218th New JErsey Legislature

assembly environment and solid waste Committee

HoN. nancy pinkin--Chair

Testimony

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Executive Director

New Jersey Gasoline-Convenience-Automotive Association

A-2718 & A-2719

SUPPORT

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Committee room 12

Trenton, NJ 08625

**Testimony of Sal Risalvato**

**A-2718 & A-2719: Support**

Chair Pinkin, honorable members of the committee, my name is Sal Risalvato, Executive Director of the New Jersey Gasoline, Convenience, Automotive Association (NJGCA). I represent several hundred independent motor fuel retailers in this state.

NJGCA is happy to support these bills. You may not expect an Association primarily representing gas stations to support legislation that encourages the use of any type of vehicle that does not use petroleum products, but that is not the case for us. In truth for the last several years our organization has worked to promote to our members the idea that in order to invest in the future of their business they must invest in alternative energy.

We believe that the move to alternatively fueled vehicles should make use of the vast existing fueling infrastructure wherever possible. Consumers are already accustomed to pulling in to service stations to refill their vehicles with one form of energy; we believe they will be willing to continue doing so for another form, even if it takes a few minutes longer. Hopefully they will use the time to patronize the station’s convenience store.

Investing in alternate energy is also good for a business’ image with the community. We believe that even motorists who continue to use traditional gasoline-powered vehicles will be more likely to patronize a station that is seen as investing in a future that is greener and has greater energy security. That enhanced image and customer loyalty will also help the station’s other auto repair and/or convenience store businesses.

One of my most forward thinking members, PitCrew Lube in Brick, has installed a charging station. He had a Level 2 station installed when he equipped his location with solar power. While demand is certainly not overwhelming, the station does get used and he has absolutely no regrets in getting it installed. Not only does it enhance the image of his business, but it brings in a new client base that otherwise he would have no access to.

We at NJGCA believe that investing early in these new forms of transportation is essential for our members to be ahead of the curve. We consistently tell them that they are not in the gasoline business, they are in the transportation energy business.

One of the biggest challenges preventing small businesses from investing in alternate energy refueling, especially Level 3 electric charging and hydrogen refueling, is the tremendous initial investment. Level 3 charging stations are a must for the industry I represent. For some businesses, like shopping malls, the business model of requiring a motorist’s vehicle to stay parked for an hour or two works well, even to their advantage. But for our members, with small locations and small convenience stores, the business model has always been to move people in and out as quickly as possible so there is room for more customers. For that reason, Level 3 fast charging is essential.

Unfortunately, the initial investment to install such a station is in the tens of thousands of dollars, and there is little hope that there will be sufficient business to recoup that cost. The creation of a formal partnership with the government to break this cycle will hopefully be the breakthrough needed to make these stations more obtainable for small businesses.

There is also the risk that the big utility companies will use their market advantage to jack up the cost of electricity for all consumers, thereby allowing them to easily finance these initial startup costs and offering the sale of the electricity for a much lower price than any small business ever could.

By joining together the state government and private fuel station vendors I believe we can make real progress in building a meaningful infrastructure in this state. This bill specifically mentions partnering with “private fuel station vendors”, and as the representative of these vendors I can say that we are excited at the prospect of this partnership. I have spoken on numerous occasions over the years of my desire for our organization to act as a kind of ‘dating service’, helping to set up matches between private motor fuel retailers and nearby businesses or government entities considering buying a fleet of alternative powered vehicles.

I ask you to support it, and NJGCA looks forward to being very involved in their partnership should this bill become law.

Thank you.