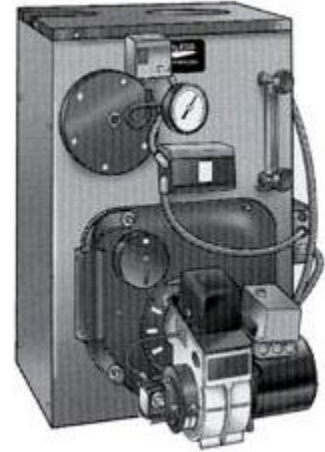


FAQs and Info – Sochia's Oil & Gas Inc.

If the Oil Burner Fails to Operate:

1. Be sure that the oil burner switch is on.
2. Thermostat should be set above the room temperature.
3. Make sure that there is oil in the tank.
4. Check for a blown or loose electric fuse.
5. Press button on stack control box **once only**.



A List of Helpful Facts:

Heating oil can be bought in a variety of ways:

Contract-- By this method the customer signs an agreement to purchase a certain number of gallons over the course of the contract period. These number of gallons are purchased at a guaranteed price.

Will Call--Customers watch their own tank level and orders deliveries when oil is needed. There is a greater chance of running out of oil, because you can forget to check the tank level.

Automatic Delivery--Deliveries are made on a time basis, depending on usage. This type of delivery gives you peace of mind, knowing that you will never run out of oil.

Beware of come-on offers and "bait and switch" tactics and pricing by unscrupulous dealers. Only order oil from established, reputable dealers.

Why NOT to Switch to Gas:

1. The U.S. Department of Energy expects gas to rise an average of 31% faster than oil every year through 2010.
2. Oil heats a home more evenly than gas heat.
3. The Department of Energy's Office of Energy Efficiency & Renewable Energy has predicted heating oil will be the cheapest U.S. energy source in 1999 for homeowners (Oilheating Magazine—Feb'99).
4. According to the Gas Appliance Manufacturers Association, oilheat systems are 10% more efficient than gas.
5. It is better to conserve a BTU of oil than replace it with a BTU of gas. Fewer pollutants are released.
6. Home heating oil is neither flammable nor explosive and emits far lower levels of particulates and hydrocarbons than gas.
7. Gas heating equipment fails to meet the high efficiency standards of oilheat equipment.
8. When measured in constant dollars, heating oil prices have declined while natural gas prices have increased significantly due to expensive pipeline and utility costs.
9. Oil heat makes faster hot water and more comfortable heat than gas heat.
10. Oil heat produces less greenhouse gas than natural gas burners.
11. 26.3% of gas heaters in the U.S. operate with an efficiency of 62.7% or lower.
12. New oil equipment produces the highest average efficiency at 85%, which is 10% higher than gas.

Frequently Asked Questions:

Why Aren't Oil Prices Regulated?

They used to be, but this led to inflated prices and artificial shortages. Now, while prices can fluctuate sharply under a free market, they have generally stayed much lower and supplies have not been a problem.

How Are Oil Prices Set?

Heating fuels like oil, natural gas, propane, and electricity are traded on the commodities market, which goes up and down like the stock market. By far, the biggest influence on the cost of heating oil is the price of its raw material, crude oil.

What Can Cause Rapid Price Changes?

The market responds immediately to any situation that might affect supply or demand, including unexpected cold or warm weather, supply interruptions, or excess production. These changes are immediately reflected in the wholesale price your dealer pays for the oil he delivers to you.

Do Local Dealers Make More Profit During Sudden Price Changes?

No. When world oil prices rise, it doesn't mean they get a bigger share of it. It's similar to when orange juice prices go up because of an early frost. The local grocery doesn't make the extra money.

So Who Does Make the Money?

Anyone (including major oil companies, refiners, speculators, and others) who was either smart or lucky enough to have secured oil before the prices started to rise. However, these same people would have lost money had prices dropped.

Do Local Dealers Wait to Deliver until Prices Are Highest?

It's tempting to think that, especially if you've just gotten a high-priced delivery. But remember, your local dealer has no way to tell what will happen to wholesale prices from week to week. Until they can find a better crystal ball, dealers base their deliveries on customer needs and the most efficient truck routes.

How Can Companies in the Same Area Charge Very Different Prices?

Heating oil is a very competitive business. At any time, you may find people who are priced either higher or lower than your dealer. The difference depends upon:

- The quality of the fuel and certainty of supply
- The quality of service they provide
- The payment terms, delivery options, and equipment repair service they offer

After Wholesale Prices Drop, When Do Retail Prices Follow?

It depends on how much oil your local dealer bought or stored at a higher price, and how quickly he sells it due to cold weather. It also depends on how much of the original wholesale increase he absorbed to cushion his customers when prices went up.

When you separate the facts from the fiction, you can feel very good about your choice of heating fuel and your oil dealer.

Facts & Fiction:

FICTION: Everything above the wholesale cost is the dealer's "profit margin."

FACT: They call it their "margin," but it certainly isn't their profit. Your heating oil dollar goes towards taxes, wages, general overhead, insurance, truck maintenance, the wholesale cost of oil, and yes, profit—which allows your dealer to be there for you!

FICTION: You would save money if you converted to another fuel.

FACT: Over the last 5 years, oil has been a better value than natural gas and electricity. Because heating fuels are measured differently (in gallons, therms, and kilowatt hours), the way to compare prices is to look at how much it costs each one to produce a certain amount of heat. This is measured in dollars per million BTUs. Heating oil is the clear winner. (Source: U.S. Department of Energy, Facility Energy Services.)

FICTION: Heating oil is expensive.

FACT: Over the last 10 years, heating oil prices have dropped 18%. Prices of other consumer items have risen steadily. When adjusted for inflation, heating oil is actually cheaper than it was before the first embargo in 1973. Predictions for crude supplies indicate that low prices are likely to continue.