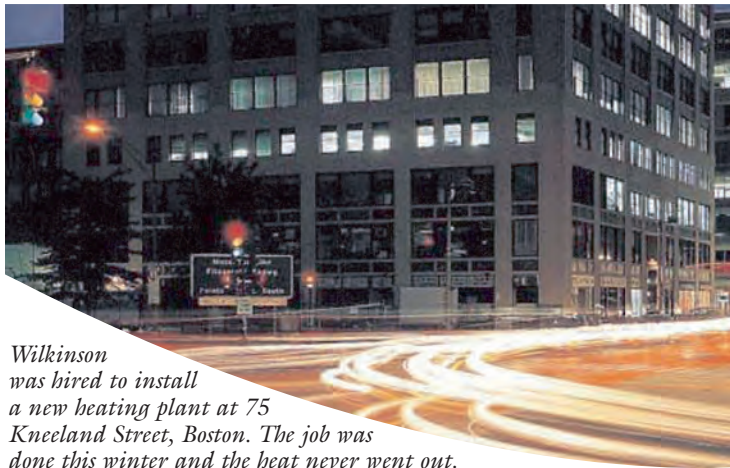


Pipeline

Spring 2006

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Wilkinson was hired to install a new heating plant at 75 Kneeland Street, Boston. The job was done this winter and the heat never went out. Read all about it on page 2.

INDUSTRY NEWS

Sky high

Natural gas and oil prices to keep rising

While the winter turned milder than expected, the price for staying warm went up.

And, the long term outlook for the price for natural gas and heating oil is that both will keep rising, according to newly released information from the Energy Information Administration.

The price is expected to average approximately \$8.40 per Mcf in 2007. Fuel oil prices continue to rise to more than \$70 a barrel for West Texas intermediate crude. Fuel oil costs are expected to be 20% higher next year than natural gas.

“Concerns about potential future supply tightness and continuing pressure from high oil market prices are keeping

expected spot natural gas prices for the next heating season at high levels, with the Henry Hub spot price projected to again rise to just under \$10.00 per Mcf. The Henry Hub price is expected to average approximately \$8.40 per Mcf in 2007,” the federal government reported in its energy outlook report just released in April.

While in the short term, natural gas prices are expected to decline, the respite is expected to be short-lived, the federal government reported.

The heating season ended on March 31. The largest price increase for natural gas occurred in the Northeast to an average price of \$7.72 per MMBtu.

SKY HIGH, continued on page 4

FROM THE PRESIDENT
Time to upgrade and save money!



Whew! That was a close one, wasn't it. Yep — the heating season of 2005-2006 could have been one of the all time 'budget busters' that would have rivaled 1980-1981 heating season costs (not adjusted for inflation).

The 'mild' winter of 2005-2006 was a lamb in comparison to 2004-2005 by being 9% warmer than the 100 year degree day norms.

What will 2006-2007 bring? That is one very big question! I cannot tell you how many inquiries have been received from existing customers and potential customers for installing new energy efficient equipment and upgrades to their maintenance programs.

In this office, saving energy costs are important. This spring, the latest in hydronic boiler technology was installed. The model — a cast aluminum hydronic heating boiler by Weil McLain model PHD. This boiler is very smart due to its PID control interface and is most efficient. In fact it is 93% efficient and ultra compact.

Payback is expected in less than three years. High energy costs are a concern. The goal here is to save money for this upcoming winter

PRESIDENT, continued on page 4

Trivia

THIS ISSUE'S QUESTION

Q. What lasting gift did the Roman Centurions bring to England during the occupation that all civilization enjoys today?

E-mail your answer to ppackard@gtwilkinson.com by July 6, 2006. Please include your address.

Winners will receive a George T. Wilkinson Inc. gift pack and their names will be listed on the Web site (www.gtwilkinson.com) after August, 2006.

Last Issue's Trivia Question:

What is considered the worst marine disaster in U.S. History?

A. On April 27, 1865, at least 1,547 people were killed when the boiler of the side-wheeler **Sultana** exploded on the Mississippi River near Memphis, Tenn. Many of those killed were Union soldiers who had recently been freed from Confederate prison camps. Among the survivors was a man who used a knife to kill a live alligator that was in a wooden crate on board. He then used the crate to float away to safety.

COMPANY NEWS

Wilkinson retrofit turns up the heat at 75 Kneeland Street Saves money and energy, too

The old steam heat that had kept 75 Kneeland St., Boston, warm for a century was just getting too expensive.

So, King Associates decided it was time to look at changing over to gas-fired natural gas boilers.

Rebates Save Money See Page 3

“It was cost prohibitive to continue with Trigen Steam,” said Ralph Young, general manager for King Associates.

Trigen-Boston is a system of pipes that run under the streets of Boston. The steam is pumped up into office buildings. The network of underground pipes reaches 230 buildings including commercial, government, institutional and hotels. The steam quickly turns into water and then is sent into the sewer system. Trigen-Boston supplies central heating for 44 million square feet of space and cooling for nine million square feet of space.

Adding to the motivation to switch over to a more energy efficient system were the incentives paid by Keyspan. It was a big savings on the whole project.

King Associates hired Beth Greenblatt and Beacon Integrated Solutions to come up with the design work on the new heating plant.

George T. Wilkinson, Inc. was a great fit, agree Greenblatt and Young.

“Wilkinson was great to work

with. Al Bishop was very creative in the design,” Greenblatt said.

Bishop and Dave Roche, installation supervisor for Wilkinson, brainstormed and came up the idea of moving the heating plant into a space that was a perfect solution, said Greenblatt.

The original oil-fired heating plant from the 1920s is still in the sub-basement.

Wilkinson installed two Weil-McLain steam boilers with Autoflame controls. The new boilers were Weil-McLain model 1588 with Gordon Piatt R 10.2-G-50 Burners.

Greenblatt also had great praise for Roche.

“Dave and his crew were great. The day they made the switch over, they did a really smart thing. They let the building heat up to its fullest, then they shut it down and made the switch. Of course, everyone was apprised ahead of time, but it was never really cold in the building,” said Greenblatt.

75 Kneeland is a 14 story office building. Tenants include Tufts New England Medical Center and Paratek Pharmaceuticals.

The new heating plant was up and running on Dec. 21.

“I have known Geoff for many years and have used the services of Wilkinson in the past. I would have no hesitation in hiring Wilkinson again,” said Young. His company oversees 15 different office buildings in Boston.



John Sieminski, service operations manager for Wilkinson poses with one of the fleet of Mobile Boilers which is dispatched to bring temporary heat to buildings across New England.

MOBILE BOILERS

Lynn school saves money

Last September, as school was about to open in Lynn, the old boilers at Fecteau-Leary Middle School on North Common Street were condemned.

With no money yet available to replace the old boilers, Robert Goldberg put out the call for emergency heat help.

Wilkinson Mobile Boilers answered the call.

“It worked out really well. In fact, the Mobile Boilers were much more energy efficient and provided heat to parts of the school that had not had heat before,” said Goldberg, an engineer with Crossfield Engineering. Crossfield oversees the heating systems for all Lynn schools.

Working with Wilkinson is always great. “When they come on to a job, they really know their stuff. You don’t have to stand over them and supervise,” said Goldberg. If any problems should come up, Wilkinson staff takes care of the problem quickly. “They are very responsive,” said Goldberg.

Wilkinson is one of the best contractors to work with,

“The Mobile Boilers were much more energy efficient and provided heats to parts of the school that had not had heat before.”

— Robert Goldberg

Goldberg said.

The Wilkinson Mobile Boiler installed at Fecteau-Leary Middle School was one of the largest in the Mobile fleet at 350 HP.

The Mobile Boiler kept the school warm through the entire school year. This summer, the old condemned boilers will be coming out and a new boiler room installed. The city received grant money to replace the old system which is more than 50 years old.

Fecteau-Leary Middle School was a high school for most of its history. It was built at the turn of 20th century. It became a middle school about six years ago when the new Classical High School was built in West Lynn.

Wilkinson previously installed new boilers at the Drewicz Elementary School in Lynn.

Rebates put money in customer's pocket

Energy rebates can mean a big break when it comes to installing a new high energy efficiency heating and cooling equipment for businesses.

And, the money comes from a pool these same businesses have been paying into for years.

"It is their money. They should take advantage of it," said Nelson Medeiros, program manager for NSTAR.

There are different levels of rebates for electric and gas products and each is overseen by a different department at the utility companies. Medeiros is program manager of the electric program, while Gary Robinson is a program manager of NSTAR Energy Efficiency Services – C&I Gas.

"We can offer incentives for training and for the cost of a piece of equipment," said Medeiros. In some cases, that rebate can cover up to 50 percent of the cost of everything from the design work to the installation to the cost of the equipment itself. Each proposal must be reviewed. "A rebate can enable a facility manager to show the financial people how much sense it makes to install new energy efficient equipment. With a rebate, you can realize a payback very quickly. Without the rebate, it can take two to four years to realize payback," Medeiros said.

The rebates really help the facilities



manager make the case for the change, he said.

At NSTAR gas, a rebate is offered on equipment measures that have a simple payback of more than one year or less than 10, said Robinson.

The cap on a rebate is \$35,000 a year for each customer. But, Robinson was able to pay \$150,000 in rebates to a vocational school because of the type of systems that were installed.

"The smallest rebate paid last year was \$2,000," he said.

"Most businesses have been paying into this fund for year, so they really should take advantage of it," he said.

Each utility offers its own separate rebate program and the staff at George T. Wilkinson, Inc. is able to provide its customers with the expertise needed to get the maximum rebate. As part of the service, Wilkinson's staff performs an energy savings analysis for its customers. Wilkinson staff is able to take care of making the connection to the utility to get the customer the maximum rebate.

Bay State Gas through its Partners in Energy Program offers rebates of up to

\$100,000 for commercial gas customers whose gas use exceeds 40,000 therms. Smaller commercial customers can earn rebates of up to a maximum of \$50,000 per master meter.

Bay State Gas will pay up to 50 percent of the qualified installed costs.

Keyspan Energy rebates vary according to how much energy the new heating system will save. For example, rebates for condensing boilers can vary from \$600 to \$6,000. Keyspan is approved to pay out \$12.5 million in rebates each year, said Kim Rodriguez, manager for Commercial and Energy Efficiency Programs.

Keyspan pays two different type of rebates. One type is per unit type for installing high energy equipment. This rebate is worth between \$150 to \$6,000. The second type is from the custom program.

It can pay a customer a rate based on how much gas the customer will save. That rate is 75 cents per therm. For example, a savings of 1,000 therms can bring a rebate of \$750.

Customers can earn both rebates the same year for the same project, Rodriguez said.

Call Al Bishop for more details at 800-777-1629

Pipeline

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For changes of address or to suggest story ideas, please contact Paula Packard at 781-335-2622, or email ideas and comments to ppackard@gtwilkinson.com

www.gtwilkinson.com

BRIEFS

Tax deductions for commercial buildings

A tax deduction of up to \$1.80 per square foot is available to owners or designers of new or existing commercial buildings that save at least 50% of the heating and cooling energy of a building that meets ASHRAE Standard 90.1-2001. Partial deductions of up to \$.60 per square foot can be taken for measures affecting any one of three building systems: the building envelope, lighting, or heating and cooling systems.

These deductions are available for buildings or systems placed in service from January 1, 2006, through December 31, 2007.

SKY HIGH, from page 1
In Massachusetts, the average price for a gallon of heating oil in May was \$2.58 a gallon, up from \$1.98 a gallon a year ago, according to the Massachusetts State Department of Energy.

The 2006 EIA Annual Energy Outlook forecasts annual natural gas consumption in New England to grow by 25 percent from 750 Bcf in 2004 to 1,000 Bcf in 2021.

According to the EIA petroleum analysis, the prices for petroleum will continue to stay high because of strong global demand for oil both in China and the United States; the limited surplus capacity; and major weather and geopolitical climate.

“If EIA is correct in its analysis, that these are the major factors driving oil

prices right now, then it is logical to assume that oil prices will stay at high levels until current concerns are eased in one or more areas,” government analysts reported in This Week in Petroleum.

In 2005, an improving economy nationally increased demand for natural gas, and a hot summer increased power plant demand for the fuel. High world oil prices also increased pressure on natural gas prices.

The impact of the Gulf Coast hurricanes was one more extraordinary factor. Industry observers expect that the supply picture will remain tight, and that a high price environment will likely linger, for possibly another few years — until substantial new supply volumes enter the national and regional markets — in the form most likely of new LNG supplies.

until our energy costs were skyrocketing.

Shouldn't you also be concerned about future costs in upcoming heating seasons? The costs will never be lower from what I see in the immediate future.

How to save is through energy

Warning: Energy efficient scams return

It feels like the 1970s all over again.

Customers are receiving calls and literature from companies promising a 20 percent and more energy savings on stack dampers for boilers and fuel catalysts for heating oil. A number of customers have inquired about these “magic shows.”

The most important thing is to realize that none of these units have any independent approvals by Underwriters Laboratories (UL), National Fire Protection Association (NFPA), The Commonwealth of Massachusetts

Plumber and Gasfitters Board for natural gas equipment and the Commonwealth of Massachusetts State Fire Marshal for oil equipment which is required to be used on your boiler and water heater in Massachusetts.

There is no proven documentation from approved independent testing laboratories that this equipment saves energy or is safe to operate. Please use caution when being solicited to purchase or install this equipment. If you have any questions or concerns, please call George T. Wilkinson, Inc. direct at: 800-777-1629.

With 33 installers and service technicians who continuously upgrade their technical skills, Wilkinson has the cutting edge technology to deliver the latest in energy savings to its customers.

And, as an added bonus, Wilkinson staff knows how to get the maximum rebate available for any customer.



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PRESIDENT, from page 1
and many winters beyond.

I am pleased to say that the electric bill will drop as well, as some of the office associates were addicted to electric space heaters. I'm not a big fan of 'scorched' hot air since it was always so uneven but there was no choice

efficient technologies that are 'smart' and microprocessor based. The experts at Wilkinson can show you how to save energy. Case studies and testimonials are the proof. Call me or an associate to provide you with the solutions to meet your expectations and requirements to save energy before the 2006-

2007 winter season. It will come quicker than you can imagine!

Respectfully,
Geoffrey C. Wilkinson
President

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