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# PA Turnpike to Launch Open Road Tolling on Eastern Portion of System in January 2025

**KING OF PRUSSIA, PA** – Today, the Pennsylvania Turnpike Commission officially announced plans to convert its tolling system to Open Road Tolling (ORT) east of Reading and on the Northeast Extension in January 2025. This celebration caps a 15-year transition to further meet customers' expectations for safe, convenient, and seamless travel.

"The advent of Open Road Tolling will advance safety and allow for the safe movement of vehicle traffic across our network. Pennsylvania is the great American Getaway and Open Road Tolling will get traveling members of the public to destinations across our great Commonwealth in a safe an efficient manner," said PA Turnpike Chairman and PennDOT Secretary Michael Carroll. "It's a great day in Pennsylvania and another giant step forward for the Pennsylvania Turnpike Commission."

In an ORT system, tolls are charged electronically as customers drive at highway speeds without slowing down or stopping beneath overhead structures — called gantries — located between interchanges. Equipment on the gantry and in the roadway processes E-ZPass or Toll-By-Plate transactions. Beyond properly mounting an E-ZPass transponder, customers will not need to do anything differently in preparation for the launch.

"In January, the Pennsylvania Turnpike Commission solidifies itself once again as a national leader in transportation when we bring the future of toll collection to Pennsylvania through Open Road Tolling," said PA Turnpike CEO Mark Compton. "This move reiterates our commitment to the safety of our customers and employees, while modernizing our operations and meeting customer expectations for seamless, nonstop travel."

In March 2020, the Turnpike converted from a ticket and electronic hybrid tolling model to All-Electronic Tolling. The ORT conversion ensures "America's First Superhighway" continues to be the national standard for highway design and engineering.

"Open Road Tolling is the most significant innovation for our customers, our employees, our roadway and the Commonwealth in our 85-year history," Compton said. "It represents the future of toll collection nation-wide, increases access and mobility across the Commonwealth, promotes safety and reliability and better supports our environment."

ORT allows for the addition of new access points at a significantly lower cost paving the way for increased economic development as seen around the Route 29 interchange and the Southern Beltway, the Turnpike's most recent additions. It allows for greater access to communities along the Turnpike promoting and supporting tourism and recreation. New access and increased convenience mean freight will move more efficiently and enable the expansion of economic development to more communities.

Construction of a new fiber optic network spanning the entire footprint of the mainline Turnpike, in support of ORT operations, extends the possibility of high-speed connectivity to neighboring communities who remain in need of this service and increases access to underserved communities.

ORT eliminates the confusion and lane switching associated with traditional, stop-and-go tolling. Removal of toll booths removes obstacles and increases sight lines for customers reducing stress and distraction when entering and exiting the system.

"Safety is a driving force at the Pennsylvania Turnpike, a commitment to our customers that we take seriously and strive to improve every single day," said PA Turnpike COO Craig Shuey. "We've already seen a significant reduction of accidents at locations where we've transitioned from traditional toll plazas and look forward to that continuing across our system as we implement Open Road Tolling."

Non-stop travel also means lower emissions, less fuel use, and a cleaner environment. The Pennsylvania Turnpike's transition to cashless tolling in 2020 resulted in a 45%, systemwide reduction in CO2 emissions, or approximately 65 tons of CO2 emissions per year. Open Road Tolling is anticipated to further reduce CO2 emissions by another 7% by 2030, or about 11 tons of CO2 emissions per year. The removal of current toll booths and additional infrastructure at interchanges will see the return of green space along the system.

The Turnpike will begin removing toll plazas in the eastern sections in 2025. ORT construction west of Reading is getting underway, and ORT will be fully operational there in early 2027.

Earlier this month, PA Turnpike commissioners approved a 5% toll increase due to ongoing debt repayment, in accordance with our <u>Act 44 financial plan</u>. In preparation for Open Road Tolling, the January 2025 toll schedule moves the Turnpike to a consistent per-mile rate. It also changes how vehicles are classified from weight-based to Axle and Height under Automated Vehicle Classification (AVC), which follows national standards for vehicle classification. Both changes increase predictability and consistency for our customers. The new toll schedule goes into effect Jan. 5, 2025.

The PA Turnpike will have invested a little more than \$600 million over the course of nearly two decades into the planning, design, civil infrastructure and new tolling system construction and demolition associated with ORT. This investment is expected to save the Commission at least \$25 million per year in future maintenance and operating costs once the conversion program is complete.

A national transportation leader, the Pennsylvania Turnpike Commission (PTC) is the second largest tolling facility in the United States with the most miles and offers 24-7 roadside assistance, a dedicated maintenance force, 17 service plazas for safety and convenience, and a

dedicated State Police Troop. PTC proudly works hard each day to support the roughly 550,000 daily customers who choose to use our roadway for a variety of reasons, including convenience, value and safety. Our 1,400-person local workforce is unified through one mission; to operate a safe, reliable, customer-valued toll road system that supports national mobility and commerce.

More information on Open Road Tolling, including a map of gantry locations and a video on how the gantries are constructed and operated, <u>can be found here</u>.

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# Top 10 Things to Know about



Open Road Tolling, or ORT, is the culmination of the Pennsylvania Turnpike's decade-long journey to modernize operations and meet customer expectations for



## ORT is a cashless, free-flowing mode of collecting tolls.

Tolls are charged electronically as customers drive without slowing down or stopping beneath overhead structures—called gantries—located between interchanges.



#### **ORT will standardize rates across the Pennsylvania Turnpike.**

When ORT is implemented, the Pennsylvania Turnpike will establish a base per-mile rate. That means customers will get a single toll per segment as opposed to the aggregated trip toll they receive now. Here is how that will work for a typical two-axle car:

- E-ZPass Customers Pay: \$.07 per mile + \$1.09 per segment (distance between interchanges).
- Toll-By-Plate Customers Pay: \$0.14 per mile + \$2.18 per segment.

Additional vehicle classes will pay a multiple of the E-ZPass or Toll-By-Plate rates.



#### **ORT** is safer for our customers.

Once ORT is fully implemented, toll plazas will be removed and traffic lanes refined, allowing for a more natural, free traffic flow and safer driving experience. ORT reduces the need for lane switching and weaving as you enter and exit the Pennsylvania Turnpike. That means less anxiety and confusion for drivers.



## **ORT** is better for the

environment. Nonstop travel means lower vehicle exhaust emissions, less fuel use and a cleaner environment. In addition, removal of existing toll plazas and infrastructure will reduce the Pennsylvania Turnpike's environmental footprint.



efficient travel experience.

Implementation of **ORT begins in 2025.** 

ORT will begin rolling out in the

eastern part of the state, specifically east of Reading on the Northeastern Extension. It will expand to the

western region of the Pennsylvania

Turnpike beginning in early 2027.

**ORT saves time and makes** 

travel more convenient.

ORT eliminates travel time and

mobility impacts of traditional

stop-and-go tolling methods and gives customers a seamless, more

#### **ORT increases mobility and** accessibility. With ORT, the

Pennsylvania Turnpike can build new access points at a fraction of the cost and in significantly less time than under traditional tolling, enabling new connections that enhance mobility while easing traffic at nearby interchanges and on adjoining roads.



#### **ORT helps drive economic** development across

Pennsylvania. Access to the Pennsylvania Turnpike has been proven to spur economic activity in communities where entry and exit points are located. ORT will make it easier and significantly less expensive for the Pennsylvania Turnpike to add new entry and exit points in local municipalities.



#### **ORT delivers what a majority** of our customers want.

Seventy percent of Pennsylvania Turnpike drivers say they prefer all electronic tolling over traditional cash toll plazas. In fact, more than 86% of customers own an E-ZPass, indicating a clear preference for electronic payments.



#### **ORT** is the future of toll collection here in Pennsylvania and worldwide.

More than 65% of tolling agencies across the United States are adopting the technology.



# 2025 Toll Schedule In Brief

In preparation for Open Road Tolling (ORT), the Pennsylvania Turnpike Commission approved a toll schedule that moves the PA Turnpike to a consistent per-mile rate and follows national standards for vehicle classification.

The approved toll schedule keeps the PA Turnpike costs at mid-range among tolling agencies across the country.

#### WHAT WAS APPROVED

Due to ongoing debt repayment, the resulting debt service and in accordance with our Act 44 financial plan, a 5% toll increase beginning Jan. 5, 2025 was approved by commissioners on July 2, 2024. The PA Turnpike rates will continue to be at the mid-range of our peers across the country. Because of other changes approved to modernize rates, a straight 5% increase will not be felt by all customers in 2025.

# **SUPPORTING QUOTES**

"The PTC continues to balance predictable rate increases with responsible stewardship," **said PennDOT Secretary and Commission Chair Mike Carroll.** "Toll rate increases are the direct result of state-mandated financial obligations, which PTC leadership has always taken seriously. Annual expenditures have remained flat for more than 15 years and are predicted to come under budget in Fiscal Year 2024."

"As Commissioners, this is the most challenging vote we make each year, as required to continue the repayment of Act 44 and 89 obligations," said Commissioner Sean Logan. "We work every day to ensure our customers receive value for their tolls, including 24-hour roadside assistance, a dedicated maintenance force to keep the roadway clear of debris, trash and snow, and a reconstruction program aimed to decrease congestion and increase rideability and safety."

## RATE STANDARDIZATION & VEHICLE CLASSIFICATIONS

The PA Turnpike is an 85-year-old roadway that has been built over time, so toll rates were priced to fund each section as it was built. This led to a system that was not consistent in price mile-to-mile. Additionally, we're the only system in the nation still using weight-based classification rather than axle and height via Automatic Vehicle Classification (AVC). We are now correcting both to bring consistency and predictability to customers.

Commissioners approved a base per-mile rate of \$0.07/mile plus a \$1.09 fee per segment (distance between interchanges) for E-ZPass customers. Toll By Plate (TBP) customers will pay double that rate. Additional vehicle classes will pay a multiple of the E-ZPass or TBP base rate.

Due to the changes with standardization and the AVC classification change, <u>nearly 50% of passenger car trips</u> <u>will see a lower toll rate in 2025 compared to what they pay today.</u>

About 84% of E-ZPass and 74% of TBP trips will see a toll cut or an increase of under \$1 in 2025 and about 70% of commercial vehicles will see an increase of \$5 or less.

E-ZPass			Toll By Plate (TBP)		
Class	AVC Factor	Toll Rate (AVC Factor x Base Rate)	Class	AVC Factor	Toll Rate (AVC Factor x Base Rate) x 2
2L	1.0	1.0 x (\$0.070/mile + \$1.09/segment)	2L	1.0	1.0 x (\$0.070/mile + \$1.09/segment) x 2
3L	1.5	1.5 x (\$0.070/mile + \$1.09/segment)	3L	1.5	1.5 x (\$0.070/mile + \$1.09/segment) x 2
4L	2.0	2.0 x (\$0.070/mile + \$1.09/segment)	4L	2.0	2.0 x (\$0.070/mile + \$1.09/segment) x 2
5L	2.5	2.5 x (\$0.070/mile + \$1.09/segment)	5L	2.5	2.5 x (\$0.070/mile + \$1.09/segment) x 2
6L	3.0	3.0 x (\$0.070/mile + \$1.09/segment)	6L	3.0	3.0 x (\$0.070/mile + \$1.09/segment) x 2
2H	1.5	1.5 x (\$0.070/mile + \$1.09/segment)	2H	1.5	1.5 x (\$0.070/mile + \$1.09/segment) x 2
ЗН	2.0	2.0 x (\$0.070/mile + \$1.09/segment)	3H	2.0	2.0 x (\$0.070/mile + \$1.09/segment) x 2
4H	3.0	3.0 x (\$0.070/mile + \$1.09/segment)	4H	3.0	3.0 x (\$0.070/mile + \$1.09/segment) x 2
5H	4.0	4.0 x (\$0.070/mile + \$1.09/segment)	5H	4.0	4.0 x (\$0.070/mile + \$1.09/segment) x 2
6H	5.0	5.0 x (\$0.070/mile + \$1.09/segment)	6H	5.0	5.0 x (\$0.070/mile + \$1.09/segment) x 2
7H	6.0	6.0 x (\$0.070/mile + \$1.09/segment)	7H	6.0	6.0 x (\$0.070/mile + \$1.09/segment) x 2

The standardization of rates and the move to AVC will not result in additional revenues for the Turnpike beyond the 5% increase approved for 2025. The change in vehicle classification will have a limited impact on non-commercial customers; most widely impacting commercial customers who primarily travel the PA Turnpike empty.

#### OPEN ROAD TOLLING (ORT)

Open Road Tolling is the culmination of the PA Turnpike's decade-long journey to modernize operations on our 560+ miles of roadway. In the ORT system, tolls are charged electronically as customers drive at highway speeds beneath overhead structures, called gantries, without slowing down or stopping at toll booths. Equipment on the gantry and in the roadway classifies and identifies the vehicle and electronically processes tolls, allowing for free-flowing traffic: which reduces accidents, improves the environment, and allows new access points.

ORT will launch on the mainline PA Turnpike east of Reading along with the Northeast Extension beginning Jan. 5, 2025 and statewide in Jan. 2027. Where gantries are not yet operational, tolls will still be charged to a customer as an interchange-to-interchange trip but based on the new rate structure.

#### **IMPACTS OF ACT 44**

Toll increases are not a reflection of PTC's financial management. Rather, this is part of our Act 44/89 obligations which required the PA Turnpike Commission to pay PennDOT \$450M to fund non-Turnpike transportation needs around Pennsylvania totaling \$8 billion since 2008. Act 44/89 payments have been reduced to \$50M however the debt service remains and is funded through annual toll increases. Before the Commission asks customers to pay more, we do everything we can to control our costs. The Commission has worked to control operating costs, staying below budgeted actual expenses for seven consecutive years and keeping operating costs at a compound average annual growth rate of 0.8%. Our Act 44 Plan set the course for toll increases through 2051. Not following it would cause our credit rating to slip, increasing our debt costs.