Exhibit JD 5
Spare Truck Rental Asset Return Analysis
This example illustrates the effect of using an affiliated companies capital structure. In example one the actual debt associated with the purchase is used. In example 2 the entire affiliated entity debt is used. We have used the affiliated entity debt structure for Heirborne which just built a transfer station for use by a separate affiliated company using bond financing. If the transfer station transaction had not occurred and the capital structure was not so greatly effected the rent allowed on the spare truck in this example would be far more. The method for calculating allowable rent is to treat the asset as if it were owned by the regulated company in which case you would get the actual return allowed using the actual debt.

EXAMPLE 1
Cost
Salvage value
Depreciable basis
Prior depreciation
Basis, Beginning of year
Depreciation expense
Basis, End of year
Average Investment

Financing - 5 years
Balance at year end
Interest rate
Return on Equity
Debt percentage
Equity percentage

| yr 1 | yr 2 | yr 3 | yr 4 | yr 5 | yr 6 | yr 7 | yr 8 | yr 9 | yr 10 | yr 11 |
| ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| 240,000 | 240,000 | 240,000 | 240,000 | 240,000 | 240,000 | 240,000 | 240,000 | 240,000 | 240,000 | 240,000 |
| 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 |
| 192,000 | 192,000 | 192,000 | 192,000 | 192,000 | 192,000 | 192,000 | 192,000 | 192,000 | 192,000 | 192,000 |
|  | 19,200 | 38,400 | 57,600 | 76,800 | 96,000 | 115,200 | 134,400 | 153,600 | 172,800 | 192,000 |
| 240,000 | 220,800 | 201,600 | 182,400 | 163,200 | 144,000 | 124,800 | 105,600 | 86,400 | 67,200 | 48,000 |
| 19,200 | 19,200 | 19,200 | 19,200 | 19,200 | 19,200 | 19,200 | 19,200 | 19,200 | 19,200 |  |
| 220,800 | 201,600 | 182,400 | 163,200 | 144,000 | 124,800 | 105,600 | 86,400 | 67,200 | 48,000 | 48,000 |
|  |  |  |  |  |  |  |  |  |  |  |
| 230,400 | 211,200 | 192,000 | 172,800 | 153,600 | 134,400 | 115,200 | 96,000 | 76,800 | 57,600 | 48,000 |


| Financing - 5 years |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Balance at year end | 192,000 | 144,000 | 96,000 | 48,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest rate | 5\% | 5\% | 5\% | 5\% | 5\% | 5\% | 5\% | 5\% | 5\% | 5\% | 5\% |
| Return on Equity | 15\% | 15\% | 15\% | 15\% | 15\% | 15\% | 15\% | 15\% | 15\% | 15\% | 15\% |
| Debt percentage | 83\% | 68\% | 50\% | 28\% | 0\% | 0\% | 0\% | 0\% | 0\% | 0\% | 0\% |
| Equity percentage | 17\% | 32\% | 50\% | 72\% | 100\% | 100\% | 100\% | 100\% | 100\% | 100\% | 100\% |
| Return on debt portion | 9,600 | 7,200 | 4,800 | 2,400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Return on equity portion | 5,760 | 10,080 | 14,400 | 18,720 | 23,040 | 20,160 | 17,280 | 14,400 | 11,520 | 8,640 | 7,200 |
| Subtotal return on investment | 15,360 | 17,280 | 19,200 | 21,120 | 23,040 | 20,160 | 17,280 | 14,400 | 11,520 | 8,640 | 7,200 |

Exhibit JD 5
Spare Truck Rental Asset Return Analysis

EXAMPLE 2
Cost
Salvage value
Depreciable basis
Prior depreciation
Basis, Beginning of year
Depreciation expense
Basis, End of year

Average Investment

| yr 1 | yr 2 |  |  |  |  |  |  |  |  |  |
| ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| 240,000 | 240,000 | 240,000 | 240,000 | 240,000 | 240,000 | 240,000 | 240,000 | 240,000 | 240,000 | 240,000 |
| 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 |
| 192,000 | 192,000 | 192,000 | 192,000 | 192,000 | 192,000 | 192,000 | 192,000 | 192,000 | 192,000 | 192,000 |
|  | 19,200 | 38,400 | 57,600 | 76,800 | 96,000 | 115,200 | 134,400 | 153,600 | 172,800 | 192,000 |
| 240,000 | 220,800 | 201,600 | 182,400 | 163,200 | 144,000 | 124,800 | 105,600 | 86,400 | 67,200 | 48,000 |
| 19,200 | 19,200 | 19,200 | 19,200 | 19,200 | 19,200 | 19,200 | 19,200 | 19,200 | 19,200 |  |
| 220,800 | 201,600 | 182,400 | 163,200 | 144,000 | 124,800 | 105,600 | 86,400 | 67,200 | 48,000 | 48,000 |
|  |  |  |  |  |  |  |  |  |  |  |
| 230,400 | 211,200 | 192,000 | 172,800 | 153,600 | 134,400 | 115,200 | 96,000 | 76,800 | 57,600 | 48,000 |


| Financing - 5 years |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Balance at year end | 192,000 | 144,000 | 96,000 | 48,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest rate | 2\% | 2\% | 2\% | 2\% | 2\% | 2\% | 2\% | 2\% | 2\% | 2\% | 2\% |
| Return on Equity | 15\% | 15\% | 15\% | 15\% | 15\% | 15\% | 15\% | 15\% | 15\% | 15\% | 15\% |
| Debt percentage | 93\% | 93\% | 93\% | 93\% | 93\% | 93\% | 93\% | 93\% | 93\% | 93\% | 93\% |
| Equity percentage | 7\% | 7\% | 7\% | 7\% | 7\% | 7\% | 7\% | 7\% | 7\% | 7\% | 7\% |
| Return on debt portion | 4,285 | 3,928 | 3,571 | 3,214 | 2,857 | 2,500 | 2,143 | 1,786 | 1,428 | 1,071 | 893 |
| Return on equity portion | 2,419 | 2,218 | 2,016 | 1,814 | 1,613 | 1,411 | 1,210 | 1,008 | 806 | 605 | 504 |
| Subtotal return on investment | 6,705 | 6,146 | 5,587 | 5,028 | 4,470 | 3,911 | 3,352 | 2,794 | 2,235 | 1,676 | 1,397 |

Difference from 1 to 2
Percentage difference

| 8,655 | 11,134 | 13,613 | 16,092 | 18,570 | 16,249 | 13,928 | 11,606 | 9,285 | 6,964 | 5,803 |
| ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| $56.35 \%$ | $64.43 \%$ | $70.90 \%$ | $76.19 \%$ | $80.60 \%$ | $80.60 \%$ | $80.60 \%$ | $80.60 \%$ | $80.60 \%$ | $80.60 \%$ | $80.60 \%$ |

