The Economy is the Strongest it Has Been in Years

By Roy Littlefield

A new year and a new decade. For so many reasons, 2020 is a momentous year. America is at a crossroad economically, politically, and globally.

What challenges require our attention? What is our place in the global economy, what can we reasonably get done in 2020?

The state of business in America is uncertain, but positive, growing, and hopeful.

What happens in Washington is perhaps the biggest question mark. The high drama of impeachment continues to unfold, and once that gets resolved, we can get back to POLITICS.

Conventional wisdom says that in an election year, it will be difficult to get any meaningful legislation through congress.

But a great deal can be accomplished. Now is the time for strong leadership, smart decision-making, and meaningful action.

America needs:

• An infrastructure deal to modernize the physical platform of our economy.
• Reform to our immigration system to ensure that businesses have the workers they need.
• Bipartisan bills that can help address climate change through innovation and investment.

As we begin our efforts in the new year and the new decade, we have been busy at events designed to look at where we are and where we should focus our efforts.

I. State of American Energy--We attended the annual overview of energy, hosted by the American Petroleum Institute. Guest included members of Congress, leaders of the nation's oil and energy companies, leaders of organized labor, and leaders of every major energy related association in the nation's Capital. SSDA-AT was recognized for its efforts in the program opening.

Over the past seven presidential administrations, the bipartisan effort has moved America from a nation dependent on sometimes hostile nations for oil and other forms of energy, to the world's top suppliers of energy and now the world's greatest exporters of energy. The benefits of the American energy revolutions have strengthened our position as the top economy in the world.

II. The State of American Business--Hosted by the U.S. Chamber of Commerce, the sessions focused on the 32.6 domestic companies that power the United States economy. The message was that despite the impeachment proceedings, the political divide, the elections, and the uncertainty, American businesses--large and small--cannot take the year off. Inaction is not an option.

Nothing was "suppose to happen" at the end of 2019. While the discussions in Washington captured the headlines, Congress made bipartisan progress on a number of significant business policies.

• After a long process of negotiating the U.S.-Mexico-Canada agreement through eight rounds of negotiations, it passed the House of Representatives and is headed to the Senate.
• Congress also passed and the President signed into law:
  1. A top SSDA legislative priority--full repeal of the Cadillac Tax, the Health Insurance Tax, and the Medical Device Tax.
  2. Extension of the Work Opportunity Tax Credit--another SSDA priority.
  3. A seven-year extension of the U.S Export-Import bank.
  4. Allow retirement options for small business.
  5. Renewal of critical awareness programs to cover flood and terrorism attacks.

SSDA recognizes that there are lawmakers of both political parties who are committed to doing the nation's business. We continue to call for bipartisan compromise and legislative leadership--good old-fashioned governing.
By: Net Driven

Millions of people search the internet every single day looking for solutions to their problems and answers to their questions. Today’s consumers demand the information they need to make informed purchasing decisions. In fact, nearly 88 percent of consumers research products or services online before buying in store. In today’s digital landscape, an easy to find, responsive, website is vital for your business’s long-term success.

Many elements need to be taken into consideration when building and launching a website. In our digital world, a website is often your business’s first impression. It needs to be professional, reflect the unique qualities of your business, and provide visitors what they want – when they want it.

Building your own website or working with an inexperienced web designer can be risky. It can weaken your site’s overall reach and search ranking. While spending less money or building your own website may seem like an economical decision, an experienced web design team knows how to avoid the following mistakes.

Poor Structure & Navigation
A recent study found that 94% of consumers expect a website to be easy to navigate and easy to use. If a visitor can’t find what they need on your site quickly and easily, they will leave and find a frustration-free option. Easy navigation is often ranked as the most useful website feature. By adding simple navigational toolbars and menus, your website can create an intuitive user experience. A successful website delivers an instinctive user-experience that ensures a site’s traffic stays both engaged and also returns.

Lack of Search Engine Optimization (SEO)
Over 93 percent of all online activities start on search engines like Google, Yahoo, or Bing. Why? Simple - people trust Google. By ranking high on search engines, your business builds trust and credibility. Search Engine Optimization (SEO) also pulls in quality traffic to your website. Search traffic is already interested in your products or services. These people are actively searching for the problem your business solves. Keep in mind the average person won’t go past the first five listings on a search engine results page!

SEO, a way to improve your website so it appears closer to the top of search results, can put you ahead of the competition but it isn’t a static process. It is a framework with rules and processes. If

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two websites are selling the same exact thing, the search engine optimized website is more likely to appear closer in the top positions in organic search results. This can have a huge impact on your company’s goals – like increasing your leads and sales.

Missing Call to Action (CTA)
In digital marketing, a CTA is often a button with copy. A CTA is designed to persuade site traffic to take a particular action that will benefit your business. A successful CTA provides a better user-experience by directing what steps your site’s visitors should take next – moving them down the sales funnel.

Without a call to action, visitors leave your site without learning about your services, scheduling an appointment, or without providing any follow-up information. Without a clear CTA on your site, you will lose sales and customers.

Using Free or Low-Cost Templates
Rookie designers may resort to use a free or low-cost design templates. While this may seem like an easy solution, it often creates a disconnected, generic website.

Your business is unique and your website should be, too. Let’s say you pick a website template for your business and you love it. Unfortunately, there is nothing stopping your competitors from purchasing the same template.

A good designer gets an understanding of your business and tailors the design and structure of your site to promote conversions generating more sales.

Avoiding These Common Mistakes
When you invest in a professional web design team, not only are you investing in the visual appearance and accessibility of your website, you are also investing in expert advice, techniques, and best practices creating the best possible user-experience.

Professional designers and digital marketers take time to ensure each website design captures the individuality of the business, provides an excellent user-experience, and can be easily found online. A custom-designed responsive website is where it’s at.
SSDA-AT Supports the RPM Act

New Minimum Wage Rates Now in Effect in 21 States

With a new year comes new minimum wage rates.

As of January 1, 2020, the minimum wage increased in the following states: Alaska, Arizona, Arkansas, California, Colorado, Florida, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, New Jersey, New Mexico, New York, Ohio, South Dakota, Vermont, and Washington.
The head of the largest U.S. energy industry group on Tuesday warned that Americans risk choosing the “wrong path” in the 2020 presidential election if they vote for a candidate seeking to fight climate change by banning drilling.

The chief executive of the American Petroleum Institute said such proposals from Democratic candidates seeking to unseat Republican President Donald Trump pose a threat to the economy, and urged a room filled with nearly 800 energy executives to push back against them.

The industry group also announced a multi-million dollar advertising campaign, focused on U.S. political swing states, that bills the oil and gas industry as a leader in cutting greenhouse gas emissions through improvements in technology.

“We know many candidates now are talking about this industry and we want to make sure the American people hear our story,” said API President and CEO Mike Sommers.

U.S. Democrats hoping to run against Trump in November’s election have vowed to rapidly shift the country away from planet-warming fossil fuels if elected to help avert the worst impacts of global climate change.

To do so, several candidates here have promised to end new drilling on public lands, and some have proposed a national ban on hydraulic fracking - a controversial drilling technology that pumps water and chemicals into rock formations to access petroleum deposits.

They argue that transitioning to a zero-emission economy would create millions of new jobs in clean energy industries like solar and wind that would compensate for jobs lost in drilling and mining.

The United States has become the world’s top oil and gas producer thanks to a fracking-led drilling boom. The API will release a report later this week showing that a fracking ban would put over 7 million jobs at risk by 2022 and cost the economy $7.1 trillion by 2030, Sommers said.

U.S. emissions here of the gases that scientists blame for climate change, meanwhile, have been declining for about a decade, thanks mainly to the replacement of scores of old and inefficient coal-fired power plants with natural gas facilities.

But the future of U.S. emissions has been cast into doubt as the Trump administration seeks to boost domestic fossil fuels development by rolling back Obama-era climate protections and other environmental regulations.

While the oil industry has been a vocal supporter of the Trump administration’s regulatory rollbacks, the API’s ad campaign will cast the industry as an ally of Democrats and environmentalists seeking to cut emissions.
State of American Energy 2020

The U.S. is the global leader in energy production, carbon emissions reductions and environmental performance. In 2020, the State of American Energy is one of leadership in natural gas and oil development and ongoing progress toward global climate solutions.

For decades, U.S. energy policy has focused on reducing our dependence on foreign natural gas and oil – the outlook was often defined by scarcity, rather than abundance. Each of our last seven presidents understood that clean, affordable and reliable American energy is essential to both economic growth and national security. And today, our nation has achieved this hard-fought, bipartisan goal.

This was the overarching message of the State of American Energy event in Washington, D.C., where API unveiled its latest advocacy campaign – Energy for Progress – focused on establishing a shared vision for a brighter energy future.

In the keynote address, API President and CEO Mike Sommers emphasized that the benefits of American energy progress are felt by everyone – in Colorado and New Mexico, Ohio and Pennsylvania, and with our trading partners across the globe:

“U.S. energy leadership offers stability in chaotic times and insulates America from hostile and unreliable suppliers of energy. The global benefits of American natural gas and oil on the international stage are compelling. But if you want to know the value of energy leadership in 2020, you also must zoom in to see its benefits here at home. They’re on display from the smallest American communities to our biggest cities. American energy is powering the lives of people across our nation.”

API’s annual report – “This is Energy Progress” – tells the story of seven communities that have felt the positive impacts of the U.S. shale revolution. With decreased household energy costs, increased investment in infrastructure projects and expanded opportunities for skilled tradespeople, domestic energy abundance is an economic asset for millions of Americans. Sommers remarked:

“Natural gas and oil help explain why, in parts of America that haven’t seen job growth for decades, you’ll now find a vibrant manufacturing base… and more tax revenue for schools, police, public works, conservation, and everything else that powers modern life.”

The event also included a panel discussion featuring Terry O’Sullivan, General President of the Laborers’ International Union of North America; Karen Kerrigan, President and CEO of the Small Business and Entrepreneurship Council; Leslie Beyer, President of the Petroleum Equipment and Services Association; and Mike Rowe,

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State of American Energy 2020

former host of Discovery Channel’s Dirty Jobs. Among other topics, the experts discussed the state of the energy workforce and the need for sensible policymaking on trade and infrastructure. Mike Rowe stated, plainly:

“Energy is always in the room...Every single American is relying on it.”

Still, there are those intent on halting U.S. energy development – offering unrealistic policy proposals that promise to ban state-of-the-art techniques, like hydraulic fracturing and horizontal drilling, or permanently restrict natural gas and oil production on federal lands. These agenda-driven positions all but assure a retreat from our decades-long advance toward energy security and economic prosperity. Sommers explained:

“At the extreme, we hear promises on the 2020 campaign trail to ban fracking, nationwide and forever. Here’s a glimpse at that vision: Millions of jobs lost, a spike in household energy costs, a manufacturing downturn and less energy security. In the short run, a fracking ban in America would quickly invite a global recession. You don’t abolish the most dynamic asset of the world’s leading energy supplier without severe consequences.”

But the lawmakers and presidential contenders presenting these positions on fracking, energy infrastructure, and federal and offshore leases offer false choices when comprehensive and common-sense solutions are within reach. Simply put, the U.S. doesn’t have choose between energy abundance and environmental progress.

By advocating for smart policies that advance industry-led innovations, we can continue to expand the economy, supply affordable natural gas and oil to consumers and drive down emissions of carbon dioxide. Sommers noted:

“Bold and achievable action on climate change at the global level is essential, and America’s natural gas and oil industry is committed to innovation and leadership to make these ambitions more than just hopes and dreams. We support legislation to encourage wider use of carbon-capture, utilization, and storage technology—a breakthrough based on American ingenuity.”

In 2020, this industry – and our nation – finds itself at a defining moment. As the global demand for energy rises and actions to combat climate change intensify, America’s natural gas and oil industry is poised to tackle this dual challenge and create a better, brighter future for all. This is the State of American Energy. This is energy for progress.
Trump Infrastructure Proposal Impacts 'Virtually Every' Federal Decision on Environment: DOI Secretary

- President Donald Trump unveiled major changes to how his administration will implement a 50-year-old law that will ease the energy industry's ability to secure environmental permits for major infrastructure projects.

- The proposal would cut down federal permitting timelines under the National Environmental Policy Act (NEPA) and reduce the amount of agencies overseeing the permitting process, among other changes. "I believe [this plan] will be the most significant deregulatory proposal you ultimately implement," Department of the Interior Secretary David Bernhardt told the president after the announcement.

- Energy groups from coal to wind praised the changes, noting the 1969 law has not been updated since 1978, and environmental reviews badly needed streamlining. But environmentalists fear the changes will omit critical emissions considerations and add ambiguity to a formerly well-defined process.

Trump's announcement focused largely on road and highway impacts, but industry groups and environmentalists note the implications for the energy sector are significant.

Utilities across the country "are investing more than $110 billion annually in smarter energy infrastructure," Quin Shea, Edison Electric Institute Vice President, Environment, Natural Resources, and Occupational Safety & Health said in an emailed statement. "It is critical that energy infrastructure siting and permitting processes be streamlined to ensure that we are able to deliver the clean energy future that our customers want and expect."

The Trump administration first directed the White House Council on Environmental Quality (CEQ) to begin overhauling NEPA in February 2018, under a wide-ranging infrastructure plan. "This is a really, really big proposal" Bernhardt said. It "affects virtually every significant decision made by the federal government that affects the environment."

Trump said the change is part of his "campaign to slash job-killing regulations," while maintaining protections over the environment.

Climate change "is a very serious problem," he said. "I want clean air, I want clean water … But I don't want to close up our industry because someone said you have to go with wind, or someone said you have to go with something that doesn't have the capacity to do what we have to do."

Wind, gas and coal mining industries all support the White House's proposed changes. Approvals for pipeline and offshore wind permitting are two critical areas impacted by these changes that have seen significant delays under current NEPA rules.

Environmental reviews ordered under NEPA have delayed high-impact projects such as the Keystone XL Pipeline. And in August, the Bureau of Ocean Energy Management delayed Vineyard Wind's permitting analysis, which "will likely upend the supply chain, financing and construction timeline for the project," according to the pro-NEPA revision coalition Unlock American Investment.

"While America's wind energy industry supports the fundamental goals of NEPA to appropriately consider potential environmental and climate impacts, the NEPA process has not been revised in
decades," said Amy Farrell, Senior Vice President of Government and Public Affairs for the American Wind Energy Association. "As a result, infrastructure projects, including land-based and offshore wind energy and transmission development, have encountered unreasonable and unnecessary costs and long project delays."

Natural gas groups noted the proposed changes are consistent with what they asked for in terms of greenhouse gas regulations and an overall streamlined process.

"This proposed rule will streamline, clarify and modernize the permitting and environmental review process and will help facilitate the environmentally-responsible construction of natural gas infrastructure," the American Gas Association said in a statement.

Nuclear and solar groups did not immediately have a reaction to how the proposed changes may impact those sectors.

But environmental advocates fear the proposed changes will lead to insufficient environmental impact challenges, undo years of progress on climate change, and at the end of the day only lengthen the permitting process through court battles.

"Everyone involved in energy infrastructure projects, particularly gas pipelines, [has] been trying to needle out how we handle this 'X factor' that we all know exists in climate change," Natural Resources Defense Council Attorney at the Sustainable Federal Energy Regulatory Commission project Gillian Giannetti told Utility Dive. "The courts had been working to put meat on the bones so FERC and everyone involved can understand what needs to be done. And these proposed regulations are clearly an attempt to upend all of that."

Of top concern is the elimination of words such as "direct," "indirect" and "cumulative" from regulatory language, all words that have "been in NEPA regulations since 1978 and do exactly what regulations are supposed to do — provide color, context and help to inform regulators how to implement statutes that are typically much more generalized in their description," said Giannetti.

Eliminating those words will allow agencies conducting environmental impact reviews to ignore the long-term climate impacts of pipelines and other major infrastructure projects. Those changes "would allow [an] agency to really zero in on this tunnel vision where they say, 'Well, you know, we have no authority to prevent the cataclysmic effects of climate change,'" Harvard Energy and Environmental Law Fellow Caitlin McCoy told Utility Dive.

There is also increased ambiguity of what exactly constitutes a federal review, noted Giannetti and McCoy. The proposal raises the question of whether a monetary threshold should be set for what constitutes federal involvement and therefore what triggers NEPA to apply.

"A lot is up in the air," said McCoy, which is likely to spur court battles. However, under the current proposal, any lawsuits or challenges raised against a permit, would not be able to reach a court until after an agency actually issues a permit or a decision is finalized by a regulator.

"That's a big change because it means that projects are going to be allowed to get further along," said McCoy. "They're going to be more developed and fully ready to break ground ... [before] challengers will be allowed to bring their challenges."
Great News!

New Jersey Governor Phil Murphy signed into law Senate Bill 1712, which would require vehicle manufacturers to send to consumers a notice within 90-days of a new car lease or purchase of their warranty rights under the federal Magnuson Moss Warranty Act.

This bill passed both chambers of the New Jersey Legislature with broad bipartisan support. The bill passed the Senate (31-0) and passed the Assembly (74-0), showing the overwhelming support for this consumer notification in the car buying process.

In addition, the vehicle manufacturers will have to place the same notice online or in the owner’s manual. This is only the second bill requiring consumer notification of Magnuson Moss rights to be passed in the country.

Many thanks to our coalition partners who worked tirelessly over the past two years to get this bill passed and lobbying team who helped negotiate, advocate and push all levers of influence to get this done.

It would be careless to not highlight our allies from start to finish in this battler. Special thanks and appreciation to Sal Risalvato and Eric Blomgreen from the New Jersey C-Store, Automotive Association, AAA Automotive, Roy Littlefield from the Tire industry Association and SSDA-AT, Andreas Heiss of LKQ Corporation, Dennis Hart, Ed Waters and Ben Graziano from State Street Associates.

To conclude, this bill takes effect immediately!
Natural Gas Prices in 2019 Were the Lowest in the Past Three Years

In 2019, natural gas spot prices at the national benchmark Henry Hub in Louisiana averaged $2.57 per million British thermal units (MMBtu), about 60 cents per MMBtu lower than in 2018 and the lowest annual average price since 2016. Lower natural gas prices in 2019 supported higher consumption—particularly in the electric generation sector—and higher natural gas exports. Continued growth in domestic production of natural gas also supported lower natural gas prices throughout the year.

Monthly average natural gas prices at most key regional trading hubs in 2019 reached their highest levels in February, and they were relatively low and stable from April through December. In the Northeast, additional imports of liquefied natural gas (LNG) into New England limited price spikes during the winter of 2018-19. Despite a cold snap in the Midwest in February 2019, natural gas prices at Chicago Citygate were lower than during previous extreme weather events.

However, in the Pacific Northwest, unseasonably cold weather at the end of winter coupled with regional supply constraints and decreased storage inventories led to significant price spikes at the Northwest Sumas hub in March. Additional pipeline takeaway capacity in the Permian region eased some infrastructure constraints and increased regional prices at the Waha hub in western Texas after six consecutive months of prices lower than $1/MMBtu (March through August).

Natural gas consumption in the residential and commercial sectors increased by 2% in 2019 compared with 2018, based on the U.S. Energy Information Administration’s (EIA) monthly data through October and estimates for November and December. Natural gas use in the electric generation sector also increased in 2019, particularly in July and August when a heat wave in the Midwest and the Northeast led to record-high generation by natural gas-fired power plants.

Lower summer natural gas prices, which averaged $2.33/MMBtu in June through August (the lowest summer average Henry Hub natural gas price since 1998), have supported higher natural gas-fired generation in the summer months.

Dry natural gas production has grown every year since 2016. Production increased by 7.5 billion cubic feet per day (Bcf/d) (9%) through the first 10 months of the year after record growth in 2018. Sustained growth in natural gas production put downward pressure on prices, which continued to decline for most of 2019.

Natural gas storage inventories ended the withdrawal season at the end of March at their lowest levels since 2014. However, record natural gas production growth supported near-record injection activity during the injection season through October. The injection season ended with the second-highest net injection volume since 2014.

Most new pipelines placed in service in 2019 were located in the South Central and Northeast regions. These pipelines provide additional takeaway capacity out of the Permian and Appalachian supply basins and will serve growing demand for LNG exports, pipeline exports to Mexico, and U.S. natural gas-fired power generation.

In 2019, natural gas exports—both by pipeline to Mexico and as LNG—continued to grow. U.S. natural gas exports to Mexico by pipeline averaged 5.1 Bcf/d in the first 10 months of 2019, 0.4 Bcf/d more than the 2018 average. Following an expansion in U.S. cross-border pipeline capacity, several new pipelines in Mexico continued to experience delays, limiting growth in exports.

U.S. LNG exports set a new record in 2019, averaging an estimated 5.0 Bcf/d (69% higher than in 2018) as the United States became the third-largest global LNG exporter. Several new LNG facilities were placed in service in 2019. Louisiana’s Cameron LNG placed its first liquefaction unit (referred to as a train) in service in May.

Texas’s Freeport LNG exported its first cargo from the newly commissioned Train 1 in September, followed by its first export cargo from Train 2 in December. Corpus Christi LNG (also in Texas) commissioned its second train in July. In December, Georgia’s Elba Island placed in service the first three of its moveable modular liquefaction system (MMLS) units and exported its first LNG cargo.
Divergent Paths: Oil, Natural Gas Going Different Directions

The diverging fundamentals of U.S. oil and natural gas can be seen dramatically in the markets, where the oil-to-gas price ratio has surged to its highest in six years.

The oil-to-gas ratio, or the level at which oil trades compared with natural gas, recently reached 30-to-1, and could increase further as analysts expect average gas prices will fall for a second consecutive year in 2020 to their lowest level in over 20 years.

That is because most U.S. drillers are not looking for gas.

Companies like EOG Resources Inc (EOG.N), Pioneer Natural Resources Co (PXD.N), Diamondback Energy Inc (FANG.O) and Exxon Mobil Corp (XOM.N) are mostly seeking more valuable oil and natural gas liquids, which bring with it a lot of associated gas, making producers less sensitive to gas price declines.

S&P Global Ratings


U.S. oil futures CLc1 this week hit their highest level since April, while gas NGc1 was near its lowest since August, boosting the oil-to-gas ratio to 30-to-1, highest since September 2013.

Over the last five years, that ratio has averaged 19-to-1, but oil prices have risen in the last year while gas has edged lower. Mild weather and a glut of new supply has held back gas, even as U.S. exports of super-cooled liquefied natural gas have soared.

On an energy equivalent basis, oil should trade about six times over gas.

Spot gas prices at the U.S. Henry Hub NG-W-HH-SNL benchmark in Louisiana fell 19% to average $2.56 per million British thermal units (mmBtu) in 2019. Analysts project that average will fall to around $2.31 in 2020, which would be its lowest since 1999.

Speculators have boosted short positions in futures and options on the New York Mercantile Exchange 3023651MSHT to the highest since November 2015, according to data from the U.S. Commodity Futures Trading Commission.

The increase in shorts comes as record production allowed utilities to boost the amount of gas in storage to near normal levels ahead of the coming heating season.

Gas production rose about 10% in 2019 to a record 92.05 billion cubic feet per day (bcf/d), according to the U.S. Energy Information Administration.

Analysts expect the pace of that growth to fall as energy firms cut spending, but EIA still expects output will rise about 3% in 2020.
North America Leads Global Crude Oil Pipeline Additions

Construction of new crude oil pipelines in North America will account for the majority of the planned oil pipeline length additions globally between 2019 and 2023, data and analytics company GlobalData said in a new report.

North America will contribute some 51 percent to all new crude oil trunk or transmission pipeline additions through 2023, with expected combined new-build crude oil pipeline length of 14,344 kilometers (8,913 miles) by that year.

In North America alone, as many as 29 new-build crude oil pipelines are expected to begin operation by 2023. Of those, 16 pipelines are planned projects and 13 are in early-stage announcement, Varun Ette, Oil and Gas Analyst at GlobalData, said.

“The Liberty Oil Project is the longest upcoming announced pipeline in the region with a length of 2,172.2km,” Ette noted.

A lot of crude oil pipelines are also planned in the Permian in the U.S., where crude oil production outpaced takeaway capacity in 2018.

A total of nine intrastate crude oil pipeline projects have been announced or are under construction in the Permian with in-service dates between 2019 and 2021, the EIA said last year.

The pipelines are expected to ease the Permian takeaway capacity constraints as they move crude oil throughout Texas and Louisiana.

In terms of combined length of announced and planned new oil pipelines in the world, Asia comes second after North America, followed by the Middle East, Africa, the former Soviet Union (FSU), South America, and Europe, according to GlobalData.

Asia will account for 16 percent of the global new crude oil pipeline length over the next three years, with six oil pipelines expected to come on line by 2023. The Gwadar–Kashgar pipeline between Pakistan and China will be the largest in the Asian region in the next three years.

In the Middle East—the third-biggest contributor to the new-build pipelines globally—the Basra–Aqaba Oil pipeline will be the longest pipeline in the region.
Plastic Packaging Ban 'Could Harm Environment'

Firms are swapping to other packaging materials which are potentially even worse for the environment, the cross-party Parliamentary group warns.

Glass bottles, for instance, are much heavier than plastic so are far more polluting to transport.

Paper bags tend to have higher carbon emissions than plastic bags – and are more difficult to re-use.

The change in packaging materials has been prompted by concern from shoppers about the impact of plastic waste in the oceans.

But the authors of the report, called Plastic Promises, say the consequences of using new materials have not been properly assessed. Several supermarkets, for instance, are selling more drinks in coated cartons under the assumption that they can be recycled.

In fact, the Green Alliance says, the UK only has the facilities to recycle a third of the coated containers in circulation. The group has been working with recycling organisations to survey shops’ anonymous responses to public anxiety about plastic polluting the oceans.

Its spokeswoman, Libby Peake, told BBC News: “A lot of shops are selling packaging described as biodegradable or compostable.

“In fact the items might only be composted in an industrial composter – and, even then, some items might not be fully digested.”

The report says: “Over 80% of consumers think biodegradable or compostable plastic is environmentally friendly, but there is little understanding of what the terms mean and how the material should be dealt with.

“Our interviewees wanted a clearer approach to where it should be used and how it should be marked to avoid confusing consumers and potentially causing more problems.”

The retailers worried that confusion could potentially harm the environment if people either put "compostable" plastic in with conventional plastic, or littered it, wrongly assuming it would biodegrade like an apple core.

Some companies that had tried using this type of plastic also suggested that the material did not degrade as expected in real world conditions. One firm is quoted as saying: “Consumers are hugely confused about what bio-based, compostable and biodegradable mean.

“We are aware that [by switching from plastic to other materials] we may, in some cases, be increasing our carbon footprint.”

Another said: "If I could have a magic wand, I’d like to see more joined up, top-down government intervention… We would like to see government be braver."
Plastic Packaging Ban 'Could Harm Environment'

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A different firm said: “Packaging technology innovations can be quite the competitive advantage in the current climate.”

Andrew Opie, from the British Retail Consortium, echoed calls for a clearer strategy.

He said: “All responsible retailers agree that climate change needs to be at the heart of their business, whether that is sourcing products or changing packaging.

“Plastic remains the most effective material in many circumstances - for example cucumbers wrapped in plastic last 14 days longer, reducing food waste.

"A coherent waste and resources strategy is one that prioritises reducing the environmental impact of the things we buy, not simply reducing plastic use.”

The government published its resources and waste strategy in December 2018, and has conducted initial consultations on three policies: extended producer responsibility for packaging; introducing a deposit return system for drinks bottles; and bringing in greater consistency for recycling and waste collections.

Ministers say businesses will pay for 100% of costs for dealing with material when it becomes waste, as opposed to around 10% currently.

Consultations on the three topics are expected later this year, but the timeline for their implementation remains unclear, and the government has not confirmed if the deposit return will apply to all materials and container sizes. The government has partially banned microbeads, and a ban on plastic straws, stirrers and cotton buds is set to come in later this year.

A ban on expanded polystyrene has also been mooted and the Treasury has promised to introduce a tax on plastic packaging that does not include at least 30% recycled content.

The UK has committed to adopting the EU’s Circular Economy Package, which includes much more stringent recycling targets, but has not committed to transposing the Single-Use Plastics Directive, which requires more widespread action on plastic reduction, including bans on plastic cutlery.

They have said, however, that they will meet or exceed whatever the EU does in this area.

It is also not clear if the UK will adopt the EU’s much more wide-ranging ban on microbeads.
One Small Win for McDonald's, and One Giant Victory for Small Business Owners

The National Labor Relations Board (NLRB or the Board) has ordered an administrative law judge to approve a settlement previously reached between McDonald's, its franchisees, and workers.

It appears the NLRB has restored the old rule that a joint employer relationship only exists if two or more employers both had the power to: hire or fire an employee; supervise and control an employee's work schedules or conditions of employment; determine an employee's rate and method of payment; and maintain an employee's employment records.

By ordering approval of the settlement, the NLRB effectively agreed with McDonald’s that it is not a joint employer and therefore should not be held liable for its franchisees' labor practices—a major win for McDonald's, as well as companies throughout the nation who use the franchising model (and their franchisees).

DOL Issues Opinion Letter Addressing Calculating OT Pay

The U.S. Department of Labor has released a new opinion letter addressing the calculation of overtime pay for a non-disccretionary lump-sum bonus paid at the end of a multi-week training period. In the scenario presented, the employer informs employees in advance that they will be eligible to receive a lump-sum bonus of $3,000 if they successfully complete 10 weeks of training and agree to continue training for an additional eight weeks. The bonus is non-disccretionary, but the employee does not have to complete the additional eight weeks of training in order to retain the lump-sum bonus. The question relates to an employee who works 40 hours per week during eight weeks of the 10-week training period, but works 47 hours in week five, and in week nine, works 48 hours. At the threshold, the opinion letter noted that the lump-sum bonus paid to employees must be included in the regular rate of pay "as it is an inducement for employees to complete the ten-week training period." Further, because the employer pays the lump-sum bonus to employees for completing the 10-week training and for agreeing to additional training, without having to finish the additional training, the lump-sum bonus amount must be allocated to the initial 10-week training period. Further, it is appropriate for the employer to allocate the lump-sum bonus of $3,000 equally to each week of the 10-week training period. Each of the 10 weeks counts equally in meeting the criteria for receiving the lump-sum bonus because missing any week (no matter whether overtime is worked in that week) disqualifies the employee from receiving the lump-sum bonus. The employer then must calculate the additional overtime pay due in those workweeks of the 10-week training period in which the employee worked more than 40 hours.
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