

| Worksheet A: Calculation of Taxi Cost Index – June 2014 |                           |  |                         |   |                         |
|---|---------------------------|--|-------------------------|---|-------------------------|
| A   | B                         | C  | D                       | E   | F                       |
| Cost Item   | Share of Costs March 2002 | Proxy Time Series for Cost Item                                  | Current Value June 2014 | Percentage Change in Cost Item since March 2002 | New Share of Costs 2014 |
| Fuel  | 12.0                      | CPI for Gasoline v41691136 Table 326-0020                        | 204.5                   | 95.7  | 16.1                    |
| Repairs and Maintenance                                 | 9.6                       | CPI for Automotive Parts v41691137 Table 326-0020                | 129.8                   | 31.1  | 8.6                     |
| Employed Driver Returns                                 | 26.4                      | Hourly Wage Transportation & Warehousing v1591431 Table 281-0029 | 25.29                   | 37.5  | 24.9                    |
| Professional Fees                                       | 0.3                       |  | 25.29                   | 37.5  | 0.3                     |
| Owner Driver Returns                                    | 29.2                      |  | 25.29                   | 37.4  | 27.5                    |
| Insurance   | 11.3                      | CPI for Auto Insurance v41691141 Table 326-0020                  | 176.7                   | 82.3  | 14.1                    |
| Depreciation  | 4.0                       | CPI for Vehicles v41691132 Table 326-0020                        | 94.5                    | -4.8  | 2.6                     |
| Return on Investment                                    | 1.4                       |  | 94.5                    | -4.8  | 0.9                     |
| Dispatch Fees   | 5.4                       | CPI All Items v41690973 Table 326-0020                           | 126.9                   | 27.5  | 4.7                     |
| Miscellaneous   | 0.4                       |  | 126.9                   | 27.5  | 0.3                     |
| Total   | 100                       |  |                         |   | 100                     |

#### Explanatory Note:

The Cost Index method is intended to be approximate, not exact. It estimates changes in cost by measuring changes in the cost of commodities and services that taxis share with other sectors of the economy. These changes are measured using publicly available statistics, such as components of the Consumer Price Index maintained by Statistics Canada. The Cost Index method is used because it uses data developed at arm's length from the industry, and avoids potentially lengthy and costly enquiries into the operating costs of individual taxicab owners and brokers. The index does not capture any unusual cost increases resulting from new requirements of operators by the Bylaw or administration of the City of Greater Sudbury.