



Minutes
September 28, 2010
Board of Directors
National Oilheat Research Alliance
10:00 A.M. – 12:00 P.M.
Dial In #: 1-661-673-8600 Participant Code: 1090765#

I. Introductions

Brett Adams	Ralph Adams
Nancy Allen	Bill Anderson
Mike Anton	Sam Bell
Lori Berg	Tom Berry
Bob Blanchard	Bob Boltz
Molly Brady	Walter Brickowski
Jim Buhrmaster	Donnie Burch
Dr. Thomas Butcher	Peter Carini
Steve Clark	Sean Cota
Mike Cox	Tom Devine
Peter Douglas	Bob Durham
Brad Fulton	Louise Giguere LeBlanc
David Glendon	Chris Keyser
Nancy Kister	Barry Knox
Brian E. Kottcamp	Will Lawes
Darren LeDoux	Dave Martin
Bill McKibbin	Mike Neish
Ed Noonan	John Peters
Mark Petrunis	Michael Romita
David Schildwachter	Eric S. Slifka
Charles Stafford	Shane Sweet
Tom Tubman	Mr. Kim Ullman
Rob Van Varick	Jeff Witham
Jack Woodfin	Jim Woodruff
Robert Woodruff, Jr.	Keith Wisley

Mr. Huber called roll and announced that a quorum was met.

Mr. Ed Noonan called the meeting to order at 10 a.m. eastern standard time.

II. Approval of Minutes

A motion to approve minutes from the April 28, 2010 AREE Board Meeting was made by Mr. Shane Sweet and duly seconded Mr. Bob Boltz and approved by voice.

III. Financial Review

Mr. John Maniscalco presented the most recent financials from August 13, 2010. A copy of the financials was included in the Board packet.

Mr. Maniscalco discussed the statement of financial position and that NORA had current assets 7 million. He stated that there are some outstanding invoices and liabilities are a bit over 6 million. Mr. Maniscalco discussed grant monies and state rebates, as they are the predominant liability.

Mr. Mike Buzas discussed state grant allocations. Mr. Buzas discussed that several states had not used monies from the year previous. Mr. Buzas discussed the monies approved, disbursed and remaining.

Motion to accept the statement of financial position was made by Mr. Robert Boltz seconded by Will Lawes and approved by voice.

Mr. Huber discussed the Oil Heat Institute of Rhode Island request of consumer education funds reallocation to education and training. This is being done to ensure important educational activities continue. It has been requested that the remaining balance of: \$55,075.25 assigned to Consumer Education be reallocated to, Education and Training. There was a motion to accept the reallocation of grant monies for the Oilheat Institute of Rhode Island was made by Mr. Sean Cota, seconded by Mr. Shane Sweet and approved by voice.

Mr. Huber discussed the non-use of the states 2009 grant monies. Mr. Huber discussed that all funds approved in 2011 and thereafter all funds approved by the grant will be committed and reserved in an account designated for the state, and appropriately designated for the described activity. There was a general discussion regarding the new designation of unused funds. Mr. Sean Cota made a motion to accept this resolution it was seconded by Mr. Bob Blanchard and duly approved by voice.

Mr. Huber reported on the proper use of grant money by the states. Mr. Huber discussed that funds allocated were not used for legislative activities as it prohibited by the statute. Mr. Huber then discussed the resolution regarding contracts issued by NORA, under which funds derived from the assessment are utilized shall require the recipient of those funds to certify at that the conclusion of the contract. There was a general discussion about the process that NORA goes through about grant reporting. Mr. Shane Sweet made a motion to accept this resolution it was seconded by Mr. Tom Tubman and approved by voice.

IV. GAO

Mr. Huber discussed the NORA audit that was conducted by the General Accountability Office (GAO). Mr. Huber discussed that GAO's main concern was lobbying and the limitations that NORA has regarding lobbying. According to the statute, NORA is not supposed to be influencing legislation, and that fund recipients may also not use NORA funds to influence legislation or elections.

GAO also raised issues of concerns regarding states not being represented on the Board of Director. Mr. Huber stated that NORA has had some issues getting active Board members from Minnesota and Iowa; however NORA would welcome nominations from those states.

Mr. Huber stated that GAO discussed the possibility of NORA separating state accounts to make the accounting system more precise. GAO wants the separate accounting system to alleviate states having money; this system would allow them to pick a project and NORA would be billed. Mr. Huber discussed this system is currently active for some of the states, but NORA is looking to possibly transition all of the states to this new systems. Mr. Huber stated that GAO believes that this system will lessen account issues. It was agreed that under new contracts, NORA would be responsible for all accounting

Lastly, the GAO raised the concerns that the money being spent by states is not "consumer education" as the reports stated. Mr. Huber explained that one of NORA's main focuses is on educating consumers about the newest technologies and being energy efficient.

V. Department of Commerce

Mr. Huber discussed and reviewed the Department of Commerce analysis of the index prices of the four major heating fuels. The analysis concluded that the ratio of five year rolling average price index of oil heat relative to the composite index of other residential energy sources was 0.96 in 2008; which is less than the mandated threshold established by the statute. Mr. Huber stated that the report presents the relevant price data and concludes that oil heat prices did not exceed the threshold established by the act. There was a general discussion about the report.

VI. R & D

Mr. Huber presented the Research and Development (R&D) report to the Board of Directors which included ongoing projects with NYSERDA, Brookhaven and Heat Wise. Mr. Huber delegated the floor to Mr. Richard Sweetser to discuss the R&D projects in further detail.

Mr. Sweetser discussed the projects that NORA has done since its inception. Mr. Sweetser discussed the two-stage residential oil burner that Carlin just recently passed UL listing. Mr. Tubman discussed the turndown is 50 percent and it operates at a lower

temperature and a higher efficiency. Mr. Tubman then explained the three types of appliances that they are firing with this burner and that combustion efficiency is in the high 80's and that concerns are different for each manufacturer.

Mr. Sweetser discussed the there is an award for the low cost polymer heat exchanger for condensing boilers, this is currently unfunded by NORA but can be initiated by NORA at the appropriate time.

The NBB is currently researching a NORA co funded project of legacy pump testing with regular sulfur and low sulfur. These are being tested at Penn State University with one of the main concerns being pump seal compatibility.

There was a discussion about R&D; the goal is to get a higher efficiency level. There was a discussion about mimicking natural gas by mixing air. Advance venting systems; higher temperature plastics will allow advancements in the field. There was a general discussion about low sulfur.

A motion was made by Mr. Sean Cota and seconded by Shane Sweet to accept the R&D report.

VII. E & T

Mr. Bob Hedden discussed the Education and Training (E&T) that NORA had been conducting throughout the previous quarter. Mr. Hedden discussed that E&T committee works very closely with R&D committee regarding projects that will benefit both areas. Mr. Hedden discussed the Energy conservation program and how important it is for both the consumer and the industry. Mr. Hedden discussed new communication technologies for both companies and technicians. Mr. Cota stated that if technicians will have access to manufacturer's manuals for heating systems it could reduce errors not related to training.

Mr. Hedden discussed the possibility of management workshops that NORA is considering which will allow technicians to earn a degree/certification program that will teach you "how, why and dos and don'ts" of running a heating oil business. Mr. Hedden stated that they are looking for volunteer.

Mr. Don Allen made a motion to accept the E&T report; it was seconded by Mr. Sean Cota and duly approved by voice.

VIII. Executive Committee

Mr. Huber discussed the Executive Committee; he stated that Mr. Michael Romita will no longer be on the Executive Committee due to the expiration of his term. Mr. Steve Clark and Mr. David Glendon will replace Mr. Michael Romita. There was a motion

made by Mr. Sean Cota and seconded by Mr. Tom Devine to accept the nominations of the new members.

IX. Old Business

None

X. New Business

Mr. Huber discussed that Mr. Peter Carini sold his business earlier this year and that he has stepped down from his position as the Chairman of the Board of Directors. Mr. Huber stated that Mr. Ed Noonan will replace Mr. Peter Carini as the new Chairman of NORA.

XI. Adjournment

Mr. Chairman called for adjournment at 11:50 am.