Why Explore Road Charge?

The Funding Shortfall:

• Aging infrastructure
• Increased requirements
• Shrinking funding
  ✓ Some states are addressing inflation by increasing the current gas tax
• Fuel efficiency
Road Charging is...

• A “User Pays” principle – the more you drive, the more you pay (by mileage).

• A funding model that applies more equitability to electric, hybrid and fuel consumption vehicles.

• A sustainable transportation funding alternative.
California’s Journey

Fall 2014
Legislation Passed
SB 1077

2015
Outreach & Education

2016
Nine-month Live Pilot
July 2016 – March 2017

Summer 2017
Finalize report
California Achieved Many Firsts

The Road Charge Pilot Program:

- **5,000** participating vehicles over a **9-month period**
- **4 account managers** gathered mileage data and simulated payments
- **6 reporting methods** offered to participants
- **No tech, low tech and high tech** options available for reporting miles driven
- **Heavy commercial vehicles** included in pilot study

Total miles driven in the pilot!

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37,258,866
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The contents of this material reflect the views of the author who is responsible for the facts and accuracy of the data presented herein.
Participant Feedback

- 85% Satisfied with the overall pilot
- 73% Think a road charge is more fair than a gas tax
- 61% More aware of the amount they pay for road maintenance
- 87% Found participating in the pilot easy
- 91% Would participate in another road charge program
Preliminary Pilot Findings

✓ Certain demographic targets set by the TAC were unattainable
✓ Experience and education during the pilot lead to an increase in acceptance
✓ Most think a road charge funding model is more equitable
✓ System requirements were successfully developed, tested and audited
✓ No privacy and data security breaches or complications
✓ Successful in studying the viability of using third-party vendors
✓ Demonstrated the ability to offer value-added features as an enhancement to the user experience
Preliminary Pilot Findings Cont.

• **Mileage Options**
  ✓ All reporting methods worked
  ✓ *Manual options*
    • Highest degree of privacy
    • Most difficult to enforce
    • Costly to administer compared to the gas tax
  ✓ *Automated options*
    • Plug-in devices are most reliable; as technology advances could be obsolete by the time road charge is adopted
    • Smartphone app with location & in-vehicle telematics show great promise, but need further refinement
The FAST Act – Multiple Grants Awarded

• Demonstrate user-based alternatives
• 5 year $95 million grant program
• Eligible to a state or group of states to test road charge design, acceptance and implementation
• 8 states awarded
The FAST Act – What CA is Doing

• Pay-at-the-pump/ charging station investigation
• Organizational structure and compliance program development
• Education and outreach
RUC West Regional Pilot

- 14 participating states
- Builds on RUC West funded projects
- Leverages state DOT relationships and agreements
- Utilizes lessons learned from existing RUC projects
- Define a regional system
- Investigating interoperability
Thank you!

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