

# RIISING HOME HEATING COSTS HERE TO STAY!



Regardless of the type of fuel used, today's homeowner is faced with a long term upward trend in home heating costs. There are many reasons for these increases.

## HIGH WORLDWIDE DEMAND

The demand for fossil fuels is worldwide. Increased energy use all over the world creates competition for a supply that is relatively constant.

## REDUCED REFINING CAPACITY

Refining and processing capacity in the United States has not increased as fast as demand. There are many contributing factors, including government regulations, lack of available expansion locations, industry market factors and more. Regardless of the cause, as a country our refining and processing capacity has not grown as quickly as our demand for fossil fuels.

## SEVERE WEATHER

Active hurricane seasons over the past several years and other unusual weather worldwide has disrupted oil and gas production activity. These severe weather events may continue to interrupt the supply of oil, propane and natural gas as well as other petroleum products in the future, leading to continued price increases.

## SEASONAL WEATHER FORECASTS

There is very limited flexibility in the fossil fuel processing capacity. Basically, drilling and refining output is level year around. Cold weather (or forecasts) can cause higher demand which puts increased pressure on both supply and prices. Many of these issues will take years to be resolved. Until then, the homeowner has only two choices; reduce consumption or spend more to heat their home!

# Smart Solutions

The purpose of this brochure is to introduce homeowners to the many benefits of zone heating to reduce total home heating costs. By using less, each of us can contribute to helping to reduce future energy costs. Its's the smart solution.



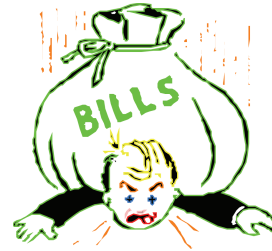
# WHAT IS ZONE HEAT?

It's really a simple concept that is practiced widely in many other parts of the world. The basic premise is... "Turn back the central heating system and use zone heaters for additional warmth in the rooms used most often".

Zone heating focuses on three basic premises to reduce your total home heating costs.

- Reduce the size of the total area being heated
- Reduce the length of time that a specific area is being heated
- Use high efficiency appliances to heat your home

By turning back your central heating system and replacing that heat in select areas for selected parts of the day with zone heaters that operate at higher efficiency, you can reduce your total home heating costs significantly.



# HOW MUCH CAN I SAVE???

The exact amount that you can save depends on many variables affecting your particular circumstance. These include your central heating fuel, current heating system efficiency, room temperatures that you are comfortable with, the size of area to be heated, insulation factors, hours spent at home, type of zone heating appliances selected, outside temperatures... you get the idea.

To get a general idea of potential savings, first look at the following estimates for home heating costs for the 2007 winter heating season.

Fuel Type	AVERAGE WINTER	FORECAST	% COST INCREASE
	2002 - 2007	2008 - 2009	
<b>Natural Gas</b>			
Price (\$/mcf*)	12.72	15.58	22.4%
Expenditures (\$)	855	1059	33.8%
<b>Heating Oil</b>			
Price (\$/gallon)	3.31	4.34	31.0%
Expenditures (\$)	1939	2644	36.3%
<b>Propane</b>			
Price (\$/gallon)	2.45	2.75	12.4%
Expenditures (\$)	1673	1,911	14.3%
<b>Electricity</b>			
Price (\$/kwk**)	0.104	.112	7.6%
Expenditures (\$)	858	939	9.4%
<b>Average Household</b>	<b>\$986</b>	<b>\$1182</b>	<b>19.89%</b>

Expenditures are based on typical per-household consumption.  
\*thousand cubic feet, \*\* kilowatt hour

Winter- Oct 1- March 31

Based on information provided by the Energy Information Administration, a division of the U.S. Energy Department. August 2008. For complete details go to [www.eia.com](http://www.eia.com).

As you can see, heating costs are expected to rise rapidly. The higher these central heating costs actually reach, the greater the potential savings using energy efficient zone heaters.

According to the U.S. Department of Energy, the average homeowner can save 3% for each degree the central heating system is turned back. Now 3% may not sound like much but imagine if you turn the thermostat back from 78 degrees to 68 degrees... you would save 30%!

Based on the E.I.A.'s chart this could be as much as \$350 each winter for many homeowners.

In addition to the cost savings provided by turning back your central heating system, using energy efficient zone heaters can increase your total savings even more.

## 1.) FUEL EFFICIENCY

Many zone heaters, especially vent free, operate at nearly 100% efficiency. Compare this with central heating systems that operate with as low as 60% efficiency and the savings become obvious.



## 2.) HEATING AREA

With zone heating you can provide extra heat only to the rooms used most often... not the entire house. By providing extra heat to a smaller area, much less fuel is needed. Some homeowners use more than one type of zone heater to provide extra heat to different areas of the home.



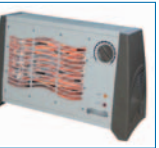
## 3.) PORTABLE HEAT

With many types of zone heating appliances, you have the ability to move the heat from room to room as you need it. By reducing the length of time additional heat is provided to an area, you obviously will use less fuel.



## 4.) INSTANT HEAT

Most zone heating appliances provide almost instant heat to the area they are intended for. This reduces the amount of fuel wasted when heating up the entire house.



As stated earlier, your total savings will vary according to your specific circumstances but it is clear, **EVERYONE SAVES WITH ZONE HEAT!**



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