

Warm Regards

A Newsletter From Your Local Heating Oil Company

Warm Regards / Fall 2008

The Inside Scoop On The Price of Heating Oil

There is no beating around the bush. Home heating oil prices have gone way up. In fact, you may have received a mailer from the natural gas industry, trying to convince you to switch. But there are excellent reasons for sticking with oil heat.



First, it's not just home heating oil prices that are going up. Nationwide, prices for natural gas, electricity, and propane heating have risen rapidly. According to the Energy Information Administration, the average American household

will pay 20% more in home heating bills than they did last year.

Second, it's common for home heating oil prices to fluctuate more than natural gas or electricity since heating oil is tied not only to crude oil prices but also to the capacity of our domestic refineries. What you don't often hear is that since the mid-90s, the average price for heating oil nationally has been lower than natural gas. In addition, there are concerns in the energy sector that future rates of natural gas production may not keep up with demand, which will certainly drive prices for natural gas upwards. And since natural gas also is used to generate electricity, escalating prices ultimately affect anyone who pays a utility bill. The bottom line is that cost comparisons have equalized enough to make it financially unwise to convert to electricity, natural gas or propane.

Third, consider the long term costs. Conversion to a natural gas system is an expensive and time consuming process—there is no such thing as a simple “conversion kit.” Instead, you'll need a new furnace which can cost between \$3,000 and \$5,000. You will also need to run a gas line from the street to your home, the cost of which averages \$7,000 in Washington State. Lastly, you will need to decommission your oil tank which might range from \$500 to fill and cap it to much more to remove it from your property entirely.

Fourth, remember that oil furnaces also last significantly longer than other options, averaging 30 years compared to 15 years for a typical gas furnace. Moreover, a gallon of home heating oil produces more heat compared to a comparable amount of natural gas. In other words, your home heats up faster and stays warmer longer—which will keep you comfortable this winter until oil prices stabilize.

Finally, when you call your local heating oil dealer, you get a company that values your business and believes in old-fashioned customer service. We are not a nameless, faceless public utility who asks you to “press 2,” then “press 3,” then “press 2” again—just to get someone who can't tell you why your furnace isn't producing enough heat. We are your neighbors, we believe in taking care of our customers, and we look forward to serving you well into the future. ♦



Online Resource

Questions about bioheat? Looking for an oil heat dealer? Log onto the newly redesigned website of the Pacific Northwest Oil Heat Council, your number one resource for news and information about oil heat. Visit www.pnwoilheat.com. ♦

Washington State's heating oil dealers are local businesses whose success depends on excellent service and fair prices. We, too, feel the pain of increasing oil prices—which is why our industry has taken an active role in getting our elected representatives to crack down on speculators and investment banks using energy trading markets to artificially boost prices. Our representatives have spoken on behalf of heating oil customers in front of Congress, and we continue to lobby on your behalf. To find out more, visit our website www.stopoilspeculators.com.



Relief for Low Income Households

The Low Income Home Energy Assistance Program (LIHEAP) helps pay the winter heating bills or summer cooling bills of low-income and elderly people. During extreme weather conditions, people living in poverty and low-income elderly should not have to choose between buying fuel to heat or cool their homes and buying food for themselves and their families. The good news is that the House of Representatives just passed a resolution to double LIHEAP funding over last year. If passed by the Senate and signed by the President, the bill would make an additional \$2.5 billion available to low income households throughout the country.

To see how to qualify in Washington State, visit www.liheapwa.org. You can also call the National Energy Assistance Referral (NEAR) project toll-free at 1-866-674-6327. ♦

Tips to stay warm and save money this winter:

- ♦ Have your heating system inspected annually to ensure that it is safe and operating at maximum efficiency.
- ♦ Check your air filter every month and replace it if it shows any buildup of dust and dirt. Dirty filters are the biggest causes of inefficient heating systems since they reduce airflow through your furnace.
- ♦ Seal your ductwork. Leaky ductwork can result in heat loss of up to 40% into your attic and/or crawl space.
- ♦ Install a programmable thermostat. When properly used, it could save as much as \$100 off your annual heating bills.
- ♦ Add insulation to keep heat from leaking out through exterior walls, ceilings with cold spaces above, and floors with cold spaces below.
- ♦ Open shades and drapes during the daytime to let in the sun's warmth. Close when the sun goes down.
- ♦ Install storm windows, drapes and weather-stripping to seal out drafts and block heat loss.
- ♦ Close kitchen vents, fireplace dampers and closet doors when not in use.
- ♦ Remove air conditioning window units, or cover them well.
- ♦ Keep radiators free of dust for maximum efficiency.
- ♦ Wrap your pipes to guard against heat loss and prevent them from freezing.
- ♦ Avoid using space heaters. Unless you are willing to keep the rest of the house chilly, they are expensive to operate and can be dangerous.

For more tips on home heating conservation, visit www.pnwoilheat.com. ♦

Heating Oil vs. Natural Gas

From the beginning of 2008 through June 2008, natural gas prices on the New York Mercantile Exchange (NYMEX) increased by nearly 70 percent.

Although natural gas prices are lower now, natural gas utilities are seeking heavy rate increases for their customers because the majority of the product that will be delivered to consumers this winter was purchased earlier this year when prices were considerably higher.

Switching fuels can easily cost more than \$10,000 in total expenditures—a cost that can take years to amortize before any savings are realized. And if heating oil becomes the lower-cost fuel, then the investment is lost.

The fact is that the Consumer Energy Council of America, a non-profit organization dedicated to promoting the best interest of consumers, has concluded that it is financially unwise for consumers to convert from oil to gas heat.

Trained technicians from your local oil dealer can make specific recommendations about how you can reduce the amount of fuel you use and take advantage of incentive programs to upgrade your home heating system. ♦





The Benefits of Autofill

If you aren't on an automatic delivery plan, consider the benefits:

- ◆ Never worry about measuring your tank or running out of fuel
- ◆ Let your dealer do the monitoring & handle the record-keeping
- ◆ Receive timely oil deliveries on a set schedule
- ◆ Enjoy top priority service in cases of severe weather
- ◆ Get the best price available
- ◆ Take advantage of dealer payment plans

How will your dealer know when to make a delivery? Most oil heat dealers use a "degree day" system, in which the median temperature (the mid-point between the day's highest and lowest temperature) is calculated. Every degree the median temperature falls below 65 is one degree day; the more degree days accumulated, the more fuel you use. By measuring degree days against your average usage records, your dealer can accurately gauge when it's time to deliver oil—and you enjoy uninterrupted warmth! Inquire with your local dealer today. ◆

What's New in Aboveground Tanks

Modern aboveground tanks now come in a variety of shapes and sizes, making them easier to install in basements and garages and any outdoor areas that are short on space. And, because the oil heat industry has been working for decades to ensure that tanks are safe, aboveground tanks are built of corrosion-resistant materials and are designed to withstand the most severe conditions—including fire. For more information about the right tank for your needs, contact your local heating oil dealer. ◆

Autumn Recipe

Love to cook? Need some inspiration? Then check out the Seattle-based website Allrecipes.com (www.Allrecipes.com). This easy-to-use website has thousands of delicious recipes with great tips and techniques for everyone from beginning cooks to expert chefs. Best of all, you can read other people's reviews of recipes to see how to make them work for you.

Here is a recipe for a delicious and heartwarming **Chicken Pot Pie** made from scratch with carrots, peas and celery. Over 1,000 Allrecipe.com readers have reviewed it, giving it 5 stars (the highest ranking!). It's a perfect meal for these cool autumn days—enjoy.

Chicken Pot Pie

Prep Time: 20 Minutes

Cook Time: 50 Minutes

(Ready In: 1 Hour 10 Minutes)

Yields: 8 servings

INGREDIENTS:

- 1 pound skinless, boneless chicken breast halves - cubed
- 1 cup sliced carrots
- 1 cup frozen green peas
- 1/2 cup sliced celery
- 1/3 cup butter
- 1/3 cup chopped onion
- 1/3 cup all-purpose flour
- 1/2 teaspoon salt
- 1/4 teaspoon black pepper
- 1/4 teaspoon celery seed
- 1 3/4 cups chicken broth
- 2/3 cup milk
- 2 (9 inch) unbaked pie crusts

DIRECTIONS:

1. Preheat oven to 425 degrees.
2. In a saucepan, combine chicken, carrots, peas, and celery. Add water to cover and boil for 15 minutes. Remove from heat, drain and set aside.
3. In the saucepan over medium heat, cook onions in butter until soft and



translucent. Stir in flour, salt, pepper, and celery seed. Slowly stir in chicken broth and milk. Simmer over medium-low heat until thick. Remove from heat and set aside.

4. Place the chicken mixture in bottom pie crust. Pour hot liquid mixture over. Cover with top crust, seal edges, and cut away excess dough. Make several small slits in the top to allow steam to escape.
5. Bake in the preheated oven for 30 to 35 minutes, or until pastry is golden brown and filling is bubbly.

Cool for 10 minutes before serving.

Recipe provided by www.Allrecipes.com

Recipe submitted by Robbie Rice. ◆

For more information about oil heat,
please visit www.pnwoilheat.com.

