



NATIONAL OILHEAT RESEARCH ALLIANCE (NORA) ***BENEFITS OF OILHEAT and BIOHEAT®***

BACKGROUND

Investments in more efficient technology, fuel quality and the education of consumers and service technicians has reduced annual heating fuels consumption from an average of 1,700 gallons to 700 gallons per home over the last 40 years. Since the year 2000 alone, oilheat efficiency has continued to improve by transitioning to an ultra-low sulfur heating oil (ULSHO) combined with biodiesel. Simultaneously, the efficiency of the equipment has broken through the 90 percent efficiency barrier. Much of these accomplishments are credited to the reauthorization of the National Oilheat Research Alliance (NORA) which was established in 2000 (P.L 106-469) and has been extended through February 2019.

NATIONAL OILHEAT RESEARCH ALLIANCE (NORA)

Heating oil retailers are typically small, family-owned businesses who generally compete against large, government-supported utility companies and the political infrastructure that supports it. In the past, the only direct benefit provided to the oilheat industry by the federal government was a small appropriation (less than one million dollars on average) to support research at a national laboratory.

During the late 1990's, oilheat industry participants determined that a small appropriation directed by Washington was not going to provide the way forward. The industry wanted to be responsible for its future, and provide better products and services to its customers.

Why NORA:

- Parity with other energy sources: Electric and gas utilities are state-sanctioned monopolies that allow for uniform assessments to fund R&D and consumer education activities. Propane, a competing fuel, successfully implemented a similar check-off program and self-assessments to engage in these activities and improve its competitive position prior to the heating oil industry considering this approach. The heating oil industry decided that a limited self-assessment would help level the playing field with the large competing utilities and, thus, provide additional value to consumers. Additionally, the research would ensure the next generation of technical improvements went to oilheating consumers.
- Efficient and fair collection mechanism: A small, uniform assessment that allows wholesalers and retailers to work cooperatively without violating anti-trust laws.
- Efficient use of resources: The efficient collection mechanism allows management of the program to be small and limited, and utilize existing industry resources to focus the program's efforts on critical activities such as R&D, consumer education, and technician training.

- All funds are collected from private parties and distributed to private parties. There is no federal involvement. In 2014, the Act was amended to ensure that all businesses pay the fee as intended, and not retail consumers.

BIOHEAT® & ULTRA-LOW-SULFUR HEATING OIL (ULSHO)

Benefits to the Environment: NORA issued a landmark industry report on the utilization rate and analysis of the use of biofuels in heating fuels equipment. The report, ***Developing a Renewable Biofuel Option for the Home Heating Sector***, is important because it demonstrates the significant economic and environmental benefits of biofuels along with information regarding its efficiency as a home heating fuel, compatibility with existing heating oil equipment, and data on market penetration and acceptance. The report was required by Congress as part of NORA’s reauthorization in 2014.

Key findings of the report include: The transition to ultra-low sulfur heating oil (ULSHO) lowers maintenance, improves efficiency and reduces pollution from heating systems; B20 blends using ULSHO as a blend stock are lower in greenhouse gas emissions (GHG) than natural gas when measured over 100 years; Low blends of bioheat (less than 10 percent) are lower in GHG than natural gas when evaluated over 20 years; and Performance studies of B20 blends on basic burner operation are equal to that of unblended heating oil. The report concluded that biodiesel fuel and the move to renewable fuels present new opportunities for the heating oil industry and consumers. The transition can be made with minimal costs by consumers and heating oil dealers, removing a significant barrier to the widespread introduction of use of renewable home heating fuel.

“THE ASK” *Committees: House Energy and Commerce; Senate Energy & Natural Resources; All lawmakers*

PMAA would like to thank NORA’s champions from the 113th Congress. The bills that reauthorized NORA known as the “Oilheat Efficiency, Renewable Fuel Research and Jobs Training Act of 2013” garnered 35 House cosponsors (27 Republicans, 8 Democrats) and 14 cosponsors in the Senate. NORA expires in February 2019. Therefore, PMAA urges lawmakers to make NORA reauthorization a priority during the 115th Congress.

PAST COSPONSORS OF NORA

House	House	Senate
Rep. Courtney, Joe [D-CT-2]	Rep. Jones, Walter B., Jr. [R-NC-3]	Sen. Blumenthal, Richard [D-CT]
Rep. Larson, John B. [D-CT-1]	Rep. Johnson, Bill [R-OH-6]	Sen. Murphy, Christopher S. [D-CT]
Rep. Kinzinger, Adam [R-IL-16]	Rep. Latta, Robert E. [R-OH-5]	Sen. Coons, Christopher A. [D-DE]
Rep. Barr, Andy [R-KY-6]	Rep. Stivers, Steve [R-OH-15]	Sen. Collins, Susan M. [R-ME]
Rep. Harris, Andy [R-MD-1]	Rep. Walden, Greg [R-OR-2]	Sen. Franken, Al [D-MN]
Rep. Huizenga, Bill [R-MI-2]	Rep. Dent, Charles W. [R-PA-15]	Sen. Heller, Dean [R-NV]
Rep. Kuster, Ann M. [D-NH-2]	Rep. Kelly, Mike [R-PA-3]	Sen. Gillibrand, Kirsten E. [D-NY]
Rep. Frelinghuysen, Rodney P. [R-NJ-11]*	Rep. Shuster, Bill [R-PA-9]	Sen. Schumer, Charles E. [D-NY]
Rep. LoBiondo, Frank A. [R-NJ-2]	Rep. Duncan, Jeff [R-SC-3]	Sen. Burr, Richard [R-NC]
Rep. Pallone, Frank, Jr. [D-NJ-6]	Rep. Wilson, Joe [R-SC-2]	Sen. Reed, Jack [D-RI]
Rep. Smith, Christopher H. [R-NJ-4]	Rep. Welch, Peter [D-VT-At Large]	Sen. Whitehouse, Sheldon [D-RI]
Rep. Engel, Eliot L. [D-NY-16]	Rep. Goodlatte, Bob [R-VA-6]	Sen. Leahy, Patrick J. [D-VT]
Rep. King, Peter T. [R-NY-2]	Rep. Wittman, Robert J. [R-VA-1]	Sen. Sanders, Bernard [I-VT]
Rep. Tonko, Paul [D-NY-20]	Rep. McMorris Rodgers, Cathy [R-WA-5]	Sen. Jeanne Shaheen (D-NH)

PMAA STAFF CONTACT: Rob Underwood, runderwood@pmaa.org
 Sherri Stone, sstone@pmaa.org