

## No Good Reason to Switch

Many homeowners who switched to natural gas in the last few years have seen the promised “payback” disappear with the closing price differential.

- **Converting your heating equipment can cost more than \$10,000, and with rising natural gas prices and dropping heating oil costs, that just doesn't make sense.**
- You can still **save up to 25-40 percent of your heating costs by upgrading to high efficiency heating equipment**, at a fraction of the cost of a conversion.
- Installing a programmable thermostat and smart burner controls can help you save even more.
- **Speak with your local heating oil dealer for information on these and other energy- and money-saving options.**



Get the facts about your energy supply. Visit  
[AmericanEnergyCoalition.org](http://AmericanEnergyCoalition.org)



### Sources:

- <sup>1</sup> Governor's Energy Office, 12/30/14, "Oil Prices Projected to Remain Low into 2015"
- <sup>2</sup> Maine Energy Marketers Association
- <sup>3</sup> Fosters.com, 12/28/14, "Even gamblers are calling for oil delivery"
- <sup>4</sup> Press Herald, 11/25/14, "Summit Natural Gas, closed contractor come under fire"
- <sup>5</sup> The Daily Caller, 4/29/14, "EPA Regulations Set to Increase Natural Gas Prices by 150 Percent"
- <sup>6</sup> MassLive.com, 12/29/14, "Vermont Yankee Nuclear Power Plan Unplugs from the Grid for Good this Week"
- <sup>7</sup> Institute for Energy Research, 3/20/14, "How Much Can We Ask of 'The Bridge Fuel?'"
- <sup>8</sup> PricewaterhouseCoopers International, December 2014, "Shale Gas: Still a Boon to US Manufacturing?"
- <sup>9</sup> The Oklahoman, 9/12/14, "New Terminals Could Boost Natural Gas Exports"
- <sup>10</sup> Bloomberg Businessweek, 12/10/14, "How America Is Kicking Its Oil Habit"

## Did You See the News?

# Heating Oil Prices Drop Again



# Heating oil prices are comparable to – *or lower than* – natural gas prices throughout Maine

Oil prices are dropping. You see it when you fill up your home's oil tank. **Prices for home heating oil are at their lowest levels since 2008, while natural gas prices are rising.** In fact, the Governor's Energy Office (GEO) reported that **the price of fuel oil was lower than that of natural gas**, when converted to equivalent heating units.



The GEO report calculates the cost of one million BTU from heating oil at \$19.83, but \$20.30 from natural gas.<sup>1</sup> In many areas, the news is even better. The same report shows **heating oil rates as low as \$2.30 per gallon**, with a statewide average of \$2.75. Compare that to Summit National Gas' heating equivalent cost of \$3.06 per gallon, before factoring in this year's one-time Deferral Adjustment.<sup>2</sup> It's not just happening in Maine, either. This trend is likely to be repeated in other parts of the country as heating oil prices continue to drop.

## Real Savings, Real Value

These rates reinforce what heating oil customers have known for years: **Oilheat is one of the best values for your home comfort.** This year alone, with rates one dollar per gallon less than last year, homeowners may **save between \$700 and \$1,000 in fuel costs!**<sup>3</sup> Most dealers offer additional money-savers like budget, price protection and service plans, as well as 24/7 emergency service.

There's also the priceless peace of mind you get working with a local business, not some corporation based on Wall Street or in another country. The company that delivers

your heating oil is usually the one servicing your equipment; you won't find yourself in a situation like the Summit National Gas customers who each gave thousands of dollars to a "recommended" contractor, only to have that business disappear overnight ... with their money!<sup>4</sup>

## A Matter of Supply

Natural gas prices are expected to continue to rise. One news service predicts a **natural gas price increase of 150 percent by 2025.**<sup>5</sup> The competition for New England's limited natural gas supply keeps getting fiercer:

- With the closing of the Vermont Yankee Nuclear Power Plant, ISO New England has warned that the greater dependence on natural gas is a "key strategic risk."<sup>6</sup>
- As coal-fired plants shut down, consumption of natural gas will continue to increase – and may require additional natural gas imports.<sup>7</sup>
- Industrial users – chemical companies and manufacturers – are expanding energy-intensive operations, relying on natural gas.<sup>8</sup>
- As additional export facilities are approved by the Department of Energy, more liquefied natural gas will be shipped to foreign buyers who are currently paying up to four times more than U.S. customers.<sup>9</sup>

On the other hand, **crude oil production is at its highest levels in more than 30 years**, and we are moving toward true energy independence, by combining increased production, renewable and alternative fuel sources, and more efficient equipment.<sup>10</sup>