



## **Chestnut Petroleum Distributor, Inc.**

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02/06/13

To: The State Of Connecticut General Law Legislative Committee

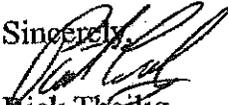
Re: Public Hearing On Generators at Gas Stations

We are a Distributor of Motor Fuels that own and operate and Supply approximately 120 locations across the state that sell motor fuel at retail.

While Proposed S.B. No.321 and Proposed H.B.NO. 5313 and No.5344 show a sincere desire to ensure the continued availability of gasoline in communities impacted by power outages is commendable, the bills have a number of defects:

- It would create in the minds of the public a false expectation that next time the power goes out, their local fueling station will be open. The Proposed Bills do not require gas stations and convenience stores to stay open in the event of a power outage, only that they purchase a generator. Availability of power is not the only factor in whether a retailer remains open during an emergency; security, staffing, risk of damage to property or equipment, and adequate fuel supply may also influence the decision.
- There is no way to guarantee we'll be resupplied with gasoline during an emergency. There is no point in forcing every store that sells gasoline to spend \$25,000 or more on a backup generator. In our case this could cost our company approximately over \$3 million. A mandate with a tax credit or low interest loan covering a fraction of the actual cost would still leave us with a huge tab, which could only be recovered through higher pump prices.
- Why should CT family owned businesses have to pay for generators because electric utilities fail to keep the power on.
- Even if every gas station in CT had a generator-if approximately 80% of consumers use credit cards they may not be able to purchase fuel if phone lines are down.
- It is very expensive to install generators for just a few days with out power, when motorists can drive a little further to get fuel.
- Other services are just as important as gas stations to have power-why not require every police station , fire department, ambulance facility, pharmacy, grocery store, etc. to also have generators.
- There would seem a more prudent and cost-effective solution than forcing a company to invest in one dedicated generator for each location that may never be needed.

During difficult times-with the economic and regulatory challenges our business faces everyday in order to stay in business in the State of Connecticut we respectfully oppose this proposed legislation and ask this committee to do the same.

Sincerely,  
  
Rick Theilig  
General Manager