Preferred Utilities Manufacturing Corp.

ENGINEERING BASED MANUFACTURERS OF COMBUSTION CONTROLS AND
FUEL HANDLING EQUIPMENT

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Press Release

"New Fuel System Technologies Allow New Equipment to be Added with Maximum Flexibility"

Danbury, CT - April 29, 2003 - New fuel system technologies allow new equipment to be added with maximum flexibility. A phone company in Oklahoma had four (4) aligned kerosene storage tanks that supplied fuel for kerosene-fired generators. The building had a simple fuel system that used one fuel pump to pump kerosene from only one of the storage tanks. These four tanks equalized fuel level automatically as the fuel being drawn out from one of the four (4) storage tanks.

The system worked fine until they decided to install four (4) new diesel fired generators on the roof. To make matters more complicated, the building owner wanted to have some changeover period from kerosene-fired generators to diesel-fired generators. They wanted storage tanks 1, 2 and 3 to supply the kerosene-fired generator temporarily, and storage tank 4 to supply the new diesel-fired generators on the roof.

When the building manager of the phone company called an engineering firm to look at the upgrade possibilities, his main concern was on how to create a system that could control kerosene & diesel-fired generators and storage tanks during the changeover period.

The engineer suggested the building owner to install a custom fuel oil system with a remote control panel to oversee all storage tanks and generators activities (both kerosene and diesel). To accomplish this task, the engineer chose Preferred Utilities to build a custom fuel oil system.

To start the process, one of the four storage tanks will be converted to diesel fuel and operated with Preferred's triplex pump sets to supply fuel for four (4) new diesel fired generators on the roof. The initial configuration of the fuel control cabinet will be such that the diesel fuel pumps will only be allowed to operate from tank 4 (diesel storage tank). The remaining three storage tanks (tanks 1-3) will remain aligned based upon a call for operation coming into the control cabinet. Once the PLC receives a call from one of these three (3) tanks (low fuel level), it will align the valves so that the existing kerosene pump can deliver the fuel into the kerosene-fired generator.

To prevent any confusion between the two fuels, Preferred installed two separate fill stations with separate controls on each station. The purpose is to prevent either fuel from being delivered to the wrong storage tanks during the changeover period. The first fill station will allow the operator to only fill diesel fuel into tank 4, while the other fill station will allow the operator to only fill kerosene into tanks 1, 2, and 3.

Moreover, to increase the ease of operation, Preferred's control cabinet was equipped with color graphic displays for easy indication of system operating conditions and alarms. A full operational layout will be displayed via the graphic panel showing valve alignment and system configuration. All lights and alarm conditions will be displayed on the graphic panel.

Once the changeover period from kerosene-fired generators to diesel-fired generators has been completed, the system will be re-programmed to automatically control all four (4) storage tanks based upon a call from the diesel-fired generators.