



March 8, 2011

Senator Eileen M. Daily
Chair – Finance, Revenue and Bonding Committee
Legislative Office Building, Room 3700
Hartford, CT 06106

Representative Patricia M. Widlitz
Chair – Finance, Revenue and Bonding Committee
Legislative Office Building, Room 3704
Hartford, CT 06106

Dear Chairwoman Daily, Chairwoman Widlitz, Members of the Committee:

Please accept this testimony from Wheelabrator Technologies in opposition to a portion of Section 47 of Bill No. 1007, An Act Concerning the Governor's Recommendations on Revenue. This section would repeal, among others, subdivision (95) of Section 12-407e of the General Statutes which grants a sales tax exemption for services and products used or consumed in operating solid waste-to-energy facilities. The services and products purchased in the operation of these facilities are essential to their operation and their ability to run as efficiently and effectively as possible. Waste-to-energy facilities should not be taxed for making repairs, undergoing preventative maintenance measures or for purchasing the necessary chemicals they require for operating their pollution control equipment.

In addition, increasing taxes on waste-to-energy facilities will have the undesired impact of increased disposal fees for cities and towns throughout the state. According to the Program Review and Investigations Committee 2009 report on Municipal Solid Waste Management Service in Connecticut, "Connecticut relies on resources recovery as a way to dispose of its municipal solid waste far more than any other state in the nation." Also from the report, "Connecticut's use of RRF's is directly linked to the availability of disposal options within the state. The in-state disposal infrastructure as of July 1, 2009, includes six RRFs and a single, town owned MSW landfill." Tax increases on waste-to-energy facilities will either directly or indirectly result in higher costs to municipalities and may even create an incentive for communities to pursue out of state disposal options.

Wheelabrator Technologies respectfully requests that the Committee recommend that the sales tax exemption for waste-to-energy facilities be maintained. Thank you very much for your consideration of our testimony.

Sincerely,

Garrett Trierweiler
Senior Manager, Government Affairs



About Wheelabrator Technologies in Connecticut:

Wheelabrator Technologies, a wholly-owned subsidiary of Waste Management, owns and operates the Bridgeport waste-to-energy facility that provides dependable, environmentally safe disposal of municipal solid waste for more than a dozen cities and towns in the Greater Bridgeport area while generating clean, renewable electricity for sale to the local utility. Wheelabrator Bridgeport process up to 2,250 tons per day of municipal solid waste and has a generating capacity of 67,000 kilowatts – the equivalent of supplying the electrical needs of 83,000 Connecticut homes.

Wheelabrator also operates a waste-to-energy facility in Lisbon, CT. Designed, built and operated by Wheelabrator, the Lisbon facility processes up to 500 tons per day of municipal solid waste and has a generating capacity of 15,000 kilowatts – the equivalent of supplying the electrical needs of 18,000 Connecticut homes.

In addition, Wheelabrator owns and operates an ash residue landfill located in Putnam, CT. The Putnam landfill is a nine million cubic yard landfill designed to accommodate ash from Connecticut's waste-to-energy facilities. The landfill currently provides disposal for 400,000 tons per year of ash residue.