Written testimony of Jon Holstein, Vice President of Spicer Gas, 36 Thames Street, P.O. Box 903, Groton, CT 06340(Office 800-448-2028) before the Commerce Committee of the CT General Assembly on February 17, 2011

Reference: S.B. No. 924 (RAISED) AN ACT CONCERNING ALTERNATIVE FUEL VEHICLES.

Senator Gary D. LeBeau and Representative Jeffrey J. Berger and other distinguished members of the committee; I am Jon Holstein, Vice President of Spicer Gas located in Groton, CT. Today, I represent the Connecticut members of the National Propane Gas Association. We support **RAISED BILL NO. 924: AN ACT CONCERNING ALTERNATE FUEL VEHICLES**. We however, would like to see this legislation go one step further by re-adopting the exemption to both Connecticut Excise and Gross Receipts taxes when propane is used as an over-the-road fuel. In 1993, these exemptions were granted by our State) and the exemptions continued until June 30, 2008. Legislation in 2008 (S.B. No. 125) was passed in the Senate to continue these exemptions beyond June of that year but the legislation unfortunately that year, did not get taken up by House Chambers.

Although an exemption to sales tax creates a modest incentive for business owners to purchase vehicles to operate on propane as an alternate motor fuel, exemption from Excise and Gross Receipts Taxes provides a much stronger incentive for business owners. In fact, the exemption truly rewards those business owners willing to spend the

extra money to operate on an alternate fuel and creates breakeven dynamics cost justifying the added expenditure.

For thirteen years our great State offered this incentive to business owners in an effort to promote a cleaner environment, promote fuel efficiency and grow small businesses. Please re-consider re-instating these incentives to operate on propane as an alternate motor fuel. Thank You.

I would welcome your questions now, should there be any?