



1-800 -524-3835

2852 County Road 12 North

Buffalo, MN 55313

August 30, 2011

Supply Disruption

We want everyone to be aware of potential supply disruption this fall for propane. We received the following information from our supplier:

“The West Red propane pipeline was damaged Saturday night (August 13th) due to severe flooding on the Missouri River where the lines cross at Decatur, Nebraska, just upstream of the Whiting Terminal. In addition the integrity of the West Blue propane pipeline has been threatened due to erosion in the floodplain on the east side of the river. We cannot predict how long it will be before the flooding recedes enough for us to repair the break in the pipeline, but we recognize the need to quickly restore service for our shippers and to accommodate the crop drying activities that are scheduled to begin shortly in the midcontinent. Two months of repairs looking at opening Oct 20th 2011”

This is the pipeline that supplies the Pine Bend & Vernon Center terminals. Pine Bend normally supplies 70 – 80% of our dryer season propane. We have made alternative plans to receive some supply by rail but are anticipating the supply out of Benson to be very tight. **We recommend that everyone fill their dryer tanks now** so you are ready for the season.

Below are our prices & options for corn dryer propane. If you have any questions, please contact your Centra Sota Cooperative Representative or call us directly at Buffalo.

Corn Dryer Propane Contract

Centra Sota Cooperative is offering 2 types of contracts this year:

1. Prepay full amount
2. Pay 25 cents down(non-refundable) with balance due November 30th, 2011

Gallons Propane
0 - 10,000 Gallons

Prepay
\$1.899/gal

25 cents down
\$1.949/gal

(Over)

10,000 – 25,000 Gallons	\$1.879/gal	\$1.929/gal
25,001 and up	\$1.859/gal	\$1.909/gal

Gallons used in excess of the contract will be priced at the market price at delivery.

This contract must be paid by September 15th, 2011 and the gallons used no later than December 1st, 2011.

After we receive your payment we will fill your tanks so you are ready for the season ahead. If you need a tank set or are switching to us from another supplier, please contact us as soon as possible so we have enough time to get you ready for drying. We appreciate your patronage and look forward to serving you this fall.

Centra Sota Cooperative
AGREEMENT FOR DELIVERY OF CORN DRYER PROPANE

Name _____

Address _____

Phone _____

Email Address: _____

Prepay in full: _____ or 25 cents Down

Gallons: _____

Price: _____ X .25

Total Due: _____ or _____

A delivery surcharge may be added if we need to pull propane from out of state due to the shutdown of Pine Bend & Vernon Center. This would be the added cost of transportation to get supply delivered.

Propane gallons must be prepaid no later than **September 15th, 2011** and must be used no later than **December 1st, 2011**.

Any remaining balance of funds for pre-paid propane not taken by the expiration date of this contract or completion of season (less 25 cent deposit if you chose that option) will be transferred to your regular account.

If you have any questions regarding this contract please call 763-682-1464 or 1-800-524-3835

Customer Signature: _____ Date: _____