NYS ASSOCIATION OF SERVICE STATIONS & REPAIR SHOPS, INC.

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6 WALKER WAY, ALBANY, NY 12205
(518) 452-4367 -- state@nysassrs.com – www.nysassrs.com

INSIDE THIS ISSUE

U.S. Government Accountability Office Releases Report on Right to Repair

The U.S. Government Accountability Office (GAO) recently released a report on Right to Repair titled, Vehicle Repair: Information on Evolving Vehicle Technologies and Consumer Choice.

The report looked at the effects of changing technologies on the right-to-repair. Further, this report examines how changes in vehicle technologies are affecting competition and consumer choice in the vehicle repair market and NHTSA's and FTC's actions related to this issue. For example, the use of technology to wirelessly transfer vehicle health and repair data with automakers could give dealerships an advantage.

The report concluded that if independent repair shops don't have access to this data, people might have fewer repair choices. In addition, according to some independent repair stakeholders GAO interviewed, the use of telematics systems to wirelessly transfer data between vehicles and automakers could give dealerships a competitive advantage over independent repair shops in conducting some repairs.

The GAO states that the Federal Trade Commission is looking at new ways to categorize consumer complaints, which could help it identify how much this issue negatively affects vehicle owners.

To view the full report click here.

SSDA-AT believes this report highlights the need to pass Right to Repair legislation and we renew our call on Congress to act and pass the REPAIR Act. The REPAIR Act now has 50 bipartisan co-sponsors.

Survey Reveals Vehicle Data Obstacles Faced By Repair Shops

84% of independent repair shops consider access to vehicle repair data as the biggest challenge facing their business, outranking technician recruitment and inflation.

Additionally, 63% are having trouble completing routine repairs on a daily or weekly basis, with 51% of shops being forced to send up to five vehicles per month to a dealer as a result of limited vehicle data access.

Results of a recent nationwide survey have underscored the obstacles presented to repair shops by limited access to repair data, prompting the Auto Care Association (ACA) to reaffirm its calls for passage of the REPAIR Act.

In a recent press release, ACA shared these results from a survey conducted by Hanover Research, which included responses from 407 individuals who work at independent repair shops, collected between February 1 through 14, 2024.

The limited access to repair data afforded to repair shops is estimated to cost them $3.1 billion annually. Following the release of the survey results, ACA CEO and President Bill Hanvey is renewing calls of support for the REPAIR Act (H.R. 906), a federal piece of right-to-repair legislation with 50 bipartisan co-sponsors.

In order to support their efforts, a website

www.repairact.com

has been created where customers, technicians and shop-owners alike can send a tailored letter to their legislators. The last page of this newsletter, is a flyer to hand out to your customers. Make copies and discuss the necessity of the REPAIR act to allow them to bring their automobile to you for any kind of repairs. Ask them to go to the website and fill out a simple form to send a letter to their legislators. This kind of grassroots lobbying is necessary to counteract the intense lobbying efforts of automobile manufacturers.

Merchants Payment Coalition Opposes Visa/Mastercard Swipe Fee Settlement

A proposed agreement announced today for Visa and Mastercard to reduce "swipe" fees charged to merchants to process credit card transactions would provide "very small relief" and does not end the need for Congress to pass legislation, the Merchants Payments Coalition said.

"This settlement is a bad deal for merchants," MPC Executive Committee member and National Grocers Association Senior Vice President of Government Relations and Counsel Christopher Jones said. "A few years of very small relief followed by business as usual is not a good outcome from 20 years of litigation. The settlement does nothing to actually bring competitive market forces to swipe fees or change the behavior of a cartel that centrally fixes rates and bars competition. Congress needs to act so that we will have real reform that will benefit merchants and their customers."

Under a proposed settlement, Visa and Mastercard would lower credit card swipe fees by at least four basis points for at least three years. For five years, swipe fees would not increase above rates that existed at the end of 2023. And also for five years, the average rate would be at least seven basis points below the current average.

"Those reductions are within the range that Visa and Mastercard have raised swipe fees over the last few years and fall far short of the relief that is needed," Jones said. The average Visa-Mastercard swipe fee rate has grown, rising from 2.02 percent in 2010 to 2.26 percent in 2023, according to data from the Nilson Report.

Credit and debit card swipe fees have more than doubled over the past decade and soared to a record $172.05 billion in 2023, up from $160.7 billion in 2022, according to the Nilson Report. They are most merchants' highest operating cost after labor and cost the average family over $1,000 a year.

Consumers Experiencing Credit Card Fee Fatigue

A survey by WalletHub found a certain level of fatigue among consumers, with the combination of fees from both in-store and app-based orders leaving 85% of respondents believing they are being nickel-and-dimed when they are asked to pay an extra fee to process a credit card payment.

Other findings from the survey include:

- 79% of Americans have been charged a fee for paying with a credit card.
- Half of Americans say they will not use their credit card if they have to pay a fee.
- 48% of people feel that merchants are not transparent when charging fees for credit card transactions.
- Nine in 10 Americans believe processing fees have gotten out of hand.
- 59% believe it's unfair when merchants pass their fee costs onto customers.

For retailers, swipe fees have remained a sticking point as well, with many objecting to the perceived hold Visa and Mastercard have over processing fees. Currently, the two companies control approximately 80% of the market and centrally price fix swipe fees charged by banks that issue cards under their brands. Visa and Mastercard also restrict processing to their own networks even though most competing networks charge lower fees and, according to the Federal Reserve, have less fraud.

EIA Forecasts Average 2024 Gasoline Price Will Exceed Last-Year Levels

The Energy Information Administration on Tuesday once again boosted its forecast for average crude oil, gasoline and diesel prices in 2024, with the average gasoline price this year now expected to exceed 2023 levels, the agency said.

The agency's Short Term Energy Outlook for April also trimmed its forecast for U.S. gasoline and diesel consumption during the year while bumping up its outlook for U.S. oil production. EIA also raised its price forecasts in March after OPEC and its allies agreed to keep oil production cuts in place through at least the first half of the year.

EIA now expects the price of West Texas Intermediate crude to average $83.78/bbl in 2024 while Brent crude averages $88.55/bbl. Those prices are 2% and 1.8% higher, respectively, than EIA forecast in March. For 2025, EIA expects WTI to average $82.48/bbl and Brent $86.98/bbl - increases of 2.7% and 2.6%, respectively, from March.

EIA sees crude oil prices this year peaking during the third quarter, with WTI averaging $86.84/bbl and Brent at $91.34/bbl, increases of 2.8% and 2.6% from last month's forecast.

EIA expects the higher oil prices will trickle down to motorists in the form of higher fuel costs. The forecast released Tuesday marks the first time EIA has seen 2024 gasoline prices exceeding those seen last year.

It forecasts gasoline will average $3.59/gal this year while diesel will average $4.06/gal - 3.1% and 1.3% higher than last month, with average gasoline prices 7cts/gal higher than in 2023. The agency boosted its 2025 price forecast for gasoline by 3.8% and diesel by 2.5% to $3.58/gal and $4.19/gal, respectively.

EIA expects U.S. crude oil production will continue rising this year, averaging 13.54 million b/d during the fourth quarter of the year and an annual record of 13.21 million b/d for 2024, up 0.1% from last month's forecast. EIA increased its 2025 production average to 13.72 million b/d, an increase of 0.5% from its previous forecast.

EIA increased its 2024 forecast for U.S. petroleum and liquid fuels consumption by 0.2% to 20.4 million b/d but expects gasoline consumption to average 8.94 million b/d, down 0.5% from last month. The agency lowered its forecast for distillate consumption by 0.2% to 3.94 million b/d.

Despite the increase in its forecast for oil production, EIA reduced its forecast for closing stocks of oil in 2024 by 0.7% to 427.9 million bbl. It cut its forecast for gasoline stocks by 1.1% to 230.5 million bbl but increased its forecast for distillate stocks by 1.3% to 121.3 million bbl.

The latest forecast raises both EIA's forecast for 2024 global production of crude oil and liquid fuels and consumption by 0.5% from last month, with EIA now forecasting production at 102.65 million b/d and consumption during the year averaging 102.91 million b/d.

--Reporting by Steve Cronin,

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US Northeast Prepares for Substantial Gasoline Price 'Jump'

Less than two weeks from now, winter gasoline prices will disappear from U.S. spot references and dozens of terminals will begin reflecting summer motor fuel specifications.

This year's Reid Vapor Pressure "jump" will be one of the largest such shifts recorded and is likely to constrict operator margins in eight states and provoke considerable gasoline "reflation" in the populous Middle Atlantic and New England markets.

The transition is nothing new and it has been a regular occurrence in April in the last four decades. But this year's difference in winter-versus-summer price is much more dramatic than some of the smaller moves witnessed this century.

Right now, all of the price reporting agencies are monitoring spot prices for finished gasoline that has a 13.5-psi RVP during the winter, as well as the 7.8-psi conventional gasoline and the 7.4 -si reformulated blends that are mandated at terminals from May 1 through Sept. 15. What makes this year unique is that the two gasoline blends have seen price differences of 33-38cts/gal in early April.

On or around April 15, the references for winter gasoline will be discontinued and most marketers purchasing gasoline in Pennsylvania, New Jersey, New York and New England states will likely see price increases of 30cts/gal or more at local racks.

The jump this year will be welcomed by refiners who sell gasoline in those states. At publication time, the gasoline crack for winter gasoline was a pedestrian $12.50/bbl over Brent crude, compared with a spectacular gross margin of $27.30-$28.14/bbl for summer conventional and reformulated gas.

A glance at racks in the region reveals that most Northeastern locations are still operating based on winter replacement costs. East Coast locations served by the Colonial Pipeline are mostly tied to summer gas, but once one moves north of Baltimore, cheaper winter gas specifications are still the standard.

For example, one can look at finished reformulated motor fuel in Baltimore and find typical prices of $2.60-$2.80/gal. Marketers lifting gasoline in the eight Northeastern states can still find fuel for between $2.25-$2.30/gal.

What makes this year particularly noteworthy is the presence of gasoline economics into the election year cycle. Last week saw numerous stories predicting $4/gal and higher average gas prices, with some Western states already fetching more than a dollar above those numbers.

OPIS' base case for U.S. gasoline prices this driving season does not project a national move above $4/gal. That high ground is possible but would probably require unforeseen impacts on U.S. and global refining in the third quarter.

Measuring the Mid-April Gasoline Transition

Year	Winter Gas	Summer Gas	The Jump
2019	$1.945/gal	$2.027/gal	+ 8.2 cts/gal
2020	$0.550/gal	$0.625/gal	+ 7.5 cts/gal
2021	$1.884/gal	$2.029/gal	+14.5 cts/gal
2022	$2.850/gal	$3.309/gal	+45.9 cts/gal
2023	$2.600/gal	$2.785/gal	+18.5 cts/gal

Some of these spring transitions demand context. In 2022, gasoline values rallied more than 45cts/gal, but that jump occurred against the backdrop of the early part of the war in Ukraine when crude oil benchmarks surged by $12/bbl.

The Covid year 2020 saw exceptionally depressed prices thanks to stay-at-home rules that pushed gasoline demand to levels not seen since the 1960s. The 7ct/gal jump reflected a hike of nearly 13% at the time.

Precisely why this year is delivering a jump of about 35cts/gal, or approximately 15%, is difficult to ascertain. Some observers suggest that speculators are behind the move, with longtime futures traders riding the historical tendency for strong midwinter to early spring performances. The front-month RBOB contract hit its winter low at $1.9672/gal on Dec. 13, 2023. If this year's rally matches the 10-year average December-to-May increase, RBOB has an appointment with a $3.14/gal price point.

Commodity Futures Trading Commission numbers do not really support this suggestion, however. Large money managers are long RBOB, but the current skew is about 5.3

longs for every short. That roughly matches the same long bias of 2023 and compares to a wildly bullish 2022 skew where there were nearly 14 speculative longs for every short.

Traders believe lower imports from Europe could be behind the larger mid-April jump and also attribute some of the strength in summer gas to Ukrainian drone strikes on Russian refineries. Russia hasn't supplied the U.S. with any gasoline since 2022, but damaged production in that country could mean that Moscow imports rather than exports gasoline molecules in the second quarter.

Meanwhile, last year's performance for gasoline is worth mentioning now that the ongoing RBOB rally is approaching its fifth month. The 2023 rally peaked just before the specification jump with a high tick of $2.8943/gal on April 12. Massive liquidation in RBOB was then witnessed over the next 16 days, concluding with a May 4 RBOB trade of just $2.25/gal, reflecting a loss of more than 22%.

--Reporting by Tom Kloza

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EIA Shows Surge in Gasoline Demand, Significant Stock Drawdown

Traders looking for a constructive Weekly Petroleum Status Report from the Energy Information Administration got their wish Wednesday morning with data showing a 4.3 million bbl draw in gasoline stocks. That draw was tied to a 9.236 million b/d demand figure, which may be an overstatement but could stir concerns about low runs.

Refinery restarts stalled a bit with overall input dropping 19,000 b/d to 16.249 million b/d. A 20,000 b/d drop on the West Coast was notable.

Crude numbers were neutral with a build of 3.2 million bbl slightly exceeding expectations. Stocks of distillate eased 1.3 million bbl despite very poor demand of just 3.495 million b/d.

Ahead of the report, Brent crude flirted with the $90/bbl mark, with gains of nearly $1 putting it within 10cts of that marker. West Texas Intermediate was also up about $1 with plenty of action around $86.15/bbl. ULSD futures were 5-6cts /gal higher while RBOB posted increases of 2-3cts/gal.

Some five minutes after the data hit the street, crude oil benchmarks were up 75-85cts/bbl while RBOB futures held on to 2.75-3.25cts/gal gains. ULSD futures were up 4.5-5.5cts/gal.

--Reporting by Tom Kloza

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Decreasing Demand Stalls Rising Fuel Prices

Lackluster domestic demand for gasoline paired with decreasing oil prices led to the national average for a gallon of gas climbing 4 cents to $3.67 since last week, which is 21 cents more than a month ago and the same as a year ago, according to AAA.

With tensions running high in the Middle East over the past few weeks, the cost of oil reached the upper $80s per barrel. However, it has since fallen several dollars into the low $80s as the oil market watches to see if any further military actions occur, the outlet reported.

"The situation overseas with war in both the Middle East and Ukraine has the oil market on edge," said Andrew Gross, AAA spokesperson. "But this is also the time of year we may see a bit of a lull in gasoline demand between the end of spring breaks and ahead of Memorial Day. So the national average for gas may waffle a bit with small increases, some flat days and even some price dips."

According to new data from the Energy Information Administration, gas demand rose slightly from 8.61 million to 8.66 million barrels per day last week. Meanwhile, total domestic gasoline stocks decreased by 1.1 million barrels to 227.4 million barrels. Higher demand and a rise in oil prices could push pump prices higher.

"There are of course things that have been done in the past, and we'll continue to … make sure that gas prices remain affordable for so many American families going into the summer driving season," National Economic Advisor Lael Brainard said at Semafor's World Economy Summit. "We're highly attentive to the international oil markets and domestic gas prices. We'll continue to monitor closely and want to make sure that those gas prices remain in current ranges."

Currently, the nation's top 10 least expensive markets are Mississippi ($3.11), Colorado ($3.16), Louisiana ($3.18), Oklahoma ($3.22), Arkansas ($3.23), New Mexico ($3.26), Tennessee ($3.26), Kansas ($3.26), Alabama ($3.27) and South Carolina ($3.27).

The nation's top 10 most expensive markets include California ($5.45), Hawaii ($4.78), Washington ($4.67), Nevada ($4.63), Oregon ($4.44), Alaska ($4.37), Arizona ($3.13), Utah ($3.96), Illinois ($3.96) and Idaho ($3.93).

At the close of the formal trading session on April 17, West Texas Intermediate (WTI) decreased by $2.67 to settle at $82.86. WTI oil is another benchmark used by oil markets, representing oil produced in the United States.

Weaker First-Quarter Fuel Margins, Sales Pressure US Retailers: OPIS Data

U.S. fuel retailers were pressed by a stretch of weak gross rack-to-retail margins and lagging demand in the first quarter, according to OPIS data. First-quarter diesel margins also trailed those of the same period of 2023, OPIS MarginPro data showed.

U.S. gasoline margins averaged 39.4cts/gal in the quarter, down 0.2ct/gal year to year and 6.4cts/gal below the fourth-quarter average.

The Q1 average margin was the lowest since the third-quarter of 2021, according to OPIS data.

While the year-to-year margin decline was relatively minor, it came as many U.S. retailers also reported sales volumes below the year-ago level.

U.S. fuel sales were battered by the Covid-19 pandemic and have since struggled to recover, with volumes in the last nine quarters down year to year.

In addition, a January cold snap put added pressure on sales as more people opted to stay home.

OPIS DemandPro data showed Q1 average same-station sales volumes were off 5.9% year to year. That decline came on top of a 4.7% year-to-year drop in Q4 volumes.

The average U.S. station sold 207,755 gal in the first quarter, down from 220,620 gal a year earlier, according to OPIS numbers. That means the average station's Q1 profits from fuel sales fell by $5,510 year to year to about $81,855.

The number varies regionally, with first-quarter margins in three markets – the Great Lake states, the Southwest and the Midwest - higher year to year. First-quarter gasoline margins on the Pacific Coast, in the Southeast, Northeast, West and Rockies were all down from the same period of 2023, OPIS data showed.

Q1 margins in the Great Lakes region averaged 32.7cts/gal, up 3.4cts/gal year to year. But gasoline demand in the Mid-Continent was down 6.1% from the previous year.

OPIS calculated that the average station in the region sold 187,625 gal in Q1, earning it an average profit of $61,353, up about $2,734 year to year.

Southwest margins averaged 23.7cts/gal in the quarter, up 1.3cts year to year. Fuel sales fell 3.4% from the same period of 2023 and OPIS calculated the average retailer in the region sold 215,407 gal at a profit of $51,051, up about $1,272 year to year.

The average Q1 margin in the Midwest was 33.1cts/gal, 1.2cts higher than last year. Based on Mid-Continent demand, the average retailer saw a gasoline margin of $62,103 in the quarter, down $1,717 from Q1 2023.

On the Pacific Coast, the average margin was at a U.S. high of 59cts/gal, down 0.3ct from last year. Demand in the western U.S., which includes the coastal market in the OPIS DemandPro data, fell by 6.6% year to year with the average station selling 247,795 gal. The average Q1 margin fell by $10,963 year to year to $146,199.

The average margin in the Southeast was 26.2cts/gal, down 1.5cts from last year. Fuel demand was down 6.5% year to year, with OPIS calculating average station sales of 192,217 gal, providing a margin of $50,360, off by $6,471 year to year.

In the Northeast, margins averaged 34.5cts/gal, or 1.8cts below the year-ago average. Demand came in 5.5% below the same period of 2023, with the average station selling 215,156 gal. That put the average station's margin at $74,228, down $8,493 from Q1 2023.

In the West, the average Q1 margin was 51.3cts/gal, down 1.8cts year to year. The average station's margin was $127,118, putting it $13,612 below the same period of last year.

In the Rocky Mountain region, the average margin was 27.6cts/gal, a 6.8ct drop from the same time last year. Using OPIS' calculation for Western demand, the average station in the region realized a gasoline margin of $68,391, a decrease of $22,779 from Q1 2023.

Diesel margins during the first quarter averaged 56.2cts/gal, a 10.5ct year-to-year decrease to the second-lowest quarterly average since Q3 2022, OPIS data showed.

Quarterly diesel margins fell year to year in all eight regions, led by a 21.9ct decline on the Pacific Coast, where margins averaged 86.2cts/gal.

Margins also fell by 19.8cts year to year in the West to an average of 92.9cts/gal and by 14.9cts in the Rockies, where Q1 margins averaged 58.5cts/gal.

The average Midwest diesel margin was down 13.4cts to 68.9cts/gal and 10.3cts lower in the Southwest to 53.6cts/gal. In the Great Lakes region, the average margin slipped by 10.1cts to 59.4cts/gal.

The average Q1 margin in the Southeast fell by 9.4cts year to year to 60.3cts/gal, while Northeast retailers saw the average margin slip by 1.7cts to 70.1cts/gal.

--Reporting by Steve Cronin

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US Vehicle Miles Traveled Saw Another Year-to-Year Gain in February

U.S. motorists returned to the road in February, with the number of vehicle miles traveled during the month rising once again when compared to last year after seeing a decline in January, according to the Federal Highway Administration.

Motorists are estimated to have traveled a total 240.244 billion miles during the month, about 4.8 billion more than during the same time last year, according to the FHA's latest Traffic Volume Trends report. It was the 10th year-to-year increase in 11 months, with unsettled winter weather through much of the country in January leading to a year-to-year decline in travel during that month.

Travel saw an annual increase in all five regions of the country, ranging from a 2.8% jump from February 2023 levels in both the Midwest and Gulf Coast region to a 0.8% bump in the Southeast. Changes in other regions included a 2.7% increase in the Northeast and a 1.4% climb in the West.

So far this year, U.S. motorists have traveled 487.35 trillion miles, or 0.6% more than in the first two months of last year.

The moving 12-month total for travel was 3.266 trillion miles, a 1.64% increase from the same time last year.

Despite February's increase in travel, gasoline sales volumes across the U.S. during the month were 6.4% lower than during the same period last year, according to OPIS DemandPro data. Sales, however, rose 4.5% compared to those seen in January, OPIS data show.

--Reporting by Steve Cronin

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US Gasoline Station Nonmanagerial Hourly Wage Remains Near Peak in February

The average hourly wage for nonmanagerial workers at U.S. retail gasoline stations in February remained close to a record high, while the average hourly wage for retail gasoline stations with convenience stores dipped by severa cents from January, the Bureau of Labor Statistics said in a Friday update.

The average hourly wage at fuel stations in February was $17.26, higher than the record $17.25 reported in January, but lower than the adjusted January average of $17.27. The adjusted February average was 3.2% higher than the year ago average of $16.73.

The average hourly wage at gasoline stations with convenience stores in February was $17.11, down from both the record $17.14 in January and the adjusted January figure of $17.15. But the average wage was up 3.5% from the year-ago average of $16.53.

If the retail fuel business tracks average wages for all retail businesses, wages may have gone up in March. The average hourly wage in the retail trade for nonmanagerial workers was $20.68 in February, compared to $20.82 in March, BLS reported.

US C-Store Revenue Hit Record High in 2023, Despite Fewer Transactions: NACS

Dollar sales for U.S. convenience stores rose to a record high in 2023 even as the number of transactions dipped, the National Association of Convenience Stores said on Thursday.

Including both in-store and at the pump transaction, NACS said in a news release that the average convenience store had 45,312 monthly transactions last year, or 1,491 per day, down 0.4% from 2022.

The trade group also said U.S. convenience store industry revenue last year totaled $859.8 billion, including $327.6 billion from in-store sales as average spending per visit rose by 3.7% year to year to $7.80.

C-stores, which are responsible for about 80% of all U.S. retail fuel sales, saw pump revenue drop last year to $532.2 billion, a decline NACS blamed on a more than 11% reduction in gasoline prices. While the sale of fuel represented 67.3% of total revenues, it accounted for only 38.6% of c-store industry profits in 2023.

Food service is a growing business for the convenience store sector and NACS said total industry food service sales represented 26.9% of in-store sales, up 1.3 percentage points from 2022.

At least part of the record dollar sales can be attributed to inflation. While federal government data has shown price inflation has slowed for some merchandise categories, it has remained elevated for food away from home.

--Reporting by Donna Harris

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Texas Energy Companies Move Towards Hydrogen Fuel Production

An effort being made by energy companies in Texas to produce hydrogen fuel is gaining support from the federal government and criticism from environmental groups, reports the Texas Tribune.

Hydrogen is typically found bonded with elements like carbon, which are stripped away and left behind, leaving negative effects on the climate. However, engineers are developing a way to source hydrogen that would avoid leaving behind carbon. The improved process would collect the carbon left behind, and either save it for reuse or inject it into the earth to be stored.

While Texas has recently asserted itself as a leader in hydrogen production, this process, called carbon capture, is not being utilized. In order to transition to implementing carbon capture, Texas energy companies would need to build pipelines to move the hydrogen and subterranean caverns to store it. Creating enough supply and maintaining low prices for consumers becomes more difficult under this process.

So, the federal government has allocated billions of dollars in tax credits to hasten the production of hydrogen from gas with carbon capture or water. This past October, nine projects in Houston received federal funding for regional hydrogen projects, which includes Chevron and ExxonMobil.

The Houston ‘hydrogen hubs’ are planning to produce over 1.8 million metric tons of hydrogen annually, with around 80% being sourced from natural gas. With the federal government’s recent tax incentives, they will help lower the cost of hydrogen fuel to become competitive with fossil fuels.

Some environmental groups, however, have criticized plans to source hydrogen from natural gas using carbon capture, arguing that it will only serve to bolster the oil and gas industry.

Additionally, David Schlissel, the director of resource planning analysis for the Institute for Energy, Economics and Financial Analysis, said that the government is going by a faulty model for evaluating financial support for these hydrogen projects. He’s pointed out that potential leaks from hydrogen pipelines have not been considered, and that the technology for carbon capture is not yet advanced enough to accomplish what it claims.

Hydrogen Vehicle Owners Struggle With Lack of Refueling Options

While owners of hydrogen vehicles are satisfied with their performance, the lack of available fueling stations has greatly soured their experience, Kelley Blue Book reports.

In 2023, there were only 56 public hydrogen refueling stations in America–55 of those are in California, and one is in Hawaii. That number has only dropped since then, with one of California's largest hydrogen fueling station operators, True Zero, closing down 10 locations, and Shell closing seven more this past February.

As a result, many owners of hydrogen vehicles have been left with slim options, including California State Sen. Josh Newman (D – 29th district), who drives a Toyota Mirai.

"The user experience of owning a hydrogen car is, to put it mildly, not so good," Newman told InsideEVs. "It's not due to the cars themselves. They're awesome. It's the refueling. The reality is the state of H2 refueling in California is, in a word, abysmal."

Many Mirai owners have congregated on online forums to share their disappointing experiences with hydrogen refueling, with some pushing for Toyota to buy back their vehicles. Alongside range anxiety, the lack of fueling options has also damaged the car's resale value.

General Motors has announced that it will soon supply the first hydrogen-powered medium-duty truck to a utility company in Georgia as part of a federally funded demonstration project. In collaboration with the U.S. Department of Transportation, the project will be testing the use of hydrogen in work vehicles and the creation of a microgrid to support hydrogen refueling.

However, many hydrogen fueling stations that currently exist are already used for private companies' fleets, as opposed to the public refueling stations needed by individuals.

Fuel Retailer Groups Call for Application Standardization for Federal EV Funding Program

Three major industry associations representing a wide range of fuel retailers urged the Federal Highway Administration (FHWA) to better harmonize state application standards under the National Electric Vehicle Infrastructure (NEVI) grant program to ensure that consumers' charging experiences are consistent from state to state.

NATSO, SIGMA and NACS suggested the federal agency consider the following when reviewing and approving subsequent state plans for distributing grant funding:

- Prioritize driver amenities, such as 24/7 food and beverage offerings, restrooms and on-site staff.
- Prohibit states from issuing grant awards to applicants without committed site host agreements with site owners. Proposals with candidate sites that rely upon future infrastructure or development create a significant risk that those developments may not advance as anticipated.
- Prohibit caps on rate-of-return or revenue sharing requirements, which can limit the ability of fuel retailers to make a return on investment and discourage private businesses from applying for NEVI grants.
- Discourage overly restrictive evaluation areas, ensuring grants go to the best individual site rather than allowing state Department of Transportation agencies to group highway segments and award them to a single bidder.
- Ensure adequate time for grant solicitations, providing at least a 90- to 120-day response time and establishing clear application expectations.
- Allow a variety of connector types to be eligible under the NEVI Program.

The three organizations stated in their comments. "The more attractive and ubiquitous this experience is for consumers, the more comfortable they will be buying [electric vehicles] EVs. This, in turn, will further incentivize charging station investments even in the absence of government support."

More than half of all EV charging stations under the NEVI grant program are set to be constructed at truck stops, travel centers and other fuel retailers, according to the associations. However, the groups expressed their concern over differing state approaches to grant processes, which they believed could create disparate, unpredictable consumer EV charging experiences between states.

Four Factors C-store Owners Should Consider Before Installing EV Chargers

Today, you see a Tesla here. Tomorrow, you'll see a Ford Lightning there. As electric vehicles (EVs) become more prevalent, convenience store owners are presented with a unique opportunity to diversify their offerings. With nearly every vehicle manufacturer launching a line of EVs and large corporations investing in battery factories, we're seeing the future of transportation evolve. But what can c-store owners expect?

The reality is that many variables impact forecasting whether EV chargers will be a lucrative investment for your store. Here are four factors to consider before investing in EV chargers:

1. Location:

Adding EV chargers to your convenience store can be a significant investment, so you want to ensure that demand will follow. Understanding the current and projected EV density for your region will help determine your prospective customer base. By looking at vehicle registrations in your county and filtering by EVs, you can form an initial baseline of the local market size.

When pricing out the physical chargers themselves, you can expect to pay $800 to $5,000 for a single level 2 (a several-hour) charger or $40,000 to $100,000 for a level 3 (a pit-stop) charger. In addition, if your site does not have enough grid capacity, you'll need to engage your local utility to upgrade and rework your facility's electrical capacity. Given how quickly these costs can scale, it's crucial to first understand if demand will justify your investment.

In addition to regular or repeat customers, you'll also have those who are just passing through. For that reason, you should consider how close your location is to the interstate and EV charging corridors. As the nationwide charging network expands, consumers who are traveling between destinations are more likely to stop at sites that are just off the highway vs. those that require a detour. You should also consider how close you are to the next public level 3 charger, as well as what charging capacity your competitors offer.

2. Competitive Landscape:

Historically, if you wanted to refuel your vehicle, the "where" you could do so was limited: typically restricted to public or private fueling stations. Now, with electric vehicles, that narrative has changed. Nearly 70% to 80% of charging happens at home or the workplace. This is foreign to the traditional fueling landscape because customers don't have to exclusively rely on convenience stores for their charging needs.

In fact, EV owners can save 50% or more by charging at home compared to using a public level 3 charger. For this reason, nearly every EV owner who lives in a residential single-family home will have an at-home charger — meaning they won't have to stop at your station for their day-to-day charging needs.

3. Intent:

Once you take out those who have at-home charging capabilities, what would make the remaining EV owners choose your c-store? Are you their only option or do you have competitors nearby? Are they only stopping to fill up their vehicle or do they also get their morning coffee from your station? Do you have a hot food area where they grab lunch on the go?

4. Amenities Offered:

Another difference between fueling gasoline vehicles and charging EVs is the time it takes. Variables such as the vehicle and battery size, state of charge and charger speed impact fueling wait times, which are significantly longer for EVs. Most level 3 chargers provide an 80% charge in 30 minutes or less, whereas most level 2 chargers only provide 10 miles to 30 miles of charge per hour.

Do you have enough amenities for customers while they wait for their vehicles to charge? Can you capitalize on a double or triple inside-the-store transaction that you wouldn't have been able to if they were simply fueling their vehicle? Do you have enough additional parking stalls for other customers as EVs will need to stay longer?

Next Steps:

While these four considerations can help guide your thought process around adding EV chargers to your c-store, there isn't one right choice. Ultimately, you must decide what is best for you and your store: considering your location, risk tolerance, financial position, and eligibility for grants and federal incentives (such as funding from the National Electric Vehicle Infrastructure program).

To learn more about what resources are out there, you should seek out a jobber who has polyfuel capabilities — one who can help you adapt to the evolving landscape, apply for funding and incorporate multiple fueling options to support your store's short- and long-term strategy.

EV Forecast : Boston Consumer Group

A narrative has emerged lately that US demand for electric vehicles (EVs) has hit a wall. In reality, EV sales grew 50% in 2023; the problem was that the industry had forecast 70% growth. As a result, inventory piled up and a "price war" ensued that dominated headlines. OEMs have since slashed production targets and delayed product launches. To add to the general sense of pessimism, customers continue to express concerns over high costs, unpredictable residual values, frustrating charging experiences, and poor range in colder weather.

These setbacks have left many people wondering what's in store for EVs—particularly the next generation of vehicles, which are set to hit the market as soon as the next 12 to 18 months. Will these new vehicles lay the path to a market share of more than 60% for EVs by 2032, as the Biden administration is currently targeting?

By our analysis, balanced regulation, broader vehicle-segment coverage, and a lower total cost of ownership compared with gasoline-powered vehicles support a scenario in which EV market share surpasses 40% by 2030. BCG surveyed 3,000 consumers to understand the attitudes, and barriers to EV adoption of those looking to purchase a new vehicle.

- In addition to the 6% that already own an EV, 38% of US consumers surveyed said they intend to purchase an EV as their next vehicle. Another 27% are considering buying one in the future.
- To convert the next wave of adopters into buyers, OEMs must address these key median requirements: 20-minute charging times; 30-minute detour and wait times for fast-charging stations; a 350-mile driving range; and a price of $50,000. They'll also need to offer greater vehicle variety.
- Meeting these customer expectations is possible, but OEMs will require support from both policymakers and the charging ecosystem—particularly if they expect to make money.
- If everything goes right, EV sales could account for up to 30% of US sales when next-generation EVs are in full production in the next few years. A more realistic scenario is that market share will be closer to 20%.
- In either scenario, hybrids will play an important role, accounting for a 15% to 20% share of US sales once the next generation of EVs are on the market.

Stellantis CEO: EV Batteries Must Have Weight Cut in Half Within Next Decade

In order to compete with traditional combustible vehicles, electric vehicle batteries will need to have their weight cut in half over the next decade, according to Stellantis CEO Carlos Tavares.

To combat this, Tavares suggested devoting more study to utilizing the power density of battery cells, something he believes can lead to slashing the amount of materials needed to produce battery packs. With lithium–a crucial material used for batteries–currently being limited, it could also help with supply chain issues, he added.

"I think over the next decade we'll be able to reduce the battery pack weight by 50%, hence reducing by 50% the use of additional raw materials against a conventional vehicle," Tavares explained.

Tavares dismissed the possibility of hydrogen as an alternative, arguing that it is not yet affordable enough for consumers but may be utilized by fleets and big corporations.

Nissan Unveils Plans for Mass Production of Electric Vehicles With New Battery Technology

Nissan is looking to jumpstart its position in the electric vehicle sector with plans to produce a new kind of EV battery, reports AP News.

The company shared its plans for mass production of EVs during a media tour of an unfinished pilot plant southwest of Tokyo yesterday. While the facility is pretty vacant right now, Nissan intends to launch a pilot production line in March 2025 followed by commercial production beginning in fiscal year 2028.

These EVs will differ from most seen on the market currently, though. Nissan plans to utilize solid-state batteries: a new type of battery technology that would replace corrosive liquids found in most EV batteries with solid metals. Solid-state batteries have been presented as a potentially cheaper, safer, more powerful solution that are faster to charge than lithium-ion batteries.

Nissan isn't the only one eyeing solid-state batteries. Volkswagen and Toyota have also expressed interest in pursuing solid-state EVs. Toyota plans to bring them to the market around 2027-28.

The company hasn't yet offered much more detail on the production of these batteries, but has said to have come up with unique materials for producing them, such as a metal form of lithium. Nissan intends to roll out solid-state batteries across a variety of vehicles, including pickup trucks.

Used Car Prices Remain Stable, Used Electric Car Prices Crash

A recent study from iSeeCars.com revealed that the average price of a 1-to 5-year-old used EV in the U.S. experienced a 31.8% decrease over the last year, reports CNBC. It's a stark contrast to internal combustion engines, which in that same timeframe saw its prices drop only 3.6%.

Looking at used vehicle values across the three primary powertrains, all three have average prices very close to the overall $31,000 price point. This parity in prices is the consequence of a large 31.8 percent drop in used EV values, compared to a 6.5 percent and 3.1 percent drop in used hybrids and gasoline models values.

A major reason behind prices falling is recent price cuts from Tesla. As newer EVs cost less, consumers won't be as willing to pay those same prices for a used alternative. "Used car shoppers are seeing a bit of a break in vehicle costs, but we're still well above the pre-pandemic average used car price point of roughly $20,000, with no indication we're going back to those levels any time soon," said Karl Brauer, iSeeCars Executive Analyst.

All of this could likely translate into more electric and combustion-powered hybrid sales, which have been on the up and up recently..

"Shoppers deciding between a traditional car, a hybrid, or an EV, can now make that decision based on factors beyond price, such as range and convenience," said Brauer. While prices for used electric vehicles are falling, the change marks a decrease in resale value: something that could prove to be another roadblock in EV adoption.

Alongside Tesla's price cuts, overproduction has also played a role in reducing EV resale value. Brauer said that an overabundance of supply will make it difficult for both used and new EV prices to stabilize anytime soon.

Numbers: Top 5 Marketing Tools Used by Auto Repair Shops

Customers want your services, and every shop has a different relationship with marketing. As indicated in the 2023 Ratchet+Wrench Industry Survey Report, 10% of shops outsource marketing, 40% handle those operations in-house, and 32% share the role with an outside service provider.

Here are the top five ways shops are targeting their customers and prospects:

- Facebook Ads: 49%
- Email Marketing: 49%
- SEO Tools: 47%
- Google Ad Words: 43%
- Direct Mail: 39%

Did You Know?: 37% of shops not marketing at all have an average annual revenue of $500,000

Survey: Half of Americans Consider Their Car as Family

A recent survey conducted by OnePoll on behalf of Meineke showed the high emotional attachment drivers have with their cars, as well as their thoughts on the emergence of electric vehicles.

Of the 2,000 Americans surveyed, 51% responded that they consider their car as part of their family. This attachment has led to drivers desiring to hold on to their vehicles for as long as possible, as 53% said they would like to keep their cars forever if possible.

Six out of ten drivers surveyed are particularly fond of their vehicles for their reliability. 45% of respondents said they want to keep their cars forever because of its gas mileage, and 80% said that as long as their car is saving them money, they don't want to part with it.

46% of respondents said they plan to continue using their vehicle as they can't afford a new one–but when asked what car they would purchase if they were able to, 34% said they would want to purchase the same model. Of that group, 47% expressed interest in newer models, with most looking at EVs.

While 45% believe that EVs are the future–most of those being younger individuals–drivers still hold some concerns with EVs, with 66% worrying about high costs and 41% fearing an EV will mean more auto repair needs.

Most U.S. Vehicles Have Aged Out of Warranties

With the price of new cars, auto insurance, and interest rates becoming unaffordable for many Americans, they're holding onto their cars longer and aging out of warranties.

A recent report from Kelley Blue Book looks at data from Experian which has compiled each of the 288.5 million cars registered annually to get an idea of how many are still under warranty, and the results are a landslide.

According to Experian, 82.7% of trucks, 85.1% of cars, and 67.1% of SUVs are past manufacturer warranties, including powertrain coverage. With the average age of vehicles on U.S. roads climbing to 13 years old, that translates into fewer being covered by original equipment manufacturers.

While the FCC is cautioning drivers to be weary of scammers selling void warranties, it creates an opportunity for automotive shops to reach out to drivers who may have recently fallen out of warranty and are looking for somewhere other than a dealership to have their vehicle serviced.

New York Auto Repair Shop Faces Demolition for Contaminated Facility

An auto shop in Rome, New York, faces demolition from the city due to a contaminated facility, reports the Rome Sentinel.

Mike Jr's Auto Repair has been in operation at 1030 E. Dominick St. for over 17 years. Before current owner Michael Burth Jr. began leasing the property from the city nearly two decades ago, the facility also housed another auto shop.

Following tests conducted on the site by the New York State Department of Environmental Conservation (DEC) in 2018, it was deemed to be contaminated from decades of automotive work and the property would need to be demolished for cleanup efforts to take place.

Three years later in November 2021, the city was given a grant from DEC for around $1.1 million to fund the cleanup project. The grant needed to be used within the next two years, prompting the local government to move quickly.

A year later, Burth was given a 120-day notice to leave the property for cleanup efforts to commence, but he refused, arguing that he was told by DEC that he would not be required to leave.

In recent weeks, a meeting was then held between city staff, Burth, DEC representatives, and First Ward Councilor John Sparace to discuss solutions to the problem. Unfortunately, the only alternative to demolishing the building is to leave it standing and contaminated. To clean up the building without demolition would cost the city far more, pushing the burden onto taxpayers.

Kimberly Rogers, chief of staff to Rome Mayor Jeffrey M. Lanigan and former Third Ward Councilor, explained that there was not enough time left to request a modification to the terms of the cleanup and receive a response, though First Ward Councilor Sparace said that after a cleanup is conducted later this year, Burth should be given the first chance at purchasing the property from the city.

3.7M Vehicles Currently Under 'Park Outside' Recall

According to Fox Business, recent data from Carfax shows a spike in the number of cars with "park outside" recalls in the past year.

There are currently an estimated 3.7 million vehicles on U.S. roadways that have been issued a "park outside" recall. This includes cars that have been recalled but don't yet have a fix, as well as vehicles that have been prescribed repairs but have not yet received them.

Since May 2023, there's been a 40% increase in the number of cars with "park outside" recalls, with some regions seeing the rate nearly double.

While Atlanta saw around 64,000 vehicles with "park outside" recalls on its roadways last May, this January that number leaped up to 113,000. In Los Angeles, it jumped from 189,000 to almost 93,000 in the same timeframe.

"The park outside recall is one of the most rarely issued recalls by the National Highway Traffic Safety Administration," said Carfax spokesperson Mike Lavigne. "It doesn't come around every day, and they're considered one of the more dangerous recalls because of the hazard of fire."

Kia Recalls Nearly Every Telluride SUV for Rolling Away in Park

Kia has issued a recall for all of its 2020-2023 Telluride SUVs, as well as some 2024 models, for rolling away while in Park, according to Consumer Reports.

The recall covers a total of 427,407 vehicles. Kia has currently received 16 reports of unintended vehicle movement, but none that include injuries or crashes.

The problem stems from an assembly error that prevents two vital drivetrain components from fully engaging: the intermediate shaft and right front driveshaft.

In this event, drivers of affected vehicles may experience grinding sounds, vibrations, or noise when driving over bumps or making a turn. The vehicle's ability to shift into Drive or Reverse may also be impacted.

To resolve the issue, dealers will install a software update that will automatically engage the parking brake when needed. If physical damage is found on the intermediate shaft, it will be replaced.

Until drivers can receive the fix, Kia is instructing them to manually engage the parking brake when parking their vehicle. Vehicle owners who have already paid for repairs related to the problem may be eligible for reimbursement from Kia.

Subaru Recalls 118K Vehicles With Faulty Air Bag Sensors

Subaru has issued a recall on 118,000 U.S. vehicles for faulty air bag sensors, reports Reuters.

The recall applies to various 2020 through 2022 model year Outback and Legacy vehicles. According to the National Highway Traffic Safety Administration (NHTSA), the issue stems from a capacitor in the sensors for the Occupant Detection System (ODS) that may crack and short circuit, preventing the front passenger air bag from deploying in a collision.

This recall marks the third for the same issues and same manufacturer. Toyota issued a recall this past December for 1.12 million vehicles, and in February Honda recalled 750,000.

Subaru has received 3 technical reports and 253 warranty claims related to the issue, but no reports of accidents or injuries. To fix the problem, dealers will replace the ODS sensors on the front passenger seat.

Ford Recalls Over 456K Vehicles for Battery Power Loss

A battery power loss issue has caused Ford to recall over 456,000 light SUVs and trucks, according to AARP.

The recall covers certain Ford Bronco Sports from model years 2021 to 2024, and 2022 and 2023 Ford Mavericks.

As a result of battery power loss, recalled vehicles may experience the disabling of safety functions such as hazard lights, as well as a loss of power while driving. Affected vehicles may experience stalling when slowing to a stop, or a failure to restart after automatically turning off.

The automaker has received 917 warranty reports and 54 customer complaints related to the issue, as well as three unverified reports of fire and two property damage claims.

To remedy the issue, Ford dealers are instructed to recalibrate the vehicles' body and power train control modules. Notices will be mailed to owners beginning May 13.

This follows another recall issued by Ford last week for cracked fuel injectors, which also impacted Bronco vehicles. Ford's prescribed remedy for this recall is currently under investigation by the National Highway Traffic Safety Administration (NHTSA).

Internal Transmission Failures Lead to U.S. Investigation of RAM Trucks

A preliminary investigation has been opened into certain Stellantis vehicles by the U.S. government due to an issue causing loss of motive power, reports Reuters.

The U.S. Office of Defect Investigations (ODI) is investigating model year 2022 RAM 3500, 4500, and 5500 trucks after receiving 82 complaints of an internal transmission failure of the K1 snap ring leading to loss of motive power.

The problem stems from the snap ring detaching, preventing the vehicle's forward gears 1 to 4 from being able to function during a failure and disabling the vehicle.

Of the complaints received by ODI, 16 report experiencing a complete loss of motive power at speeds over 25 miles per hour, with no way for the vehicle to return to normal operation. Following tests conducted by Stellantis' U.S. unit, FCA, the company said that drivers will see a warning message if such a problem occurs, and that gear 5 and reverse will remain functional.

General Motors Faces Another Lawsuit for Sharing Vehicle Owner Data

A recent lawsuit filed against General Motors alleges that the automaker gathered and shared drivers' data without their consent, reports the Detroit Free Press.

The lawsuit is seeking class-action status and over $5 million in damages, claiming that there are over 100 putative class members within the suit.

According to the lawsuit, GM and its connected-services subsidiary, OnStar, collected data on vehicle owners' driving habits–accelerations, hard braking, speeding–and shared it with insurance companies to give them reason to increase rates on those drivers.

This suit comes only a week after GM said it would cease to collect drivers' data, following another lawsuit in Florida that was filed on March 13 which claims GM, OnStar, and LexisNexis Risk Solutions– and data and analytics company–shared driving data that led to an increase in insurance rates for drivers.

The most recent lawsuit in Michigan is now claiming that the March 20 announcement from GM indicates the company "did not have the requisite legal consent by their customers for this data sharing practice."

Some experts, such as lawyer and law professor Erik Gordon, don't believe the decision from GM is necessarily indicative of guilt. Regardless, former director of the FTC's Bureau of Consumer Protection and current law professor David Vladeck predicted that more lawsuits against GM are likely to follow.

Federal Menthol Cigarette Ban Delayed Again

The U.S. Food and Drug Administration's proposal to ban menthol flavored cigarettes in the United States faced another setback. White House officials have missed another deadline to issue a final rule on a ban. The Administration delayed issuing a final rule in December and now has missed the new deadline it set to issue the rule by March 2024

States including Massachusetts and California have previously banned all flavored tobacco products.

Civil rights groups have contended for years that menthol cigarettes pose a disproportionately higher risk in the heavily marketed black communities. According to the U.S. Centers for Disease Control and Prevention, 81% of black adult cigarette smokers cigarettes use menthol varieties, compared with 34% of white adults,

Over 100 organizations, including the NAACP, the American Medical Association, and the American Academy of Pediatrics, placed a full-page ad in the Washington Post recently calling on Biden not to further delay the ban.

"It is deeply disappointing that the Biden Administration appears likely to miss another deadline to issue a final FDA rule eliminating menthol cigarettes," Yolonda Richardson, president of the Campaign for Tobacco-Free Kids, said. "Research shows that eliminating menthol cigarettes will reduce the number of kids who start smoking, increase the number of smokers who quit, and save up to 654,000 lives within 40 years, including 255,000 Black lives,"

Massachusetts Faces Fallout
From Flavored Tobacco Ban

Bootleg cigarette smuggling has become an ongoing drain on law enforcement as illicit tobacco seizures have surged and state tax revenue from tobacco sales continues to plummet, according to a new report by the Massachusetts Illicit Tobacco Task Force (ITTF).

According to the report, the state's rush to ban flavored tobacco has failed to curb use of these products while inadvertently creating a market for illicit untaxed products and cross-border smuggling. The report estimated the ban has cost the state nearly $150 million in lost tax revenue from legal sales since it went into effect in 2020.

The report also found:

- New challenges that have developed due to the storage and destruction of e-cigarettes (ENDS);
- Field personnel routinely encounter or seize untaxed menthol cigarettes, originally purchased in other states, and flavored ENDS products and cigars purchased from unlicensed distributors operating both within and outside the Commonwealth;
- Cigarette excise tax collections decreasing by $25.2 million in from 2023; and
- An overall decline in tobacco product revenues for the fourth consecutive fiscal year.

The report also acknowledged the need for continued data collection, compliance resources and enforcement coordination to uphold state policy, while expressing concern over challenges in effectively coordinating such enforcement efforts.

More details can be found in the full report here

FDA Creates Database for Legally
Marketed Tobacco Products

The U.S. Food and Drug Administration (FDA) launched the Searchable Tobacco Products Database, a new user-friendly list of tobacco products — including e-cigarettes — that may be legally marketed in the United States.

Updated monthly, the online database has been designed to provide key information for the public in a single location, with easy-to-use search capabilities especially tailored toward retailers.

The list provides information on three categories of products:

- New tobacco products that received marketing authorization through one of FDA's three pathways to market a new tobacco product;
- Pre-existing tobacco products established through a voluntary determination program (commercially marketed as of Feb. 15, 2007); and
- Provisional tobacco products that were removed from review.

The database currently contains nearly 17,000 tobacco products, with more than 12,000 being pre-existing products. For each entry, FDA provides the product name, company, category, sub-category, the authority permitting its sale in the United States and the date of FDA action. Additionally, the database includes links to regulatory and scientific documents, along with related documents associated with a tobacco product application.

FDA Seeks Penalties From 22 Retailers Over Sales of Unauthorized E-Cigarettes

The U.S. Food and Drug Administration (FDA) has upped the ante against certain retailers by issuing complaints for civil money penalties (CMPs) to stores that have continued to sell unauthorized e-cigarettes, including Elf Bar.

The FDA previously issued warning letters to the 20 brick-and-mortar retailers and two online retailers for their sale of unauthorized tobacco products. However, follow-up inspections revealed the retailers failed to correct the violations. Accordingly, the agency is now seeking a CMP of approximately $20,000 from each retailer.

The approximately $20,000 CMP sought in the current circumstance is consistent with similar CMPs sought against retailers for the sale of unauthorized Elf Bar products over the last few months.

The retailers can pay the penalty, enter into a settlement agreement, request an extension to respond, or request a hearing. Retailers that do not take action within 30 days after receiving a complaint risk a default order imposing the full penalty amount.

As of April 2024, the FDA has issued more than 550 warning letters and 108 CMPs to retailers for selling unauthorized tobacco products. In addition to actions involving retailers, the agency has issued more than 670 warning letters to manufacturers, importers and distributors for illegally selling and/or distributing unauthorized new tobacco products, including e-cigarettes.

To date, the FDA has authorized 23 tobacco-flavored e-cigarette products and devices. These are the only e-cigarette products that currently may be lawfully marketed and sold in the United States.

ATM Physical Attacks Rise in Europe

EAST has just published a European Payment Terminal Crime Report covering 2023 which highlights a rise in ATM related physical attacks.

ATM related physical attacks were up 24% (from 3,728 to 4,637 incidents). Within this total, ATM Theft (Rip-out)/ATM Burglary (In-situ) attacks were up 5% (from 484 to 506 incidents) and Explosive Attacks were down 2% (from 727 to 714 incidents).

ATM malware and logical attacks were down 77% (from 31 to 7) and all the reported attacks were black box attacks. A black box attack is the connection of an unauthorized device which sends dispense commands directly to the ATM cash dispenser, to ‘cash-out’ or ‘jackpot’ the ATM. Most such attacks remain unsuccessful.

Terminal related fraud attacks were down 30% (from 10,141 to 7,115 incidents). This decrease was primarily due to a fall in cash trapping at ATMs. These attacks decreased by 33% (from 7,166 to 4,795 incidents). Relay Attacks continued to occur with 63 cases reported during the year, down by 87% from the 502 such attacks reported in 2022. The successful attacks resulted in cash out at ATMs. Most losses remain international issuer losses due to card skimming.

EEOC Sues Sheetz For Discriminatory Hiring Practices

The U.S. Equal Employment Opportunity Commission (EEOC) accused Sheetz Inc. and affiliates of having racially discriminatory hiring practices in a lawsuit filed April 18.

According to the federal agency, the convenience store operator has maintained a longstanding practice of screening all job applicants for records of criminal conviction and then denying them employment based on those records. This disproportionately screened out Black, Native American/Alaska Native and multiracial applicants, which violated provisions of Title VII of the Civil Rights Act

The EEOC does not allege that Sheetz was motivated by race when making hiring decisions.

Title VII prohibits facially neutral employment practices that cause a discriminatory impact because of race when those practices are not job-related and consistent with business necessity or where alternative practices with less discriminatory impact are available, stated the EEOC.

The lawsuit was filed in U.S. District Court for the District of Maryland, Northern Division following an attempt to reach a prelitigation settlement through the agency's conciliation process.

"Federal law mandates that employment practices causing a disparate impact because of race or other protected classifications must be shown by the employer to be necessary to ensure the safe and efficient performance of the particular jobs at issue," said EEOC Regional Attorney Debra M. Lawrence.

When Is The Best Time To Have Your Clerks Certified To Sell Tobacco?

NOW. Now, before your clerk fails a sting. If your certified clerk fails a sting, you receive one point against your license. If another certified clerk (because you fired the first one) fails a sting, you will have a second point against your license. It is not until the third certified clerk fails a sting that your lottery and tobacco license will be pulled. Even in this case there is a benefit, after serving your suspension, the three points will be removed.

If an uncertified clerk fails a sting, you will receive two points against your license. Let's say you train your clerks then. The next failed sting will add another point, making three points. Your license will be pulled for a year, and there is nothing you can do about it. It still makes sense to have your clerks certified after the first failed sting for two reasons. A certified clerk is less likely to fail that second sting. If they do, the three points will be removed from your license after you serve your suspension. If you don't have your clerk certified, only three of your four points will be removed and you will be well on your way to another suspension or revocation.

A certified clerk is much less likely to sell to underage customers, meaning you are less likely to have to deal with the hassle of a failed sting. It just makes good business sense to certify your clerks. Remember training them is not the same as certifying them.

ONE MORE THING TO DO TODAY. CHECK YOUR CLERKS CERTIFICATION. IT EXPIRES AFTER THREE YEARS. IF YOUR EMPLOYEE'S CERTIFICATION IS EXPIRED, IT IS THE SAME AS IF IT NEVER EXISTED.

For more information on certifying your clerks call the association at 518-452-4367

AccuWeather Experts Predict Explosive Atlantic Hurricane Season For 2024,

The scene is being set for a turbulent year in the tropics, one that could approach a record-setting pace that may exhaust the entire list of names for tropical storms and hurricanes -- and then some.

The Atlantic hurricane season officially gets underway on June 1 and runs through the end of November, and AccuWeather's team of long-range forecasters say now is the time to prepare for a frenzy of tropical systems. There are signs that the first named system could spin up before the season kicks off as the calendar flips to June, a precursor of what's to come.

AccuWeather meteorologists forecast 20-25 named storms across the Atlantic basin in 2024, including 8-12 hurricanes, four to seven major hurricanes and four to six direct U.S. impacts. This is all above the 30-year historical average of 14 named storms, seven hurricanes, three major hurricanes and four direct U.S. impacts.

The 2020 season is tied with the historic 2005 season for the highest number of named storms, with 30. All signs continue to point toward the upcoming season being worse than the last, with the potential for the 2024 Atlantic hurricane season to rank as one of the most active in history.

Your Inspection License May be Worth Money

Depending on where you are located, it may be possible to sell your license. Before merely turning it in, contact the association for further information.

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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More Pressure to Delay CTA

The American Institute of Certified Public Accountants (AICPA) – along with more than 50 of its state societies and affiliates – once again called on federal regulators to delay implementation of the Corporate Transparency Act.

The letter is a scathing indictment of the new reporting regime and centers on the widespread confusion among the small business community when it comes to understanding their compliance obligations. It reads, in part:

In numerous letters to FinCEN through the BOI rulemaking process and as recently as October of last year, we raised concerns regarding the constricted timeline for the small business community to understand the reporting requirement. We urged caution regarding the failure to provide a reasonable timeframe for small businesses to comply with BOI for both new and existing entities. We also raised concerns with the estimated burden hours and associated time-cost which has effectively become a 30-day tracking requirement.

We are still concerned that small businesses will be caught off guard with the new filing requirement and failure to file could result in steep civil and criminal penalties. The recent NSBA v. Yellen court case which found The Corporate Transparency Act (CTA) to be unconstitutional has only compounded confusion, with most entities believing they no longer have a filing requirement.

This educational gap is significant. FinCEN, the agency tasked with implementing the CTA, estimates that 32 million entities will need to file this year. But an August 2023 survey conducted by NFIB found that 90 percent of respondents were "not at all familiar" with the CTA, with that number declining only slightly to 83 percent in a survey conducted six months later. Meanwhile, FinCEN received 430,000 reports as of mid-February, or just over 1 percent of the total expected. Absent a dramatic change, millions of small businesses will be noncompliant at the end of the year. That's no small matter as non-compliant business owners are subject to penalties of up to 2 years in prison.

What explains this massive shortfall? FinCEN's education campaign to date includes a website landing page, a three-page small business primer and, per their own account, 55 webinars reaching just 8,800 participants. This outreach is on top of extensive efforts by the Main Street community, but it is obvious that more time is needed. Outside of the tax code, the CTA is, after all, the most sweeping data collection initiative in history.

Fortunately, federal lawmakers are coming to the realization that the CTA is not ready for prime time. Legislation that would delay the CTA's reporting requirements by one year passed the House last year and Senator Tim Scott has introduced the companion bill in the Senate. That legislation has cleared the Republican conference and only awaits the support of Senate Banking Committee Chair Sherrod Brown (D-OH) to move through the Senate.

Meanwhile, New York Governor Kathy Hochul signed into law amendments to the recently enacted New York LLC Transparency Act, extending its effective date by two years. It's a clear recognition that the New York effort, which largely mirrors the CTA, is not ready.

Finally, later this month, the House Small Business Committee will hold a hearing entitled, "Under the Microscope: Examining FinCEN's Implementation of the Corporate Transparency Act." Among the witnesses testifying that day is Carol Roth, a staunch advocate for the small business community who has spoken out against the CTA in recent months. She's put out a call to affected businesses to share their stories, which will be included in her testimony – if you want your voice heard, this is an ideal forum.

The bottom line is that Main Street needs relief from this onerous and ill-conceived law. We're encouraged by the recent push to delay the CTA fo ra year and will continue advocating for its repeal.

SSDA-AT continues to support efforts to repeal and delay the CTA.

Forecasting a Realistic Electricity Infrastructure Buildout for Medium- & Heavy-Duty Battery Electric Vehicles Clean Freight Coalition

Numerous new pressures are being placed on the trucking industry. States and the federal government are examining regulations to quickly transition the industry by 2040 to full electrification with the goal to reduce commercial vehicle carbon emissions. The Clean Freight Coalition contracted a study with Roland Berger to determine the added costs to the freight industry and utilities if commercial vehicles reach 100% electrification. This study examined two scenarios- one with current vehicle and charging technology offerings, and the other with modest improvement in both vehicles and chargers- to determine the realistic electricity infrastructure buildout scenario for medium- and heavy-duty battery electric vehicles.

Key Findings:

- Preparing today's commercial vehicle fleet for electrification would require the industry to invest upwards of $620 billion in charging infrastructure alone, including chargers, site infrastructure, and electric service upgrades.
- Utilities will need to invest $370 billion to upgrade their grid networks to meet the demands of commercial vehicles exclusively.
- This nearly $1 trillion expenditure does not account for the cost of purchasing new battery-electric trucks, which, according to market research, can be 2 to 3 times as expensive as their diesel-powered equivalents.
- Given current economic and operational constraints, longhaul, over-the-road trucking is ill-suited for electrification today. However, if significant upfront infrastructure investments are made, opportunities for medium-duty (MD) vehicles and last-mile logistics exist. In addition to infrastructure investments, the feasibility of longhaul battery electric vehicles (BEV) will depend on further vehicle and charger technology advances.
- Policymakers will need to address these cost concerns and technological hurdles to ensure an electrified supply chain functions smoothly for the American economy.

Our findings highlight the significant electric infrastructure costs involved in transitioning to BEVs and emphasize its impact across sectors, notably the trucking industry, the supply chain, and the broader economy. Over the next two decades, a full transition to BEVs would require a substantial and direct expenditure shared by both fleets and utilities, with unknown consequences for the American consumer and ratepayer. Rather than mandating BEVs, policymakers should examine ways to incentivize these vehicles over realistic and reasonable timelines. At the same time, governments should encourage and incentivize the adoption of more efficient clean diesel and alternative-fueled vehicles on the road by eliminating the federal excise tax on trucks

10 Ways to Boost Your Shop’s Tire Service Revenue

ATI Performance Coach, Brian Hunnicutt discusses the various ways you can boost your shop's tire service revenue

Running an auto repair shop isn't just about fixing cars. It's like running a big business with lots of ways to make money. Tire services are a big deal. Lots of shop owners aren't making the most of them. But think about it: every car needs tires, right? Taking care of and replacing those tires can make you a lot of money. As a shop owner, it's important to see how much you could earn from tire services. You can make your shop even better and make more money. Let's look at some easy ways to do that.

Here's 10 Ways to Boost Your Shop’s Tire Service Revenue:

1. Offer a Comprehensive Range of Tire Services
To make the most of tire services, ensure your shop provides a wide array of offerings catering to diverse of your customer needs. This includes tire sales, installation, rotation, wheel alignment, repairs, and even tire storage. By offering a one-stop solution for all things tire-related, you position your shop as the go-to destination for customers' tire needs.

2. Prioritize High-Quality Products and Brands
Investing in top-notch tire products and renowned brands is paramount for customer satisfaction and building a solid business reputation. Partnering with reputable tire manufacturers ensures you deliver reliable and durable products. Remember, customers are willing to pay more for quality, which directly impacts your shop's profitability.

3. Implement Competitive Pricing Strategies
While quality matters, pricing also plays a crucial role in monetizing tire services. Research your local market and competitors to set reasonable and competitive prices. Consider bundling services or offering discounts on installation with the purchase of a complete set of tires. Balancing quality and affordability can attract a broad spectrum of customers.

4. Utilize Upselling and Cross-selling
Enhance the value of each customer transaction through upselling and cross-selling techniques. Train your staff to suggest related services or products when customers come in for tire services. For instance, recommend wheel alignment alongside tire replacement. Offering maintenance products like tire shine can also boost your average transaction value.

5. Implement Loyalty Programs and Discounts
Foster long-term relationships and encourage customer retention by introducing loyalty programs or offering discounts to repeat customers. Consider a point-based system where

customers earn points for every tire service, which they can redeem for future services or discounts, incentivizing them to choose your shop repeatedly.

6. Develop an Online Presence and E-commerce
Establish a robust online presence with a user-friendly website where customers can explore tire offerings, schedule appointments, and make purchases. Integrate e-commerce functionality to allow customers to buy tires directly from your website, expanding your customer base beyond walk-ins.

7. Provide Educational Workshops and Content
Position your shop as a trusted authority by educating customers about tire maintenance and the benefits of premium tires. Host workshops or create informative content on your website/blog covering topics such as tire care tips and tire impact on fuel efficiency. Showcasing expertise builds trust and credibility.

8. Tap into Fleet Services
Don't overlook the potential of catering to local businesses with vehicle fleets. Establish partnerships with fleet managers to offer tire maintenance, replacements, and emergency repairs at discounted rates. This can ensure a steady stream of work for your shop.

9. Leverage Seasonal Promotions
Take advantage of seasonal variations in tire needs by offering targeted promotions. For instance, promote snow tires and winterizing packages before the winter season and highlight tire maintenance services for summer road trips. These promotions attract customers and encourage proactive planning for tire-related services.

10. Deliver Exceptional Customer Service
Outstanding customer service sets your shop apart. Train your staff to provide exceptional service, from greeting customers to completing the job. Friendly and knowledgeable staff who can address queries, recommend suitable tire options, and explain service benefits significantly enhance customer satisfaction and loyalty.

Monetizing tire services in your auto repair shop demands a strategic approach encompassing diverse offerings, top-quality products, competitive pricing, and stellar customer service. By adopting these strategies and staying attuned to customer needs, you can establish a thriving business that shines in the competitive auto repair industry. Remember, satisfied customers are your best marketing tool, driving growth through return visits and referrals.

NYVIP MESSAGE No. 300

DATE: 04/18/2024

TO: ALL INSPECTION STATIONS

FROM: NYS DEPT. OF MOTOR VEHICLES

SUBJECT: OBD EMISSIONS WAIVERS

PLEASE BRING THIS MESSAGE TO THE ATTENTION OF THE STATION OWNER AND/OR MANAGER

The Department of Motor Vehicles has become aware of an increase in the number of emissions inspection waivers being issued. We recognize that there are circumstances that allow the legitimate issuance of an emissions waiver; however, we are concerned about the high numbers of waivers issued.

This message is to proactively remind you of the proper procedure for issuing waivers and to facilitate compliance.

When issuing an emissions waiver, you must follow the four simple steps below:

1. FAIL – The vehicle must fail the emissions inspection due to DTC's (not just monitor readiness).
2. FIX – Make repairs to the cause of initial emission failure within 30 days of failure.
3. REINSPECT – Perform the reinspection.
4. WAIVER – If the vehicle fails the emissions reinspection and passed, or passes, the safety and antitampering part of the inspection, **and** the emission repairs made are more than the minimum value (currently $450.00), a waiver can be issued.

Below is a summary of the steps that should be taken for all vehicles that are presented to a facility for a NYS Vehicle Inspection.

1. Prior to any diagnosis or repairs, fully perform the inspection. Enter all information fully and accurately into the NYVIP inspection unit and receive the Vehicle Inspection Report (VIR) from the unit.
2. Provide customer with the VIR and receive authorization to diagnose and/or repair items that failed the inspection.
3. If authorization was provided by customer, perform the diagnose and/or repairs.
4. Once all authorized diagnosis and repairs have been completed, perform reinspection of the vehicle. Once again enter all information fully and accurately.
5. Emission Repair values need to be entered correctly, even if the $450 dollar threshold is not yet reached, during the reinspection of the vehicle.

Common causes of improper waiver issuance violations:

1. Pre-scanning vehicles before inspection. Repairs performed before the initial emissions inspection failure do not count toward the criteria for issuing an emissions waiver. You

should not pre-scan but must inspect first. If the vehicle fails, **only the repairs related to the cause of the emission failure which are performed within 30 days of the initial failure** will count toward the $450 waiver threshold.

2. An improper entry of emissions repairs. For example, entering repairs that are not emissions- related or entering costs incorrectly. The inspector should enter costs in whole dollars.
3. The waiver form as printed by the NYVIP unit must be properly signed by the motorist and the certified inspector, have the required documentation attached and then maintained by the facility for two years.
4. Initial inspection failures that are for emission monitor readiness only with no DTCs are usually found to be not in compliance for proper waiver issuance.

The specific rules and requirements can be found in the Inspection Regulations CR-79 section 79.25 on the Official NYS DMV website DMV.NY.GOV.

You should review the proper emissions waiver procedure with your inspectors and verify all waivers issued from your Inspection Station are issued appropriately. **Failure to do so may jeopardize your inspection station license.**

If you have any questions regarding this issue, contact the Office of Clean Air at 518-473-0597 option 4, or your local Vehicle Safety Regional Office.

NYVIP MESSAGE No. 301

DATE: 04/25/2024

TO: ALL INSPECTION STATIONS

FROM: NYS DEPT. OF MOTOR VEHICLES

SUBJECT: CAMERA MONITORING SYSTEMS ON COMMERCIAL VEHICLES

PLEASE BRING THIS MESSAGE TO THE ATTENTION OF THE STATION OWNER AND/OR MANAGER

The National Highway Traffic Safety Association (NHTSA) issues limited mirror exemptions for Camera Monitoring Systems (CMS) to be used on commercial motor vehicles at the federal level. These systems utilize digital cameras mounted on the sides of the vehicle to project continuous video to screens mounted to the A-pillar mounted inside the vehicle. The cameras are positioned in a way to show a view of the highway along each side of the vehicle with some added benefits.

NYS is amending regulations to allow for the use of CMS on any Commercial Motor Vehicle operated within NYS when the vehicle meets one or more of the following criteria:

- Has a vehicle weight, weight rating, gross combination weight, or gross combination weight rating exceeding 10,000 pounds.
- Is designed and used to transport over eight passengers and is doing so for compensation.
- Is designed and used to transport more than 15 passengers (including the driver) and is not receiving compensation.
- Is used to transport hazardous materials as defined in Title 49 by the Secretary of Transportation.

Therefore, vehicles that meet those specifics and receive a New York State Heavy Inspection should not be rejected for the use of CMS as a replacement for conventional side view mirrors. The following CMS are the only systems approved for use by the federal exemption at this time:

- Stoneridge - MirrorEyeTM CM (exemption expires 2/12/2029).
- Rosco Vision Inc. - CV Digital CMS CV (Commercial Vehicle Digital Camera Monitor System) (exemption expires 12/4/2027).
- Vision Systems North America, Inc. - Smart-Vision (expires 9/17/2025)
- Bosch and Mekra Lang - Commercial Vehicle Digital Monitor System (expires 1/15/2025)

If the CMS installed on the vehicle is not one listed above, and the vehicle does not have redundant conventional reflective mirrors, then the vehicle must be rejected for the mirror category.

We will continue to update this information as CMS exemptions and expiration dates change.

Thank you.

SUPPORT THE REPAIR ACT AND SAVE MONEY

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."

The Federal Trade Commission (FTC) has determined that the monopoly that auto manufacturers and their dealers have leads to increased costs to the motoring public. The United States General Accounting Office (GAO) agrees with this opinion.

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 Auto Care Association makes it easy to contact your Senator and Congressperson via their website:

https://www.repairact.com

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 support the Repair Act by using this webpage to send a letter to your federal lawmakers. It will take only 30 seconds.