Pennsylvania Turnpike Commission

OCTOBER 2024



Revenue Assurance Plan Metrics Summary



INSIDE:



Overall Performance Summary



All Transactions



All Transactions



Summary of Unreadable License Plates



Invoices Sent by State



Highlighted Initiatives to Reduce Leakage

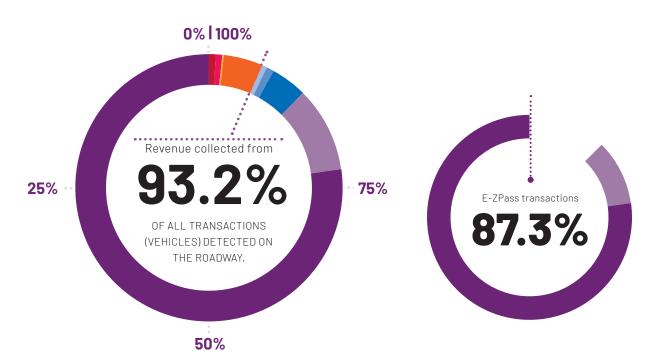


AET Collection Comparison **Reporting period:** SEP 2023 - AUG 2024

Total Transactions: 208,821,703

Revenue estimated for paid/expected paid transactions: \$1,714,544,994

Overall Performance Summary SEP 2023 - AUG 2024



Percentage of all transactions within the past 12 months that were paid and expected to be paid within 150 days of the transaction being recorded. Percentage of all transactions paid via E-ZPass, majority by transponder in the vehicle or some by license plate matched to E-ZPass customer account.

BREAKDOWN OF NON-E-ZPASS TRANSACTIONS

1.6% of all transactions [12.6% of Toll By Plate transactions]

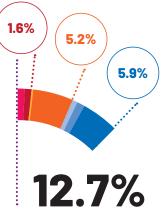
Percentage of transactions that cannot be pursued, either because no license plate could be identified or because no valid address could be found for the license plate.

Uncollected

5.2% of all transactions [40.9% of Toll By Plate transactions] Percentage of transactions for which an invoice can be generated, but the customer does not pay within 150 days.

Paid and expected to be paid

5.9% of all transactions [46.5% of Toll By Plate transactions] Percentage of transactions for which an invoice can be generated and delivered to a customer and the customer pays within 150 days.



Percentage of all transactions made by drivers that are NOT E-ZPass customers.

0.8%

UNBILLABLE - license plate **unreadable**

License plate not present or cannot be read

0.02%	1	Policy Issue [2.2% of unreadable transactions]
0.03%	1	Plate Obstruction (intentional) [4.5% of unreadable transactions]
0.03%	0	Customer Issue [4.3% of unreadable transactions]
0.03%	1	System Issue [4.4% of unreadable transactions]
0.36%		Plate Obstruction (accidental) [46.5% of unreadable transactions]
0.29%		License Plate Missing [38.1% of unreadable transactions]

See page 5 for more details





UNCOLLECTED - address undeliverable

Address for license plate returned as undeliverable

UNBILLABLE – address **unavailable** Address for license plate not available from DMV



UNCOLLECTED - invoices **unpaid**

Customer does not respond to multiple invoices and fails to pay within 150 days. The PTC attempts to collect outstanding amounts via the following options where practical and allowed by law:



Vehicle registration suspension



5.9%

Toll By Plate payments

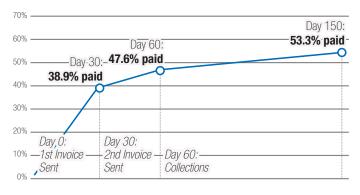
Toll By Plate customers receive an invoice in the mail and ultimately respond within 150 days after the first invoice

4.3% Customer receives 1st invoice and pays within **30 days**

1.0% Customer receives 2nd invoice and pays within **60 days** after the 1st invoice

0.6% Customer responds to billing from Collections and pays within **150 days** after the 1st invoice

INVOICE PAYMENT/EXPECTED PAYMENT RATE



All Transactions SEP 2023 - AUG 2024

Pennsylvania Turnpike Commission

93.2%

Toll By Plate paid 5.<u>9%</u>

E-ZPass paid **87.3%**



6.8%

6.8% of all transactions recorded from September 2023 - August 2024 are expected to be unbillable or uncollected, with an estimated value of \$195 million.*

Collection and enforcement efforts continue beyond the reporting period.

93.2%

93.2% of all transactions recorded from September 2023 - August 2024 are paid or expected to be paid, with an estimated value of \$1.71 billion.*

* Higher toll rates for Toll By Plate result in higher values per transaction paid or lost.

All Transactions

Pennsylvania Turnpike Commission

Summary of Unreadable License Plates (0.8% of all transactions) SEP 2023 - AUG 2024

Unreadable license plates represent **0.8% of all transactions.** The graphic below is a further breakdown of that 0.8% of all transactions.

2.2% POLICY ISSUE [0.02% of all transactions]

Plate belongs to non-revenue transaction per policy (e.g., emergency vehicles, maintenance trucks).

4.4% SYSTEM ISSUE

[0.03% of all transactions] Plate cannot be identified due to limitations of technical system performance (limitations in darkness, bright conditions, focusing, etc).



4.3% CUSTOMER ISSUE [0.03% of all transactions]

All other reasons connected to customer situation (such as temporary plates).

4.5% PLATE OBSTRUCTION (INTENTIONAL)

[0.03% of all transactions]

Customer intentionally obscured the plate in some way (e.g., duct tape) to prevent a complete image from being captured.



46.5% PLATE OBSTRUCTION (ACCIDENTAL) [0.36% of all transactions]

License plate obscured by natural factors (e.g., mud, snow) or by human factors (e.g., trailer hitch, bike rack, personal trailer).



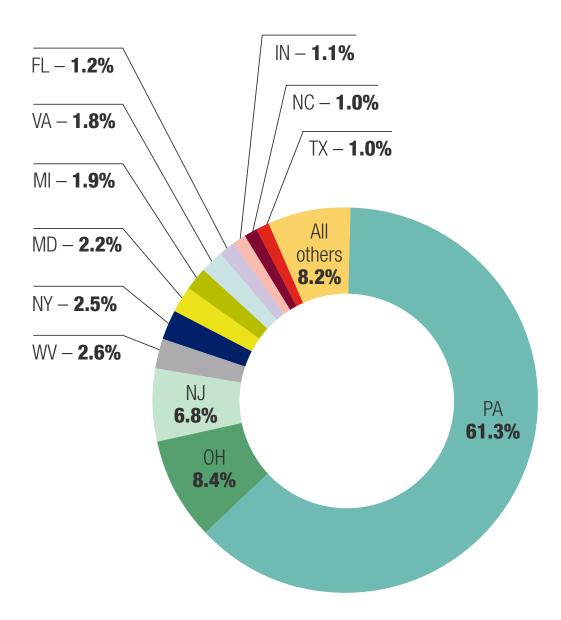
38.1% LICENSE PLATE MISSING [0.29% of all transactions]

Customer either did not mount the license plate or mounted it in a non-conventional location that was not detected by the camera.



Invoices Sent by State

Identifies all states accounting for 1.0% or more of invoices over the past 12 months. Payment rates are generally similar across states.



Highlighted Initiatives to Reduce Leakage

through December 2023

UNBILLABLE license plate unreadable

License plate not present or cannot be read.

- Proactive transponder replacements to reduce the amount of images captured of E-ZPass customers. Phase 1 began Sep 2018; process is ongoing.
- Enhanced commercial vehicle identification (e.g., company names, logos, USDOT numbers) when plates are missing or blocked.
- Increased frequency of system checks to four times per day (started in Mar 2022) to keep system-specific issues at a minimum.

27% reduction since March 2020

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UNBILLABLE address undeliverable

Address for license plate not available from DMV.

- Since the advent of cashless tolling on the Pennsylvania Turnpike, PTC has added new direct connections to five state DMVs.
- For the states registering the most frequent TBP usage, PTC has initiated more frequent retries (generally one retry every 7-10 days) on address lookups by the respective DMVs.

22% reduction since March 2020

+

UNCOLLECTED address undeliverable

Address for license plate returned as undeliverable.

 Introduced skip tracing into the collections process to locate challenging addresses. Skip tracing employs the services of a third party that specializes in using an array of publicly available data to track down individuals who have moved, are unresponsive, or are difficult to find. **71%** reduction since March 2020

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UNCOLLECTED invoices unpaid

Customer does not respond to multiple invoices and fails to pay within 150 days.

More ways to pay

- Toll By Plate AutoPay (launched Feb 2021).
- Kubra cash payment network (launched Mar 2022).
- QR codes on invoices (launched Sep 2022).
- Apple Pay and Google Pay (launched Oct 2024).

More ways to enforce

• Performance based collections - for customers who fail to pay repeated invoices, multiple collections contractors compete to maximize revenue recovery (launched Sep 2021).

- New legislation = more scofflaws qualify for registration suspension (2023).
- Expanded use of civil court options (2023).
- Real-time notification to police of on-road scofflaws for citation stops (2023).

The PTC attempts to collect outstanding amounts via the following options where practical and allowed by law:



Vehicle registration suspension



More invoices are reaching the customer

but they are not paying, so the total collection efficiency of 93.4% remains unchanged.

Toll By

Plate

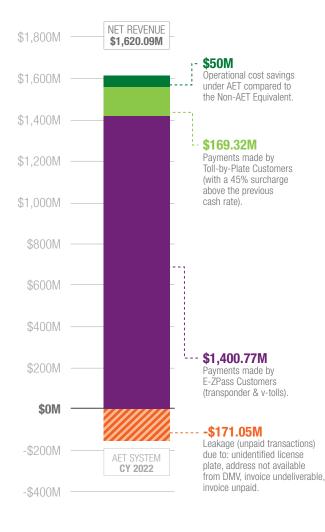
paid

E-ZPass paid

AET Collection Comparison

CY 2022

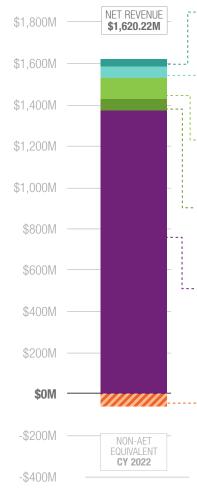
The graphs below demonstrate the virtually identical revenue collection rates of All-Electronic Tolling actuals today and a projected collection scenario if the PTC had remained in a hybrid cash and electronic collection operation. The figures are based on calendar year 2022 and show a steady collection rate of approximately \$1.6B in both operational scenarios. The PTC conversion to AET allows for greater safety, mobility, and access while decreasing environmental impact.



AET System 2022

Non-AET Equivalent 2022

(based on AET and projected pre-AET data)



\$27.35M

Payments made by drivers who violate in a Non-AET Equivalent scenario, but who render payment as part of the violations process.

\$65.70M

Payments made by drivers who do NOT pay under AET, but who DO stop and pay cash when the booth is attended.

\$116.77M

Payments made by TBP customers under AET, who are assumed to be cash-paying customers (at the cash rate, with no surcharge).

\$56.83M

Cash payments made by customers who would have converted to E-ZPass if AET had been implemented.

\$1,353.57M

Payments as E-ZPass Customers assumed to be slightly lower under Non-AET Equivalent, due to lower assumed rate in E-ZPass growth.

\$39.37M

Leakage (unpaid violations) due to: unidentified license plate, address not available from DMV, violation notice undeliverable and violation notice unpaid.