

CROMWELL ENERGY 2014-2015 FUEL PLAN FAQ (FREQUENTLY ASKED QUESTIONS) SHEET

Q. What is the fuel plan or “buy ahead” program?

A. The fuel plan is a voluntary written contract agreement between Cromwell Energy and you, the customer, for the purchase and delivery of home heating oil (for the next heating season). You agree to buy a fixed number of gallons of oil at a locked-in price, and we agree to deliver and guarantee the price of those secured gallons. This is for the purchase of fuel oil only. Any service is invoiced separately from this agreement.

Q. Do I have to participate in the fuel plan agreement?

A. No. The fuel plan is voluntary. It is a benefit option we offer all of our customers. Approximately 50% of our residential customers participate. If you do not want to participate you will remain on automatic delivery at our regular retail price.

Q. How does it work?

A. It is very simple. Enclosed is the written contract. You choose one of our plan options:

1) CAP PLAN: The Cap plan provides complete, total, price protection. Your price per gallon is guaranteed to not exceed the contract price, **and** if prices decline below your locked-in rate, you will pay the **lower** price.

OR

2) FIXED PLAN: Your price per gallon is locked-in at the contract price.

We deliver your oil on an automatic delivery basis with either plan.

Q. What do I have to do to participate?

A. Carefully read and fill out the written agreement. Then sign and date the agreement, and tear off the yellow copy to keep for your records. Return the white original to us with your first payment (monthly option), or your full payment, by the date listed on the bottom of the contract.

Q. How long is the agreement good for?

A. The agreement, and deliveries, begin at the time of sign-up, and end on April 30, 2015.

Q. What happens if I use more gallons than I agreed to?

A. If you use more gallons than you agree to purchase, you will pay the daily retail price for the gallons that exceed the contract amount. (This price could be higher or lower than your locked-in price.) We have estimated your contract gallons based on your historical usage pattern. You may adjust this amount if you feel you will need a higher or lower amount than we have estimated.

Q. What happens if I do not use all the gallons I agreed to buy, or have a credit balance?

A. Credit balances are applied toward future deliveries or service requirements.

Q. What is Price Protection?

A. Price Protection protects you in the event that oil prices decline over the term of the contract. If you have Price Protection (required for budget Cap customers), and the retail price of oil drops below your locked-in price on a day you receive an oil delivery, you will pay the **lower** price.

Q. What are the advantages to the fuel plan?

A. Some of the advantages to the fuel plan include:

- 1) You know that you will **never** pay more than the plan price.
- 2) It allows you to spread your payments throughout the year (budget plan).
- 3) Peace of mind; with Price Protection, you know you will always pay the lower price.

Q. Why are some other oil companies cheaper?

A. Cromwell Energy has always been competitively priced in the full service oil market. We do not offer gimmicks or 'bait and switch' tactics to take your business away from other companies. We offer the fairest prices we possibly can, and we have always stood behind our commitment. Some companies offering cheaper oil prices have gone out of business, lost their licenses, or are under investigation by the Dept. of Consumer Protection for fraudulent buy-ahead programs. Also, some companies have not upheld their agreements when prices went up. If a company offers an artificially low 'introductory' price, they will have to make it up somewhere else. Buyer beware, if it sounds too good to be true, it probably is.

Q. When do I have to sign up by?

A. The enclosed signed contract and first payment, or full payment, must be received by the date listed on the bottom of the contract. **The price cannot be guaranteed after this date. Also, supplies are limited.**

Q. How do I know how much oil I have left?

A. Your oil delivery ticket has the number of gallons left prior to that day's delivery.

Q. What do you think I should do?

A. Many think we know what the oil future holds. No one can be sure what oil prices are going to do, and the past few seasons have shown how volatile the energy market can be. Having a fuel plan gives you the ability to know your costs and budget accordingly. And with Price Protection, you know you will always pay the lowest price.

If you have any other questions, please call our office at (860) 635-1234.

We value you as a customer and thank you for your business.