



# NORA 2020 Directors

*Since its authorization by Congress in 2000, NORA has aggressively pursued its mission of improving the oilheating experience for its customers while driving technological innovation and technical education.*

NORA is governed by a Board that represents wholesalers and retailers in every state where NORA is active. Additionally, the Board includes representatives from the research and manufacturing communities. The Board meets twice a year and is responsible for the general governance of the Alliance.

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*Chairperson*  
Rick Bologna

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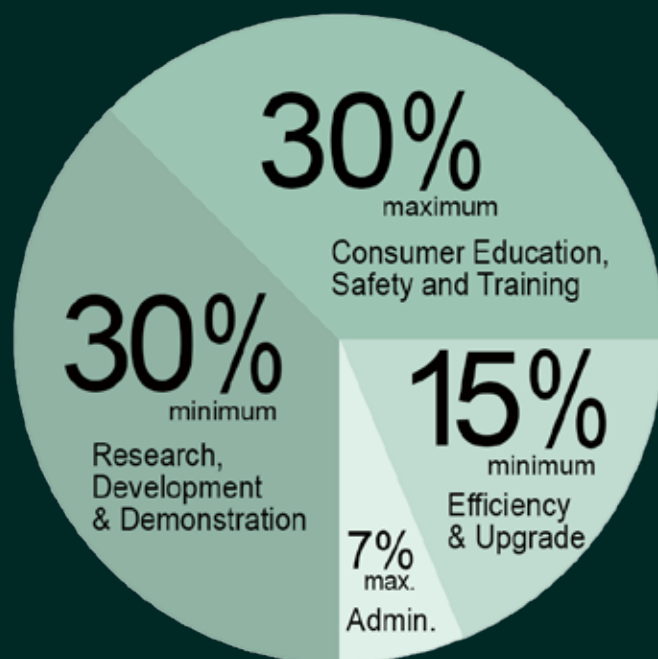
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NORA spending is restricted to three major areas for the advancement of oilheating technology, education & efficiency.



# NORA's activities



In 2020, NORA & Eurofuel collaborated on the first *Future of Liquid Heating Fuels* international conference.

*cover a broad range of areas at the state, regional & national levels. The prescribed areas of involvement are: Research, Development & Demonstration, Consumer Education, Training & Safety and Energy Efficiency.*

The National Oilheat Research Alliance was established by Act of Congress in 2000 and through a referendum of the industry, NORA was put into action in 2001. Over the past 19 years, NORA has been the leading voice for the oilheating industry and its consumers. In 2018, NORA was provided a ten-year extension by the U.S. Congress. However, due to internal rules of Congress, NORA must now escrow 25% of the funds collected each year. These will be redistributed beginning in 2028.

NORA is headquartered in Alexandria, VA and operates a research and planning laboratory in Plainview, New York.

The Alexandria office is headed by NORA's president, John Huber. Here the education program for NORA is coordinated and supervision of the state energy efficiency rebate programs occur. It coordinates research liquid fuel heating and its role in the modern American economy. The Alexandria office also is responsible for the overall administration of NORA, working with the Board of Directors and Executive Committee and development of an effective research program.

One of the most consequential tasks for the industry is to transform from a petroleum-based fuel to a fuel made from low-carbon renewable resources. The heating oil industry, as well as its consumers, are sensitive to the demands of reducing emissions of greenhouse gases. NORA has been working on the issues associated with using a renewable fuel in its equipment for many years. However, the industry is demanding that these efforts accelerate and the obstacles to using renewable fuels be eliminated. NORA will continue to evaluate equipment, storage issues and impact on the environment when using these fuels.

The majority of NORA research is conducted in Plainview, NY under the supervision of Dr. Thomas A. Butcher, a nationally recognized expert on heating fuels, combustion and systems. He is active in, and takes a leading role with the American Society of Testing Materials (ASTM), Underwriters Laboratories (UL) and American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE). At these forums, Dr. Butcher provides high quality information while ensuring oilheating is well represented.

The Laboratory in Plainview is additionally staffed with two talented engineers. Neehad Islam has a master's degree in Mechanical Engineering and works on projects focused on the operation of heating equipment. He has been key in the development and evaluation of "tankless" coil boilers, helping the industry improve their efficiency. He has also worked diligently to assess the operation of systems utilizing high blends of biofuels. Ryan Kerr has a bachelor's degree in Chemical Engineering. His work has focused on fuel issues in the industry

and analyzing fuels that may be problematic in operation. Ryan has a well-equipped lab with a variety of analytic tools and works with many companies to understand fuel problems and potential remedies.

NORA's goals for the oilheating industry is to move forward and be a player in the 21<sup>st</sup> Century. This requires equipment that works with different renewable biofuels, service personnel who understand these fuels and how to use it in equipment, along with science that validates the use of biofuels to reduce greenhouse gases and as an alternative to electrification.

The National Biodiesel Board has been a strong partner in that effort by contributing funding for the lab as well as technical support and insights. Currently, ultra-low carbon biodiesel has the best potential to allow the industry to substantially lower, and eventually eliminate greenhouse gas emissions. However, that requires high blends of biodiesel to be delivered and consumed at the home, possibly creating operational issues and concerns. To discover and remedy these, the lab work includes cold weather performance, material compatibility and flame sensing. NORA's goal is to deliver this new fuel with minimal impact to consumers.

As part of these efforts, NORA, in partnership with Eurofuel, conducted an international symposium, *The Future of Liquid Fuels* where many speakers from Europe and North America described efforts to eliminate petroleum fuels. Additionally, there were extensive presentations on the use of renewable fuels and steps to improve Oilheat technology. This conference clearly described that the efforts to





NORA Liquid Fuels Laboratory, Plainview, NY (inset, NORA Freezer for testing fuel cold flow properties)

eliminate combustion are worldwide and that working together with our international partners is the most effective method of responding.

NORA has also worked on a long-term project to evaluate a cellulosic based biofuel (ethyl levulinate) made from wood waste. Its current greenhouse gas score is negative, its emissions are zero and it also displaces other emissions. NORA has successfully burned this material in both a commercial facility and a residence. It has hurdles to becoming a residential product but it could be very useful in positioning the industry.

NORA is also continuing its work with the New York State Energy Research & Development Authority (NYSERDA). NORA will be conducting a test project which uses a liquid fuel-fired heat pump, a modulating burner and biodiesel. The heat pump is critical as it will demonstrate that liquid fuels can provide efficiencies in excess of 100%. This would raise the current 86% AFUE oilfired heating equipment to an efficiency of 150%. The burner in development will be designed to use heating oil, biodiesel and ethyl levulinate. The goal is to have a burner that can use all available fuels and switch among them without incident, modification or maintenance.

We will be using ethyl levulinate as a

developmental fuel. It is the most exotic of the renewable fuels currently being evaluated. Efforts will also validate that the other fuels will work as well. This study will provide us an opportunity to show that our industry is the future.

NORA has also done much work evaluating public policy efforts to electrify all heating in the northeast, including the demands that this would put on the grid and the role of low temperatures. Understanding and communicating that transitioning to biofuels is the fastest and most economical way to reduce carbon is essential.

Education of the oilheating equipment service professionals is vital to the future of the industry. To facilitate that, NORA hosts a training website, *Learning.NORAweb.org*.

Almost 30,000 service technicians are certified as either Silver, Bronze or Gold Technicians.

The Bronze technician is the recent entry into the industry. They have been trained at certified schools and have passed a NORA certification exam. They will become Silver Certified technicians after proving themselves in the field and completing additional continuing education credits.

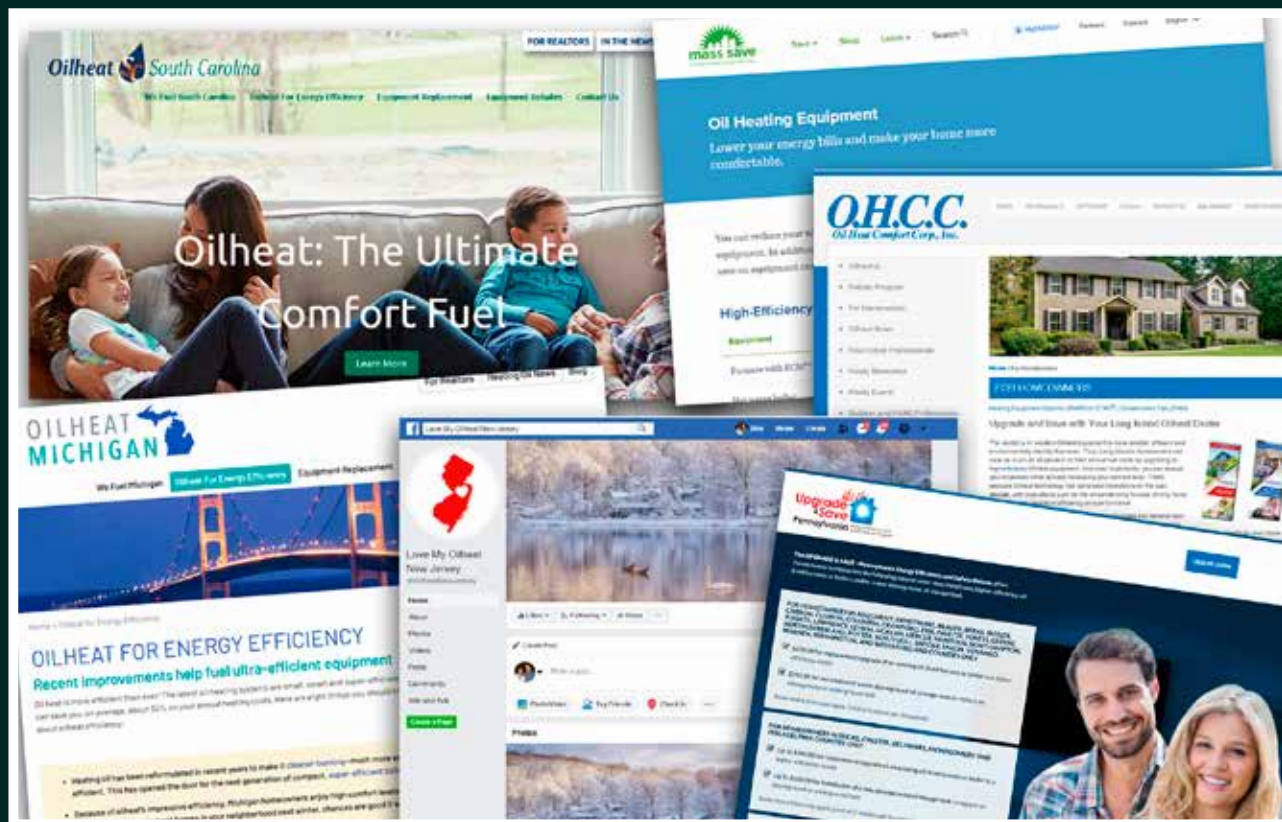
The Silver technician is the industry stalwart. These individuals have proven themselves in the field, have completed

education and testing and must participate in ongoing education.

The top tier for NORA certifications is the Gold Certified Technician. These technicians generally have decades of experience, are active in education groups and have taken additional training to ensure that they can provide a complete view of the house and potential problems.

*Learning.NORAweb.org* provides a place for technicians and service managers to monitor their educational records and the status of their certifications. It is also integrated with an on-line testing program that can be administered in a classroom or on an individual basis. Once there, technicians can access an ever-expanding library of online courses offering continuing education credits.

NORA is also working to improve the efficiency of equipment in the field. Many states have rebate programs to transition old equipment out of the field. NORA has a continuous evaluation program of those systems and their efficiency. NORA is now working on a comprehensive report on the savings from those systems and the reductions in greenhouse gases resulting from their implementation.



Samples of state activities and programs

**State activities** NORA is an alliance of more than twenty-one state and local associations representing heating oil marketers across the U.S. Each state association is qualified to request rebates from NORA for programs that meet the criteria of the NORA Statute. These programs all operate under the four tenants of NORA: Research, Development & Demonstration, Consumer Education Safety & Training and Energy Efficiency. The majority of NORA funds are spent by the states and audit on page 9 shows expenses for each.

## CONNECTICUT

Connecticut Energy Marketers Association (CEMA) maintains a very active educational program headquartered in Cromwell, CT. At this facility, they have encouraged veterans to join the industry and offered a series of hazardous materials training classes. These activities supplemented the efforts of the full and part time employees at the school who teach a wide ranging curriculum regarding Oilheat. They also provide scholarships for individuals who are interested in working in the industry, this helps ensure quality service for all customers.

Additionally, like many industries, retail

marketers have had to work to attract employees and CEMA has aided those efforts by conducting outreach at technical and public schools throughout Connecticut.

CEMA was also very active in the effort to improve the efficiency of equipment in customer homes. Improving efficiency leads to more reliable equipment, lower heating oil bills and reductions of greenhouse gas emissions.

CEMA conducted communications with the public and special audiences on the improvements in Oilheat equipment and the widespread use of Bioheat® fuel and how it is the next generation fuel for the industry. CEMA also identified real estate

agents as a key interface with customers and worked to educate them about the transformations occurring in the industry.

## DELAWARE, MARYLAND, & DC

The Mid-Atlantic Petroleum Distributors Association (MAPDA) represents the heating oil industry in Maryland, Delaware and the District of Columbia. They have provided training opportunities to service professionals throughout the region.

They also have an active rebate program for tanks, furnaces and boilers which have allowed customers to improve the safety and efficiency of their equipment.

Finally, like many other states, they reach

out to real estate professionals to inform them of the benefits of Oilheat.

## KENTUCKY

Kentucky is a state with a small oilheating market. However, the Kentucky Petroleum Marketers Association (KPMA) has approached the challenge of maintaining and growing share with enthusiasm. Communications to heating oil retailers in the state to educate them on developments in the industry is critical. KPMA has focused its efforts on Bioheat® fuel; a fuel that is good for the environment and can be produced in Kentucky. To that end, the association has worked to educate dealers and customers to the advantages of Bioheat fuel®.

To improve awareness, KPMA sponsored a tank & technical conference as well as a Bioheat® promotional event.

## MAINE

Maine has the largest market share for Oilheat combined with very cold weather. As a result, the Maine Energy Marketers Association (MEMA) must deal with a number of challenges as it responds to the needs of the industry and its consumers.

MEMA has a significant education facility for service professionals. With NORA support, they doubled the size of that facility in 2019, adding lab space, new equipment and better training facilities. Maine also added a number of workstations at the lab in 2020 and rewired and equipped the facility to allow the equipment to run continuously without overheating the space. With Covid 19, training in 2020 was slower than desired. However, the facility was able to train technicians and communicate the importance of improved efficiency with new equipment.

MEMA recognized the critical need to improve equipment in the field. Having efficient equipment eases the economic burden of heating. Also, new equipment is more reliable and reduces emissions from burning Oilheat. These benefit overall air quality and reduce oilheat's contribution to global warming.

In reaching consumers, Maine capitalized on the number of trucks the dealers operate on the road. To take advantage of these this, Maine has an active truck wrap program which turns the trucks into rolling billboards.

## MASSACHUSETTS

The Massachusetts Energy Marketers Association (MEMA) operates several important programs for the industry. The state has been a leader in adopting a low carbon liquid fuel and has established programs to assist progress towards their broader use.

MEMA has used social media and traditional media to outline the advantages of Bioheat® fuel for residential consumers, paving the way for a future low carbon fuel in the state.

MEMA also developed a newsletter for retailers and their customers focusing on efficiency.

Service professional training has also been a priority. MEMA awarded scholarships to individuals interested in working in the oilheat industry. This provides an opportunity to contribute to better service and embark on a great career.

MEMA has a rebate program that supports the transition of new equipment into homes. The program also funds new tanks to ensure Oilheat maintains its reputation for environmental responsibility.

## MICHIGAN

Michigan Petroleum Association (MPA) has focused its attention on a consumer outreach campaign to encourage consumers to use Oilheat. This has utilized print, radio and other sponsorships to put the advantages of Oilheat in front of consumers.

MPA also have an active rebate program, so that Michiganders have the best equipment heating their homes.

## NEW HAMPSHIRE

The Energy Marketers of New Hampshire (EMANH) undertook several programs to benefit the industry and its customers.

Foremost amongst those activities were

its signature *Granite State Saves with Oil* rebate program. With this, EMANH replaced hundreds of outdated and inefficient pieces of equipment.

EMANH also worked diligently to improve safety by sponsoring hazardous material training sessions. Drivers in New Hampshire must have this approved training as it improves the safety of the roads in the state.

EMANH conducted outreach to real estate agents so that they understand the value of Oilheat and well-maintained equipment.

## NEW JERSEY

The Fuel Merchants Association of New Jersey (FMANJ) has worked diligently to maintain an active real estate education program. As it is in the mid-Atlantic area, many homebuyers are unfamiliar with Oilheat. Ensuring that real estate agents are familiar with the advantages oilheating systems allows new customers to move into oilheating homes with knowledge of the system and no concerns.

FMANJ has also provided mailings to customers on simple steps they can take to improve energy efficiency. In addition they have had an active outreach campaign on heating oil and how Bioheat® fuel is helping the transition to a cleaner and greener fuel.

FMANJ supported a rebate program so that customers would have quality equipment in their home.

## NEW YORK

New York has several associations working with NORA. They include the Upstate New York Energy Association (UNYEA), New York State Energy Coalition (NYSEC) representing New York City and Long Island and the Hudson Valley Oilheat Council (HVOHC). Each of these associations receive direct funding from NORA.

Like many of the other states, New York associations are active with consumer rebate programs designed to improve efficiency and reliability of equipment in the field. In an effort to prevent leaks and ensure equipment operates reliably, this included storage tanks.



They sponsor a major vocational school on Long Island that offers a series of classes including: NORA Bronze certification training, the entry level certification to bring people into the industry. They have also been a leader in NORA's Gold Certification training. NYSEC distributes a quarterly newsletter to its member companies to provide to their customers. This newsletter provides information on Bioheat® fuel and how to ensure that their Bioheat® system is maintained and operating safely and efficiently.

## ■ NORTH CAROLINA

The North Carolina Petroleum Marketers Association (NCPMA) has focused its efforts on training at its own training facility. The goal is to bring new individuals into the industry while improving the training of individuals currently providing service.

Additionally, like many other states, NNCPMA has an expansive rebate program in conjunction with retail dealers & independent contractors. This has subsidized and encourage homeowners to upgrade their furnaces and replace their tanks improving efficiency and safety at their home.

## ■ RHODE ISLAND

The Oilheat Institute of Rhode Island (OHIRI) has worked to improve knowledge of heating oil and Bioheat fuel® using media communications including print and radio campaigns. They also offer an active rebate program for new equipment.

OHIRI also developed a resource guide for industry participants so that they would be able to ensure compliance with all state and federal rules and regulations.

## ■ PENNSYLVANIA

Pennsylvania is the 2<sup>nd</sup> largest heating oil state and had many activities in 2019.

One of the goals of the Pennsylvania Petroleum Marketers Association (PPA) is to enhance consumer understanding of the fuel. This was done through social media such as Facebook and radio and television advertising. Additionally, PPA conducted a robust outreach to the real estate community.

To encourage and facilitate the use of new

highly-efficient and safe equipment, PPA has adopted a rebate program to ensure oilheat consumers have financial assistance towards upgrading to more efficient heating systems.

PPA had a very active real estate education program. Through this program, PPA contacted agents and brokers and informed them of the benefits of Oilheat. That it is a modern fuel suitable for heating homes in the commonwealth. Home inspectors, a crucial voice in home sale process, were also advised of Oilheat attributes.

PPA operates a technician training school where new technicians come into the industry through participation in NORA's Bronze program. The school also offers continuing education opportunities to improve the skills of the professionals currently in the field.

## ■ SOUTH CAROLINA

South Carolina is on the fringe of core Oilheat territory and thus has fewer resources. However, they instituted a rebate and outreach program to improve the equipment in the field and communicate the advantages of Oilheat.

## ■ VERMONT

Vermont has a strong heating oil industry in a cold state. To ensure consumer safety, VT requires persons working or servicing tanks to be trained. To fill this need, the Vermont Fuel Dealers Association (VFDA) hosted several tank training classes.

VFDA has an effective NORA Bronze Certification program to bring new entrants into the industry. At the same time, they have conducted a number Silver Certification programs for their experienced technicians.

## ■ VIRGINIA

The Virginia Petroleum Marketers & Convenience Store Association (VPMCSA) has a strong education program that includes the NORA Silver certification educational program and improving skills for technicians in the field. They also provide hazmat training for drivers.

In the consumer education, VPMCSA have

placed billboards, worked with customer service representatives and real estate agents.

VPMCSA also has an active rebate program that has replaced a number of boilers, furnaces and tanks.

## ■ WASHINGTON

The Washington Oil Marketers utilized the various local sports programs to communicate with the limited number of heating oil customers in Washington.

## ■ WISCONSIN

The Wisconsin Petroleum Marketers Association (WPMA) used their funds to have an efficiency rebate program that was active throughout the year. This was coupled with an energy efficiency newsletter encouraging customers to use resources carefully.

**Training,  
Education  
&  
Certification**

**NORA Education**  
NATIONAL OILHEAT RESEARCH ALLIANCE  
Learning.NORAweb.org



**Financial report** The following pages contain the complete financial report for the National Oilheat Research Alliance for its 2020-2019 fiscal years.

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## **INDEPENDENT AUDITOR'S REPORT**

The Board of Directors  
National Oilheat Research Alliance, Inc.  
Alexandria, Virginia

### **Opinion**

We have audited the accompanying financial statements of the National Oilheat Research Alliance, Inc. (the Alliance), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Alliance as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Alliance and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Alliance's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The Board of Directors  
National Oilheat Research Alliance, Inc.  
Alexandria, Virginia

### **Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

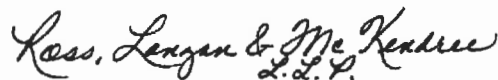
In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Alliance's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Alliance's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Expenses by State/Jurisdiction on pages 15-18 for the year ended December 31, 2020, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



CERTIFIED PUBLIC ACCOUNTANTS

October 18, 2021

## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2020 AND 2019

## ASSETS

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash	\$ 10,842,158	\$ 9,172,752
Assessments receivable	2,534,377	2,966,129
Prepaid state assessments	-	80,408
Cash held in escrow	1,779,828	1,741,895
Other assets	<u>113,292</u>	<u>103,112</u>
<b>TOTAL ASSETS</b>	<u>\$ 15,269,655</u>	<u>\$ 14,064,296</u>

## LIABILITIES AND NET ASSETS

<b>LIABILITIES</b>		
Accounts payable	\$ 89,987	\$ 100,987
Refunds payable	490,606	432,530
State grants payable	3,172,763	2,503,065
Obligation for unallocated state rebates	1,531,943	2,295,053
Other liabilities	<u>81,830</u>	<u>75,565</u>
Total liabilities	.....5,367,129	.....5,407,200
<b>NET ASSETS</b>		
Net assets without donor restrictions available for obligation - other than for consumer education, safety, and training	396,039	1,043,447
Designated net assets:		
Pre-2014 reauthorization net assets	55,933	55,933
Unavailable for obligation until October 1, 2028	3,817,660	1,780,973
National spending not yet incurred:		
Research, development, and demonstration - not yet obligated	5,315,615	5,309,399
Research, development, and demonstration - obligated under contract	127,884	242,884
Heating oil efficiency and upgrade - not yet obligated	141,559	151,237
Heating oil efficiency and upgrade - obligated under contract	-	-
Consumer education, safety, and training - not yet obligated	47,836	73,223
Consumer education, safety, and training - obligated under contract	<u>-</u>	<u>-</u>
Total net assets without donor restrictions	<u>9,902,526</u>	<u>8,657,096</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 15,269,655</u>	<u>\$ 14,064,296</u>

The accompanying notes are an integral part of these financial statements.



## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
REVENUE		
Assessments revenue, net of refunds	\$ 7,984,164	\$ 9,105,617
Contract revenue	32,615	250,045
Other income	<u>7,006</u>	<u>72,008</u>
Total revenue	.....8,023,785	.....9,427,670
EXPENSES		
Program services:		
Research, development, and demonstration	2,386,988	1,878,182
Heating oil efficiency and upgrade	927,801	1,073,814
Consumer education, safety, and training	1,810,188	2,045,567
Unallocated state rebates	<u>1,176,350</u>	<u>1,618,085</u>
Total program expenses	.....6,301,327	.....6,615,648
Administrative costs	.....225,789	.....199,694
General and special projects:		
Assessment and collection costs	227,615	157,797
Annual report costs	<u>23,624</u>	<u>45,773</u>
Total general and special projects	<u>251,239</u>	<u>203,570</u>
Total expenses	<u>6,778,355</u>	<u>7,018,912</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	1,245,430	2,408,758
NET ASSETS, BEGINNING OF YEAR	<u>8,657,096</u>	<u>6,248,338</u>
NET ASSETS, END OF YEAR	<u>\$ 9,902,526</u>	<u>\$ 8,657,096</u>

The accompanying notes are an integral part of these financial statements.

13 | 2020 NORA ANNUAL REPORT  
NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020							
	PROGRAM SERVICES							
	Research, Development, and Demonstration	Heating Oil Efficiency and Upgrade	Consumer Education, Safety, and Training	Unallocated State Rebates	Total Program Services	Administrative Costs	General and Special Projects	Total 2020
Grants	\$ 1,008,204	\$ 858,123	\$ 1,554,636	\$ 1,176,350	\$ 4,597,313	\$ -	\$ -	\$ 4,597,313
Salaries, taxes, and benefits	701,178	46,896	22,720	-	770,794	37,324	60,457	868,575
Professional fees	479,839	18,793	213,076	-	711,708	182,726	132,310	1,026,744
Other expenses	197,767	3,989	19,756	-	221,512	5,739	58,472	285,723
<b>TOTAL EXPENSES</b>	<b><u>\$ 2,386,988</u></b>	<b><u>\$ 927,801</u></b>	<b><u>\$ 1,810,188</u></b>	<b><u>\$ 1,176,350</u></b>	<b><u>\$ 6,301,327</u></b>	<b><u>\$ 225,789</u></b>	<b><u>\$ 251,239</u></b>	<b><u>\$ 6,778,355</u></b>

	2019							
	PROGRAM SERVICES							
	Research, Development, and Demonstration	Heating Oil Efficiency and Upgrade	Consumer Education, Safety, and Training	Unallocated State Rebates	Total Program Services	Administrative Costs	General and Special Projects	Total 2019
Grants	\$ 554,026	\$ 1,027,011	\$ 1,837,334	\$ 1,618,085	\$ 5,036,456	\$ -	\$ -	\$ 5,036,456
Salaries, taxes, and benefits	501,108	36,554	37,840	-	575,502	44,794	25,733	646,029
Professional fees	643,610	5,341	164,739	-	813,690	132,758	177,460	1,123,908
Other expenses	179,438	4,908	5,654	-	190,000	22,142	377	212,519
<b>TOTAL EXPENSES</b>	<b><u>\$ 1,878,182</u></b>	<b><u>\$ 1,073,814</u></b>	<b><u>\$ 2,045,567</u></b>	<b><u>\$ 1,618,085</u></b>	<b><u>\$ 6,615,648</u></b>	<b><u>\$ 199,694</u></b>	<b><u>\$ 203,570</u></b>	<b><u>\$ 7,018,912</u></b>

The accompanying notes are an integral part of these financial statements.

NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 1,245,430	\$ 2,408,758
Adjustments to reconcile change in net assets to net change in cash from operating activities:		
Depreciation and amortization	909	17,751
Changes in assets and liabilities:		
Assessments receivable	431,752	120,194
Prepaid state assessments	80,408	57,562
Other assets	( 11,089)	( 8,231)
Accounts payable	( 11,000)	( 132,934)
Refunds payable	58,076	94,868
State grants payable	669,698	( 581,479)
Obligation for unallocated state rebates	( 763,110)	( 203,153)
Other liabilities	<u>6,265</u>	<u>( 10,239)</u>
<b>NET CHANGE IN CASH AND CASH HELD IN ESCROW</b>	<b>1,707,339</b>	<b>1,763,097</b>
<b>CASH AND CASH HELD IN ESCROW, BEGINNING OF YEAR</b>	<u><b>10,914,647</b></u>	<u><b>9,151,550</b></u>
<b>CASH AND CASH HELD IN ESCROW, END OF YEAR</b>	<u><b>\$ 12,621,986</b></u>	<u><b>\$ 10,914,647</b></u>



## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019NOTE 1 - THE ORGANIZATION

The National Oilheat Research Alliance, Inc. (the Alliance) is a non-profit trade organization developed under *the National Oilheat Research Alliance Act of 2000* (NORA), Public Law 106-469, legislation passed by the United States Congress and signed into law in November 2000. The law was amended in 2014 under Public Law 113-79. The Alliance was created to educate consumers about the benefits of oilheat, to perform research and development, to encourage heating oil efficiency and upgrades, and to provide technical training to provide better customer service. The Alliance's Board consists of members from the oilheat industry, retail markets, wholesale distributors, public members, and representatives from the states with the highest oilheat sales. The Alliance was incorporated on January 31, 2001. Funding under the Public Law 106-469 ceased on February 6, 2010. On February 7, 2014, the Public Law 113-79 extended the provisions of Public Law 106-469 to February 6, 2019. Funding under Public Law 113-79 resumed effective April 1, 2014. On December 20, 2018, Public Law 115-334, *the Agriculture Improvement Act of 2018* was signed. Public Law 115-334 extended and modified the provisions of Public Law 113-79 to February 6, 2029.

Pursuant to Public Law 113-79, Congress established a limit on the use of assessments revenue of 30 percent for consumer education, safety, and training; a minimum of at least 30 percent of assessments revenue for research, development, and demonstration; a minimum of at least 15 percent of assessments revenue for heating oil efficiency and upgrade; and a limit on the use of assessments revenue of 5 percent for administrative costs. Beginning February 6, 2019, Public Law 115-334 increased the limit on administrative costs to 7 percent of assessments revenue. Furthermore, Public Law 115-334 requires in each calendar year beginning February 6, 2019, the Alliance may not obligate an amount greater than the sum of (1) 75 percent of the amount of assessments estimated to be collected in the calendar year; (2) 75 percent of the amount of assessments actually collected in the most recent calendar year for which an audit report has been submitted less the amount estimated in (1) above; and (3) amounts permitted in preceding calendar years to be obligated that have been obligated. The assessments collected in excess of the amounts permitted to be obligated in (1), (2), and (3) above, shall be deposited in an escrow account and be unavailable for use until October 1, 2028, when it can be used consistent with the provisions of Public Law 106-469. The amount of assessments revenue recorded plus accumulated earnings in the years ended December 31, 2020 and 2019, that is unavailable for use until October 1, 2028, was \$2,036,687 and \$1,780,973, respectively. In the years ended December 31, 2020 and 2019, the Alliance was in compliance with these percentages. From time to time, the Alliance may receive inquiries from government agencies, because of the nature of its funding sources. Management does not expect the result of such inquiries to impact the financial information of the Alliance.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIESBasis of Accounting

The financial statements have been prepared on the accrual basis of accounting following the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), which is the sole source of authoritative accounting principles generally accepted in the United States of America (GAAP). The Alliance reports information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions.

Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that could affect certain reported amounts of assets, liabilities, revenue, and expenses, the disclosure of contingent assets and liabilities at the date of the financial statements, and functional allocations during the year. Actual results could differ from those estimates.

## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)Cash Held in Escrow and Net Assets Unavailable for Obligation Until October 1, 2028

Public Law 115-334 requires assessments collected in excess of permitted amounts to be deposited in an escrow account and be unavailable for use until October 1, 2028. The following is a detail of escrow amounts as of December 31:

	<u>Assessments</u>	<u>Interest</u>	<u>Total</u>
Escrow balance, February 5, 2019	\$ -	\$ -	\$ -
Cash deposited in escrow	1,740,893	-	1,740,893
Income on escrow	-	1,002	1,002
Additional assessments	<u>39,078</u>	<u>-</u>	<u>39,078</u>
Escrow balance, December 31, 2019	1,779,971	1,002	1,780,973
Income on escrow	-	1,855	1,855
Assessments	<u>2,034,832</u>	<u>-</u>	<u>2,034,832</u>
Escrow balance, December 31, 2020	<u>\$ 3,814,803</u>	<u>\$ 2,857</u>	<u>\$ 3,817,660</u>

Revenue RecognitionAssessments Revenue

The Public Laws 113-79 and 115-334 require wholesale distributors of No. 1 distillate and No. 2 dyed distillate to remit an assessment of two-tenths of one cent per gallon at the point of sale to the Alliance. If the No. 1 distillate or No. 2 dyed distillate is imported after the point of sale, the assessment is to be made when the product enters the United States of America. Assessments are due to be remitted to the Alliance at least quarterly based on actual sales.

Assessments Receivable

An estimate of assessments to be received, but not remitted to the Alliance as of year-end, was recognized as assessments receivable of \$2,534,377, \$2,966,129, and \$3,086,323 as of December 31, 2020, 2019, and 2018, respectively. Receivables are charged to bad debt loss as they are deemed uncollectible based upon a periodic review of the accounts. As of December 31, 2020 and 2019, no allowance for uncollectible accounts was considered necessary by management.

Refunds Payable

Under the Public Laws 113-79 and 115-334's collections rules, any dyed distillate or blends are subject to assessment. Some of this fuel is used for non-heating applications and can be refunded. Assessments revenue is presented in the accompanying statements of activities net of refunds recorded of \$1,408,745 and \$1,271,786 for the years ended December 31, 2020 and 2019, respectively. The Alliance recorded a refunds payable of \$490,606, \$432,530, and \$337,662 as of December 31, 2020, 2019, and 2018, respectively, for estimated refunds remaining unpaid based on historical and subsequent refunds paid.

## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)Revenue Recognition (continued)Contract Revenue

Contract revenue is earned from research and development contracts with third parties. Contract revenue is recognized when services have been completed.

State Grants Payable and Obligation for Unallocated Rebates

Each year, the Alliance makes grants to state organizations to accomplish its mission. Grants are paid as the state organizations provide documentation of the expenditure of funds. Under Public Laws 113-79 and 115-334, the Alliance has entered into various grant agreements with state organizations, which may require periodic payment of grant funds. Grant obligations are recognized at the time the agreements are made. The outstanding grant liability by program was as follows as of December 31:

	<u>2020</u>	<u>2019</u>
Research, development, and demonstration	\$ 1,407,279	\$ 1,038,341
Heating oil efficiency and upgrade	529,392	396,352
Consumer education, safety, and training	1,236,092	1,068,372
Unallocated state rebates	<u>1,531,943</u>	<u>2,295,053</u>
Total state grants payable and obligation for unallocated state rebates	<u>\$ 4,704,706</u>	<u>\$ 4,798,118</u>

Functional Allocation of Expenses

The cost of providing the various programs and other activities have been presented on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on estimates of time and effort of staff.

Income Tax Status

The Alliance received a determination letter from the Internal Revenue Service (IRS) that it has been granted an exemption from federal income taxes and it qualifies under Section 501(c)(6) of the Internal Revenue Code. The Alliance believes its operations are consistent with the nature of their exemption granted by the IRS. There is no current liability for income taxes on unrelated business income and no temporary differences resulting in deferred taxes as of December 31, 2020 and 2019.

The Alliance is required to measure, recognize, present, and disclose in its financial statements uncertain income tax positions the Alliance has taken in the tax years that remain subject to examination or expects to take on an income tax return. The Alliance recognizes the tax benefits from uncertain income tax positions only if it is more likely than not the tax position will be sustained on examination by tax authorities. The Alliance recorded no liability for uncertain income tax positions for any open tax years.

Reclassifications

Certain prior year amounts have been reclassified to conform with current year presentation.



## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)Subsequent Events

The Alliance has evaluated subsequent events through October 18, 2021, which is the date the financial statements were available to be issued.

NOTE 3 - CONCENTRATIONS OF CREDIT RISK

The Alliance maintains cash and investments in federally insured banks and broker-managed accounts and has exposure to credit risk on those accounts. Cash held with commercial banks is insured up to Federal Deposit Insurance Corporation (FDIC) limits. As of December 31, 2020, the Alliance had \$2,594,683 cash in excess of FDIC limits. Assets held in broker-managed accounts are insured by the Securities Investor Protection Corporation (SIPC), which protects investors for up to \$500,000 including a maximum of \$250,000 for claims of cash if the brokerage firm holding the assets becomes insolvent, but it does not insure the underlying assets of \$9,777,304 as of December 31, 2020. Management does not consider this a significant concentration of credit risk.

NOTE 4 - PROGRAM SERVICES

The Public Laws 113-79 and 115-334 place requirements on how the Alliance can spend the assessments it collects. At the beginning of each year, the Alliance makes an estimate of what total assessments are anticipated to be in the coming year. Grants are made to state organizations and national campaigns are undertaken based on the estimates. Actual assessments revenue differ from the estimates and the requirements of Public Laws 113-79 and 115-334. The difference between the estimates and actual assessments are to be reflected in the grants made in future years. The law establishes strict percentage allocations for program spending and these percentages are tied to the revenue received from assessments. Management has developed procedures to ensure these percentages are reflected in budgets and carried forward as appropriate. Variances between the percentages disclosed in the program descriptions below are descriptive of the current year's operations and management believes they do not indicate non-compliance with the statute.

Research, Development, and Demonstration

The Public Laws 113-79 and 115-334 require the Alliance to ensure not less than 30 percent of the assessments collected for each calendar year after the amounts required to be escrowed and not obligated until October 1, 2028, under Public Law 115-334 are used by qualified state associations or the Alliance to conduct research, development, and demonstration activities relating to oilheat fuel, including the development of energy-efficient heating systems to be placed into the marketplace. This also includes the Alliance, in conjunction with an institution or organization engaged in biofuels research, to develop consumer education materials describing the benefits of using biofuels as or in oilheat fuel based on the technical information developed.

In 2020, the Alliance granted or expended \$2,386,988 for the research, development, and demonstration program, including \$1,378,783 in national spending of past year's assessments revenue. The Alliance also budgeted \$1,270,000 in additional national spending from 2020 assessments revenue to be spent subsequent to year-end for the research, development, and demonstration program, making the total for 2020, 38 percent of net assessments revenue after deducting the amount added to net assets unavailable for obligation until October 1, 2028. Additionally, unallocated state rebates of 2020 assessments revenue will be used for the research, development, and demonstration program.

## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019NOTE 4 - PROGRAM SERVICES (continued)Heating Oil Efficiency and Upgrade

The Public Laws 113-79 and 115-334 require the Alliance to ensure not less than 15 percent of the assessments collected for each calendar year after the amounts required to be escrowed and not obligated until October 1, 2028, under Public Law 115-334 are used by qualified state associations or the Alliance to carry out programs to assist consumers (i) to make cost-effective upgrades to more fuel efficient heating oil systems or otherwise make cost-effective modifications to an existing heating system to improve the efficiency of the system, (ii) to improve energy efficiency or reduce energy consumption through cost-effective energy efficiency programs for consumers, or (iii) to improve the safe operation of a heating system.

In 2020, the Alliance granted or expended \$927,801 for the heating oil efficiency and upgrade program, including \$69,681 in grants and spending of past year's assessments revenue. The Alliance also budgeted \$60,000 in additional national spending from 2020 assessments revenue to be spent subsequent to year-end for the heating oil efficiency and upgrade program, making the total for 2020, 15 percent of net assessments revenue after deducting the amount added to net assets unavailable for obligation until October 1, 2028. Additionally, unallocated state rebates of 2020 assessments revenue will be used for the heating oil efficiency and upgrade program.

Consumer Education, Safety, and Training

The Public Laws 113-79 and 115-334 require the Alliance to ensure not more than 30 percent of the assessments collected for each calendar year after the amounts required to be escrowed and not obligated until October 1, 2028, under Public Law 115-334 are used (i) to conduct consumer education activities relating to oilheat fuel, including providing information to consumers on energy conservation strategies, safety, new technologies that reduce consumption or improve safety and comfort, the use of biofuel blends, and federal, state, and local programs designed to assist oilheat fuel consumers, (ii) to conduct worker safety and training activities relating to oilheat fuel, including energy efficiency training, (iii) to carry out other activities recommended by the Secretary of Energy, or (iv) to establish a data collection process to track equipment, service, and related safety issues to develop measures to improve safety.

In 2020, the Alliance granted or expended \$1,810,188 for the consumer education, safety, and training program, including \$73,223 in grants and spending of past year's assessments revenue. The Alliance also budgeted \$230,164 in additional national spending from 2020 assessments revenue for the consumer education, safety, and training program, of which \$47,836 remained unspent as of December 31, 2020, making the total for 2020, 30 percent of net assessments revenue after deducting the amount added to net assets unavailable for obligation until October 1, 2028.

Unallocated State Rebates

In addition to the specific program commitments discussed previously, the Alliance has committed \$1,176,350, which is 20 percent of net 2020 assessment revenue after deducting the amount added to net assets unavailable for obligation until October 1, 2028, for state rebates that have not yet been allocated to a program specified in Public Law 115-334. The Alliance plans to allocate these state rebates to the research, development, and demonstration and/or heating oil efficiency and upgrade programs. State organizations develop detailed plans for use of the rebates to do work under these programs. These funds will be allocated between programs in accordance with the requirements of Public Laws 113-79 and 115-334 as discussed previously.

## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019NOTE 5 - ADMINISTRATIVE EXPENSE CAP

Public Law 113-79 requires the Alliance to limit expenditures for “Administrative” costs to 5 percent of revenue generated by assessment remittances beginning April 1, 2014, and Public Law 115-334 changed this to 7 percent of revenue generated by assessment remittances net of amounts unavailable for obligation until October 1, 2028, beginning February 6, 2019. In 2020, the Alliance expended \$225,789 for Administrative expenses, which was 4 percent of net assessments revenue after deducting the amount added to net assets unavailable for obligation until October 1, 2028, in the year ended December 31, 2020. In 2019, the Alliance expended \$199,694 for Administrative expenses, which was 3 percent of net assessments revenue in the year ended December 31, 2019. Thus, management believes the Alliance is in compliance with this provision of Public Laws 113-79 and 115-334.

NOTE 6 - ASSESSMENT AND COLLECTION COSTS

The Alliance has developed an audit system for collections compliance and has the legal authority to conduct audits to ensure member compliance. Collection costs include the costs incurred to process annual assessments, to publicize the collection system, and to ascertain compliance as stipulated by Public Laws 113-79 and 115-334. Assessment and collection costs were \$227,615 and \$157,797 for the years ended December 31, 2020 and 2019, respectively.

NOTE 7 - FINANCIAL ASSETS AND LIQUIDITY

Financial assets available within one year for operations that are not subject to restrictions that make them unavailable for general operations as of December 31, were as follows:

	<u>2020</u>	<u>2019</u>
Cash, except cash held in escrow	\$ 10,842,158	\$ 9,172,752
Assessments receivable due within one year	2,534,377	2,966,129
Prepaid state assessments	-	80,408
Other current assets	84,919	67,384
Less: state grants payable	( 3,172,763)	( 2,503,065)
Less: obligation for unallocated state rebates	( 1,531,943)	( 2,295,053)
Less: amounts to be transferred to escrow	( 2,037,832)	( 39,078)
Less: designated net assets for national spending not yet incurred	<u>( 5,632,894)</u>	<u>( 5,776,743)</u>
Total financial assets available within one year for operations	<u>\$ 1,086,022</u>	<u>\$ 1,672,734</u>

The Alliance has a budgetary process to develop estimates and make grant payables to comply with Public Laws 113-79 and 115-334. Liquid assets are maintained in cash accounts to minimize risk of loss.

## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019NOTE 8 - NET ASSETSPre-2014 Reauthorization Designated Net Assets

As discussed previously, Public Law 113-79 became effective April 1, 2014. The Alliance designated the remaining net assets under the former Public Law 106-469 for use in a national oilheat education program. As of December 31, 2020 and 2019, \$55,933 remained unspent and are designated for future use.

National Spending Not Yet Incurred Designated Net Assets

The Alliance budgets national spending in the accomplishment of its mission under Public Laws 113-79 and 115-334. The Alliance recorded \$5,632,894 and \$5,776,743 in national spending of assessments revenue, which had not yet been incurred as of December 31, 2020 and 2019, respectively. The Alliance has designated net assets in these amounts for future program spending, some of which, the Alliance has approved contracts to expend.

Subsequent to year end, the Alliance Board voted to reallocate up to \$1.0 million in 2021 in national spending not yet incurred for research, development, and demonstration to those states that have utilized their budgeted grants for research, development, and demonstration for additional research, development, and demonstration spending. Any amount of the \$1.0 million not spent in 2021, will be reallocated in 2022 in addition to up to another \$1.0 million for grants to states that have used their research, development, and demonstration budgets. Amounts of these additional grants not spent at the end of 2022 will be forfeited.

Net Assets Unavailable for Obligation Until October 1, 2028

Public Law 115-334 established a requirement that funds be maintained in escrow until October 1, 2028. Net assets unavailable for obligation until October 1, 2028, is an accumulation of these net assets plus interest.

Net Assets Available for Obligation - Other Than For Consumer Education, Safety, and Training

The amount reported as net assets without donor restrictions available for obligation - other than for consumer education, safety, and training are the net amounts available for future obligation for all purposes other than consumer education, safety, and training, since Public Laws 113-79 and 115-334 have placed limits on the use of assessments revenue from consumer education, safety, and training.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

The Alliance has entered into operating lease agreements for office space and a liquid fuels research center. Total rent expense under these leases was \$104,798 and \$93,679 for the years ended December 31, 2020 and 2019, respectively. The Alliance extended the lease for the liquid fuels research center through December 31, 2025. Future minimum lease payments are as follows for the years ending December 31:

2021	\$	87,122
2022		89,736
2023		92,428
2024		95,200
2025		<u>98,056</u>
Total future minimum lease payments	\$	<u>462,542</u>



## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

SUPPLEMENTAL SCHEDULE OF EXPENSES BY STATE/JURISDICTION -  
RESEARCH, DEVELOPMENT, AND DEMONSTRATION  
FOR THE YEAR ENDED DECEMBER 31, 2020

	Amounts Granted/ Expended in 2020	2020 State Grants Made After Year-End	2020 National Spending Not Yet Incurred	Total
STATE GRANTS:				
Connecticut	\$ 107,273	\$ -	\$ -	\$ 107,273
Indiana	1,311	-	-	1,311
Kentucky	8,671	-	-	8,671
Maine	68,558	-	-	68,558
MAPDA (Delaware, Maryland, and Washington, D.C.)	36,699	-	-	36,699
Massachusetts	114,532	-	-	114,532
Michigan	27,726	-	-	27,726
Nevada	302	-	-	302
New Hampshire	43,454	-	-	43,454
New Jersey	83,983	-	-	83,983
New York:				
UNYEA	50,813	-	-	50,813
HVOEC	29,843	-	-	29,843
NYSEC	121,186	-	-	121,186
North Carolina	29,843	-	-	29,843
Ohio	28,230	-	-	28,230
Pennsylvania	135,301	-	-	135,301
Rhode Island	32,968	-	-	32,968
South Carolina	9,981	-	-	9,981
Virginia	26,818	-	-	26,818
Vermont	23,491	-	-	23,491
Washington	4,638	-	-	4,638
Wisconsin	22,584	-	-	22,584
NATIONAL	<u>1,378,783</u>	<u>-</u>	<u>1,270,000</u>	<u>2,648,783</u>
TOTAL STATE GRANTS AND NATIONAL SPENDING	<u>\$ 2,386,988</u>	<u>\$ -</u>	<u>\$ 1,270,000</u>	<u>\$ 3,656,988</u>

In addition to these amounts, the unallocated state rebates detailed in the accompanying supplemental schedule of expenses by state/jurisdiction - unallocated state rebates will be used for either this program or for the heating oil efficiency and upgrade program.

## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

SUPPLEMENTAL SCHEDULE OF EXPENSES BY STATE/JURISDICTION -  
HEATING OIL EFFICIENCY AND UPGRADE  
FOR THE YEAR ENDED DECEMBER 31, 2020

	Amounts Granted/ Expended in 2020	2020 State Grants Made After Year-End	2020 National Spending Not Yet Incurred	Total
STATE GRANTS:				
Connecticut	\$ 91,304	\$ -	\$ -	\$ 91,304
Indiana	1,116	-	-	1,116
Kentucky	7,380	-	-	7,380
Maine	58,352	-	-	58,352
MAPDA (Delaware, Maryland, and Washington, D.C.)	31,236	-	-	31,236
Massachusetts	97,483	-	-	97,483
Michigan	23,598	-	-	23,598
Nevada	257	-	-	257
New Hampshire	36,985	-	-	36,985
New Jersey	71,482	-	-	71,482
New York:				
UNYEA	43,249	-	-	43,249
HVOEC	25,400	-	-	25,400
NYSEC	103,146	-	-	103,146
North Carolina	25,400	-	-	25,400
Ohio	24,027	-	-	24,027
Pennsylvania	115,160	-	-	115,160
Rhode Island	28,061	-	-	28,061
South Carolina	8,495	-	-	8,495
Virginia	22,826	-	-	22,826
Vermont	19,994	-	-	19,994
Washington	3,947	-	-	3,947
Wisconsin	19,222	-	-	19,222
NATIONAL	<u>69,681</u>	<u>-</u>	<u>60,000</u>	<u>129,681</u>
TOTAL STATE GRANTS AND NATIONAL SPENDING	<u>\$ 927,801</u>	<u>\$ -</u>	<u>\$ 60,000</u>	<u>\$ 987,801</u>

In addition to these amounts, the unallocated state rebates detailed in the accompanying supplemental schedule of expenses by state/jurisdiction - unallocated state rebates will be used for either this program or for the research, development, and demonstration program.

## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

SUPPLEMENTAL SCHEDULE OF EXPENSES BY STATE/JURISDICTION -  
CONSUMER EDUCATION, SAFETY, AND TRAINING  
FOR THE YEAR ENDED DECEMBER 31, 2020

	Amounts Granted/ Expended in 2020	2020 State Grants Made After Year-End	2020 National Spending Not Yet Incurred	Total
STATE GRANTS:				
Connecticut	\$ 165,413	\$ -	\$ -	\$ 165,413
Indiana	2,021	-	-	2,021
Kentucky	13,370	-	-	13,370
Maine	105,715	-	-	105,715
MAPDA (Delaware, Maryland, and Washington, D.C.)	56,589	-	-	56,589
Massachusetts	176,607	-	-	176,607
Michigan	42,752	-	-	42,752
Nevada	466	-	-	466
New Hampshire	67,005	-	-	67,005
New Jersey	129,501	-	-	129,501
New York:				
UNYEA	78,354	-	-	78,354
HVOEC	46,017	-	-	46,017
NYSEC	186,867	-	-	186,867
North Carolina	46,017	-	-	46,017
Ohio	43,530	-	-	43,530
Pennsylvania	208,632	-	-	208,632
Rhode Island	50,837	-	-	50,837
South Carolina	15,391	-	-	15,391
Virginia	41,353	-	-	41,353
Vermont	36,223	-	-	36,223
Washington	7,151	-	-	7,151
Wisconsin	34,824	-	-	34,824
NATIONAL	<u>255,553</u>	<u>-</u>	<u>47,836</u>	<u>303,389</u>
TOTAL STATE GRANTS AND NATIONAL SPENDING	<u>\$ 1,810,188</u>	<u>\$ -</u>	<u>\$ 47,836</u>	<u>\$ 1,858,024</u>

See independent auditor's report.

## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

SUPPLEMENTAL SCHEDULE OF EXPENSES BY STATE/JURISDICTION -  
UNALLOCATED STATE REBATES  
FOR THE YEAR ENDED DECEMBER 31, 2020

	Amounts Granted/ Expended in 2020	2020 State Rebates After Year-End	2020 National Spending Not Yet Incurred	Total
<b>UNALLOCATED STATE REBATES:</b>				
Connecticut	\$ 125,164	\$ -	\$ -	\$ 125,164
Indiana	1,529	-	-	1,529
Kentucky	10,117	-	-	10,117
Maine	79,992	-	-	79,992
MAPDA (Delaware, Maryland, and Washington, D.C.)	42,819	-	-	42,819
Massachusetts	133,633	-	-	133,633
Michigan	32,350	-	-	32,350
Nevada	353	-	-	353
New Hampshire	50,701	-	-	50,701
New Jersey	97,990	-	-	97,990
New York:				
UNYEA	59,406	-	-	59,406
HVOEC	34,820	-	-	34,820
NYSEC	141,397	-	-	141,397
North Carolina	34,820	-	-	34,820
Ohio	32,820	-	-	32,820
Pennsylvania	157,865	-	-	157,865
Rhode Island	38,467	-	-	38,467
South Carolina	11,646	-	-	11,646
Virginia	31,291	-	-	31,291
Vermont	27,409	-	-	27,409
Washington	5,411	-	-	5,411
Wisconsin	26,350	-	-	26,350
<b>TOTAL UNALLOCATED STATE REBATES</b>	<b><u>\$ 1,176,350</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,176,350</u></b>

These unallocated state rebates will be allocated to either the research, development, and demonstration or the heating oil efficiency and upgrade programs based on detailed plans for use of the rebates to be submitted by the states.



## NATIONAL OILHEAT RESEARCH ALLIANCE, INC.

SUPPLEMENTAL SCHEDULE OF EXPENSES BY STATE/JURISDICTION -  
UNALLOCATED STATE REBATES  
FOR THE YEAR ENDED DECEMBER 31, 2020

	Amounts Granted/ Expended in 2020	2020 State Rebates After Year-End	2020 National Spending Not Yet Incurred	Total
<b>UNALLOCATED STATE REBATES:</b>				
Connecticut	\$ 125,164	\$ -	\$ -	\$ 125,164
Indiana	1,529	-	-	1,529
Kentucky	10,117	-	-	10,117
Maine	79,992	-	-	79,992
MAPDA (Delaware, Maryland, and Washington, D.C.)	42,819	-	-	42,819
Massachusetts	133,633	-	-	133,633
Michigan	32,350	-	-	32,350
Nevada	353	-	-	353
New Hampshire	50,701	-	-	50,701
New Jersey	97,990	-	-	97,990
New York:				
UNYEA	59,406	-	-	59,406
HVOEC	34,820	-	-	34,820
NYSEC	141,397	-	-	141,397
North Carolina	34,820	-	-	34,820
Ohio	32,820	-	-	32,820
Pennsylvania	157,865	-	-	157,865
Rhode Island	38,467	-	-	38,467
South Carolina	11,646	-	-	11,646
Virginia	31,291	-	-	31,291
Vermont	27,409	-	-	27,409
Washington	5,411	-	-	5,411
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<b>TOTAL UNALLOCATED STATE REBATES</b>	<b><u>\$ 1,176,350</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,176,350</u></b>

These unallocated state rebates will be allocated to either the research, development, and demonstration or the heating oil efficiency and upgrade programs based on detailed plans for use of the rebates to be submitted by the states.



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