with a stronger, competitive economy. Infrastructure projects put people to work at high wages, create demand for materials and equipment, and generate tax revenues for governments at all levels. They build systems of lasting public benefit, improving the safety, convenience and efficiency of commerce, communication and travel.

Substantial investments in America's infrastructure will not only put more Americans back to work, but it will improve the lives of workers while helping all manufacturers better serve their customers and communities. It will bolster the security of our nation, and strengthen the ties that bind us together as a country, improving commerce and communication and paving the way for the success of the next generation.

Congress must prioritize infrastructure funding now. I urge Democrats and Republicans to work together to swiftly move this important issue forward. It's advantageous for our citizens, our economy, and our country to remain globally competitive. We cannot afford to wait.



Oil, Natural Gas Industry Bracing for Possible Regime Change as Biden Accepts Democratic Nomination

The oil and gas industry is bracing for a possible November victory by Joseph R. Biden Jr., who is leading in the polls and who officially accepted the Democratic nomination from Wilmington, DE.

Although energy policy has taken a backseat to the Covid-19 pandemic and economic hardship facing Americans, climate change has nonetheless garnered more attention this election than in any past cycle.

Biden is calling for aggressive action on climate and an emissions-free power sector by 2035, while President Trump has promised to continue a deregulatory agenda to promote oil and gas infrastructure, and exploration and production (E&P).

While Biden did not mention oil and gas in his acceptance speech to close out the Democratic National Convention, he stressed the urgency of addressing climate change. He framed the environmental crisis as "an opportunity for America to lead the world in clean energy and create millions of new, good paying jobs in the process."

The Democratic standard bearer has pledged to ban new drilling on federal acreage both onshore and offshore, block the Keystone XL crude oil pipeline, and end fossil fuel subsidies.

With the clock winding down on President Trump's first term, recent days have seen his administration lift methane regulations for the oil and gas industry, advance lease sales in the Alaska National Wildlife Refuge, and modify the Clean Water Act to expedite environmental review of infrastructure projects.

Pipeline projects in particular face more uncertainty than ever amid a barrage of legal challenges from increasingly savvy and determined environmental groups.

Republicans and the industry, meanwhile, have taken the fight to the crucial swing state of Pennsylvania, Biden's birthplace and the country's No. 2 natural gas producer behind Texas.

No Fossil Fuels?

Speaking earlier in Old Forge, PA, near Biden's birthplace of Scranton, the president warned that Biden would ban hydraulic fracturing and "basically get rid of all fossil fuels." Biden's energy platform makes no mention of fracturing, which when conducted on privately owned land would be unaffected by a federal drilling moratorium.

Environmental Protection Agency (EPA) Administrator Andrew R. Wheeler also chose Pittsburgh as the site to unveil the sweeping methane rollbacks. He emphasized the role of small independent producers in the Marcellus Shale in providing cheap and abundant gas through horizontal drilling and fracturing, aka fracking.

In a note to clients, analysts at ClearView Energy Partners LLC noted that President Trump's margin of victory in 2016 in Pennsylvania in the battle against Hillary Clinton "roughly corresponds to direct employment in the energy sectors and energy-intensive metallurgical sectors," which the president "has sought to preserve with his policies." Pennsylvania is also the nation's No. 3 coal producer.

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Oil, Natural Gas Industry Bracing for Possible Regime Change as Biden Accepts Democratic Nomination

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Poll averages recently compiled by RealClearPolitics.com showed Biden leading by 5.7 points in Pennsylvania. Modeling by FiveThirtyEight.com indicated a Biden victory in 73 out of 100 sample scenarios.

'Epicenter Of Energy'

The American Petroleum Institute (API) used a bit of public relations jiu jitsu on Thursday, releasing a video collage of past Biden speeches touting the economic and geopolitical benefits of surging domestic natural gas and oil production.

"North America will remain through this century the epicenter of energy," said then Vice President Biden in 2016. "And by the way, the reason why all these companies are coming home is because to build a plant, natural gas is three times cheaper here than Europe and seven times cheaper than it is in Asia."

In another speech from 2014 in Oakdale, PA, Biden said, "You all know about the Marcellus Shale, I think you've heard of that, right? There's an energy boom that's changed the paradigm of manufacturing. It's cheaper to manufacture in the United States than it is in Europe and/or in Asia."

The Obama-Biden administration, while unpopular among some domestic fossil energy companies, presided over the resurgence in U.S. oil and gas production, as well as the lifting of a ban on crude oil exports that had been in place since 1975.

In a 2015 speech, Biden hailed "the ascendancy of the Americas as the epicenter of energy production in the world.

We have more oil and gas rigs running in the United States than all the rest of the world combined.

"Mexico, Canada and the United States is the new epicenter of energy — not the Arabian Peninsula."

Energy Execs Weighing In

The election was also a hot topic in second quarter earnings calls held by the country's leading publicly traded energy names.

"Right now it looks like Biden is leading," said Pioneer Natural Resources Co. CEO Scott Sheffield during the quarterly earnings call. "It's obvious, and unless something happens…this country could elect Biden and there will be some significant changes."

Sheffield continued, "I think most of that will be on federal lands. There is discussion about banning on fracking. I don't know what the end result will be. But as we have noted, we have zero lands on federal lands, and so should be unaffected.

"I would expect pipeline infrastructure will be significantly delayed crossing state lines. Again, all of our acreage is in Texas and we move our oil and our gas through the Gulf Coast. So anticipate no issues there."

Said Diamondback Energy Inc. CEO Travis Stice, "We don't have a lot of clarity on what the regulatory environment's going to look like if we fast-forward to an administration change, but what we do know is that it won't speed up."

DCP Midstream Partners LP CEO Wouter van Kempen said the firm's exposure to a federal drilling ban would mainly be in southeastern New Mexico, epicenter of the state's Permian Basin holdings.

"I think it has been very clear for everyone that if something would happen and you would get a moratorium on fracking on federal lands, you can't put that in on a retroactive basis," he said.

Therefore, "there is no scenario in which" DCP's New Mexico customers "cannot continue to develop that for the next 10-plus years or so."

US ELECTIONS: Republicans Warn of Fracking Ban, Oil and Gas Jobs Loss, On Day One of Convention

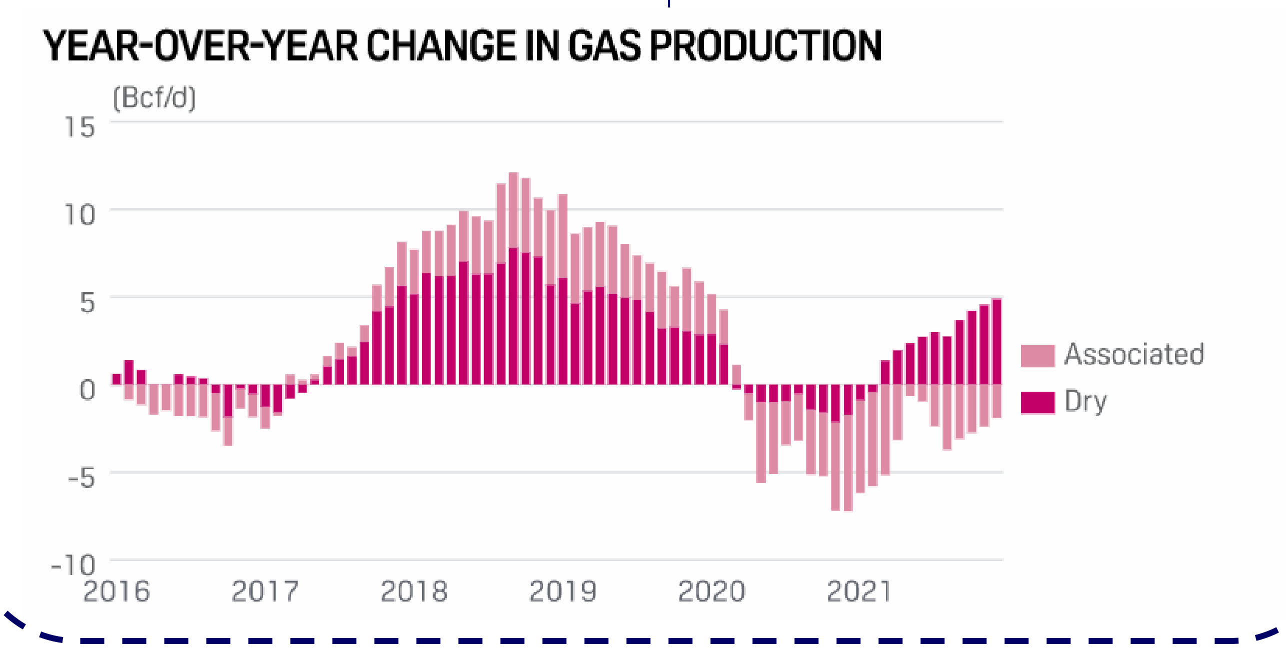
During the first night of the GOP convention, Republicans asserted that Democrats will ban hydraulic fracking, thereby decimating US oil and gas jobs, in spite of leading Democrats' pullback from that more aggressive stance toward oil and gas production.

The warning by convention speakers Aug. 24, confirmed that contrasts over oil and gas development remain an important 2020 campaign theme for Republicans and President Donald Trump.

Democratic presidential candidate Joe Biden has promised to halt oil and gas permitting on federal lands and waters and to seek to end oil and gas subsidies, but has steered clear of calls for a broader ban on hydraulic fracturing. The recently adopted Democratic Party platform embraced ambitious climate goals, but also left off a fracking prohibition and cuts to subsidies favored by more progressive activists.

Fossil fuels

In her Day 1 convention speech, Ronna McDaniel, Republican National Committee chair, said Democrats at their convention spent a lot of time talking about how much they despise the president. "But we heard very little about their actual policies, policies that would have been unthinkable a decade ago — policies like banning fossil fuels, eliminating private health insurance, taxpayer funded healthcare for people who come here illegally and defunding the police," she said.



US ELECTIONS: Republicans Warn of Fracking Ban, Oil and Gas Jobs Loss, On Day One of Convention

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Contending that Democrats' argument boiled down to the view that Biden's a nice guy, she charged that "eliminating 10 million good-paying oil and gas jobs is not nice."

Former US Ambassador to the United Nations Nikki Haley also hit on that theme as she cast former Vice President Joe Biden as being controlled by House Speaker Nancy Pelosi, Senator Bernie Sanders, Democrat-Vermont, and "the Squad," a reference to four freshman Democratic lawmakers including Representative Alexandria Ocasio-Cortez, New York.

"Their vision for America is socialism. ... They want a government takeover of health care. They want to ban fracking and kill millions of jobs," she said.

President Donald Trump in a late-July Texas appearance similarly claimed Democrats want to "have no fracking, no nothing."

He added: "The policies required to implement this extreme agenda would mean the death of American prosperity and the end of the American middle class."

Biden documents

Biden appears to leave room in his campaign documents to allow for a continuation of natural gas as part of the fuel mix.

For instance, he backs investment in technologies such as carbon sequestration, utilization and storage that could help extend the life of fossil fuels in a lower carbon framework.

Still, restrictions on future drilling on public lands could have an effect on production growth, particularly in the Permian Delaware-New Mexico Basin and Gulf Coast offshore region.

While production outlooks for associated gas are flat in the near term due to the recent oil price collapse, longer term growth is still expected to be dominated by associated gas production.

A ban on drilling permits on federal land places these longer term growth outlooks at risk, according to S&P Global Platts Analytics.

TC Sees Path for Keystone XL Work Despite Court Setback

TC Energy Corp. is looking for a way to start construction on its long-delayed Keystone XL oil pipeline despite a recent U.S. Supreme Court ruling that quashed authorization to lay pipe across streams and rivers.

The Canadian company plans to "pursue other permitting means to gain regulatory authorization to construct the pipeline across wetlands and waterbodies," it said in its second-quarter earnings statement.

The move comes after the top U.S. court earlier this month left in force part of a lower court's order that blocked TC's utilization of a key, nationwide authorization that the U.S. Army Corps of Engineers uses to approve water crossings.

Instead, the company will now work with the Army Corps to obtain individual permits for crossings while at the same time focusing this year's construction work on areas where it already has approvals in hand, Chief Executive Officer Russ Girling said during the company's second-quarter call.

The court's decision had threatened to delay almost all work on Keystone XL in the U.S. until 2021.

An earlier start to work on Keystone XL would be a boon for the Canadian oil-sands industry, which has been hampered for years by a shortage of pipeline capacity. It would also be a relief for the government of Alberta, which has invested $1.1 billion in the project and provided it with a $4.2 billion loan guarantee.

The line would help carry 830,000 barrels of crude a day on a 1,200-mile, (1,900-kilometer) route from the Alberta oil hub of Hardisty to Steele City, Nebraska. From there, the oil would travel to U.S. Gulf Coast refineries that process heavy oil-sands crude.

President Donald Trump issued a new permit for TC's existing Keystone system, allowing the company to raise the volume it ships on the line to 760,000 barrels a day from 590,000 under a previous presidential permit.

Oil, Gas Groups Cite Readiness for Busy Hurricane Season Amid Pandemic

Major oil and gas trade groups recently expressed confidence in their readiness for a busier-than-usual hurricane season in 2020, even with added logistical considerations stemming from the coronavirus pandemic.

The National Oceanic and Atmospheric Administration has forecast that the 2020 Atlantic hurricane season carries a 70% probability of three to six major storms of Category 3 or higher. A total of seven to 11 hurricanes are expected, during the season that runs from June 1 through November 30, including two to date.

"Our infrastructure is exposed to these storms, especially in the offshore, but operators have taken tremendous steps over the years to improve not only their ability to withstand storms but also how they're able to recover when impacts do occur," said Suzanne Lemieux, American Petroleum Institute manager of operations, security and emergency response policy.

Speaking during a teleconference, Lemieux said the oil and gas industry has already responded to changing scenarios, such as higher levels of storm surge. Companies employ meteorologists, for instance, to track storm formation off the coast of Africa, and allow for early plans to limit operations, she said.

CJ Osman, vice president of operations for the Interstate Natural Gas Association of America, also asserted that his groups' members are "prepared to effectively manage any weather-related challenges that may arise." The physical and operational characteristics of the gas system, including the interconnected pipeline network and geographically disbursed gas resources, help ensure that any disruption is "rare, brief and controlled," he said.

"Despite the catastrophic impact that [Hurricane Harvey] caused to the Houston area and other parts of Texas, pipeline operators were able to continue transporting natural gas safely and natural gas distribution systems were available throughout the event," Osman said.

'More ready than normal'

Lemieux did not expect a lot of added challenges posed by the pandemic, and noted that oil and gas industry workers have been considered essential personnel since early on.

"We've been practicing through exercise drills in a virtual world over the last couple of months," she said. "You can set up your emergency operations center [and] run it remotely."

Osman added that restrictions presented by the coronavirus pandemic have "in some ways forced us to develop creative solutions to leverage technology to get work done remotely where we can and to be prepared to be acting in an abnormal environment."

"At least in some ways, we're more ready than normal," he said. Hurricane Harvey in August 2017 prompted operators in Houston to shift to a virtual model, he added.

'Dry run' for virtual response

Jeff Gunnulfsen, American Fuel & Petrochemical Manufacturers senior director for security and risk management, agreed that Harvey was akin to a "dry run for greater virtual work that many of our members have to do now." Members now have had months to prepare for the combination of hurricane season and the coronavirus, he said.

Companies are are applying lessons learned from past storms, he said, such as disbursing locations for congregating in event of a hurricane, using new technologies such as drones, and reviewing flood maps.

In light of the pandemic, he also cited efforts to ensure staff backups, temperature checks and tracking of COVID-19 hotspots and where supplies and people are coming from.

All in all, the trade group leaders pointed to a relatively quick recovery and return of affected facilities after Harvey as bolstering confidence this hurricane season.

Given the coronavirus, Lemieux acknowledged that lodging could be a challenge in the event of significant evacuations, but she noted that the oil and gas industry has been functioning as "essential," and that evacuations will be coordinated at the state and local level in conjunction with the Federal Emergency Management Administration. For member companies, Gunnelfson said, it is a matter of being aware of what local and state agencies will mandate.

OPINION: Don't Be Paralyzed by Positive Thinking

I'm observing (virtually, of course) more and more leaders who are short-termers. By that, I don't mean that they're not long for their jobs. What I mean is that they're not looking far enough out into the future. At the beginning of the pandemic, this probably made sense. As I wrote back in May, the first eight weeks or so of the quarantine era were about reinventing work processes so people could work from home. None of us had a lot of visibility into what was going to happen next because none of us had experience with a global pandemic. Now (as I write this in early August 2020), we're all approaching about six months of experience with one. And, yet, I'm still seeing a lot of leaders who aren't really thinking about or prepping for the longer term. It's almost like they're paralyzed by the positive thinking pattern of "It's going to get better." Of course, we all hope and believe it's going to get better but there's a lot of runway between here and the next normal and it's time for leaders to start preparing for the range of possible outcomes of what that normal could look like.

In that May post I mentioned, I wrote that after the reinvention phase of the WFH quarantine, the next was going to be reimagination and that the work of that phase was to start asking a lot of "What if?" questions. Around that same time, I was leading an online conversation with a group of senior leaders in a global corporation and asked them to consider a number of "What if?" questions. It was when I asked, "What if we had to operate this way for another year or two?" that they kind of threw up on me. The question was too painful to consider.

Well, Google has just announced that their employees aren't going back to the office before July 2021 at the earliest. In other words, about a year from now. Google is a lot of things but one thing it's not is stupid. Do you think its decision might be a leading indicator of where things are going to be for the rest of us? I do. Let's say, for instance, that the best-case scenarios come true and we have a vaccine by the end of the year. Hooray for what would be a truly unprecedented scientific achievement. But then what? In the U.S., we'll have about 350 million people to vaccinate and around 7 billion worldwide. Has there been anything so far to suggest that that's going to be a quick and easy process? For those just tuning in, the answer would be no. It's going to be complicated, messy and take a while before the world is safe from COVID even with a vaccine. In the meantime, business has to get done. How are you going to do it?

Here are five steps to get you moving:

First, stop being the frog in the pot of water. You know what I'm talking about – the old story about the way you boil a frog is to put it in a pot of cool water and gradually turn up the heat. It's getting hotter in there. Jump the hell out of the pot and really start preparing for a different future.

Second, create the space for it. Imagination requires white space on the calendar and in the brain. Neither of those are accessible when you're in "to-do" mode clicking from one Zoom meeting to the next. Times like these are the classic juxtaposition between urgent and important. Create some space for the important work of reimagining the future before it becomes completely urgent.

Third, consider different scenarios. This brings me back to the "What if?" questions. There are three I'd suggest starting with:

What if we have the best-case scenario six months from now?

What if we have the worst-case scenario six months from now?

What if we have the most likely scenario six months from now?

Fourth, cast a broader net. You and your closest colleagues may not feel qualified to answer those three questions because you don't have enough information. You're not alone; no one does. Mitigate the lack of information by casting a broader net. Read broadly and read trusted sources. Talk with customers, talk with any outside experts you can connect with, talk with the people in your organization who are closest to the action. What's their take on the best-case, worst-case and most likely scenarios? Ask why they think what they think. Then, create your own theories of the case based on the information and insights you gather. Theories of the case aren't truth but they're better than not having an informed point of view. That informed point of view is what will give you more confidence in making decisions and taking actions.

Fifth, look for what's common and what's unique. As you consider your three scenarios, look for common denominator factors that pull through the best, worst and most likely cases. What steps have you already taken to address those that can be leveraged further? What else do you need to do to address situations that are almost certainly going to occur? Conversely, what are the most important factors that are unique to each of the three scenarios? What small tests or experiments can you run now at a low cost that could better position you for full scale deployments later?

There's nothing simple about leading during a pandemic but it can be helpful to everyone to keep things as simple as possible. These five steps may be a good place to start. If nothing else, they'll help you avoid being paralyzed by positive thinking.

Smaller Deals Are Smarter Deals in Today's Energy Business

The smaller takeover is usually the smarter one, especially in the embattled oil and gas industry.

Chevron Corp. announced on July 20 that it was acquiring Noble Energy Inc. for about $5 billion. It was the first major takeover launched in the sector since the corona-virus pandemic triggered a severe erosion in demand and unprecedented volatility in crude prices. The deal value swells to about $13 billion once Noble's $8 billion or so in net debt is included.

That's a far cry from the $50 billion purchase of Anadarko Petroleum Corp. that Chevron pursued last year. Chevron ultimately walked away and ceded the takeover to Occidental Petroleum Corp. Noble is a more digestible version of Anadarko and brings Chevron complementary assets in the Permian Basin, a key U.S. shale patch. Chevron will also add acreage in the Denver-Julesburg Basin of Colorado and the Eastern Mediterranean.

Perhaps most important for investors, Chevron is buying Noble on the cheap. It's offering 0.1191 shares for each share of Noble, which works out to about $10.38, based on trading values leading up to the deal's announcement. That's well below both Noble's pre-pandemic valuation and the $14 analysts on average have been expecting the stock to reach over the next year.

All told, the purchase will make a fairly minor dent in Chevron's robust balance sheet. Occidental, by contrast, had to rely on expensive financing from Warren Buffett to outbid Chevron. Buffett's cash also allowed Occidental to keep the stock component of its Anadarko bid below the threshold that would have triggered a shareholder vote, much to the chagrin of investors who were hoping to derail a deal they saw as irresponsible. Occidental is now saddled with debt and under increasing pressure to prove the Anadarko takeover can still pay off in a depressed oil environment. The company's shares are down about 60% this year, which is one of the worst performances on the S&P 500 Energy index. Chevron's stock has declined a comparably moderate 25%.

On a call to discuss the Chevron deal, Noble Chief Executive Officer Dave Stover said the company had reviewed other merger possibilities. That Noble sold itself at such a bargain price suggests there wasn't a lot of competition. Not many oil and gas companies have the financial wherewithal to even consider major acquisitions right now. Royal Dutch Shell Plc cut its dividend for the first time since World War II earlier this year, and analysts have speculated BP Plc may follow suit. Stover highlighted the appeal of Chevron's stock as an "attractive currency" and the opportunity for Noble shareholders to benefit from its dividend, but other possible sellers may prefer to ride out the oil rout for as long as they can in the hopes of higher prices and more buyers.

Oil and Gas Groups See 'Some Common Ground' in Biden Energy Plan

Joseph R. Biden Jr. won over environmentalists and liberals when he announced a $2 trillion plan to promote electric vehicles, energy efficiency and other policies intended to address climate change.

But the plan released on July 14 has also earned a measure of support from an unexpected source: the oil and gas industry that is closely aligned with the Trump administration and is a big source of campaign contributions to the president.

That might seem odd considering that the plan aims for "net-zero" greenhouse gas emissions by no later than 2050, in part by discouraging the use of fossil fuels. Mr. Biden also wants to spend more on mass transit, expand solar and wind farms and build thousands of electric vehicle charging stations.

Yet the industry was relieved by what the plan did not include, chiefly a ban on hydraulic fracturing, the approach that has turbocharged domestic production of oil and gas over the past dozen years.

"There is a lot of room in there for oil and gas," said Matt Gallagher, president of Parsley Energy, a West Texas oil producer, about the Biden plan.

Some executives were particularly enthusiastic that Mr. Biden wanted the federal government to invest in carbon capture and sequestration, which entails preventing emissions of greenhouse gases from reaching the atmosphere and thus allowing industry to continue burning fossil fuels for decades. In a sign of his all-inclusive, eclectic approach to energy, Mr. Biden is also proposing to use advanced nuclear reactors to produce electricity.

"There is some common ground," said Mike Sommers, president of the American Petroleum Institute, which represents the industry in Washington and is close to the Trump administration. "We appreciate the fact that they recognize that there is going to be a role for natural gas and oil in our future. We share the broad goal of reducing emissions and addressing climate change."

Oil and gas executives noted that they had worked productively with Democratic administrations. During the Obama administration, oil companies enjoyed handsome profits even as federal regulators put in effect tougher environmental regulations.

Charif Souki, a Houston entrepreneur who pioneered the liquefied natural gas export industry, expressed enthusiasm about the Biden plan.

"At first blush, the plan is a masterpiece because he gives something to everybody," said Mr. Souki, executive chairman of Tellurian, a gas producer that is planning a major export terminal in Louisiana. "Investment in infrastructure is great, $400 billion for research and development is phenomenal and way overdue."

Like almost all the fossil fuel executives, however, Mr. Souki had some reservations. He described Mr. Biden's goal of eliminating carbon emissions from the electricity sector by 2035 as "unrealistic and unachievable." He said Mr. Biden ought to strive for "carbon neutrality," in which emissions from power plants would be offset by planting trees and using new technologies to suck carbon out of the air.

Of course, most oil and gas executives would prefer President Trump be re-elected because he has spent the past three and a half years rolling back regulations. Fossil fuel interests have donated seven times more to the Trump campaign than the Biden campaign through June, according to the Center for Responsive Politics, a nonprofit research group. Those numbers are skewed in part because Mr. Trump has been raising money since he took office in 2017.

The president's most ardent supporters in the energy industry said Mr. Biden's plan was craftily intended to appear moderate so he could compete with Mr. Trump in states that produce oil and gas.

"He wants to win Pennsylvania, so he toned down that rhetoric for obvious reasons," said Kathleen Sgamma, president of the Western Energy Alliance in Denver.

Coal executives are downright hostile toward Mr. Biden. "Their overall motive is to do away with coal miners and coal use in this country," said Bill Raney, president of the West Virginia Coal Association.

Yet energy executives have complaints with the Trump administration, too. Some natural gas executives privately grouse that the president's trade war has cost them dearly because China, the world's biggest gas importer, has bought only three cargoes of liquefied natural gas from the United States over the past 22 months.

Other executives say Mr. Trump's decision to withdraw from the Paris climate accord needlessly hurt the country's image abroad. And some think that the administration's botched handling of the coronavirus pandemic has dealt a big blow to the economy and demand for energy.

Oil and Gas Groups See 'Some Common Ground' in Biden Energy Plan

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"Masks are good for the economy," Mr. Gallagher of Parsley Energy said. "Masks need to be an economic thing, not a political thing."

To shore up his base in oil country, Mr. Trump plans to attend a fund-raising lunch in Odessa, Texas, on Wednesday and tour an oil rig.

Stef Feldman, the Biden campaign's policy director, said it was not surprising that some oil and gas executives were open to some of Mr. Biden's ideas. "More and more energy companies are realizing the reality of climate change, the direction consumers are headed, the direction other businesses are headed and they are making changes as a result," she said.

When asked about fracking, Ms. Feldman said Mr. Biden would end new leases for fracking on federal lands but that "he does not support a complete ban on fracking."

Some executives said they were comfortable with Mr. Biden in part because the Obama administration did not block fracking and even approved drilling in Arctic waters in Alaska. They say Mr. Biden understands the importance of limiting reliance on foreign oil, and using energy exports to help allies like Japan and undercut rivals like Russia.

"The policy of a Biden administration or a Trump administration might not be so different in the sense of leveraging exports of gas and oil as a foreign policy tool," said Charlie Riedl, executive director of the Center for Liquefied Natural Gas, an industry group.

There is also growing recognition among some in the oil and gas business that climate change is a problem that the industry has to help address.

"Everyone I know knows we have more carbon dioxide in the atmosphere than we used to and it's common sense that it's probably not a good thing and we have to do something about it," said Lawrence B. Dale, chairman of Dale Operating Company, a Dallas-based company that has investments in 5,000 oil and gas wells.

Mr. Dale said he was pleased that Mr. Biden had put forward an energy plan that did not endorse the Green New Deal, a climate proposal embraced by many progressive lawmakers.

Support for Mr. Biden's plan is clearly stronger among other parts of the energy industry, including electric utilities and renewable energy companies.

The Edison Electric Institute, which represents investor-owned utilities, said its members were generally aligned with Mr. Biden's plan for a clean electricity grid.

Pedro J. Pizarro, president and chief executive officer of Edison International, the parent company of Southern California Edison, said the Biden plan's emphasis on clean energy jobs, energy efficiency and transportation was smart. If anything, he said, the proposals for more electric vehicle chargers would most likely need to be increased, as emissions from cars and trucks remain a major contributor to climate change.

"While the devil is in the details, we think the plan mostly gets it right," Mr. Pizarro said.

The Biden plan would renew the federal government's efforts to improve energy efficiency that the Trump administration has whittled away. The proposal also calls for extending tax credits for solar and wind power, which have become increasingly competitive against natural gas. Wind and solar groups also endorse Mr. Biden's proposals to strengthen the electricity transmission network to help their technologies.

At least some in the renewable energy business accept that the Biden plan will keep fossil fuels in the energy mix.

"I don't want to minimize in the near term that natural gas is an important partner," said Tom Kiernan, chief executive of the American Wind Energy Association. "What we're seeing is all kinds of combinations."

That oil and gas interests are OK with a potential Biden presidency might scare some liberals, said Robert Shrum, the director of the University of Southern California's Center for the Political Future who has advised Al Gore, John Kerry and other Democrats. "There would be some people in the Democratic Party who would get upset that there are oil people who are supporting Biden, but they ought to back off," Mr. Shrum said. "Don't we want to win Texas?"

SSDA-AT Government Affairs Report

As the summer winds downs, SSDA-AT remains heavily involved in many issues in Washington including infrastructure funding, COVID-19 relief packages, PPP loan stipulations, and government funding proposals.

Last month, SSDA-AT took part in a legislative roundtable to discuss COVID-19 relief efforts and the pending transportation proposals. At the meeting, SSDA-AT spoke with Rep. Fred Keller (R-PA-12) and Rep. Ted Lieu (D-CA-33). Both members expressed their views from the Hill and the prospects of legislation going forward as we move toward the November elections.

On July 31, the House of Representatives passed a package of six fiscal year appropriations bills (H.R. 7617) including Department of Transportation (DOT) funding, by a vote of 217 to 197.

The Transportation-HUD spending measure included $107.2 billion in total "budgetary resources" for the DOT. And it would provide $75 billion in emergency coronavirus-related funding for infrastructure, including $26 billion for the DOT.

The Senate Appropriations Committee has yet to make progress on their appropriations efforts and they are unlikely to make traction on anything but a continuing resolution to keep the government running after the September 30th deadline leading up to the fall elections.

As Congressional leadership continues to struggle to agree on the scope and content of the next COVID relief package, we are fighting to ensure that State DOT relief is included in the package.

We are reaching out to House and Senate leadership, the Senate Appropriations Committee, key Congressional offices, and the Administration to make the case for State DOT relief to ensure vitally important roadway projects can continue through fiscal year 2020 and into fiscal year 2021.

In August, SSDA-AT signed onto a joint trades support letter for, H.R. 7777 - "The Paycheck Protection Program Small Business Forgiveness Act." The Paycheck Protection Program (PPP), established by Congress in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, has provided millions of small businesses the economic relief they need to meet the challenges posed by the COVID-19 crisis. This bipartisan legislation would ensure our nation's small business owners can focus their time, energy, and resources back into their business and communities instead of allocating significant time and resources into completing complex forgiveness forms.

This straightforward legislation would forgive all PPP loans of less than $150,000 upon the borrower's completion of a simple, one-page forgiveness document. PPP loans of $150,000 and under account for 86 percent of total PPP recipients, but less than 27 percent of PPP loan dollars. Expediting the loan forgiveness process for many of these hard-hit businesses will save more than $7 billion dollars and hours of paperwork. SSDA-AT strongly supports H.R. 7777 and look forward to working with the Committee, and the 116th Congress to pass this bill and have it signed into law.

During the month, SSDA-AT signed onto a beneficial ownership NDAA coalition letter. SSDA-AT urges members to exclude non-germane provisions that would burden small businesses with new beneficial ownership reporting requirements through the creation of a federal registry.

Now is not the time to kick small business owners while they are down and target the smallest businesses in America with a new, permanent reporting requirement that compromises the privacy of law-abiding small business owners.

The House passed H.R. 6395, the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021, contained an amendment offered by Representative Carolyn Maloney that incorporated the text of H.R. 2513, the Corporate Transparency Act of 2019.

This unrelated amendment was grouped with 154 other amendments within a massive en-bloc amendment that received only one minute of debate. In the Senate, Senators Crapo and Brown submitted a similar amendment, Senate Amendment 2198 to S. 4049, the National Defense Authorization Act for Fiscal Year 2021, but ultimately, the amendment was excluded from the legislation.

SSDA-AT Government Affairs Report

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The amendments are structured similarly and would require millions of small businesses, nearly every employer with 20 or fewer employees, to register their personally identifiable ownership information with the Financial Crimes Enforcement Network (FinCEN) at the Department of Treasury and update that information periodically for the life of the business.

Willful failure to provide completed and updated paperwork could result in significant fines and imprisonment. These amendments seek to transfer a substantial regulatory requirement, FinCEN's Customer Due Diligence Rule, from financial institutions to the smallest businesses in America.

The artificial deadline of August 7 that Congressional negotiators had set for reaching a deal on the next round of COVID-19 relief legislation has come and gone. In response, on 8/8, the White House announced four executive actions on payroll taxes, unemployment benefits, student loans and evictions. In particular, the actions on payroll taxes and unemployment are likely to raise some significant questions and issues for small businesses and their employees in the coming weeks.

Nearing the end of August, the House passed legislation barring Postal Service cuts through January and giving it an extra $25 billion. This would prevent the U.S. Postal Service from making any changes to its operations that could slow delivery of mailed-in ballots for this fall's elections.

The bill passed largely along party lines, 257-150, with 26 Republicans bucking party leaders to support it. The Senate is unlikely to follow.

In August, SSDA-AT also signed onto a highway bill extension letter with the Highway Users Alliance. The deadline to reauthorize surface transportation programs is quickly approaching.

Due to the limited days remaining in the legislative calendar, SSDA-AT and the Highway Users urge Congress to pass a one-year extension of current surface transportation law with increased highway investment funding.

SSDA-AT and the Highway Users support a one-year extension to ensure that roadway users can benefit from the roadway projects and safety improvements that will occur from a seamlessly continued construction season. Congress should increase investment in the highway program through the extension to jump start the additional funding both the Senate and House were pursuing through their transportation reauthorization bills.

We anticipate legislative action to ramp up in September as Congress deals with several looming deadlines. SSDA-AT will continue to update you on these legislative developments.

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