

CHS Storage for Pennies



CHS Storage for Pennies Program offers Propane and Refined Fuels Dealers the ability to increase their storage capacity through lease-to-own bulk storage and equipment, without the burden of costly upfront expenses.

How It Works

CHS will help you choose customized equipment to fit yours or your customers unique operations.

The annual lease payment is conveniently divided and included in the price of propane and refined fuels purchased from CHS - **only fractions of a cent per gallon.**

CHS also offers flexible lease-to-own terms, ranging from three to seven years for propane and refined fuels.



Benefits

- Secure long-term bulk fuel purchases with customers
- Reduce debt load by preserving working capital
- Alleviate supply chain interruptions with increased storage capacity
- Gain potential tax benefits
- Take advantage of savings by filling during off-peak demand



Calculate Your Return on Investment

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

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.**

Qualifying Assets

The following are examples of project assets that could be included in the program:

- Bulk tank (Above-ground tanks)
- Pumps
- Plumbing of bulk tank (piping, fittings)
- Autogas Dispensing Equipment



Non-Qualifying Elements

Generally, services used in building bulk storage will not qualify for the Storage for Pennies program. Items not covered include:

- Excavation/Site Preparation
- Backfill
- Paving/Driveways
- Electrical
- Rail Work (Ties, Rail, etc.)

Qualification Process: Propane and Refined Fuels Bulk Tanks

Prior to starting, contact CHS Energy Equipment to make sure the project qualifies. 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 will collect a per-gallon lease amount for each project placed on this program. Gallons are based on the lift number for each specific tank in the program.
- The lease amount will only be on fuel gallons purchased from CHS Refined Fuels/Propane.

Annual Cost Example: Propane CHS Storage for Pennies Stand-alone 30,000 bulk plant build of \$135,000*		
Total Annual Gallons	2,500,000	
Total Project Cost	\$135,000	
Residual Payment	15% Residual Amount	20% Residual Amount
	\$20,250.00	\$27,000.00
Terms in years	Cent per Gallon Rate	
5	\$0.010	\$0.010
7	\$0.008	\$0.007
10	\$0.006	\$0.006

Annual Cost Example: Refined Fuels CHS Storage for Pennies Stand-alone 10,000 gallon bulk tank	
Total Annual Gallons	80,000
Total Project Cost	\$30,000
Residual Payment	15% Residual Amount
	\$4500
Terms in years	Cent per Gallon Rate
3	\$0.1173
4	\$0.0903
5	\$0.0741

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