

FAQ

How to Switch from Dirty Heating Oil to Cleaner Fuel

Why should my building switch to cleaner heating fuel?

Burning dirty heating oil (#4 and #6 oil) emits high levels of fine sooty particles and nickel (heavy metal) which are both harmful to our health. #6 oil spews out at least 15 times more soot pollution than either #2 heating oil or natural gas. New York City's nickel levels are nine times higher than those found in other U.S. cities.

The City is planning to phase out permits for #4 and #6 oil boilers (rule not published as of February '10). Converting to natural gas even before cleaner fuel is required by the City, can help buildings save money. Acting now will allow the utility company time to bring gas lines to buildings in a timely manner, before mandatory rules generate a glut of requests and delays.



What are the cleaner heating fuel options?

Natural gas, #2 heating oil or ConEdison steam. A building can decide to burn only #2 heating oil, only natural gas or a combination with natural gas being the primary fuel and #2 heating oil the back-up secondary fuel. ConEdison steam eliminates the need for a boiler or oil tank.

What is required for the conversion to cleaner fuel?

Find out from your heating system contractor if the building's burner(s) can burn natural gas and/or #2 heating oil. If not, get price quotes for a new burner that can burn natural gas or #2 heating oil. If the boiler is very old, a new boiler will pay for itself by being more fuel efficient.

- *Natural gas:* Contact ConEdison or National Grid¹ to find out a) if they can bring a gas line to your building, b) if they will pay to bring the line to the building, c) if the building is located in a low or high gas pressure area (in case of a low pressure gas area, a gas booster is needed) and, d) about the different gas rates (firm or interruptible²). If the building decides to opt for the cheaper interruptible gas rate and needs to pay to bring the gas line to the building, go to the map on www.edf.org/dirtybuildings to find out which buildings around you are burning dirty oil. These neighboring buildings might be interested in splitting with you the cost of installing the gas line.³

¹ ConEdison (for buildings located in Manhattan, Bronx and part of northern Queens): www.coned.com/naturalgas; 1-800-643-1289. National Grid (for buildings located in southern Queens, Brooklyn, Staten Island): <http://www2.nationalgridus.com/myngrid/>; 1-877-MyNGrid (696-4743).

² The firm gas rate applies when a building is only burning natural gas. The interruptible gas rate applies when a building is primarily burning natural gas but for a few days out of the year is required to switch to #2 oil (the utility company will inform the building when that is the case – hefty fines apply if the building does not comply).

³ To find out who the managing agent/owner for these neighboring buildings is go to <http://www.nyc.gov/html/dob/html/bis/bis.shtml> and enter the building address and Borough in the box on the right

- *#2 heating oil*: If the existing burner can readily burn #2 heating oil (e.g. dual fuel burner), only a tank cleaning and removal of certain equipment are required before a building can make the switch. This can be done in just a few weeks. If a new burner is required, it will most likely take a few months to switch.

How much does natural gas and #2 heating oil cost compared to #4 and #6 oil?

Natural gas is currently cheaper than #4 and #6 oil and is predicted to stay cheaper for the next 10-15 years. Payback periods for natural gas conversions are approximately 3-6 years, depending on the existing equipment and if the building is close to a high pressure gas line.

#2 heating oil is 10-30% more expensive than #4 and #6 oil. But because both #2 heating oil and natural gas are much cleaner than #4 and #6 oil, boiler/burner maintenance costs are reduced.

How can I save money?

Check out EDF's report *The bottom of the barrel: How the dirtiest heating oil harms our health and pollutes our air*, Chapter 5 or the Executive Summary at www.edf.org/dirtybuildings on best heating system maintenance practices and fuel efficiency measures buildings can implement to save fuel and money. Check with a licensed heating system contractor what the best maintenance practices are and if your boiler and burner are properly tuned to ensure maximum efficiency. Simple steps like proper tuning, best maintenance practices, setting the hot water temperature at 120 deg. F., low cost radiator shut off valves and working radiator steam traps can lead to fuel savings of up to 30%.

Are there any tax credits or federal/state funding available for buildings switching fuel?

We are not aware of tax credits, but the U.S. Dept. of Energy provides funding for boiler/burner replacements and heating system efficiency investments for low income buildings. See <http://apps1.eere.energy.gov/weatherization/> for more information.

NYSESRDA's Multifamily Performance Program (MPP) does not currently offer funding for boiler/burner replacements but might again in the future. Check www.nyserda.org/loanfund for updated information.

What are the approximate costs for converting?

A 90-unit residential building that already has a dual fuel burner and can readily burn #2 heating oil or natural gas, located in a low pressure gas area one block from the main gas line, would face the following conversion costs⁴:

- Approx. \$7,000 to switch to #2 heating oil (incl. filing costs)
- Approx. \$50,000 to switch to natural gas (incl. a low pressure booster for about \$25,000)
- Approx. \$250,000 to bring the natural gas line to the building if the building wants to burn natural gas and #2 oil (cheaper interruptible gas rate applies); if the building burns natural gas only (firm gas rate applies), the utility company will pay to bring the gas line to the building.

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side, then go to the bottom of the page and click on "DEP Boiler Information" to find out who the owner/managing agent is.

⁴ Based on a rough estimate by Abilene, Inc and a cost estimate from ConEdison.