SERVICE STATION DEALERS OF AMERICA AND ALLIED TRADES

SSDA News

Service Station Dealers of America and Allied Trades

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INSIDE THIS ISSUE:

Massachusetts to Enforce Right to Repair Law Starting June 1

By Roy Littlefield

Attorney General Andrea Campbell said last week that the state of Massachusetts will move forward and enforce the Right to Repair law beginning June 1. Campbell filed a Notice of Intent to Terminate Non-Enforcement Stipulation with the United States District Court of Massachusetts on March 7th.

The Right to Repair law, which allows independent repair shops access to the diagnostic data was approved by voters in 2020. The law has been held in court for over two years.

In the meantime, some manufacturers began making vehicles without wireless technology in order not to run afoul of any Right to Repair laws.

Campbell said, "The people of Massachusetts deserve the benefit of the law they approved more than two years ago. Consumers and independent repair shops deserve to know whether they will receive access to vehicle repair data in the manner provided by the law."

Campbell also said in her filing that company's suit against the state should be dismissed.

SSDA-AT was early supporters of the Right to Repair law in Massachusetts.

Net Driven: Building a Successful Website

By: McKensie Curnow of Net Driven

Building your own website has become increasingly simple and inexpensive in recent years. Though easy and accessible, DIY websites do not guarantee a website that works well or leaves a lasting impression for your business and your audience.

Your website is a reflection of you and your business, so you're obviously going to want to build a strong, professional, and positive presence to attract customers. Taking the risk of building a website on your own is taking the risk of losing potential leads and damaging your business's reputation – we never get a second chance to make a first impression!

When you invest in a professional web design team, such as our team here at Net Driven, you're not only investing in the visual appearance and accessibility of your website, you also invest in expert advice, techniques, and best practices to create the best possible user experience. Spending less money and trying to do it on your own may seem like the easy way out, but let's dive into why it's important to give your business the professional auto service website design it deserves.

COMMON MISTAKES MADE BY INEXPERIENCED DESIGNERS

Poor Structure & Navigation

A website should be attractive, accessible, and easy to navigate; all in all, user-friendliness is vital. A site's content should be understandable and full of useful information without being cluttered. In today's day and age, people like quick and simple. If they can't find what they need without gaining a headache, they're going to leave your site and find a frustration-free one instead. At Net Driven, we know how to organize automotive websites in a way that makes sense for both the business owner and their potential customers.

Lack of SEO

If no one can find your website, what's the point in making the effort of creating one? Many rookie designers forget the importance of SEO, or Search Engine Optimization.

As a certified Google Partner, our team highly knowledgeable of automotive SEO and works hard to make sure your site gets found.

Missing CTA

Continued on page 3

NET DRIVEN

Continued from page 2

Your website is one of the most powerful marketing tools for your business.

Not only does your website have the power to bring in new customers, it also helps current customers remain loyal if they find what they're looking for with minimal frustrations.

One of the main components of a great website is a clear CTA, or call-to-action.

A CTA is what converts website visitors into customers by driving them to purchase your good or service. If your website is missing a clear CTA, you'll lose sales and customers.

At Net Driven, our team ensures that every website offers conversion-focused responsive web design.

Using Free or Low-Cost Templates

Rookie designers are likely to use a free or low-cost template for their website.

While this may seem like an easy solution, it will make your website look generic and unconnected to your brand.

Your business is unique, your website should be, too. Our designers take the time to ensure each one of our automotive websites are exclusive to the client and capture the individuality of their business. As with any service or good, you get what you pay for.

Your money buys value, which in turn, will actually build your business's bank account in the long run.

Your company's website is no exception. If you want to leave a lasting, positive impression of your brand, leave website design to the professionals.

Still not convinced?

Check out our portfolio of the finest responsive web design in the automotive industry.

For further details, visit our solutions and packages pages.

SSDA-AT Supported Right to Repair Advances in Maine

On Feb. 21, 2023, the Maine secretary of state announced that enough valid signatures were submitted for the “Right to Repair Act” initiative, allowing it to be certified to the Maine State Legislature.

Out of the 83,252 signatures submitted by the Maine Automotive Right to Repair Committee on Jan. 19, 2023, 74,686 of the signatures were found to be valid. This met the 67,682 minimum valid signature requirement to be certified to the legislature.

The initiative will now await action from the legislature. In Maine, a citizen initiative can only appear on the ballot as an indirect initiative. The initiative goes to the ballot if the legislature rejects the initiative or does not take action by the end of the session. If the legislature passes the initiative, and the governor signs it, the initiative becomes law.

The initiative would allow car owners and independent repair facilities to have the same access to onboard diagnostic systems and wireless data that manufacturers and approved repair facilities have access to.

If the state legislature rejects or does not take action on the submitted initiatives, they will go to Maine voters at the election on Nov. 7, 2023.

SSDA-AT will continue to support the efforts in Maine.

Rep. Johnson: Chemicals a Focus for Permitting Changes

The US needs a quick and effective process for reviewing new chemicals and the House of Representatives will be considering that issue, as well as whether the Toxic Substances Control Act is working as intended, as it moves to improve energy permitting in the US, says Rep. Bill Johnson, R-Ohio.

"We need hydrocarbons and chemicals to create the plastic content for electric vehicles," Johnson says.

U.S. Crude Output, Demand to Rise in 2023, EIA says, Reuters

U.S. crude production and demand will rise in 2023 as Chinese travel drives consumption, the U.S. Energy Information Administration (EIA) said in its Short Term Energy Outlook (STEO).

The EIA projected that crude production will rise by 590,000 barrels per day (bpd) to 12.44 bpd in 2023 and by another 190,000 bpd to 12.63 million bpd next year.

The EIA also projected petroleum and other liquid fuels consumption would rise by 100,000 bpd to 20.4 million bpd in 2023.

China is expected to be the main driver of global growth in 2023 as its shift from its zero-COVID policy increases travel, the EIA said.

A projected 1.4% increase in global gross domestic product in 2024 should to boost oil demand by 400,000 bpd next year to 20.8 million bpd, according to the agency.

Despite its forecast that Russian oil production in March will decline by more than the cuts the nation announced, the EIA revised up forecasts of Russian oil production up by 400,000 bpd as its recent petroleum exports outpace expectations.

The EIA also raised its forecast for U.S. gasoline consumption in 2023 and 2024 by about 2% from last month's outlook.

The agency estimates vehicle miles traveled fell in 2022 compared with 2021 and, it reduced its estimate of vehicle fuel efficiency in the period.

eia Independent Statistics & Analysis U.S. Energy Information Administration

As Biden Weighs Willow, he Blocks other Alaska Oil Drilling, AP

As President Joe Biden prepares a final decision on the huge Willow oil project in Alaska, his administration announced he will prevent or limit oil drilling in 16 million acres in Alaska and the Arctic Ocean.

Plans announced Sunday night will bar drilling in nearly 3 million acres of the Beaufort Sea — closing it off from oil exploration — and limit drilling in more than 13 million acres in a vast swath of land known as the National Petroleum Reserve - Alaska.

The moves come as regulators prepare to announce a final decision on t he $8 billion Willow project, a controversial oil drilling plan pushed by ConocoPhillips in the petroleum reserve. Climate activists have rallied against project, calling it a “carbon bomb” that would be a betrayal of Biden’s campaign pledges to curb new oil and gas drilling.

Meanwhile, Alaska lawmakers, unions and indigenous communities have pressured Biden to approve the project, saying it would bring much-needed jobs and billions of dollars in taxes and mitigation funds to the vast, snow- and ice-covered region nearly 600 miles (965 kilometers) from Anchorage. Sen. Dan Sullivan, R-Alaska, called Willow “one of the biggest, most important resource development projects in our state’s history.”

Biden’s decision on Willow will be one of his most consequential climate decisions and comes as he gears up for a likely reelection bid in 2024. A decision to approve Willow risks alienating young voters who have urged stronger climate action by the White House and flooded social media with demands to stop the Willow project. Approval also could spark protests similar to those against the failed Keystone XL oil pipeline during the Obama administration.

Rejection of the project would meet strong resistance from Alaska’s bipartisan congressional delegation, which met with top officials at the White House in recent days to lobby for the project. Republican Sen. Lisa Murkowski, who provided key support to confirm Interior Secretary Deb Haaland, said it was no secret she has cooperated with the White House on a range of issues.

“Cooperation goes both ways,″ she

Continued on page 7

As Biden Weighs Willow, he Blocks other Alaska Oil Drilling, AP

Continued from page 6

told reporters.

Haaland, who fought the Willow project as a member of Congress, has the final decision on whether to approve it, although top White House climate officials are likely to be involved, with input from Biden himself. The White House said no final decision on Willow has been reached.

Under the conservation plan announced Sunday, Biden will bar drilling in nearly 3 million acres of the Arctic Ocean, and impose new protections in the petroleum reserve. The withdrawal of the offshore area ensures that important habitat for whales, seals, polar bears and other wildlife "will be protected in perpetuity from extractive development," the White House said in a statement.

Separately, the administration moved to protect more than 13 million acres within the petroleum reserve, a 23-million acre chunk of land on Alaska's North Slope set aside a century ago for future oil production.

The proposed Willow project is within the reserve, and ConocoPhillips has long held leases for the site. About half the reserve is off limits to oil and gas leasing under an Obama-era rule reinstated by the Biden administration last year.

Areas to be protected include the Teshekpuk Lake, Utukok Uplands, Colville River, Kasegaluk Lagoon and Peard Bay Special Areas, collectively known for their globally significant habitat for grizzly and polar bears, caribou and hundreds of thousands of migratory birds.

Abigail Dillen, president of the environmental group Earthjustice, welcomed the new conservation plan, but said if the Biden administration believes it has authority to limit oil development in the petroleum reserve, officials should extend those protections to the Willow site.

President Donald Trump reversed Obama's decision, but a federal judge restored the Obama-era restrictions in 2019, ruling that Trump exceeded his authority.

The Biden administration received one bid in December for the right to drill offshore for oil and gas in Alaska's Cook Inlet.

PAUL HORN / InsideClimate News

McKinsey: How Oil and Gas Companies Can Secure Supply-Chain Resilience

Supply-chain uncertainty is a major headache for many sectors across the world. For oil and gas companies, volatile costs and labor and material-supply uncertainties threaten everything from field operations to project delivery. Minimizing these supply-chain risks could help oil and gas firms better secure their labor and materials while cutting costs by up to 15 percent.

This article sets out a three-step plan that oil and gas companies could use to assess their supply-chain risk, and explores risk-mitigating levers and management-mindset changes that could build resilience in the face of a supply-chain crunch.

Oil and gas companies are grappling with the business fallout of sustained global inflation, geopolitical developments in Europe and Asia, and increasing economic headwinds. Industry leaders say that of all the urgent challenges they face, supply-chain uncertainty is the most pressing. Supply-chain risks are affecting field operations and project delivery, and traditional mitigation strategies are proving inadequate.

As a result, production efficiency is dropping while operating expenditure is rising, project budgets and schedule milestones are being missed, and key suppliers are struggling to provide labor and materials on time. This catapults supply-chain security to the top of the CEO agenda as organizations must swiftly implement a nimble, comprehensive strategy to navigate this turbulent period.

The two major supply-chain security risks now are volatile costs and uncertainties around labor and material supply.

Costs in the oil and gas industry increased by 7 to 15 percent in 2022 (Exhibit 1). In 2023, a further 6 to 10 percent increase is expected, mainly due to labor uncertainties and raw-materials inflation. However, if the predicted global recession hits, some input cost factors could swing downward.

In addition, primary operation tasks, such as regular maintenance and inspections, are becoming more expensive as labor rates grow at more than 9 percent per annum. Costs for standard-use materials, such as casings and tubing steel parts, are also rising at 5 percent per annum.

Marine and aviation logistics have been particularly affected by spiraling prices: fuel now costs 20 percent more on an annual basis, and prices are set to continue rising. At the same time, rates for vessels and emergency work have soared. Inflation has also hit non-technical areas: food prices at offshore installations have risen by around 10 percent and underlying labor costs for catering are expected to experience similar growth, indicating that offshore premiums may return.

Operators that remember the 2010–14 oil-price boom are acutely aware of inflation's sharp bite as they struggle to control their current operating expenditure costs. Managing cost volatility can ensure resilience in the oil and gas industry.

The oil and gas industry has faced major supply risks in labor and materials. Planned work has been delayed by strikes over pay hikes, stretched agency staffing pools, and absences as staff seek work that offers improved working conditions and pay. This has created a vicious cycle: more work is carried out under emergency conditions, which is increasingly expensive. In many areas, the situation has been exacerbated by a heavy reliance on a small number of suppliers with few alternatives. A high staff-absence rate of 6 to 8

McKinsey: How Oil and Gas Companies Can Secure Supply-Chain Resilience

Continued from page 8

percent has been observed and anecdotal evidence shows an estimated 5 to 10 percent no-show rate for flights to offshore sites.

Lead times for both long-lead (12 to 18 months) and short-lead (two to six weeks) equipment have stretched, significantly impacting project-delivery schedules. Vessel and spare-parts inventories are continually dropping, causing availability challenges. In addition, the rig market has been tight, making securing a rig more difficult and unpredictable than before.

Robust safeguards against cost inflation and supply risks could allow oil and gas companies to operate in a secure environment with predictable lead times, maintain operational and capital planning to support production, and ensure a stable cost base. Organizations that are taking measures to secure their supply chain and avoid market volatility are seeing significantly less inflationary pressure, saving about 15 percent on costs. At the same time, securing the supply chain reduces risks in operations and project delivery while maintaining a license to operate and deliver growth.

To secure the supply chain, oil and gas companies can conduct a comprehensive risk assessment to understand exposure to inflationary pressures and estimate the impact of inflation and supplier availability on future profits. Operators can then understand, manage, and mitigate supply-chain risks from external vendors by focusing on availability, inflation, and supplier risk on a category level.

A good risk-assessment strategy has three fundamental steps: understand the current pain points and the risks at supplier level; assess the level of exposure to market inflation; and generate risk-mitigation levers to calculate the expected impact (Exhibit 2).

Understanding pain points and supplier-level risks involves holding workshops and engagements with function teams to establish why suppliers are not meeting expectations. Once pain points and root causes have been established, organizations can then create a category-level picture of where certain risks exist and identify whether mitigation is required. A supplier-level risk analysis will help highlight specific risks within certain suppliers and categories. Once a clear picture emerges, a company can then analyze tier-two and three suppliers to identify connectivity and reliance throughout the supply chain. Finally, a holistic risk profile can be created by applying the above steps to different moving parts—consider commercial, operational, and execution risks to construct a complete picture.

Assessing the level of exposure to market inflation requires reviewing contracts to determine the level of exposure to market inflation, reviewing contractual mechanisms to mitigate the impact of inflation (such as risk-reward ratio, managed service options, and supplier consolidation), and comparing against a view of market inflation across key industry indices, each tailored to different categories.

Generating risk-mitigation levers and calculating the expected impact involves mitigating actions across operations and the project portfolio, and assessing their expected impact on future costs. A mechanism to appropriately share risk with suppliers, linked to performance, could be established. Thereafter, contract-performance management and supplier relationship-management processes could be refined to ensure long-term sustainability.

The Hill: Biden Once Again Targets Fossil Fuel Benefits in Budget Proposal

President Biden is once again taking aim at government subsidies for the fossil fuel industry in his new budget proposal after a contentious year between the administration and the industry.

Biden's proposal — which is highly unlikely to be taken up by Congress — would raise $31 billion by "eliminating special tax treatment for oil and gas company investments, as well as other fossil fuel tax preferences," said a White House fact sheet.

Another fact sheet described the proposal as "cutting wasteful spending on Big Pharma, Big Oil, and other special interests."

Biden has previously proposed getting rid of incentives for this industry, but this year's proposal comes after he had repeatedly slammed oil company profits in the wake of high gasoline prices.

The industry has pushed back, citing disruptions caused by Russia's invasion of Ukraine and accusing Biden of attempting to "vilify" energy companies.

The proposal also includes a number of items the administration said would reduce Americans' energy bills, including $375 million for grants to assist weatherization of homes and $800 million for efficiency upgrades through LIHEAP, the Department of Health and Human Services' Low Income Home Energy Assistance Program.

Another $300 million would go to improving energy efficiency and climate resilience in public housing, while more than $5 billion would go to fund climate and energy-efficient technology research at various agencies and bureaus, including the Interior Department, the Commerce Department, NASA and the National Science Foundation.

The budget would put $35 million toward creating a new laboratory at a historically Black college or university through the Office of Energy Efficiency and Renewable Energy.

The proposed budget also would require the Department of Agriculture to target all funding for new or rehabilitated rural housing construction toward projects "that improve energy or water efficiency, implement green features, or address climate resilience."

It also includes a provision for a regional U.S. Energy-Water Demonstration Facility through the Energy Department, which would go toward projects exploring the intersection of energy and water in national watersheds.

Every year, the president puts out a budget proposal indicating the White House's priorities for the year.

However, Congress, not the president, has the power to appropriate funds, and typically does not go along with what the president proposes, particularly given the 60-vote threshold for Senate passage that all but guarantees bipartisan input each year.

Enbridge, Cheniere Chiefs Call for Permitting Progress, Energy Intel

Washington and Ottawa need to improve the consistency and speed of infrastructure permitting for the natural gas industry to be able to meet long-term demand and keep the commodity affordable for consumers, executives told CERAWeek by S&P Global.

“There’s a big void in the amount of infrastructure that’s being built or not built in North America,” Cheniere Energy CEO Jack Fusco said during a panel discussion. “Here in [North America] last year was the least amount of investment in natural gas pipelines since 1993. We’ve got to change that.”

The way to change that, according to Fusco and Enbridge CEO Greg Ebel, is to improve the cumbersome and lengthy permitting processes in both the US and Canada that can delay energy infrastructure projects for years and discourage investment.

“It takes longer and longer [to build pipelines in North America], and it depends on the jurisdiction,” said Ebel. “The capital is going to go where it’s going to be invested.”

Ebel pointed to the US Gulf Coast as a region in which infrastructure projects have had an easier time getting built because of a more accommodating regulatory and permitting environment. He contrasted that with the US Northeast, which is “only a few hundred miles from the Marcellus Shale” yet still suffers from supply issues that cause gas prices to skyrocket for consumers.

“There’s only one reason for that,” said Ebel. “And that’s infrastructure. You’re asking people to pay unbelievable [gas] prices … purely as a result of the infrastructure not being there.”

Rotting Carrots

Ebel acknowledged that the Biden administration was moving in the right direction in terms of improving the environment for investing in gas infrastructure projects, but stressed that slow permitting processes still stood in the way of progress.

“I was really pleased with [John] Podesta’s comments yesterday,” he said, referring to the White House climate advisor’s calls for the US Congress to pass the permitting reform package that failed last year.

“I thought that was a different way of looking at things. Let’s stop focusing on what to divest from and focus on what to invest in. … [The Biden administration] is trying to put out a lot of carrots to get capital attracted to investments in the energy transition and infrastructure. But if you can’t get the permitting done, those carrots are going to rot on the table.”

Fusco said that permitting problems could also derail some carbon reduction efforts, particularly when it comes to getting Class VI approvals from the US Environmental Protection Agency for carbon sequestration wells.

“For [Cheniere], the biggest impact [in our low-carbon strategy] will be carbon sequestration,” said Fusco. “Here in the [US] you need Class VI well permitting … That infrastructure needs to happen.”

Lost Decade

Ebel lamented what he called “the lost decade” in Canada, during which several proposed projects in British Columbia that would have moved gas from Alberta to ports on the Pacific fizzled due to various regulatory and political delays.

“10 years ago … on the Canadian West Coast there were multiple projects,” he said.

“Today we still haven’t built on the West Coast of Canada, but on the [US] Gulf Coast we’re building all kinds of things. Instead of a lost decade … we need a decade of consistency in terms of energy policy, permitting, all those things.”

SSDA-AT Testifies, Rallies Tire Dealer Support for Right to Repair Bill in Maryland

SSDA-AT is keeping up the fight for passage of right to repair legislation, testifying March 8 in Maryland before the House Economic Matters Committee on House Bill 1193, which was introduced in February.

The bill, titled Consumer Protection - Motor Vehicles - Right to Repair, addresses the right to repair issue on the state level by requiring a manufacturer that sells motor vehicles with telematics systems to install an open data platform in certain motor vehicles.

The bill was introduced in the Maryland legislature Feb. 10. SSDA-AT worked with Maryland Delegate Kevin Hornberger (R) and his staff to introduce the bill.

Many local members in Maryland testified in support of the bill during the hearing. Overall, 35 of those testifying supported the legislation and five opposed. The Specialty Equipment Market Association, the Auto Care Association, TIA, WMDA/CAR, LKQ Corp. and the Chesapeake Automotive Business Association were among the organizations that also testified in support.

SSDA-AT has been rallying industry support and organizing local members to encourage passage of right to repair legislation in states and on the federal level.

In addition to Maryland, SSDA-AT has supported efforts in Maine on a right to repair ballot initiative and in Massachusetts, where passed right to repair legislation after a lengthy legal delay could be implemented in June.

At the federal level SSDA-AT supports right to repair legislation known as the REPAIR Act (H.R. 906). The bi-partisan legislation was reintroduced earlier this year by Rep. Neal Dunn (R-FL-02) and is co-sponsored by Rep. Brendan Boyle (D-PA-02), Rep. Warren Davidson (R-OH-08), Rep. Marie Gluesenkamp Perez (D-WA-03), Rep. Zoe Lofgren (D-CA-18), Rep. Glenn Thompson (R-PA-15), Rep. Brittany Pettersen, (D-CO-07), and Rep. Tim Walberg, (R-MI-05).

Modern cars and trucks contain advanced technology that monitors or controls virtually every function of the vehicle including: brakes, steering, air bags, fuel delivery, ignition, lubrication, theft prevention, emission controls and soon, tire pressure. Car and truck owners, as well as the facilities that repair these vehicles need full access to the information, parts and tools necessary to accurately diagnose, repair or re-program these systems.

“Our members who repair vehicles need access to the vehicle’s mechanical data, and the Maryland consumer should have the right to decide where that data goes,” Littlefield said.

Reports Show Oklahoma's Economy is Expanding Thanks to Increased Oil and Gas Revenue, Ok Energy Today

Boosted by record receipts from oil and gas production, Gross Receipts to the Treasury in February show the state's economy continues to expand despite ongoing inflationary pressure, State Treasurer Todd Russ announced.

Collections for the past year are $17.62 billion, up by 12.9 percent, compared to the 12-month collection total in February 2022 of $15.61 billion. For the first time in any 12-month period, oil and gas gross production taxes topped $2 billion.

February receipts of $1.21 billion are up by 13.4 percent from the same month of last year.

The monthly sales and use tax revenues of $528.3 million are the highest February on record.

Gross production taxes on oil and natural gas total $124.6 million, an increase of $35.0 million, or 39.1 percent.

"While inflation remains a major concern, Oklahoma's economy is benefitting from strong energy prices and low unemployment," Treasurer Russ said. "In addition, economic activity in the state continues to be robust as reflected in sales and use tax receipts."

Other indicators

As measured by the Consumer Price Index, the U.S. Bureau of Labor Statistics (BLS) reports the annual inflation rate at 6.4 percent in January. The energy component of the index increased 8.7 percent over the last year, and the food index remained at 10.1 percent.

The U.S. jobless rate was 3.4 percent in January, down by one-tenth of a percentage point from the prior month.

While the U.S. Bureau of Labor Statistics is not expected to report the state January unemployment rates until next week, Oklahoma's employment numbers are expected to continue to show strength. In December, the rate was 3.4 percent.

Regional economic trends have turned positive. The Creighton University Mid-America Business Conditions Index for the nine-state region reached its highest level since last July, after three straight months below growth neutral.

The Oklahoma component of the index rose to 54.9 in February – a sharp increase from 43.3 in the previous month.

Utility Dive: EPA, DOE Issue Framework for Maintaining Grid Reliability During Energy Transition

The Environmental Protection Agency and U.S. Department of Energy released an agreement outlining how they will work together to maintain grid reliability during the shift from fossil-fueled power plants and an increase in extreme weather.

"Under this partnership with DOE, we will provide needed regulatory certainty and support grid reliability and resiliency at every stage as the agency advances efforts to reduce pollution, protect public health, and deliver environmental and economic benefits for all," EPA Administrator Michael Regan said in a statement.

The EPA has been tightening water, air and other regulations that affect power plants, especially coal-fired power plants. As part of its rulemaking process, the EPA assesses how its proposals will affect grid reliability. The power system has been evolving from large, centralized fossil-fueled power plants, but the shift is expected to accelerate with the recent enactment of the bipartisan infrastructure law and Inflation Reduction Act.

"In this dynamic context, it is essential that the EPA and DOE continue to have regular and effective communication and consultation on electric reliability using appropriate informational, policy, and regulatory tools within their respective statutory authorities and mandates," the agencies said.

Both agencies have designated an internal team for electric reliability and have identified key staff to serve as contacts for communications, according to the memorandum of understanding.

The EPA and DOE said they will have at least semi-annual meetings to discuss policies, programs and activities affecting electric reliability and share information and talk about monitoring and outreach activities.

They will consider "short-term interventions" to address emerging reliability risks, according to the agreement.

"Where the agencies become aware of previously unforeseen, short-term reliability risks, [they will] consider their respective legal and technical tools and share information as appropriate within their respective statutory authorities and mandates," the agreement states.

The EPA and DOE said they will regularly consult with the Federal Energy Regulatory Commission.

Opinion: Why Leaders Need to Embrace Decline, According to an Oxford Leadership Expert, Andrew White

How many times have you seen a leader embrace decline within their company with positive and inspirational energy?

It's not a common occurrence. After all, through our traditional view of leadership, only a weak CEO would enter a period of decline in this way. Good leadership is all about growth, strength and power. Isn't it? I'm a senior fellow in management practice at Oxford's Saïd Business School and I believe we should flip this thinking on its head. Imagine this scenario: A leader of an oil company has a dial in front of them, and on that dial they could speed up the decline of fossil fuels in favor of allocating more capital to renewable energy.

If they turned that dial, would you consider them a weak leader?

Or if a CEO of a food manufacturing company used the dial to speed up the decline of excess sugar and salt in the food products it supplies to grocery stores—without being pressured by regulators. Is that weak leadership?

Or if the leader of a bottled water company turned the dial to accelerate the decline of unsustainable plastic bottles. Is that a weak leader?

This was the hypothetical scenario at the core of a TEDx Talk I did eight years ago in which I challenged the narrative that effective leadership is all about growth.

My point was that the traditional model for business performance—simply delivering profitable growth and returns to shareholders—is increasingly irrelevant when taken on its own. Just as much importance needs to be placed on how a leader delivers for society: especially by fulfilling environmental goals. By 2050, we will know if we have won the race to net zero and businesses can play a key role in that by accelerating the decline of practices which harm the natural environment.

In the 20th century, there was almost unlimited consumption of natural resources. We've finally realized we can't continue to consume at the rate we're consuming. That means certain industries are in decline, and one could argue that the faster they decline, the better. It means more capital becomes available, and there is more space for innovation, for what will eventually replace those industries. If we hold onto them for too long, we won't get to a better future any time soon. And therefore some companies will fail to transition to the next wave of growth and thus lose their place as leaders within their industry. A classic example is oil and gas.

And yet in 2015, when I did that talk, I would not have anticipated being in a world in 2023 where, for example, oil companies are still spending more on fossil fuels than they are on renewables. Where nearly 500 billion plastic bottles are used worldwide every year. I would have

Opinion: Why Leaders Need to Embrace Decline, According to an Oxford Leadership Expert, Andrew White

Continued from page 15

thought things would have changed quicker, and in many cases, it still feels like profits are being pursued at the expense of sustainable business models of the future. It's been three steps forward and two steps back.

The disappointing thing is many of these companies have proper means, and deep technological capability, to effect change. The capacity needed to build and maintain an oil and gas platform, for example, is incredible. If that was decelerated at a quicker pace in favor of deploying more resources to renewables, it's difficult to argue those companies' long-term business models would be in a better position.
But I also feel there is good reason to feel positive about the future when I assess the new archetype of leadership that is emerging. I have seen this on my Leadership 2050 podcast, which I host as part of my work with the University of Oxford's Saïd Business School.

One leader I interviewed for the latest series sticks out in my mind. Pinar Akiskalioglu is founder of Takk, an "essentials only" personal care brand that urges customers to pick only the bathroom items they need as part of its mission to fight waste. It's quite the contrast with other retailers that, when you buy a certain product, bombard you with emails encouraging you to buy more.

What Akiskalioglu has created is a contract with the consumer saying: "We won't sell you unnecessary stuff." She is actively encouraging the decline of overconsumption as a cornerstone of her business model.
At the same time, she has created a loyal customer base. She's achieving growth by telling people to buy less.

It's a lesson to those organizations whose business models are creaking. Unless they go through major reinvention, they are going to continue to struggle, and what they are starting to see is what the new world looks like.

It is by embracing the death of the negative aspects of their operations that they can start to transcend these challenges. And therein lies the power of enabling—and sometimes even embracing—decline.

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