

February 26, 2009

General Law Committee  
State of Connecticut

RE: Raised Bill No. 6518  
Act Concerning the Fair Pricing of Gasoline

My name is Terry Crowley and I am the Gasoline Division Manager of Hendel's Inc. of Waterford, CT. I am here in **opposition to bill 6518**. Hendel's is a sixty year old gasoline distributor that currently supplies and operates a combination of 51 locations, exclusively in this state. We have a workforce of some 150 men and women, all Connecticut taxpayers and as a group are dependent on our organization to provide the opportunity to work and support their families. For that reason and to have the ability to conduct business in a fair and competitive manner, our company wishes to point out the negative aspects of this proposed bill and why we oppose it.

Hendel's, while not the largest distributor, has provided many station owners over the years with the financial means to purchase and upgrade tanks and equipment at their locations. We are all aware that banks and other financial institutions are very reluctant to get involved in anything that deals with petroleum products, so the owners look to us as a resource that can help. Given the current state of our economy, gasoline distributors may be the only avenue available. The substantial investments and risks that we undertake require repayment in ways that conflict with the intent of this bill. We need the flexibility to tailor an offer based on the needs of the customer, both financially and competitively. Again, this is not a one size fits all business. The fierce competition among distributors that occur on a daily basis is reason alone to expect that potential customers will have many options to choose from.

Conflict will also arise in addressing the investment and financial return needs of owned locations. A company owned property requires payment of taxes, insurance, maintenance and other investment not found in open dealer agreements. The organization should have the ability to make reasonable judgments on what is necessary to compete in the marketplace. This bill would take away the right to do that.

We also feel that this bill will not generate additional revenue for the state, but could likely raise fuel prices to the general public in order to meet the mandate of the same price to all. For that reason alone, the committee should reconsider the intended purpose of the law.

On behalf of the Hendel organization and its' employees and customers, I respectfully submit this testimony and ask that Raised Bill 6518 be voted down.

Sincerely,

Terry Crowley  
Hendel's Inc.