

CONGRESSIONAL REPORT FINDS BIOHEAT® FUEL BETTER FOR ENVIRONMENT THAN NATURAL GAS



News flash: Oilheat is cleaner than you think ... and natural gas just *isn't*. Here's why...

For years, Oilheat distributors in the Northeast and across the U.S. have been blending low-sulfur heating oil with biodiesel to produce an alternative heating source known as Bioheat® fuel. Industry professionals have long described Bioheat® fuel as an environmentally friendly heating solution that lowers maintenance costs for heating systems, improves their efficiency, and offers a range of other benefits. Now, a congressional report conducted by the National Oilheat Research Alliance (NORA) shows that Bioheat® fuel also produces lower greenhouse gas (GHG) emissions than natural gas.

Lower Emissions at B2 and B20

Bioheat® fuel consists of low-sulfur heating oil and biodiesel made from renewable resources like soybean oil and other food byproducts. Blends are referred to by the percentage of biodiesel present, so a Bioheat® fuel blend containing 2% biodiesel would be called B2 Bioheat® fuel, a blend containing 5% biodiesel would be called B5 Bioheat® fuel, and so on.

According to the NORA report, *Developing a Renewable Biofuel Option for the Home Heating Sector*, biodiesel blends at 15% (B15) with ultra-low sulfur heating oil (ULSHO) are lower in Greenhouse Gas Emissions (GHG) than natural gas when evaluated over 100 years, while blends of 2% (B2) or more are lower in GHG than natural gas when evaluated over twenty years. This means that if your home heating system uses B2 Bioheat® fuel, it will produce fewer harmful GHG emissions over the next 20 years than a heating system burning natural gas will.

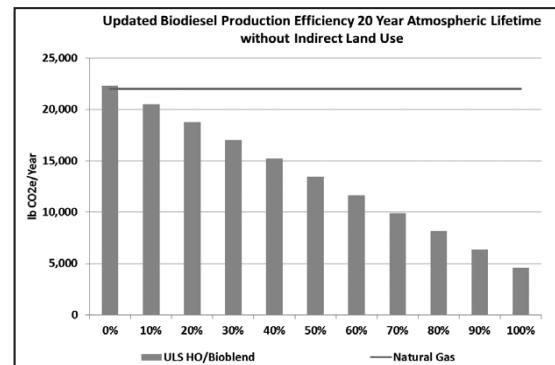
The reason for this is that natural gas is composed primarily of methane, a pollutant that does far more damage to the atmosphere than the minimal levels of carbon dioxide released by Bioheat® fuel. According to reports from the United Nations' Intergovernmental Panel on Climate Change, the methane released during extraction and transmission of **natural gas may be 86 times more dangerous** than carbon dioxide over 20 years.

Clean and Getting Even Cleaner

As the clean, responsible alternative to natural gas, Bioheat® fuel provides a smart, sustainable way to heat homes and businesses across the country. And as solid as the fuel's emissions profile already is, it's still improving. As the NORA report states, "With future research and applications, increasing the biodiesel blend reduces GHG emissions even further."

Recognizing the environmental benefits of Bioheat® fuel, several cities and states have mandated and/or incentivized its use. Rhode Island retailers currently sell a minimum B3 Bioheat® fuel blend, with the biodiesel percentage scheduled to increase by 1% in 2016 and again in the following year, bringing it up to B5 Bioheat® fuel by July 1, 2017.

New York State and New York City provide perhaps the strongest examples of governments supporting the use of Bioheat® fuel. A statewide



*Developing a Renewable Biofuel Option for the Home Heating Sector, pg 12, fig. 4

tax credit allows New Yorkers to claim 1 cent per gallon for each percent of biodiesel in their homes' Bioheat® fuel (2 cents per gallon of B2, 5 cents per gallon of B5, etc.) up to a maximum 20 cents per gallon of B20. Since October 1, 2012 the city has required that all heating oil contain at least 2% biodiesel, and the NY City Council is currently considering legislation that would increase the mandated minimum blend to B5 Bioheat® fuel by October 1, 2016 and increase the biodiesel component until it reaches B20 by 2030. Legislators, environmentalists and industry experts agree that these measures are absolutely necessary if New York City is to reach its "80 by 50" goal of reducing GHG emissions by a whopping 80 percent by 2050.

Makes Great Economic Sense, Too

Many home and business owners who make the switch to natural gas do so primarily because they consider it a cheaper option. The truth is that **natural gas heat requires an expensive equipment conversion that can easily cost over \$10,000**. Making matters worse, the natural gas utilities are raising their rates each winter as supplies are stretched. On the other hand, Bioheat® fuel is fully compatible with existing Oilheat systems, with no modifications or adjustments required. Plus, Bioheat® fuel prices are currently at their lowest level in years due to increased domestic production. Thanks to these price drops, American homeowners who use Bioheat® fuel are paying hundreds of dollars less than they have in years past, giving them extra money to save or spend on the things that matter most to them. And the economic impact isn't just felt at home. According to the NORA report, "1.7 billion gallons of biodiesel production supports \$16.8 billion in total economic impact, more than 62,000 jobs, and \$2.6 billion in wages paid," and almost 18% of these benefits can be attributed directly to the growing Bioheat® fuel market.

The Choice is Clear

Whether your chief concerns are environmental or economic, the choice between Bioheat® fuel and natural gas couldn't be any clearer: **Bioheat® fuel provides the cleanest, most cost-effective home heating solution available anywhere**. With this in mind, we encourage you to contact your representatives at the local, state and federal levels and ask them to put their support behind Bioheat® fuel rather than natural gas. If you're looking for more information, please visit americanenergycoalition.com.