

**Testimony of John Maniscalco, Executive Vice President
New York Oil Heating Association
Before the New York City Council Environmental Protection Committee
February 25, 2009**

Good Morning Mr. Chairman and Members of the Environmental Protection Committee. My name is John Maniscalco and I am the Executive Vice President of the New York Oil Heating Association, a trade association comprised of mostly family-owned heating oil distributors and terminal operators located throughout the City of New York. Thank you for the opportunity to testify today.

As you know from past hearings, the New York Oil Heating Association fully supports the increased use of Bioheat in New York City and has testified in favor of Intro 594 as it pertains to a phased-in Bioheat mandate. It is time we made this happen. We have more than enough information to move forward with a sensible strategy to make our heating oil more renewable, cleaner, greener and more sustainable for our city.

As an industry we still have logistical concerns about Bioheat, in particular, concerns addressing immediate supply outlets, product quality control and adequate ramp-up time for terminals to retrofit the storage of Bioheat into their terminals. However, we have placed aside our hesitations and we stand with environmental organizations and health advocacy groups like the League of Conservation Voters and the American Lung Association to support a Bioheat mandate because it is the right thing to do for our city, for our industry, and for this country. It's the first step toward a cleaner and greener future.

Mandating a B5 Bioheat blend could displace as much as 40 million gallons of distillate # 2 oil every year. As we ramp up to a B20 Bioheat blend, the displacement of # 2 oil could be as much as 160 million gallons. These are incredible numbers! Bioheat will enable our city to upgrade to a cleaner, more renewable fuel with impressive air quality benefits without requiring major equipment upgrades for our customers.

The industry supports Bioheat. Environmental groups and health advocates support Bioheat. Mayor Bloomberg has already switched many city truck fleets to biodiesel, and city buildings to Bioheat. And there is no greater Bioheat advocate than Chairman Jim Gennaro ... but we're still waiting – 2 years later – for a Bioheat mandate to pass, and it all seems to hinge on the issue of “sustainability,” which is the topic of today's hearing.

There are people here today that are much more qualified to speak to this very complicated issue than I, and we've heard, or we are yet to hear from many of them today. I am here to say that there will always be more

questions raised than answered. Sometimes it is wiser to wait for further studies or a better political or economic climate to emerge before pursuing a major initiative. This is not the case with Bioheat. To indefinitely delay an initiative with such clear benefits like reducing our dependence on foreign oil, improving air quality and fighting global warming because we're waiting for a low carbon fuel standard or because questions have been raised about indirect land use change is, in a word, ludicrous. More than 1 million city housing units use heating oil to heat their living space, and millions more gallons of heating oil are used in the commercial and industrial sectors. Heating oil is here to stay. So why not make it better? That is what Bioheat does – it makes a good product better for New Yorkers, and with a mandate it will be done across the board on a level playing field. We need to move forward with the good information we have now and adjust accordingly as new issues emerge. New York City should be leading the way – but right now we appear to be lagging behind.

I again thank you for the opportunity to testify here today, and would be happy to answer any questions you may have.