Walter Wright

From:Karen Gehre [Karen@aoma.org]Sent:Friday, December 28, 2012 12:03 PMTo:'AOMA Members'Subject:Gov. Beebe Declares State of Emergency - DOT Exemption for Commercial Carriers Hauling
Fuel through January 11, 2013Attachments:KMBT28220121228093744 (1).pdf

AOMA Members,

Governor Beebe has declared a state of emergency in Arkansas through January 11, 2013. The declaration "exempt(s) any motor carrier or driver operating a commercial motor vehicle... relief during an emergency from Parts 390 through 399 of Chapter 49, Code of Federal Regulations" [including Part 395 Hours of Service of Drivers] and "applied to commercial carriers hauling gasoline, diesel, jet fuel and liquefied petroleum products to customers in Arkansas".

A copy of Governor Beebe's Proclamation is attached.

In addition to the waiver of hours of service rules, the declared state of emergency also triggers price gouging guidelines.

Here are some FAQ's on fuel pricing while under an emergency declaration.

Q. When can I adjust my fuel prices once a State of Emergency has been declared?

A. You can adjust your price immediately but you must stay within regulatory guidelines to avoid violating price gouging guidelines.

Q. How often can I adjust my prices during a State of Emergency?

A. You can adjust your prices as often as you want as long as you do not violate the price gouging guidelines.

Q. Can I raise my price when I receive a price increase notice from my supplier?

A. NO. YOU CAN ONLY PASS ON AN INCREASE IN THE COST OF PRODUCT ONCE YOU HAVE RECEIVED THAT PRODUCT.

Q. Can I raise my price to meet competition?

A. Not if that increase violates the price gouging guidelines for your location. It is important to note that the guidelines for each location are the same, the times and amounts that you may make price changes may be different for each location.

You can raise the retail price no more than 10% of the retail price you have in place at the time a Declaration of Emergency is put into place. You can enact the 10% increase on your current retail only one time during a Declaration of Emergency. You may enact the 10% in one move or spread it out over a number of moves, but the gross amount cannot exceed 10% of the posted retail at the time the declaration was implemented.

You may pass on all product cost increases plus an additional 10% of the increase amount.

You may not pass on a cost increase just because you have received notice, you must receive the actual product at your location. You may have a <u>limited</u> amount of old product on hand and you may raise the cost of that product once you receive your new, more expensive product.

Steve Ferren, Executive Vice President Arkansas Oil Marketers Association, Inc. P.O. Box 229 Little Rock, AR 72203 Office Phone: <u>501-374-6293</u> Ext. 201 Cell Phone: <u>501-425-1033</u> Text Message: 870-289-1234 Fax: <u>501-374-7351</u>

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Executive Department

PROCLAMATION

TO ALL TO WHOM THESE PRESENTS COME -- GREETINGS:

DR 12-31

- WHEREAS: A severe winter weather system, beginning December 25, 2012, has resulted in dangerous road conditions and widespread power outages, creating a backlog of deliveries by carriers hauling gasoline, diesel, jet fuel, and liquefied petroleum products to customers in Arkansas; and
- WHEREAS: There is also additional delivery demand to keep utility crews and their equipment fueled to repair power outages; and
- WHEREAS: Adverse circumstances have been brought to bear upon the citizens and public properties within the State; and
- WHEREAS: 49 C.F.R. Section 390.23 authorizes a state governor to declare a regional emergency during the duration of the emergency conditions, not to exceed thirty (30) days from the date of the initial declaration of emergency, and to exempt any motor carrier or driver operating a commercial motor vehicle to provide direct assistance in providing emergency relief during an emergency from Parts 390 through 399 of Chapter 49, Code of Federal Regulations;
- NOW, THEREFORE, I, MIKE BEEBE, Governor of the State of Arkansas, acting under the authority vested in me by Act 511 of 1973, as amended, do hereby declare that a state of emergency exists in the State of Arkansas insofar as applied to commercial carriers hauling gasoline, diesel, jet fuel, and liquefied petroleum products to customers in Arkansas, and said state of emergency and the provisions of this proclamation shall exist and be in effect through January 11, 2013.
- IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Arkansas to be affixed this 28th day of December, in the year of our Lord 2012.

MIKE BEEBE, GOVERNOR

MARK MARTIN, SECRETARY OF STATE

