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MASSACHUSETTS ENERGY MARKETERS ASSOCIATION

Heating Your Home or Business

— THE CHOICE SHOULD BE YOURS —

There is no debating that climate change is impacting our environment and the problem must be addressed with urgency. This requires a thoughtful, sensible approach to energy policy in Massachusetts, and not one that tries to force homeowners and businesses using heating oil to switch to electric heating.

Logic would dictate that encouraging and incentivizing conversions from heating oil to electric heat pumps would first require that ISO New England (ISO NE) – the electric grid that provides power to the region – produce electricity using 100% renewable sources like wind, solar and hydropower.

But that is not the situation today.

Electric Heat Pumps: Expensive, Poor Performing & Not Renewable

ISO NE produces electricity primarily using natural gas. Currently, ISO NE's "Resource Mix" is typically about 50% natural gas, with renewable sources such as wind providing only about 6% of our power needs. And Gordon van Welie, President and CEO of ISO NE, confirms that "getting to a power system that runs primarily on clean energy isn't as simple as flipping a switch."

In a *Boston Globe* editorial published on January 3, 2023, van Welie stated that to keep the grid operational "existing power plants and fuel sources will need to be retained and maintained to provide critical energy supply reserves."

He added, "Regional transportation and heating initiatives to switch to battery-powered cars and replace gas and oil furnaces with electric heat pumps are expected to double electricity demand. That means the region will not only need to build enough clean resources to replace existing fossil fuel plants, but also meet the added demand."

In addition to the status of the electric grid, the average cost to install an electric heat pump in a home is over \$20,000 and can be as high as \$40,000. Most homeowners who install an electric heat pump retain their heating oil system because of the poor cold weather performance of heat pumps.

Mass Save, the utility-operated company that provides rebates for heat pumps states "the most cost-optimal switchover temperature" for oil-fired heating systems is 30°F and recommends "configuring integrated controls to switchover at or below" this temperature. Mass Save also warns consumers that a "heat pump is an electrical system, so running one will add to your electrical use."

Given that National Grid raised residential electric rates in Massachusetts by 64% for the winter of 2023, and Eversource raised their winter rates by 43%, electric heat pumps will dramatically increase home energy costs.

Bioheat Fuel: Reducing Emissions Now

The heating oil industry in Massachusetts is currently providing customers with an immediate and cost-effective liquid fuel that does not require an expensive heating equipment conversion.

Bioheat® fuel, also known as advanced biofuel or biodiesel, is a proven drop-in fuel that when blended with traditional petroleum, can reduce carbon emissions by up to 74% on average. The environmental benefits of advanced biofuels are recognized by lawmakers and regulators across the United States.



 Advanced biofuels have been endorsed and approved by the U.S. Environmental Protection Agency for decades.

 The Massachusetts Department of Energy Resources encourages retail heating oil companies to blend eligible liquid biofuel in home heating oil by participating in the state's Alternative Energy Portfolio Standard program.

 New York, Connecticut, and Rhode Island all have mandates requiring that heating oil is blended with advanced biofuels to reduce greenhouse gas emissions.

 Advanced biofuels are the key component in the Low Carbon Fuel Standard (LCFS) enacted in California in 2011. The California LCFS is considered the nationwide model for addressing climate change and reducing greenhouse gas emissions.

 R.W. Beckett, the nation's leading manufacturer of heating oil burners, an integral component in a heating oil system, just announced production of an oil burner for B100 - 100% biofuel. The company already offers a B20 oil burner.



Visit www.mybioheat.com to learn more.