



March 11, 2014

To Whom It May Concern (General Law Committee):

I am writing to you today to encourage you to oppose SB 299 that would require an oil tax/guaranty fund for the heating oil and propane industries. I am the owner of Gault Energy in Westport; we are a 5<sup>th</sup> generation energy company that has been faithfully servicing the needs of Fairfield County homeowners and businesses for over 150 years. I find this proposed initial tax of \$3,900 and the subsequent \$500 fee each year to be unjust and as a result of one bad apple in our industry that did not abide by the existing laws of the State of Connecticut for pre-buy oil contracts. As a law abiding business owner and tax payer of this state, I should not be penalized financially because of this situation. We are working diligently each and every day to provide our customers with the most competitive oil pricing programs and this proposed tax and guaranty fund will only add to our cost structure that would need to be passed on to the consumer. With already higher comparable energy prices in New England and particularly in our state, we and the consumers that we serve do not need higher prices.

Many funds just like what is being proposed do not have the best track records in our State. For example, the tank fund that was created to help protect the environment from underground storage tank leaks frequently had its monies used elsewhere. The initial 3% tax that funded the tank fund is now at 8.81%, resulting in a 26 cent per gallon tax on gasoline that is not contributed to the tank fund. I am extremely concerned that this proposed guaranty fund will result in the same type of misappropriation.

I encourage the General Law Committee to work collaboratively with CEMA to create legislation that protects the consumer against any one off "bad apples" in our industry, but does not create additional reoccurring cost for the dealer and thus the consumer. We have a very competent legislative committee at CEMA; made up of heating oil dealers, that are very willing to create solutions that are acceptable for all parties, please take advantage of this resource.

Again, I urge you to oppose SB 299 and work with CEMA to create a viable solution.

Regards,

A handwritten signature in black ink that reads "Sam Gault". The signature is written in a cursive style with a large, stylized "S" and "G".

Sam Gault  
sgault@gaultenergy.com