



## Village of Orland Park: Propane Autogas Proposal

August 8, 2016

Thank you for the opportunity to prepare a propane autogas proposal. We believe that propane powered vehicles are a smart choice for your fleet as you consider the fuel and maintenance savings, the ease of re-fueling and the positive impact your fleet can make on the environment through the clean-burning attributes of propane. You are not alone as many other fleets are also researching and converting their fleets over to propane autogas to gain the economic and environmental benefits.

Heritage FS, Inc. would like to present the opportunity to partner with the Village of Orland Park to make the transition to propane autogas a simple one.

### **Infrastructure:**

Heritage FS, Inc. works to build a customized site plan based on short and long-term needs, so a site visit would be needed to prepare specific costs for the Village of Orland Park. The equipment costs noted below are approximate.

Heritage FS, Inc. will handle all permitting with the Fire Marshal and Local Jurisdictions and will work closely with the Illinois Propane Gas Association to ensure the site is built to national, state and local code.

*Included below are 2 options for refueling equipment onsite:*

1. Village of Orland Park may allow Heritage FS, Inc. to place the equipment with no lease or rental charges and sign a contract with Heritage FS, Inc. for 5 years to be their exclusive supplier of propane. Equipment will be maintained and serviced by Heritage FS, Inc.
2. Village of Orland Park may purchase their own dispenser/equipment including the propane tanks (4) at an approximate cost of \$30,000.00. Does not include installation.

Option 1 can contain a “buyout” option for Village of Orland Park to be able to own the equipment, if desired. Additional costs incurred by Village of Orland Park may include a concrete pad, crash protection, and electricity to the equipment.

### **Fuel contract options:**

Heritage FS, Inc. offers flexible budget program options to lock in propane fuel costs for the year. The “Current Fill Price” is subject to fluctuations as market conditions change.

<u>Current Fill Price</u>	<u>Current Contract Price</u> (September 1, 2016 - August 31, 2017)
Base \$0.907	Base \$1.15
Credit -\$0.36	-\$0.36 Alternative Fuel Excise Tax Credit (December 31, 2016)
Price \$0.547	\$0.79



**Rebates:**

As an alternative fuel supplier, Heritage FS, Inc. would apply for the federal Alternative Fuel Excise Tax Credit (\$0.36 per gallon currently available through the calendar year 2016) and would pass along this fuel credit in the form of a credit on a future invoice to the Village of Orland Park.

**Supply Reliability:**

Through four bulk plant locations and three delivery routes, Heritage FS, Inc. will work to mitigate any concerns with supply. Heritage FS, Inc. will also enroll the Village of Orland Park into the Scheduled Delivery program in conjunction with a fuel contract. Tank monitors are also available, in which would consistently monitor fuel supply and provide regular updates via email and/or text alerts.

**Training:**

As required by the National Fire Protection Association (NFPA) 58, all individuals filling propane autogas vehicles must be properly trained. Heritage FS, Inc. will administer the required training and will also conduct hands-on training so all employees filling vehicles are comfortable with the process.

Thank You,

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