

GIROUX

OIL SERVICE CO., INC.

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FAMILY OWNED AND OPERATED SINCE 1959

Summer 2008

Dear Friends,

Remember last fall? We were aghast to see the price of oil hit \$80 per barrel. Given the current prices, I'm sure that like me, you'd welcome a return to that pricing. Where will it end? Will it come down? I can't answer these questions. Although we've never seen price spikes like the ones we are currently experiencing, we're confident that with our 49 years of experience, we can help our customers manage this challenging time.



Once again we are offering several Price Protection Plans designed to protect your family from the extreme volatility of oil prices. We're here to help, so please call us if you have questions or concerns about the heating season ahead.

Meanwhile, let's try to enjoy the summer weather and all that brings. Thank you for your continued loyalty. We remain committed to delivering great service to all our customers throughout greater Portland as we approach our 50th anniversary.

Warmly yours,

Steve
Steve Giroux



Reduce Consumption with Biofuel

Biofuel usage is increasing. Maine currently consumes 31 million gallons of Biofuel. As you make your heating oil choice for the coming season, remember that Biofuel burns cleaner, reduces pollutants, and is produced here in the United States which helps to reduce our demand for foreign oil. To inquire about Biofuel for your home heating fuel, please give us a call or send an email to GirouxOil@maine.rr.com.

This year, *Price Protection* makes more sense than ever!

Given the high prices, many people might be fooled into thinking that it's better to ride out the upcoming heating season without a contract. Unfortunately, many people felt that way last year when crude oil was selling at \$63 per barrel. Currently, the price stands at around \$135 per barrel with some industry analysts predicting increases to \$150 - \$200 by year-end.

The fortunate customers who decided to buy Price Protection last year saved thousands. For the upcoming heating season, there are three options to protect you from wild swings in oil prices. All three are applicable whether you heat with traditional #2 heating oil, Biofuel, or K1.

Pre-Paid Fixed Plan -- Your price is fixed and remains the same from June 1, 2008 through April 30, 2009. We estimate your usage and you make one lump sum payment when you sign your contract.

Budget Fixed Plan -- Same as above only we allow you to divide your total payment into 11 monthly payments starting in June, 2008 through April, 2009.

Budget Cap Plan -- With this plan, you will never pay more than the Cap price through the contract period and you are protected if the price goes down. This plan allows you to divide your total payments over 11 months. The monthly payment amount will also include a Downside Protection Insurance Premium Fee. This is the fee that our supplier charges us when we buy fixed price gallons and want Cap protection for those gallons. Due to the high volatility of oil prices, this fee is higher than in the past and changes daily. In years past, we have absorbed this fee for our Cap customers because it was only \$.10 per gallon. Currently, it fluctuates from \$.35

to \$.45 per gallon.

As with any insurance, the initial cost may not be appealing but when needed it can save you thousands of dollars. That's the case with oil this year. Plus, by contracting for Price Protection with automatic delivery, you will be assured of delivery in the event of a shortage or crisis, because our suppliers guarantee our supply when we lock in our orders with them.

A Word of Caution!

If you have been offered an unusually low price or are considering "floating" for the season, please be careful. Some local companies failed to fulfill their price protection commitments to their customers last year and smaller cash companies do not have the financial strength to maintain supplies at these price levels. An unusually low pre-buy offer could signal that a company is looking to raise cash quickly.

Prices are very volatile so please call the office at your earliest convenience to secure your contract information.

"15 Day Cash Price"

Important Terms for those who do not pick a Price Protection Plan

Credit-Approved customers who do not choose a Price Protection Plan should note that our payment terms are 15 days from date of delivery. Balances not paid by the 15th day will be charged an additional \$.15 per gallon. These are the same terms we must adhere to with our suppliers.

For a credit application, please call the office or visit our web site www.girouxoilcompany.com.



Even at this price, OilHeat is still the best choice!

When prices fluctuate, we field a lot of questions about which fuel is the best and most cost-effective. Believe it or not, OilHeat is still more cost-effective, more efficient and safer for your family, your home and our environment.

OilHeat burns more efficiently than any other fuel source. For every gallon burned, you get more BTUs from OilHeat than you would from natural gas, propane or wood. Still, despite this information, each year a few customers are enticed into switching to natural gas or propane to heat their homes. Unfortunately, when all is said and done, the conversion ends up costing them much more than expected and the anticipated pay-back is never realized.

Instead of switching to a new fuel source, consider upgrading your current OilHeat system and improving the energy efficiency of your home.



Our technicians are working hard on annual tune-ups to improve your heating efficiency.

Our list of recommendations includes:

▶ **System Maintenance:** we recommend an annual check and tune-up for your entire heating system. Oil heat is the most efficient fuel so make sure you're burning it in a system that is working at peak performance. If you have a service contract with us, you know how much better things work when properly maintained. If not, please call to schedule your tune-up if it hasn't

yet been done for 2008.

▶ **Hot Water year 'round:** How is your water heated? If you have a tankless coil on your heating system, consider adding a hot water storage tank. This will maintain an ample supply of hot water without calling for the burner to kick on every time you open the hot water tap. For more information, give our office a call.

▶ **Upgrade your heating system:** How old is your heating system? The improved efficiency of new systems could reduce your oil usage and save you hundreds of dollars in fuel costs. Even systems that are 15 - 20 years old may be outdated compared to the new equipment available. For an efficiency evaluation, please give us a call.

▶ **Budget Cap Protection:** Oil is one of the only energy sources to offer this type of insurance.

▶ **A few do-it-yourself ideas include:** installation of a Programmable Thermostat and adding pipe wrap to heating pipes and outlet covers to reduce drafts.

Before you consider switching to another fuel source, please discuss the options with us. We'd like to help you avoid making a costly mistake!

From the mail bag:

Here are a few notes we've received recently.

"Thanks for keeping my family warm and happy, both with your oil and your customer service!" J.K.

"Thank you so much for the oil all winter & what a year it has been for all of you...Thanks for the great service." P.D.

"Thank you for delivering to us with such short notice. We are still reeling from that company who stole our pre-buy money." I.C.

Thank you to all who took time to send us a note. It's a great morale booster for everyone here. We'll post more notes and stories at www.GirouxOilCompany.com.



Batter Up!

There's a lot of excitement around the SeaDogs this season. Drop by or send an email to GirouxOil@maine.rr.com to put your name in for our SeaDogs drawing. The winner receives up to four tickets to an upcoming game.

