



From **Westmore**
FUEL CO., INC.

LATE WINTER 2008

PERSONALLY SPEAKING

help us take action against high fuel prices

Dear Friends,

This season's high prices of oil, gasoline and natural gas have us all concerned. We know it's tough enough making ends meet without having to shell out hundreds of dollars more in heating and gasoline bills.

As your neighborhood oil dealer, we too are feeling the pain—in terms of a compromised cash flow. And like you, we would like to see prices go back to where they were just a few years ago.

That's why we'd like to share some important information with you.

closing a loophole

Experts now agree that excessive speculation in unregulated markets may be the primary reason energy prices have spun so far out of control. For the past several years, energy traders have used a little known loophole to manipulate the price of oil for profit.

Until the government steps in to close this loophole, speculators trading in these unregulated "dark markets" will be free to



Richard C. Bologna

drive up energy prices at the expense of consumers and small businesses.

The problem isn't limited to oil either. Excessive speculation has also been cited as a reason for artificially high prices for natural gas and gasoline as well.

what you can do

We support closing this loophole. If you would like to know more about this issue and what you can do to help, go online to CloseTheEnronLoophole.com. You can also contact your representatives in Congress and let them know you support passage of the Close the Enron Loophole Act.

always here for you

In the meantime, we will do our best to help you through these difficult times by offering an array of payment programs and other services to keep your heating bills under control. Please let us know if we can do anything to help you stay comfortable.

Warmly,

Richard C. Bologna

P.S. Congratulations to George Drank, winner of the Sony VAIO® UX Micro PC from our fall newsletter.

we have plenty in store for you!

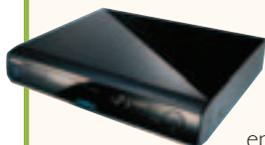


Whatever Mother Nature brings this heating season, we guarantee we'll have a sure supply of fuel to keep your family cozy, thanks to our 1.2-million-gallon storage terminal in Port Chester.

WIN an HD DVD camcorder and disc player!



Thank you for being our customer! We'd like to give you a chance to win these great prizes. To enter read this newsletter and answer the questions on the enclosed reply card. If we receive correct answers from you by April 25, we'll enter you in our drawing.



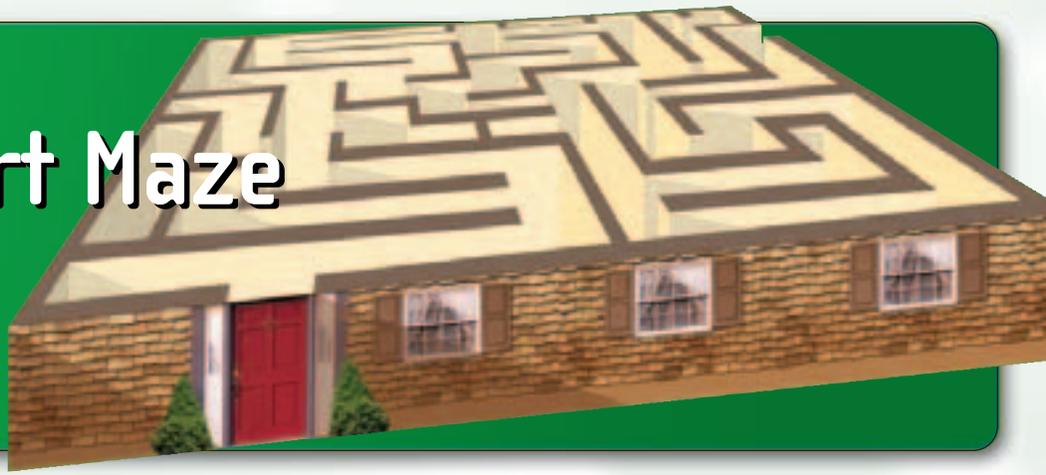
No purchase necessary. A purchase will not improve chance of winning. See enclosed card for details.

Total prize value:
\$2,200

Canon's HR10 DVD camcorder provides high-definition recording on standard 8-cm DVDs. For superb quality playback, match it up with Samsung's BD-UP5000 Blu-ray and HD DVD Hi-Def Duo Player.

Navigating the Home Comfort Maze

It's hard to decide how to make your home comfortable while keeping heating costs down. To help out, we offer advice and answer questions.



will oil prices go up or down?

Many factors and events have pushed energy prices up over the last few years, and everyone has been hoping that prices will settle down. But nobody can say for certain what will happen next.

We know you're feeling the pinch because we're getting squeezed too. And we're caught right in the middle of skyrocketing world oil prices and frustrated customers.

We're just as upset as you are. We've built our business on giving our customers good service and a fair price for their home heating oil. To reduce the impact on our customers, we have had to cut into our own profits. This is what we have left over after paying for trucks, employee salaries and insurance premiums.

what needs to be done

Refineries need to increase their production capabilities to catch up with demand. Better safeguards also need to be put in place to protect supplies from the kind of devastation we saw a few years ago with Hurricane Katrina. Our country also needs to pursue new domestic sources of crude oil, such as the deposits that have been discovered recently in the Gulf of Mexico, Canada and the western U.S. In the future, we may see big benefits from wider use of alternative heating sources like bio-fuels, a clean-burning blend of conventional heating oil and plant-based oils.



always on your side

In times like these, we thank you for recognizing the value of staying with a full service company like us. We know you and your family, and we understand what it takes to keep your home warm and cozy during the cold, winter months. No matter what happens, and in spite of whatever weather conditions we face, we are committed to always being there for you.

We will never stop answering our phones or shut down our offices. We've been in this business for many years and have never let our valued customers down. We can't control world oil prices, but we can control the excellent service we provide.

That's why we're out there every day, working hard to keep you safe and warm.



what you can do

It's easy to think you can't make a difference, but everybody can do their part by cutting their own energy use through proven conservation methods. Visit HeatYourHomeForLess.org to read some of our favorite tips.

You can also take advantage of advances in technology by replacing appliances with new models that get the most productivity from every unit of energy. Heating systems with ultra-high efficiency ratings are a good example.



Those were the days!
Winter was a lot more fun when you didn't have to worry about paying heating bills.

should I switch to another fuel to save money?

Looking for a way to cut heating bills, some people have thought about converting to another fuel. Making that switch, however, can be very expensive.

Experts say it makes no economic sense to switch heating fuels. Research done by the nonprofit Consumer Energy Council of America showed that the conversion

costs of switching away from oil average thousands of dollars more than simply installing a new, high-efficiency oil heat system. The greatest savings can be realized from improved system efficiency, the council says, not from changing fuels.

Because of advancements in technology, a new oil heat system can cut your bills dramatically. Today's equipment is much

more efficient. In fact, the average home heated with oil uses hundreds of gallons less than it did 30 years ago.

Due to these great improvements, you could save 25% or more on your annual heating and hot water expenses. That means your investment in upgrading to a new system can eventually pay for itself.

Now that's efficiency!

what can I do to save money on heat?

One of our customers has been doing everything she can to conserve fuel this winter. Here are four changes she made. Vote whether you think it was a right or wrong decision. Then see how well you did by reading the explanations below.



1. Substituted portable electric space heaters for her central heating system.



2. Used a setback thermostat to automatically turn down the temperature at night.



3. Turned off her oil-powered water heater during the day when she wasn't home.



4. Installed an insulated, weather-stripped hatch cover at the top of the attic stairs.



Day and night settings help you save on heating costs.

was it the right thing to do?



1. Depending on its efficiency, a central heating system will provide about 20 times as much heat as a portable electric heater for a lot less. If you have to use an electric heater for extra heat, always turn it off when you leave the room or go to sleep.



2. Setback thermostats can save about 10% on annual heating costs when the temperature setting is lowered by 10° for eight hours.



3. Our customer used a little less oil, but in the end it took longer to heat her water and more oil was burned to get the water back to a comfortable temperature. A better plan would have been to make sure the tank was properly insulated. You can buy pre-cut tank jackets or blankets for \$10–\$20. Water temperature in poorly insulated tanks can drop about 10° per hour.



4. About half of a home's heat heads straight to the attic. Insulating and air-sealing the openings in your attic will keep heat from escaping.

how do I get my heat back?

If your heat stops working on a cold night, stay calm. There are many simple reasons that can cause your heat to stop working. Sometimes, you may even be able to fix the problem yourself.

Common reasons for losing heat:

- 1.** You may have a tripped circuit breaker or a blown fuse.
- 2.** Your oil tank could be empty.
- 3.** Your thermostat may be on the wrong setting. Also, if the display screen on a digital thermostat is blank, you either need new batteries or your power supply has been interrupted.
- 4.** The power switch to your heating system may have been turned off accidentally.

How to use your system's reset button

The reset button should be pushed **once only**. If the system still doesn't start, *don't push the button again*.

This can "flood" the system. Too much oil is pumped into the combustion chamber, resulting in a lengthy and costly repair.

If you can't fix the problem, it's time to call in an expert. Before the service technician begins working, tell him everything you did to the system and if anything out of the ordinary happened, such as an unusual noise, a strange smell or smoke. In many cases, this will help the technician find the problem—and get your heat back on—faster.



hot tip for winter

Get to know which circuit breaker (or fuse) controls your heating system and the location of your system's power switches.

Regularly check your furnace filter, or the water gauge if you have a boiler.



Heating Oil • Diesel Fuel • Heating Sales & Service

P.O. Box 1350 • Port Chester, NY 10573

Call us! (203) 531-6800 • (914) 939-3400

WestmoreFuel.com



PRESORTED
STANDARD MAIL
U.S. POSTAGE
PAID
MPI

✓ win a camcorder and disc player*

✓ coming soon...
BIOHEAT® fuel

*No purchase necessary. A purchase will not improve chance of winning. See enclosed card for details.

BIOHEAT® on the horizon

As part of our commitment to using proven alternative fuels, we are gearing up to offer our own premium biofuel, **BIOHEAT®**, to all our customers. To ensure

quality control, we would blend the fuel ourselves at our storage facility.

Our premium BIOHEAT, a blend

of low-sulfur heating oil and 5% plant-based oil, is great for protecting the environment and conserving petroleum-based fuels.

About 6.3 billion gallons of heating oil is sold

each year in the U.S. However, if everyone started using BIOHEAT, 315 million gallons of regular heating oil could be saved each year, and greenhouse gas emissions would be reduced too.

BIOHEAT could help keep a lid on U.S. dependence on imported oil, because it is made partly of domestically grown crops. BIOHEAT also burns cleaner than conventional heating oil, and it is compatible with any heating system that uses oil. ***You do not have to modify your heating system or buy new equipment.***

Tell us what you think about BIOHEAT; please fill out and return the enclosed reply card or give us a call.

ask the expert

Q: What are my payment options?

A: We offer different payment options for your convenience. You might consider signing up for automatic payments from your credit card, debit card or bank account. Or you can visit WestmoreFuel.com at any time to create a personal account, which will allow you to pay your bills online. Also, we are currently working on an electronic payment system that will enable us to automatically e-mail your bills to you. There will be no charge for this service.

These payment options are designed to make your life a little easier. Not only will you eliminate the worry of missing payments, you'll save on stamps and envelopes.

If you have questions, please feel free to contact me at (203) 531-5656, ext. 112.



Michael Galarza
credit manager

understanding heating oil prices

Customers often wonder why heating oil prices sometimes go up when crude oil prices are down. Remember, heating oil, like diesel fuel and gasoline, is a “finished,” or refined, product derived from crude oil. Usually refined products come from oil secured earlier—when crude prices may have been higher. As a result, heating oil prices often lag crude oil prices.

Customers also wonder why the price of their heating oil seems to change from day to day. Because heating oil trades as a commodity, daily changes in the wholesale price affect your price.

We do our best to buy our fuel strategically so we can continue to offer you a fair price throughout the heating season. While we try

to keep your fuel costs as low as possible by offering price protection plans, we can't predict prices, especially in today's volatile markets.

Please give us a call if you have any questions or would like to discuss ways we can help you keep your heating costs under control.

