NPCA-NEBRASKA PETROLEUM MARKETERS & CONVENIENCE STORE ASSOCIATION, INC. Lincoln, Nebraska 68508-2738 Phone Fax e-mail OFFICERS DON MENTZER North Platte President/ P.M.A.A. Director TIM LICHTI Shickley President-Elect Fred A. Bosselman Grand Island First Vice President TIM KEIGHER Lincoln Secretary / Treasurer Executive Director DIRECTORS RAY ANDERSON Jr. Omaha DENNIS BARNARD Beatrice KEITH CRANDALL Omaha JOHN DILSAVER Omaha DOUG HALL Campbell GAIL HALL Lexington LARRY HANSEN Chappell JOHN HERGERT Lincoln MIKE HUNKE North Bend JIM KITTEN Hastings RICK LANDENBERGER Omaha MARK LIPPINCOTT Blair STAN MILLS Lincoln MARK WHITEHEAD Lincoln August 6, 2003 Chief, Regulations and Procedures Division Alcohol and Tobacco Tax and Trade Bureau Washington, DC 20091-0221 Attn: Notice 4 SENT VIA EMAIL TO Dear Sir or Madam:

I am writing to you on behalf of the 250 petroleum marketer and convenience store

operators that are members of the Nebraska Petroleum Marketers & Convenience Stores Association, to express our support for the U.S. Treasurys Alcohol and Tobacco Tax and Trade Bureau proposed rulemaking for flavored malt beverages. (2001R-136P)

My members believe the TTBs action is an important clarification of federal alcohol beverage categories established to maintain an orderly US marketplace. Further, we believe the debate surrounding the proposed standard poses important issues for the stability of the retail licensing system and the overall marketplace.

With our support for the proposed 0.5% standard, we are joining The Beer Institute, the National Beer Wholesalers Association, and major small brewer associations, among many others, because this standard is the most efficient means to address recent concerns by both federal and state officials. If adopted, the standard will maintain an orderly marketplace, meet consumer expectations for consistent products, and help sustain the long-term development of the product category. In addition, these reformulated products will be consistent with state tax, license, and distribution laws allowing wholesalers and retailers to continue to distribute, sell and market flavored malt beverages as they do today.

However, absent a national standard rooted in existing law and regulation, manufacturers, retailers, and wholesalers will face a potential for a patchwork of individual state laws and regulations where the same product may ultimately be sold as a beer in one state and as a distilled spirits in another.

Finally, while there are some who have concerns regarding the ability of manufacturers to produce FMB products in accordance with the new proposal, as

you may know, brewers have already demonstrated the expertise and technical ability to brew these products under the new federal standard. The FMB products that look and taste the same will be available to wholesalers and retailers in all states with no interruption and no discernable taste differences for consumers.

Thank you for your time and should you have any questions please feel free to contact me at the number listed below. Sincerely, Timothy P. Keigher Excutive Director

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