



Testimony by Tim Phelan, President, Connecticut Retail Merchants Association

Committee on Energy and Technology – March 5, 2020

Re: HOUSE BILL 5350 - AN ACT CONCERNING NATURAL GAS INFRASTRUCTURE

My name is Tim Phelan, and I am President of the Connecticut Retail Merchants Association, representing retail businesses all across our state. I am testifying today in opposition to House Bill 5350, An Act Concerning Natural Gas Infrastructure.

As you know, retailers in communities all across Connecticut support more than 470,000 jobs and contribute more than \$34 billion to the state's economy. There are roughly 42,000 retail establishments in our state, and overall, the retail industry produces approximately 14 percent of Connecticut's total GDP.

Retail businesses large and small provide good jobs for Connecticut families, and more than 98 percent of all retail companies are small businesses, employing fewer than 50 people. As you know, retail businesses are very involved in their communities, providing support for local organizations in many ways. As much as any other industry, retail is the lifeblood of commerce in Connecticut, indispensable to our economy and our quality of life.

Retail businesses need to balance a budget, work conscientiously to sustain good jobs in a turbulent economy, and meet the challenges of increasing competition, not only from bricks and mortar competitors but an ever-growing number of on-line options.

As you have heard from retail businesses close to home, staying in business can be a tough, uphill climb here in Connecticut. Anyone who knows a retail business owner understands just how challenging it can be, and just how precarious it can be.

That is why we oppose House Bill 5350, which would limit natural gas expansion, and in doing so, limit the options of retail business, thus continuing to drive their costs even higher. Some retailers, as with some residential property owners, have been waiting for an opportunity to choose a lower-cost energy option. This bill could lengthen the wait, perhaps beyond any reasonable timeframe.

As you know from talking with retail business owners in your own districts, retailers are under increasing pressure to stay in business, and to stay in business here in Connecticut. That is why we urge you to reject House Bill 5350.

At a time when it is in Connecticut's best interest to make the cost of doing business more affordable, and to make expansion here more likely, this legislation, in its impact, does just the opposite. It precludes options, reduces choices, and limits energy alternatives that are not only good for the environment, but good for our bottom lines. And that matters not only to retailers, but to our customers, your constituents.

I know it will come as no surprise to you that energy costs are high in Connecticut – as high as anywhere in the country. This proposal makes it more likely that those high costs will continue, at a time when relief is needed as much as ever. Reducing costs can be the difference between staying in business and closing up shop, adding employees or trimming the workforce, expanding or not.

We appreciate your interest in a strong, vibrant and thriving retail community – it is certainly an interest that we share. This bill goes in the wrong direction

Our preference is to discuss ways that retail businesses can expand operations and provide services to consumers and other businesses that can help them to thrive here. This bill does just the opposite.

We join other members of the business community from all across our state in urging rejection of House Bill 5350. Thank you for the opportunity to share our views on this legislation, and provide this testimony.