



National Biodiesel Conference & Expo

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Don Farrell, Publisher, Oilheating Journal



More than **9 BILLION** gallons per year.

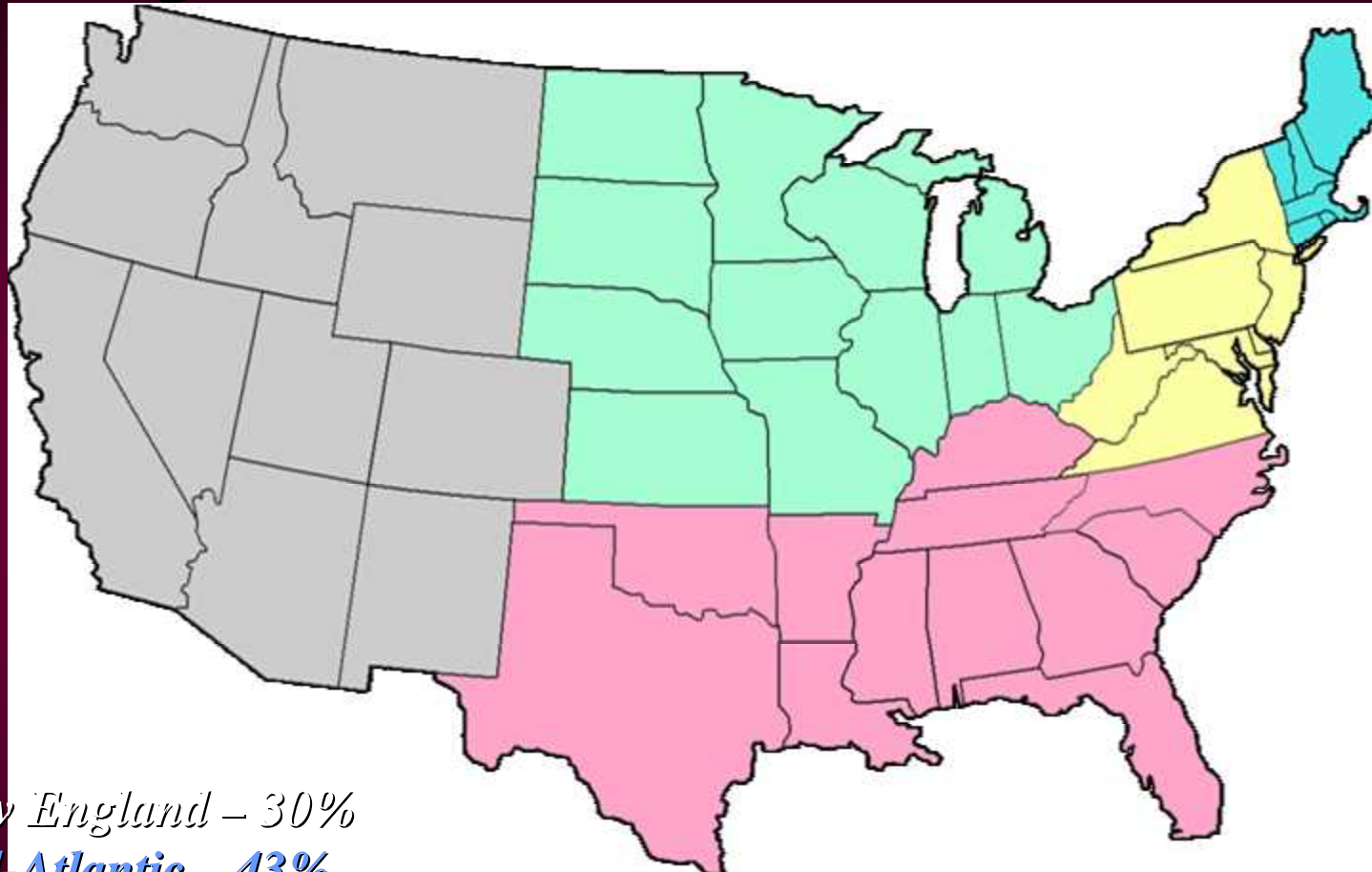
More than **8 MILLION** households per year.



More than **24.5 MILLION** Americans benefit
from Oilheat.



Regional share of US Oilheat market



New England – 30%

Mid-Atlantic – 43%

South – 10%

Mid-West – 11%

West - 6%

***8 BILLION gallons
concentrated in 14 states!***



Potential annual gallons/ state of biodiesel (@ B-5 blend)

MA	58,230,000	NY	123,160,000	VA	21,550,000
CT	42,715,000	PA	64,285,000	NC	15,660,000
ME	31,130,000	NJ	30,600,000	MD	15,165,000
NH	16,375,000	DE	3,210,000	KY	3,250,000
RI	10,555,000	DC	1,635,000		
VT	7,855,000				

New England
166,860,000

Mid Atlantic
222,890,000

South
55,625,000

OH	12,345,000	IN	6,975,000
WI	9,825,000	WA	5,890,000
MI	8,100,000	AK	5,235,000
ID	1,370,000	OR	3,295,000
		NV	1,000,000

Central
31,630,000

Northwest
22,395,000



Total potential market for biodiesel

More than 450 million gallons per year.



Distributed by wholesale suppliers to more than
7,000 retail outlets



Delivered door-to-door by a fleet of over 40,000
class 4-5-6 truck–Diesel powered!

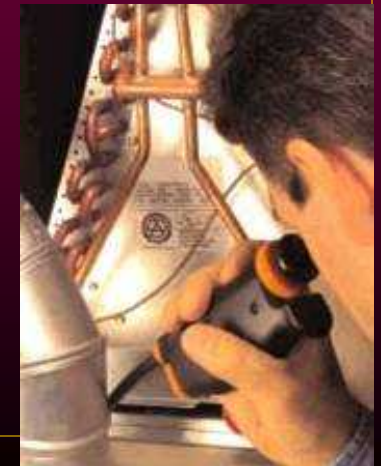


Over 30 MILLION deliveries per year.





- Oilheat...serviced by thousands of independent contractors
 - ✓ Invisible, seamless, automatic delivery of fuel
 - ✓ Heating equipment service performed by certified technicians
 - ✓ Service contracts, price protection, budget plans, and storage insurance available to homeowners
 - ✓ Oilheating appliances are covered by strong reliable warranties



Oilheating marketing challenges

- Oilheating image suffers in the minds of much the public.
 - ✓ Foreign, Mid-east oil
 - ✓ Big oil companies
 - ✓ Limited resource
 - ✓ Environmentally damaging
 - ✓ Old fashioned, not suitable for new homes





solutions



Foreign, Middle East oil





American "BIG" farmer





Limited **Renewable** resource



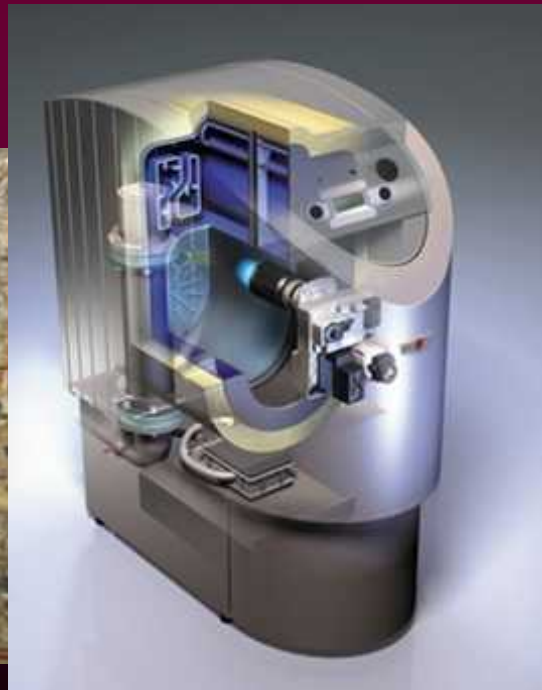


Clean, natural and green
Bio, for the planet





Modern, high tech
Old fashioned



Hurdles...

American Society for Testing and Materials (ASTM) and Underwriters Laboratories (UL) have not recognized Bioheat[®] as a “conforming fuel” hindering the universal acceptance of it as a home heating fuel.

Through a joint effort between the NBB, NORA, and some oilheating equipment manufacturers, significant progress has been made towards accepting Bioheat[®] as a conforming fuel and completion is expected in mid 2008.

Hurdles...

The availability of “quality” biodiesel for blending is sporadic or non-existent throughout much of the oilheating markets.

It is essential that product (up to 450,000 gallons annually) be available to heating oil wholesaler distributors in the oilheating markets. Particularly during the cold weather months.

Hurdles...

Most of the oilheating retail marketers do not have facilities nor the technology for proper on-site blending of heating oil and biodiesel.

It is essential the Bioheat[®] product be blended upstream of the local retail marketer and be available locally for retail delivery.

Hurdles...

The high cost of biodiesel adds to the already record price of heating oil.

The dollar-per-gallon tax credit must be extended beyond the end of this year.

Hurdles...

Homeowners have little or no knowledge about Bioheat[®] and its many advantages.

An aggressive consumer education campaign must be implemented to enlighten homeowners about the many benefits of Bioheat[®].

Some materials have already been produced for this purpose and are available to the oilheating industry through NBB and various State oilheating associations.

Additional efforts are required and must be ongoing.

Bioheat[®] presents an opportunity for both the oilheating and biodiesel industries to provide American consumers with a superior, renewable, clean and domestically produced home heating fuel.

Bioheat[®] presents an
opportunity for both the
oilheating and biodiesel
industries to increase
positive consumer
awareness, distribution,
and gallon sales.