



**Loves**<sup>®</sup>

# TRAVEL STOPS

50 Year Anniversary

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39 States and Counting

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270 Locations and Growing

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25+ Stores Per Year Growth

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Top 10 Forbes Privately Held Companies

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# GEMINI BACKGROUND

430,000 Loads Delivered (2013)

54,000,000 Miles Driven

3,368,000,000 Gallons Delivered

715 Drivers

425 Trucks



# TIMELINE OF EVENTS

2011

**JUNE**

Research & Fact  
Gathering For Gemini

8 MONTHS

2012

**JANUARY**

Cummins Westport  
ISL G 8.9 Liter Test in  
Dallas, TX

9 MONTHS

**SEPTEMBER**

Cummins Westport  
ISX G 12 Liter Test in  
Oklahoma City, OK

6 MONTHS

2013

**MARCH**

Decision to order 50  
CNG Trucks to operate  
in Oklahoma and Texas

8 MONTHS

**OCTOBER**

Decision to order five  
additional CNG Trucks  
for Amarillo, TX

4 MONTHS

2014

**FEB**

Delivery of 25  
Peterbilt Trucks

TIMELINE OF EVENTS

# TYPE OF BUSINESS

Regional Hauls

High Truck Utilization

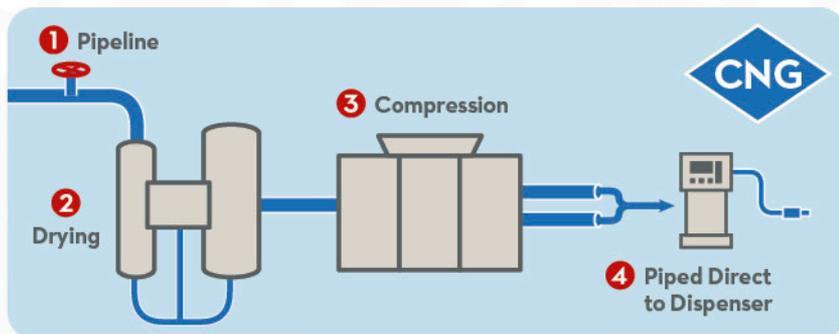
Max Weight 50% of the Time

Dedicated Fueling Patterns

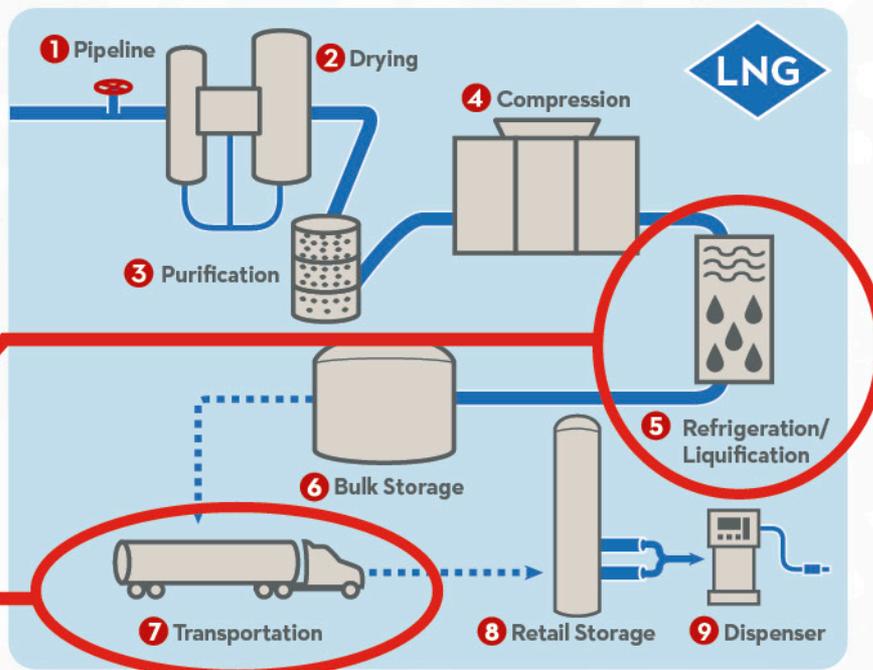


# UNDERSTANDING THE FUEL CHOICE

## CNG SUPPLY CHAIN



## LNG SUPPLY CHAIN



## MATERIAL COST DIFFERENCES

Liquefaction

Transportation to retail location

# CNG AND LNG TAX DIFFERENCES

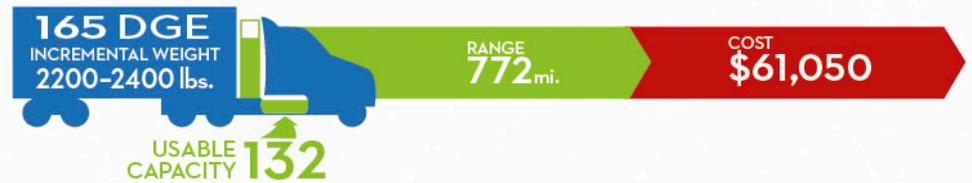


FTR: Federal Tax Rate  
FTC: Federal Tax Credit



CNG Conversion from GGE to DGE: 1.127208  
LNG Liquid Gallon to DGE: 1.67

# CNG FUEL SYSTEM CONSIDERATIONS



# EXPECTATIONS VS. REALITY

## RETAIL PRICES

	EXPECTATION	ACTUAL
Diesel Price	\$4.000	\$3.940
Natural Gas Price (DGE)	\$2.000	\$1.675
<b>Gross Discount to Diesel</b>	<b>\$2.000</b>	<b>\$2.265</b>

## TRUCK INEFFICIENCIES

Fuel Economy Loss	\$0.240	\$0.310
Out of Route Miles	\$0.025	\$0.000
Payload Loss	\$0.050	\$0.040
Additional Maintenance	\$0.030	\$0.120
Salvage Value Deduction	\$0.060	\$0.060
<b>Total Inefficiencies</b>	<b>\$0.405</b>	<b>\$0.526</b>
<b>Net Discount to Diesel</b>	<b>\$1.595</b>	<b>\$1.739</b>

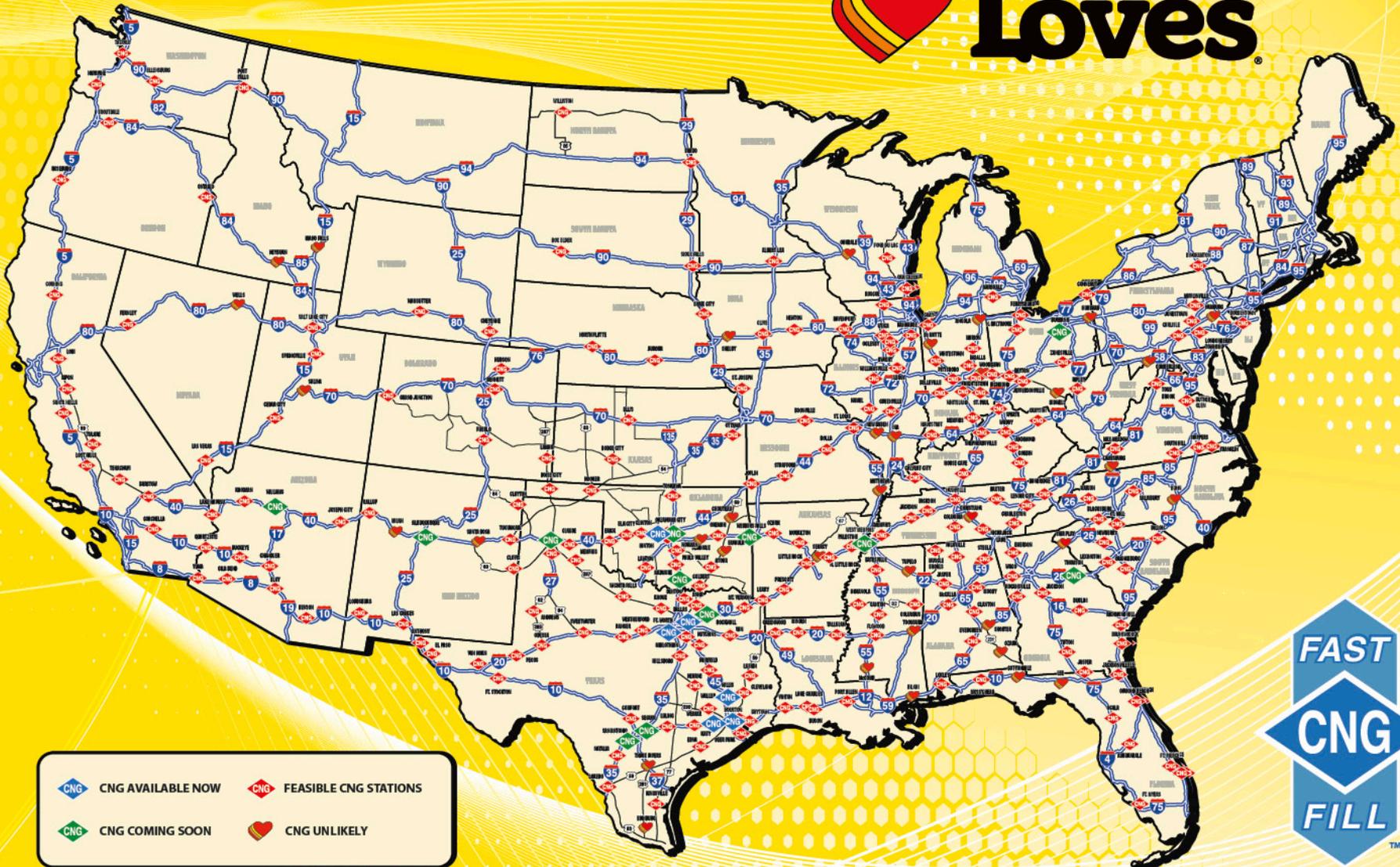
## TRUCK PAYBACK

	EXPECTATION	ACTUAL
Miles Driven (Annual)	125,000	180,000
Fuel Economy (Diesel)	7.20	7.20
Fuel Consumption	17,361	25,000
Truck Premium (CW 12L, 90 DGE)	\$60,000	\$48,500
<b>Net Discount to Diesel</b>	<b>\$1.595</b>	<b>\$1.739</b>
Fuel Savings Annual	\$27,690.97	\$43,468.96
<b>Payback (Years)</b>	<b>2.17</b>	<b>1.12</b>
With OK Tax Credit	1.08	0.56

# MAP OF LOCATIONS



# Loves



	CNG AVAILABLE NOW		FEASIBLE CNG STATIONS
	CNG COMING SOON		CNG UNLIKELY

FAST  
CNG  
FILL



## The Love's Family of Companies