

## **NuStar and CHS to Expand Pipeline and Terminal Infrastructure to Transport and Store Propane in Upper Midwest U.S.**

May 19, 2015

SAN ANTONIO--(BUSINESS WIRE)--May 19, 2015-- NuStar Energy L.P. (NYSE: NS) and CHS Inc. announced today that the companies are pursuing a strategic alliance to develop an expanded pipeline and terminal network that will increase supply of propane to meet product demand in the Upper Midwest.

"We are excited to pursue this strategic alliance with NuStar. The investments support our long-term commitment as a reliable supplier of propane," said Andrew Combs, CHS vice president, propane. "These projects will enhance the overall efficiency of our distribution system and assist our customers' continued growth."

CHS is the nation's leading farmer-owned cooperative and global energy, grains and foods business and a leading propane supplier in the region. This agreement will increase the availability and dependability of the propane supply in the Upper Midwest by utilizing NuStar's pipeline and terminal network that connects to Conway, Kan., a Midwest hub for propane storage and fractionation facilities. As part of this agreement, NuStar will increase the volume of propane moved in its Central East pipeline and terminal system. The related capital investments will be backed by long-term, dedicated throughput and storage agreements with CHS.

"CHS has been an outstanding customer and business partner to NuStar for many years, and we look forward to taking our relationship with them to an even higher level through this alliance," said Brad Barron, president and CEO of NuStar. "In addition to increasing market share for CHS, these projects will be immediately accretive to NuStar's earnings when they are completed."

Key projects under development include construction of an eight-mile, eight-inch pipeline at NuStar's Conway, Kan., origin facility, which is near the southern end of NuStar's East Refined Products Pipeline System. The new pipeline and modifications to the origin facility will allow for increased propane supply to be sourced from Conway, Kan., for delivery to propane terminals on the system. NuStar will also expand its Rock Rapids, Iowa, terminal to include propane services. This terminal expansion will allow NuStar to gain more efficiencies in an underutilized facility, and allow CHS to better supply the region with propane. All of these projects are projected to be completed by the fourth quarter of 2015.

### **About NuStar Energy L.P.**

NuStar Energy L.P., a publicly traded master limited partnership based in San Antonio, is one of the largest independent liquids terminal and pipeline operators in the nation. NuStar currently has 8,708 miles of pipeline and 81 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids. The partnership's combined system has approximately 93 million barrels of storage capacity, and NuStar has operations in the United States, Canada, Mexico, the Netherlands, including St. Eustatius in the Caribbean, and the United Kingdom. For more information, visit NuStar Energy L.P.'s Web site at [www.nustarenergy.com](http://www.nustarenergy.com).

### **About CHS Inc.**

CHS Inc. ([www.chsinc.com](http://www.chsinc.com)) is a diversified energy, grains and foods company committed to providing the essential resources that enrich lives around the world. A Fortune 100 company, CHS is owned by farmers, ranchers and cooperatives, along with thousands of preferred stockholders across the United States. CHS supplies energy, crop nutrients, grain, livestock feed, food and food ingredients, along with business solutions including insurance, financial and risk management services. The company operates petroleum refineries/pipelines and manufactures, markets and distributes Cenex® brand refined fuels, lubricants, propane and renewable energy products. CHS is listed on the NASDAQ at CHSCP.

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