



Wyoming Fuel Tax News

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SPECIAL POINTS OF INTEREST:

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- **Interim Committee Update**
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FTA Redesign

Well, we are halfway through 2014, and we are curious as to where the time went! This has certainly been a busy year to this point, and the changes on the horizon mean that the remainder of the year is going to be just as busy.

We find ourselves expediting some of the strategies related to our strategic goal of improving our efficiency and effectiveness due to changes in our team staffing. Most notably, we are doubling our efforts at redesigning the processes we use in FTA, and we anticipate implementing the redesigned processes within the next six months. Our expectation is that the transition will be seamless to our customers and that you will continue to receive the same, and hopefully a higher, level of service from our team.

However, you will likely notice some outcomes from the redesign as it will change how we provide customer service and, to a degree, how we process the work of the program. As part of this redesign, our team will be split into work teams focused on specific areas of our business, with the ultimate internal goal being self-directed work teams. The intention is to position team members where they can utilize their strengths while working on tasks and projects they prefer. While we are unlikely to achieve utopia with this plan, we are aware that when team members are using their strengths performing work they prefer, they are more efficient and effective. These two teams will work collaboratively to achieve the goals of the program, and regardless of design we have always viewed our work processes as circular in nature. To that end, the ultimate measurements of success will be gauged against the FTA Team, and other relevant

measures will be applied to each of the work teams and then to the individual team members.

In light of this design, one of the many outcomes for our customers should be more timely and consistent interactions with our team. While we believe that overall we have been timely with our communications, we do appreciate that we may not have been as consistent as we would like. The new design will not only provide more consistency, it will also provide clearer understanding of what you can expect from us and how we hope to partner with our customers.

We consistently work on six month timeframes when implementing change within our program meaning that if an *improvement* is not working as designed after six months, we go back to the drawing board. Additionally, in this case, we are moving forward with implementation at about 65-70% certainty about the plan due to the need to expedite the change more quickly. Being clear about this allows us to appreciate that there may be a good amount of *tweaking* to be done as we work through implementation.

In addition to the new design of our processes, we are anticipating the implementation of the “new” operating system that we have mentioned over the past several years. While not ideal timing, it looks as though these two projects may be implemented within the same timeframe.

We are very excited about the possibilities that this new design provides. As we work through the transition, please do not hesitate to let us know of any concerns or questions you may have.

Joint Interim Revenue Committee Update



As we mentioned in the last newsletter, at the end of this year's legislative session the Joint Interim Revenue Committee agreed to perform an interim study on the taxation of all alternative fuels. FTA asked for consideration of this topic with the support of industry as there are many more questions to be asked and answered concerning the taxation of alternative fuels.

In preparation for the first meeting of the committee, FTA worked to prepare research materials and a presentation that proposed a new article for the Wyoming fuel tax statutes addressing alternative fuels. Following a good number of hours and over fifty Powerpoint slides, the presentation was ready to deliver to the committee. The committee chairmen were very helpful through the preparation stages, and FTA was slated for 4 hours on the first day of the meeting.

The meeting was scheduled for June 2nd & 3rd in Buffalo, Wyoming, so Kim and Wayne headed to Buffalo the afternoon of Sunday, June 1st. This is only germane because just outside of Glendo that afternoon they were involved in a car accident while stopped

in the emergency lane during a torrential rain/hail storm. They were essentially sideswiped by a 5th wheel camping trailer that the driver had lost control of due to the hail/ice on the road. Fortunately, no one involved in the accident required an ambulance ride, although Wayne & Kim are still being treated for their injuries. Unbelievably, especially to Wayne & Kim, they went ahead to Buffalo following the accident. The car they were in was totaled, but several others headed to the meeting picked them up on the interstate.

The following day they presented to the legislative committee, participated in discussion and answered questions. There was a healthy discussion about the various types of alternative fuels, how they should be defined, and which ones should be addressed now. While some alternative fuels used to propel motor vehicles (ie. E-85, Biodiesel, etc.) are well established in the marketplace, there are others that are currently emerging (ie. compressed natural gas, liquefied natural gas, electricity, etc.), and yet even others that have not yet made it to the marketplace (ie. Green diesel, hydrogen, etc.), and the

committee had discussion about how many of them should be taxed.

The committee wrapped-up the discussion by asking LSO to draft a bill for consideration at an upcoming interim meeting of the committee. Wayne & Kim were humbled by the fact that many committee members commented at the conclusion that it was one of the best presentations they have seen.

We very much appreciate the committee's time and interest in this topic. We are excited to continue the process and have more research to do. We believe that the work we have drafted with the committee is timely and has great value.

Should you have any questions or concerns about the proposed alternative fuels article, please don't hesitate to let us know. It is certainly a work in progress at this juncture, but we are always interested in your comments and concerns.

More information to come as we work through the process with the interim committee. The committee's next meeting is tentatively scheduled for September 22nd & 23rd in Lander, Wyoming.

Improving FTA Program Efficiency & Effectiveness

As we have done in the last few newsletters, we would like to spend a few paragraphs telling you about one of our strategic objectives identified in our new Balanced Scorecard strategic plan. We believe that providing some insight into our strategic plan will allow for better understanding of what we hope to achieve, and we hope that you find as much value in our goals as we do.

FTA's new 3 year strategic plan boasts five primary goals with numerous associated measures and strategies. In the last two newsletters we discussed our plan to provide outreach to our customers and to continue our focus on the customer experience. This article will spotlight our focus on our goal to improve our efficiency and effectiveness.

A primary strategy for this goal was discussed on the front page of this newsletter. Redesigning our processes will make us both more effective and more efficient. Related to this is another strategy of using individual team member strengths and preferences to perform the processes of the program. An outcome of redesign is the strategy of developing process

measurements, work team measurements, FTA team measurements and individual measurements.

Another strategy identified for this goal is to successfully implement a new operating system. We currently work in a mainframe environment, so migrating to a new modern system will almost inherently improve our efficiency regardless of the bells and whistles it has or doesn't have. We are certainly hopeful that the transition period to the new system will be seamless, but if not, we only anticipate our effectiveness to be impacted in the short-term.

We also identified the strategy of reviewing and rewriting our internal policies and procedures, and we are working through that process currently.

As with our other goals, they are a stretch, but definitely attainable if we stay focused. We will keep you up-to-date on our progress as we continue working on the goal of becoming more effective and efficient.

Fuel Ownership

Ownership of fuel is often a confusing issue for our suppliers, distributors, and carriers. To determine ownership of fuel, we ask several questions. Who is responsible if the fuel spills? Who pays the freight? Is freight paid on a separate freight invoice, or is it paid on the same invoice with the fuel? After the questions are answered, here's how we apply the answers:

If a purchaser carries his own fuel, the purchaser is considered the owner of the fuel at the terminal or bulk facility.

If a purchaser hires a common carrier and is billed freight on a freight-only invoice by the common carrier, the purchaser is considered the owner of the fuel at the terminal or bulk facility.

If a purchaser does not hire the carrier but eventually takes possession of the fuel, ownership of the fuel occurs at the destination; the fuel and freight are billed on the same invoice.

Several examples:

Company A purchased and carried fuel from a Wyoming terminal for export to another state. Since Company A owned and carried the fuel from the terminal, Company A is the exporter of the fuel.

Company A hired a common carrier to carry fuel from an out-of-state terminal. The common carrier invoiced freight separately from the fuel; Company A is the owner and importer of the fuel.

Company A purchased fuel from Company B at an out-of-state terminal. Company B carried the fuel to Company A's location. Since Company B owned and carried the fuel to Company A's location, and the freight and fuel are billed on the same invoice, Company A took ownership of the fuel at the delivery point in Wyoming. Company B is the importer of the fuel.

If you have any additional questions, please contact your Tax Examiner at Fuel Tax Administration.

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We Share Your **PASSION**



Rebecca Savastano:
Tax Examiner

This is my LIFE. I do what I LOVE and try to find the time to repeat those experiences often. If I don't like something, I'll do my best to change it. If I don't like a job, I'll quit it. To make my life more simplified, I've learned that I need to stop overanalyzing. When eating, I ENJOY and SAVOR every last bite. Be optimistic! My cup is half FULL!

I've learned to stop waiting for the storm to end, and have DANCED in the rain and have fallen in the mud. Make a JOYFUL noise, as a MERRY HEART doeth good like a medicine. LAUGH often! MUSIC frees my SOUL and lifts my SPIRIT! Keep a SMILE on your FACE and LAUGHTER in your HEART; it makes them wonder

what you've been up to. Ask others what their passion is and share an INSPIRING dream with them. Willingly, I open my mind, arms, and heart to new things and people, as we unite in our differences.

TRAVEL OFTEN, getting lost will help you find yourself. Seize opportunities, as they may only come around once. LIFE is about the people you meet and the relationships you create with them, so go out and start creating them. LIFE is short. LIVE, LAUGH, LOVE, SING, and DANCE while you're still able.

Nothing ever stays the same. Be ready and willing to embrace CHANGE. Bring a POSITIVE ATTITUDE into the

workplace and you'll find it to be INFECTIOUS. People may not always remember you after you're gone, but they WILL remember how you made them FEEL. LIVE YOUR DREAM and SHARE YOUR PASSION!

As LIFE HAPPENS while you're Making Other Plans.



State of Wyoming
Department of
Transportation
Fuel Tax Administration

5300 Bishop Boulevard
Cheyenne, Wyoming
Phone: 307-777-4826
Fax: 307-777-4769
www.dot.state.wy.us

The Fuel Tax Team

Leadership Team

Wayne Hassinger, Program Manager: 307-777-3909

Kimberly Peters, Program Supervisor: 307-777-3926

Vacant, Senior Tax Examiner: 307-777-4833

Jan Hertel, Senior Tax Examiner: 307-777-4856

Team Members

Becky Savastano, Tax Examiner: 307-777-3947

Beth Hilleman, Tax Examiner: 307-777-4836

Michael Turner, Tax Examiner: 307-777-3984

Bruce Messer, Tax Examiner: 307-777-4840

Cheryl Porter, Tax Examiner: 307-777-4441

Barbara Cruz, Data Entry Specialist: 307-777-4831

Jon Peterson, Tax Examiner: 307-777-4832

Tiffany Romero, Tax Examiner: 307-777-4845

Rosa Rodriguez, Administration: 307-777-4828