



Re: Testimony opposing Bill no. 299, An act establishing a prepaid consumer heating fuel contract guaranty fund.

Taxes on businesses are paid for by their customers

We have offered price protection contracts to our customers for over 10 years. Over 1,000 of our customers have taken advantage of these contracts. This winter, each customer saved an average of \$210 over customers without price protection. Similar savings for our price protection customers have occurred in 8 of the past 10 years.

Bill no. 299 proposes a tax of \$3,900 on each fuel oil dealer in the first year alone. This tax, which will total about 2 ½ million dollars in the first year, will be paid for by consumers of heating oil.

Less than 1% of fuel oil dealers have cost their customers money by defaulting on their price protection plans. This proposed bill guaranties one thing: The State of Connecticut would join these few fuel oil dealers as entities that will cost consumers money in regards to price protection contracts.

Jeffrey Jennings

President

Jennings Oil Company