

REAL ESTATE WEEKLY

Firm turning fuel into funds for building owners

By Dan Orlando

10:51 am, September 3, 2014

The heat may be free in New York right now but in a couple short weeks, that won't be the case.

Advanced Power Systems International (APSI) is confident that they can generate a savings of "tens of thousands or hundreds of thousands of dollars" over time, for property owners that opt to install a Fitch Fuel Catalyst oil treatment device in their buildings.

The device reformulates heating oils #2 through #6, which leads to a more efficient combustion rate and increases the mileage of the gallons that are used to warm the property.

Already approved by the New York City Building Department and currently installed in over 900 properties throughout the city, the converters are expected to deliver a 7 percent reduction in fuel usage per year.

"It's the only thing out there that you can actually put into your building that doesn't cost anything," APSI's senior vice president Chris Wright told Real Estate Weekly. "It pays for itself."

Wright estimated that the treatment devices would pay for themselves over the course of a single heating season, approximately over three to four months, and they are built to last between five and eight years depending on the type of oil used.

The converters are projected to hit a 700 percent return on investment for buildings using #2 oil and a 400 percent return for those operating with #4 and #6. The catalyst is non-additive.

Consulting engineers, Walter T. Gorman PE, PC reviewed the product and recommended that it be "incorporated into your buildings energy and emissions reduction plans."

"The technology rejuvenates and preserves fuel in storage or just prior to use insuring premium fuel quality and optimum combustion and energy yield," writes Gorman. "The results are increases in fuel economy, fuel quality, and heat output as well as reductions in emissions and equipment maintenance."

Gorman also concurred with Wright's claim that the converter would pay for itself in the near-term.

"The purchase cost is effectively self-funded within the fuel season's oil purchase budget without added expense or assessment," said Gorman.

Jeffrey Gural, the chairman of Newmark Grubb Knight Frank, gave the converter a test run on a sample of the firm's properties during the winter of 2011 and after a successful trial, made plans to outfit all of the firm's oil-heated properties by 2014. Oil that is treated via a Fitch Fuel Catalyst burns more efficiently and thus, carbon build-up is reduced. This reduces the frequency of heating system cleanings as well as the emissions of greenhouse gases.

Of course, there are other avenues for property owners looking to strengthen the efficiency of their long term bottom lines. In 2011, Deutsche Bank Americas Foundation released a study that found a 19 percent reduction in fuel costs for a sample size of 19,000 New York apartments. These units partook in a variety of cost reducing methods, including the installation of new boilers, fluorescent lighting, and energy friendly windows.

But for owners looking to hone in on oil heating needs, researching converters is a wise option. The Fitch Fuel Catalyst devices are also marketed under the name, "GOsaver" and can be installed by a licensed HVAC contractor.