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Personally Speaking

Are Lower Oil Prices the "New Normal?"

Industry, Economics Experts Welcome Stable Prices, Energy Independence of America's Shale Oil Revolution

Last winter's cold set records throughout much of the U.S. Although there were supply challenges, as well as severe weather hurdles here in the Lehigh Valley, I am gratified to report that Deiter Bros.' delivery and service teams kept all our customers cozy throughout this long and cold winter.

So to answer the BIG question that I am asked frequently: will oil prices remain at these levels? I am the first to admit that there is "no future" in predicting what will happen in the energy markets. But a growing number of experts far smarter than I am are calling for relatively low oil prices to stay for a while, and maybe for a good, long while.

A March 2015 report in *Bloomberg Business* indicates a growing consensus that a return to \$100-a-barrel crude oil isn't in the cards. Instead, expect a range of \$50 to \$60 for at least the next few years.

"This is the new normal," said Dennis Cassidy, co-leader of global energy consultants AlixPartners, in a recent interview. His group sees current pricing patterns remaining stable for the foreseeable future.

The big reason: shale. America's vast amounts of shale oil put us on the fast track to energy independence. According to forecasts from the U.S. Energy Information Administration (EIA), 2015 will see the highest annual average of domestic oil production in 43 years. Even better for the U.S., EIA expects the net import share of oil to decline by a whopping 22% in 2015...this would be the lowest level of oil imports in 45 years!

Now here's some technical information I DO know about shale oil production...and it's very good news for the future of U.S. oil prices. Unlike other petroleum formations, shale oil is tapped with portable, relatively inexpensive wells. This means producers can

stop and start drilling on a dime. Yes, this allows them to quickly cut costs in a price downturn. But it also means that every time prices start to tick up, so will their output, renewing downward pressure on market prices. Yes, the timeless economic rules of supply and demand still apply.

To provide even more "realistic optimism" about the long-term stability of heating oil prices, I've included in this issue of *Comfort Courier* a very insightful opinion report by Alan Greenspan, the famed economist who served as Chairman of the Federal Reserve under 4 presidents (yes, both Democrats and Republicans). He reveals in an unbiased and straightforward fashion the many reasons behind America's oil revolution. If you're as happy as I am about American energy independence and lower oil prices, I suggest you read what Mr. Greenspan has written.

FOR MORE FACTS on how all of us in the Deiter Family are here to work for YOUR comfort and energy savings, please read more inside this issue of *Comfort Courier*. Thank you for your continued loyalty. Here's to a warm and very welcome spring for all of us!



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This could be your lucky issue of the *Comfort Courier*. There are 10 customer account numbers hidden throughout this issue. If one of these is your customer account number, you are an INSTANT WINNER of \$50 worth of EnviraFuel[®] heating oil or propane.

We have printed your customer account number on the mailing label of this issue. Check it, then read the *Comfort Courier* carefully. If you spot your number, give us a call and we will immediately credit your account with \$50 worth of EnviraFuel® heating oil or propane.

NSID

NOW

GOOD LUCK!

Spring, Summer, Early Fall WEATHER FORECAST: Weather You Can Warm Up To, Lehigh Valley!

Higher Temperatures on Tap from Spring to Fall with a Major Tropical Storm Ripping into August

Thank goodness the weather wizards at the **Old Farmer's Almanac** are not the "we told you so" types. Darned if they weren't right about last winter's weather... *again!* Perhaps you read it here first when we echoed their call for "below-average temperatures for 5 straight months from November through March." Well, now that our record cold winter's over we can thaw out with their predictions for "higher and drier" weather coming our way with hotter temps and less rainfall.

Let's all make sure everything is cool with our central air conditioning systems at home and work...sure looks like you're going to need them!

APRIL

Spring makes its debut a bit warmer and drier than average but April's showers will thoroughly moisten our Lehigh Valley during Week 1. Batten down the hatches for high winds and a window-rattling thunderstorm in Week 3. Light sprinkles wrap up the month.

MAY

The first real heat of 2015 steams in from the 5th to 9th to pop open those flowers but come Mother's Day on the 10th expect a cooler stretch through mid-May with scattered seasonal showers. The good news? We can all count on a perfect blend of sun and warmth for Memorial Day Weekend, May 23-25.

JUNE

A wee bit cooler and less precipitation on average, but don't stash the umbrellas just yet. June opens nicely but runs a flip-flop act of sun and showers through Weeks 2 and 3. The first official day of summer on the 21st is also Father's Day but, sorry Dads, a thunderstorm is predicted. June 2015 makes it up to us with its final days sunny side up!

JULY

Do you like hot showers? July opens wet and warm right up to Independence Day weekend then pretty much stays that way with scattered showers and fast-spiking temperatures escalating 762223 the incidence of thunderstorms (be careful, you golfers!) up to the 27th when we get a break with four straight days of sunny days and cooler temps.

AUGUST

2 degrees hotter than average with muggy humidity up until the 10th or 11th when the week opens with a tropical storm that could be a real roof ripper. Cooler weather calms things down through mid-month with vacation-friendly days and only a few scattered rainstorms. The last handful of days from the 26th to 31st will be picture perfect.

SEPTEMBER

This could be a September to remember with temps 3 degrees warmer than usual and about half the average precipitation. Light sprinkles for openers but Labor Day Weekend (5th, 6th, 7th) will kick off a sunny hot streak that runs to the first official day of autumn on the 23^{rd} and on through to month's end with only two, maybe three forgettable thunderstorms to dampen our fall fun.

OCTOBER

Our sunny Indian summer continues with temps 3 degrees above average until midmonth when a series of showers usher in the cooler days and nights that turn our Lehigh Valley's trees into a visual color feast. Schedule Fall Foliage excursions from the 20th to 25th. After that its semi-scary colder and wet right up to Halloween... but it sure was a "boo-tiful" autumn!



Deiter Bros. Ranked #1

In Service for 28th Year

For the 28th year running, a marketwide independent survey ranked Deiter Bros. as the #1 company for heating and cooling in the Lehigh Valley. Who's Who in Business—Lehigh Valley conducts the consumer 55906 research survey annually to determine which local companies are the best in their respective business categories. All of us here at Deiter Bros. are honored and humbled to have been chosen by voters as the top provider in the Heating & Cooling Services category for yet another year. Thank you.

WARM WEATHER IS COMING

It's Time for Your Central AC SPRING TUNE-UP!

Judging from the weather forecasts, it looks like it's going to be a hot summer. Is your central air conditioning or heat pump system up to the task? Contact us now to schedule a Spring Tune-Up for your cooling system. Our Master Technicians will give it the maintenance and service care it needs to keep running at peak efficiency through even the hottest days and nights.

Why wait for the heat to hit? Get to the top of the list by contacting us and scheduling your Spring Tune-Up now!

CALL: **610-868-8566** E-MAIL: **service@dbrothers.com**

It's Time to Sign-Up for

Paygo is Deiter Bros. revolutionary new deferred payment plan for heating oil or propane. With Paygo, when we make a fuel delivery, you don't pay for it at that time...you pay only AFTER you have used it. Paygo has 265512 proven to be incredibly popular since we introduced the plan three seasons ago. The SUPER 6 REASONS shown below are why!

Paygo sign-ups will be taken all summer from June 1 to September 1. Here are two ways to sign up:

ONLINE: Visit **www.dbrothers.com** and click the Paygo button on our homepage. Read all the facts. When you're ready, you can sign up online.

CALL: Want to talk to one of our people about Paygo? Give us a call now at **1-888-492-5003**.

For HEATING OIL or PROPANE, Here Are the SUPER Reasons to Switch to

1. Hold Onto Your Money Longer. With Deiter Bros. Paygo, you pay for your fuel AFTER you use it...NOT when it is delivered. Plus, once you DO start using the fuel, you STILL have 30 days to pay.

2. Predictable Bills. Once a month, you'll get a bill ONLY for the fuel you've used during the previous 30 days. Paygo monthly fuel bills are smaller, more predictable and easier-to-pay.



DEITER BROS!

3. No-Run-Out Guarantee. Deiter Bros.' Paygo integrates your billing with our automatic delivery system. Our "Enhanced" Degree Day system monitors factors such as system type,

weather and other factors to help us determine your fuel need with incredible accuracy...and we back it up with our Paygo No-Run-Out Guarantee.

4. You Pay Normal Fuel Prices with Paygo.

You will not pay any more for fuel with Paygo. You pay Deiter Bros. normal market price at the time the fuel is delivered and it is posted on your delivery ticket.





5. You Can Switch Back Any Time. There are no binding contracts with Paygo, so you can change back to the old payment method any time you wish. (But why would you?!) Just pay for the fuel you have received but not paid for yet.

6. It Doesn't Cost a Penny to Join Paygo. There is no cost to join Deiter Bros. Payqo...and you will not pay more for heating oil or propane as a Paygo customer.





TWO More Choices to Cover Your Home Heating Costs

Once again starting in June, Deiter Bros. customers will be offered TWO WAYS

designed to make it easier to budget for your annual heating fuel costs: 1. Our ever-popular BetterWay Plan; 2. Our Prepayment Plan

Watch your mailbox for your FACTS & ORDER FORM on these plan choices. But to help you start your early planning, here are the highlights of each payment plan option.

1 BetterWay Plan

- Divides annual heating costs into 12 easy monthly payments with the option of a guaranteed Fixed Price Cap on your per gallon costs for the year. Not concerned about a price cap? You may also sign up for the **BetterWay® Plan** without cap protection; market prices will be charged.
- Downside protection: With the Price Cap option, if fuel oil prices drop below your Price Cap, YOU PAY THE LOWER PRICE!

Better Wav[®]_{PLAN}

- Rebates (similar to interest) are paid to you on any credit balance at the end of each month.
- Maintenance plans included: If you are currently enrolled in any of our Maintenance plans, the cost is automatically included in your monthly BetterWay payment. S DEITER BROS

No need to issue a separate payment.

2 Prepayment Plan

- We were the first Lehigh Valley company to offer this locked-in price option over 20 years ago. This program offers peace of mind by providing predictable annual fuel costs.
- Allows you to LOCK-IN YOUR PER GALLON PRICE before the heating season.
- Our Prepayment Plan is for those who want the comfort of knowing exactly 152512 what their fuel price will be...no matter what happens in the international oil markets.

GENERAC

Get a Top-Quality Whole-House Generator for as Low as \$75/Month

Yes, a whole-house generator is the answer for future power outages and weather emergencies...inevitabilities of America's aging power grid.

Yes, a top-quality, professionally installed GENERAC generator system increases your family's safety and your peace of mind.



But what about the cost? Can you afford a new whole-house power generator? Thanks to a new financing program through Deiter Bros. and GENERAC,

you can add one more "Yes" to that answer!

Because we are one of the Lehigh Valley's leading GENERAC Authorized Dealers, Deiter Bros. can offer special financing for homeowners and businesses 267827 who order a new GENERAC whole-house back-up power system installed now through October 2015. Payments can be as low as \$75 per month. For more facts, call us at 610-868-8566 or visit www.dbrothers.com.

Deiter Bros. Converting Service Fleet to Propane Power



To reduce emissions and fuel costs, **Deiter Bros. Heating Cooling Energy** is converting our service fleet from gasoline to propane power.

We took delivery of our first converted vehicle on October 26, 2014. Since then several more have been converted and eventually most Deiter Bros. vehicles will be adapted to run on propane. We are committed to systematically converting our light-duty vehicles. Our goal is to reduce fuel costs and environmental impact.

Compared to gasoline, LPG yields 12% less carbon dioxide, about 20% less nitrous oxide, and as much as 60% less carbon monoxide, according to a report by the California Energy Commission (January 2003).

We selected the technology of **American Alternative Fuel** of New York for the conversion process. Basically, the spare tire is replaced with a form-fitting propane tank, a fill opening is added to the rear of 72182 the vehicle and a small gauge is attached to the dashboard.

The vehicle always starts on gasoline then gradually shifts to propane. You cannot notice the change at all. If you want to run on just gasoline, simply push a button on the dashmounted gauge.



Project by **Two Brothers** Landscaping. For facts: 484-357-6764.

Smart Landscaping Can Save on Home Energy Bills

When planning your landscaping projects, remember that where you plant trees and shrubs this spring can reduce your home's energy bills for many years to come.

"A well-designed landscape can protect your home from winter winds and summer sun, both of which drive up home energy costs," says Jarrod Wisniewski, owner of Two Brothers Landscaping, Bethlehem, Pa.

"Shading and the natural release of water vapor from trees can reduce surrounding air temperatures up to 9 degrees Fahrenheit," he notes, adding that properly placed trees can reduce air conditioning electricity costs by 15% or more.

"During the colder months, freezing winds hit your home's walls and windows, decreasing indoor temperatures so more heat is needed. Denser shrubs, hedges 760908 and trees can provide a windbreak to help counteract this effect."

Energy Insights:

Shale Oil Breakthrough Will Be A Market Stabilizer By Alan Greenspan



Normal diplomacy probably could not have achieved the geopolitical outcomes that have been produced in the past year by America's shale oil revolution.

Oil prices have more than halved which coupled with the collapse of the ruble that stemmed from the turmoil in the Ukraine—

has gone a long way toward disabling the Russian economy. Cheap oil has weakened Iran's economy, too, lifting the chances of a realistic nuclear agreement. Finally, oil-rich Venezuela was on the edge of default even before the oil price decline. This amounts to a marked change in the economic and geopolitical

landscape, of which 761233 the main beneficiaries are the U.S. and its allies.

At the root of the price collapse was the development in the U.S. of techniques for extracting tight oil, mostly from shale deposits, by horizontal drilling and hydraulic fracturing. This reversed the decline in U.S. oil production, adding three

million barrels a day since 2012. As a result, the gap between global production and consumption has widened. Saudi Arabia, confronted with an oil supply glut but not wishing to lose market share, abandoned its leadership role as global swing producer and refused to cut production to support prices. After the oil embargo of the 1970s, OPEC wrested oil pricing power from the U.S. But the shale technology breakthrough is likely to be a far more effective stabilizer of oil prices than the cartel of oil producing countries. OPEC is now relinquishing its pricing power. It may never be regained.

The reason is that shale technology is far more flexible. Shale oil wells can come on stream faster than most conventional wells, and drain far more rapidly. Thus, shale oil output can expand and contract more rapidly than conventional wells. *Unlike the production decisions of a monopolistic OPEC, fluctuations in market prices will automatically guide shale expansion and contraction.*

So far, the heavy build-up of inventories of crude and petroleum products, and the decline in the number of active drilling rigs, has not arrested the growth in U.S. crude output.

A year ago, when prices were high, the conventional wisdom was that, at \$60 a barrel, shale oil could not be profitable. Back then, incentives to cut production

costs were a low priority; when each barrel was worth more than \$100, the most important thing was to get it out of the ground. At today's prices cost-cutting is mandatory. We are about to find out whether shale producers, with their backs to the wall, can keep oil investment innovative and profitable.

OPEC is now relinquishing its pricing power. It may never be regained. The reason is that shale technology is far more flexible.

AL Stabler	Bring This Entry Form to Booths R129 & R130 and You Could Win One of Many Prizes Totaling Over Worth of Heating Oil, Propan Saving Heating or Cooling Ed	ne, Energy-	Clip, Save & Bring to The SHOW! Visit	
MARCH272829FRISATSUN	This must be presented at the Show to be eligible Name Address E-Mail		Booths R129 &	
STABLER ARENA's Rauch Fieldhouse Visit www.lvba.org	Phone	not be present. No cash value.	R130! See You at The SHOW!	



Recognition for Consistently High Level of Customer Service

Deiter Bros. has earned the service industry's coveted Angie's List Super Service Award, reflecting an exemplary year of service provided to members of the local service marketplace and consumer review site during the past year.

"Only about 5% of heating/cooling/energy providers in the Lehigh Valley market have performed well enough to earn our Super Service Award," said Angie's List Founder Angie Hicks. "It's a very high standard of performance."

Angie's List Super Service Award 2014 winners have met strict eligibility requirements, which include an "A" rating in overall grade, recent grade, and review period grade; the company must pass a background check and abide by Angie's List of quality operational guidelines. Ratings are updated daily, built on a foundation of authentic reviews from local consumers 763572. Companies are graded in an A through F scale in areas ranging from price to professionalism to punctuality.

SPRING SAVINGS!

SAVE ENERGY and BIG BUCKS ON BILLS with a New Cooling or Heating System from



Save Up To \$2,100* when you purchase a qualifying LENNOX home comfort system.

Savings include up to **\$400 Deiter Discount** off any qualified LENNOX comfort system installed between March 23 and June 12, 2015!

HOT ENERGY SAVINGS with Burnham MPO-IQ[™] Boiler

With its reliable performance and quality construction, the American-made **MPO-IQ** oil-fired water boiler can deliver Energy Star[®] rated efficiency of 87%! Contact us for more details.



ORDER YOUR MPO-IQ BOILER NOW And Get Up To \$400 Trade-In On Your Old Heating System.

CALL: **610-868-8566** E-MAIL: info@dbrothers.com VISIT: www.dbrothers.com

Offers subject to product availability and June 12, 2015 deadline. Cannot be combined with any other offer. Check with Deiter Bros. for complete details. * LENNOX Industries, Inc. reserves the right to cancel or change this promotion at any time.



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See Us at THE SHOW & WIN!



Details Inside

Deiter Bros.' Pennsylvania Home Improvement Contractor Registration Number: PA000736 Text HEAT to 24587 to receive Deiter Bros. Promotions on your mobile phone

What's the Deal with NATURAL GAS?

Heating oil prices are now much lower than they were just a year ago. And they are projected to stay this way for a long time. So if you stayed with oil heat: congratulations. Lots of homeowners weren't so fortunate. They paid thousands to switch to natural gas heating systems, thinking that they would save big on the energy cost differential at the time. But now oil prices are low and natural gas prices are predicted to rise. Here are some media excerpts on why the "smart money" is steering clear of natural gas:

• Exported Natural Gas Will Drive Up Prices in U.S.

Congress is moving quickly on approvals to export more liquefied natural gas (LNG). A recent report by energy expert Charles River Associates states that exporting U.S. natural gas could cause prices to triple by 2030. According to the report, the exporting plan stands to "increase from today's price of \$3.30 per 1 million BTUs to \$10.30 per million BTUs, an increase of more than 300%."

• Natural Gas Pipeline Safety, Methane Leaks a Major Concern

Methane from natural gas leaks is 23 times worse for the climate than CO₂. The *Pittsburgh Tribune-Review* reports Pennsylvania has more than 10,000 miles of dangerously leaky, old natural gas distribution pipes. In 2013, Philadelphia Gas Works reported eight times the national average for gas leaks. Nationally, distribution line accidents have killed more than 120 people, injured more than 500 others and caused more than \$775 million in damage since 2004.

• UGI to Easton Customers: Cold Truth

A *Morning Call* story on February 18, 2015 reported that natural gas monopoly UGI Utilities, Inc. asked customers in Easton to cut back on usage when cold weather hits. Apparently, when demand is high, customers in UGI's geographic service 265139 core get preference over those in outlying areas like Easton. Families were being asked to lower their thermostats to 65 degrees or colder... on nights when the National Weather Service called for temperatures of 5 degrees below zero. UGI said that the request is being made out of an "abundance of caution."





We always enjoy connecting with

our customers and this month's **Spring Home Show** at Stabler is a great occasion to see you. This promises to be the biggest and best home show ever, so if you're planning to come, be sure to stop by our double-booth exhibit. Say hello, pick up a free gift and enter to win any of our Spring Home Show contests. After all, the winter is over and IT'S SHOWTIME!



See Us In Booths R129 & 130. See special entry form in this issue for CUSTOMERS' CONTEST.