



# CHS Storage for Pennies – Propane

The CHS Storage for Pennies program offers propane dealers affordable access to the increased storage capacity and the latest autogas dispensing equipment to meet the changing demands of their operations.

## How It Works

With the CHS Storage for Pennies program, approved customers can lease-to-own new bulk propane storage and autogas dispensers without the burden of costly upfront expenses.

CHS will help you choose equipment with features customized to fit your unique operation. Our experts will assist with contractor evaluation and selection. The selected contractors will oversee financing, permitting, construction and installation.

CHS will oversee financing for the Storage for Pennies program. The annual lease payment is conveniently divided and included in the price of propane purchased from CHS - only pennies per gallon. CHS also offers flexible lease-to-own terms ranging from three to 10 years.

## Benefits

- Reduce debt load by preserving working capital
- Alleviate supply interruptions with increased storage capacity
- Gain potential tax benefits
- Take advantage of savings by filling during off-peak demand

To qualify for the CHS Storage for Pennies program, equipment must be purchased through CHS Energy Equipment. For more details call **800-852-8186, option 1**.



CHS Storage for Pennies annual cost example based on a typical stand-alone 30,000-gallon bulk plant build of \$135,000*		
<b>Total Annual Gallons</b>	2,500,000	
<b>Total Project Cost</b>	\$135,000	
<b>Residual Payment</b>	15% Residual Amount	20% Residual Amount
	\$20,250	\$27,000
<b>Terms in Years</b>	Cent Per Gallon Rate	
<b>5</b>	\$0.0109	\$0.0105
<b>7</b>	\$0.0083	\$0.0080
<b>10</b>	\$0.0064	\$0.0061

\*Final payment to purchase tank at end of the lease term.



The CHS Storage for Pennies program has been expanded to offer customers affordable access to the latest autogas equipment.

## CALCULATE YOUR RETURN ON INVESTMENT

Use the ROI calculator on MyCHS.com and see how the CHS Storage for Pennies program will contribute to your bottom line. Contact CHS Energy Equipment at MyCHS.com to get started today.



## Program Details

### Qualification Process

Prior to starting your project, contact CHS Energy Equipment to make sure you qualify. Although CHS will facilitate the introduction process with a third-party leasing company, CHS does not approve the leasing agreement. Other factors to consider with the lease:

- CHS does not hold the lease; CHS is the facilitator of the payments
- Based upon the length of the lease agreement, CHS Propane will collect a per-gallon lease amount for each project placed on this program
- The lease amount will only be on propane gallons purchased from CHS Propane

### Assets that qualify for the Storage for Pennies program

For a leasing company to offer the Storage for Pennies program, tangible assets in your project must be used. The following are examples of project assets that could be included in the program:

- Bulk plant tanks
- Plumbing of bulk plant (piping, fittings, etc.)
- Piers for bulk tanks

### Elements not covered through the Storage for Pennies program

Generally, services used in building the bulk plant project will not qualify for the Storage for Pennies program.

Items not covered would include:

- Excavation/site preparation
- Backfill
- Paving/driveways
- Electrical
- Rail work (ties, rail, etc.)

Example		
<b>Total Annual Gallons</b>	1,000,000	
<b>Total Project Cost</b>	\$150,000	
<b>Residual Payment</b>	15% Residual Amount	20% Residual Amount
	\$22,500	\$30,000
<b>Terms in Years</b>	Cent Per Gallon Rate	
<b>5</b>	0.0304	0.0290
<b>7</b>	0.0231	0.0222
<b>10</b>	0.0176	0.0171

Example		
<b>Total Annual Gallons</b>	1,000,000	
<b>Total Project Cost</b>	\$500,000	
<b>Residual Payment</b>	15% Residual Amount	20% Residual Amount
	\$75,000	\$100,000
<b>Terms in Years</b>	Cent Per Gallon Rate	
<b>5</b>	0.1014	0.0968
<b>7</b>	0.0769	0.0739
<b>10</b>	0.0588	0.0568