

Testimony of David Gable
Finance, Revenue and Bonding Committee
March 4, 2013
Re: SB 843

Senator Fonfara, Representative Widlitz and members of your Committee, my name is David Gable. I am the President of Hocon Gas a 60 year old retail propane gas distributor with five Connecticut locations based in Shelton, Ct. We serve some 35,000 customers with propane gas which is primarily produced in the United States from the same wells natural gas is produced.

I am a past president of the Propane Gas Association of New England and currently the Chairman of the CT Legislative Committee of the Propane Gas Association of New England.

When the original draft energy plan was introduced last fall, many propane and fuel oil dealers felt the plan unfairly neglected some important energy providers to the State of Connecticut and was tilted toward the expansion of the natural gas industry. We raised objections based on fuel neutrality and the picking winners and losers. DEEP I believe, heard us loud and clear.

Connecticut and all of New England will continue to require energy from multiple sources to remain energy balanced. Tilting the playing field to natural gas only could produce some disastrous results. New England will need to maintain its heating oil infrastructure as a backup for electrical energy production and a part of the strategic oil reserve is based right here in New Haven for that purpose.

Our Millstone nuclear plant provides a significant portion of our electrical energy production, but it's closer to the end of its useful life. The success of the expansion of the natural gas infrastructure which is already happening without any subsidies given the present pricing disparity between fuel oil and natural gas will require extensive upgrades to the transmission infrastructure, without which, the Connecticut consumer may potentially be faced with having to decide on gas for power or gas for heat. We already experienced disruptions to the natural gas distribution infrastructure this winter with many customers having their supply interrupted and it was what has been termed a "normal" winter.

The most effective way our state can reduce its carbon footprint and fuel cost expense is to invest its dollars in total energy consumption reduction. Section 18 and its enabling language to allow a total annual credit not to exceed \$5 million dollars a year, is mechanically flawed and should be modified. Moreover, this credit should be expanded to allow for the purchase of high efficiency heating, cooling and even onsite power generation (combined heat and power systems), solar, heat pumps or an expanded effort of the installation of energy reduction materials such as insulation, regardless of the energy source.

Energy tax credits work. I took advantage of the Connecticut Energy Efficiency Fund program two years ago by installing high efficiency lighting and gas air conditioning in one of our operations I rebuilt, reducing our summer electrical consumption by some 50%, a real world savings.

I don't think we can point to one energy source and pick a winner overnight. Let the free market determine the winners. Connecticut needs a balanced approach to energy supply because of the many interrelated demand requirements while forging ahead with a common goal of reducing total energy consumption and our carbon footprint on multiple fronts using multiple energy sources.

I thank you for your time and would be happy to answer any questions.