

March 16, 2012

Co-Chair Edward Meyer
Co-Chair Richard Roy
Senator Andrew Roraback
Representative Clark Chapin

Environment Committee:

I am Doug Spirtt, Territory Sales Manager for Consumers Petroleum based in Trumbull CT. We are a family owned petroleum distributor founded by our current owner Rich Wiehl's great grandfather in 1936. We support 50 independent gasoline retailers, as well as owning and operating 15 convenience store / gasoline locations. We currently have over 200 employees within our own company and support over 100 additional owners and employees at our dealer locations.

In the early 1990's Federal Law required Underground Storage Tank owners to have a means to protect the environment by ensuring that leaking underground storage tanks are cleaned up.

Since private insurance was not available to tank owners in the early 1990's; the Tank Program was created. Tank owners and legislators agreed to create a tax (petroleum gross receipts tax) to fund the Tank Program to take the place of private insurance.

The gross receipts tax revenues have been redirected to other programs, leaving the Tank Program critically low in funding, even though gas stations and their customers paid the taxes that were originally dedicated to pay for accidental leaks.

Eliminating the Tank Fund Program leaves no alternative for local tank owners other than to purchase expensive private insurance if it is available to them to remain in compliance with the Federal Law. Those gas stations with contamination will not be able to get private insurance and will be forced to close. This will reduce competition and result in increased prices to consumers.

Retail gasoline Tank owners are already operating on very limited margins, many at break-even levels in today's environment. The burden of the additional cost of private insurance will force the increased cost of private insurance to be passed along to consumers already faced with some of the highest gasoline prices in the United States.

Our company, employees and our customers encourage the legislature to maintain adequate and appropriate funding to maintain the Tank Fund Program consistent with its original intent.

Sincerely,

Doug Spirtt

Consumer Petroleum