

Written testimony of  
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**GENERAL LAW COMMITTEE**

**PUBLIC HEARING 1:00 PM**

**AT**

**UNIVERSITY OF HARTFORD  
GREY CONFERENCE CENTER  
200 BLOOMFIELD AVENUE  
BLOOMFIELD, CT**

Tuesday February 25, 2014

CT General Assembly

**Reference: Proposed H.B. No. 5260 (RAISED) AN ACT CONCERNING HEATING FUEL DELIVERY FEES, CHARGES AND SURCHARGES AND PREPAID GUARANTEED HEATING FUEL**

Good afternoon Senator Doyle and Representative Baram and other distinguished members of your committee. I am Mike Morrissey, from Glastonbury. I am also the Connecticut State Director to the National Propane Gas Association. Today, I represent our local trade association members who provide propane gas service to our state. I am here to speak in opposition to **H.B. No. 5260 (RAISED) AN ACT CONCERNING HEATING FUEL DELIVERY FEES, CHARGES AND SURCHARGES AND PREPAID GUARANTEED HEATING FUEL**

Requiring energy companies to post a bond will increase the price of heating fuels and create an un-level playing field, limiting customer choice and encouraging unlawful behavior. Securing a

surety bond may not be possible for some companies and for those who can secure a bond; the cost will be passed on to the Prepaid Fixed Price Contract consumers. For those companies not able to secure a surety bond, they will not be able to legally offer Prepaid Fixed Price Contract to consumers,

Consumers will be hurt in two ways, first they will have to pay more for their Prepaid Fixed Price contract and because not all companies will be able to secure a surety bond, there will be less competition in the marketplace which will put further pressure on rising prices.

Is bonding and its commensurate increase cost for all prepay customers, really necessary when we are talking about trying to protect the customers who chose to enter into a prepaid contract and are unwilling or unable to prepay with a credit card and forgo the protection that this method of payment would afford them?

The popularity of Prepaid Fixed Price contracts could be much stronger going into next heating season. Industry should be exploring ways to reduce the cost of heating fuels for their customers. Driving up the cost of Prepaid Fixed Price contract through the use of surety bonds is not the way to go.