

SIGMA WEEKLY REPORT

November 28, 2005

OREGON TO SHUT DOWN NON-COMPLIANT UST FACILITIES

By the end of January 2006, the Oregon Department of Environmental Quality plans to close down underground storage tank facilities--primarily gas stations--that have not complied with several federal and state regulations. First, underground storage tank owners and operators are required to carry pollution liability insurance. In addition to financial responsibility, owners must maintain spill-prevention and overfill equipment, leak detection systems, and corrosion protection. Out of nearly 2,000 underground storage tank facilities in Oregon, approximately 50 facilities have failed to meet the requirements. If by January 23, 2006, a facility is still non-compliant, it will be required to empty its tanks and will be prohibited from dispensing gasoline.

50TH ANNIVERSARY OF THE INTERSTATE HIGHWAY SYSTEM

The American Association of State Highway and Transportation Officials (AASHTO) is planning a celebration of the 50th Anniversary of the Interstate Highway System. In 1956, a military convoy drove from Washington, D.C. to San Francisco. Led by Dwight Eisenhower, it was the first such trip by motorized vehicles. His miserable experience helped him decide to create the Interstate Highway System in 1956. Part of the celebration will include a retracing of this trip. AASHTO is looking for places for their re-enactment convoy to stop. Any SIGMA members who would be interested in participating should contact Michelle Houston at The Marcus Group-- 202-203-9066 or e-mail mahouston@comcast.net.

ALL APPROPRIATE INQUIRY

SIGMA counsel has prepared a detailed memo on the EPA final "all appropriate inquiry" rule, which sets forth certain standards for a purchaser to undertake when considering a real estate or other acquisition to avoid potential liability under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). A copy of the memo can be found on SIGMA's website, www.sigma.org.

SPRING '06 RATE DISCOUNT

[SAVE \\$100 by registering for SIGMA's Spring Convention before Wednesday, November 30, 2005.](#) The convention will take place at the Westin La Cantera Resort in San Antonio, TX on April 27-30, 2006. For more information, please call the SIGMA office at 703-709-7000 or visit www.sigma.org. Rates go up December 1.

NEW FUEL ECONOMY TESTING

On November 18, EPA Administrator Stephen Johnson announced the agency plans to revamp the testing system that rates vehicle fuel economy. Johnson said the new testing measures will reflect "real world" conditions, such as driver habits, vehicle maintenance and air conditioning use. Energy legislation enacted in August requires the agency to revise the current system. The proposed changes should be in place by the end of 2005 and will be in place for automobiles sold in September 2007.

ARTWORK, ANYONE?

As most of you know by now, SIGMA has moved into a new office space. We're mostly settled, but our walls are bare! If anyone has any artwork they would like to donate to help decorate our office, call 703-709-7000 and let us know!

FOREIGN INVESTMENT IN U.S. REFINERIES

Energy Secretary Samuel Bodman said that the Middle East is likely to invest in expanding U.S. refinery capacity in the near future. Bodman recently visited four nations within the Middle East—including the United Arab Emirates, Kuwait, Qatar and Saudi Arabia—and spoke often on the need to increase U.S. refining capacity as a way to combat soaring energy prices. Saudi Arabia is interested in expanding its presence in the U.S. downstream sector, announcing on Sept. 21 to expand the capacity of three Gulf Coast refineries via Motiva Enterprises LLC. This proposed expansion projects range from 100,000 barrels a day to 325,000 barrels daily, which would make the facilities among the largest in the United States. Kuwaiti leaders will also persuade the Kuwaiti Parliament to approve foreign investment in the U.S. refinery capacity by year's end, overcoming longstanding opposition.

BUSH LIKELY TO VETO SENATE TAX RELIEF ACT

The Bush administration issued a policy statement on Nov. 17 threatening to veto the recently-passed Senate tax reconciliation bill (S. 2020). Energy Secretary Samuel Bodman agrees with the administration's decision, claiming the tax accounting change provision added by Senate Finance Chairman Charles Grassley (R-IA) would cost the oil industry about \$5 billion over five years. Bodman describes the added provision as a windfall profit tax in disguise and refers to past futility experiences with such a tax, which led to reduced oil production.