Principles for Improving the Environmental Performance of the Oil Heat Sector

The above-identified heating oil industry representatives and leading environmental groups recognize the compelling need to reduce greenhouse gas (GHG) emissions while ensuring that heating needs are met cost-effectively and reliably. Residential use of energy accounts for approximately 1/5 of the energy consumed in America and thus is a significant part of this nation's energy consumption. Increasing our investments in energy efficiency and lowering the carbon intensity (average carbon emissions per unit of energy) of our fuels are two critical ways to address GHG emissions in our built environment.

The heating oil industry and environmental stakeholders believe that while energy efficiency in homes has increased significantly over time, there are still many available technologies that have not been widely adopted, and there are still opportunities for new technological advances that will improve energy efficiency. Additionally, new sources of energy including solar, wind and low carbon biofuels provide an opportunity to lower the emissions of each energy unit delivered. Thus, the home residential sector provides a unique opportunity to reduce greenhouse gas emissions, reduce costs to consumers, improve the nation's energy security, and improve the comfort of American households.

To this end, the groups have agreed to the following principles:

1) The heating oil industry and leading environmental stakeholders support efforts to ensure that the carbon intensity of the heating fuel provided to consumers is reduced. There is concern that higher carbon intensity fuels will be entering the market. The industry and environmental stakeholders will encourage the use of low carbon intensity feedstocks and technologies to reduce the carbon intensity of existing fuels and support efforts to ensure the carbon intensity of heating fuel is reduced.

2) The industry and environmental stakeholders support the use of high efficiency appliances, home improvements, and other measures that can avoid the combustion of any fuel. The industry and environmental stakeholders support the use of low sulfur heating oil as a means to improve the operating efficiency of existing appliances, to cut pollution, to empower the use of new technologies, and to promote cleaner-burning alternatives.

3) The industry and environmental stakeholders support blending sustainable, renewable low-carbon biofuels into heating oil; the addition of these blendstocks will help reduce the carbon intensity of the fuel. A combination of these measures should enable the industry to continuously reduce the greenhouse gas emissions from home heating oil in a cost effective and environmentally sensitive manner.

The heating oil industry and the environmental groups will use these principles to guide their research and education to the public, government and industry. Working together, we endeavor to deliver solutions that help protect our environment while strengthening our economy.