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Consumers Petroleum

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Co-chair Paul R. Doyle
Co-chair Joseph J. Taborsak
Senator Kevin D. Witkos
Representative Rosa C. Rebimbas

General Law Committee:

I am submitting testimony in opposition of H.B. 5744, H.B. 5869, and H.B. 5871 which all deal with banning the practice of zone pricing. As a family owned business located in Trumbull, we have opposed legislation that would ban zone pricing for over a decade.

I believe that if these bills pass, it will have a negative effect on the growth of gasoline stations in our state. If these bills were to pass, it would take away flexibility to meet competition within the state and, even more importantly, along state borders where a difference of just a few pennies can mean the life or death of a gasoline station. It would also hinder the ability to recoup the costs of building or renovating stations.

With the cost of doing business (labor, property values, taxes and government mandated regulations) being different from municipality to municipality, gasoline station owners must not have the ability to recoup their costs taken away, as these bills would do if passed into law.

There is a perception that zone pricing raises the cost of gasoline in certain areas of the state. The best way to keep gasoline prices low in any region of Connecticut is to encourage growth and competition. More stations, not fewer, provide consumers with the choice to buy gasoline from whomever they like.

H.B. 5744, H.B. 5869, and H.B. 5871 all discourage growth and competition and would in all likelihood lead to a reduction in the number of gasoline stations in Connecticut. The cost of doing business can vary dramatically from town to town, but competition ultimately dictates the price of gasoline. For that reason I ask this committee to reject H.B. 5744, H.B. 5869, and H.B. 5871.

Respectfully,

Rich Wiehl
President