

## Our Industry's Value Proposition



Consumers use pellets  
**to save money**

## Savings are higher than we're saying

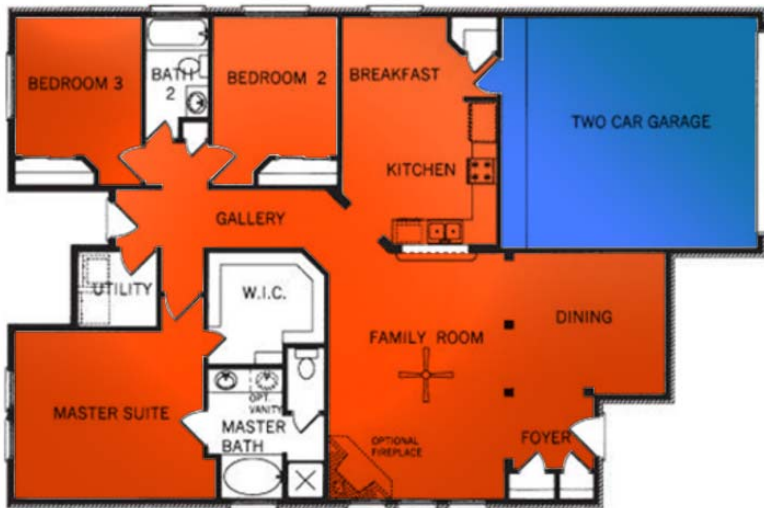
- PFI Cost Calculator shows 120 gallons of oil per ton of pellets
- Our typical consumer saves about 150 gallons per ton of pellets

### Why?

The efficiency gains of space heating can be significant

# Why Heating Living Areas Works

## Central Heating



Traditional central heating typically provides an even temperature throughout all living areas

## Space Heating



With space heating, living areas are warm  
Peripheral areas run cooler, saving energy  
(for forced air, there is less power circulating air, too)

Results will vary by home, but according to the Alliance for Green Heat and an independent study by the ACEEE, efficiency gains can exceed 20%.<sup>1</sup>

<sup>1</sup> McBride, Thomas, 'Zone Heating as a Low Income Energy Conservation Measure', ACEEE 1990 Summer Study on Energy Efficiency in buildings.

## Consumers swap apples for oranges

	Oil		Pellets
Without space htg	148 gallons	=	1.25 tons
With 20% gain from space heating	118 gallons	=	1.00 tons

**Consumers swap: 1 ton of pellets, used in space heating, for about 148 gallons of oil used in central heating**

### Notes/Sources:

- Alliance for Green Heat cites savings of 20% or more with space heating.
- ACEEE 1990 Summer Study on Energy Efficiency in Buildings noted efficiency gains of 20-40% with space heating and modest energy efficiency measures (McBride, Thomas).
- Heating oil at 115,000 BTU/gallon; Wood Pellets at 13.6 MBTU/ton

For further information, see: [www.woodpellets.com](http://www.woodpellets.com)

## Let's not sell our industry short

- We're saving consumers more than we take credit for
- Let's all sing from the same hymnbook
- Even in central heating, we're savings consumers a bundle today!

# Recent news is favorable (even on a pure BTU basis)

The [New York Biomass Alliance](#) has estimated that, on a per million BTU basis, heating costs in January 2011 varied dramatically by fuel type. For instance, #2 heating oil, commonly used for residential heat, was \$24.90 per mmBTU. Bagged wood pellets were \$14.70 per mmBTU.

**This means that heating a home with #2 fuel oil was approximately 69 percent more expensive than heating the same home with wood pellets [even in central heating applications].**

<http://www.renewableenergyworld.com/rea/partner/biomass-thermal-energy-council-btec/news/article/2011/02/u-s-heating-oil-up-24-percent-and-rising-biomass-advocates-urging-25-percent-replacement-of-fossil-fuels-in-the-northeastern-u-s-by-2025>