



Budget 2026 – 2027

August 2025

The National Oilheat Research Alliance Act of 2000 (Public Law 106-469) as amended by P.L. 113-79 requires the National Oilheat Research Alliance (the Alliance) to publish a biennial budget for public comment before August 1st of 2014 and every two years thereafter. The budget shall include the probable costs of all programs, projects, contracts and other agreements.

Following public review and comment, the Alliance is required to submit a proposed budget to the Secretary of Energy and to the Congress.

Part I. Assessment Rate & Income

The Alliance has one primary sources of income. The federally authorized assessment on Oilheat sold in the states participating in NORA at \$.002 per gallon. The Alliance also receives interest income on the investment of assessment funds. Additionally, the Alliance realizes revenue from the sale of technical manuals and other educational resources and expects to receive revenue from the provision of studies. Further, NORA periodically enters into contracts with other research organizations to conduct studies.

Assessment Collections

The Alliance estimates that revenues from assessments will be **\$7,100,773. in 2026**. Similarly, the 2027 revenue from collections was placed at **\$6,887,750**. These calculations are based on normalizing the most recent year's collections for weather and then reducing by 3% per annum to accommodate conservation and loss of customers. To ensure the appropriate allocations to the accounts established by Congress are in line with actual collections, NORA adjusts the rebates to the states at the conclusion of the audit. Reductions or overages are generally made to the state rebates in the next year. This ensures that with the central budget and the state budget, Congressional allocations are followed.

The Alliance expects to receive interest of \$100,000 in 2026 and \$100,000 in 2027. NORA expects some nominal continuing revenue from technical book sales as the publications are now printed and distributed independently.

NORA will also be making it a priority to work with other organizations and provide services that benefit the oil heating industry. NORA anticipates that partnerships with organizations such as the Clean Fuels Alliance America and New York State Energy Research & Development Authority (NYSERDA) may provide as much as \$200,000 per year in 2026 and 2027. Since these grants are uncertain on a year-to-year basis, they are included in in the Budget under Other Income (Expense).

Escrow

Section 708 of the law requires that 25% of NORA assessments collected be placed into escrow, and that those funds cannot be obligated or spent until October 1, 2028. This escrow will significantly curtail operations, and the reduced amounts are reflected in this budget.

Part II. General Expenditures and Capital Investments

Office Unallocated Expenses in 2026 are expected to be \$ 345,500 and include salaries and other expenses related to administering the program, including insurance, accounting fees and rent. This figure will be maintained at \$345,500. In 2027. The total of all unallocated expenses will thus be approximately 6.5 % in 2026 and 6.7% of the program's collections after the escrow—they will be within the statutory cap of 7%.

Assessments and Collections.

The Alliance anticipates expenditures of **\$332,000** for collection expenses in 2026 and \$337,000 in 2027. These costs include processing collections, publicizing the collection system, maintaining lists, and providing attorney fees and accounting costs to ensure that the system is effective. It also includes expenses associated with refunds, and audit costs. These expenses reflect actual costs in previous years.

Part III. State Rebates

The Alliance has endeavored to ensure that the funds generated benefit consumers and the oilheat industry. The limitation on Administration contained in the Act and the current status of the industry indicates that allowing local decision-making is the best way to maximize value. To that end, the Alliance intends to return a substantial portion of the funds for use in the state where they are generated. In 2026, this is anticipated to be \$2,774,543 and in 2027, it will be \$2,686,457. The states will use these funds to accomplish many of the goals described herein and will be within the statutory directives and their spending will match congressional allocations.

Part IV. Program and Project Expenditures

The Act requires the Alliance to develop programs and projects and enter into contracts or other agreements with other persons and entities for implementing this title.

The Act is designed to benefit consumers of Oilheat by allowing the industry to develop appropriate programs of consumer education, energy efficiency, research & development, and technician education & training.

This budget document will determine all spending. The Executive Committee of the Alliance and the Alliance will be responsible for reviewing contracts and approving them as appropriate and implementing this budget.

Education and Training & Consumer Education.

The Act requires the Alliance to enhance consumer and employee safety and training and provide consumer education. The total expenses available for these activities are \$1,491,224 in 2026 and \$1,446,487 in 2027. Of these expenditures, the Alliance is proposing to budget \$252,000 to be administered by the national office in 2026 and \$244,440 in 2027. These budgetary amounts represent approximately 28% of the overall NORA budget, which falls below the statutory maximum of 30%. The national office will be producing and maintaining an online training center with these funds. In-person training is often the preferred method of training; however, many technicians are in remote areas and have limited access to training. Having a training center that can provide training, maintain student records and outreach to students is critical.

The states affiliated with NORA will be provided with \$1,239,224 for 2026 and \$1,202,047 in 2027. The states will develop internal budgets based on these allocations. The states will focus most of their funding on basic technician education. Extended management training to improve overall service and improve the oilheat consumer experience will also be developed and used.

Technician Certification Program

The Alliance will continue to improve its Technician Certification program. Recognizing excellence is a vital part of improving employee training, which leads to improved consumer value and safety. To this end, the Alliance is continuously improving the website, training materials and the certification tests.

New Training Materials

The Alliance will continue to develop training materials and course materials for the industry. NORA will continue to conduct its *Accredited Instructor Program* as well as the *Gold, Silver & Bronze Technician Certification* programs. NORA is constantly working and improving upon online

video presentations of the subject areas of its expanded gold program, steam, hydronics, venting, advanced controls, air flow for warm air systems, and energy efficiency. NORA will continue to work with the states to bring these training opportunities into the community.

State Rebates

A significant portion of the Alliance generated funds will be returned to the states in conformance with the law to accomplish the objectives of the Act. The states will implement many of the programs described above. Providing in-field training for technicians is critical.

Several of the states operate full time training facilities used by the industry. These include Maine, Vermont, Connecticut, New York, and Pennsylvania. The remaining states use the funds to do periodic training at temporary facilities.

Additionally, the states may allocate a portion of this to traditional consumer education activities using traditional media such as broadcast television, radio, social media, and internet communications. Using broadcast media allows the industry to provide a small bit of information to consumers which might help them make decisions regarding Oilheat/Bioheat fuel. These consumer education activities will also provide information on energy efficiency and improvements to the equipment.

Research and Development

The Act requires the Alliance to provide for research, development, and demonstration of clean and efficient oilheat utilization equipment. The Alliance anticipates expending approximately \$2,168,881 being directly allocated to research and development activities in 2026, and \$2,103,814 in 2027. Of this, \$1,470,000 will be directly funded by the central office in 2026 and \$1,425,900 dollars in 2027. At a minimum, the research and development program will be at least 30% of the budget.

NORA is operating a research and development laboratory in New York. Staffing for that includes a full time director, as well as 2 research engineers, and a supporting technical expert. Additionally, NORA will continue to fund and develop new projects based on its research review meeting which established priorities for the industry, including biofuels, controls, novel burner technologies, and new appliances.

Under the revised statute, there are additional responsibilities which include the transition and facilitation of the entry of energy efficient heating systems into the marketplace. Additionally, all NORA activities incidental to research, development, and demonstration of clean and efficient oil heat fuel utilization equipment, including research to develop renewable fuels and to examine the compatibility of different renewable fuels with oil heat fuel utilization equipment, with priority given to research on the development and use of advanced biofuels. NORA created a report on biofuels in oilheat fuel utilization equipment, and the development of consumer

education materials describing the benefits of using biofuels in oilheat fuel is also a core function of research and development in the act.

NORA anticipates that the core of its fundamental research will occur at the NORA Liquid Fuels laboratory in Plainview New York. Additional product development will occur through funded projects. NORA will continue to work with the New York State Energy Research & Development Authority and the Clean Fuels Alliance America to advance the liquid heating industry.

Energy Efficiency

The Act also includes a requirement on *Heating Oil Efficiency and Upgrade Program*. The Alliance budgeted \$906,439 in 2026 and \$879,246 in 2027.

There are three main tasks under this section, and at least 15 % of the assessments shall be used to assist consumers to:

1. Make cost effective upgrades to more fuel-efficient heating oil system or otherwise make cost-effective modifications to an existing heating system to improve the efficiency of the system
2. To improve energy efficiency or reduce energy consumption through cost-effective energy efficiency programs for consumers, or
3. To improve the safe operation of the system

In carrying out this section, the Alliance shall to the maximum extent practicable coordinate, develop and implement the programs and activities of the Alliance in conjunction with an existing state energy efficiency program administrator.

The amount of funding in states will limit the amount of planning that is likely to occur. NORA believes that developing a series of programs that meets the goals of this section will be essential, and then each state affiliate will be able to work to the maximum extent practicable with its state energy efficiency administrator to develop the best plan for that state. Preliminary discussions have indicated that better understanding of efficiency and appropriate tools to measure and improve efficiency in the home, tune-ups of existing equipment, and setback thermostats may all be invaluable in fulfilling this task.

States will receive \$836,439 in 2026 and 806,496 in 2027 to conduct and implement energy efficiency program activities.

State Rebates

NORA's Board has indicated a continued desire to utilize the state resources to implement the program. Thus, funds not specifically allocated to programs in accordance with this budget will

be subject to the decision making of the states. Currently, \$216,536 in 2026, and \$188,765 in 2027.

Central Office Expenses

The budget provides for \$345,500 to be spent on the management of the Alliance and compliance with specific program objectives in 2026 & 2027. These numbers have been reduced from their previous levels since the last budget due to the anticipated reduction in collection.

Part V. Budget Summary

Pages 7 through 10 provides an income statement for 2026 and 2027. The board has directed that the allocations to the states be adjusted annually based on the collections in the prior year. This is a formulaic adjustment and thus the allocations to the state for 2027 will not be known until 2026, however, the allocation for 2026 is based on the Board's formula.

	2026	2027
<i>INCOME</i>		
<i>Collections and Assessments</i>		
Collections	7,100,773	6,887,750
Escrow	1,775,193	1,721,937
<i>Net Collections</i>	5,325,580	5,165,812
<i>PROGRAM EXPENSES</i>		
<i>Consumer Education and Training (Max. 30%)</i>	1,491,224	1,446,487
Education and Training (Central)	252,000	244,440
Education and Training (States)	1,239,224	1,202,047
<i>Research Development and Demonstration (Min. 30%)</i>	2,168,881	2,103,814
Research Development and Demonstration (Central)	1,470,000	1,425,900
Research Development and Demonstration (States)	698,881	677,914
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<i>Home Energy Efficiency Program (Min. 15%)</i>	906,439	879,246
Home Energy Efficiency Program (Central)	70,000	72,750
Home Energy Efficiency Program (States)	836,439	806,496
<i>Total Program Expenses</i>	4,566,543	4,429,547
<i>Total Central</i>	1,792,000	1,743,090
<i>Total States</i>	2,774,543	2,686,457
<i>State Rebates</i>	216,536	188,765

Office Unallocated Expenses

Salaries and Consulting (Admin)	130,000	130,000
Accounting (Admin)	55,000	55,000
Insurance (Admin)	20,000	20,000
Postage	2,000	2,000
Web Pages	2,000	2,000
Rent and Telephone	7,500	7,500
Travel	7,500	7,500
Meeting Expenses	5,000	5,000
Office Supplies	2,500	2,500
Dues & Memberships	20,000	20,000
Bank Fees	3,000	3,000
Legal Expense (non-admin)	84,000	84,000
Equipment Maintenance	3,000	3,000
Payroll Processing	4,000	4,000

Total Unallocated Expenses (7 Percent Cap)

345,500	345,500
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General and Special Projects:

Assessment and Collection Costs	257,000	257,000
Annual Report	75,000	80,000

Total General and Special Projects

332,000	337,000
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Other Income (Expenses):

Other Revenue (Grants, CFAA grant, etc)	200,000	200,000
CFAA Research & Development Grant Expense	-200,000	-200,000
Sales Revenue, net	35,000	35,000

Total Other Expenses/(Income)

35,000	35,000
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Net Revenue/(Expense)

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State Allocations

2026

State	Consumer Ed and Training	Research and Development	Energy Efficiency	Rebates
	\$ 1,239,224.00	\$ 698,881.00	\$ 836,439.00	\$ 216,536.00
CT	171,012.91	96,445.58	115,428.58	29,881.97
DC	123.92	69.89	83.64	21.65
DE	7,683.19	4,333.06	5,185.92	1,342.52
IN	123.92	69.89	83.64	21.65
KY	15,985.99	9,015.56	10,790.06	2,793.31
MA	133,092.66	75,059.82	89,833.55	23,255.97
MD	38,911.63	21,944.86	26,264.18	6,799.23
ME	69,024.78	38,927.67	46,589.65	12,061.06
MI	34,698.27	19,568.67	23,420.29	6,063.01
NC	51,303.87	28,933.67	34,628.57	8,964.59
NH	46,223.06	26,068.26	31,199.17	8,076.79
NJ	53,038.79	29,912.11	35,799.59	9,267.74
NV	247.84	139.78	167.29	43.31
NYSEC =.6	146,104.51	82,398.07	98,616.16	25,529.59
UNYEA =.25	60,876.88	34,332.53	41,090.07	10,637.33
Hudson =.15	36,526.13	20,599.52	24,654.04	6,382.40
OH	34,946.12	19,708.44	23,587.58	6,106.32
PA	169,897.61	95,816.59	114,675.79	29,687.09
RI	41,637.93	23,482.40	28,104.35	7,275.61
SC	23,173.49	13,069.07	15,641.41	4,049.22
VA	45,231.68	25,509.16	30,530.02	7,903.56
VT	28,873.92	16,283.93	19,489.03	5,045.29
WA	2,850.22	1,607.43	1,923.81	498.03
WI	27,634.70	15,585.05	18,652.59	4,828.75
	\$ 1,239,224.00	\$ 698,881.00	\$ 836,439.00	\$ 216,536.00

State Allocations

2027

State	Consumer Ed and Training	Research and Development	Energy Efficiency	Rebates
	\$ 1,202,047.00	\$ 677,914.00	\$ 806,496.00	\$ 188,765.00
CT	165,882.49	93,552.13	111,296.45	26,049.57
DC	120.20	67.79	80.65	18.88
DE	7,452.69	4,203.07	5,000.28	1,170.34
IN	120.20	67.79	80.65	18.88
KY	15,506.41	8,745.09	10,403.80	2,435.07
MA	129,099.85	72,807.96	86,617.67	20,273.36
MD	37,744.28	21,286.50	25,323.97	5,927.22
ME	66,954.02	37,759.81	44,921.83	10,514.21
MI	33,657.32	18,981.59	22,581.89	5,285.42
NC	49,764.75	28,065.64	33,388.93	7,814.87
NH	44,836.35	25,286.19	30,082.30	7,040.93
NJ	51,447.61	29,014.72	34,518.03	8,079.14
NV	240.41	135.58	161.30	37.75
NYSEC =.6	141,721.34	79,926.06	95,085.88	22,255.39
UNYEA =.25	59,050.56	33,302.53	39,619.12	9,273.08
Hudson =.15	35,430.34	19,981.52	23,771.47	5,563.85
OH	33,897.73	19,117.17	22,743.19	5,323.17
PA	164,800.64	92,942.01	110,570.60	25,879.68
RI	40,388.78	22,777.91	27,098.27	6,342.50
SC	22,478.28	12,676.99	15,081.48	3,529.91
VA	43,874.72	24,743.86	29,437.10	6,889.92
VT	28,007.70	15,795.40	18,791.36	4,398.22
WA	2,764.71	1,559.20	1,854.94	434.16
WI	26,805.65	15,117.48	17,984.86	4,209.46
	\$ 1,202,047.00	\$ 677,914.00	\$ 806,496.00	\$ 188,765.00