

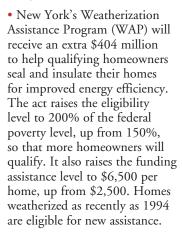
IMPORTANT NEWS FOR NEW YORK STATE OILHEAT CONSUMERS

New York Gets \$525M for Energy Projects

The American Recovery and Reinvestment Act of 2009, better known as the stimulus package, includes \$525 million or more in energy-related funding for New York State. Of particular interest to homeowners are two programs intended to make American homes more energy efficient: • The federal income tax credit for home energy efficiency improvements now has an upper limit of \$1,500 and is extended

through 2010. This means that homeowners can reduce the tax they pay by as

they pay by as much as \$1,500 by claiming the credit for improvements such as heating system upgrades and new windows, doors, roofs and insulation. As much as 30% of project costs can be claimed in the tax credit.



The package also targets energy efficiency in public housing, with more than \$4 billion to be allocated to housing authorities nationwide to make improvements.

For information on how you can take advantage of the energy provisions of the Stimulus Package, please consult your Oilheat dealer.



Empire State customers have long appreciated Oilheat for its safety and the friendly service that their dealers provide, and now they're enjoying this great fuel at a reduced price. The U.S. Energy Information Administration reports that a gallon of Oilheat in New York State cost 25.5% less in February 2009 than it did one year earlier.

Many observers believe the main cause of the price decrease is a reduction in speculation in the world's energy markets. Hedge funds and other major investors had been investing heavily in oil and other energy products, but investors pulled out late in 2008, partly due to the threat of stronger market oversight.

President Barack Obama has promised to reduce energy market speculation. If he delivers on that goal, Oilheat customers could enjoy lower prices for years to come.

Energy Watch

Smart Conservation Steps Save

Americans are being extra smart with money these days, and many of us are taking a close look at energy use. There are lots of savings opportunities in a typical home or office, and you can reduce your energy use substantially with just a few simple steps.

The U.S. Department of Energy (DOE) offers a number of suggestions for saving energy. You can implement some of them on your own, and your Oilheat dealer is happy to help out with the bigger projects, like upgrading your heating equipment.

Short-Term, Low-Cost Savings

There are plenty of savings that you can achieve on your own at little or no expense.

• Be smart with solar heat. On cold days, open the shades or drapes on south-facing windows while they are receiving direct sunlight. On hot days, close the shades or drapes on south- and west-facing windows during the day to reduce unwanted solar heating.

• Cover drafty windows. If there is a chill radiating into your home through your windows, you can improve your comfort and reduce energy usage by covering the windows with clear plastic sheeting for better insulation. Make sure the plastic is sealed tightly to the frame to help reduce infiltration.

• Adjust your thermostat setting. DOE says you can reduce energy usage by 10% by setting back the thermostat by 10 to 15 degrees for eight hours a day, either in heating or cooling mode.

• Seal leaks. Many homes have air leaks, and you can find the ones in your home with a few simple steps, as outlined in the box on this page. Once you find them, you can seal them at minimal expense using caulk and weather-stripping.

• Maintain your heating and cooling systems. Call your Oilheat dealer and schedule a system



You don't need to be a hardcore do-it-yourselfer to improve your home's weather sealing. With a

little time and the help of a partner, you can easily detect leaks that let outdoor air infiltrate the home. Some of the most common trouble spots are areas where pipes and wires enter the building; gaps around chimneys and recessed lights; unfinished spaces behind cupboards and closets; and any point where different siding materials intersect.

The best time to identify leaks is on a day when there is a significant variation between the indoor and outdoor temperatures. Begin by

eliminating as much air movement as possible by turning off your heating or cooling system (using the thermostat), shutting all doors and windows, and turning off all exhaust fans. Then light an incense



stick and pass it in front of all suspected leak areas. Wherever the smoke gets sucked or blown, there is a leak. Mark all the leaky spots, then go back to them and try to find the leak.

You can confirm the leak at night by turning off the lights and shining a flashlight across the leaking area from the inside while someone stands outside and looks for cracks where the light is detectable. Money

tune-up for your boiler or furnace. They might also tune your central air conditioning system.

• Use your fireplace efficiently. In cold weather, close the damper and keep it closed unless there is a fire. If there is a damper in the bottom of the firebox, open that whenever you start a fire.

Otherwise, crack open the window nearest to the fireplace.

• Save on hot water. Water heating can account for 14% to 25% of your energy consumption. Set your water heater thermostat at 120° (the standard setting is 140°) so that you reduce standby heat loss and, more importantly, prevent scalding.

Long-Term Investments

• Upgrade to a new, highefficiency heating system. (See related story at right.)

• Install a programmable thermostat. An Energy Star®qualified thermostat comes with pre-programmed settings that you can adjust to meet your needs. With just a few simple



steps, you can create an automated schedule that adjusts the temperature to match your household's comings and goings.

• **Install or improve insulation.** DOE recommends you

thoroughly insulate your home, especially in the attic and walls and any floors located over unheated spaces. You can also insulate ducts so that your conditioned air does not lose its heat (or coolness) before reaching your rooms.

• Upgrade your doors and windows. Doors and windows that lack adequate insulation and sealing can let a lot of outdoor air into your home. If there are no storm windows, you can add them to reduce heat transfer through windows by up to 50%. You can also install energyefficient windows that reduce heat transfer and improve comfort.

For more energy-saving advice, visit www.energystar.gov.

Energy Watch

Upgrade and Save

When it comes to saving energy at home, the most important piece of the puzzle is your heating system. If your furnace or boiler is 15 years old or more, your Oilheat dealer can help you reduce your heating costs by up to 30% – and maybe more – with new equipment.

Today's advanced systems are built with important energy-saving features like flame-retention burners, and they use a lot less fuel to generate the same amount of heat. In addition to the welcome energy savings, many new systems also deliver better comfort through the use of modulating burners and other new technologies that promote even, consistent heating.

Ask your Oilheat dealer to perform a heat-loss calculation on your home before selecting the replacement system. Once the home's rate of heat loss is identified, you can select a properly sized system that will heat the home evenly and efficiently. Many older systems are too large for the homes they heat, and they run in short cycles, causing uneven heating with excessive temperature swings.

HOW MAY WE HELP YOU?

We will be happy to help you lower your energy costs with new high-efficiency heating equipment and accessories. Please check the items that interest you and send this form back to us.

I am interested in:

- Upgrading my heating system
- □ Scheduling a tune-up
- Installing a programmable thermostat
- Weatherizing my home

Name:

Account #:

THANK YOU!

Newsletter brought to you by

Empire State Petroleum Association



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Obama Pursues New Energy Policies

The United States will curb greenhouse gas emissions and reduce dependence on imported energy if President Barack Obama succeeds in putting his energy agenda into action. The early weeks of his administration saw some key appointments in the realm of energy and the environment:



- Steven Chu, Energy Secretary. Chu won the Nobel Prize in Physics in 1997 for his research in atomic physics. More recently, he was a professor of physics and biology at the University of California, Berkeley.
- Lisa Jackson, administrator of the U.S. Environmental Protection Agency (EPA). Jackson previously served as Commissioner of the New Jersey Department of Environmental Protection after working for 16 years as an administrator in the EPA.
- Nancy Helen Sutley, leader of the White House Council on Environmental Quality. Sutley previously worked as Deputy Mayor for Energy and Environment in Los Angeles.

While those appointees could prove influential, the appointment that might affect Oilheat customers most directly is the new chairman of the Commodity Futures Trading Commission (CFTC). Obama has nominated Gary Gensler for the CFTC, which oversees the trading of Oilheat contracts and other energy products.

Here are some highlights of Obama's published agenda for energy and the environment.

- Help create five million new jobs in the area of "clean energy."
- Within 10 years save more oil than we currently import from the Middle East and Venezuela combined.
- Put 1 million plug-in hybrid cars on the road by 2015.
- Ensure 10 percent of our electricity comes from renewable sources by 2012, and 25 percent by 2025.
- Crack down on excessive energy speculation.
- Increase fuel economy standards.
- Create a new \$7,000 tax credit for the purchase of advanced vehicles.
- Weatherize one million homes annually.
- Make the U.S. a leader on climate change.

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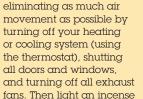
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