



FROM BOTTINI FUEL

FALL 2006

PERSONALLY SPEAKING

We Give You Choices

Dear Friends,

As I write to you, oil prices have been fluctuating up and down. This just goes to show that it's impossible to time the market.

We do give you choices, however. We offer more options than any other fuel company in the area. Every spring we send you information about our price protection plans and how to enroll in the plan of your choice—the one you're most comfortable with.

This year, some of you chose to lock in your price at a guaranteed rate while others were more comfortable with our price cap program. Others preferred to forgo price protection this year and opted to pay our competitive, daily fluctuating rate for their oil.



Jim Sheedy

The main thing is we play it straight with you. We're not making more money at the expense of the folks who chose the guaranteed rate. As much as I wish we could lower that rate for you right now, our hands are tied. Once you enrolled, we went out and secured your fuel at rates that have turned out to be higher than today's. The fact is, we have signed contracts with our suppliers, and we are legally bound to honor them.

We Keep Our Promises

Just a few months ago, some experts predicted that crude oil prices would reach \$100 per barrel. This again shows that there is no perfect way to choose price protection.

Customers who protected their oil price the past few years have saved hundreds or even thousands of dollars. Throughout that time, we always kept our

promises about protecting your price and never asked you to pay more when prices suddenly went up.

The best course of action is to remain patient. Given the roller coaster ride that energy prices have been on, the cost of heating oil could rise sharply at any time. All that's needed is a new Middle East crisis, a late season hurricane, a pipeline disruption or an early start to winter.

But no matter what happens this winter, whether prices spike up again or we're battered by a brutal winter, we'll be here for you, fulfilling our commitments to give you real peace of mind.

Sincerely,

Jim Sheedy
Vice President

The Ultimate Convenience

Want to reduce bill clutter? Write fewer checks? Avoid the time crunch of getting in your payment? We have the answer for you—a service we offer called **EZ Debit**, which deducts your payments directly from your checking or savings account.

You can use it to pay for all of our services—fuel deliveries, equipment purchases, even your monthly budget plan. You'll also save money by using fewer stamps, envelopes and checks. And most important, you'll save *time*. Return the enclosed card today to request an application. 🔦



Your E-Mail Could Win You \$100

In today's electronic age, your e-mail address makes it much easier for us to contact you about important things like scheduling tune-ups, confirming appointments and providing updates on your account. Customers on our e-mail list are also the first to know about our special offers on new equipment and about events taking place in the community.

Send us your e-mail address and we will enter you into a drawing for a \$100 gift certificate to a local restaurant of your choice.

IMPORTANT: We will not share your e-mail address with any other company, and you can unsubscribe at any time. 🔦



replacing your heating system: when does it make sense?

In the wake of rising home heating fuel prices, you've probably done your best to cut your heating costs. You may be turning down your thermostat, or perhaps you have recaulked windows or added insulation in your attic.

These are excellent ways to conserve energy, but you could do even better. If you put your focus on your heating system, you could save hundreds of dollars a year. Heating systems represent nearly half the energy consumption in most homes.

maintaining your system

At the very least, make sure your system receives regular maintenance so efficiency and safety are not compromised. Regular equipment maintenance will save you money on heating costs because it restores most systems to factory-fresh condition.

Even more important, annual service can correct common problems, such as a misfiring burner. Proper adjustment of the

air/fuel mixture for your oil or propane gas burner will help save a lot of fuel.

improving your system

If your entire system does not need to be replaced, retrofitting it with a new flame retention head burner is a cost-effective way to upgrade your system. This improvement can often pay for itself in about two years or so with the fuel it saves. Compared with older, "gun-type" burners, the flame retention head burner does a much better job mixing the fuel with the air supplied for combustion. It can then burn the fuel/air mixture in a cleaner, more controlled manner, resulting in lower heating costs and less air pollution going out of your chimney. If you have a propane gas heating system, we may be able to make money-saving improvements to your equipment also.

replacing your system

If your system is 15 years old or older, you should think about replacing it. Your new system, depending on the

model, may feature the most energy-efficient heating technologies available.

Getting a new heating system is like replacing an old black-and-white TV that has a fuzzy picture, with a high-definition, surround-sound, flat-panel TV system.

how much heat do you lose?

Up to 40% of the heat produced by an old heating system can be lost—not only up the chimney or out the flue but through the sides of the heating unit itself. This means you could

be losing 40 cents on every dollar you spend on heating.

it's worth the investment

The greater the efficiency gains from a new heating system, the greater the energy savings. Besides big savings on heating bills, once you've installed a new system, you'll virtually eliminate the need for expensive repairs and the escalating maintenance costs associated with an aging system.

In addition, installing a new heating system could make you eligible for a substantial federal tax credit.



An old heating system can waste 40 cents of every energy dollar.



Even more important, annual service can correct common problems, such as a misfiring burner. Proper adjustment of the

how good is the "mileage" of your heating system?

Efficient, well-maintained cars get more miles per gallon. A high-efficiency heating system that is well maintained gets more "heat per gallon."



system is five years old or newer, equipped with latest technology, receives annual service

rating: 40 mpg



system is 10–20 years old, fuel-efficient technology is minimal, maintenance is sporadic

rating: 15 mpg



system is 20-plus years, "primitive" technology, system serviced only after a breakdown

rating: 3 mpg

Ratings show how fuel efficient different heating systems would be if they were cars.

my, how you've changed

Most people are not aware that heating equipment has changed radically over the past 30 years. The changes have helped make both oil and propane economical home heating fuels that provide superior comfort.



oil heat

Oil heat is one of the safest, cleanest and most efficient ways to heat a home. Today's oil heat is so clean and so efficient because of major improvements in equipment.

These have resulted in systems that burn 95% cleaner than before and high-efficiency oil furnaces and boilers that use substantially less fuel (about 500

Old systems were big, bulky and inefficient. New systems are about half the size of old ones and twice as efficient.

fewer gallons per year per household compared with systems used in the 1970s).

Another significant change has been the virtual elimination of air polluting particulate matter (soot). If you have recently installed a new, oil heating system in your home, you already know you don't have any soot, dirt or odors to deal with.

propane

There have been great advances in propane equipment as well. Like new oil heat systems, propane furnaces and boilers feature "smart controls" that minimize on-and-off cycling, i.e., when a system keeps turning on and off. This reduces fuel consumption, wear on parts, flue emissions, electrical use—and your fuel bills.

looking ahead

With growing concern over rising fuel prices, researchers have been looking for alternate fuels that are compatible with modern oil heating equipment. One of the most promising is **Bioheat**. Derived from domestically grown crops such as soybeans, Bioheat is a renewable resource produced entirely in the U.S. It may very well be the heating fuel of choice for the future.

a versatile, clean-burning North American fuel

Approximately 90% of the propane we use in this country is produced in the U.S. with most of the remainder imported from Canada and Mexico.

Propane is produced through a combination of natural gas processing and crude oil refining. The result is propane gas, which is pressurized to liquid form for easy, economic transportation and storage.

Compared with electric appliances, propane appliances create less air pollution. Propane also has a fantastic safety record. Every aspect of installation, storage and tank filling is carefully monitored to ensure that propane equipment will provide a lifetime of worry-free operation.

If you have old electric appliances in your home and would like to know more about converting some of them to propane, please give us a call.

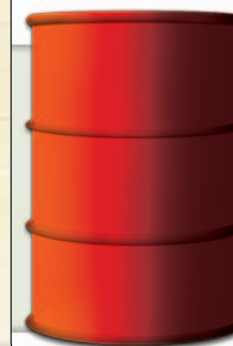


propane lets you soak in comfort

a drop in the bucket

When President Bush said the country was addicted to oil, he was referring to crude oil, the raw material from which all petroleum products are made. This addiction, however, stems mostly from our big thirst for gasoline. Transportation needs account for about two-thirds of all the petroleum consumed in the United States. The chart below shows the range of products refined from a barrel of crude oil. Heating oil and propane are just a small fraction of total U.S. consumption of petroleum. You could say they're just a drop in the bucket.

Refineries take crude oil and turn it into a variety of products. Here's a typical breakdown of what is produced from one barrel (42 gallons) of crude oil.



gasoline	45%
diesel	19%
jet fuel	10%
heating oil	7%
propane	1%
industrial fuel oil	1%
other	17%

Source: U.S. Department of Energy



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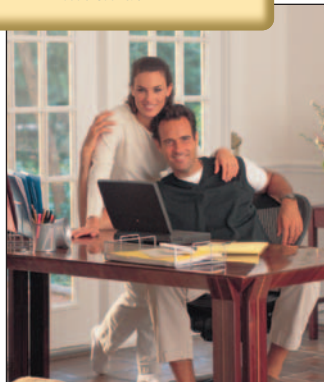
Your Partner for Energy Savings

As your home comfort company, we want to do all we can to help you conserve fuel and lower your heating bills. Regular maintenance or replacement of an old, inefficient heating system will give you the most savings. Annual tune-ups can cut fuel use by about 10%, and a new, high-efficiency heating system can save you as much as 30% on fuel.

Adding weather stripping and insulation, or installing a programmable thermostat, are other ways to cut heating costs. Here are a few more ideas:

- Make sure furniture doesn't block the flow of warmth from vents, baseboard heaters or radiators.
- Keep drapes and shades on south-facing

A high-efficiency heating system can **SAVE** you as much as **30%!**



windows open during the day to let the sun warm your home. At night, close window coverings to keep warm air inside and block the chill from cold windows.

- To find drafts (so you know where you need weather stripping), pass a lit candle around windows and doors and notice when the flame flickers.
- Install storm doors and windows.
- Limit use of vent fans in kitchens and bathrooms. An

entire houseful of warm air can be lost in just one hour of venting.

For more ways to save, visit our website at www.BottiniFuel.com.

Thanks for Helping Us Serve You Better

One of our most important goals is to find out what matters most to our customers so we can give them products and services they really want. To this end we recently conducted a customer survey to ask you what we were doing right and where we needed improvement.

We appreciate the overwhelming survey response and thank all who participated. Thank you too



for your kind words about our employees. We're gratified that overall you seem to feel we're doing a good job, and we're already working to implement some of your excellent suggestions.

Congratulations to John Fitzsimmons of Wappingers Falls, winner of our survey drawing for a \$100 gift certificate to Aroma Osteria in Wappingers Falls.

IN THE SPOTLIGHT

When it comes to the number of years worked at Bottini, Dave Wood holds the record. Hired back in 1971, Dave has seen some big changes.

"When I first started, we had 10 employees," he recalls. "Now we have more than 250." Dave started out as a service technician and also made oil deliveries before we asked him to form our sales department.

Today Dave handles just about every aspect of the daily workings of the Port Jervis office, from coming up with estimates to prioritizing service calls and installations, to scheduling fuel deliveries. "Every day is a new challenge," he says. "My job is never boring."

That's because Bottini is committed to accommodating its customers with a minimum of inconvenience. Dave explains, "From working around a customer's schedule to do a tune-up or making emergency repairs (or even installing new equipment) in the middle of the night or on weekends, when someone's heat fails—that's part of the job. It's what sets us apart."

When Dave isn't working, he relaxes by playing golf with his wife, Denise, and their two sons, Kyle and Erik.



Dave Wood
Division Manager,
Port Jervis office