

**PA13-270**

HB5907

General Law	497-500, 612	5
House	1486-1490	5
Senate	5436, 5438-5439	3
		<b>13</b>

**H - 1154**

**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
2013**

**VOL.56  
PART 5  
1361 - 1694**

Please join me in welcoming them. Thank you for being here.

SPEAKER SHARKEY:

Welcome to the Chamber. We're glad to have you.

Are there any other announcements or points of personal privilege?

If not, will the Clerk please call Calendar Number 131.

THE CLERK:

Yes, Mr. Speaker.

On page eight, Calendar Number 131, favorable report of the Joint Standing Committee on General Law, Substitute House Bill 5907, AN ACT REQUIRING THE DISPLAY OF DIESEL FUEL CETANE NUMBERS ON FUEL PUMPS.

SPEAKER SHARKEY:

Representative Kiner.

REP. KINER (59th):

Thank you, Mr. Speaker. Good afternoon.

SPEAKER SHARKEY:

Good afternoon, sir.

REP. KINER (59th):

Mr. Speaker, I move for acceptance of the Joint Committee's favorable report and passage of the bill.

SPEAKER SHARKEY:

Question before the Chamber is acceptance of the Joint Committee's favorable report and passage of the bill. Will you remark, sir?

REP. KINER (59th):

Thank you, Mr. Speaker.

Mr. Speaker, this bill requires anyone selling diesel fuel to publicly display and maintain the minimum cetane number on each diesel pump, or other dispensing device intended as fuel for motorboats or vehicles. The bill requires the seller to display and maintain this information on a sign. Mr. Speaker, the cetane number is similar to the octane ratings of gasoline. It measures diesel combustion quality.

Violators are fined between 200 -- I'm sorry -- between \$50 and \$250 at the discretion of the DCP Commissioner. By law anyone selling to the public gasoline or other products intended as a fuel for aircraft, motorboats, or motor vehicles must publicly display and maintain a sign on each pump, or other dispensing device that informs the public of the per gallon price.

Mr. Speaker, this is a consumer friendly bill and it was voted out of the General Law Committee

unanimously. I move passage of this legislation and urge my colleagues to support the bill.

SPEAKER SHARKEY:

Thank you, sir.

Will you remark further? Will you remark further on the bill before us?

Representative Carter of the 2nd District.

REP. CARTER (2nd):

Thank you very much, Mr. Speaker.

I rise in support of this bill. I think that, you know, when we look at what we do for other types of gasoline at the pump, I think this is right in line. This came out of committee with a unanimous vote and I urge my colleagues to support it.

Thank you.

SPEAKER SHARKEY:

Thank you, sir.

Representative Phil Miller of the 36th.

REP. MILLER (36th):

Thank you, Mr. Speaker, and good afternoon.

SPEAKER SHARKEY:

Good afternoon, sir.

REP. MILLER (36th):

I rise in strong support of this bill as well. I've had a number of constituents, as have many of our peers on both sides of the aisle, make inquiries about this, because we have more and more people now buying -- with the clean diesel technology that's available in so many vehicles now we have more and more of our people using diesel, and they've commented that, when you can't often see what you're buying you're not making informed choice, so this goes along with so many other things we do here where we want educated consumers making informed choices. So I think it's a great bill and I rise in support.

Thank you, Mr. Speaker.

SPEAKER SHARKEY:

Thank you, sir.

Will you remark further? Will you remark further on the bill before us?

If not, staff and guests to the well of the House. Members please take your seats, the machine will be open.

THE CLERK:

The House of Representatives voting by roll. The House of Representatives is voting by roll. Will members please return to the Chamber immediately.

SPEAKER SHARKEY:

Have all the members voted? Have all the members voted?

Will the members please check the board to make sure your votes are properly cast.

If all the members have voted, the machine will locked and the Clerk will take a tally.

Clerk, please announce the tally.

THE CLERK:

Bill Number 5907

Total Number Voting	136	
Necessary for Passage		69
Those voting Yea	136	
Those voting Nay		0
Absent and not voting		15

SPEAKER SHARKEY:

The bill is passed.

Will the Clerk please call Calendar Number 112.

THE CLERK:

Mr. Speaker, Calendar Number 112, on page six, favorable report of the Joint Standing Committee on General Law, Substitute House Bill 6404, AN ACT CONCERNING REGISTERED INTERIOR DESIGNERS.

SPEAKER SHARKEY:

**CONNECTICUT  
GENERAL ASSEMBLY  
SENATE**

**PROCEEDINGS  
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THE CHAIR:

The Senate will come back to order.

Senator Looney.

SENATOR LOONEY:

Thank you, Mr. President.

Mr. President, an additional item to add to the Consent Calendar at this time, Calendar page 2, Calendar 423, House Bill Number 5907.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

And, Mr. President, just to confirm, under the bills from the Government Administration and Elections committee placed on the Consent Calendar, I just wanted to verify that we already had a notation on Calendar page 6, Calendar 522, House Bill 5598.

THE CHAIR:

Yes, that is already on the Consent Calendar.

SENATOR LOONEY:

Good, thank you, Mr. President.

Again, we might stand at ease for just a moment before moving for a vote on that Calendar.

THE CHAIR:

The Senate will stand at ease.

(Chamber at ease.)

THE CHAIR:

Thank you, Mr. President.

Mr. President, if the clerk would now call -- would now list the items on the Consent Calendar so that we might proceed to a vote on the Consent Calendar before taking up additional items.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Page 2 -- sorry -- House Bill 6672, and then on page 2, Calendar 423, House Bill 5907.

On page 4, Calendar 464, House Bill 5601; Calendar 465, House Bill 6630.

On page 5: 485, House Bill 6602; Calendar 503, House Bill 6635.

On page 6: Calendar 19, House Bill 5903; Calendar 522, House Bill 5598.

On page 7: Calendar 570, House Bill 6486; Calendar 571, House Bill 6492.

On page 8: Calendar 601, House Bill 6490; Calendar 606, House Bill 6674.

On page 10, Calendar 644, House Bill 6363.

On page 12, Calendar 668, House Bill 6362; and Calendar 672, House Bill 548.

On page 15: Calendar 695, House Bill 5289; Calendar 696, House Bill 6658.

On page 16: Calendar 704, House Bill 6692; 705, House Bill 6703.

On page 17: Calendar 706, House Bill 6651.

And on page 21: Calendar 431, Senate Resolution Number 15.

HB 5480

THE CHAIR:

Mr. Clerk, please announce the pendency of a roll call vote, the machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate.  
Senators please return to the chamber. Immediate roll call on Consent Calendar Number 2 has been ordered in the Senate.

THE CHAIR:

Have all members have voted? If all members have voted, please check the board to make sure your vote is accurately recorded.

If all members have recorded, the machine will be closed and the clerk will announce the tally.

THE CLERK:

The second Consent Calendar

Total Number Voting	35
Those voting Yea	35
Those voting Nay	0
Those absent and not voting	0

THE CHAIR:

Consent Calendar Number 2 passes.

Senator Looney.

SENATOR LOONEY:

Thank you, Mr. President.

Mr. President, I just wanted to review and have we adopted Senate Agendas 3 and 4?

THE CHAIR:

**JOINT  
STANDING  
COMMITTEE  
HEARINGS**

**GENERAL  
LAW  
PART 2  
270 - 579**

**2013**

Any questions from the committee? Seeing none, thank you very much. And if you could get us that information and if you e-mail a hardcopy, we'd appreciate it.

SUSAN LOIN: I will need an address. If I can go up and --

SENATOR DOYLE: Yeah. The clerk over there, one of those fine gentleman will help you.

Thank you.

The next speaker is Steve Guveyan. Is Steve here?

STEVE GUYEVAN: Yes, thank you.

SENATOR DOYLE: Mike Riley, Ronald DaMotta, Cameron Champlin, Joyce Wojtas, Jim Fleming, Dennis Patouhas, Steven Fortin.

STEVE GUYEVAN: Good evening. Senator Doyle, Representative Baram, members of the committee, I'm Steve Guveyan from the Connecticut Petroleum Council. Our shop represents the major oil companies, refiners, terminal operators and larger companies in the oil industry.

We testify tonight in opposition to House Bill 5907, the biodiesel bill. We are not here on gasoline credit cards and debit cards. I think you've covered that in wonderful depth.

Our opposition to the bill requiring biofuels is primarily based on the cost. What this bill is saying is, if passed, we would require diesel fuel to have a biofuel component, which means adding something pretty much plant-based blended into the diesel. So whether it's

canola oil, palm oil, soybean oil, but something in that family would be blended into diesel fuel. Our objection is because it's more expensive to do that.

We hear very lovely from our customers every day, do not sell as anything more expensive than what you have to. We'll pay the going rate for fuel. We don't want to pay anything more than that. Biofuels have a tendency to add to price. The supply is sometimes spotty. Sometimes it's available in New Haven. Sometimes it's not. Anything we can do to prevent a higher price for diesel we would like to do, which is why we oppose the bill.

Right now the statewide average, according to AAA, for diesel fuel in Connecticut is 443 a gallon so anything that adds to that is something we would oppose. If people want it, we think it's a good idea. If they want to buy it, let them buy it. It's an option. If they want to buy it, let them buy it. If they don't want to buy it then they shouldn't be required to do it.

None of the adjacent states have passed a law like this. Massachusetts had a law on the books. They suspended it permanently; ran into a lot of price and supply problems. So if we were to pass a bill we would find that the adjacent states would not want fuel coming out of our terminals because it's probably priced higher than what they're used to. And likewise, we would not want fuel from their terminals because it's not going to meet the Connecticut standard.

And it's expensive to get the terminal updated in order to blend the fuels. For the larger companies it's about \$2 million, a one-time shot. So it's expensive to do that, so that's

why we oppose the bill.

SENATOR DOYLE: Steve, Before you go, have you -- you didn't -- unless I missed it, you didn't address the other part of the bill. I understand your opposition to the bio, but what about the reference of display of diesel fuel cetane readings. Do you object to that? Or --

STEVE GUYEVAN: No. We've had discussion on it. The cetane rate in diesel is similar to an octane rating in gasoline. The numbers are less.

If you're buying it from the same company, so your brand of is Mobile or Shell or Sunoco and you're buying from the some supplier, probably the cetane level is not going to change. So if a requirement is to post, it's not a big deal.

But if you're an unbranded station, Joe's Gas, and you buy from different companies load to load, you may be buying three different cetane levels. For that guy it's going to be difficult. He's going to have to go out and change the number.

SENATOR DOYLE: But do they deal with that in gasoline? Like a person that's buying independent, does he have the same problem?

STEVE GUYEVAN: No, gasoline is standard. If you go to the gas station, no matter what brand, you're going to see the 87, you're going to see the 89.

The only difference is going to be the premium. What is it? 91? 92? 93? Or 94? And usually, those numbers the higher they get, the one brand and then people don't change the brand.

SENATOR DOYLE: Okay. Any questions? Further questions from the committee? Seeing none, thank you.

STEVE GUYEYAN: Thank you.

I will note that the next witness Mike Riley is not here. He left early, but he would like the record to reflect that he's fully supportive of our comments. We'd like that in the record.

SENATOR DOYLE: Okay. Good. Thank you.

STEVE GUYEYAN: Thank you.

SENATOR DOYLE: Is Ron DaMotta here? Ron? Doesn't look like it.

Cameron Champlin. Cam is here. Are you coming up with Joyce.

CAMERON CHAMPLIN: Cameron Champlin. Joyce left.

SENATOR DOYLE: Okay. All right.

CAMERON CHAMPLIN: You have my written testimony, so I won't go through everything.

But Senator Doyle, Representative Baram and members of the committee, my name is Cameron Champlin. I represent Plumbers and Steamfitters Local 777. I'm here to testify on Bill S.B. 324.

I don't know of any licenses that we don't need, but I don't have a problem with this study being done. But I'm asking this committee to include in that study the -- for the DCP to do a study on enforcement for occupational licensing.

In my testimony you'll see there's only two



**JOINT  
STANDING  
COMMITTEE  
HEARINGS**

**GENERAL  
LAW  
PART 3  
580 - 891**

**2013**



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P39

February 21, 2013

**TESTIMONY IN OPPOSITION TO HB-5907, ON CETANE & BIO-FUELS**

The Connecticut Petroleum Council objects to the bio-fuel portion of HB-5907, requiring on-road diesel fuel to contain a certain minimum percentage of bio-fuel. Our association represents major oil companies, refiners and terminals that produce, manufacture and distribute fuel.

**BIO-FUELS ARE TRADITIONALLY MORE EXPENSIVE THAN DIESEL FUEL.**

A law requiring bio-fuel (such as soybean oil, palm oil, yellow grease) to be blended into on-road diesel fuel potentially makes the fuel more expensive for drivers, because bio-fuel historically costs more than diesel fuel in this part of the country. The \$1.00 per gallon federal bio-diesel tax credit is scheduled to expire on December 31<sup>st</sup> of this year, and its expiration will put upward pressure on prices.

**MANDATES DON'T WORK.**

Mandates---such as requiring bio-fuel to be blended into diesel fuel---typically are sought because a seller finds it difficult to sell his or her product in the marketplace: The price is too high, or the product has deficiencies, or competitive products have advantages, or sales are slow. Drivers should be able to buy the fuel they want, not have it dictated to them. If drivers want bio-fuel, let them buy it. If not, it shouldn't be forced upon them. Let it remain "an option."

**CONNECTICUT WILL BECOME A FUEL "ISLAND."**

Since the adjacent states don't have a bio-diesel requirement (the MA law was suspended), Connecticut will become a "fuel island." Cross-border terminals in RI, MA and NY may not be willing to make the investment just to supply a boutique fuel to a relatively small customer base that exists in Connecticut. Conversely, fuel from Connecticut terminals, if more expensive, won't be welcome in those states. If the bill passes, Connecticut will have created its own "boutique" fuel, which limits suppliers' options and potentially leads to supply disruptions and price spikes.

**TERMINALS WILL BE FORCED INTO EXPENSIVE UPGRADES IN ORDER TO DISPENSE BIO-FUEL.**

Since the diesel fuel will have to be blended with some type of "bio-fuel", terminals will have to upgrade their dispensing racks in order to mix the two fuels together, and that is expensive to do (approximately \$2 million for a large terminal).

In conclusion, we have no objection to bio-diesel being sold here; we request only that it not be mandated. Therefore, we ask the bio-diesel mandate be stricken from the bill. Thank you for considering our testimony.