



**2020
ENERGY INDUSTRY
SURVEY RESULTS**

GRAY GRAY & GRAY[®]
CERTIFIED PUBLIC ACCOUNTANTS | ADVISORS

OIL & ENERGY

FuelExchange
FuelExchange, LLC
An Affiliate of Gray, Gray & Gray, LLP



Gray, Gray & Gray Energy Survey Results 2020 - OVERALL

In what region does your company primarily do business?	
Midwest	12%
Northeast	74%
South	5%
West	7%
Multiple Regions	2%

Total number of employees	52
Number of service technicians (full-time equivalent)	12
Number of delivery drivers (full-time equivalent)	13

What is the HOURLY rate you pay?	
Delivery Drivers	\$24.09 per hour
Dispatchers	\$25.43 per hour
Customer Service Representatives	\$20.03 per hour
Accounts Payable/Receivable Staff	\$22.63 per hour
IT/HR Manager	\$33.38 per hour
Service Technicians	\$27.44 per hour
Service Manager	\$39.40 per hour
Controller/Accounting Manager	\$43.06 per hour
General Manager	\$51.76 per hour
Operations Manager	\$42.52 per hour
Office Manager	\$30.79 per hour
Sales Manager	\$40.31 per hour

How much do you pay a salesperson for a new account?
\$166.67 per new account

What are you doing to retain employees?	
Raising wages	80%
Converting hourly employees to salaried	8%
Improving benefits	50%
Paying bonuses	73%
Deferred compensation plan	13%
Other (i.e. profit sharing, 401(k) match, flexible schedule)	18%

If you lost customers last year, to what do you most attribute their leaving?	
Lost to competitor with similar pricing	4%
Lost to competitor with lower prices	58%
Lost to gas conversion	26%
Lost due to other reasons	12%

When did you last install new fuel management software?	
Within the last year	14%
Less than 5 years ago	19%
Less than 10 years ago	31%
More than 10 years ago	36%

How are you protecting your business against a cyberattack and data loss?	
Encrypted cloud-based data storage	49%
Anti-malware software/Endpoint protection	76%
Secure data backup for disaster recovery & business continuity	79%
Written information security plan (WISP)	16%
Staff training	43%
Cybersecurity insurance	44%
Other	1%

Are you considering any of the following?	
Acquiring a company	51%
Selling your company	15%
Transitioning to the next generation	50%
Conducting a business valuation	18%
Refinancing	7%
Developing a new bulk plant	28%
Upgrading a bulk plant	28%
Converting to an S Corporation	3%
Converting to flat rate billing	13%
Retiring	21%
Merging into a joint venture	1%

Gray, Gray & Gray Energy Survey Results 2020 - OVERALL

What measures did your company have to take due to the COVID-19 crisis?

Reduced workforce through layoffs	15%
Reduced workforce through furloughs	19%
Reduced employee pay	1%
Reduced employee hour	23%
Reduced employee hours but maintained regular pay for employees in an effort to keep good workers	47%
Revised company practices in accordance with social distancing	76%
Offered incentives to existing customers	6%
Offered incentives to new customers	4%
Offered payment assistance via payment plans	24%
Other (i.e., remote work)	15%

Do you blend biofuel?

Yes	12%
Percentage blend avg. 13%	
No	88%

How many gallons did you sell during the heating season that just ended?

Fuel Oil - Residential	2,803,771
Fuel Oil - Commercial	569,537
Propane – Residential	1,827,668
Propane – Commercial	709,953
Kerosene	87,484
Gasoline	2,094,467
Diesel	1,944,663
Other	2,153,860

What percentage of your gallons sold are automatic versus will-call customers?

Automatic delivery	63%
Will-call delivery	37%

What was your average margin for sales during the heating season that just ended?

Fuel Oil - Residential	\$0.92 per gallon
Fuel Oil - Commercial	\$0.54 per gallon
Propane – Residential	\$1.23 per gallon
Propane – Commercial	\$0.63 per gallon
Kerosene	\$0.81 per gallon
Gasoline	\$0.31 per gallon
Diesel	\$0.44 per gallon

What percentage of active customers use a budget plan? 22%

What percentage of active customers use a price protection plan? 28%

What is the average number of deliveries that your drivers made in the last 12 months? 3,489

What is the average renewal price you charge for a service contract (on heating equipment)? \$288

How many PAID service contracts do you have? 1,963

What percentage of your service contracts are offered to customers:

At a discount (Fuel Oil)	10%
For free (Fuel Oil)	20%

What is the average hourly labor rate you charge for service?

Fuel Oil	\$121.84 per hour
Propane	\$109.35 per hour
Air Conditioning	\$146.81 per hour
Plumbing	\$161.00 per hour
Pipeline Gas	\$147.91 per hour

Gray, Gray & Gray Energy Survey Results 2020 - OVER 5m RESIDENTIAL FUEL OIL GALLONS

How many gallons did you sell during the heating season that just ended?

Fuel Oil - Residential	10,063,390
Fuel Oil - Commercial	2,096,135
Propane – Residential	1,931,448
Propane – Commercial	751,024
Kerosene	154,499
Gasoline	1,947,347
Diesel	5,090,887
Other	3,175,941

Total number of employees 113

Number of service technicians (full-time equivalent) 32

Number of delivery drivers (full-time equivalent) 23

What is the HOURLY rate you pay?

Delivery Drivers	\$27.28 per hour
Dispatchers	\$24.94 per hour
Customer Service Representatives	\$20.21 per hour
Accounts Payable/Receivable Staff	\$23.40 per hour
IT/HR Manager	\$44.56 per hour
Service Technicians	\$31.37 per hour
Service Manager	\$53.20 per hour
Controller/Accounting Manager	\$52.15 per hour
General Manager	\$67.82 per hour
Operations Manager	\$57.25 per hour
Office Manager	\$44.52 per hour
Sales Manager	\$47.79 per hour

How much do you pay a salesperson for a new account?

\$154.29 per new account

What are you doing to retain employees?

Raising wages	67%
Converting hourly employees to salaried	17%
Improving benefits	67%
Paying bonuses	67%
Deferred compensation plan	17%
Other (i.e. profit sharing, 401(k) match, flexible schedule)	17%

If you lost customers last year, to what do you most attribute their leaving?

Lost to competitor with lower prices	71%
Lost to gas conversion	14%
Lost due to other reasons	14%

When did you last install new fuel management software?

Less than 10 years ago	43%
More than 10 years ago	57%

How are you protecting your business against a cyberattack and data loss?

Encrypted cloud-based data storage	43%
Anti-malware software/Endpoint protection	100%
Secure data backup for disaster recovery & business continuity	100%
Written information security plan (WISP)	29%
Staff training	86%
Cybersecurity insurance	71%

Are you considering any of the following?

Acquiring a company	100%
Transitioning to the next generation	71%
Conducting a business valuation	29%
Refinancing	14%
Developing a new bulk plant	29%
Upgrading a bulk plant	57%
Converting to flat rate billing	14%
Retiring	14%

What measures did your company have to take due to the COVID-19 crisis?

Reduced workforce through layoffs	14%
Reduced workforce through furloughs	57%
Reduced employee hours	29%
Reduced employee hours but maintained regular pay for employees in an effort to keep good workers	57%
Revised company practices in accordance with social distancing	71%
Offered incentives to existing customers	29%
Offered incentives to new customers	29%
Offered payment assistance via payment plans	71%
Other (i.e., remote work, PPP loan, task force)	57%

Do you blend biofuel?

Yes	57%
Percentage blend avg. 17.5%	
No	43%

Gray, Gray & Gray Energy Survey Results 2020 - OVER 5m RESIDENTIAL FUEL OIL GALLONS

What percentage of your gallons sold are automatic versus will-call customers?

Automatic delivery	79%
Will-call delivery	21%

What was your average margin for sales during the heating season that just ended?

Fuel Oil - Residential	\$0.92 per gallon
Fuel Oil - Commercial	\$0.42 per gallon
Propane – Residential	\$1.54 per gallon
Propane – Commercial	\$0.73 per gallon
Kerosene	\$0.73 per gallon
Gasoline	\$0.20 per gallon
Diesel	\$0.29 per gallon

What percentage of active customers use a budget plan? 23%

What percentage of active customers use a price protection plan? 20%

What is the average number of deliveries that your drivers made in the last 12 months? 3,616

What is the average renewal price you charge for a service contract (on heating equipment)? \$310

How many PAID service contracts do you have? 6,013

What percentage of your service contracts are offered to customers:

At a discount (Fuel Oil)	16%
For free (Fuel Oil)	13%

What is the average hourly labor rate you charge for service?

Fuel Oil	\$146.00 per hour
Propane	\$131.50 per hour
Air Conditioning	\$156.80 per hour
Plumbing	\$183.50 per hour
Pipeline Gas	\$127.50 per hour

Gray, Gray & Gray Energy Survey Results 2020 - 2-5m RESIDENTIAL FUEL OIL GALLONS

How many gallons did you sell during the heating season that just ended?

Fuel Oil - Residential	3,475,521
Fuel Oil - Commercial	442,119
Propane – Residential	1,786,268
Propane – Commercial	518,773
Kerosene	104,142
Gasoline	2,703,000
Diesel	802,800
Other	109,700

Total number of employees 63

Number of service technicians (full-time equivalent) 20

Number of delivery drivers (full-time equivalent) 11

What is the HOURLY rate you pay?

Delivery Drivers	\$24.41 per hour
Dispatchers	\$27.61 per hour
Customer Service Representatives	\$21.18 per hour
Accounts Payable/Receivable Staff	\$28.23 per hour
IT/HR Manager	\$36.00 per hour
Service Technicians	\$28.62 per hour
Service Manager	\$39.88 per hour
Controller/Accounting Manager	\$46.48 per hour
General Manager	\$52.48 per hour
Operations Manager	\$43.62 per hour
Office Manager	\$30.77 per hour
Sales Manager	\$39.81 per hour

How much do you pay a salesperson for a new account?
\$146.00 per new account

What are you doing to retain employees?

Raising wages	78%
Improving benefits	11%
Paying bonuses	67%
Other (i.e. profit sharing, 401(k) match, flexible schedule)	22%

If you lost customers last year, to what do you most attribute their leaving?

Lost to competitor with similar pricing	9%
Lost to competitor with lower prices	55%
Lost to gas conversion	27%
Lost due to other reasons	9%

When did you last install new fuel management software?

Less than 5 years ago	18%
Less than 10 years ago	36%
More than 10 years ago	46%

How are you protecting your business against a cyberattack and data loss?

Encrypted cloud-based data storage	55%
Anti-malware software/Endpoint protection	82%
Secure data backup for disaster recovery & business continuity	73%
Written information security plan (WISP)	18%
Staff training	27%
Cybersecurity insurance	55%

Are you considering any of the following?

Acquiring a company	45%
Transitioning to the next generation	82%
Conducting a business valuation	27%
Developing a new bulk plant	27%
Upgrading a bulk plant	27%
Converting to flat rate billing	18%
Retiring	27%

What measures did your company have to take due to the COVID-19 crisis?

Reduced workforce through layoffs	10%
Reduced workforce through furloughs	20%
Reduced employee hours	20%
Reduced employee hours but maintained regular pay for employees in an effort to keep good workers	50%
Revised company practices in accordance with social distancing	70%
Offered payment assistance via payment plans	30%
Other (i.e., remote work)	10%

Do you blend biofuel?

Yes	27%
Percentage blend avg. 9.25%	
No	73%

Gray, Gray & Gray Energy Survey Results 2020 - 2-5m RESIDENTIAL FUEL OIL GALLONS

What percentage of your gallons sold are automatic versus will-call customers?

Automatic delivery	67%
Will-call delivery	33%

What was your average margin for sales during the heating season that just ended?

Fuel Oil - Residential	\$0.89 per gallon
Fuel Oil - Commercial	\$0.47 per gallon
Propane – Residential	\$1.48 per gallon
Propane – Commercial	\$0.73 per gallon
Kerosene	\$1.07 per gallon
Gasoline	\$0.25 per gallon
Diesel	\$0.56 per gallon

What percentage of active customers use a budget plan? 23%

What percentage of active customers use a price protection plan? 18%

What is the average number of deliveries that your drivers made in the last 12 months? 5,304

What is the average renewal price you charge for a service contract (on heating equipment)? \$283

How many PAID service contracts do you have? 1,672

What percentage of your service contracts are offered to customers:

At a discount (Fuel Oil)	10%
For free (Fuel Oil)	20%

What is the average hourly labor rate you charge for service?

Fuel Oil	\$123.45 per hour
Propane	\$120.38 per hour
Air Conditioning	\$140.80 per hour
Plumbing	\$133.00 per hour
Pipeline Gas	\$126.33 per hour

Gray, Gray & Gray Energy Survey Results 2020 - LESS THAN 2m RESIDENTIAL FUEL OIL GALLONS

How many gallons did you sell during the heating season that just ended?

Fuel Oil - Residential	897,822
Fuel Oil - Commercial	211,506
Propane – Residential	1,877,607
Propane – Commercial	736,874
Kerosene	65,764
Gasoline	1,976,981
Diesel	1,495,899

Total number of employees 20

Number of service technicians (full-time equivalent) 5

Number of delivery drivers (full-time equivalent) 6

What is the HOURLY rate you pay?

Delivery Drivers	\$24.48 per hour
Dispatchers	\$26.06 per hour
Customer Service Representatives	\$20.62 per hour
Accounts Payable/Receivable Staff	\$23.09 per hour
IT/HR Manager	\$27.33 per hour
Service Technicians	\$28.06 per hour
Service Manager	\$37.07 per hour
Controller/Accounting Manager	\$37.67 per hour
General Manager	\$45.92 per hour
Operations Manager	\$37.00 per hour
Office Manager	\$28.01 per hour
Sales Manager	\$33.98 per hour

How much do you pay a salesperson for a new account?
\$185.71 per new account

What are you doing to retain employees?

Raising wages	78%
Converting hourly employees to salaried	3%
Improving benefits	47%
Paying bonuses	84%
Deferred compensation plan	16%
Other (i.e. profit sharing, 401 (k) match, flexible schedule)	25%

If you lost customers last year, to what do you most attribute their leaving?

Lost to competitor with lower prices	46%
Lost to gas conversion	40%
Lost due to other reasons	14%

When did you last install new fuel management software?

Within the last year	10%
Less than 5 years ago	28%
Less than 10 years ago	34%
More than 10 years ago	28%

How are you protecting your business against a cyberattack and data loss?

Encrypted cloud-based data storage	47%
Anti-malware software/Endpoint protection	78%
Secure data backup for disaster recovery & business continuity	81%
Written information security plan (WISP)	3%
Staff training	44%
Cybersecurity insurance	28%
Other	3%

Are you considering any of the following?

Acquiring a company	56%
Selling your company	20%
Transitioning to the next generation	40%
Conducting a business valuation	8%
Refinancing	16%
Developing a new bulk plant	24%
Upgrading a bulk plant	20%
Converting to an S Corporation	4%
Converting to flat rate billing	12%
Retiring	24%

What measures did your company have to take due to the COVID-19 crisis?

Reduced workforce through layoffs	23%
Reduced workforce through furloughs	13%
Reduced employee hours	23%
Reduced employee hours but maintained regular pay for employees in an effort to keep good workers	47%
Revised company practices in accordance with social distancing	73%
Offered incentives to existing customers	7%
Offered incentives to new customers	3%
Offered payment assistance via payment plans	23%
Other (i.e., remote work, PPP loan)	13%

Gray, Gray & Gray Energy Survey Results 2020 - LESS THAN 2m RESIDENTIAL FUEL OIL GALLONS

Do you blend biofuel?

Yes	6%
Percentage blend avg. 6%	
No	94%

What percentage of your gallons sold are automatic versus will-call customers?

Automatic delivery	59%
Will-call delivery	41%

What was your average margin for sales during the heating season that just ended?

Fuel Oil - Residential	\$0.85 per gallon
Fuel Oil - Commercial	\$0.60 per gallon
Propane – Residential	\$1.10 per gallon
Propane – Commercial	\$0.59 per gallon
Kerosene	\$0.76 per gallon
Gasoline	\$0.37 per gallon
Diesel	\$0.43 per gallon

What percentage of active customers use a budget plan? 22%

What percentage of active customers use a price protection plan? 35%

What is the average number of deliveries that your drivers made in the last 12 months? 3,491

What is the average renewal price you charge for a service contract (on heating equipment)? \$281

How many PAID service contracts do you have? 686

What percentage of your service contracts are offered to customers:

At a discount (Fuel Oil)	5%
For free (Fuel Oil)	22%

What is the average hourly labor rate you charge for service?

Fuel Oil	\$116.30 per hour
Propane	\$96.46 per hour
Air Conditioning	\$147.41 per hour
Plumbing	\$171.56 per hour
Pipeline Gas	\$165.50 per hour

For 75 years, Gray, Gray & Gray has been the nation's premier accounting and business advisory firm for the energy industry. No other accounting or consulting firm has such intimate experience and expertise in the field. We serve the tax, accounting and business management needs of some of the leading fuel oil and propane dealers in the country.

More than any other accounting and business advisory firm, Gray, Gray & Gray is solidly linked to success in the energy business. Among our exclusive services for the energy industry are:

- **Annual Survey** – Annual “snapshot” of the industry to assist energy companies with benchmarking and strategic business planning
- **FuelExchange™** – Merger & acquisition service for the propane and fuel oil industry
- **Accounting Systems** – Enterprise and cloud-based accounting and financial management systems
- **Strategic Business Planning** – Formulate business plans and advise on key management decisions
- **Outsourced Accounting** – Our Client Accounting & Advisory Service provides accessible support for financial and business operations
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