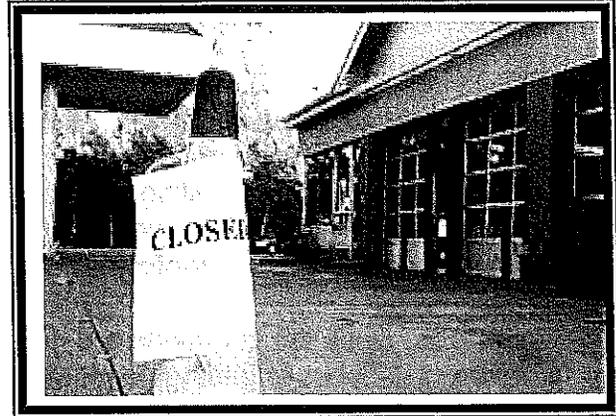


**GASOLINE & AUTOMOTIVE SERVICE
DEALERS OF AMERICA, Inc.**

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OFFICE 203-327-4773 FAX- 203-323-6935 Web Site – www.gasda.org

*Our Members are responsible for selling over 60% of the gasoline
sold annually in the State of Connecticut!*



SBA Report: Small Business Continues To Fuel the Economy!

President Obama - Small Business must be the Forefront of Recovery!

**Gov Malloy: As Mayor of Stamford, I worked every day not only to create jobs in the city,
but also to provide economic security by promoting a thriving economy as Gov I will
make sure Connecticut Becomes Competitive!**

THIS IS THE OPPORTUNITY TO PROVE IT!

GENERAL LAW COMMITTEE

By Michael J. Fox, Executive Director

***Gasoline & Automotive Service Dealers of America, Inc.
Connecticut Based Trade Association Representing Gasoline Retailers,
Independent Automotive Repair Shops, Towing Operators and Car Washes***

February 07, 2013

Co-Chair Senator Paul R. Doyle
Co-Chair Representative David Baram
Vice-Chair Senator John Fonfara
Vice-Chair Representative David Kiner

General Law Committee:

We are submitting testimony on proposed Senate Bill 321, AA providing for incentives for Gas Stations and Grocery Store to purchase emergency generators, proposed House Bill 5313 & 5334 AA requiring Gasoline Stations to be equipped with generators.

GASDA represent 450 members and they are responsible for selling over 60% of all gasoline sold in Connecticut. Over the last 5-years, GASDA members have purchased approximately 300 locations from the Major Oil Companies. This has kept jobs here in Connecticut rather than selling locations which end up for other than service station use and prevent the ranks of the unemployed from growing further at a time when the state can least afford more unemployment claims!

These bills, while the intentions are good, they fall way short of fixing the actual problem. The issue is getting gasoline supplied during major storms in our state. Gasoline supplies are disrupted during storms for many reasons and electricity is only one of them. Terminals not having supply of gasoline, power lines down that do not allow for delivery trucks to get supplies to stations, are just a few other major reasons that the local service station owner need to deal with.

Speaking of storms, even the state of Florida that deals with many more number of storms per year than Connecticut, does not mandate all stations to be equipped with generators. They only require those stations along major evacuation routes to have generators and then they supply huge incentives for those locations. Results, stations with generators still have run outs of supply due to the reasons stated above. Terminals not having enough supply prior to a storm hitting and barges cannot get to the terminals during those storms.

Consumers and business owners, whose power is out, can reasonable be prevented or limited in length of time so as not be become a major issue. Last year, our members submitted pictures of down trees and branches, which created many if not all of the power outages in the state. As of today, I am sorry to report, a simple review shows that almost nothing has been done to prevent this from happening again. Yes, some branches have been trimmed, but to remove the tree from downing power lines in the next storm can and will still happen. In fact, many power lines still run directly thru the trees that created problems last year. I can provide you with one street in lower Fairfield county that has tree issues for almost every single house on that street.

It has been widely reported that the number of line crews for both state power companies are down, while the number of customers are up. Both power companies rely heavily on out of state utility crews to assist during storms. The problem with this method is most surrounding states are dealing with their own power outages and it takes time to get the authorization to get those out of state crews in place. Both are wrong and consumers and business owners alike are not getting what they are paying for when it comes to reliable electric service.

All of these bills now direct those business owner who are paying one of the highest electric rates in the country to now spend more money and install emergency generators which by the way, will cost your local service station between \$28,000 to \$35,000 just to install. This does not include the additional property taxes and ongoing maintenance needed to keep these units running. Imagine passing legislation that requires all stations to have generators only to have no gasoline at those stations due to the barges not being able to get into New Haven Harbor, which was the case last year.

I can assure you that if installing generators alone would insure gasoline sales most if not all service station owners would have already done this. As a member of the State's CASE Energy Assurance Committee, the issue of generators was thoroughly reviewed and no conclusion to mandate generators came out of the committee. It is my opinion, that many of the points I raised here today are the reason that recommendation did not in fact come out from the committee.

Gasoline retailers are NOT major oil companies and with demand for gasoline down over the last 5-years in a row, continued fee and license increases by the State and let alone health insurance cost increases, mandating generators will have a huge negative impact on our industry. GASDA and all our members are ready, willing and able to work with this committee and any other state agency to develop better and more cost effective ways to resolve this problem so that all can benefit and the results work.

Respectfully,

Michael J. Fox

Michael J. Fox
Executive Director

