



Kum & Go's Experience with Ethanol Blends

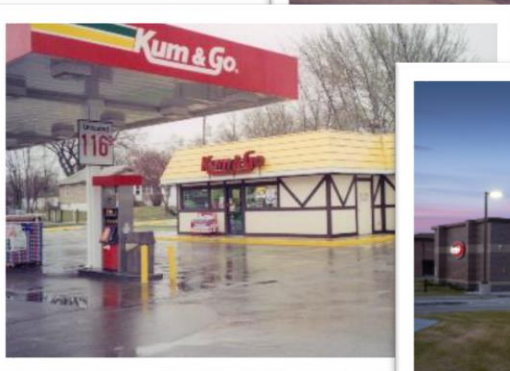
Matt Spackman
VP Fuels



Where & means more:

Where Kum & Go Began

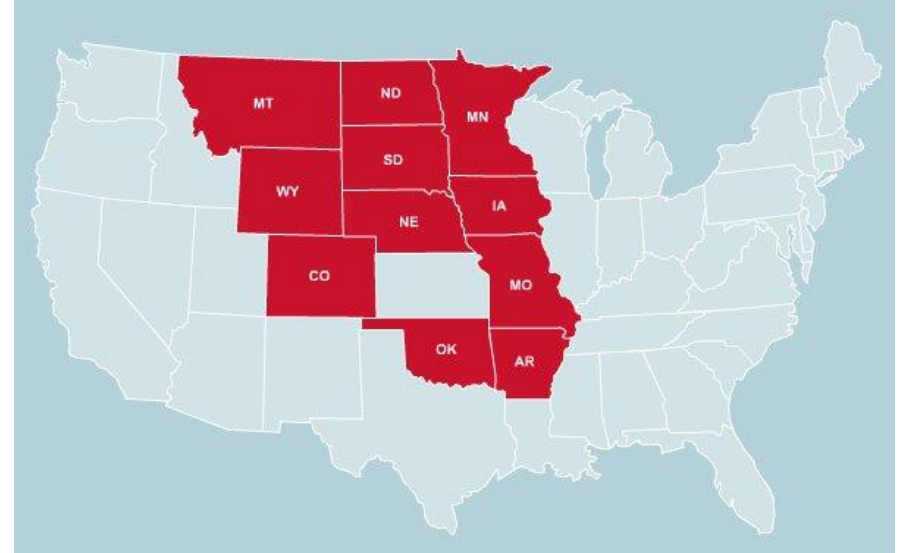
W.A. Krause & T.S. Gentle
founded Hampton Oil Company
on September 1, 1959 in
Hampton, Iowa



Where & means more:

Where We Are Today

- 400 stores in 11 states
- 500,000+ customers per day
- Began selling E-85 in 1997
- Began selling E-15 in 2015



Krause Gateway Center, Des Moines, IA

E-85 at Kum & Go

- Why E-85?
 - Kum & Go's commitment to environmentally-friendly fuels
 - Customer demand (octane level, environment)
- Equipment
 - Dedicated hoses
 - Fiberglass tanks
- Challenges
 - Demand
 - Margin
- Successes
 - 2+ billion miles driven on KG E-85
 - 231 stores sell E-85



Where & means more:

E-15 at Kum & Go

- Why E-15?
 - Higher octane
 - Better performance
 - Cleaner running
 - Lower price
- Equipment
 - Blender pumps (E-85 + street grade = E-15)
 - Dedicated handle
- Challenges
 - Seasonal regulations
 - Demand
 - Margin
- Successes
 - 400+ million miles driven on KG E-15
 - 144 stores sell E-15 (plus all new stores)



Where & means more:

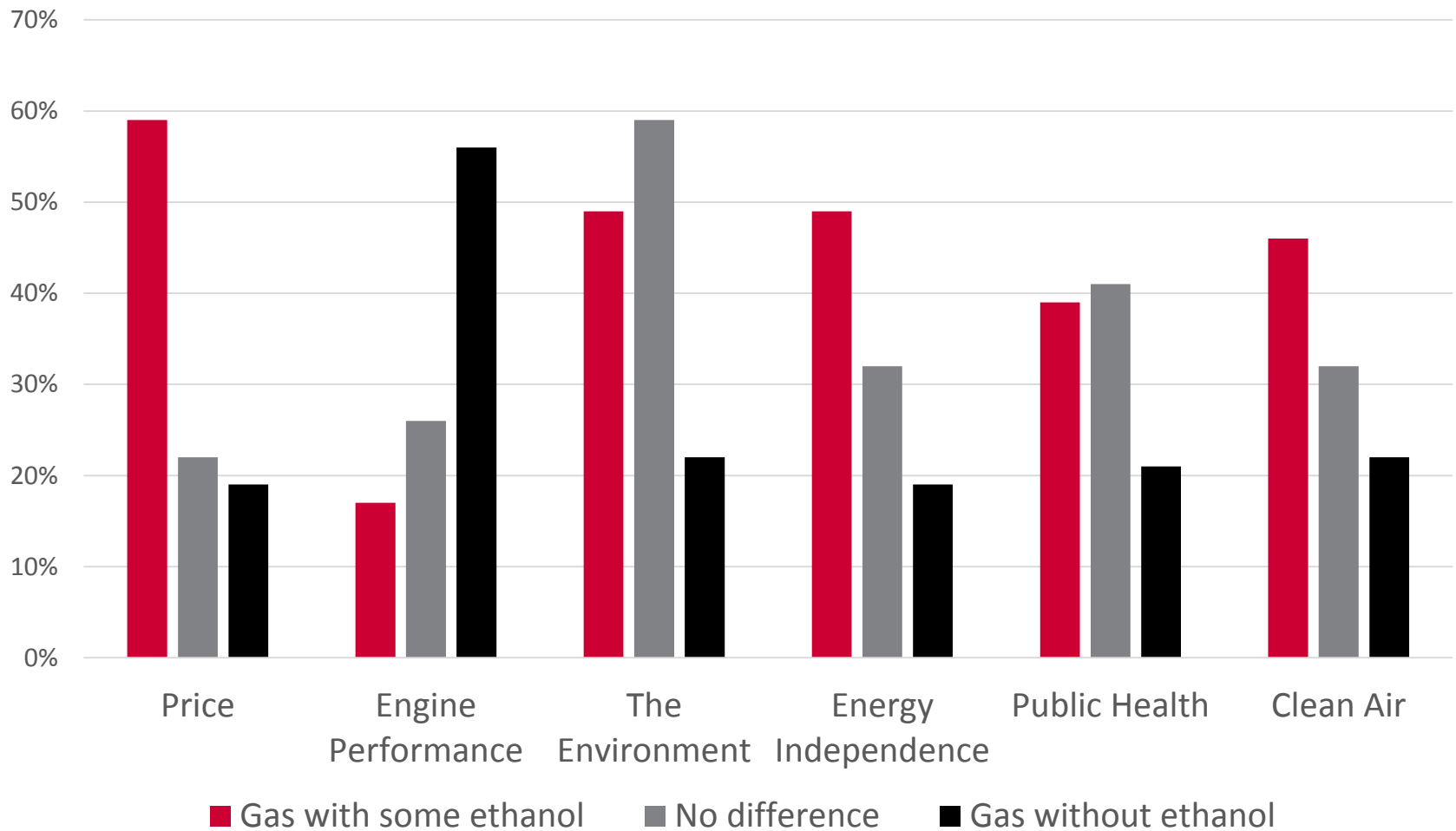
Unanswered Questions

- Higher blends?
 - Automobile manufacturer interest level
 - Consumer demand
 - Electric vehicles
- Consumer education
 - Level of interest from consumers
 - Whose responsibility is it?
- Pricing
 - Relative position to street grade



Where & means more:

Perceptions of Ethanol Blends



Where & means more: