

# OIL GROUP NEWS



Summer 2007

## NEW JERSEY CITIZEN ACTION OIL GROUP

### What a Ride! A Year in Review

We made it through another roller coaster ride of a season, but even with all the ups and downs, Oil Group members still managed to save hundreds of dollars this year!

Last summer, prices were up around \$3.00 per gallon and then plummeted to about \$2.50 per gallon in less than one month. This was a very unexpected event in the oil heat industry. In the past, suppliers and consumers could count on prices starting low in the summer and then climbing as we got further into the heating season. However, prices continued to fall another 50 cents through the beginning of 2007.

This should have been cause

for everyone to throw their hands in the air and enjoy the descent, but the oil industry is never that simple. Suppliers had already purchased most of their oil in the summer when prices were high and had to sell it for much more than it was worth to break even.



The reason our members continued to save when everyone else was paying inflated retail prices was because we contracted with our suppliers for a set price above the wholesale cost of oil. We floated

with the true market, not the suppliers' intended profits.

We caught another break with a milder than usual winter and most people didn't have to turn their heat on until December. Even January was reported to be about 10 degrees higher than last year. It wasn't until February that we actually saw snow and the freezing temperatures we expected. Unfortunately, oil suppliers saw it as a chance to recoup some of the money they had lost earlier in the season. Prices shot up again and continue to climb as we head into summer.

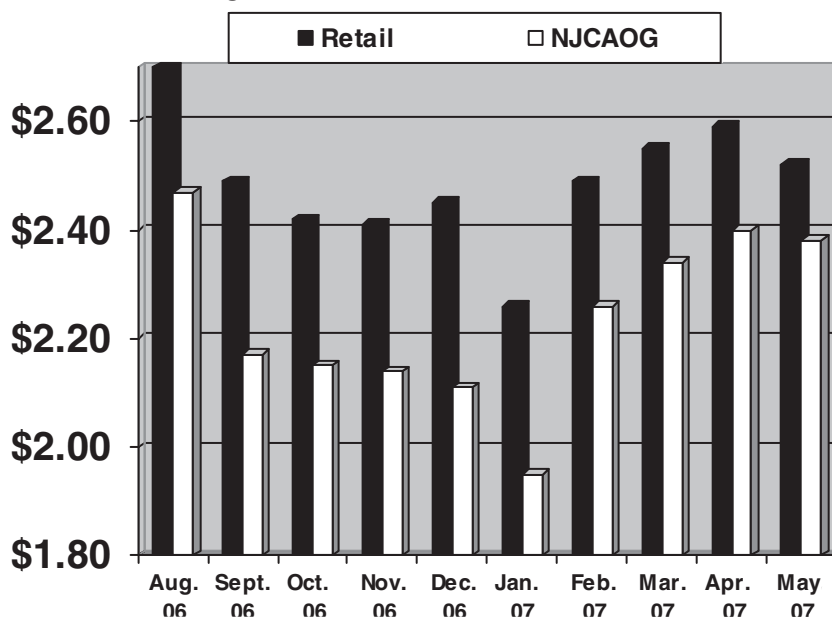
Now the big question is, will we see a repeat of last year, or will the market go back to its usual pattern of ascent? I guess we will all have to stay tuned to find out, but you can be sure that in times of unstable markets, higher price caps and risky pre-buys, Oil Group members can always count on the "Oil Group contract price" to keep their costs fair.

Thank you for sticking with us through another heating season and we look forward to working with you again next year!

Sincerely,

*Wende Nachman, NJCA  
Oil Group Director*

New Jersey Citizen Action Oil Group  
Average Retail Price vs. NJCAOG Member Price



## Introducing The Oil Group Crew



When you call the Oil Group, you will be greeted by the friendly voice of Courtney Murphy, Oil Group Office Administrator. Among her daily duties, Courtney's most important task is to keep our members happy!

Rachel Jenkins, the Oil Group Marketing Coordinator, is responsible for getting Oil Group information out to the residents of New

Jersey. Her main goal is to strengthen and increase the membership base of the organization. If you have any ideas or suggestions, please let us know!

Last, but certainly not least, is Wende Nachman. Wende is the Oil Group Director and she is the glue that holds the Oil Group together.

Any questions, concerns or general comments, can

be directed to any of our staff. We look forward to serving you!

### Oil Group @ A Glance

Oil Group Director:  
**Wende Nachman - x202**  
*wende@njcitizenaction.org*

Marketing Coordinator:  
**Rachel Jenkins - x203**  
*rachel@njcitizenaction.org*

Administrative Assistant:  
**Courtney Murphy - x200**  
*courtney@njcitizenaction.org*



## Check It Out: Free Membership Opportunity!

We know that you love saving money, and we know that you love to share the wealth with family and friends. So, we decided to give members the credit for each new Oil Group member they refer.

For every new member who mentions you by name, you will receive a FREE one year membership to the Oil

Group. Just continue to tell everyone you know who heats their home with oil to contact us. They will save hundreds of dollars on their heating oil bills, you will receive a FREE membership and the Oil Group will continue to increase our power to negotiate lower prices for the state's oil heating consumers—**EVERYONE WINS!**

Last year, over 75 of our members were referred by a friend. That means over 75 FREE memberships were credited! Let's see if we can break last year's record.

*(FREE MEMBERSHIPS WILL BE CREDITED TO NEXT YEAR'S MEMBERSHIP DUES.)*



## ATTENTION: Oil Group Announcements



### Membership Dues

Please note that effective JUNE 1, 2007 membership dues were increased to \$30.00 per year (Commercial Properties, \$35.00 per year).

Membership dues have not been increased in over 20 years. In order to provide you with the best

service possible, it is imperative that we implement this slight increase.

If this creates a severe financial hardship for you, please contact us at 1-800-464-8464, or refer a friend!

Thank you for your cooperation.

### Your Opinion Matters

There will be a brief survey printed on the reverse side of your Renewal Form this year. Your opinions matter to us, so we encourage you to take a few minutes to fill out the survey.

This is your opportunity to voice any concerns, questions or comments.

Our goal is 100% member satisfaction!

## Wondering What's Going on During a Service Cleaning?

As oil heat consumers, we all should have our heating systems cleaned before the onset of the heating season. Suppliers usually like to do this in the summer before they become busy with oil deliveries. But do we really know what the technician is doing or why? An annual cleaning of your heating system is very important for the following reasons:

1. It allows your system to run more efficiently, which will save you money.
2. It will keep your system in good repair, which means fewer break downs and service calls.
3. The cleaning reduces the emissions, which is better for the environment.
4. Check all safety switches.

Most annual cleanings are included in a service contract. If you don't have a service contract, it's still important to have a service person clean and inspect your system. The following functions are performed during a cleaning service visit\*:

- An efficiency test is performed to see what parts need to be tuned.
- The fan housing, cone and air tube of the burner are checked for cracks or stress.
- The flame for the burner is adjusted to improve unit performance.
- Clean-out doors are sealed (only for old systems).
- The interior heat exchanger, the flu pipe and chimney base are all cleaned.
- The draft from the unit is checked to make sure it is venting properly.
- The system controls are checked for proper function.
- The electrodes and nozzle assembly are cleaned or replaced.
- The motors on burners, blowers and circulators are oiled.
- The combustion chamber is inspected for cracks or stress.
- The Ignition Cable is checked.
- The oil filter, burner nozzle and oil pump screen are replaced.

\*Cleaning steps for an oil-heating unit. Source: Fuel Buyers Consumer's Guide to Heating



**KEEP IN MIND:**  
**A professional should always perform you cleaning service and it should take at least an hour.**

NEW JERSEY  
**CITIZENACTION**

NJCA is the state's largest consumer watchdog organization. We organize, educate and advocate in Trenton and Washington on key issues such as: quality healthcare for all, saving social security, community reinvestment, fair banking and affordable housing, lower energy rates, lead poisoning prevention,

campaign finance reform and public education. Visit us on the web and get involved. Join our E-Action Network to get issue updates and action alerts. Sign up at: [www.njcitizenaction.org](http://www.njcitizenaction.org)

**Take ACTION!**

The New Jersey Board of Public Utilities (BPU) is considering measures

that will severely weaken the Universal Service Fund (USF) program and put tens of thousands of low income families at risk. This important program supplements the most economically disadvantaged people in New Jersey when their combined utility rates exceed 6% of their annual income.

Tell the BPU "NO" to USF Cuts and "YES" to

Expanding the USF Program. Write or Call the BPU today at **1-800-624-0241** and tell them to: Fully fund the USF program, eliminate the current cap on benefits and expand the income eligibility threshold for the USF program to 350% of the Federal Poverty Guidelines.

**For more info visit the NJCA website.**

**Keeping You Warm For Less!**



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We're on the Web!

[www.njcaoilgroup.com](http://www.njcaoilgroup.com)

## Check Oil Prices Online!

**Don't forget to  
send us your  
email address  
so you can  
check YOUR oil  
prices online!**

**D**o you ever get an oil delivery and wonder if you were charged the correct price? Now you can make sure that you received the "member price" with just a click!

Simply provide the Oil Group staff with your current email address so that you can verify

prices online. Once we have a valid address, we will email you your login name and password.

Please send your name, address and email address to:

**NJCA Oil Group  
2 Riverside Dr.  
Suite 632  
Camden, NJ 08103**

OR email your information to:

[Oilgroup@njcitizenaction.org](mailto:Oilgroup@njcitizenaction.org)

The prices for next season  
will be available  
SEPTEMBER 1, 2007.