Hello Fellow Farmstead Road Neighbors,

You may have already heard that CT Natural Gas is offering to run natural gas lines to our homes if at least eight of us commit to using it for heating and hot water. This presents us with a wonderful opportunity to improve our homes for ourselves and future owners.

- Natural gas is currently less expensive than oil and is projected to be so through 2040. See excerpt attached. It was about $2 per equivalent gallon last year on average.
- Because of the lower price of natural gas our homes can be more desirable on the real estate market. We could get an extra boost since the entire neighborhood will.
- Because of the age of our homes, many of us likely have older systems that are in need of replacement or heavier maintenance in the near future.
- Natural gas is also much more convenient than oil because it doesn't need refills and frees up some space in our garages. Yea! No more oil tank!
- There can also be advantages in power outages if you decide to cook or run a generator with it.

There will of course be an upfront cost to convert our heating systems to natural gas. As noted above, the cost of natural gas is less expensive than oil and will continue to be so for a long time even as natural gas prices like everything else will increase.

- Converting your current system to run on gas may be an option for you at a much reduced initial investment. Ask you HVAC service provider if any options exist. One estimate I received was $2300.
- HomeAdvisor.com has cost estimates for *new* boiler or furnace installations that range from an average of $5000 to a maximum of $9000.
- A CT program does offer energy efficiency loans at a 2.99% interest rate that can spread out that initial cost to about $100 per month. See: EnergizeCT.com/residents/programs/energizect-heating-loan-program

I'll be posting the information from the packet I received from CT Natural Gas to this website once I finish scanning it in: farmstead.cap-5.com. You can contact Patrick Flynn at CNG to set up an appointment to find out more information and sign up: patrick.flynn@soconngas.com, 860-727-3096.

I hope you find this information useful in making your decision. In my mind, converting to natural gas is a worthy investment since it will continue to be less expensive than oil, will increase the desirability of our neighborhood and value of our homes, and brings many advantages that oil does not provide.

Your Neighbors,

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Tips:

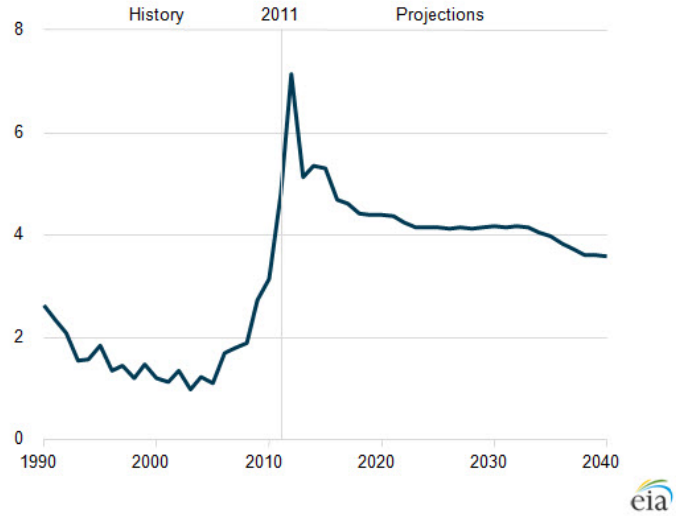
1. Ask your HVAC service provider about options to convert the burner on your system.
2. To avoid the high expense of installing a chimney liner, choose a boiler or furnace with efficiency high enough so it can be exhausted straight out of the house and not through the chimney.
3. Make sure you ask your HVAC service provider about manufacturer, state, and federal rebates. Currently we can get up to a $750 CT rebate on gas boilers and $600 for furnaces if they have greater than 90% efficiency.
4. Share your estimates and recommendations with neighbors so we utilize the power of competition.
5. Make sure that your service provider does a home heating assessment especially if you have upgraded your insulation in the attic and siding. A system too large will not run as efficiently. Another reason to compare notes with neighbors.
6. Ask your service provider about options for power outages and any other efficiency options.
7. This website has information about energy efficiency upgrades: http://EnergizeCT.com.
8. You can also check the CNG website for information: www.cngcorp.com/wps/portal/cng/yourhome/

Energy from natural gas remains far less expensive than energy from oil through 2040

http://www.eia.gov/forecasts/archive/aeo13/source_natural_gas_all.cfm#natgas_oil

The take away from the graph below is that gas maintains it's cost advantage over oil. The cost ratio it plots is based on commodity market prices.

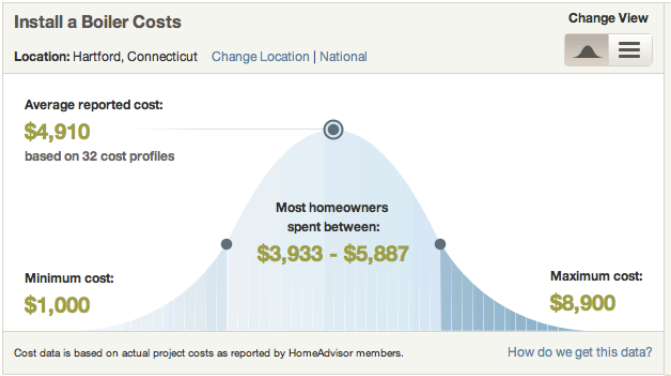
Figure 87. Ratio of Brent crude oil price to Henry Hub spot natural gas price in energy-equivalent terms, 1990-2040



In 2013 the cost of natural gas in CT was about an average of $2.00 per equivalent gallon.

- Equivalent gallons mean a volume that has equivalent energy content to a gallon of oil.
- Natural gas is typically measured in volumes of 100 cubic feet or CCF. In2013 the cost was $1.45 per CCF.
- These cost include gas delivery and additional charges.

Home Advisor cost estimate for gas boiler installation



- http://www.homeadvisor.com/cost/heating-and-cooling/install-a-boiler/
- http://www.homeadvisor.com/cost/heating-and-cooling/install-a-furnace/