

HouseCalls

from **Westmore**
FUEL CO., INC

PERSONALLY SPEAKING

sharing your voice

Dear Friends,

For years, state governments around the country have been looking for ways to put their fiscal houses in order. In Connecticut, one such plan was to begin taxing heating oil. I'm all for fiscal responsibility, but not when it unfairly targets heating oil consumers while leaving out other fuels.

Another Connecticut bill proposal would unfairly favor one energy industry above another using taxpayer funds. Each time, I went to the state capitol and testified in public hearings against both of these actions. Governments should not be favoring certain fuels over others, nor should they be taxing heating oil



consumers while leaving out purchasers of other fuels.

Don't get me wrong, I am an advocate for working with our government on a

wide range of issues. Many legislators in New York and Connecticut want to do the right thing, and I've spoken to many of them personally. I've also testified in favor of mandates for cleaner, more environmentally friendly fuel and mandates for the use of **BioHeat®**.

We should be looking for balanced, common-sense proposals to improve our energy needs, environment and fiscal problems. I will always stand up for you, our loyal customer, because you are the backbone of our family business!

Warmly,

Richard C. Bologna

Richard C. Bologna

win the smartest smartphone—

and a year of phone service!

Enter to win the new Samsung Galaxy Note II—a hybrid of a smartphone and a tablet, dubbed a phablet.

Read this newsletter and answer the questions at WestmoreFuel.com/contest by 7/31/13. Entries with the correct answers will be entered into a drawing for the prize, which includes a year of free phone service.

maximum
prize value:
\$1,500!

No purchase necessary. A purchase will not improve your chance of winning. See website for details.



natural gas prices surge higher

Natural gas prices hit rock bottom a few years ago, but since that time wholesale prices have nearly **doubled**.

Heating oil has been the best value in heating fuels 17 out of the last 20 years. In addition, U.S. oil production is at its **highest level in decades**. This boost in production is expected to drive down oil prices. (See page 2 for more about this.) Plans to begin exporting large amounts of natural gas are sure to increase gas prices.

These emerging trends mean that switching from oil to natural gas now could turn out to be a decision and an expenditure folks will regret.



Save 20¢ per gallon for 2013

New York State residents who get their **BioHeat®** from Westmore enjoy an added benefit—they qualify for a **20¢ per gallon credit** on their 2013 taxes. For a customer who uses 1,000 gallons of **B20 BioHeat®**, that's a savings of \$200! No other fuel company in this area currently offers this opportunity. Each January we mail the correct information to you or you can download it off our website. So please tell your New York friends who heat with oil to call us or visit our website. They'll appreciate it, and **you'll both get a \$50 credit** off your next fuel delivery once they sign up!

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What's Trending Now in Oil Heat?

We have always taken pride in delivering a safe, reliable and highly efficient fuel to our customers. And we're always pleased to share good news with you about oil heat. Staying informed about what's going on allows you to make smart decisions for your home and family.

U.S. projected to be number one in oil production soon

The U.S. is expected to take away Saudi Arabia's crown as the world's largest producer of crude oil by 2020!*

That's mainly due to a big boom in nonconventional drilling techniques (extracting oil from shale), along with the addition of new pipelines, which move crude oil from Cushing, Oklahoma (a major hub in oil supply), to refineries in the Gulf states.

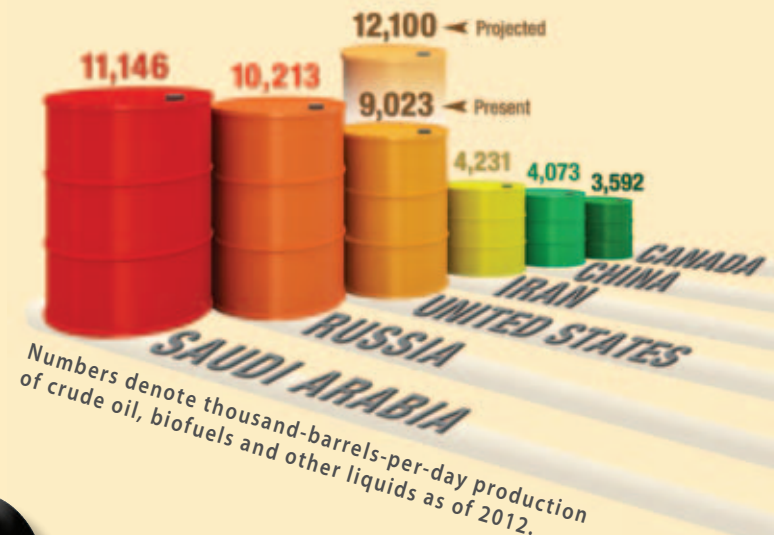
As one example, the Seaway Pipeline came on line in January, allowing **250,000 more barrels of oil per day** to flow out of Cushing. More pipelines are expected to be operational later this year.

U.S. oil production, already at a 15-year high, is projected to rise to 7.3 million barrels per day this year. That's an increase of 900,000 barrels per day from last year.

Because of this abundance in supply, oil prices are predicted to come down in the next few years.**

And that's good news for all of us!

Moving on up
The U.S., currently ranked third in global total oil production, is expected to take over the top spot in less than a decade. Here are the current rankings for the world's largest oil producers.



Source: U.S. Energy Information Administration and International Energy Statistics

oil heat: the ultimate comfort fuel

Many people believe they'll get a big payout if they switch to another heating fuel. But the mere cost to convert—typically thousands of dollars—could easily break the bank.

So why gamble by switching fuels when heating your home with oil is one of the safest bets around? Because oil generates more Btu's of heat and warms a home more evenly *than any other fuel*, your home will be among the warmest on the block every winter. That's why oil heat is **the ultimate comfort fuel!**

And don't forget about service! You can always expect a **fast and courteous response from us** whenever you need help.

We think that's one of the most important differences between utility companies and local fuel dealers like us. Utilities have been conditioned to think more about numbers than about people, in large part because they are monopolies that are more focused on financial and operational aspects than on customer service. In this respect, they are the opposite of local fuel oil dealers.

It's just another reason why heating with oil is your best choice!



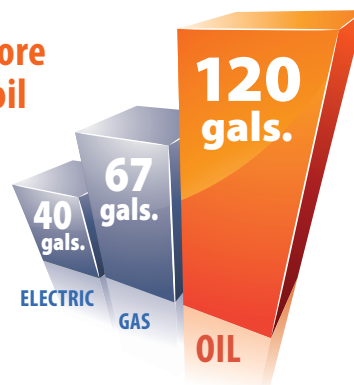
what's so hot about oil-fired water heaters?

Oil-fired water-heating systems mean low-cost access to virtually unlimited amounts of hot water. That's because their "recovery rate" is as high as 120 gallons per hour. (Recovery rate measures how many gallons of water can be heated in an hour.)

This means plenty of hot water for the whole family—something that less efficient gas and electric water heaters **cannot provide**.

You always get more hot water with oil

Number of gallons per hour that can be heated with standard electric, gas and oil water heaters.



oil and water DO mix

More people are using their oil boilers not only to heat their homes, but to produce domestic hot water too. (That means hot water for sinks, tubs, showers, washing machines, etc.) This is commonly done through an **indirect-fired water heater**, which connects to your boiler.

This type of water-heating system provides a unique advantage for people with oil heat. Indirect-fired water heaters are only practical if the water in the tank can be heated quickly. **Oil heats water very quickly.** Indirect-fired units are less common in gas-heated homes because gas-fired systems produce hot water at a much lower rate than oil.

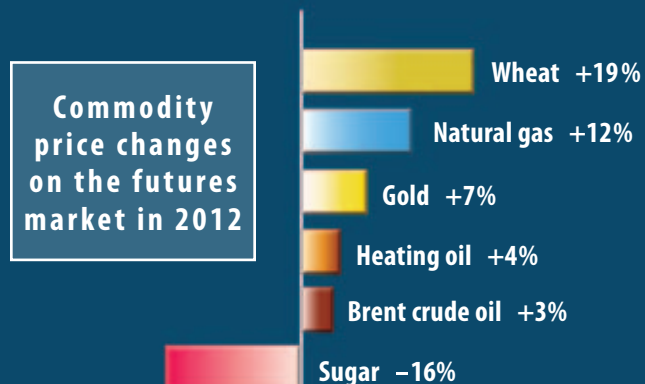


how it WORKS

1. The boiler circulates hot water to a **coil** inside the water heater.
 2. The heat from the boiler's hot water transfers from **the coil to the water** in the tank.
- This system is most efficient in the winter when the boiler is being used to heat both the home and domestic water. In effect, no extra energy is needed to heat your domestic water—as opposed to a traditional water tank with its own oil or gas burner or electric heating elements.
 - Because the indirect-fired water heater gets installed as a separate zone with its own thermostat, the boiler "understands" when it needs to produce heat for that tank only—and not send unnecessary heat into the home.

Putting prices in perspective

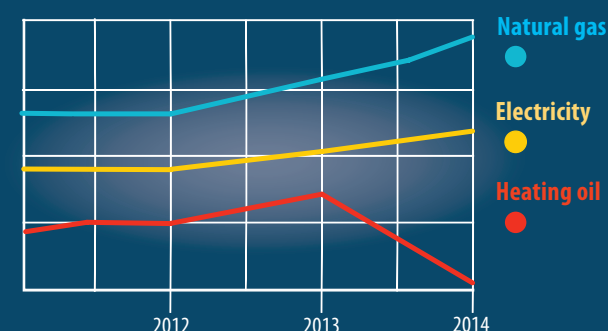
Everyone is concerned about the cost of living these days. But as these charts show, things are not as gloomy for oil heat customers as you may have been led to believe.



Source: U.S. Energy Information Administration, based on data from Bloomberg LP. Price changes reflect difference in prompt contract price between January 1, 2012, and December 31, 2012.

Energy prices: past, present, projected

The graph below depicts the relative relationships of energy prices and where they are trending.



Source: U.S. Energy Information Administration



DID YOU KNOW? The \$300 federal tax credit for high-efficiency oil-fired water heaters has been reinstated for 2013!

ask the Expert

Q: *How does your AutoPay program work?*

A: After we perform a billable service or make an oil delivery, we automatically bill your credit card or bank account. We can do this whether you're on a monthly payment plan or pay as you go. AutoPay is fast, easy and convenient, and that's why more than 25% of our customers now use this program.



Lisa Morrison
customer service representative

Q: *What do I have to do to get started?*

A: Just call us or go to WestmoreFuel.com and click on the links for "Customers" and "AutoPay." This program not only saves our customers money on stamps and checks, it also saves an enormous amount of paper—and that's good for the environment. You can save even more paper by getting your statement sent by email—click on the "e Billing" link to sign up for that service.

"amazing, sweet and wonderful"

Our hardworking staff always appreciates it when customers go out of their way to let us know what a good job they're doing. Here's what **Nicolette Flosse** of Rye told us recently:

"I've been a Westmore customer for about seven years now and I just had to tell you how amazing, sweet, wonderful and gentlemanly your service guys are. They're especially great with my children and always remember what's going on in their lives. They just make everything so much better. I always feel safe with them in my home because they're 100 percent trustworthy. They always have a smile on their face too, and I think that speaks well for the company they work for. I'm so impressed every time one of them comes to my home."



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

BioHeat® • Biodiesel Fuel • Heating Sales & Service



PRESORTED
STANDARD MAIL
U.S. POSTAGE
PAID
MPI

exclusively for you: our B20 blend

Westmore is the only fuel company

in this area that delivers B20 **BioHeat®**. Our ultimate goal is to have the industry follow our lead so **everyone** can get a fuel combination of 20% BioHeat® with ultra-low-sulfur heating oil. This combined fuel is as clean as natural gas!

It just makes sense, both economically and environmentally. Our BioHeat fuel burns more cleanly than conventional heating



oil, which **improves heating system efficiency**, so less fuel and money is needed to heat your home.

BioHeat® also reduces harmful emissions, extends equipment life and reduces the need for equipment service. So if you have a friend who heats with oil and likes the idea of improving the environment and saving money, please refer them to us. You'll both receive a \$50 credit once they sign up.

fast facts

- B20 BioHeat® blend lowers emissions by about 20%.
- By delivering B20 BioHeat® to our customers, we've already prevented millions of pounds of carbon dioxide emissions from being released into the atmosphere.
- Our B20 BioHeat® has lower carbon emission levels than natural gas.

In this issue: WIN a smartphone and a year of phone service* • update on energy prices

*No purchase necessary. A purchase will not improve chance of winning. Go to WestmoreFuel.com/contest for details.