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Managing Your Money
Every Friday



Delivery: Keith Franklin, a driver for Cash Energy, drags an oil hose up a driveway in Old Orchard Beach, Maine, for a delivery in September. Heating oil prices are rising, but consumers can take steps to cut back on fuel costs.

By Shawn Patrick Ouellette, AP

Heat is on to lower heating bills

Natural gas and heating oil prices rose again Thursday, continuing a recent upward tick. Even so, the cost of heating your house, apartment or condo should dip this winter, according to recent projections by the government.

By Kathryn Canavan
Special for USA TODAY

But you don't have to simply hope for lower prices and milder weather to reduce costs — you can cut 5% to 30% of your energy bills by taking a few simple steps, says Christina Kielich of the Department of Energy.

Start by combating myths and learning how your home works.

Myth: Exhaust fans only remove odors.

Reality: Your kitchen or bathroom exhaust fans can drain your house of heated air in one hour, says Gordon Holness, president of the American Society of Heating, Refrigerating and Air-Conditioning Engineers.

Myth: Duct tape seals ducts.

Reality: It's good for almost everything else, but it curls and unravels on heating ducts. Buy a mastic or tape designed for hot areas. Turn on the heat and follow the ducts wherever you can fit. Put your hand near the joints to feel where hot air is escaping, then apply the mastic or tape. A tip from George Stuckey of Fox Service in Austin: If you choose the shiny, foil-like tape, rub it briskly with a spoon or an old credit card after you apply it. That activates the glue and helps it adhere.

Myth: Really small openings don't matter.

Reality: Tiny openings around dryer vents and garden faucets allow cold air to enter your home all winter long. Inexpensive sealing putty, which comes in rope form and has the consistency of Play-Doh, can solve your problem quickly. It works indoors and out and stays in place for decades, Stuckey says.

Myth: Window-sealing kits look tacky.

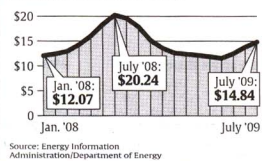
Reality: Today's clear plastic kits look more like window film when properly installed. If you're armed with a hair dryer, it can be a quick project.

Myth: Ceiling fans will pull warm air from high ceilings.

Reality: They can, if the heat isn't escaping into the attic via tiny crevices around the fans and recessed lighting. Larry Hughes, an engineer at Alpha Building Inspectors in Bear, Del., says sealing around fans stops drafts, but there's a fire risk in sealing around some older non-vented fan lights.

Heating costs

Home heating costs for natural gas users are expected to be less this winter as natural gas prices have dropped sharply from 2008 highs. (Dollars per thousand cubic feet):



Source: Energy Information Administration/Department of Energy

By Karl Gelles, USA TODAY



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Myth: Water-heater settings don't matter.

Reality: Crank your tank down. Dave Musial of Four Seasons Heating and Air Conditioning in Chicago says 95% of the homes his installers visit have the water heater set too high. A setting of 120 degrees or "warm" provides comfortable hot water, according to the Department of Energy. You can save money by dressing your water heater for winter, too: A precut insulation jacket for your appliance costs less than \$20, and it will pay for itself in no time, Musial says.

Myth: Programmable thermostats are too expensive and not worth the cost.

Reality: Programmable thermostats do cost \$35 to \$100, and professional installation can cost an additional \$75 to \$100, but homeowners can

save about \$180 a year with a properly set one, according to the Department of Energy.

Other cheap or free fixes take only minutes:

► **Lock all windows.** Locking pushes the window into the track and squeezes it tight. "Don't just turn the lock partway. Try to get it all the way in. Sometimes, it's a two-person operation," says Tony Gray of People Working Cooperatively in Cincinnati.

► **Check ceiling-fan blades.** They should spin clockwise in the winter at low speed, says Art Pleasanton of Fairfax Hardware in Wilmington, Del.

► **Secure entryways.** Place a "draft dodger" or a rolled-up towel at the base of windows and doors, says Dean Bennett, owner of Dean Bennett Design and Construction in Castle Rock, Colo. Have rooms you rarely use? Plug the windows with fiberglass batt insulation. Bennett says \$25 worth will cover five to six windows.

Also, grab a friend and a flashlight and conduct an experiment. Shine the light around door frames at night. If your friend can see the light from outside the house, you'll soon feel cold air in the same places. Don't have time to install heavy-duty weather stripping? Get your door frame up to snuff with a roll of adhesive-backed foam. Just peel off the backing and stick it in place.

► **Close closet doors.** Why spend money heating a closet?

► **Secure outlets.** To keep cold air from entering your home via electrical outlets, unscrew your switch plates and install inexpensive foam pads that fit snugly around the back, says Lou Manfredini, a Chicago hardware store owner who is also known nationally as the Ace Helpful Hardware Man.

Covering open outlets with baby-proofing plugs can block even more air, he says.

Other winterizing tasks take more time and money, but some offer federal tax credits of up to \$1,500.

Certain energy-saving heating systems, water heaters, windows, doors, insulation and roofing bought before the end of 2010 qualify. For specific information, go to energystar.gov.

If you insulated your house 15 years ago, you might want to add more now. Todd Recknagel, president of Mr. Handyman International, says mice or wind may have disrupted what you put down. Insulate walls, basements, floors and crawlspaces, too, while the tax credit is available.