

Q. Operating Costs by Function: 2010 to 2014F - Exhibit 1

Please provide a breakdown for the 2010 and 2011 Actuals and the 2012 to 2014 Forecast for Fleet Operations and Maintenance and please explain why the numbers are different for 2011 forward than those for Vehicle Expenses under Operating Costs by breakdown: 2010 to 2014F Exhibit 2.

A. The information provided in *Volume 2, Exhibits and Supporting Materials, Exhibit 1* focuses on the underlying reason for incurring a cost. Information provided in *Volume 2, Exhibits and Supporting Materials, Exhibit 2* focuses on the nature of the cost.

Table 1 provides a breakdown of the operating costs for the Fleet Operations and Maintenance function for 2010 to 2014F.

Table 1
Fleet Operations and Maintenance Operating Costs
2010 to 2014F
(\$000s)

	2010	2011	2012F	2013F	2014F
Vehicle Expenses	1,498	1,777	1,825	1,860	1,898
Operating Materials	3	8	12	13	13
Postage, Freight & Misc.	3	6	2	2	2
Total	1,504	1,791	1,839	1,875	1,913

The cost of the Company's Fleet Operations and Maintenance function includes costs in the nature of Vehicle Expenses, Operating Materials, Postage, Freight and Miscellaneous.