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NEW ISSUE - BOOK - ENTRY ONLY

Ratings: (See "Ratings" herein)

Interest on the 2010B Bonds is includable in gross income for federal income tax purposes.

Under the existing laws of the Commonwealth of Pennsylvania, interest on the 2010B Bonds will be free from Pennsylvania personal income taxation and Pennsylvania corporate net income taxation but such exemption does not extend to gift, estate, succession or inheritance taxes or any other taxes not levied or assessed directly on the 2010B Bonds or the interest thereon. For a more complete discussion, see "TAX MATTERS" herein.

PENNSYLVANIA TURNPIKE COMMISSION
$600,000,000 TURNPIKE REVENUE BONDS, SERIES B OF 2010
(FEDERALLY TAXABLE – ISSUER SUBSIDY – BUILD AMERICA BONDS)

Dated: Date of Delivery

Due: See inside cover

The Pennsylvania Turnpike Commission (the "***Commission***") is issuing its Turnpike Revenue Bonds, Series B of 2010 (Federally Taxable – Issuer Subsidy – Build America Bonds) (the "***2010B Bonds***") pursuant to a Supplemental Trust Indenture No. 20 dated as of August 1, 2010 (the "***Supplemental Indenture No. 20***") to the Amended and Restated Trust Indenture dated as of March 1, 2001, and as amended and supplemented (the "***Indenture***"), between the Commission and U. S. Bank, National Association, as trustee (the "***Trustee***").

The 2010B Bonds will be dated the date of issuance and delivery thereof, will bear interest at the fixed rates shown on the inside front cover page for the maturity dates thereof, calculated on the basis of a year of 360 days consisting of twelve 30-day months. The inside cover page of this Official Statement contains information concerning the maturity schedules, interest rates, prices and approximate yields of the 2010B Bonds. Interest on each of the Bonds is payable initially on December 1, 2010, and thereafter semiannually on December 1 and June 1 of each year until the maturity date of such Bond or, if such Bond is subject to redemption prior to maturity, until the date fixed for redemption thereof, if payment of the redemption price has been duly made or provided for. The 2010B Bonds are deliverable in fully registered form and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository for the 2010B Bonds. Beneficial ownership interests in the 2010B Bonds will be recorded in book-entry only form in denominations of $5,000 or any integral multiple thereof. Purchasers of 2010B Bonds will not receive bonds representing their beneficial ownership in the 2010B Bonds but will receive a credit balance on the books of their respective DTC Participants or DTC Indirect Participants. So long as Cede & Co. is the registered owner of the 2010B Bonds, principal of, premium, if any, and interest on the 2010B Bonds will be paid to Cede & Co., as nominee of DTC, which will, in turn, remit such principal, interest and premium to the Participants and Indirect Participants for subsequent disbursement to the Beneficial Owners, as described herein. The 2010B Bonds will be transferable or exchangeable to another nominee of The Depository Trust Company or as otherwise described herein. So long as Cede & Co. is the registered owner of the 2010B Bonds, payments of principal of and interest, if applicable, on the 2010B Bonds will be made directly by the Paying Agent under the Indenture, as described herein. See "DESCRIPTION OF THE 2010B BONDS – Book - Entry Only System."

The 2010B Bonds will be subject to make whole, extraordinary optional, and mandatory redemption prior to maturity as described herein.

THE 2010B BONDS ARE LIMITED OBLIGATIONS OF THE COMMISSION AND SHALL NOT BE DEEMED TO BE A DEBT OF THE COMMONWEALTH OF PENNSYLVANIA (THE "COMMONWEALTH") OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH, BUT THE 2010B BONDS SHALL BE PAYABLE SOLELY FROM THE TRUST ESTATE (AS DEFINED HEREIN) WHICH CONSISTS PRIMARILY OF TOLLS FROM THE SYSTEM (AS DEFINED HEREIN). THE COMMONWEALTH IS NOT OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION WHATSOEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THE PAYMENT OF THE 2010B BONDS. THE COMMISSION HAS NO TAXING POWER.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The 2010B Bonds are being offered when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice, to certain legal matters being passed upon by Cozen O'Connor and The Law Offices of Denise Joy Smyler, both of Philadelphia, Pennsylvania, Co-Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the Underwriters by Fineman Krekstein & Harris, P.C., Philadelphia, Pennsylvania and Stevens & Lee, a professional corporation, Reading, Pennsylvania, Co-Counsel for the Underwriters. Certain legal matters will be passed upon for the Commission by its Chief Counsel, Doreen A. McCall, Esquire. It is anticipated that delivery of the 2010B Bonds in book-entry form will be made through the facilities of DTC in New York, New York on or about September 10, 2010.

BofA Merrill Lynch

Barclays Capital **Siebert Brandford Shank & Co, L.L.C** **Wells Fargo Securities**

Backstrom McCarley Berry & Co., LLC **Cabrera Capital Markets, LLC** **Goldman, Sachs & Co.**

Piper Jaffray & Co. **RBC Capital Markets**

Official Statement dated August 31, 2010

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PENNSYLVANIA TURNPIKE COMMISSION
\$600,000,000 TURNPIKE REVENUE BONDS, SERIES B OF 2010
(FEDERALLY TAXABLE – ISSUER SUBSIDY – BUILD AMERICA BONDS)

\$333,865,000	5.511%	Term Bonds Due Dec. 1, 2045;	Yield: 5.511%	Price: 100.000	CUSIP* No. 709223A27
\$266,135,000	5.561%	Term Bonds Due Dec. 1, 2049;	Yield: 5.561%	Price: 100.000	CUSIP* No. 709223ZZ7

PENNSYLVANIA TURNPIKE COMMISSION

COMMISSIONERS

ALLEN D. BIEHLER
Chairman

J. WILLIAM LINCOLN
Secretary/Treasurer

PASQUALE T. DEON, SR.
Commissioner

WILLIAM K. LIEBERMAN
Commissioner

A. MICHAEL PRATT
Commissioner

JOSEPH G. BRIMMEIER
Chief Executive Officer

GEORGE M. HATALOWICH
Chief Operating Officer

NIKOLAUS H. GRIESHABER
Chief Financial Officer

FRANK J. KEMPF, JR.
Chief Engineer

DOREEN A. MCCALL
Chief Counsel

U. S. BANK NATIONAL ASSOCIATION
Trustee and Authenticating Agent

PHOENIX CAPITAL PARTNERS, LLP and NW FINANCIAL GROUP, LLC
Co-Financial Advisors

No dealer, broker, salesman or other person has been authorized by the Commission or the Underwriters to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by any or either of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2010B Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the Commission and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness by, and is not to be construed as representations by, the Underwriters. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in any of the information set forth herein since the date hereof.

The 2010B Bonds are not and will not be registered under the Securities Act of 1933, or under any state securities laws, and the Indenture has not been and will not be qualified under the Trust Indenture Act of 1939, as amended, because of available exemptions therefrom. Neither the Securities and Exchange Commission nor any federal, state, municipal, or other governmental agency will pass upon the accuracy, completeness, or adequacy of this Official Statement.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

No quotations from or summaries or explanations of provisions of law and documents herein purport to be complete and reference is made to such laws and documents for full and complete statements of their provisions. This Official Statement is not to be construed as a contract or agreement between the Commission and the purchasers or holders of any of the securities described herein. Any statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinions and not as representations of fact. The cover page here, list of officials, this page and the Appendices attached hereto are part of this Official Statement.

If and when included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates," "assumes" and analogous expressions are intended to identify forward-looking statements, and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to different materially from those that have been projected. Such risks and uncertainties which could affect the amount of tolls and other revenue collected by the Commission include, among others, changes in economic conditions and various other events, conditions and circumstances, many of which are beyond the control of the Commission. Such forward-looking statements speak only as of the date of this Official Statement. The Commission disclaims any obligation or undertaking to release publicly any updates or revision to any forward-looking statement contained herein to reflect any changes in the Commission's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2010B BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED TO BE A DETERMINATION OF RELEVANCE, MATERIALITY, OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE OFFERING OF THE 2010B BONDS IS MADE ONLY BY MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

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OFFICIAL STATEMENT

PENNSYLVANIA TURNPIKE COMMISSION
$600,000,000 TURNPIKE REVENUE BONDS, SERIES B OF 2010
(FEDERALLY TAXABLE – ISSUER SUBSIDY – BUILD AMERICA BONDS)

INTRODUCTION

This Official Statement, which includes the cover page and the Appendices hereto, is furnished by the Pennsylvania Turnpike Commission (the "***Commission***") in connection with the issuance of $600,000,000 aggregate principal amount of its Turnpike Revenue Bonds, Series B of 2010 (Federally Taxable – Issuer Subsidy – Build America Bonds) (the "***2010B Bonds***").

All capitalized terms not otherwise defined herein shall have the same meanings ascribed to them in the definitions set forth in APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE - DEFINITIONS OF CERTAIN TERMS." All references herein to the Enabling Acts, the 2010B Bonds, the Indenture and the Continuing Disclosure Agreement are qualified in their entirety by reference to the complete texts thereof. Copies of drafts of such documents may be obtained during the initial offering period from the principal offices of the Underwriters, and thereafter copies may be obtained from the Trustee (as hereinafter defined). All statements in this Official Statement involving matters of opinion, estimates, forecasts, projections or the like, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized.

THIS OFFICIAL STATEMENT PROVIDES CERTAIN INFORMATION CONCERNING THE 2010B BONDS APPLICABLE THERETO AS OF THE DATE OF THE OFFICIAL STATEMENT. OWNERS AND PROSPECTIVE PURCHASERS OF THE 2010B BONDS SHOULD NOT RELY ON THIS OFFICIAL STATEMENT FOR INFORMATION CONCERNING THE 2010B BONDS ON AND AFTER ANY SUCH DATE, BUT SHOULD LOOK TO THE REVISIONS, AMENDMENTS, SUPPLEMENTS OR SUBSTITUTIONS HEREOF FOR INFORMATION CONCERNING THE 2010B BONDS ON OR AFTER ANY SUCH DATE.

Pennsylvania Turnpike Commission

The Commission is an instrumentality of the Commonwealth of Pennsylvania (the "***Commonwealth***") created by the Enabling Acts (as defined below), with power to construct, operate and maintain the System (as defined below) and to perform other functions authorized by Act 44 (as defined below). Its composition, powers, duties, functions, duration and all other attributes are derived from the Enabling Acts as amended and supplemented from time to time. See APPENDIX A – "THE PENNSYLVANIA TURNPIKE COMMISSION."

Indenture and Enabling Acts

The 2010B Bonds are being issued pursuant to Supplemental Trust Indenture No. 20, dated as of August 1, 2010 (the "***Supplemental Indenture No. 20***"), between the Commission and U.S. Bank National Association (successor to First Union National Bank), as trustee (the

"***Trustee***"), which supplements an Amended and Restated Trust Indenture, dated as of March 1, 2001, between the Commission and the Trustee (as amended and supplemented, the "***Indenture***"). The 2010B Bonds are also being issued pursuant to, and are authorized by, an Act of the General Assembly of Pennsylvania approved July 18, 2007, P. L. 169, No. 44 ("***Act 44***") and various Acts of the General Assembly approved on several dates, including the Act of May 21, 1937, P. L. 774, Act 211, the Act of May 24, 1945, P. L. 972; the Act of February 26, 1947, P. L. 17; the Act of May 23, 1951, P. L. 335; the Act of August 14, 1951, P. L. 1232; and the Act of September 30, 1985, P. L. 240, No. 61 ("***Act 61***") to the extent not repealed by Act 44 (collectively, the "***Enabling Acts***"), and the Resolution adopted by the Commission on March 3, 2010 (the "***Bond Resolution***").

Plan of Finance

The proceeds of the 2010B Bonds will be used to finance the costs of (i) various capital expenditures set forth in the Commission's current ten year capital plan, including but not limited to, the reconstruction of roadbed and roadway, the widening, replacing, and redecking of certain bridges and/or the rehabilitation of certain interchanges; (ii) capitalized interest on the 2010B Bonds, (iii) deposits to necessary reserves to the extent required, and (iv) paying the costs of issuing the 2010B Bonds. See "PLAN OF FINANCING".

Security

The 2010B Bonds are limited obligations of the Commission. They will be equally and ratably secured, along with other outstanding Bonds issued pursuant to the Indenture and certain other Parity Obligations, by a pledge by the Commission of the Trust Estate consisting primarily of Tolls (defined hereinafter). SEE "SECURITY FOR THE 2010B BONDS" for a more detailed description of the Trust Estate under the Indenture. The Commission has covenanted in the Indenture that it will comply with the Rate Covenant (defined below). See "SECURITY FOR THE 2010B BONDS – Rate Covenant."

THE 2010B BONDS ARE LIMITED OBLIGATIONS OF THE COMMISSION AND SHALL NOT BE DEEMED TO BE A DEBT OF THE COMMONWEALTH OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH, BUT THE 2010B BONDS ARE PAYABLE SOLELY FROM THE TRUST ESTATE UNDER THE INDENTURE WHICH CONSISTS PRIMARILY OF TOLLS FROM THE SYSTEM. THE COMMONWEALTH IS NOT OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION WHATSOEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THE PAYMENT OF ANY OF THE 2010B BONDS. See "SECURITY FOR THE 2010B BONDS."

In addition, a Debt Service Reserve Fund has been established under the Indenture to provide additional security for Debt Service Reserve Fund Bonds. The 2010B Bonds are Debt Service Reserve Fund Bonds and, accordingly, are secured by moneys in the Debt Service Reserve Fund. The Indenture requires that the balance in the Debt Service Reserve Fund be maintained at the Debt Service Reserve Requirement, which is an amount equal to the Maximum Annual Debt Service on account of all the Debt Service Reserve Fund Bonds. Debt Service Reserve Fund Bonds include Long-Term Indebtedness specified by the Commission in the

Original Indenture or any Supplemental Indenture as being secured by the Debt Service Reserve Fund. See "SECURITY FOR THE 2010B BONDS - Debt Service Reserve Fund."

Build America Bonds

The Commission will issue the 2010B Bonds as federally taxable, Build America Bonds, as authorized by The American Recovery and Reinvestment Act of 2009 (the "Recovery Act"), for which the Commission is entitled to receive a cash subsidy from the United States Treasury equal to 35% of the interest payable on the 2010B Bonds (the "Direct Payments"). See "BUILD AMERICA BONDS" herein. Until the effectiveness of the amendments to the Indenture described under "AMENDMENT TO INDENTURE" herein, the Direct Payments will be deposited into the general funds of the Commission and may be applied to any permitted purpose from such general funds.

Book-Entry Only

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the 2010B Bonds. All 2010B Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee). Fully registered Bond certificates will be issued and deposited with the Trustee through the DTC Fast System. See "DESCRIPTION OF THE 2010B BONDS – Book-Entry Only System".

DESCRIPTION OF THE 2010B BONDS

Generally

The 2010B Bonds are being issued by the Commission under the Act and pursuant to the Indenture and will be dated the date of their issuance and delivery. The 2010B Bonds will be issued in the principal amounts, bearing interest at the rates, paying interest on the dates, and maturing (subject to the rights of prior redemption described below) on the dates, all as shown on the inside cover page of this Official Statement.

Payment of Principal of and Interest on the 2010B Bonds.

Interest on the 2010B Bonds will accrue from their date of delivery and will be payable semi-annually to maturity (or earlier redemption) on June 1 and December 1, commencing on December 1, 2010 (each an "***Interest Payment Date***"). The Record Date for determining the owner entitled to payment of interest with respect to a 2010B Bond on any given Interest Payment Date is the 15th day of the month immediately preceding the applicable Interest Payment Date.

The principal of and redemption premium, if any, and interest on the 2010B Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The principal of and the redemption premium, if any, on all 2010B Bonds shall be payable by check at maturity or upon earlier redemption to the Persons in whose names such 2010B Bonds are registered on the Bond Register at the maturity or redemption date thereof, upon the presentation and surrender of such 2010B Bonds at the Principal Office of the Trustee or of any Paying Agent named in the 2010B Bonds.

The interest payable on each 2010B Bond on any Interest Payment Date shall be paid by the Trustee to the Person in whose name such Bond is registered on the Bond Register at the close of business on the Record Date for such interest, (i) by check mailed on the applicable Interest Payment Date to such Registered Owner at his address as it appears on such Bond Register or at such other address as is furnished to the Trustee in writing by such Owner, or (ii) by electronic transfer in immediately available funds, if the 2010B Bonds are held by a Securities Depository, or at the written request addressed to the Trustee by any Owner of 2010B Bonds in the aggregate principal amount of at least $1,000,000, such request to be signed by such Owner, containing the name of the bank (which shall be in the continental United States), its address, its ABA routing number, the name and account number to which credit shall be made and an acknowledgment that an electronic transfer fee is payable, and to be filed with the Trustee no later than ten Business Days before the applicable Record Date preceding such Interest Payment Date.

Defaulted Interest with respect to any 2010B Bond shall cease to be payable to the Owner of such 2010B Bond on the relevant Record Date and shall be payable to the Owner in whose name such 2010B Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed in the following manner. The Commission shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each 2010B Bond and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and shall deposit with the Trustee at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment; money deposited with the Trustee shall be held in trust for the benefit of the Owners of the 2010B Bonds entitled to such Defaulted Interest. Following receipt of such notice the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Commission of such Special Record Date and, in the name and at the expense of the Commission, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Owner of a 2010B Bond entitled to such notice at the address of such owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

So long as the 2010B Bonds are in book-entry only form, the principal and redemption price of, and interest on, such 2010B Bonds is payable by check mailed or wire transferred to Cede & Co., as nominee for DTC and registered owner of the 2010B Bonds, for redistribution by DTC to its Participants and in turn to Beneficial Owners as described under "DESCRIPTION OF THE 2010B BONDS – Book-Entry Only System."

Authorized Denominations. The 2010B Bonds will be issued in fully registered form in denominations of $5,000 or any integral multiple thereof.

Registration, Transfer and Exchange. The Trustee has been appointed Bond Registrar and as such shall keep the Bond Register at its Principal Office. The Person in whose name any 2010B Bond shall be registered on the Bond Register shall be deemed and regarded as the absolute owner of such 2010B Bond for all purposes, and payment of or on account of the principal of and redemption premium, if any, and interest on any such 2010B Bond shall be made only to or upon the order of the Registered Owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such 2010B Bond, including the interest thereon, to the extent of the sum or sums so paid.

Any 2010B Bond may be transferred only upon the Bond Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the Commission shall execute and the Trustee shall authenticate and deliver in exchange for such 2010B Bond a new 2010B Bond or 2010B Bonds, registered in the name of the transferee, of any Authorized Denomination and of the same maturity and bearing interest at the same rate.

The Trustee may charge an amount sufficient to reimburse it for any tax or other governmental charge required to be paid in connection with any such transfer, registration, conversion or exchange. The Trustee shall not be required to: (i) transfer or exchange any 2010B Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of such 2010B Bond and ending at the close of business on the day of such mailing, or (ii) transfer or exchange any 2010B Bond so selected for redemption in whole or in part, or during a period beginning at the opening of business on any Record Date for such 2010B Bond and ending at the close of business on the relevant Interest Payment Date therefor. See also "DESCRIPTION OF THE 2010B BONDS -- Book-Entry Only System" herein for further information regarding registration, transfer and exchange of the 2010B Bonds.

The Indenture, and all provisions thereof, are incorporated by reference in the text of the 2010B Bonds, and the 2010B Bonds provide that each Registered Owner, Beneficial Owner, Participant or Indirect Participant (as such terms are defined hereinafter) by acceptance of a 2010B Bond (including receipt of a book-entry credit evidencing an interest therein) assents to all of such provisions as an explicit and material portion of the consideration running to the Commission to induce it to issue such 2010B Bond.

Redemption of 2010B Bonds

Make-Whole Redemption of 2010B Bonds. Subject to the limitations in the Enabling Acts on redemption price, the 2010B Bonds are subject to redemption prior to maturity by written direction of the Commission, in whole or in part, on any business day, at a redemption price equal to the greater of (1) 100% of the principal amount of the 2010B Bonds to be redeemed and (2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the 2010B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2010B Bonds are to be redeemed, discounted to the date on which the 2010B Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the adjusted

Treasury Rate plus 30 basis points, plus, in each case, accrued and unpaid interest on the 2010B Bonds to be redeemed on the redemption date.

Extraordinary Optional Redemption of 2010B Bonds. Subject to the limitations in the Enabling Acts on redemption price, the 2010B Bonds are subject to redemption prior to maturity at the option of the Commission, in whole or in part, on any business day following the occurrence of an Extraordinary Event, at a redemption price equal to the greater of: (1) 100% of the principal amount of the 2010B Bonds to be redeemed; and (2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the 2010B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2010B Bonds are to be redeemed, discounted to the date on which the 2010B Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate, plus 100 basis points; plus, in each case, accrued interest on the 2010B Bonds to be redeemed to the redemption date. An "Extraordinary Event" will have occurred if Section 54AA or 6431 of the Code (as such Sections were added by Section 1531 of the Recovery Act pertaining to "Build America Bonds") is amended or repealed and such amendment or repeal would reduce or eliminate the Direct Payments.

"Treasury Rate" means, as of any redemption date of a particular 2010B Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(519) that has become publicly available seven Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of such 2010B Bond; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

Limitation on Call Price. Although the 2010B Bonds are subject to make-whole redemption and extraordinary optional redemption, as applicable, at the redemption prices calculated as provided in the preceding paragraphs, under Act 44 as currently enacted, the Commission is not authorized to redeem the 2010B Bonds at a redemption price in excess of 105% of the principal amount thereof.

Mandatory Sinking Fund Redemption of 2010B Bonds. The 2010B Bonds shall be subject to mandatory sinking fund redemption prior to maturity by the Commission in part on December 1 of the respective years and in the amount set forth below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date:

2010B Bonds Maturing 2045

Year (December 1)	Principal Amount
2040	$50,780,000
2041	52,635,000
2042	54,555,000
2043	56,545,000
2044	58,605,000
2045*	60,745,000

2010B Bonds Maturing 2049

Year (December 1)	Principal Amount
2046	$62,970,000
2047	65,290,000
2048	67,690,000
2049*	70,185,000

*Stated Maturity.

At the option of the Commission, to be exercised by delivery of a Certificate of Commission Official to the Trustee on or before the 45th day next preceding any scheduled mandatory redemption date, it may (1) deliver to the Trustee for cancellation 2010B Bonds subject to scheduled mandatory redemption on that date or portions thereof in Authorized Denominations or (2) specify a principal amount of 2010B Bonds or portions thereof in Authorized Denominations which prior to said date have been purchased or redeemed (otherwise than pursuant to this Section) and cancelled by the Trustee at the request of the Commission and not theretofore applied as a credit against any scheduled mandatory redemption payment. Each 2010B Bond or portion thereof so delivered or previously redeemed shall be credited by the Trustee at the principal amount thereof against the obligation of the Commission to redeem 2010B Bonds on the scheduled mandatory redemption date or dates designated in writing to the Trustee by the Commission Official occurring at least 45 days after delivery of such designation to the Trustee, provided that if no such designation is made, such credit shall not be credited against such obligation.

In the event a portion, but not all, of the 2010B Bonds maturing on a particular date are redeemed pursuant to make-whole or extraordinary optional redemption, then the principal amount of any remaining mandatory sinking fund redemptions applicable to such 2010B Bonds shall be proportionately reduced (subject to the Trustee making such adjustments as it deems necessary to be able to effect future redemptions of the 2010B Bonds in authorized denominations) unless the Commission has designated an alternate reduction of remaining mandatory sinking fund redemptions as described above.

Selection of 2010B Bonds for Redemption. Any 2010B Bonds subject to partial make-whole or extraordinary optional redemption shall be redeemed in any order of maturity and in any principal amount within a maturity as designated by the Commission. If the 2010B Bonds are not registered in book-entry only form, any redemption of less than all of a maturity of the 2010B Bonds shall be effected by the Trustee among owners on a pro-rata basis subject to minimum Authorized Denominations. The particular 2010B Bonds to be redeemed shall be determined by the Trustee, using such method as it shall deem fair and appropriate.

If the 2010B Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of the 2010B Bonds, if less than all of the 2010B Bonds of a maturity are called for prior redemption, the particular 2010B Bonds or portions thereof to be redeemed shall be selected on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC procedures. The selection for redemption of such 2010B Bonds shall be made in accordance with the operational arrangements of DTC then in effect, which currently provide for adjustment of the principal by a factor provided by the Trustee. If the Trustee does not provide the necessary information and identify the redemption on a Pro Rata Pass-Through Distribution of Principal basis, the 2010B Bonds will be selected for redemption in accordance with DTC procedures by lot.

It is the Commission's intent that redemption allocations made by DTC, the DTC Participants or such other intermediaries that may exist between the Commission and the Beneficial Owners be made on a "Pro Rata Pass-Through Distribution of Principal" basis as described above, and the Trustee will identify the 2010B Bonds as subject to a "Pro Rata Pass-Through Distribution of Principal" under DTC's current operational arrangements. However, the Commission can provide no assurance that DTC, the DTC Participants or any other intermediaries will allocate redemptions among Beneficial Owners on such basis. If the DTC operational arrangements (or the operational arrangements of a successor securities depository) do not allow for the redemption of the 2010B Bonds on a Pro Rata Pass-Through Distribution of Principal basis as discussed above, then the 2010B Bonds will be selected for redemption in accordance with DTC procedures by lot.

Notice and Effect of Call for Redemption. Official notice of any such redemption shall be given by the Trustee on behalf of the Commission by mailing a copy of an official redemption notice by first class mail at least 30 days and not more than 60 days prior to the redemption date to each Registered Owner of the 2010B Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Trustee. All official notices of redemption shall be dated and shall state: (1) the redemption date; (2) the redemption price; (3) if less than all Outstanding 2010B Bonds are to be redeemed, the identification number and the respective principal amounts of the 2010B Bonds to be redeemed; (4) that on the redemption date the redemption price will become due and payable upon each such 2010B Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; (5) the place where such 2010B Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Principal Office of the Trustee for the payment of the 2010B Bonds; (6) the CUSIP numbers of all 2010B Bonds being redeemed; (7) the date of original issuance of the 2010B Bonds; (8) the rate of interest borne by each 2010B Bond being redeemed; (9) the maturity date of each 2010B Bond being redeemed; and (10) any other descriptive information needed to identify accurately the 2010B Bonds being redeemed. As long as DTC remains the sole Registered Owner of the 2010B Bonds, notice of redemption shall be sent only to DTC as provided in the Indenture. Such mailing shall not be a condition precedent to such redemption and failure to mail any such notice shall not affect the validity of the proceedings for the redemption of 2010B Bonds. Official notice of redemption having been given as aforesaid, the 2010B Bonds or portions thereof to be redeemed shall, on the redemption date, become due and payable at the applicable redemption price therein provided, and from and after the date so fixed for redemption, such 2010B Bonds or portions thereof shall (unless the Commission defaults in payment of the redemption price) cease to bear interest. Any failure of DTC to advise any DTC Participant, or of any DTC Participant or Indirect Participant to notify the Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of the 2010B Bonds called for redemption. See "DESCRIPTION OF THE 2010B BONDS – Book-Entry Only System."

A redemption notice (other than for a mandatory sinking fund redemption) may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the redemption date, or (2) that the Commission retains the right to rescind such notice at any time prior to the scheduled redemption date if the Commission delivers a certificate of a Commission Official to the Trustee instructing the Trustee to rescind the redemption notice, and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in the Indenture.

Failure to give any notice to any Owner, or any defect therein, shall not affect the validity of any proceedings for the redemption of any other 2010B Bonds. Any notice mailed shall be conclusively presumed to have been duly given and shall become effective upon mailing, whether or not any Owner receives the notice.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2010B Bonds. The 2010B Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2010B Bond certificate will be issued in the aggregate principal amount of each maturity of the 2010B Bonds, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation

(NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of 2010B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2010B Bonds on DTC's records. The ownership interest of each actual purchaser of each 2010B Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2010B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2010B Bonds, except in the event that use of the book-entry system for the 2010B Bonds is discontinued.

To facilitate subsequent transfers, all 2010B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of 2010B Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2010B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2010B Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2010B Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the 2010B Bonds, such as redemptions, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of 2010B Bonds may wish to ascertain that the nominee holding the 2010B Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners, in the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2010B Bonds within a maturity are being redeemed, DTC's procedures are further described under "DESCRIPTION OF THE 2010B BONDS – Redemption of 2010B Bonds – Selection of 2010B Bonds for Redemption."

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the 2010B Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Commission as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2010B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal, premium, if any, and interest on the 2010B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Commission or the Trustee on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the Trustee, or the Commission, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments of principal, premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) are the responsibility of the Commission or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the 2010B Bonds at any time by giving reasonable notice to the Commission or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, 2010B Bond certificates are required to be printed and delivered.

The Commission may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository. In that event, 2010B Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Commission believes to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter, the Trustee, or the Commission.

NEITHER THE COMMISSION NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, BENEFICIAL OWNERS OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS FOR: (1) SENDING TRANSACTION STATEMENTS; (2) MAINTAINING, SUPERVISING OR REVIEWING, OR THE ACCURACY OF, ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS; (3) PAYMENT OR THE TIMELINESS OF PAYMENT BY DTC TO ANY PARTICIPANT, OR BY ANY PARTICIPANT OR OTHER NOMINEES OF BENEFICIAL OWNERS TO ANY BENEFICIAL OWNER, OF ANY AMOUNT DUE IN RESPECT OF THE PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR INTEREST ON BOOK-ENTRY 2010B BONDS; (4) DELIVERY OR TIMELY DELIVERY BY DTC TO ANY PARTICIPANT, OR BY ANY

PARTICIPANT OR OTHER NOMINEES OF BENEFICIAL OWNERS TO ANY BENEFICIAL OWNERS, OR ANY NOTICE (INCLUDING NOTICE OF REDEMPTION) OR OTHER COMMUNICATION WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN HOLDERS OR OWNERS OF BOOK-ENTRY 2010B BONDS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF BOOK-ENTRY 2010B BONDS; OR (6) ANY ACTION TAKEN BY DTC OR ITS NOMINEE AS THE REGISTERED OWNER OF BOOK-ENTRY 2010B BONDS.

In the event that the Book Entry Only System is discontinued and the Beneficial Owners become Registered Owners of the 2010B Bonds, the 2010B Bonds will be transferable in accordance with the provisions of the Indenture.

PENNSYLVANIA TURNPIKE SYSTEM

The present System (as defined below) is composed of the following: a 359 mile Turnpike Mainline traversing the southern portion of Pennsylvania from east to west, a 110 mile north-south section identified as the Northeast Extension, a 16 mile north-south connection, known as the Beaver Valley Expressway which intersects the Turnpike Mainline in the southwestern portion of the Commonwealth, the 13 mile Amos K. Hutchinson Bypass, which adjoins the Turnpike Mainline near the New Stanton Interchange, a 23-mile section of the Mon/Fayette Project, an eight mile section from the Pennsylvania/West Virginia border to Fairchance, which is located just south of Uniontown, and the first part of the Southern Beltway, the Findlay Connector near Greater Pittsburgh International Airport. (Such roads, together with any other roads for which the Commission has operational responsibility and is collecting Tolls presently constitute the "System"). When completed, the Mon/Fayette Expressway will extend 65 miles from Interstate Route 68 in West Virginia to Interstate Route 376 near Pittsburgh.

The Commission may in the future, under the terms of the Indenture, identify in writing certain roads, other than the Mainline Section and the Northeast Extension, as not being part of the System for the purposes of the Indenture.

The Turnpike Mainline connects with the Ohio Turnpike at its western terminus and with the New Jersey Turnpike at its eastern terminus. The Turnpike Mainline commences on the eastern boundary of Pennsylvania at the Delaware River Bridge which connects the Pennsylvania Turnpike System to the New Jersey Turnpike. The Turnpike Mainline traverses the state in a westerly direction generally paralleling the southern border of the state immediately north of Philadelphia and south of Harrisburg to the vicinity of Somerset. West of Somerset, the highway follows a northwesterly direction to the northeast of Pittsburgh and to the Ohio state line, south of Youngstown, Ohio.

The Pennsylvania Turnpike System has a total of 57 interchanges which connect it with major arteries and population centers in its 531 mile traffic corridor. Thirty of the interchanges are located on the Turnpike Mainline, including Turnpike Mainline barriers at the New Jersey and Ohio state lines, and 10 interchanges are situated on the Northeast Extension. The additional 17 interchanges are located on the three extensions previously noted. There are 19 service plazas along the Pennsylvania Turnpike System providing gasoline and diesel fuel, other automotive supplies and services, and restaurant services. See APPENDIX A – "THE PENNSYLVANIA TURNPIKE COMMISSION."

Revenue Sources of the Commission

Tolls. All rates, rents, fees, charges, fines or other income derived by the Commission from the vehicular usage of the System and all rights to receive the same (the "***Tolls***", as defined in the Indenture) constitute one of the Commission's three principal streams of revenues. The Tolls are pledged to secure the 2010B Bonds and the Commission's other outstanding turnpike revenue bonds (collectively, the "***Turnpike Revenue Bonds***") and other parity obligations under the Indenture (including certain interest rate swap agreements), which are subject to or may be issued under the terms of the Indenture. There are currently $2,263,070,000 aggregate principal amount of Turnpike Revenue Bonds Outstanding under the Indenture. In addition, the Revenues secure interest rate swap agreements with a total current notional amount of $1.88 billion. The Commission may in the future, under the terms of the Indenture, identify in writing certain roads, other than the Mainline Section and the Northeast Extension, as not being part of the System for the purposes of the Indenture. The Tolls are not pledged to secure the Oil Franchise Tax Revenue Bonds (as defined below) and are not pledged to secure the Registration Fee Revenue Bonds (as defined below). Certain payments made from monies in the General Reserve Fund and derived from Tolls are, however, pledged on a wholly subordinate basis to secure payments due on the Commission's Subordinate Bonds or Special Revenue Bonds issued pursuant to the provisions of Act 44. See "ADDITIONAL INDEBTEDNESS OF THE COMMISSION - Subordinate Bonds" and APPENDIX A – "THE PENNSYLVANIA TURNPIKE COMMISSION - The Pennsylvania Turnpike - Financial Policies and Guidelines."

Toll increases in the amount of 25% were implemented in 2009, a further 3% toll increase was implemented in January 2010, and the Commission has recently approved additional toll and fee increases effective January 2011. Future toll increases will be determined by the Commission taking into account the amount necessary to meet the then existing debt and operational obligations of the Commission. See "Act 44", "ADDITIONAL INDEBTEDNESS OF THE COMMISSION - Subordinate Bonds" and APPENDIX A – "THE PENNSYLVANIA TURNPIKE COMMISSION – The Pennsylvania Turnpike – Act 44 and – Toll Schedule and Rates," for a description of the subordinate obligations and Special Revenue Bonds (as defined in Section 9511.2 of Act 44) which the Commission is authorized to issue under Act 44.

Oil Franchise Tax Revenues. The Commission's second principal stream of revenues consists of that portion of the Commonwealth's Oil Franchise Tax revenues (the "***Oil Franchise Tax Revenues***") allocated by statute to the Commission or the holders of the Commission's Oil Franchise Tax Revenue Bonds (the "***Oil Franchise Tax Revenue Bonds***"), a total of $814,041,246 aggregate principal amount of which are issued and outstanding. The Oil Franchise Tax Revenue Bonds, the proceeds of which were spent on portions of the Mon/Fayette Expressway and the Southern Beltway, are secured solely by Oil Franchise Tax Revenues. **The Oil Franchise Tax Revenues are not pledged to secure the 2010B Bonds, other Turnpike Revenue Bonds, or the Registration Fee Revenue Bonds.**

Registration Fee Revenues. The Commission's third principal stream of revenues consists of that portion of the Commonwealth's vehicle registration fee revenues (the

"***Registration Fee Revenues***") allocated by statute to the Commission or the holders of any of the Commission's Registration Fee Revenue Bonds (the "***Registration Fee Revenue Bonds***"), a total of $442,020,000 aggregate principal amount of which are issued and outstanding. The Registration Fee Revenue Bonds, the proceeds of which were spent on portions of the Mon/Fayette Expressway and the Southern Beltway, are secured by Registration Fee Revenues. Registration Fee Revenue Bonds are to be paid solely from the Registration Fee Revenues. **The Registration Fee Revenues are not pledged to secure the 2010B Bonds, other Turnpike Revenue Bonds, or the Oil Franchise Tax Revenue Bonds.**

Neither the Oil Franchise Tax Revenue Bonds nor the Registration Fee Revenue Bonds are secured by or have any interest in the Trust Estate.

Act 44

On July 18, 2007, Pennsylvania Governor Edward G. Rendell signed Act 44 into law, creating a "public-public partnership" between the Commission and the Pennsylvania Department of Transportation ("***PennDOT***") to provide funding for roads, bridges, and transit throughout the Commonwealth, thus greatly expanding the Commission's previous focus on operating and improving the Turnpike. The General Assembly enacted Act 44 after considering transportation funding proposals by Governor Rendell including the leasing of the Turnpike Mainline to a private party. In 2008 Governor Rendell conducted a selection process for a proposed lease or concession of the Turnpike Mainline to a private party and selected a vendor. The offer submitted by the selected vendor expired prior to the end of 2008 and while Governor Rendell recently identified privatization of the Turnpike as one of a number of possible transportation revenue sources, Governor Rendell has not pursued Turnpike Mainline privatization any further.

As more fully discussed in APPENDIX A, Act 44 obligated the Commission, among other things, to enter into a lease agreement relating to the Pennsylvania portion of Interstate 80 ("***I-80***") with PennDOT and to make substantial annual payments to PennDOT to provide funds for various transportation needs in the Commonwealth. In addition, Act 44 granted the Commission the option to convert such portion of I-80 to a toll road (the "***Conversion***") subject to certain federal approvals and other conditions. In compliance with such requirements, the Commission and PennDOT entered into a Lease and Funding Agreement, dated October 14, 2007 (the "***Funding Agreement***"). Under the Funding Agreement, the Commission is granted the unilateral option to effectuate the Conversion, upon the satisfaction of certain conditions stated in the Funding Agreement, during a period which, unless extended in accordance with the Funding Agreement, expires on October 14, 2010. Under the Funding Agreement, the Commission is required to make certain payments to PennDOT in quarterly installments, which payments in fiscal year 2010 totaled $900 million. The Commission has funded certain of such payments through the issuance of Subordinate and Special Revenue Bonds (as each is hereinafter defined). The term of the Funding Agreement is 50 years from its effective date, October 14, 2007.

The Commission and PennDOT submitted a joint application for the Conversion to U.S. Department of Transportation – Federal Highway Administration ("***FHWA***") on October 13, 2007. On various dates, the FHWA asked for and the Commission and PennDOT provided the

FHWA with additional information. On September 11, 2008, FHWA sent the Commission and PennDOT a letter stating that it could not approve the I-80 application at that time, primarily because of insufficient information concerning how rental payments for I-80 were determined and whether they are related to the true costs of the leasehold interest. The Commission and PennDOT submitted additional supplemental information to the FHWA in support of its I-80 application on October 29, 2009. The FHWA denied the amended application on April 6, 2010, finding that the proposed lease payment to PennDOT would have the effect of diverting toll revenues collected from the operation of I-80 to projects on other facilities, which it stated was contrary to the permitted uses of toll revenue under the Transportation Equity Act for the 21st Century.

Barring any unforeseen circumstances, the Commission does not expect to appeal the FHWA's decision or pursue the tolling of I-80 further. The Commission did not extend the Conversion period during the notice period provided under the Funding Agreement. The Conversion period will terminate on October 14, 2010. Barring any unforeseen circumstances, including new statutory authority, all legal, financial and operational responsibility for I-80 will remain with PennDOT. Act 44 funding of highways and transit will drop from $900 million in Fiscal Year 2009-10 to $450 million annually for the remaining term of the Funding Agreement. The Commission intends to pay this amount on a quarterly basis as provided in Act 44. In addition, the Commission's obligation under Act 44 to make annual surplus payments of the General Reserve Fund Surplus (as defined in Act 44) at the end of each Fiscal Year is also expected to terminate. However, the Commission has been advised that the Office of the Budget of the Commonwealth may assert that the reduced annual payment obligation is not effective until Fiscal Year 2011-12 and that a higher amount, a maximum of $922,500,000, is payable in Fiscal Year 2010-11.

On August 4, 2010, the Commission received a letter from PennDOT, executed by the Secretary of Transportation, in which PennDOT acknowledged receipt of the Commission's first quarterly payment for Fiscal Year 2010-2011 on July 29, 2010 in the amount of $112.5 million but stated that it was not aware of a basis for a reduction in the Commission's quarterly payments until the beginning of Fiscal Year 2011-2012 (the "August 4th Letter"). The August 4th Letter requested that the Commission provide a written legal analysis of the basis for the Commission's determination that the amount of its July 2010 payment is consistent with Act 44 and the Funding Agreement given that the two parties are apparently not in agreement on the required amount of such payment.

While preparing its response to the August 4th Letter, the Commission received a second letter from PennDOT, executed by the Secretary of Transportation, dated August 16, 2010 (the "August 16th Letter"), stating that the payment received on July 29, 2010 was less than PennDOT believes is owed. The remaining amount owed for the first quarterly payment made in July 2010 was stated to be $118.125 million. PennDOT's stated position would apply to the remainder of the Fiscal Year 2010-2011 quarterly payments. Further, the August 16th Letter stated that PennDOT was invoking the remedies and sanctions available under Act 44 and the Funding Agreement, and that it was PennDOT's position that the August 4th Letter started the 45-day period under the Funding Agreement to cure the Commission's alleged failure to make the July 2010 quarterly payment required under the Funding Agreement. Assuming the 45-day period commenced on August 4, 2010, this 45-day period will expire on September 18, 2010 unless the Commission invokes the informal dispute resolution procedures under the Funding Agreement and the Commission prevails in its position that such period is deferred by invoking such procedures (such 45-day period, as deferred, if applicable, the "Cure Period").

Should the Commission and PennDOT not resolve the disagreement regarding the amount of the payments due in Fiscal Year 2010-2011 under Act 44 and the Funding Agreement during the Cure Period, the Funding Agreement provides that PennDOT may seek and receive, as its sole and exclusive remedy pursuant to the Funding Agreement, to have all actions of the Commission taken by a vote of the Commissioners passed by a unanimous vote of all Commissioners until such time as the payment, as agreed to by the Commission and PennDOT, is made. Under Act 44, a unanimous vote is not required if it would prevent the Commission from complying with covenants with "current bondholders, debt holders or creditors". The Funding Agreement does not refer to "current bondholders, debt holders or creditors," but provides that a unanimous vote is not required if it would prevent the Commission from complying with covenants with "bondholders, debt holders or creditors having such status as of the Effective Date" which under the Funding Agreement is defined as October 14, 2007.

There can be no assurance that PennDOT will not seek remedies in addition to the requirement of unanimous voting by the Commissioners. As a result of the Commission's receipt of the August 16th Letter, the Commission has not yet determined whether it will provide the legal analysis requested by PennDOT in the August 4th Letter. On August 31, 2010, the Commission sent PennDOT a response letter in which it disputed the claims made in the August 16th letter and invoked the informal dispute resolution process. It is anticipated that there will be further communications between the parties concerning these matters. The resolution of these matters and the timing of such resolution is uncertain. Furthermore, legislation has been proposed and may be introduced to amend Act 44 to require that the Commission make payments in excess of $450,000,000 to PennDOT for one or more years. See APPENDIX A – "THE PENNSYLVANIA TURNPIKE COMMISSION – The Pennsylvania Turnpike – Act 44 and – Recent Developments and Future Legislation" for more detail.

Traffic and Revenue Study

Attached hereto as APPENDIX F is the Pennsylvania Turnpike 2009 Traffic and Revenue Update Study prepared by Wilbur Smith Associates dated January 6, 2009, together with a "Bring Down" letter from Wilbur Smith Associated dated March 30, 2010 (together, the "***Traffic Study***"). The Traffic Study, which should be reviewed in its entirety, updates the study conducted by Wilbur Smith Associates in May 2004, which was prepared in anticipation of the then last toll increase, which took effect on August 1, 2004. The "Bring Down" letter incorporates events that have occurred since the Pennsylvania Turnpike 2009 Traffic and Revenue Update Study, including toll rate increases of 25% in January 2009 and 3% in January 2010 and the continuing effects of the current economic downturn. With respect to the fifteen-month period from December 2008 through February 2010 forecasted in the January 2009 study, actual traffic experience outperformed estimates by 2.0% and actual toll revenue experience underperformed estimates by 0.6%. As set forth in the Traffic Study, total adjusted gross toll revenue is estimated to increase from $598.9 million in Fiscal Year 2007-08 to $2.6 billion by Fiscal Year 2034-35, representing 5.5% annualized growth. Total estimated toll revenue is about one percent lower than the estimate developed as part of the Pennsylvania

Turnpike 2009 Traffic and Revenue Update Study. Annual toll rate adjustments of three percent were assumed to be implemented on, or about, January 1 of each year. However, as noted in the Traffic Study, because current traffic and revenue trends reflect the negative effects of the current economic downturn, the traffic forecasts made in the Traffic Study assume continued negative growth through the end of Fiscal Year 2009-10 and slightly positive growth through the end of Fiscal Year 2010-11, with the resumption of more "normal" growth patterns thereafter in the longer term forecasts. See "CERTAIN RISK FACTORS" and APPENDIX F – "TRAFFIC AND REVENUE STUDY." Despite the current low to negative growth forecasts, the Commission believes that it will have sufficient revenue to meet the debt and operational obligations of the Commission in future years.

Act 44 Financial Plan

In accordance with Act 44, the Commission is required to provide a financial plan (the "***Financial Plan***") to the Secretary of the Budget of the Commonwealth no later than June 1 of each year. The Financial Plan must describe the Commission's proposed operating and capital expenditures, borrowings, liquidity and other financial management covenants and policies, estimated toll rates and all other revenues and expenditures for the ensuing Fiscal Year. The Financial Plan must also show that the operation of the System can reasonably be anticipated to result in the Commission's ability to meet its payment obligations to PennDOT pursuant to the Funding Agreement and Act 44. It does not, however, address the funding needs for the Mon/Fayette or Southern Beltway projects (see "CAPITAL IMPROVEMENTS – Mon/Fayette Expressway and Southern Beltway" in APPENDIX A hereto).

The Commission's Financial Plan for Fiscal Year 2011 indicates that in Fiscal Year 2010 it was able to meet all of its financial covenants and Act 44 obligations and was able to progress with its capital plan. Given the unprecedented economic environment, which is expected to continue to negatively impact both traffic and revenue, added snow removal costs associated with severe snow storms during the winter of 2010, and additional contributions required by the State Employee Retirement System, the Commission plans to continue the cost containment and efficiency measures it implemented within the past few years. These measures, together with future toll increases, are expected to allow the Commission to meet its financial covenants, Act 44 obligations, and capital needs during Fiscal Year 2011.

The Financial Plan concludes that the Commission will continue to meet all of its indenture covenants and all of its other obligations through the 2057 Fiscal Year. However, as a forward-looking report, the Financial Plan makes certain assumptions, including future toll increases, to reach its conclusion that the financial covenants, Act 44 obligations and capital needs will be met beyond Fiscal Year 2011. Key among these assumptions is the Commission's ability to raise all tolls throughout the System. The Financial Plan reflects the full year effects of the 3% toll increase implemented in January 2010 and the partial year impacts of a planned toll increase of at least 3% in January 2011. The Financial Plan does not assume any tolling of I-80 and assumes a reduced level of funding obligations required by Act 44. No assurances can be made by the Commission with respect to the assumptions made or conclusions reached in the Financial Plan. A complete copy of the Financial Plan can be obtained by contacting the Commission. See APPENDIX A – "THE PENNSYLVANIA TURNPIKE COMMISSION – The Pennsylvania Turnpike – Act 44" for more detail.

PLAN OF FINANCING

The 2010B Bonds are being issued to provide funds to finance the costs of (i) various capital expenditures set forth in the Commission's current ten year capital plan, including but not limited to, the reconstruction of roadbed and roadway, the widening, replacing, and redecking of certain bridges and/or the rehabilitation of certain interchanges; (ii) capitalized interest on the 2010B Bonds, (iii) deposits to necessary reserves to the extent required, and (iv) paying the costs of issuing the 2010 Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	
Bond Proceeds:	
Par Amount	$600,000,000.00
TOTAL SOURCES	$600,000,000.00
Uses:	
Fund Deposits:	
Project Fund	$538,660,782.50
Debt Service Reserve Fund	33,199,067.50
Capitalized Interest Fund	24,000,000.00
Cost of Issuance[1]	4,140,150.00
TOTAL USES	$600,000,000.00

[1] Includes underwriters' discount, fees and expenses of co-bond counsel and co-underwriters' counsel, rating agency fees, printing expenses, fees and expenses of financial advisors, trustee fees, and other similar costs and expenses.

SECURITY FOR THE 2010B BONDS

Security

The 2010B Bonds are limited obligations of the Commission. They are secured, along with the other outstanding Bonds and certain other Parity Obligations, under the Indenture by the pledge by the Commission to the Trustee of: (1) all Revenues (which includes all Tolls); (2) all monies deposited into accounts or funds, other than the Rebate Fund, created by the Indenture; (3) any insurance proceeds required to be deposited under the Indenture; (4) all payments received by the Commission pursuant to Parity Swap Agreements; and (5) all investment earnings on all monies held in accounts and funds, other than the Rebate Fund, established by the Indenture (all five of these items being collectively referred to as the "Trust Estate"). OIL FRANCHISE TAX REVENUES AND REGISTRATION FEE REVENUES, AS WELL AS OTHER SOURCES OF THE COMMISSION'S REVENUES NOT DERIVED FROM TOLL REVENUE, INCLUDING CONCESSION REVENUE, ARE EXCLUDED FROM THE TRUST ESTATE. THE TRUST ESTATE ALSO EXCLUDES ALL MONIES HELD IN THE REBATE FUND. ANY ADDITIONAL BONDS AND PARITY OBLIGATIONS ISSUED PURSUANT

TO THE INDENTURE (OTHER THAN SUBORDINATE INDEBTEDNESS) WILL BE EQUALLY AND RATABLY SECURED UNDER THE INDENTURE.

THE 2010B BONDS ARE LIMITED OBLIGATIONS OF THE COMMISSION AND SHALL NOT BE DEEMED TO BE A DEBT OF THE COMMONWEALTH OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH. THE COMMONWEALTH IS NOT OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION WHATSOEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THE PAYMENT OF ANY OF THE 2010B BONDS. THE COMMISSION HAS NO TAXING POWER.

Payments of the principal of and the interest on the Bonds, including the 2010B Bonds and any Additional Bonds and payments on certain other Parity Obligations, are secured, *pro rata* and without preference or priority of one Bond or Parity Obligation over another, by a valid pledge of the Trust Estate and by the Indenture.

The Indenture further provides that the Commission may not issue Additional Bonds or incur other Parity Obligations except upon satisfaction of various requirements as expressly provided in the Indenture. See "SECURITY FOR THE 2010B BONDS - Additional Bonds Test" and APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

Rate Covenant

The Commission has covenanted in the Indenture that it will at all times establish and maintain schedules of Tolls for traffic over the System so that the Net Revenues of the System in each Fiscal Year will at all times be at least sufficient to provide funds in an amount not less than: (1) the greater of (i) 130% of the Annual Debt Service for such Fiscal Year on account of all Applicable Long-Term Indebtedness then outstanding under the provisions of the Indenture; or (ii) 100% of the Maximum Annual Debt Service on all Applicable Long-Term Indebtedness, plus (a) the amount of required transfers from the Revenue Fund to the credit of the Reserve Maintenance Fund pursuant to the Annual Capital Budget, and (b) an amount sufficient to restore any deficiency in the Debt Service Reserve Fund, if applicable, within an 18 month period; plus (2) the amount of any Short-Term Indebtedness outstanding under the Indenture for more than 365 consecutive days. In addition, the amount of Net Revenues in excess of the sum of the amounts set forth in clauses (1) and (2) above, together with Other Revenues pledged to the payment of Subordinated Indebtedness, shall be sufficient to pay the Annual Debt Service for any Subordinated Indebtedness (such covenant is referred to as the "**Rate Covenant**"). See also "SECURITY FOR THE 2010B BONDS - General Reserve Fund" below for discussion of the rate covenant applicable to Subordinate Bonds under the Subordinate Trust Indenture, dated as of April 1, 2008, between the Commission and TD Bank, National Association, as successor trustee, as heretofore amended and supplemented (the "Subordinate Indenture").

The Commission's failure to meet the Rate Covenant shall not constitute an Event of Default under the Indenture if: (i) no Event of Default occurred in debt service payments as a result of such failure; and (ii) the Commission promptly after determining that the Rate Covenant was not met retains a Consultant to make written recommendations as to appropriate revisions to the schedules of Tolls necessary or appropriate to meet the Rate Covenant and advises the Trustee in writing of such retention. Anything in the Indenture to the contrary notwithstanding, if the Commission shall comply with the recommendations of the Consultant in respect of Tolls, it will not constitute an Event of Default under the provisions of the Indenture if the Commission fails to meet the Rate Covenant during the succeeding Fiscal Year as long as no Event of Default has occurred in debt service payments. If the Commission does not comply with the recommendations of the Consultant in respect of Tolls, the Trustee may, and upon the request of the holders of not less than 25% in principal amount of the Bonds then outstanding and upon being indemnified to its satisfaction shall, institute and prosecute in a court of competent jurisdiction any appropriate action to compel the Commission to revise the schedules of Tolls. The Commission covenants that it will adopt and charge Tolls in compliance with any final order or decree entered in any such proceeding.

In the event that the Consultant shall fail to file with the Commission such recommendations in writing within sixty (60) days after such retention, the Trustee may designate and appoint a different Consultant to make recommendations as to an adjustment of the schedules of Tolls, which recommendations shall be reported in writing to the Commission and to the Trustee within sixty (60) days after such retention. Such written report shall for all purposes be considered to be the equivalent of and substitute for the recommendations of the Consultant retained by the Commission.

In preparing its recommendations, the Consultant may rely upon written estimates of Revenues prepared by the other Consultants of the Commission. Copies of such written estimates signed by such Consultants shall be attached to such recommendations. The Commission covenants that promptly after receipt of such recommendations and the adoption of any revised schedules of Tolls, certified copies thereof will be filed with the Trustee. The ability of the Commission to collect Tolls in an amount sufficient to comply with the Rate Covenant could be adversely affected by many factors, some of which are beyond the Commission's control.

The Commission has agreed that Tolls will be classified in a reasonable way to cover all traffic, so that the Tolls may be uniform in application to all traffic falling within any reasonable class regardless of the status or character of any person, firm or corporation participating in the traffic; provided, however, that the foregoing shall not be interpreted to restrict the Commission's right, in its discretion in connection with its management of the System, to establish and maintain flexible Toll schedules including, but not limited to, provisions for utilizing or otherwise taking into account, peak and nonpeak pricing, introductory pricing, weight, method of payment, frequency, carpooling, electronic Tolls or other new Toll collection technologies, traffic management systems, and similar classifications. The Commission has agreed that it shall not grant free passage or reduced Tolls within a class, except in the limited manner permitted by the Indenture, which includes, among others, for operational or safety reasons including, but not limited to, reasons arising out of a work stoppage, work slowdown or work action, and for use by the Army, Air Force, Navy, Coast Guard, Marine Corps or National Guard or any branch thereof in time of war or other emergency. Any reduced Toll or grant of free passage shall be reviewed by the Commission with a Consultant before implementing the same unless the same is temporary (e.g. having a duration of less than one year).

In the event the Commission did not meet the Rate Covenant for the preceding Fiscal Year, any classification resulting in a reduced Toll or new classification shall be subject to a Consultant approving the same before it is implemented unless the circumstances require immediate implementation, in which event the Commission shall obtain such approval promptly following implementation. In all events, the Commission shall not make a change in classification or any new classification or reduce Tolls or grant any free passage which would cause the Commission to fail to meet the Rate Covenant.

The Commission's covenant as to uniformity of Tolls shall not be construed as requiring that Tolls for any given class of traffic be identical in amount throughout the entire System for trips of approximately identical lengths. The Commission may fix and place in effect schedules of Tolls for any given class of traffic wherein the Tolls charged for travel on a given section of the System shall be different from the Tolls charged on another section of the System notwithstanding the fact that both of said sections may be of identical or approximately identical length.

Revenue Fund

All Revenues will be deposited daily, as far as practicable, with the Trustee or in the name of the Trustee with a Depositary or Depositaries designated by the Commission and approved by the Trustee, to the credit of the Revenue Fund. The monies in the Revenue Fund are to be held by the Trustee in trust and applied in accordance with the Indenture.

Except as otherwise provided in the Indenture, transfers from the Revenue Fund shall be made to the following funds and in the following order of priority:

Rebate Fund;

Operating Account;

Debt Service Fund;

Reserve Maintenance Fund;

Debt Service Reserve Fund, if applicable; and

General Reserve Fund.

Operating Account

The Commission shall establish an account known as the Operating Account which shall be held by the Commission in the name of the Commission outside of the Indenture until applied as set forth in the Indenture. The Trustee shall transfer from the Revenue Fund on or before the last Business Day of each month to the credit of the Operating Account an amount equal to (a) the amount shown by the Annual Operating Budget to be necessary to pay Current Expenses for the ensuing month and (b) an amount certified by a Commission Official as being reasonably necessary to pay Current Expenses which are expected for such month, after taking into account the amount on deposit in the Operating Account (including the amount described in clause (a) above).

Debt Service Fund

After first having made the foregoing specified deposits to the Operating Account, the Trustee is required to withdraw from the Revenue Fund and deposit to the applicable Account in the Debt Service Fund held by the Trustee under the Indenture, the amounts hereinafter specified which shall be applied by the Trustee for the purposes for which the same shall be deposited:

(1) On or before the last Business Day preceding an Interest Payment Date, an amount which equals the interest due on such Interest Payment Date; provided, however, that in the case of any fixed rate bonds (including the 2010B Bonds), term mode bonds and multi-modal fixed mode bonds (collectively, "Fixed Rate Bonds"), the withdrawal from the Revenue Fund and deposit to the Debt Service Fund shall be made on or before the first Business Day of each calendar month in an amount which equals the amount necessary to pay, and for the purpose of paying, one-sixth (1/6) of the interest due on any Fixed Rate Bonds issued under the Indenture on the next succeeding Interest Payment Date including any amount due to the Bond Insurer in respect thereto (or, in the case of the period from the date of issuance of such Fixed Rate Bonds to the first Interest Payment Date for the applicable Fixed Rate Bonds, a monthly amount equal to the interest amount owed on such first Interest Payment Date divided by the number of months from the date of issuance of such Fixed Rate Bond to such first Interest Payment Date) plus any accumulated unfunded balance relating to prior months' deposit requirements;

(2) On or before the last Business Day preceding a principal payment date, an amount which equals the principal amount of the Bonds or Parity Obligations maturing on such principal payment date; provided, however, that in the case of any Fixed Rate Bonds, the withdrawal from the Revenue Fund and deposit to the Debt Service Fund shall be made on or before the first Business Day of each calendar month in an amount which equals the amount necessary to pay, and for the purpose of paying one-twelfth (1/12) of the amount necessary to pay and for the purpose of paying the principal amount of any Fixed Rate Bonds issued under the Indenture maturing (including mandatory sinking fund installments) on the next succeeding principal payment date (or, in the case of the period from the date of issuance of such Fixed Rate Bonds to the first date on which principal is due on such Fixed Rate Bonds, a monthly amount equal to the principal amount owed on such first principal maturity date divided by the number of months from the date of issuance of such Fixed Rate Bond to such first principal maturity date) plus any accumulated unfunded balance relating to prior months' deposit requirements; and

(3) On the dates specified in any Supplemental Indenture relating to Additional Bonds or Parity Obligations, the amounts required to be deposited on said dates to the credit of the Interest Account or Principal Account pursuant to

the provisions of such Supplemental Indenture for the purpose of paying the interest on and the principal of such Additional Bonds.

The 2010B Bonds are Fixed Rate Bonds.

The Trustee is required to pay out of the Interest Account, from time to time, without further authorization from the Commission, and as the same shall become due and payable, the interest upon the Bonds, except to the extent payable from funds and accounts other than the Debt Service Fund, if applicable, as provided in any Supplemental Indenture. The Trustee is required likewise to pay out of the Principal Account, from time to time, without further authorization from the Commission, as the same shall become due and payable, the principal of the Bonds, except to the extent payable from funds and accounts other than the Debt Service Fund, if applicable, as provided in any Supplemental Indenture.

The Commission has directed the Trustee to pay and deposit from Revenues into the applicable account of the Debt Service Fund such amounts as are necessary to pay interest and principal on the 2010B Bonds on each Interest Payment Date and on each date on which principal payments are due.

If at the time the Trustee is required to make a withdrawal from the Debt Service Fund and the monies therein shall not be sufficient for the purposes set forth above, the Trustee shall withdraw the amount of such deficiency from the monies on deposit in the following funds or accounts and transfer the same to the Debt Service Fund in the following order: the Debt Service Reserve Fund, if applicable, the General Reserve Fund, and the Reserve Maintenance Fund.

Reserve Maintenance Fund

In each Fiscal Year, after first having made the deposits requested by the Indenture as set forth above, the Trustee shall transfer from the Revenue Fund on or before the last Business Day of each month to the credit of the Reserve Maintenance Fund the amount shown in the Annual Capital Budget for the ensuing month.

Except as otherwise provided in the Indenture, or except in case of an emergency, as characterized in a certificate signed by a Commission Official stating that the monies to the credit of the Operating Account are insufficient to meet such emergency, monies in the Reserve Maintenance Fund shall be disbursed to pay current capital expenditures shown in the Annual Capital Budget for the System, plus the cost of unusual or extraordinary maintenance (as determined solely by the Commission) and shall be disbursed only for such purposes, except to the extent hereinafter provided. Such purposes shall include, but not be limited to, paying the cost of constructing, improving and reconstructing improvements and betterments to all parts of the System now or hereafter open to vehicular traffic, including, without limitation, additional lanes, tunnels, interchanges, toll plazas, bridges and connecting roads, transit interface facilities and any other improvements deemed necessary or desirable by the Commission.

Payments from the Reserve Maintenance Fund, except the transfers which the Trustee is authorized to make, shall be made pursuant to a requisition process which follows the process described in the Indenture for payments from the Construction Fund.

The Trustee shall transfer any monies from the Reserve Maintenance Fund to the credit of the General Reserve Fund from time to time upon the receipt of a certificate of a Commission Official certifying that the amount so to be transferred is not required for the purposes for which the Reserve Maintenance Fund has been created.

Debt Service Reserve Fund

A Debt Service Reserve Fund has been established under the Indenture to provide additional security for Debt Service Reserve Fund Bonds. The 2010B Bonds are Debt Service Reserve Fund Bonds.

The Indenture requires that the balance in the Debt Service Reserve Fund be maintained at the Debt Service Reserve Requirement, which is an amount equal to the Maximum Annual Debt Service on account of all the Debt Service Reserve Fund Bonds. Debt Service Reserve Fund Bonds include Long-Term Indebtedness specified by the Commission in the Indenture as being secured by the Debt Service Reserve Fund. See APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE - THE INDENTURE - Debt Service Reserve Fund" for information with respect to the Debt Service Reserve Fund under the Indenture.

General Reserve Fund

After first having made the above specified deposits to the Operating Account, the Debt Service Fund, the Reserve Maintenance Fund and the Debt Service Reserve Fund, if applicable, and while any Bonds are outstanding, the Trustee is required to transfer from the Revenue Fund on or before the last Business Day of each Fiscal Year (or more frequently if requested by a Commission Official) to the credit of the General Reserve Fund any funds which a Commission Official determines to be in excess of the amount required to be reserved therein for future transfers to the Debt Service Fund. Monies in the General Reserve Fund may be expended by the Commission to restore deficiencies in any funds or accounts created under the Indenture, and absent any such deficiency, for any of the following purposes, with no one item having priority over any of the others:

(a) to purchase or redeem Bonds;

(b) to secure and pay the principal or redemption price of, and interest on, any Subordinated Indebtedness;

(c) to make payments into the Construction Fund;

(d) to fund improvements, extensions and replacements of the System; or

(e) to further any corporate purpose (including transfers to other indentures in connection with Subordinated Indebtedness and future Act 44 subordinated debt).

The Trustee has been directed to disburse from the General Reserve Fund, to the trustee under the Subordinate Indenture, funds sufficient to meet debt service requirements on the Subordinate Bonds. Under the Subordinate Indenture, the Commission has covenanted that it will at all times establish and maintain schedules of Tolls for traffic over the System so that the amount paid into the General Reserve Fund in each Fiscal Year, after deducting any liquidity reserve or other required holdback or deposit then in effect, will be at least sufficient to provide funds in an amount not less than: (i) 115% of the annual debt service on Subordinate Bonds (and obligations on parity with Subordinate Bonds); plus (ii) 100% of the annual debt service on bonds and parity obligations which are subordinate to the Subordinate Bonds which are secured by the Motor License Fund under Act 44; plus (iii) any amount required under the Subordinate Indenture to restore within eighteen months any deficiency in the debt service reserve fund held under the Subordinate Indenture. Failure to meet this covenant will not constitute an "Event of Default" under the Subordinate Indenture or the Indenture if the Commission has made payments of the principal of, redemption premium, if any, and interest on Subordinate Bonds and obligations on a parity thereunder when due, but will require the Commission to retain a consultant to advise with respect to schedules of Tolls in order to bring the Commission into compliance. The Trustee has never withdrawn funds from the General Reserve Fund to meet regularly scheduled debt service payments on Bonds outstanding under the Indenture nor has the General Reserve Fund been used to restore any shortfalls in any Debt Service Reserve Fund for any Bonds. See also "ADDITIONAL INDEBTEDNESS - Subordinate Bonds."

Additional Bonds Test

The Commission is permitted to issue Additional Bonds under the terms of the Indenture in the form of Short-Term Indebtedness, Long-Term Indebtedness, Subordinated Indebtedness and Approved Swap Agreements, provided that there is no default, that certain resolutions, opinions, supplemental indentures, certifications and moneys and securities, if necessary, are delivered to the Trustee and that the following conditions are met:

(a) with respect to Short-Term Indebtedness, (1) immediately after the incurrence of such Short-Term Indebtedness, the outstanding principal amount of all Short-Term Indebtedness issued pursuant to the Indenture may not exceed 30% of the Revenues for the most recent Fiscal Year for which audited financial statements are available; and (2) for a period of not fewer than seven consecutive days within each Fiscal Year, commencing with the Fiscal Year following the issuance of such Short-Term Indebtedness, the aggregate principal amount of all outstanding Short-Term Indebtedness is reduced to less than 5% of the Revenues for the immediately preceding Fiscal Year for which audited financial statements are available. Short-Term Indebtedness issued pursuant to the Indenture will be on a parity with other Additional Bonds;

(b) with respect to Long-Term Indebtedness, prior to or contemporaneously with the incurrence thereof (1) a certificate of a Commission Official certifying that the Historical Pro Forma Debt Service Coverage Ratio for the most recent Fiscal Year preceding the delivery of such certificate for which audited financial statements are available was not less than 1.75; or (2) a report of a Consultant to the effect that (i) the Net Revenues of the Commission during the preceding Fiscal Year were at least 130% of the Maximum Annual Debt Service on all Applicable Long-Term Indebtedness then Outstanding and on any Applicable Long-Term Indebtedness proposed to be issued (which report may assume any revisions of the Tolls which have been approved by the Commission after the beginning of such Fiscal Year were in effect for the entire Fiscal

Year) and (ii) the Projected Debt Service Coverage Ratio is not less than 1.30; or (3) if the Long-Term Indebtedness is being incurred solely for the purpose of refunding, repurchasing or refinancing (whether in advance or otherwise) any outstanding Long-Term Indebtedness, a certificate of a Commission Official certifying the Maximum Annual Debt Service on all Applicable Long-Term Indebtedness prior to the issuance of the proposed Long-Term Indebtedness is greater than the Maximum Annual Debt Service on all Applicable Long-Term Indebtedness after the issuance of such proposed Long-Term Indebtedness;

(c) with respect to Subordinated Indebtedness, there is no limit, provided that the Indebtedness is subordinate and junior in all respect to payment of all Bonds and other Parity Obligations incurred under the Indenture so that the same is payable as to principal and interest once all other payments have been made under the Indenture from amounts on deposit to the credit of the General Reserve Fund as long as prior to or contemporaneously with the incurrence thereof, there is delivered to the Trustee, among other things, a certificate of a Commission Official certifying that the Rate Covenant would have been met during the preceding Fiscal Year taking into account the Maximum Annual Debt Service on such Subordinated Indebtedness. Such Subordinated Indebtedness and the payment thereof may be secured by a lien and pledge (a) subordinate to that of the Bonds on the Revenues or (b) prior to, on a parity with or subordinate to, that of the Bonds on Other Revenues, in which event the Commission and the Trustee may establish such other accounts under the Indenture as they deem necessary or appropriate; and

(d) with respect to Approved Swap Agreements, no Approved Swap Agreement will be entered into unless prior to or contemporaneously with the incurrence thereof, there is delivered to the Trustee, among other things, a certificate of a Commission Official as described in (b)(1) above, or a report of a Consultant as described in (b)(2) above, which takes into account the expected payments by and to the Commission pursuant to such Approved Swap Agreement in calculating Annual Debt Service.

ADDITIONAL INDEBTEDNESS OF THE COMMISSION

Bonds and Other Parity Obligations

The Commission has previously issued Bonds and Notes under the terms of the Indenture that have an equal claim to the Trust Estate with the 2010B Bonds. There are currently $2,263,070,000 aggregate principal amount of such Bonds and Notes Outstanding. See APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

In addition to the Outstanding Bonds, the Commission has entered into various interest rate exchange agreements with an aggregate current notional amount of $1.88 billion that constitute Parity Swap Agreements under the Indenture. Under the terms of the Indenture, regularly scheduled amounts payable under Parity Swap Agreements, and in certain cases termination payments, are secured on a parity with the Bonds by the Trust Estate. See APPENDIX A – "THE PENNSYLVANIA TURNPIKE COMMISSION – The Pennsylvania

Turnpike – Financial Policies and Guidelines," and APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

Subordinate Bonds

Act 44 authorizes the Commission to issue bonds for the purpose of paying costs of PennDOT and bond-related expenses. Proceeds of such bonds may be applied toward the satisfaction of the Commission's annual payment obligations to PennDOT under the Funding Agreement. The Commission has $2,758,768,871 of Turnpike Subordinate Revenue Bonds (the "***Subordinate Bonds***") outstanding under the Subordinate Indenture under the authorization of Act 44 to be paid solely from monies released from the General Reserve Fund (such bonds are therefore subordinate to Bonds and other Parity Obligations under the Indenture).

Upon fulfillment of conditions set forth in the Subordinate Indenture, the Commission may issue additional Subordinate Bonds under the terms of the Subordinate Indenture. In addition to any Subordinate Bonds, the Commission is authorized under the terms of the Subordinate Indenture to enter into various interest rate exchange agreements that will constitute parity swap agreements under the Subordinate Indenture. Under the terms of the Subordinate Indenture, amounts payable under parity swap agreements, including termination payments, may be secured on a parity with the Subordinate Bonds. The Commission has not entered into any parity swap agreements under the Subordinate Indenture.

There is no statutory limit on the amount of Subordinate Bonds that may be issued by the Commission. To date, the Commission has issued Subordinate Bonds under the Subordinate Indenture, but has not issued any Subordinated Indebtedness under the Indenture. The Commission has no plans to issue any Subordinated Indebtedness under the Indenture.

Under Act 44, the Commission may also issue up to $5 billion of Special Revenue Bonds (the "***Special Revenue Bonds***") which are subordinate to Parity Obligations issued under the Indenture and to the Subordinate Bonds issued under the Subordinate Indenture. The Special Revenue Bonds authorized by Act 44 are subject to various limitations, including, among others, the following: the aggregate amount of such Special Revenue Bonds is limited to $5 billion; no more than $600,000,000 of Special Revenue Bonds may be issued in any calendar year; debt service on the Special Revenue Bonds shall be payable from any available funds of the Commission but are additionally secured by a pledge of amounts in the Motor License Fund created under Act 44 required to pay any debt service shortfall; all such debt service payments are subordinate obligations of the Commission payable solely from certain money in, or periodically released from, the General Reserve Fund after meeting all other Commission requirements pursuant to any financial documents, financial covenants, insurance policies, liquidity policies or agreements in effect at the Commission; and the proceeds from the issuance of the Special Revenue Bonds may only be used for roads and bridges. The Commission issued $187,816,151 of Special Revenue Bonds on July 28, 2010, and may issue additional Special Revenue Bonds in the future. See APPENDIX A – "THE PENNSYLVANIA TURNPIKE COMMISSION – The Pennsylvania Turnpike – Act 44", for a description of the Subordinate Bonds and Special Revenue Bonds which the Commission is authorized to issue under Act 44.

Other Bonds Issued by Commission - No Claim on Trust Estate

The Commission has also issued Oil Franchise Tax Revenue Bonds that are currently outstanding in the aggregate principal amount of $814,041,246 and Registration Fee Revenue Bonds that are currently outstanding in the aggregate principal amount of $436,140,000. The Commission has entered into various interest rate exchange agreements (swaps) with respect to certain of the Oil Franchise Tax Revenue Bonds and Registration Fee Revenue Bonds, respectively. Neither the Oil Franchise Tax Revenue Bonds nor the Registration Fee Revenue Bonds are secured by or have any interest in the Trust Estate. Furthermore, neither the Oil Franchise Tax Revenues nor the Registration Fee Revenues are pledged to secure the 2010B Bonds.

Upcoming Turnpike Financings

The Commission is planning to issue Subordinate Bonds and/or Special Revenue Bonds under the Subordinate Indenture in the fall of 2010 to make additional required payments to PennDOT under the Funding Agreement. See also APPENDIX A – "THE PENNSYLVANIA TURNPIKE – Revenue Sources of the Commission – Future Financing Considerations."

CERTAIN RISK FACTORS

There are various factors which could adversely affect the sufficiency of the Trust Estate and which, if present, may result in an inability to meet the debt service requirements on the 2010B Bonds. The following is intended only as a summary of certain risk factors attendant to an investment in the 2010B Bonds and is not intended to be exhaustive. In order to identify risk factors and make informed investment decisions, potential investors should be thoroughly familiar with the entire Official Statement (including each Appendix), and the Bond Documents in order to make a judgment as to whether the 2010B Bonds are an appropriate investment.

Certain Matters Relating to Enforceability of Obligations. The remedies available to an Owner upon an Event of Default under the Indenture are in many respects dependent upon judicial action which is subject to discretion or delay. Under existing law and judicial decisions, including specifically the United States Bankruptcy Code, the remedies specified in the Indenture may not be readily available or may be limited.

The various legal opinions to be delivered concurrently with the original delivery of the 2010B Bonds will be qualified as to enforceability of the various legal instruments by, among other things, limitations imposed by bankruptcy, reorganization, insolvency or other similar laws or legal or equitable principles affecting creditors' rights.

Legislative Action. State legislation is introduced from time to time which, if adopted, may affect the Commission and/or the System. The Commission cannot predict whether or not these bills will be enacted into law or how such legislation may affect the Commission and its ability to pay debt service on the 2010B Bonds.

Decline in Toll Revenues. The information provided with respect to toll revenues collected by the Commission is based on historical data. The amount of future toll revenues to be collected by the Commission depends upon a number of factors, some of which are not in the control of the Commission. Some of these factors include a decline in traffic on the System due to general economic conditions, diversion of traffic to alternative non-toll routes, increased fuel costs, availability of alternate forms of travel and shipping, and government regulations, such as Clean Air Act requirements, increased mileage standards or higher fuel taxes, which could significantly restrict motor vehicle use. The Commission is obligated to set tolls at a level that will generate revenues sufficient to pay all of its obligations, however, there is no certainty that the traffic on the System will continue to generate such revenues.

Adverse Changes to Third Party Financial Institutions. Adverse changes in the financial condition of certain third-party financial institutions may adversely affect the Commission's financial position. Different types of investment and contractual arrangements may create exposure for the Commission to such institutions including: (i) risk to the Commission's investment portfolio due to defaults or changes in market valuation of the debt securities of such institutions; (ii) counterparty risk related to swaps used by the Commission to hedge its cost of funds; and (iii) risk of rating changes of the Commission's credit enhancers or liquidity providers which may adversely affect the interest costs on the Commission's variable rate debt or render such variable rate debt unmarketable.

Other Factors. Additional factors which may affect the financial condition of the Commission and the future operation of the System include the following:

- Increased and/or unanticipated costs of operating the System;
- Work stoppage, slowdown or action by unionized employees;
- More and expanded mass transit systems;
- Complete or partial destruction or temporary closure of the System for extended periods of time; and
- Increased pension costs, unfunded healthcare and other non-pension post-employment benefits.

AUDITED FINANCIAL STATEMENTS

The financial statements of the Commission for the years ended May 31, 2009 and May 31, 2008 are set forth in APPENDIX B – "AUDITED FINANCIAL STATEMENTS: 2009 AND 2008" and are certified by Ernst & Young, in its capacity as Independent Auditor, as described therein. The Commission has not asked Ernst & Young to perform any additional review in connection with this Official Statement.

CONTINUING DISCLOSURE

The Commission will enter into a Continuing Disclosure Undertaking for the benefit of the Registered Owners from time to time of the 2010B Bonds (the "Disclosure Undertaking") pursuant to United States Securities and Exchange Commission ("SEC") Rule 15c2-12.

Pursuant to the Disclosure Undertaking, the Commission will provide to the appropriate national repository (currently, EMMA, as hereinafter defined) within 180 days of the end of each fiscal year of the Commission commencing with the fiscal year ending May 31, 2010, annual financial information, consisting of financial and operating data of the type set forth in this Official Statement in Tables I, II and III of APPENDIX A – "THE PENNSYLVANIA TURNPIKE COMMISSION" and in APPENDIX B – "AUDITED FINANCIAL STATEMENTS: 2009 AND 2008" as well as a summary of any material legislative or regulatory developments affecting Act 44. In the event that audited financial statements are not available within 180 days of the close of the applicable fiscal year, the Annual Financial Information will contain unaudited financial statements and the audited financial statements will be provided for filing when available.

The Disclosure Undertaking will also provide that the Commission will file in a timely manner, with the Municipal Securities Rulemaking Board (the "MSRB") as set forth below, notice of the occurrence of any of the following events with respect to the 2010B Bonds, if material: (i) principal and interest payment delinquencies; (ii) non-payment related defaults; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or banks, or their failure to perform; (vi) adverse tax opinions or events affecting the tax-exempt status of the 2010B Bonds; (vii) modifications to rights of holders of the 2010B Bonds; (viii) 2010B Bond calls; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the 2010B Bonds; and (xi) rating changes. The foregoing events are quoted from Rule 15c2-12.

The SEC requires the listing of (i) through (xi) in the preceding paragraph, although some of such events may not be applicable to the 2010B Bonds.

The Commission shall file in a timely manner with the MSRB's Electronic Municipal Market Access System ("EMMA"), accessible at http://emma.msrb.org, which is currently the only national repository.

The Commission may amend the Disclosure Undertaking and waive any of the provisions thereof, but no such amendment or waiver shall be executed and effective unless (i) the amendment or waiver is made in connection with a change in legal requirements, change in law or change in the identity, nature or status of the Commission or the governmental operations conducted by the Commission; (ii) the Disclosure Undertaking, as modified by the amendment or waiver, would have been the written undertaking contemplated by Rule 15c2-12 at the time of original issuance of the 2010B Bonds, taking into account any amendments or interpretations of Rule 15c2-12; and (iii) the amendment or waiver does not materially impair the interests of the Registered Owners of the 2010B Bonds. Evidence of compliance with the foregoing conditions shall be satisfied by delivery to the Commission of an opinion of counsel having recognized skill and experience in the issuance of municipal securities and federal securities law to the effect that the amendment or waiver satisfies the conditions set forth in the preceding sentence. Notice of any amendment or waiver shall be filed by the Commission with each Repository (currently only EMMA) and shall be sent to the Registered Owners of the 2010B Bonds.

The Disclosure Undertaking will recite that it is entered into for the benefit of the Registered Owners from time to time of the 2010B Bonds. For the purposes of the Disclosure

Undertaking, for so long as the 2010B Bonds are registered in the name of DTC or its nominee, "Registered Owner" shall mean and include the holder of a book-entry credit evidencing an interest in the 2010B Bonds. Holders of book-entry credits may file their names and addresses with the Commission for the purposes of receiving notices or giving direction under the Disclosure Undertaking.

A default under the Disclosure Undertaking shall not be deemed to be a default under the 2010B Bonds or the Indenture, and the sole remedy to enforce the provisions of the Disclosure Undertaking shall be the right of any Registered Owner, by mandamus, suit, action or proceeding at law or in equity, to compel the Commission to perform the provisions and covenants contained in the Disclosure Undertaking.

The Disclosure Undertaking will terminate (1) upon payment or provision for payment in full of the 2010B Bonds, (2) upon repeal or rescission of Section (b)(5) of Rule 15c2-12, or (3) upon a final determination that Section (b)(5) of Rule 15c2-12 is invalid or unenforceable. A copy of the Disclosure Undertaking is on file at the principal office of the Commission.

The Commission has complied with all of its continuing disclosure requirements pursuant to Rule 15c2-12 with respect to its other series of bonds.

RELATIONSHIPS OF CERTAIN PARTIES

Cozen & O'Connor, Co-Bond Counsel, and The Law Offices of Denise Joy Smyler, Co-Bond Counsel and Stevens & Lee, P.C., Co-Underwriters Counsel, provide legal services to the Commission in various matters from time to time. Financial S&Lutions LLC, a wholly owned affiliate of Stevens & Lee, has provided swap advisory services to the Commission from time to time.

UNDERWRITING

The 2010B Bonds are being purchased by the Underwriters listed on the cover page (the "***Underwriters***") for whom Merrill Lynch, Pierce, Fenner & Smith Incorporated is acting as the Representative. Wells Fargo Securities is the trade name for certain capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, N.A. The Underwriters have agreed to purchase the 2010B Bonds at an underwriting discount of $3,384,000.00.

The Underwriters will be obligated to purchase all of the 2010B Bonds if any of such 2010B Bonds are purchased. The 2010B Bonds may be offered and sold to certain dealers (including the Underwriters and other dealers depositing such 2010B Bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters. The Commission has agreed to be liable to the Underwriters to the extent of all losses, claims, damages and liabilities arising out of incorrect statements or information contained in this Official Statement or material omissions therein, except for information furnished by the Underwriters, and with respect to certain other matters.

RATINGS

Moody's Investors Service ("Moody's"), Standard & Poor's Rating Group ("S&P"), and Fitch Ratings ("Fitch") have assigned their municipal bond ratings of "Aa3", "A+", and "A+", respectively, in each case based on the long-term underlying municipal bond rating of the Commission for the 2010B Bonds.

An explanation of the significance of each of such ratings may be obtained from the rating agency furnishing the same at the following addresses: Moody's, 99 Church Street, New York, NY 10007, S&P, 25 Broadway, New York, NY 10004 and Fitch, One State Street Plaza, New York, NY 10004. A rating is not a recommendation to buy, sell or hold securities. There is no assurance that such ratings will continue for any given period of time or that they may not be lowered or withdrawn entirely by the rating agencies, or any of them, if, in their or its judgment, circumstances so warrant. Any such downward change in or withdrawal of such ratings, or any of them, may have an adverse effect on the market price of the 2010B Bonds.

The Commission has not assumed any responsibility to maintain any rating on the 2010B Bonds.

LITIGATION

There is no controversy or litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the 2010B Bonds, or in any way contesting or affecting the validity of the 2010B Bonds or any proceedings of the Commission taken with respect to the offer or sale thereof, or the pledge or application of any monies or security provided for the payment of the 2010B Bonds, the existence or powers of the Commission or the construction of the Commission's capital improvement program.

The Commission is covered by Act No. 152 approved September 28, 1978 which provides for a limited waiver of sovereign immunity by the Commonwealth. Damages for any loss are limited to $250,000 for each person or $1,000,000 in the aggregate.

There are currently approximately 89 open claims for personal injury and/or property damage pending against the Commission, none of which individually or in the aggregate are deemed to expose the Commission to a material risk of loss.

LEGAL MATTERS

Certain legal matters incident to the issuance of the 2010B Bonds and with regard to the tax status of the interest thereon will be passed upon by Cozen & O'Connor and The Law Office of Denise Joy Smyler, Co-Bond Counsel. A copy of the form of opinion of Co-Bond Counsel which will be delivered with the 2010B Bonds is set forth in APPENDIX D – "PROPOSED FORM OF BOND COUNSEL OPINION." Certain legal matters will be passed upon for the Underwriters by their Co-Counsel, Fineman Krekstein & Harris, P.C. and Stevens & Lee, PC, and for the Commission by its Chief Counsel, Doreen A. McCall, Esquire.

The various legal opinions to be delivered concurrently with the delivery of the 2010B Bonds express the professional judgment of the attorneys rendering the opinion as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or the future performance of the parties to the transaction. In addition, the rendering of an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

FINANCIAL ADVISORS

The Commission has retained Phoenix Capital Partners, LLP, Philadelphia, Pennsylvania, and NW Financial Group, LLC, Jersey City, New Jersey, as Co-Financial Advisors with respect to the authorization and issuance of the 2010B Bonds. The Financial Advisors are not obligated to undertake or assume responsibility for, nor have they undertaken or assumed responsibility for, an independent verification of the accuracy, completeness or fairness of the information contained in this Official Statement. Phoenix Capital Partners, LLP is an independent advisory firm and is not engaged in the business of underwriting, holding or distributing municipal or other public securities.

TRUSTEE

U.S. Bank National Association, Philadelphia, Pennsylvania, will serve as the Trustee and Authenticating Agent under the Indenture for the 2010B Bonds. The obligations and duties of the Trustee are as described in the Indenture. The Trustee has not evaluated the risks, benefits or propriety of any investment in the 2010B Bonds, and makes no representation, and has reached no conclusions, regarding the validity of the 2010B Bonds, the security therefor, the adequacy of the provisions for payment thereof or the tax status of the interest on the 2010B Bonds. The Trustee has relied upon the opinion of Co-Bond Counsel for the validity and tax status of the interest on the 2010B Bonds as well as other matters set out in that opinion. Furthermore, the Trustee has no oversight responsibility, and is not accountable, for the use or application by the Commission of any of the 2010B Bonds authenticated or delivered pursuant to the Indenture or for the use or application of the proceeds of such 2010B Bonds by the Commission.

Under the terms of the Indenture, the Trustee shall not be responsible for any loss or damage resulting from any action or inaction taken in good faith in reliance upon an opinion of counsel and the Trustee is liable only for those damages caused by its gross negligence or willful misconduct. Under the Indenture, the Trustee is not required to take notice, and is not deemed to have notice, of any default under the Indenture (except for defaults in payment by the Commission), unless the Trustee has been specifically notified in writing of such default by the owners of at least 25% in aggregate principal amount of the Outstanding Bonds. All notices or other instruments required by the Indenture to be delivered to the Trustee must be delivered at the corporate trust office of the Trustee. In the absence of any such notice, the Trustee may conclusively assume no Event of Default (as defined in the Indenture) exists, except as expressly stated in the Indenture. The summary of the Trustee's rights, duties, obligations and immunities is not intended to be a complete summary and reference must be made to the Indenture for a complete statement of the Trustee's rights, duties, obligations and immunities.

TAX MATTERS

Federal Tax Matters – 2010B Bonds

Interest on the 2010B Bonds is includable in gross income for federal income tax purposes.

State Tax Exemption – 2010B Bonds

In the opinion of Co-Bond Counsel, under the existing laws of the Commonwealth, the interest on the 2010B Bonds is free from Pennsylvania personal income taxation and Pennsylvania corporate net income taxation, but such exemption does not extend to gift, estate, succession or inheritance taxes or any other taxes not levied or assessed directly on the 2010B Bonds or the interest thereon. Profits, gains or income derived from the sale, exchange or other disposition of the 2010B Bonds are subject to state and local taxation within the Commonwealth.

This summary is based on laws, regulations, rulings and decisions now in effect, all of which may change. Any change could apply retroactively and could affect the continued validity of this summary. Prospective purchasers should consult their tax advisors about the consequences of purchasing or holding the 2010B Bonds.

BUILD AMERICA BONDS

The Commission will issue the 2010B Bonds as federally taxable, Build America Bonds as authorized by the Recovery Act. Pursuant to the Recovery Act, the Commission is entitled to receive the Direct Payments from the United States Treasury. The Code imposes requirements on the 2010B Bonds that the Commission must continue to meet after the 2010B Bonds are issued in order to receive the Direct Payments. These requirements generally relate to the way that proceeds of the 2010B Bonds must be invested and ultimately used. If the Commission does not meet these requirements or make timely application for payment thereof, it is possible that the Commission may not receive the Direct Payments. The United States Treasury is also permitted to net the Direct Payments against other tax liabilities of the Commission. The Direct Payments do not constitute a full faith and credit guarantee of the United States Government but are required to be paid by the United States Treasury under the Recovery Act. Future action of the United States Congress could reduce or eliminate the Direct Payments. As a result of the Commission's election to receive the Direct Payments, no tax credits will be available to holders of the 2010B Bonds under Section 54AA(a) of the Code.

AMENDMENT TO INDENTURE

Supplemental Trust Indenture No. 19, dated as of July 1, 2010, entered into between the Commission and the Trustee, contains provisions amending the definition of "Annual Debt Service" in the Indenture to allow the Commission to take scheduled subsidy payments to the Commission with respect to any "Build America Bonds" issued as Bonds under the Indenture into account as a credit when calculating the Annual Debt Service for such Bonds. The Commission would also be required to deposit such subsidy payments into an account of the Debt Service Fund created for each such series of Bonds and apply them to debt service on such

Bonds. Such amendments will become effective upon receipt of the consent of the holders of a majority of the aggregate principal amount of the Bonds then Outstanding. **The initial purchasers of the 2010B Bonds, on behalf of themselves, their successors and assigns, will have consented irrevocably to such amendments by their purchase of the 2010B Bonds, and such consent will be deemed sufficient to satisfy the requirements of the Indenture.**

MISCELLANEOUS

The financial data and other information contained herein have been obtained from the Commission's records, audited financial statements and other sources which are believed to be reliable. No guarantee is given that any of the assumptions, forecasts or estimates contained herein will be realized.

The references herein to the Enabling Acts, the 2010B Bonds, the Indenture, Supplemental Indenture No. 20, the Subordinate Indenture and the Disclosure Undertaking are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and, accordingly, are qualified by reference and are subject to the full texts thereof.

Neither this Official Statement nor any other disclosure in connection with the 2010B Bonds is to be construed as a contract with the holders of the 2010B Bonds. Any statements made in this Official Statement involving matters of opinion or estimates, whether or not expressly so identified, are intended merely as such and not as representations of fact.

PENNSYLVANIA TURNPIKE COMMISSION

By:/s/ Nikolas H. Grieshaber

Chief Financial Officer

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APPENDIX A

THE PENNSYLVANIA TURNPIKE COMMISSION

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APPENDIX A

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APPENDIX A[1]

THE PENNSYLVANIA TURNPIKE COMMISSION

THE COMMISSION

General

The Commission is an instrumentality of the Commonwealth existing pursuant to an Act of the General Assembly of Pennsylvania approved July 18, 2007, P. L. 169, No. 44 ("***Act 44***") and various Acts of the General Assembly approved on several dates, including the Act of May 21, 1937, P. L. 774, Act 211, the Act of May 24, 1945, P. L. 972; the Act of February 26, 1947, P. L. 17; the Act of May 23, 1951, P. L. 335; the Act of August 14, 1951, P. L. 1232; and the Act of September 30, 1985, P. L. 240, No. 61 ("***Act 61***"), (collectively, the "***Enabling Acts***"). Pursuant to the Enabling Acts, the Commission has the power to construct, operate and maintain the System (as defined herein). Its composition, powers, duties, functions, duration and all other attributes are derived from the Enabling Acts as amended and supplemented by subsequent legislation. The Enabling Acts may be modified, suspended, extended or terminated at any time by further legislation.

The Commission is composed of five members, including one ex officio member, the Secretary of the Department of Transportation of the Commonwealth of Pennsylvania ("***PennDOT***"). Mr. Allen D. Biehler is the current Chairman of the Commission and Secretary of PennDOT. Any vacancy in the membership of the Commission (other than the Secretary of Transportation) must be filled by appointment of the Governor, with the advice and consent of two thirds of the members of the Pennsylvania Senate.

The present members of the Commission and the dates on which their respective terms expire are as follows:

Name	Position	Expiration of Term[2]
Allen D. Biehler	Chairman	Ex-Officio
J. William Lincoln	Secretary/Treasurer	June 24, 2013
Pasquale T. Deon, Sr.	Commissioner	June 30, 2010
A. Michael Pratt	Commissioner	June 24, 2013
William K. Lieberman	Commissioner	July 1, 2014

Act 44 extensively revised and modified earlier legislation, added new authorities and responsibilities and required adoption of a code of conduct for executive level employees, as well as members of the Commission. As more fully discussed herein, pursuant to Act 44, the Commission and PennDOT entered into a Lease and Funding Agreement dated as of October 14, 2007 (the "***Funding Agreement***") providing for substantial payments to PennDOT to provide funds for various transportation needs in the Commonwealth. See particularly "*The Pennsylvania*

[1] Capitalized terms used in this Appendix A and not otherwise defined have the meanings ascribed in the forepart or Appendix C of this Official Statement.

[2] Or until their successors are appointed and qualified.

Turnpike – Act 44 – Funding Agreement Between PennDOT and the Commission" and "*– Act 44 Payments to PennDOT for Roads, Bridges and Transit.*" Act 44 granted the Commission the right to lease that portion of I-80 within the Commonwealth and the option to convert such portion of I-80 to a toll road subject to certain federal approvals from the Federal Highway Administration ("***FHWA***"), which, as further discussed below, were not obtained. See "*The Pennsylvania Turnpike – Act 44 – Funding Agreement Between PennDOT and the Commission*" and " *– Tolling of I-80*" herein.

The Enabling Acts provide that the Commission shall not be required to pay any taxes or assessments on any property acquired or used by it. It also provides that turnpike revenue bonds issued by the Commission shall not be deemed to be a debt of the Commonwealth or a pledge of the faith and credit of the Commonwealth and that the Commonwealth is not obligated to levy or pledge any form of taxation or make any appropriation for the payment of such bonds. The Commission has no taxing power.

Executive Personnel

Joseph G. Brimmeier has been the Chief Executive Officer since February 2003. Prior to that time, he served as Chief of Staff to former U.S. Representative Ron Klink.

George M. Hatalowich was named the Chief Operating Officer in February 2007. Prior to that time, he was Contracts Administration Manager from 2003 to 2007, Engineering Contracts Supervisor and Agreement Supervisor from 1993 to 2003, and Bridge Design Engineer from 1990 to 1993.

Nikolaus H. Grieshaber was named Chief Financial Officer in June 2008. Prior to that time, he held positions of Director of Treasury Management and Treasury Manager with the Commission. Before joining the Commission in 2000, he was a finance manager and portfolio manager for ADP Capital Management, assistant treasurer for BTR Dunlop Finance, cash manager for Silo, Inc. and investment analyst for American Life Insurance Company.

Frank J. Kempf, Jr. was named Chief Engineer in July 2007. Prior to that time, he held positions of Assistant Chief Engineer Design and Chief Bridge Engineer with the Commission. Before joining the Commission in 1986, he worked as a Bridge Design Engineer for a consulting engineering firm and with PennDOT.

Doreen A. McCall, Esq., has been the Chief Counsel since July 2005. Prior to that time, she served as Chief Counsel to the Pennsylvania Historical and Museum Commission from February 2003 to July 2005 and as Deputy General Counsel in the Governor's Office of General Counsel from April 2000 to January 2003. From September 1996 to April 2000, she was an Assistant General Counsel and from November 1993 to August 1996, she was a staff attorney in the Office of Inspector General.

THE PENNSYLVANIA TURNPIKE

General

The present Pennsylvania Turnpike System (the "***System***") is composed of:

- the 359 mile Turnpike Mainline traversing the southern portion of Pennsylvania from east to west;
- the 110 mile north south section identified as the Northeast Extension;
- the approximately 16 mile north south connection, known as the Beaver Valley Expressway, which intersects the Turnpike Mainline in the southwestern portion of the Commonwealth;
- the approximately 13 mile Amos K. Hutchinson Bypass which adjoins the Turnpike Mainline near the New Stanton Interchange;
- the 23 mile section of the Mon/Fayette Project and the 8 mile section from the Pennsylvania/West Virginia border to Fairchance, which is located just south of Uniontown; and
- the 6 mile Southern Beltway project from PA 60 to US 22.

The Turnpike Mainline connects with the Ohio Turnpike at its western terminus and with the New Jersey Turnpike at its eastern terminus. The Turnpike Mainline commences on the eastern boundary of Pennsylvania at the Delaware River Bridge which connects the System to the New Jersey Turnpike. The Turnpike Mainline traverses the state in a westerly direction generally paralleling the southern border of the state immediately north of Philadelphia and south of Harrisburg to the vicinity of Somerset. West of Somerset, the highway follows a northwesterly direction to the northeast of Pittsburgh and to the Ohio state line, south of Youngstown, Ohio.

The System was constructed prior to development of the National Interstate Highway System but portions have been designated as Interstate Routes. However, no Federal Highway Trust Fund monies have been utilized in the construction of the Turnpike Mainline, Northeast Extension, Beaver Valley Expressway or Amos K. Hutchinson Bypass section of the Turnpike. The Turnpike Mainline has been designated as Interstate Route 276 between the area where Interstate Route 95 crosses the Pennsylvania Turnpike System and the Valley Forge Interchange. The portion of the Turnpike Mainline west of the Valley Forge Interchange to the western terminus at the Ohio state line has been designated as Interstate Route 76. In addition, the Turnpike Mainline between the New Stanton and Breezewood Interchanges has been designated as Interstate Route 70. The Northeast Extension has been designated as Interstate Route 476.

The System was constructed and opened to traffic in sections. The original Turnpike Mainline segment between Irwin and Carlisle was opened in 1940. Ten years later, in 1950 the 100 mile section between Carlisle and King of Prussia, was completed and opened. After 1950, construction of new segments of the System occurred at more frequent intervals with the Turnpike Mainline segment in service as of May, 1956. The initial segment of the Northeast

Extension between the Turnpike Mainline and the temporary interchange just south of the Lehigh Tunnel was opened in 1955. The final segment, from such interchange to Scranton, was completed and opened for traffic in November, 1957.

The Delaware River Bridge, which connects the Turnpike Mainline with the New Jersey Turnpike System, is owned jointly by the Commission and the New Jersey Turnpike Authority.

Revenue Sources of the Commission

Tolls. All rates, rents, fees, charges, fines and other income derived by the Commission from the vehicular usage of the System and all rights to receive the same (the "***Tolls***", as defined in the attached APPENDIX C) constitute one of the Commission's three principal streams of revenues. The Tolls are presently pledged to secure the Commission's outstanding turnpike senior revenue bonds (collectively, the "***Senior Revenue Bonds***") and the Parity Obligations (the Senior Revenue Bonds and the Parity Obligations, together with any Subordinated Indebtedness issued under the Indenture, herein collectively the "***Senior Indenture Obligations***") which will be subject to or may be issued under the terms of the Indenture. Currently, $2,263,070,000 aggregate principal amount of Senior Revenue Bonds are Outstanding under the Indenture. Other Parity Obligations include, among other things, interest rate swaps and reimbursement and standby bond purchase agreements. No Subordinated Indebtedness is currently outstanding under the Indenture.

The Tolls are not pledged to secure the Oil Franchise Tax Revenue Bonds (as defined below), the Registration Fee Revenue Bonds (as defined below) or the bonds and other obligations issued under the Subordinate Indenture (***"Subordinate Indenture Obligations"***). All Subordinate Indenture Obligations are subordinated to the payment of the Senior Indenture Obligations issued under the Indenture. See "*Issuance of Bonds; Commission Payments*".

The Commission may in the future, under the terms of the Indenture, identify in writing certain roads, other than the Mainline Section and the Northeast Extension, as not being part of the System for the purposes of the Indenture which would eliminate toll revenues from these portions from the definition of Tolls under the Indenture. However, the Commission currently has no plans to remove any roads from the System.

Oil Franchise Tax Revenues. The Commission's second principal stream of revenues consists of that portion of the Commonwealth's oil franchise tax revenues (the "***Oil Franchise Tax Revenues***") allocated by statute to the Commission or the holders of the Commission's Oil Franchise Tax Revenue Bonds (the "***Oil Franchise Tax Revenue Bonds***"), a total of $814,041,246 of which are issued and outstanding. The Oil Franchise Tax Revenue Bonds, the proceeds of which were spent on portions of the Mon/Fayette Expressway and the Southern Beltway, are secured solely by Oil Franchise Tax Revenues. The Oil Franchise Tax Revenues are not pledged to secure any Senior Indenture Obligations, any Subordinate Indenture Obligations or any Registration Fee Revenue Bonds.

Registration Fee Revenues. The Commission's third principal stream of revenues consists of that portion of the Commonwealth's vehicle registration fee revenues (the "***Registration Fee Revenues***") allocated by statute to the Commission or the holders of any of the Commission's Registration Fee Revenue Bonds (the "***Registration Fee Revenue Bonds***"), a total of $436,140,000 of which are issued and outstanding. The Registration Fee Revenue Bonds, the proceeds of which were spent on portions of the Mon/Fayette Expressway and the Southern Beltway, are secured by Registration Fee Revenues. Registration Fee Revenue Bonds are to be paid solely from the Registration Fee Revenues. The Registration Fee Revenues are not pledged to secure any Senior Indenture Obligations, Subordinate Indenture Obligations or the Oil Franchise Tax Revenue Bonds.

Neither the Indebtedness under the Subordinate Indenture, the Oil Franchise Tax Revenue Bonds nor the Registration Fee Revenue Bonds are secured by or have any interest in the Trust Estate.

Future Financing Considerations. The Commission may issue additional bonds under the Indenture and the Subordinate Indenture. In addition, the Commission may, from time to time, issue other notes and bonds payable from such sources as may be available so long as the Tolls, the Oil Franchise Tax Revenues securing the Oil Franchise Tax Revenue Bonds or the Registration Fee Revenues securing the Registration Fee Revenue Bonds are not pledged to such other notes and bonds or, if pledged, are pledged on a subordinate basis. The most recent toll increase in the amount of 3% was effective January 3, 2010. At its meeting on July 13, 2010, the Commission adopted several revenue enhancement measures to take effect in January 2011. See "*Toll Schedule and Rates*" for further information. For the foreseeable future, the Commission anticipates that it will borrow substantial additional funds for purposes of funding capital expenditures for the System and payments under Act 44 and the Funding Agreement. Such borrowings are expected to be undertaken principally under the Indenture and the Subordinate Indenture. Any projected toll increases may be revised by the Commission if necessary to meet the then existing debt and operational obligations of the Commission.

The ability of the Commission to repay such borrowings could be adversely affected by many factors, some of which are beyond the control of the Commission. For example, economic circumstances which result in significant declines in motor vehicle acquisition or operating cost increases could adversely affect the number of motor vehicles in use. The cost of fuel could increase which could adversely affect both the number of motor vehicles using the System and the mileage that such vehicles travel. Government regulations, such as Clean Air Act requirements, might also significantly restrict motor vehicle use and therefore diminish Tolls. See "*Toll Schedule and Rates*" and "*Five Year Financial History*" for further information, including information on recent declines in traffic volume and gross fare revenues. See "CERTAIN RISK FACTORS" in the forepart of this Official Statement.

In addition, from time to time, legislation is introduced in the Pennsylvania General Assembly, with respect to Act 44 and otherwise, which may affect the Commission and, therefore, may affect certain of the assumptions made in the Official Statement. The Commission cannot predict if any such bills or other legislation will be enacted into law, or how any such legislation may affect the Commission's ability to pay debt service on its Senior Indenture Obligations and Subordinate Indenture Obligations. See "*Recent Developments and Future Legislation.*"

Act 44

On July 18, 2007, Pennsylvania Governor Rendell signed Act 44 into law, creating a "public public partnership" between the Commission and PennDOT to provide funding for roads, bridges and transit throughout the Commonwealth. Under Act 44, the Funding Agreement was entered into by the Commission and PennDOT. Many of the terms of Act 44 are incorporated in the Funding Agreement. The term of the Funding Agreement is fifty years. See "*Funding Agreement Between PennDOT and the Commission.*"

Funding Agreement Between PennDOT and the Commission. The Funding Agreement (i) requires the Commission to make scheduled annual payments to PennDOT, payable in equal quarterly installments, and (ii) grants the Commission the option to lease the portion of I-80 located in the Commonwealth from PennDOT, assuming approval by the FHWA of the conversion of I-80 into a toll road (the "***Conversion***"). The Funding Agreement grants the unilateral option to the Commission to effectuate the Conversion at any time before the third anniversary of the Funding Agreement, which is October 14, 2010 (the "***Conversion Period***"). Under the Funding Agreement, the Commission may extend the Conversion Period for up to three one-year periods. FHWA's approval of the tolling of I-80 is required in order for the Conversion to occur.

On April 6, 2010, the FHWA denied the Commission's application to toll I-80. Barring any unforeseen circumstances, the Commission does not expect to appeal the FHWA's decision or pursue the tolling of I-80 further. The Commission did not extend the Conversion Period during the notice period provided under the Funding Agreement. The Conversion Period will terminate on October 14, 2010. Barring any unforeseen circumstances, including new statutory authority, all legal, financial and operational responsibility for I-80 will remain with PennDOT. Act 44 funding of highways and transit will drop from $900 million in Fiscal Year 2009-10 to $450 million annually for the remaining term of the Funding Agreement. The Commission believes that the payment required to be made to PennDOT under Act 44 for the 2010-11 Fiscal Year is $450,000,000. The Commission intends to pay this amount on a quarterly basis as provided in Act 44. In addition, the Commission's obligation under Act 44 to make annual surplus payments of the General Reserve Fund Surplus (as defined in Act 44) at the end of each Fiscal Year is also expected to terminate. However, the Commission has been advised that the Office of the Budget of the Commonwealth may assert that the reduced annual payment obligation is not effective until Fiscal Year 2011-12 and that a higher amount, a maximum of $922,500,000, is payable in Fiscal Year 2010-11.

On August 4, 2010, the Commission received a letter from PennDOT, executed by the Secretary of Transportation, in which PennDOT acknowledged receipt of the Commission's first quarterly payment for Fiscal Year 2010-2011 on July 29, 2010 in the amount of $112.5 million but stated that it was not aware of a basis for a reduction in the Commission's quarterly payments until the beginning of Fiscal Year 2011-2012 (the "August 4th Letter"). The August 4th Letter requested that the Commission provide a written legal analysis of the basis for the Commission's determination that the amount of its July 2010 payment is consistent with Act 44 and the Funding Agreement given that the two parties are apparently not in agreement on the required amount of such payment.

While preparing its response to the August 4th Letter, the Commission received a second letter from PennDOT, executed by the Secretary of Transportation, dated August 16, 2010 (the "August 16th Letter"), stating that the payment received on July 29, 2010 was less than PennDOT believes is owed. The remaining amount owed for the first quarterly payment made in July 2010 was stated to be \$118.125 million. PennDOT's stated position would apply to the remainder of the Fiscal Year 2010-2011 quarterly payments. Further, the August 16th Letter stated that PennDOT was invoking the remedies and sanctions available under Act 44 and the Funding Agreement, and that it was PennDOT's position that the August 4th Letter started the 45-day period under the Funding Agreement to cure the Commission's alleged failure to make the July 2010 quarterly payment required under the Funding Agreement. Assuming the 45-day period commenced on August 4, 2010, this 45-day period will expire on September 18, 2010 unless the Commission invokes the informal dispute resolution procedures under the Funding Agreement and the Commission prevails in its position that such period is deferred by invoking such procedures (such 45-day period, as deferred, if applicable, the "Cure Period").

Should the Commission and PennDOT not resolve the disagreement regarding the amount of the payments due in Fiscal Year 2010-2011 under Act 44 and the Funding Agreement during the Cure Period, the Funding Agreement provides that PennDOT may seek and receive, as its sole and exclusive remedy pursuant to the Funding Agreement, to have all actions of the Commission taken by a vote of the Commissioners passed by a unanimous vote of all Commissioners until such time as the payment, as agreed to by the Commission and PennDOT, is made. Under Act 44, a unanimous vote is not required if it would prevent the Commission from complying with covenants with "current bondholders, debt holders or creditors". The Funding Agreement does not refer to "current bondholders, debt holders or creditors," but provides that a unanimous vote is not required if it would prevent the Commission from complying with covenants with "bondholders, debt holders or creditors having such status as of the Effective Date" which under the Funding Agreement is defined as October 14, 2007.

There can be no assurance that PennDOT will not seek remedies in addition to the requirement of unanimous voting by the Commissioners. As a result of the Commission's receipt of the August 16th Letter, the Commission has not yet determined whether it will provide the legal analysis requested by PennDOT in the August 4th Letter. On August 31, 2010, the Commission sent PennDOT a response letter in which it disputed the claims made in the August 16th Letter and invoked the informal dispute resolution process. It is anticipated that there will be further communications between the parties concerning these matters. The resolution of these matters and the timing of such resolution is uncertain. Furthermore, legislation has been proposed and may be introduced to amend Act 44 to require that the Commission make payments in excess of \$450,000,000 to PennDOT for one or more years. Consequently, the Commission may be required to make payments in amounts greater than \$450,000,000 for one or more Fiscal Years, but the likelihood of such higher payments cannot be determined at this time.

Because PennDOT has claimed that the Commission must pay the higher payment for Fiscal Year 2010-11, and the Commission disputes that claim, the Funding Agreement requires that the parties must enter an informal dispute resolution process before pursuing other remedies. Further, Act 44 provides that if the Secretary of the Budget notifies the Commission of a failure to make a payment to PennDOT under the Act and Funding Agreement, all actions of the Commission taken by a vote of the Commissioners shall be passed by a unanimous vote of all

Commissioners until such time as the payment is made. However, a unanimous vote shall not be required if it would prevent the Commission from complying with certain covenants as described above.

The Commission is required by the terms of the Funding Agreement and Act 44 to fix and adjust tolls at levels that will generate revenues (together with other available moneys) sufficient to pay, among other things, amounts to PennDOT pursuant to the Funding Agreement when due and other obligations of the Commission, and the Commission has covenanted in the Subordinate Indenture to set tolls at a level sufficient to meet its coverage obligations taking into account any additional debt incurred in order to make such payments.

Act 44 Payments to PennDOT for Roads, Bridges and Transit. Act 44 provides that all required payments under the Funding Agreement or as required by Act 44 shall be subordinate obligations of the Commission payable solely from the General Reserve Fund after meeting all other Commission requirements pursuant to any financial documents, financial covenants, liquidity policies or agreements in effect at the Commission. Pursuant to the Funding Agreement, the Commission's payments to PennDOT in prior Fiscal Years have been allocated as follows: deposits to the Motor License Fund to be available for road and bridge work in the amounts of \$450 million in Fiscal Year 2007-08, \$500 million in Fiscal Year 2008-09 and \$500 million in Fiscal Year 2009-10; and deposits into the Public Transportation Trust Fund for distribution to Pennsylvania's local and regional public transportation agencies for operating and capital purposes in the amounts of \$300 million in Fiscal Year 2007-08, \$350 million in Fiscal Year 2008-09 and \$400 million in Fiscal Year 2009-10. Notwithstanding the foregoing, no portion of the payments of the Commission to be deposited into the Public Transportation Trust Fund may be made with proceeds of Special Revenue Bonds. As a result of the FHWA's rejection of the I-80 tolling application, the Commission believes its payment obligation is \$450 million annually over the remaining term of the Funding Agreement, with \$200 million to be deposited annually in the Motor License Fund to be available for roads and bridges and \$250 million to be deposited annually in the Public Transportation Trust Fund to be available for transit. However, although the Commission intends to make payments totaling \$450,000,000 for Fiscal Year 2010-11, as discussed in "*Funding Agreement Between PennDOT and the Commission*," the Commission may pay up to a maximum of \$922,500,000 in Fiscal Year 2010-11.

Thirteen payments have been made under the Funding Agreement, in the aggregate amount of \$2,612,500,000. The \$112.5 million dollar payment due on July 30, 2010 was financed with a portion of the proceeds of \$275,349,275 of Subordinate Bonds and \$187,816,151 of Special Revenue Bonds, both issued in July of 2010. There are currently \$2,758,768,871 Subordinate Bonds and \$187,816,151 Special Revenue Bonds outstanding under the Subordinate Indenture.

Issuance of Bonds; Commission Payments. Under the Enabling Acts, including Act 44, the Commission is authorized and empowered, among other things, to issue turnpike revenue bonds, notes or other obligations (either senior on a parity basis or subordinate) to pay (i) pursuant to the Funding Agreement, if applicable, the costs of construction, reconstructing, widening, expanding or extending I-80 or any other costs of I-80 and the System, (ii) certain amounts to PennDOT pursuant to the Funding Agreement for purposes of funding PennDOT highway, road and bridge construction and maintenance programs in the Commonwealth,

(iii) costs of improvements to the System, and (iv) certain amounts into a Public Transportation Trust Fund pursuant to the Funding Agreement, to be used exclusively for mass transit programs (provided that, pursuant to the terms of the Funding Agreement, the proceeds of any Special Revenue Bonds may not be applied for payments to mass transit programs).

The bonds authorized to be issued by the Commission under Act 44, after execution of the Funding Agreement, include up to $5 billion of Special Revenue Bonds, as described below. Proceeds of such bonds may be applied toward the satisfaction of the Commission's scheduled annual payment obligations under the Funding Agreement and Act 44, except, pursuant to the terms of the Funding Agreement, that portion of the annual payment obligations to be deposited in the Public Transportation Trust Fund. See "*Statutory Limitations on the Incurrence of Special Revenue Bonds*" below. The Funding Agreement provides that the Commission is obligated to pay all debt service due with respect to the Special Revenue Bonds.

Pursuant to the terms of the Subordinate Indenture, the Commission covenanted, after payment of all required debt service on all Senior Indenture Obligations and subject to the provisions of the Indenture, to pay to the Trustee under the Subordinate Indenture (the ***"Subordinate Indenture Trustee"***), and it instructed the Trustee to pay to the Subordinate Indenture Trustee, out of the General Reserve Fund established under the Indenture, such amounts as are required by the Subordinate Indenture, by a supplemental indenture to the Subordinate Indenture or by a parity swap agreement to pay, at the times specified, debt service on all outstanding Subordinate Indenture Obligations under the Subordinate Indenture.

Accordingly, the Commission shall instruct and furnish a debt service schedule to the Trustee providing for the payment to the Subordinate Indenture Trustee out of available funds held in the General Reserve Fund the amount from time to time necessary to satisfy all required deposits under the Subordinate Indenture to the Commission Payments Fund established under the Subordinate Indenture and to pay debt service on the outstanding Subordinate Indenture Obligations and all other payments required from time to time under the Subordinate Indenture and in a supplemental indenture to the Subordinate Indenture.

Under the Subordinate Indenture, the Commission may, from time to time, issue additional bonds, including "Revenue Bonds" and "Special Revenue Bonds" (each as defined in the Subordinate Indenture), to help satisfy its payment obligations under Act 44. The Commission presently intends any long-term indebtedness to be issued under the Subordinate Indenture to be paid solely from Commission Payments. Such obligations, if issued, are subordinate to the Senior Revenue Bonds issued under the Indenture. Such Revenue Bonds will be parity obligations with the outstanding Revenue Bonds under the Subordinate Indenture. The Special Revenue Bonds will have a subordinate right to payment from Commission Payments to the rights of payment in favor of the holders of the Revenue Bonds issued under the Subordinate Indenture. **APPENDIX E sets forth the existing debt service schedule for the Senior Revenue Bonds.**

Statutory Limitations on the Incurrence of Special Revenue Bonds. Under Act 44, the Commission is authorized to issue, by resolution, Special Revenue Bonds (as defined in §9511.2 of Act 44) up to an aggregate principal amount of $5 billion, exclusive of original issue discount, for the purpose of paying bond related expenses and costs of PennDOT, including the costs of highway, road, tunnel and bridge construction, renovation and expansion, including acquisition of land, rights, machinery and equipment and certain finance charges relating thereto, public transportation systems, planning, engineering, administrative and other expenses, and debt service. In addition, no more than $600 million in aggregate principal amount of such Special Revenue Bonds, exclusive of original issue discount, may be issued in any calendar year. No such bond may be issued unless the Funding Agreement is in effect, and no such bond may be outstanding beyond the stated term of the Funding Agreement at the time of issuance. Special Revenue Refunding Bonds (as defined in §9511.2 Act 44) shall not be deemed to count against the total or annual maximum issuance volume under Act 44.

Should the Commission fail to timely make required debt service deposits for Special Revenue Bonds, the Subordinate Indenture Trustee shall proceed under the terms of Act 44 and a Memorandum of Agreement between PennDOT, the Office of the Budget of the Commonwealth and the Pennsylvania State Treasurer, dated July 16, 2010 to notify PennDOT of such default, and PennDOT shall give notice to the Treasurer of the Commonwealth of such deficiency and request the payment of funds necessary to cure such deficiency only from funds available for such purpose in the Motor License Fund. The appropriation of money in the Commonwealth's Motor License Fund in respect of Special Revenue Bonds issued by the Commission under Act 44 is continuing and non-lapsing. The Commonwealth has no obligation to appropriate any funds, other than available funds on deposit in the Motor License Fund, for the payment of any such Special Revenue Bonds. Certain funds equal to maximum annual debt service on outstanding Special Revenue Bonds will be set aside (but not pledged) in the Motor License Fund for this purpose upon the issuance of Special Revenue Bonds. The Commission is obligated pursuant to the Funding Agreement to reimburse the Treasurer of the Commonwealth for any amounts withdrawn from the Motor License Fund in order to cure a default in the payment by the Commission with respect to the annual debt service on any such Special Revenue Bonds. This reimbursement obligation is subject and junior to the payment obligations of the Commission under the Special Revenue Bonds.

Tolling of I-80. Pursuant to Act 44, the Commission, in consultation with PennDOT, applied to the FHWA for permission to convert the portion of I-80 which is in Pennsylvania to a toll road. As discussed below, the application was rejected by the FHWA and the Commission, barring unforeseen circumstances, does not expect to re-apply or appeal such denial.

Act 44 granted the Commission the option, at any time before the third anniversary of the Funding Agreement, to effect the conversion of I-80 to a toll road (subject to federal approval), and thereafter to assume legal, financial and operational responsibility for I-80. Act 44 also granted the Commission the right to extend the Conversion Period unilaterally for three one year periods.

The Commission and PennDOT submitted a joint application for the Conversion to FHWA on October 13, 2007. On various dates, the FHWA asked for and the Commission and PennDOT provided the FHWA with additional information. On September 11, 2008, FHWA sent the Commission and PennDOT a letter stating that it could not approve the I-80 application at that time, primarily because of insufficient information concerning how rental payments for I-80 were determined and whether they are related to the true costs of the leasehold interest. The Commission and PennDOT submitted additional supplemental information to the FHWA in support of its I-80 application on October 29, 2009. The FHWA denied the amended application on April 6, 2010, finding that the proposed lease payment to PennDOT would have the effect of diverting toll revenues collected from the operation of I-80 to projects on other facilities, which it stated was contrary to the permitted uses of toll revenue under the Transportation Equity Act for the 21st Century.

Barring any unforeseen circumstances, the Commission does not expect to appeal the FHWA's decision or pursue the tolling of I-80 further. The Commission did not extend the Conversion Period during the notice period under the Funding Agreement. Therefore, the Conversion Period will lapse on October 14, 2010 and it is unlikely that the Commission will issue a Conversion notice prior to that date. Although the Commission could appeal the FHWA's decision should circumstances change, in its current form Act 44 does not allow the Conversion Period to be revived once it has lapsed. Act 44 would require amendment for the Conversion Period to be extended and no legislation to effectuate a change of this nature has been introduced.

Act 44 funding of highways and transit dropped from $900 million in Fiscal Year 2009-10 (escalating 2.5% in each subsequent Fiscal Year) to $450 million annually for the remaining term of the Funding Agreement. Although the Commission believes that this reduction commences in Fiscal Year 2010-11, as discussed in "*Funding Agreement Between PennDOT and the Commission*," the Commission may pay up to a maximum of $922,500,000 in Fiscal Year 2010-11.

The Commission believes that System revenues should enable it to satisfy its reduced payment obligations as set forth in Act 44 without reliance on any I-80 toll revenues. However, if the Commission is required to make increased payments in Fiscal Year 2010-11, it does not anticipate any difficulty in meeting the higher amount. See *"Future Financing Considerations"* and *"Funding Agreement Between PennDOT and the Commission"*.

Rules Relating to Governance and Accountability Under Act 44. Act 44 sets forth certain rules relating to governance and accountability of the Commission, including, but not limited to, the filing of an annual financial plan of the Commission with the Pennsylvania Secretary of the Budget no later than June 1 of each year (the "***Financial Plan***"), providing updates to the Chairman and Minority Chairman of the Pennsylvania House and Senate Transportation Committees regarding the status of the I-80 conversion and conducting an audit by the Auditor General every four years to be paid for by the Commission. Under Act 44 the Commission is also required to adopt a comprehensive code of conduct for Commissioners and executive level employees, which was adopted with an effective date of October 31, 2007. The Commission completed its Financial Plan for the 2010-11 Fiscal Year and delivered it to the Secretary of the Budget by the June 1 deadline. A complete copy of the Financial Plan can be obtained by contacting the Commission. See discussion in the forepart of the Official Statement under "Pennsylvania Turnpike System – Act 44 Financial Plan."

Recent Developments and Future Legislation

From time to time, legislation is introduced in the Pennsylvania General Assembly and Congress which may affect the Commission and, therefore, may affect certain of the assumptions made in the Official Statement. The Commission cannot predict if any such bills or other legislation will be enacted into law, or how any such legislation may affect the Commission's ability to pay the Senior Indenture Obligations and Subordinate Indenture Obligations.

State Legislation. At the state level, Representative Scott E. Hutchinson has announced his intention to introduce legislation in the Pennsylvania General Assembly which will require the Commission to maintain its scheduled annual payments to PennDOT pursuant to Act 44 through Fiscal Year 2013-14 with an annual cost of living increase of 2.5%. He has also introduced a bill which would have PennDOT assume all powers and duties of the Commission that relate to the operation, maintenance, construction and reconstruction of the Pennsylvania Turnpike and related highways and receive all tolls and other money otherwise payable to the Commission, transfer all of the Commission's property to PennDOT, dissolve the Commission, and have the State Treasurer assume the Commission's bonds; such bill has been referred to the Transportation Committee. Representative Mike Vereb introduced a similar bill which was also referred to the Transportation Committee.

Representative Richard Geist, Minority Chair of the House Transportation Committee, has indicated that he will re-introduce legislation to the Pennsylvania General Assembly that would allow the Commonwealth to enter public-private partnerships as a mechanism for raising funds for transportation projects. He has also proposed to introduce legislation which will, among other things, require the Commission to make payments to PennDOT at the higher level ($922,500,000) for three additional years beyond the present requirements of Act 44 and would include an annual increase of 2.5%.

On July 3, 2010, a bill was introduced in the Special Session on Transportation of the Pennsylvania legislature (HB 6) which would, among other things, raise a number of taxes and surcharges and reallocate the portion of the Commission's payment currently allocable to Motor License Fund projects to the Public Transportation Trust Fund for distribution to local and regional transportation agencies. This reallocation would be retroactive to the Commission's July, 2010 payment under the Funding Agreement. If this legislation, which has been referred to the House Transportation Committee, is enacted, the reallocation may require the Commission to issue taxable bonds under the Subordinate Indenture to fund its future payments under the Funding Agreement resulting in significantly higher borrowing costs. Further, the retroactive nature of this reallocation may require the Commission to defease all or a portion of certain bonds previously issued under the Subordinate Indenture or take other action to preserve their tax-exempt status. The Special Session on Transportation expires on November 30, 2010, and all bills pending in the session expire on that date. Although there can be no assurance that the legislature will not enact HB 6, the Commission believes that it is unlikely to be enacted by the expiration date.

Governor Rendell has called for the Special Session on Transportation to reconvene on August 23, 2010. At this time, the legislature has not scheduled any additional meetings of the Special Session on Transportation. However, the Senate Committee on Transportation met on July 21, 2010 to discuss transportation funding. Governor Rendell spoke at this meeting and presented various proposals for meeting the $472.5 million transportation funding shortfall for Fiscal Year 2010-11 created when the FHWA rejected the application to toll I-80, removing this anticipated source of toll revenue. Among the potential revenue sources identified by Governor

Rendell were an excess-profits tax on oil companies, increasing vehicle registration and licensing fees and the state gas tax, and entering a long-term public/private lease agreement for the operation of the Turnpike. The Transportation Committee met on July 28, 2010 to discuss Turnpike finance and reconstruction issues. The Commission cannot predict what proposals may be presented at meetings of the Transportation Committee or Special Session on Transportation or if any proposals may lead to the adoption of legislation that may adversely affect the Commission. However, no legislation has been introduced during the current legislative session to implement a privatization or lease of the Turnpike. Further, the sources of funding suggested by Governor Rendell, if enacted as presented, may increase the sources of revenue that are deposited into the Motor License Fund.

Representative John Pallone recently announced an intention to introduce two pieces of legislation: first, legislation repealing Act 44 in order to remedy the geographic imbalance in the transportation funding stream created by the FHWA's denial of the I-80 tolling application; and second, legislation requiring the Commission to reapply to the FHWA for approval to toll I-80, which legislation will specifically meet all requirements of the applicable federal highway tolling program.

In addition, various bills have been introduced during the 2009-10 legislative session on a range of proposals that would impact the Commission including: authorizing the Commission to toll all or portions of other Pennsylvania interstates; prohibiting the Commission from having the authority to toll I-80; and authorizing public-private ventures and containing restrictions on the ability to enter into a lease that would transfer operational oversight of the System without additional legislative authorization.

Interchanges and Service Areas

The Pennsylvania Turnpike System has a total of 57 interchanges which connect it with major arteries and population centers in its 531 mile traffic corridor. Thirty of the interchanges are located on the Turnpike Mainline, including Turnpike Mainline barriers at the New Jersey and Ohio state lines, and 10 interchanges are situated on the Northeast Extension. The additional 17 interchanges are located on the 3 extensions previously noted. There are currently 16 service plazas along the Pennsylvania Turnpike System providing gasoline and diesel fuel, other automotive supplies and services and restaurant services. An additional service plaza is currently being rebuilt. The Commission has negotiated long term leases with HMSHost Restaurants, LLC and Sunoco, Inc. to design, reconstruct, finance, operate and maintain the Commission's Service Plazas. The two companies are expected to invest approximately $190 million in the project, at no cost to the Commission.

Toll Schedule and Rates

The current System generally employs a closed or ticket system method for toll collection. Tolls are determined on the basis of the length of the trip and vehicle class. There are 9 vehicle classes determined either by axles or, in the case of commercial vehicles, by axles and weight. Historically, all drivers were issued a ticket upon entering the System and were required to surrender the ticket and pay the appropriate toll upon exiting. Electronic toll collection methods, however, have been implemented throughout the System. See "*THE PENNSYLVANIA TURNPIKE – E-ZPass Lanes.*"

Between 1957 and 2008, the Commission implemented only 5 revisions in its toll schedule, effective on September 1, 1969, August 1, 1978, January 2, 1987, June 1, 1991 and August 1, 2004. On August 1, 2004, Turnpike tolls increased by 1.8 cents per mile for passenger vehicles from 4.1 to 5.9 cents per mile. Commercial vehicles had an average increase of 5.3 cents per mile. Such toll increase was consistent with the rate of inflation over the 13 years since the Commission's prior toll increase in 1991. All revenue generated by such toll increase have been used to fund capital improvements to the Turnpike's roads, tunnels and other system upgrades. On July 22, 2008, the Commission approved a toll increase in the amount of 25% which became effective on January 4, 2009, with the expectation that it would implement annual increases thereafter. The Commission approved a toll increase in the amount of 3% which became effective on January 3, 2010. At its meeting on July 13, 2010, the Commission adopted several revenue enhancement measures to take effect in January 2011. For EZPass users, tolls will increase by 3%. For cash customers, tolls will increase by 10% (rounded to the nearest $0.05). Annual fees for use of E-ZPass transponders will increase from $3 per transponder to $6 per transponder. Finally, the existing commercial discount program, which currently provides for tiered discounts of 10%, 15% and 20% off published toll rates depending on total monthly fares, will be adjusted to have tiered discounts of 5%, 10% and 15%. These revenue enhancements will be used to provide funds for payments under the Funding Agreement and other Act 44 purposes, including funding of the Commission's capital expenditure program and normal operating expenditures.

The following Table I illustrates the current tolls and per mile rates applicable to each vehicle class for a trip on the Mainline Section from Interchange 1 through Interchange 359.

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TABLE I
Current Tolls and Per Mile Rates for a Mainline Roadway East – West Complete Trip (Delaware River Bridge – Warrendale (Ticket System))

Vehicle Toll Class	Gross Vehicle Weight (Thousand Pound)	New Toll Rate Effective 1/2010	Per Mile Rate
1	1-7	$ 25.45	$ 0.077
2	7-15	37.35	0.114
3	15-19	46.35	0.141
4	19-30	54.10	0.164
5	30-45	76.00	0.231
6	45-62	96.60	0.294
7	62-80	137.80	0.419
8	80-100	180.25	0.548
9	Over 100	1,022.30	3.107

Note: The above rates represent an "East West" trip for the ticket system toll rate between Warrendale (#30) and the Delaware River Bridge (#359) interchanges. The Gateway Barrier toll rate is based on five axle classes and is computed separately from the ticket system. The 2010 toll rate is $ 3.90 for the first two axles and $3.85 for each additional axle. The rates do not increase above six axles.
Act 44 requires the Commission to fix toll rates such that revenues from tolls and other sources to the Commission are sufficient to pay the cost of the System's operation, construction, expansion and maintenance, all Commission obligations and interest thereon, sinking fund requirements of the Commission, other requirements in any trust indentures, notes or resolutions and payments to PennDOT under the Funding Agreement.

Five Year Financial History

The following Tables II and III summarize the financial history of the System for the five Fiscal Years from 2005 to 2010 and 2005 to 2009, respectively. The financial statements are a combination of cash basis financial statements with certain accruals included. Tables II and III should be read in conjunction with the financial statements prepared in accordance with generally accepted accounting principles and related notes included in "APPENDIX B – AUDITED FINANCIAL STATEMENTS: 2009 AND 2008." Table IV provides unaudited financial information for the first nine months of Fiscal Year 2008-09, audited financial information for the year ending May 31, 2009 and unaudited financial information for the first nine months of Fiscal Year 2009-10. This unaudited information is preliminary and subject to change.

TABLE II
Number of Vehicles and Fare Revenues – Summarized by Fare Classification
(000's Omitted)

	Number of Vehicles			Fare Revenues				
Year Ended May 31:	Passenger	Commercial	Total	Passenger	Commercial	Total	Discount	Net Fare Revenues
2005	163,316	25,109	188,425	$309,032	$252,097	$561,129	$15,971	$545,158
2006	160,421	25,403	185,824	$321,268	$286,140	$607,408	$18,771	$588,637
2007	160,107	25,316	185,423	$322,781	$294,836	$617,617	$24,975	$592,642
2008	164,097	25,455	189,552	$327,761	$291,389	$619,150	$20,224	$598,926
2009	162,637	23,582	186,219	$354,642	$283,603	$638,245	$22,640	$615,605
2010*	163,599	22,933	186,532	$415,981	$302,057	$718,038	$24,211	$693,827

*Preliminary, unaudited

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TABLE III
Summary of System Revenues and Operating Expenditures Before Interest and Other Charges[3]
(000's Omitted)
Years Ended May 31

	2005	2006	2007	2008	2009
Revenues					
Net Toll Revenues	$545,158	$588,637	$592,642	$598,926	$615,605
Concession Revenues	10,923	8,486	3,877	3,212	3,087
Interest Income (non-bond proceeds)	7,139	8,400	13,142	13,566	9,903
Miscellaneous	15,393	12,484	11,925	17,699	14,855
Total Revenues	$578,613	$618,007	$621,586	$633,403	$643,450
Operating Expenditures					
Turnpike Patrol	$ 25,278	$ 28,965	$ 30,735	$ 31,977	$ 34,127
General & Administrative	15,247	15,438	16,670	19,870	18,492
Normal Maintenance	51,226	53,095	57,110	63,653	61,327
Employee Benefits & Other Misc. Items	38,940	41,833	46,112	65,865	79,563
Fare Collection	54,681	55,149	55,007	60,348	60,317
Traffic Services, Safety & Communications	33,396	37,339	37,872	37,295	39,008
Total Operating Expenditures	$218,768	$231,819	$243,506	$279,008	$292,834
Revenues less Operating Expenditures	$359,845	$386,188	$378,080	$354,395	$350,616
Annual Senior Debt Service Requirement	$ 88,112	$ 97,654	$111,543	$126,058	$159,756
Coverage Ratio	4.08	3.95	3.39	2.81	2.19

[3] This summary of revenues and operating expenditures is not intended to present results of operations in conformity with generally accepted accounting principles.

TABLE IV
Summary of System Revenues and Operating Expenditures Before Interest and Other Charges (000's Omitted)

	Unaudited - Internal Financial Reports[4]			
	FY 2009 3 Months June - Aug.	FY 2009 6 Months June - Nov.	FY 2009 9 Months June - Feb.	FY 2009 Total Year
Revenues				
Net Toll Revenues	$160,494	$303,232	$444,595	$615,605
Concession Revenues	1,003	1,900	2,482	3,087
Interest Income (non-bond proceeds)	3,416	6,393	9,160	9,903
Miscellaneous	4,491	8,938	12,606	14,855
Total Revenues	$169,404	$320,463	$468,843	$643,450
Operating Expenditures				
Turnpike Patrol	8,606	16,463	25,755	34,127
General & Administrative	4,904	10,221	14,163	18,492
Normal Maintenance	13,520	27,337	48,101	61,327
Employee Benefits & Other Misc. Items	18,776	36,788	58,263	79,563
Fare Collection	14,391	29,718	45,152	60,317
Traffic Services, Safety & Communications	8,012	20,429	29,778	39,008
Total Operating Expenditures	$ 68,209	$140,956	$221,212	$292,834
Revenues less Operating Expenditures	$101,195	$179,507	$247,631	$350,616

[4] This summary of revenues and operating expenditures is not intended to present results of operations in conformity with generally accepted accounting principles. The unaudited data contained in Table IV is preliminary and subject to change.

TABLE IV (continued)
Summary of System Revenues and Operating Expenditures Before Interest and Other Charges (000's Omitted)

	Unaudited - Internal Financial Reports[5]		
	FY 2010 3 Months June - Aug.	**FY 2010 6 Months June - Nov.**	**FY 2010 9 Months June - Feb.**
Revenues			
Net Toll Revenues	$191,738	$365,504	$512,971
Concession Revenues	882	1,547	2,211
Interest Income (non-bond proceeds)	2,799	4,847	7,834
Miscellaneous	3,608	6,815	9,739
Total Revenues	$199,027	$378,713	$532,755
Operating Expenditures			
Turnpike Patrol	9,373	17,511	26,762
General & Administrative	4,064	9,311	13,117
Normal Maintenance	12,282	24,445	50,949
Employee Benefits & Other Misc. Items	20,285	39,173	58,681
Fare Collection	14,261	31,343	47,117
Traffic Services, Safety & Communications	9,785	20,956	30,450
Total Operating Expenditures	$ 70,050	$142,739	$227,076
Revenues less Operating Expenditures	$128,977	$235,974	$305,679

[5] This summary of revenues and operating expenditures is not intended to present results of operations in conformity with generally accepted accounting principles. The unaudited data contained in Table IV is preliminary and subject to change.

Budget Process

The Commission's Finance Department develops preliminary budget information for all Commission departments. This information is provided to each of the respective departments for their review and to enable them to make any proposed revisions for their budget requests. The information is then returned to the Finance Department and a Commission wide preliminary budget is prepared. This budget is reviewed by senior management and, in cooperation with the respective departments, revisions are made when necessary to conform to the annual financial plan. The final recommended budget is then presented to the Board of Commissioners for formal approval.

In addition, Act 44 requires the Auditor General of the Commonwealth to conduct an audit of the accounts of the Commission and to review its performance, procedures, operating budget, capital budget and debt every four years. Act 44 also requires the Commission to prepare and submit to the Secretary of the Budget a financial plan no later than June 1 of each year for the ensuing Fiscal Year, describing its proposed operating and capital expenditures, borrowings, liquidity and other financial management covenants and policies, estimated toll rates and all other revenues and expenses. The purpose of the financial plan is to demonstrate that the Commission's operation in accordance with the plan can be reasonably anticipated to have unencumbered funds sufficient to make all payments due to PennDOT under Act 44 and the Funding Agreement in the upcoming year after all other Commission Obligations have been met. Any deviations and the causes therefor in prior year plans must be explained.

Financial Policies and Guidelines

The Commission originally adopted its first Investment Policy and Guideline for the investment of cash assets on June 6, 1997. The Commission approved an amendment to the Investment Policy effective November 7, 2002 that permitted the use of additional types of eligible securities consistent with the Amended and Restated Trust Indenture entered into in 2001. The policy statements set forth the purpose, objectives, and guidelines for eligible securities, performance benchmarks, periodic reviews and amendments with respect to investments. (See Note 4, "*Cash and Investments – Concentration of Credit Risk*" in the Notes to Financial Statements (Years Ended May 31, 2009 and 2008) in APPENDIX B for a discussion of the Commission's concentration of credit risk to particular issuers.)

The Commission adopted three Financial Policies on April 20, 2004: a Debt Management Policy, an Interest Rate Swap Management Policy and a Liquidity Standard Policy. These financial management policies were developed in recognition of the increasing financial sophistication of the Commission with respect to its debt structure and to provide guidance governing the issuance, management, ongoing evaluation and reporting of all debt obligations.

The Commission's Interest Rate Swap Management Policy ("***Swap Policy***") establishes guidelines for the use and management of all interest rate management agreements, including, but not limited to, interest rate swaps, swap options, caps, collars and floors (collectively "***Swaps***" or "***Agreements***") incurred in connection with the incurrence of debt. The Commission may change the Swap Policy in its sole discretion.

The Swap Policy authorizes the Commission to use Swaps to hedge interest rate movement, basis risk and other risks, to lock in a fixed rate or, alternatively, to create synthetic variable rate debt. Swaps may also be used to produce interest rate savings, limit or hedge variable rate payments, alter the pattern of debt service payments, manage exposure to changing market conditions in advance of anticipated bond issues (through the use of anticipatory hedging instruments) or for asset/liability matching purposes. Key elements of the Swap Policy include the following:

Swap Counterparties – Credit Criteria. The Commission will make its best efforts to work with qualified Swap counterparties that have a general credit rating of: (i) at least "A3" or "A " by two of the nationally recognized rating agencies and not rated lower than "A3" or "A" by any nationally recognized rating agency, or (ii) have a "non terminating" "AAA" subsidiary as rated by at least one nationally recognized credit rating agency.

Term and Notional Amount. For Swaps tied to an issued series of bonds, the term of the Swap agreement shall not extend beyond the final maturity date of the related bonds. The total net notional amount of all Swaps related to a bond issue should not exceed the amount of outstanding bonds. In calculating the net notional amount, netting credit shall be given to any Swaps that offset each other for a specific bond transaction.

Security and Source of Repayment. The Commission may use the same security and source of repayment (pledged revenues) for Swaps as is used for the bonds that are hedged by the Swap, if any, but shall consider the economic costs and benefits of subordinating the Commission's payments and/or termination payment under the Swap. The Commission shall consult with Bond Counsel regarding the legal requirements associated with making the payments under the Swap on a parity or non parity basis with outstanding Commission debt.

Prohibited Agreements. The Commission will not use Agreements that:

- Are speculative or create extraordinary leverage as risk;
- Lack adequate liquidity to terminate without incurring a significant bid/ask spread; or
- Provide insufficient price transparency to allow reasonable valuation.

Annual Swap Report. The Commission's Chief Financial Officer, in consultation with the Commission's Financial Consultant, Swap advisor and Bond Counsel, will evaluate the risks associated with outstanding Swaps at least annually and provide to the senior executives and the Commissioners a written report of the findings based upon criteria set forth in the Swap Policy.

Disclosure and Financial Reporting. The Commission will ensure that there is full and complete disclosure of all Swaps to rating agencies and in disclosure documents. Disclosure in marketing documents, including bond offering documents, shall provide a clear summary of the special risks involved with Swaps and any potential exposure to interest rate volatility or unusually large and rapid changes in market value. With respect to its financial statements, the

Commission will adhere to the guidelines for the financial reporting of Swaps, as set forth by the Governmental Accounting Standards Board ("***GASB***") or other applicable regulatory agencies.

The Commission has a number of interest rate exchange agreements with respect to certain series of the Senior Revenue Bonds as well as with respect to certain series of its Registration Fee Revenue Bonds and Oil Franchise Tax Revenue Bonds. See "APPENDIX B – AUDITED FINANCIAL STATEMENTS: 2009 AND 2008." As of July 30, 2010, the aggregate market value of such Swaps to the counterparties thereto from the Commission was calculated to be approximately $127 million.

There are a number of risks associated with Swaps that could affect the value of the Swaps, the ability of the Commission to accomplish its objectives in entering into the Swaps and the ability of the Commission to meet its obligations under the Swaps. These risks include, among others, the following: counterparty risk – the failure of the counterparty to make required payments; credit risk – the occurrence of an event modifying the credit rating of the Commission or its counterparty; termination risk – the need to terminate the transaction in a market that dictates a termination payment by the Commission; tax risk – the risk created by potential tax events that could affect Swap payments; and basis risk – the mismatch between actual variable rate debt service and variable rate indices used to determine Swap payments. The Commission actively monitors the degree of risk and exposure associated with the Swaps to which it is a party but can offer no assurances that compliance with its Swap Policy will prevent the Commission from suffering adverse financial consequences as a result of these transactions.

E-ZPass Lanes

The Commission has installed E-ZPass, a form of electronic toll collection, throughout the System. Not only has E-ZPass enhanced safety and convenience for users of the System, but the technology has improved traffic flow and reduced congestion at the System's busiest interchanges, especially in southeastern Pennsylvania. Express E-ZPass lanes have been constructed at three interchanges and permit E-ZPass customers to travel through the toll plaza at highway speeds. In addition, E-ZPass customers traveling in fourteen other states that have implemented E-ZPass technology are able to use E-ZPass. Currently, E-ZPass is available on the entire Turnpike system, including the western extensions. The Commission has not experienced any material problems in connection with the installation or operation of the E-ZPass system.

To help ensure, protect and preserve the collection of toll revenue due to the Commission, a violation enforcement system (VES) has been installed at all interchanges where E-ZPass has been installed to identify violators (customers who travel through E-ZPass lanes and do not have E-ZPass) and motorists with problem tags that result in no reads. VES enables the Commission to collect appropriate tolls and other additional fees relating to violations. Legislation passed in 2000 included enforcement provisions for E-ZPass, including, among other things, certain evidentiary presumptions with respect to whether the registered vehicle owner was the operator of the vehicle, procedures for notifying the vehicle owner of the violation charged and civil liability amounts of the vehicle owner for violations.

The Commission's annual revenues from E-ZPass drivers have increased to $389,462,401 during the Fiscal Year ending May 31, 2009 from $346,993,675 for the Fiscal

Year ending May 31, 2008. The Commission's annual revenue from ticketed drivers (i.e. those not using E-ZPass) decreased to $248,782,278 from $254,436,050 during the same period. The Commission expects that E-ZPass usage will continue to increase.

The Commission is a member of the E-ZPass Interagency Group (IAG), a coalition of toll authorities throughout the United States. The Interagency Group includes the following agencies: Peace Bridge Authority; Burlington County Bridge Commission; Skyway Concession Company LLC (Chicago Skyway); Delaware Department of Transportation; Delaware River and Bay Authority; Delaware River Joint Toll Bridge Commission; Delaware River Port Authority; Illinois State Toll Highway Authority; ITR Concession Company (Indiana Turnpike); Maine Turnpike Authority; Maryland Transportation Authority; Massachusetts Turnpike Authority; Massachusetts Port Authority; Metropolitan Transportation Authority Bridges & Tunnels; New Hampshire Department of Transportation, Bureau of Turnpikes; New Jersey Turnpike Authority; New York State Bridge Authority; New York State Thruway Authority; Port Authority of New York and New Jersey; Rhode Island Turnpike and Bridge Authority; South Jersey Transportation Authority; Virginia Department of Transportation; and West Virginia Parkways Authority. The Ohio Turnpike Commission recently joined and implemented its E-ZPass system on October 1, 2009.

New highway construction projects, such as the Mon/Fayette Expressway and Southern Beltway, are being designed and built to be compatible with the introduction of the E-ZPass system. The installation of the E-ZPass system has required the incorporation of innovative technologies into a single toll system that uses hardware and software adaptable to future technologies. The Commission has a contract, extending through 2019, with TransCore Company for the design, installation and maintenance of the E-ZPass system software and hardware and the operation of the E-ZPass Customer Service and Violations Processing Centers. The E-ZPass system implementation is a major component of the Commission's Ten Year Capital Plan. Plans call for enhancements to E-ZPass lane signage and design of additional Express E-ZPass lanes.

Slip Ramps

The Commission has constructed an alternative interchange near the Fort Washington Interchange. Such unmanned ramps, designed for the exclusive use of E-ZPass customers, are expected to reduce congestion at the Turnpike's busier interchanges and similarly are expected to provide better access to industrial parks and job centers. The Commission is considering the construction of slip ramps in other growing areas as well. Slip ramp locations currently in design include Route 29 in Chester County, near the Great Valley Corporate Center; Route 903 in Carbon County; Philadelphia Park in Bucks County; and the Lansdale Interchange in Montgomery County.

E-ZPass Plus

In November 2009, the Commission began offering E-ZPass customers who meet specific criteria the ability to participate in E-ZPass Plus. E-ZPass Plus allows E-ZPass customers to use their transponder to pay for parking fees at participating facilities displaying the E-ZPass Plus logo.

Personnel and Labor Relations

As of June 1, 2010, the Commission employed 2141 persons, consisting of 446 management employees, 1557 union members, and 138 temporary employees. Seventy-seven and four-tenths percent (77.4%) of all employees are engaged in maintenance operations and fare collection. The civil service requirements applicable to the state government do not apply to employees of the Commission.

The Commission is a party to three collective bargaining agreements and one memorandum of understanding with Teamsters' Local Unions covering central office, field, and first level supervisory personnel. The three collective bargaining agreements became effective on October 1, 2007 and expire on September 30, 2011. The memorandum of understanding has no termination date. Since union representation began, the Commission has experienced one work stoppage which occurred on November 24, 2004 and lasted for 7 days.

Retirement Plan

Substantially all employees of the Commission are covered by the State Employee's Retirement System of the Commonwealth ("SERS"). The costs of the contributory plan are paid by the Commission quarterly based upon a stipulated contribution rate. Participating agency contributions, including those for the Commission, are mandated by statute and are based upon an actuarially determined percentage of gross pay that is necessary to provide the SERS with assets sufficient to meet the benefits to be paid to the SERS members.

The Commission's retirement contribution, as a percentage of covered payroll, for all Class A and Class AA member whose normal retirement age is any age upon accumulation of 35 years of eligibility points or age 60, with three years of service are as follows:

Year Ended June 30 (Commonwealth's Fiscal Year)	Class A	Class AA
2010	2.52%	3.15%
2009	2.64%	3.29%
2008	2.63%	3.28%
2007	2.59%	3.23%

The Commission's required contributions and percentage contributed are as follows:

Year Ended May 31	Commission Required Contribution (in millions)	Percent Contributed
2010	$4.0	100%
2009	$3.8	100%
2008	$3.7	100%
2007	$3.3	100%

A copy of the System's annual financial statements may be obtained by writing to: State Employees' Retirement System, 30 North Third Street, P.O. Box 1147, Harrisburg, Pennsylvania, 17108-1147.

The SERS has recently advised the Commission that, based on the assumptions and forecasts of SERS, the employer contribution rates, including those of the Commission, are projected to increase to 29.2% of payroll in Fiscal Year 2013-14. Based on these projections, which assume an 8% investment return, the Commission's annual contribution would increase from approximately $4 million in Fiscal Year 2010 to approximately $39 million in Fiscal Year 2013-14, which represents approximately 4% of estimated revenues in that Fiscal Year. SERS projects that composite contribution rates will gradually decrease thereafter to approximately 17.5% of payroll in Fiscal Year 2035-36. The Commission will continue to monitor these projected increases and to evaluate its options to minimize their impact.

On June 16, 2010, the Pennsylvania House of Representatives passed legislation that attempts to alleviate the spike in employer contribution rates by extending the costs over several years. This would be accomplished by making changes to SERS' funding methodologies by gradually increasing funding through the use of limits that cap employer contribution rate increases, reamortizing existing liabilities over thirty years and changing the amortization method. The bill also reduces benefits for future state and school district employees to allow for greater financial stability in the system. The bill is now before the Senate Finance Committee.

However, on July 6, 2010, the Governor signed into law Act 2010-46 which reduced the employer contribution rates for Fiscal Year 2010-11, thus reducing the Commission's contribution rates for the upcoming Fiscal Year from 3.80% for Class A employees and 4.75% for Class AA employees to 3.29% for Class A employees and 4.11% for Class AA employees. This rate reduction is only for one year. Therefore, it is unclear what overall impact this revision will have on the Commission's future contribution rates discussed above.

Other Post Employment Benefit Liabilities

Historically, the Commission has funded its post employment benefit liabilities on a pay as you go basis. In accordance with the pronouncements of the GASB applicable to the Commission, the Commission began reporting its unfunded actuarial accrued liabilities for health care and other non pension post employment benefits ("***OPEB***") and its annual OPEB cost each year commencing with its audited financial statements for the Fiscal Year ending May 31, 2008. The Commission's unfunded actuarial accrued OPEB liability as of March 1, 2010 was $196,962,000, using an 8% discount rate and assuming that the annual required contribution would be invested in an irrevocable separate trust account. The Commission's annual required contribution for Fiscal Year 2010-11 is estimated to be $26.7 million. The annual required contribution for Fiscal Year 2009-10 was $29.1 million. The Commission is required, pursuant to GASB rules, to have biennial actuarial valuations of its OPEB obligations.

CAPITAL IMPROVEMENTS

Act 61 Projects

In 1985, the General Assembly of the Commonwealth enacted Act 61 that, among other things, authorized and empowered the Commission to undertake the construction of new projects and to operate them as part of the System. Although Act 44 repeals Act 61, it further provides that all activities initiated under Act 61 shall continue and remain in full force and effect and may be completed under Act 44.

Ten Year Capital Plan

The Commission has a Ten Year Capital Plan for its facilities and equipment exclusive of the Mon/Fayette and Southern Beltway projects), consisting of Highway, Technology, Fleet and Facilities Programs, which it updates each year. The current Ten Year Capital Plan for Fiscal Year 2010-2011 is discussed below. The Highway Program consists of roadway, bridge, tunnel and toll plaza/interchange projects. The Technology Program consists of toll collection, communication, and other electronic information management projects. The Fleet Program funds rolling stock that is required to maintain the system. The Facilities Program consists of buildings and large, heavy or high value equipment needs.

The highest priority highway project is the ongoing full depth roadway total reconstruction of the east/west Mainline and Northeast Extension. This work includes the reconstruction of the roadway, the widening of the median, and the replacement of both mainline and overhead bridges. To date, approximately 72 miles of total reconstruction has been completed and approximately 14 miles are currently in construction. Reconstruction from Gateway Interchange (Milepost 1.5) the New Castle/Beaver Falls Interchange (Milepost 10) as well as 5 miles in the Carlisle area (milepost 210-215) was completed in 2009. Total reconstruction projects from Irwin Interchange (Milepost 67.0) to New Stanton Interchange (Milepost 75.0) and from Milepost 31 to Milepost 38 are currently under construction. The Commission currently plans to spend approximately $1.8 billion on total reconstruction projects and about $1 billion on various bridge and tunnel projects over the next ten years.

The replacement of the Lehigh River and Pohopoco River Bridges on the Northeast Extension and the replacement of the Allegheny River Bridge are both major bridge projects currently under construction. The replacement of the Gettysburg, Lebanon/Lancaster and Harrisburg East Toll Plazas were all completed in 2008.

The Technology Program includes funding of $190 million over the next ten years to address the Commission's technology needs including toll collection projects, communication, application development and technical operational needs. One of the primary initiatives of the Technology Program is a project to replace the Commission's core financial and administrative systems with an Enterprise Resource Planning (ERP) system software package. The Commission is in the process of implementing SAP to provide a set of integrated business process supported by multi module application software with a centralized data repository.

The Fleet Program includes funding of $77 million to purchase rolling stock to insure adequate maintenance of the roadway system.

The Facilities and Energy Management Program includes funding of $178 million to repair and replace the aging facilities of the Commission. This commitment will ensure that major equipment and facilities are in good repair to support ongoing Turnpike operations.

Mon/Fayette Expressway and Southern Beltway

Four projects constructed as part of the Mon/Fayette Expressway are in operation. One is a six mile toll road between Interstate Route 70 and U.S. Route 40 in Washington County. This project was built by PennDOT and turned over to the Commission upon its opening in 1990. The second is an eight mile section of toll road from the Pennsylvania/West Virginia border to Fairchance, which is located just south of Uniontown. The third project is a 17 mile section of the Mon/Fayette Expressway from Interstate Route 70 in Washington County to Pennsylvania Route 51 in Allegheny County. In 2008, approximately 8 miles of the Uniontown to Brownsville Mon/Fayette Project opened in Fayette County, north of Uniontown. These are now part of the System.

The remaining 7 miles of the Uniontown to Brownsville Project of the Mon/Fayette Expressway is now under construction and is scheduled to open in 2013. A 26 mile section of the Mon/Fayette Expressway, extending from Pennsylvania Route 51 to Interstate Route 376 in Pittsburgh, received environmental clearance in December 2004. Final design through design field view has been completed. Additional design, right-of-way acquisition and construction cannot progress until additional funding is identified.

When completed, the Mon/Fayette Expressway will extend from Interstate Route 68 in West Virginia to Interstate Route 376 near Pittsburgh, a distance of approximately 65 miles.

The proposed Southern Beltway is to be constructed from the Mon/Fayette Expressway, near Finleyville, extending as part of a beltway south of Pittsburgh to Pennsylvania Route 60 at the Pittsburgh International Airport. It is composed of three distinct projects. The project from PA 60 to U.S. 22 (also known as the Findlay Connector) opened to traffic in late 2006. The project from U.S. 22 to I-79 received environmental clearance for its 13.3 miles in September, 2008 and is in final design; right of way acquisition began in late 2008. The remaining Southern Beltway project, from I-79 to the Mon/Fayette Expressway, received environmental clearance in May 2009. Further advancement of the US 22 to I-79 project cannot proceed until additional funding is identified.

The proceeds of the Commission's Oil Franchise Tax Bonds, Series A and B of 1998 and Series A, B and C of 2003 and the Registration Fee Revenues Bonds, Series of 2001 were applied to fund construction of the Mon/Fayette and Southern Beltway projects. It is anticipated that the remaining costs to complete the Mon/Fayette Expressway and the Southern Beltway will be financed with Oil Franchise Tax Revenues and Registration Fee Revenues along with other funding sources. Although the open sections of the Mon/Fayette Expressway and the Southern Beltway are toll roads, Mainline System Revenues will not be pledged for the financing of their construction which will be done solely through the issuance of Oil Franchise and Registration Fee Bonds.

The Commission has no legal obligation to complete the unfinished portions of the Mon/Fayette Expressway and Southern Beltway projects at this time. However, the Commission recently has begun to consider other approaches to completing such projects, due in large part to an estimated cost of $5.2 billion to complete them. On September 17, 2008, the Commission issued a Request for Concepts/Solutions (the ***"Request"***) to complete such projects, noting that it was "seeking innovative public private partnership Concepts/Solutions for financing, designing, constructing, operating, and maintaining the un-built 52 miles of the Mon/Fayette Expressway and Southern Beltway." The purpose of the Request was "to receive submissions that include Concepts/Solutions from teams that can demonstrate the necessary financial capacity and technical expertise to complete all or part of such major projects." The existing completed portions of the Mon/Fayette Expressway and Southern Beltway accounted for 1.3% of the Commission's gross System revenue in fiscal 2008 and revenue on the completed portions has been sufficient to cover annual operating expenses.

The Request noted that "There are limited state and federal resources to complete three un-built projects of this program. The two un-built Southern Beltway projects are each approximately thirteen miles in length and the un-built Mon/Fayette Expressway project from PA Route 51 to I-376 is approximately 26 miles in length." The Commission noted that it welcomed "all innovative ideas for completing all or part of the Mon/Fayette Expressway and Southern Beltway projects."

The Commission held an informational meeting on September 17, 2008 at which it was reported the Commission requested that interested parties submit their ideas for completing one or more of the unfinished projects by January 15, 2009. The Commission received and evaluated three responses and conducted oral interviews with all respondents in March 2009.

Since that time, a number of significant events have occurred. World financial markets have become more uncertain resulting in less credit available to fund public-private partnership (***"PPP"***) projects, proposed federal regulations for transportation PPP projects are more stringent, proposed federal taxation schedules for amortization and depreciation have been lengthened, new transportation legislation at the federal and state level may not be addressed this year, a number of transportation PPPs nationwide have received no responses or have not been consummated and all three respondents indicated that Commission financial participation would be required for any of the construction scenarios.

As a result of the evaluation of the three responses and the significant events listed above, the Commission will not move forward with a Request for Proposals at this time.

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Pennsylvania Turnpike Commission
Fiscal Year 2010-2011Ten Year Capital Plan - Annual Program Detail
(In Millions of $)

Program	Category	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	TOTALS	% of Total
Highway	Roadway/Safety	63.7	62.4	41.4	40.9	53.5	51.3	50.3	50.9	52.7	54.5	521.5	11.5%
Highway	Bridge,Tunnels & Misc Structure	92.5	48.8	84.9	113.2	82.7	79.2	137.7	164.8	149.5	108.4	1,061.7	23.4%
Highway	Total Reconstruction	152.3	201.1	171.2	200.7	214.8	212.7	158.2	129.8	158.8	224.6	1,824.1	40.2%
Highway	Interchange	27.4	29.7	44.5	28.2	21.6	29.2	30.8	31.2	15.8	9.5	267.9	5.9%
Highway	Highway Miscellaneous	26.4	17.4	14.9	15.5	16.3	17.2	18.3	19.3	20.1	21.0	186.4	4.1%
Highway	Facilities - Design	12.6	40.9	43.4	15.1	24.7	24.0	22.7	21.9	21.2	-	226.6	5.0%
Highway	**Total Highway**	**374.8**	**400.2**	**400.2**	**413.6**	**413.6**	**413.6**	**418.0**	**418.0**	**418.0**	**418.0**	**4,088.1**	90.2%
Facilities Energy Management Operations	Re-capitalization	1.6	3.4	0.4	-	-	-	-	-	-	-	5.4	0.1%
Facilities Energy Management Operations	Sustainment	10.9	10.6	11.7	12.2	12.6	13.1	13.5	14.0	14.5	15.0	128.0	2.8%
Facilities Energy Management Operations	Compliance	4.7	4.6	4.2	4.4	4.6	2.4	2.5	2.5	2.6	2.7	35.3	0.8%
Facilities Energy Management Operations	New Energy Initiative	1.6	0.3	3.5	3.5	-	-	-	-	-	-	8.9	0.2%
Facilities Energy Management Operations	**Total FEMO**	**18.8**	**18.9**	**19.8**	**20.1**	**17.2**	**15.4**	**16.0**	**16.5**	**17.1**	**17.7**	**177.6**	3.9%
Fleet Equipment	Fleet Equipment	8.6	9.2	9.1	6.9	8.7	8.7	8.6	8.7	8.6	-	77.0	1.7%
Fleet Equipment	**Total Fleet Equipment**	**8.6**	**9.2**	**9.1**	**6.9**	**8.7**	**8.7**	**8.6**	**8.7**	**8.6**	-	**77.0**	1.7%
Technology	Functional Business Software	5.0	8.1	12.8	13.4	23.6	11.5	12.1	12.9	13.8	11.6	124.7	2.8%
Technology	Infrastructure HW / SW	6.3	6.4	4.2	4.2	4.6	4.7	5.1	5.0	5.5	2.8	48.8	1.1%
Technology	Toll Collect / Operations	6.5	4.6	1.4	1.4	0.6	0.6	0.6	0.6	0.7	-	17.0	0.4%
Technology	**Total Technology**	**17.8**	**19.1**	**18.4**	**19.1**	**28.7**	**16.8**	**17.8**	**18.5**	**19.9**	**14.4**	**190.6**	4.2%
Total Capital Plan		**420.0**	**447.5**	**447.6**	**459.6**	**468.3**	**454.5**	**460.4**	**461.7**	**463.6**	**450.1**	**4,533.3**	100.0%

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APPENDIX B

AUDITED FINANCIAL STATEMENTS: 2009 AND 2008

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Basic Financial Statements

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania
Years Ended May 31, 2009 and 2008
With Report of Independent Auditors

0907-1072283-PH

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Basic Financial Statements

Years Ended May 31, 2009 and 2008

Contents

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Report of Independent Auditors

The Commissioners
Pennsylvania Turnpike Commission

We have audited the accompanying basic financial statements of the Pennsylvania Turnpike Commission, a component unit of the Commonwealth of Pennsylvania, as of May 31, 2009 and 2008, and for the years then ended as listed in the table of contents. These financial statements are the responsibility of the Pennsylvania Turnpike Commission's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Commission's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Pennsylvania Turnpike Commission as of May 31, 2009 and 2008, and the changes in its financial position and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Management's Discussion and Analysis and the required schedule of funding progress for postemployment healthcare benefits are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Ernst + Young LLP

September 20, 2009

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Management's Discussion and Analysis

May 31, 2009

The management of the Pennsylvania Turnpike Commission (hereinafter referred to as the Commission) offers this narrative overview and analysis of the Commission's financial activities for the year ended May 31, 2009, which should be read in conjunction with the Commission's basic financial statements.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. While the Commission is considered a component unit of the Commonwealth of Pennsylvania, it is also an enterprise fund. Therefore, the Commission's financial statements are presented in a manner similar to a private-sector business and have been prepared according to accounting principles generally accepted in the United States (GAAP). All of the current year's revenues are recorded when earned and expenses are recorded as they are incurred, regardless of when the cash is received or disbursed.

The balance sheet presents information on all of the Commission's assets and liabilities, with the difference being reported as net assets. Over time, increases or decreases in net assets serve as a relative indicator of the change in financial position of the Commission.

The statement of revenues, expenses, and changes in net assets shows the result of the Commission's total operations during the fiscal year and reflects both operating and nonoperating activities. Changes in net assets (increases or decreases) reflect the current fiscal period's operating impact upon the overall financial position of the Commission.

The statement of cash flows provides a detailed analysis of all sources and uses of cash. The direct method of cash flows is presented, ending with a reconciliation of operating income to net cash provided by operating activities. The statement of cash flows is divided into the following activities sections—operating, investing, capital financing, and noncapital financing.

Notes to the basic financial statements contain supplemental information and offer explanations to the basic financial statements. The notes are intended to assist the reader in understanding the Commission's basic financial statements.

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Management's Discussion and Analysis (continued)

Financial Analysis

Comparative Condensed Balance Sheets

	May 31 2009	2008	2007
		(In Thousands)	
Assets			
Current assets	**$ 745,690**	$ 909,211	$ 654,864
Long-term investments	**311,219**	362,065	544,855
Capital assets, net of accumulated depreciation	**4,091,440**	3,766,829	3,430,937
Other assets	**50,512**	38,819	26,290
Total assets	**$ 5,198,861**	$ 5,076,924	$ 4,656,946
Liabilities and net assets			
Current liabilities	**$ 955,938**	$ 214,790	$ 230,368
Debt net of unamortized premium and unamortized refunding losses	**4,047,102**	3,755,287	2,631,488
Other noncurrent liabilities	**39,851**	37,880	34,942
Total liabilities	**5,042,891**	4,007,957	2,896,798
Net assets:			
Invested in capital assets, net of related debt	**1,263,878**	1,327,020	772,709
Restricted	**49,926**	57,681	731,995
Unrestricted	**(1,157,834)**	(315,734)	255,444
Total net assets	**155,970**	1,068,967	1,760,148
Total liabilities and net assets	**$ 5,198,861**	$ 5,076,924	$ 4,656,946

As noted earlier, net assets serve as an indicator of the Commission's overall financial position. Restricted net assets are restricted for projects defined in Trust Indentures and applicable bond issue official statements. The Commission's total net assets were $0.156 billion, $1.069 billion, and $1.760 billion as of May 31, 2009, 2008, and 2007, respectively. The large decreases in net assets in the fiscal years 2009 and 2008 were the result of $850 million and $750 million paid to the Pennsylvania Department of Transportation (PennDOT) as required by Act 44 and the lease and funding agreement between the Commission and PennDOT. These payments were recorded as nonoperating expenses. Please refer to Note 8 (Commitments and Contingencies) of the financial statements and to the Events That Will Impact Financial Position section of this MD&A for additional information regarding Act 44 and the lease and funding agreement between the Commission and PennDOT.

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Management's Discussion and Analysis (continued)

Financial Analysis (continued)

Total assets increased by $121.9 million and $420.0 million in fiscal 2009 and fiscal 2008, respectively. The 2009 increase is mostly related to an increase of $324.6 million in capital assets which was partially offset by a decrease in cash and investments of $216.2 million. The increase in capital assets was due mainly to the completion of phase 1 of the Uniontown to Brownsville section of the Mon-Fayette project which is included in infrastructure.

The 2008 increase was mainly the result of increases of $77.1 million and $335.9 million in cash and investments and capital assets, respectively. The increase in cash and investments was the result of new debt issuances while the increase in capital assets was the result of an increase of $152.0 million in assets under construction and a $251.0 million increase in infrastructure which was primarily due to the completion of the new Susquehanna River Bridge.

Total liabilities increased by $1,034.9 million in fiscal 2009 and by $1,111.2 million in fiscal 2008. The fiscal 2009 increase is due mainly to the issuance of new bonds. The new issuances include: Series 2008 B Subordinate, 2008 C, 2008 C Subordinate and 2009 A Subordinate. The subordinate bonds were issued to fund Act 44 payments.

The fiscal 2008 increase was due mainly to the issuance of new bonds and bond anticipation notes. The new issuances include: Series A&B 2007 Turnpike Bond Anticipation Notes; Series 2008 A Turnpike Subordinate Revenue bonds; Series A 2008 Turnpike Multi-Modal Revenue Refunding bonds; and Series B 2008 Turnpike Multi-Modal Revenue bonds. The 2007 A&B Bond Anticipation Notes and the 2008 A Subordinate bonds were issued primarily to make payments to the Pennsylvania Department of Transportation in accordance with Act 44; the 2008 A Refunding Series were issued to refund Series 2006 B&C bonds; and the 2008 B bonds were issued to finance various projects in the Commission's Ten-Year Capital Plan.

Pennsylvania Turnpike Commission
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Management's Discussion and Analysis (continued)

Financial Analysis (continued)

Comparative Statements of Revenues and Expenses

	Year Ended May 31		
	2009	**2008**	**2007**
		(In Thousands)	
Operating:			
Operating revenues	**$ 633,547**	$ 620,205	$ 608,444
Cost of services	**(393,364)**	(372,959)	(369,855)
Depreciation	**(237,108)**	(193,696)	(198,414)
Operating income	**3,075**	53,550	40,175
Nonoperating revenues (expenses):			
Oil company franchise tax revenues	**57,379**	60,592	67,071
Motor license registration fee revenue	**28,000**	28,000	28,000
Investment earnings	**27,672**	50,488	67,689
Other nonoperating revenues (expenses)	**660**	(135)	1,405
Act 44 payments to PennDOT	**(850,000)**	(750,000)	–
Interest and bond expense	**(191,553)**	(146,250)	(135,415)
Nonoperating income (loss)	**(927,842)**	(757,305)	28,750
Change in net assets before capital contributions	**(924,767)**	(703,755)	68,925
Capital contributions	**11,770**	12,574	24,306
Change in net assets	**$(912,997)**	$(691,181)	$ 93,231

For fiscal years ended May 31, 2009, 2008, and 2007, operating and nonoperating revenues totaled $747.3 million, $759.3 million, and $772.6 million, respectively, while expenses totaled $1,672.0 million, $1,463.0 million, and $703.7 million, respectively.

Total revenues for fiscal 2009 were $12.0 million or 1.6% lower than 2008. The decrease in total revenues was the result of decreases in nonoperating revenues. Investment earnings were down $22.8 million resulting from a decline in market interest rates and lower balances throughout the year and Oil Company Franchise Tax revenues were down $3.2 million. These decreases were partially offset by an increase of $19.1 million in gross toll revenue resulting from a toll rate increase of 25% in January 2009.

Pennsylvania Turnpike Commission
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Management's Discussion and Analysis (continued)

Financial Analysis (continued)

Total expenses for fiscal 2009 were $209.0 million higher than 2008 primarily due to increases in Act 44 payments, interest and bond expenses, cost of services and depreciation expense. The Commission paid an additional $100.0 million to PennDOT in fiscal 2009 as required by Act 44. In addition, interest and bond expenses increased by $45.3 million, which was mainly the result of fiscal 2009 and 2008 bond issuances. The $20.4 million increase in cost of services is mostly attributable to an $8.4 million increase in annual OPEB costs and a $7.9 million increase in I-80 related expenses. An increase in depreciation expense of $43.4 million resulting from completion of phase 1 of the Uniontown to Brownsville (Mon/Fayette) and total reconstruction projects and a full year of depreciation expense for the new Enterprise Resource Planning (ERP) system also added to the overall increase in expenses.

Total revenues for fiscal 2008 were $13.3 million or 1.7% lower than 2007. The decrease in total revenues was the result of decreases in nonoperating revenues. Investment earnings were down $17.2 million resulting from a decline in market interest rates and lower balances throughout the year and Oil Company Franchise Tax revenues which were down $6.5 million. Net fares increased $6.3 million or 1.1% from fiscal 2007; the increase was the result of a 1.9% increase in traffic volumes.

Total expenses for fiscal 2008 were $759.3 million higher than 2007. The increase was the result of $750.0 million paid to PennDOT as required by Act 44. Cost of services increased $3.1 million or 0.8% and depreciation expense decreased $4.7 million or 2.4%. Although $361.8 million of capital assets were added to the depreciable base during the fiscal year ended May 31, 2008, other assets were fully depreciated, which caused the decrease in the depreciation expense.

Capital Assets and Debt Administration

Capital Assets

The Commission's investment in capital assets as of May 31, 2009 amounted to $7.8 billion of gross asset value with accumulated depreciation of $3.7 billion, leaving a net book value of $4.1 billion. This investment represents 78.7% of the Commission's total assets compared with 74.2% in 2008. Capital assets consist of land, buildings, improvements, equipment, infrastructure, and assets under construction. Infrastructure assets are typically items that are immovable such as highways, bridges, and tunnels. The net book value of capital assets at May 31, 2008 was $3.8 billion.

Pennsylvania Turnpike Commission
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Management's Discussion and Analysis (continued)

Financial Analysis (continued)

Capital Assets and Debt Administration (continued)

Capital Assets (continued)

Assets under construction at the end of fiscal 2009 were $1,229.8 million, which was $116.5 million less than fiscal 2008. This decrease is mainly the result of the completion of phase 1 of the Uniontown to Brownsville (Mon/Fayette) project.

In fiscal 2009, $642.7 million of constructed capital assets were completed which was $280.9 million more than the $361.8 million of constructed capital assets completed in fiscal 2008. In addition to constructed capital assets, the Commission made capital asset acquisitions totaling more than $29.7 million and $17.0 million in fiscal 2009 and 2008, respectively.

The Commission spent $419.3 million on capital improvements to the existing mainline system and $207 million on the Mon/Fayette Expressway and Southern Beltway roadway expansion (Act 61) projects during fiscal year 2009.

Roadway reconstruction totaling 67.5 miles has been completed. An additional 18.5 miles of roadway reconstruction has been initiated, and another 26 miles of reconstruction is currently in design. The Commission also completed 20.6 miles of roadway resurfacing, helping to maintain a quality-riding surface with a system-wide median IRI (International Roughness Index) of 87.

The Commission completely replaced 18 aging original bridges with new bridges, and rehabilitated another 18 bridges in fiscal 2009 and fiscal 2008. Construction of the new Allegheny River Bridge is continuing with the new westbound bridge nearly complete, and with an overall project completion date of October 2010. Demolition of the old Susquehanna River Bridge was completed in 2008 marking the completion of that project.

Facility projects continue to focus on environmental and safety compliance, and on the maintenance and repair of existing buildings including HVAC, electrical and plumbing systems. Equipment purchases and regular maintenance of existing equipment is ongoing to ensure the Turnpike fleet of dump trucks, plows, and other equipment is of sufficient number and functioning properly so that maintenance staff will be adequately equipped to maintain the roadway.

Construction of phase 1 of the Uniontown to Brownsville project, an 8.4 mile section from Pittsburgh Road to US 40, opened to traffic in October 2008 and is now incorporated into the Turnpike System.

Pennsylvania Turnpike Commission
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Management's Discussion and Analysis (continued)

Financial Analysis (continued)

Capital Assets and Debt Administration (continued)

Capital Assets (continued)

Phase 2 of the Uniontown to Brownsville, a 7 mile section, will complete the Mon/Fayette Expressway from the West Virginia Line in Fayette County to PA 51 in Washington County, a distance of 54 miles. Phase 2 major construction projects have been bid and this segment is currently under construction. As of July 1, 2009, 29% of the construction work has been completed and the Pennsylvania Turnpike Commission anticipates completion for phase 2 in late 2011 or early 2012.

The Mon/Fayette Expressway project, extending from PA Route 51 to Interstate Route 376 in Pittsburgh, has completed the preliminary design phase and is waiting for additional funding.

The proposed Southern Beltway is planned to be constructed from the Mon/Fayette Expressway, near Finleyville, extending as part of a beltway south of Pittsburgh to Pennsylvania Route 60 at the Pittsburgh International Airport. It is presently planned for construction in three sections. I-79 to Mon/Fayette Expressway has completed the environmental phase and is inactive until additional resources are found. The section from US 22 to I-79 is in final design and acquisition of right-of-way for 71 total take parcels is underway. Additional funding is needed to continue the US 22 to I-79 project to complete the design and for all of its construction. The Findlay Connector (PA 60 to US 22), a six mile section of the Southern Beltway from the Pittsburgh International Airport to US 22, was opened to traffic in October of 2006.

A federal Environmental Impact Statement Record of Decision was issued for the I-95 Turnpike interchange project in late 2004 and preliminary design for the project has been completed. Final design has been initiated for the proposed Stage 1 construction which would include the tolling modifications (new mainline toll plaza near Milepost 352, open road tolling, westbound at Delaware River Bridge and elimination of tolls at Delaware Valley Interchange) and the I-95 ramps which will bring the I-95 designation on to the PA & NJ Turnpikes. There are also several early action overhead bridge replacements required prior to mainline construction. Two of the early action bridges are scheduled to be bid in 2010 and will be paid for by 100% Turnpike funds. Additional funding is needed for the construction of the remainder of the project.

Pennsylvania Turnpike Commission
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Management's Discussion and Analysis (continued)

Financial Analysis (continued)

Capital Assets and Debt Administration (continued)

Capital Assets (continued)

The above paragraphs describe the changes in capital assets occurring during the fiscal years ended May 31, 2009 and 2008. Please refer to the capital assets section in the notes to the financial statements (Note 5) for more detailed capital asset schedules.

Debt Administration

In January 2009, the Commission issued $308,035,000 Turnpike Subordinate Revenue Bonds Series A of 2009. The 2009 A Subordinate Bonds were issued primarily to make payments to the Pennsylvania Department of Transportation (PennDOT) in accordance with Act 44.

On December 18, 2008 the Commission entered into two forward starting swap agreements with two counterparties (Deutsche Bank and Goldman Sachs). Each swap agreement had a notional amount of $150,000,000 with an effective date of June 1, 2010 and a termination date of June 1, 2039. The Commission entered into these forward starting interest rate swaps to hedge its exposure to interest rate variations and interest rate costs with respect to the Series 2009 A and Series 2010 A Mainline Revenue Bonds. The Commission issued its Series 2009 A revenue bonds in June 2009 and expects to issue its Series 2010 A revenue bonds in June 2010.

In October 2008, the Commission issued $411,110,000 Turnpike Subordinate Revenue Bonds, Series C of 2008. The bonds consist of Subseries C-1 Subordinate Revenue Bonds issued for $231,335,000, Subseries C-3 Subordinate Revenue Bond Anticipation Notes issued for $102,060,000 and Subseries C-4 Subordinate Revenue Bond Anticipation Notes (federally taxable) issued for $77,715,000. These bonds were issued to make payments to the Pennsylvania Department of Transportation (PennDOT) in accordance with Act 44.

On August 19, 2008, the Commission issued $50,000,000 Turnpike Multi-Modal Revenue Bonds, Series C of 2008 maturing June 1, 2038. These bonds bear interest at a variable rate and were issued primarily to finance the costs of various Mainline capital expenditures to fund the reconstruction of roadbed and roadway and the widening, replacing and redecking of certain bridges and/or the rehabilitation of certain interchanges.

Pennsylvania Turnpike Commission
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Management's Discussion and Analysis (continued)

Financial Analysis (continued)

Capital Assets and Debt Administration (continued)

Debt Administration (continued)

In July 2008, the Commission issued $233,905,000 Turnpike Subordinate Revenue Bonds, Series B of 2008. Subseries B-1 of 2008 bonds total $164,915,000 and Subseries B-2 of 2008 bonds total $68,990,000 (federally taxable). These bonds were issued to make payment to PennDOT in accordance with Act 44.

In May 2008, the Commission issued Series 2008 B Multi-Modal Revenue Bonds in the amount of $402,000,000. The 2008 B Series Bonds were issued primarily to provide funds to finance the costs of various Mainline capital expenditures for the Pennsylvania Turnpike system as set forth in the Commission's current Ten-Year Capital Plan.

In May 2008, the Commission issued Series 2008 A Multi-Modal Refunding Bonds in the amount of $233,455,000. The primary purpose of this variable to variable refunding was to replace the Ambac insured 2006 B&C bonds with the 2008 A bonds which are uninsured, supported by a JP Morgan Standby Bond Purchase Agreement.

In April 2008, the Commission issued Series 2008 A (Subseries A-1) Subordinate Bonds in the amount of $176,565,000 and (Subseries A-2) which are federally taxable for $68,290,000. The 2008 A Subordinate Bonds were issued primarily to make payments to PennDOT in accordance with Act 44. Also in April 2008, the Oil Company Franchise Tax Revenue Bonds Series 2003 C were converted to a fixed interest rate of 5.0% from the auction rate.

In October 2007, the Commission issued 2007 Series A&B Turnpike Bond Anticipation Notes in the amounts of $280,830,000 and $251,025,000, respectively. The 2007 Series Anticipation Notes were issued primarily to make payments to PennDOT in accordance with Act 44 to fund certain grants to mass transit agencies and various road, highway, bridge and capital projects of PennDOT. Both Series have a final maturity of October 15, 2009. Additionally, the Series B Anticipation Notes are federally taxable.

The above paragraphs describe debt and swap activity occurring during the fiscal year. Please refer to the bonds payable and commitments and contingencies sections in the notes to the financial statements (Notes 6 and 8) for more detailed schedules and descriptions of long-term debt and swap activity.

Pennsylvania Turnpike Commission
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Management's Discussion and Analysis (continued)

Financial Analysis (continued)

Events That Will Impact Financial Position

In December 2006, Governor Edward G. Rendell announced his intention to seek expressions of interest for a possible sale or lease of the Pennsylvania Turnpike system in order to obtain funds for highway, bridge and transit programs throughout the Commonwealth of Pennsylvania. The Commonwealth hired several firms to perform work related to a possible sale or lease of the Pennsylvania Turnpike; however, the state legislature did not support the plan and alternative proposals were considered. In July 2007, House Bill 1590, titled Act 44 of 2007, was passed by the state legislature and signed by Governor Rendell. The provisions of Act 44 required the Turnpike Commission to enter into a 50-year lease of the Pennsylvania portion of Interstate 80 with PennDOT and to make substantial lease payments to PennDOT to provide funds for various transportation needs of the Commonwealth. In addition, Act 44 granted the Commission the option to convert such portion of Interstate 80 to a toll road subject to certain federal approvals. As required under Act 44, the Commission and PennDOT entered into a 50-year Lease and Funding Agreement on October 14, 2007. The Commission's payments to PennDOT for the fiscal years ended May 31, 2009 and 2008 were $850 million and $750 million, respectively. Please refer to Note 8 (Commitments and Contingencies) for additional information regarding required annual payments for the remainder of the term of the lease.

The Commission submitted its Preliminary Expression of Interest to the Federal Highway Administration (FHWA) in August 2007, requesting tolling authority for that portion of Interstate 80 traversing the Commonwealth of Pennsylvania. By a letter dated September 26, 2007, FHWA replied to the Commission stating that the Interstate System Reconstruction and Rehabilitation Pilot Program (the Pilot Program) is the appropriate tolling pilot program under which the Commission should apply. The Commission submitted to FHWA a joint application with PennDOT on October 31, 2007. FHWA responded to the application with a request for additional information on December 31, 2007. Among FHWA's requests were a clearer identification of the rehabilitation, reconstruction, and improvement projects currently being planned for Interstate 80 by the Commission after the Conversion Date, and further information of PennDOT's historic funding strategy for Interstate 80. The Commission and PennDOT replied to FHWA on December 20, 2007, and they jointly acknowledged this request for additional information and confirmed their intent to continue seeking federal approval for the Conversion. Representatives of the Commission and PennDOT met with FHWA staff on two occasions during the first half of 2008 to discuss the additional information to be included in the updated application.

Pennsylvania Turnpike Commission
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Management's Discussion and Analysis (continued)

Financial Analysis (continued)

Events That Will Impact Financial Position (continued)

The Commission and PennDOT submitted an amended application to FHWA to toll Interstate 80 in July 2008 and supplemented such application in August 2008. By letter dated September 11, 2008, FHWA advised the Commission and PennDOT that it was unable to move the application forward at that time primarily because the proposed lease payments (from the Commission to PennDOT), as presented to FHWA, did not meet federal statutory requirements. The Commission and PennDOT are evaluating strategies for the submittal of a new application.

The Commission continued to meet its funding commitments in full and on time during fiscal 2009, the second year of Act 44. As the Commission carries out its new Act 44 responsibilities, it also continues its efforts to maintain and improve the Turnpike. Meeting Act 44 and Turnpike funding commitments in a constrained financial environment requires carefully managing financial obligations while maintaining financial flexibility.

The Commission has met these significant challenges over the past fiscal year despite the unprecedented economic environment of rising fuel prices in the first half of the fiscal year and the worsening recession during the second half of the year by adjusting its financing and budget strategies which include cost-containment measures. As part of the Act 44 financial planning process, the Commission evaluates alternative tolling, operating cost, capital program and debt financing strategies to meet its obligations in a cost-effective and prudent manner. The ability to continually review and, as appropriate, adjust strategies throughout the term of the Lease provides the Commission with the necessary flexibility to adapt to changing market conditions.

The above paragraphs provide a brief overview of Act 44 and its requirements. Please refer to the commitments and contingencies section in the notes to the financial statements (Note 8) for additional information regarding the Commission's commitments under the Lease and Funding Agreement.

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Balance Sheets

(In Thousands)

	May 31 2009	May 31 2008
Assets		
Current assets:		
Cash and cash equivalents	$ 147,740	$ 143,276
Short-term investments	8,164	27,478
Accounts receivable	595	1,038
Accrued interest receivable	2,029	1,902
Inventories	19,144	15,372
Restricted current assets:		
Cash and cash equivalents	444,395	552,298
Short-term investments	85,984	128,552
Accounts receivable	36,471	36,514
Accrued interest receivable	1,168	2,781
Total current assets	745,690	909,211
Noncurrent assets:		
Long-term investments:		
Long-term investments unrestricted	200,078	181,446
Long-term investments restricted	111,141	180,619
Total long-term investments	311,219	362,065
Capital assets not being depreciated:		
Land	204,665	181,846
Assets under construction	1,229,835	1,346,351
Capital assets being depreciated:		
Buildings	742,815	697,816
Improvements other than buildings	60,322	59,482
Equipment	401,944	397,477
Infrastructure	5,199,598	4,613,052
	7,839,179	7,296,024
Less accumulated depreciation	3,747,739	3,529,195
	4,091,440	3,766,829
Other assets:		
Other assets	2,332	1,433
Deferred issuance costs	48,180	37,386
Total other assets	50,512	38,819
Total noncurrent assets	4,453,171	4,167,713
Total assets	$ 5,198,861	$ 5,076,924

	May 31 2009	2008
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued liabilities	**$ 217,668**	$ 121,272
Current portion of debt	**709,715**	67,555
Unearned income	**28,555**	25,963
Total current liabilities	**955,938**	214,790
Noncurrent liabilities:		
Debt, less current portion, net of unamortized premium of $50,337 and $56,906 in 2009 and 2008, respectively, and net of unamortized refunding loss of $65,855 and $70,904 in 2009 and 2008, respectively	**4,047,102**	3,755,287
Other noncurrent liabilities	**39,851**	37,880
Total noncurrent liabilities	**4,086,953**	3,793,167
Total liabilities	**5,042,891**	4,007,957
Net assets:		
Invested in capital assets, net of related debt	**1,263,878**	1,327,020
Restricted for certain construction and maintenance purposes	**49,926**	57,681
Unrestricted	**(1,157,834)**	(315,734)
Total net assets	**155,970**	1,068,967
Total liabilities and net assets	**$ 5,198,861**	$ 5,076,924

See accompanying notes.

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Statements of Revenues, Expenses, and Changes in Net Assets

(In Thousands)

	Year Ended May 31 2009	2008
Operating revenues:		
Fares – net of discounts of $22,640 and $20,224 for the years ended May 31, 2009 and 2008, respectively	$ 615,604	$ 598,926
Other	17,943	21,279
	633,547	620,205
Operating expenses:		
Cost of services	393,364	372,959
Depreciation	237,108	193,696
	630,472	566,655
Operating income	3,075	53,550
Nonoperating revenues (expenses):		
Oil company franchise tax revenues	57,379	60,592
Motor license registration fee revenue	28,000	28,000
Investment earnings	27,672	50,488
Other nonoperating revenues (expenses)	660	(135)
Act 44 payments to PennDOT	(850,000)	(750,000)
Interest and bond expenses	(191,553)	(146,250)
	(927,842)	(757,305)
Change in net assets before capital contributions	(924,767)	(703,755)
Capital contributions	11,770	12,574
Change in net assets	(912,997)	(691,181)
Net assets at beginning of year	1,068,967	1,760,148
Net assets at end of year .	$ 155,970	$ 1,068,967

See accompanying notes.

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Statements of Cash Flows

	Year Ended May 31	
	2009	**2008**
	(In Thousands)	
Operating activities		
Cash received from customer tolls and deposits	**$ 629,760**	$ 667,795
Cash payments for goods and services	**(252,946)**	(309,323)
Cash payments to employees	**(135,476)**	(156,602)
Cash received from other operating activities	**12,939**	14,503
Net cash provided by operating activities	**254,277**	216,373
Investing activities		
Proceeds from sales and maturities of investments	**780,732**	1,259,581
Interest received on investments	**26,343**	46,675
Purchases of investments	**(665,189)**	(864,777)
Net cash provided by investing activities	**141,886**	441,479
Capital and related financing activities		
Capital grants received	**12,584**	16,694
Construction and acquisition of capital assets	**(528,560)**	(531,828)
Proceeds from sale of capital assets	**1,225**	29
Payments for bond expenses	**(2,282)**	(3,322)
Payments for redemption of debt	**(67,555)**	(52,645)
Interest paid on debt	**(153,443)**	(140,368)
Proceeds from new debt	**1,003,050**	1,179,835
Net cash provided by capital and related financing activities	**265,019**	468,395
Noncapital financing activities		
Cash payments to PennDOT	**(850,000)**	(750,000)
Cash proceeds from motor license grant	**28,000**	28,000
Cash proceeds from oil company franchise tax	**57,379**	58,709
Net cash used in noncapital financing activities	**(764,621)**	(663,291)
(Decrease) increase in cash and cash equivalents	**(103,439)**	462,956
Cash and cash equivalents at beginning of year	**695,574**	232,618
Cash and cash equivalents at end of year	**$ 592,135**	$ 695,574

Continued on the following page – see accompanying schedule of reconciliation.

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Statements of Cash Flows (continued)

	Year Ended May 31	
	2009	**2008**
	(In Thousands)	
Reconciliation of operating income to net cash provided by operating activities		
Operating income	**$ 3,075**	$ 53,550
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	**237,108**	193,696
Change in operating assets and liabilities:		
Accounts receivable	**(641)**	(3,121)
Inventories	**(3,772)**	1,033
Other assets	**(939)**	(1,047)
Accounts payable and accrued liabilities	**17,475**	(29,849)
Other noncurrent liabilities	**1,971**	2,111
Net cash provided by operating activities	**$ 254,277**	$ 216,373

Noncash Activities

The Commission recorded an increase of $3.4 million and $9.7 million in the fair value of its investments for the years ended May 31, 2009 and 2008, respectively.

The Commission recognized $4.4 million and $3.2 million in income for bond premium amortization for the years ended May 31, 2009 and 2008, respectively.

The Commission recorded $5.0 million and $4.9 million in expenses for amortization of deferred refunding losses for the years ended May 31, 2009 and 2008, respectively.

See accompanying notes.

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Notes to Financial Statements

May 31, 2009

1. Financial Reporting Entity

The Pennsylvania Turnpike Commission (the Commission) was created as an instrumentality of the Commonwealth of Pennsylvania on May 21, 1937, with powers to construct, operate, and maintain the Turnpike System and to issue Turnpike revenue bonds, repayable solely from tolls and other Commission revenues. The Commission is considered a component unit of the Commonwealth of Pennsylvania (Commonwealth).

In evaluating how to define the Commission for financial reporting purposes, management has considered all potential component units in accordance with Governmental Accounting Standards Board (GASB) Statements No. 14, *The Reporting Entity*, and No. 39, *Determining Whether Certain Organizations Are Component Units—an amendment of GASB Statement No. 14*. GASB Statement No. 14 defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. GASB Statement No. 39 provides additional guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationship with the primary government. The Commission believes it has no component units based on its review of GASB Statements No. 14 and No. 39.

The Commission consists of five members, one of whom is the Secretary of Transportation. The others are appointed by the Governor with the approval of a majority of the Senate.

2. Summary of Significant Accounting Policies

The financial statements of the Pennsylvania Turnpike Commission have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Commission's accounting policies are described below:

Application of FASB Pronouncements

The Commission has elected not to apply any FASB statements or interpretations issued after November 30, 1989.

Basis of Accounting

The Commission's basic financial statements are presented on the accrual basis of accounting.

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Cash Equivalents

For purposes of the statements of cash flows, the Commission considers all highly liquid debt investment securities that mature within three months of acquisition to be cash equivalents.

Investments

Investments are stated at fair value with the exception of certain nonparticipating contracts such as repurchase agreements that are reported at cost, which does not materially differ from fair value. Fair values are based on published market rates.

Capital Assets

Capital assets are stated at cost. Donated capital assets are valued at their estimated fair value on the date received. Interest is capitalized based on average construction cost and the average bond interest rate, less interest earned on invested construction funds. Acquisitions of capital assets valued at $15,000 or greater are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The following lives are used:

Buildings	10 – 45 years
Improvements other than buildings	15 – 20 years
Equipment	3 – 40 years
Infrastructure	10 – 50 years

Inventories

Inventories are valued at the lower of average cost (determined on a first-in, first-out method) or market.

Debt Premium/Discount and Issuance Costs

Debt premium/discount and issuance costs are being amortized using the effective interest rate method over the varying terms of the bonds issued.

Pennsylvania Turnpike Commission
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Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Unearned Income

E-ZPass customers of the Turnpike Commission are required to deposit funds in advance of anticipated travel. Since this money is collected prior to the customers' travel and revenue recognition, it is recorded as unearned income. Unearned income related to E-ZPass customers was $28.4 million and $25.9 million for the years ended May 31, 2009 and 2008, respectively.

Operating Revenues

Revenues associated with operations of the toll road are considered operating revenues. The principal operating revenues of the Commission are fare revenues from customers. Other operating revenues include: service station, restaurant, property and other rental income as well as electronic toll collection and violation enforcement fees related to the E-ZPass program. Also included is revenue from various sponsorship agreements.

Fare Revenues

Fare revenues are recognized when vehicles exit the Turnpike System. As of May 31, 2009 and 2008, approximately 61.0% and 58.9%, respectively, of the fare revenues were realized through electronic toll collection; the remainder was realized through cash collection or a credit card program for military and class 9 vehicles.

Operating Expenses

Operating expenses relate directly to operating and maintaining the toll road. The principal operating expenses of the Commission are cost of services and depreciation. Other expenses are considered nonoperating expenses.

Cost of Services

Cost of services includes: wages and salaries, benefits, utilities, fuels, professional fees and services, PA State Police services, and purchased goods, including materials and supplies.

Utilization of Resources

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first and then unrestricted resources as needed.

2. Summary of Significant Accounting Policies (continued)

Nonoperating Revenues (Expenses)

Nonoperating revenues include: Oil Company Franchise Tax revenues, Motor License Registration Fee revenues, investment earnings, and other miscellaneous revenues not associated with the operations of the toll road. Nonoperating expenses include: Act 44 payments to PennDOT, interest and bond expenses, and other miscellaneous expenses not associated with the operations of the toll road.

Oil Company Franchise Tax Revenues

The Commission receives 14% of the additional 55 mills of the Commonwealth's Oil Company Franchise Tax revenues pursuant to Act 26 established in 1991. The revenues are recorded as nonoperating revenue and totaled $57.4 million and $60.6 million for the fiscal years ended May 31, 2009 and 2008, respectively. These revenues are kept in a separate fund as required by the applicable bond indenture. This fund's assets equaled $277.3 million and $667.9 million as of May 31, 2009 and 2008, respectively, and consisted essentially of cash, investments, and assets under construction.

Motor License Registration Fee Revenues

The Commission received $28.0 million in grants during each of the fiscal years ended May 31, 2009 and 2008 from the Commonwealth's Motor License Fund. The revenue from these grants has been recorded as nonoperating revenue. The Commission has elected to account for this grant in a separate fund. This fund's assets totaled $87.1 million and $253.8 million as of May 31, 2009 and 2008, respectively, and consisted essentially of cash, investments, and assets under construction.

Act 44 Payments to PennDOT

The Commission and PennDOT entered into a Lease and Funding Agreement as required under the terms of Act 44. See Note 8 for more information regarding this Lease and Funding Agreement.

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Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Capital Contributions

The Commission receives grants from other governments for reimbursement of costs for various highway construction projects. During the years ended May 31, 2009 and 2008, the Commission received $11.8 million and $12.6 million, respectively, in reimbursements from the Federal government.

Derivatives

The Commission enters into various interest rate swaps in order to manage risks associated with interest on its bond portfolio. As currently allowed under accounting principles generally accepted in the United States, the Commission does not record the fair value or changes in the fair value of interest rate swaps in its financial statements. See Note 8 for relevant disclosures.

Reclassifications

Certain prior year amounts were reclassified to conform to the current year presentation.

Adoption of New Accounting Pronouncements

In June 2008, the Government Accounting Standards Board issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. This statement is effective for periods beginning after June 15, 2009. Early adoption is allowed.

3. Indenture Requirements and Restrictions

The Commission's debt has been issued under the provisions of a Trust Indenture, dated July 1, 1986, which was amended and restated as of March 1, 2001; a Trust Indenture dated August 1, 1998 (1998 Indenture); and a Trust Indenture dated July 1, 2005 (collectively referred to as the Indentures) between the Commission and the Trustee (U.S. Bank Corp., successor to Wachovia Bank); and a Subordinate Trust Indenture dated April 1, 2008 between the Commission and TD Bank, N.A. as Trustee. Accordingly, certain activities of the Commission are restricted by the Indentures.

The Commission is required to maintain certain accounts with the Trustees as specified by the Indentures. Funds maintained in such accounts are restricted to use for construction, Turnpike System maintenance and operation, Act 44 payments and debt service.

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Notes to Financial Statements (continued)

4. Cash and Investments

Cash deposits are in various financial institutions. The Indentures require that cash deposits be either insured or collateralized by a pledge of direct obligations of the United States Government or the Commonwealth of Pennsylvania or otherwise in accordance with the laws of the Commonwealth of Pennsylvania governing trust funds of public bodies.

The following summary presents the amount of Commission deposits all of which are fully insured or collateralized with securities held by the Commission or its agent in the Commission's name.

	Total Bank Balance	Total Book Balance
	(In Thousands)	
May 31, 2009		
Demand deposits	**$ 588,223**	**$ 592,135**
May 31, 2008		
Demand deposits	$ 83,544	$ 65,374

The Indentures permit investments in obligations of, or guaranteed by, the United States of America, its agencies, and its instrumentalities (United States Government obligations); certificates of deposit issued by institutions insured by the FDIC or fully collateralized with United States Government obligations; investment agreements with certain financial institutions; commercial paper and asset-backed securities rated in the highest category by applicable rating agencies; money market funds and auction rate certificates rated in one of the two highest categories by applicable rating agencies; corporate bonds and medium term notes with a minimum rating of AA-; investments in long-term debt obligations of any state or political subdivision but only to the extent that the applicable rating agency has assigned a rating to such obligations, which at the time of purchase is not lower than the highest underlying rating assigned to any series of Commission bonds then outstanding; and repurchase agreements with banks or primary government dealers reporting to the Federal Reserve Bank of New York collateralized with obligations of, or guaranteed by, the United States of America.

Debt insurers have placed additional restrictions on construction funds. For these funds, corporate bonds, auction rate certificates, asset-backed securities, and medium term notes are not allowed.

4. Cash and Investments (continued)

The Commission has an investment policy that defines guidelines and operational factors governing the investment of cash assets. The policy is consistent with the Indentures regarding permitted investments; however, it imposes the following additional limitations:

- Investments in government agencies are limited to 35% of the portfolio.
- Investments in certificates of deposit and investment agreements are limited to 30% of the portfolio.
- Investments in commercial paper, corporate bonds, and asset-backed securities, in aggregate, are limited to 35% of the portfolio.
- Investments in any single issuer, excluding U.S. Treasury and Federal Agencies, are limited to 5% of the portfolio.

The Commission's investment policy also limits investments to those issues expected to mature within five years, taking into consideration call, prepayment, or other features that may impact maturity.

Credit Risk

The Commission's exposure to credit risk as of May 31, 2009 is as follows:

	Quality Rating				
Debt Investments	**AAA**	**AA**	**A**	**A-1**	***Unrated**
			(In Thousands)		
Government agency securities	$ 154,235	$ –	$ –	$ –	$ 41,967
Corporate obligations	30,293	38,137	–	62,536	–
Municipal bonds	17,262	2,599	–	–	–
Guaranteed investment contracts	–	–	–	–	16,449

* Unrated debt investments are securities that are not rated by the NRSROs.

Investments guaranteed by the full faith of the U.S. Government, such as U.S. Treasuries, GNMA mortgages, and related repurchase agreements, are not considered to have credit risk and do not require disclosure of credit quality.

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Notes to Financial Statements (continued)

4. Cash and Investments (continued)

Concentration of Credit Risk

As of May 31, 2009, the Commission had investments of more than 5% of its consolidated portfolio with the following issuers:

Issuer	Total Investments	Percent of Total
	(In Thousands)	
Federal Home Loan Bank	$ 64,867	6.50%
Federal National Mortgage Association	50,350	5.05

Interest Rate Risk

On May 31, 2009, the effective duration of the Commission's investments, by type, was as follows:

Investment Type	Fair Value	Effective Duration (Years)
	(In Thousands)	
U.S. Treasuries	$ 34,212	2.58
GNMA mortgages	7,677	1.99
Government agency securities	196,202	1.97
Municipal bonds	19,861	9.26
Guaranteed investment contracts	16,449	0.48
Corporate obligations	130,966	1.78
Total investment securities and cash equivalents	$ 405,367	

4. Cash and Investments (continued)

The following is a summary of cash and cash equivalents and investments by type:

	May 31 2009	May 31 2008
	(In Thousands)	
U.S. Treasuries	**$ 34,212**	$ 46,230
GNMA Mortgages	**7,677**	5,005
Government agency securities	**196,202**	326,540
Municipal bonds	**19,861**	20,006
Corporate obligations	**130,966**	103,855
Repurchase agreements	**–**	630,201
Guaranteed investment contracts	**16,449**	16,458
Total investment securities and cash equivalents	**405,367**	1,148,295
Demand deposits	**592,135**	65,374
Total cash and cash equivalents and investments	**$ 997,502**	$ 1,213,669

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Notes to Financial Statements (continued)

5. Capital Assets

A summary of changes to capital assets for the years ended May 31, 2009 and 2008 is as follows:

	Balance June 1, 2008	Additions	Transfers	Retirements	Balance May 31, 2009
			(In Thousands)		
Capital assets not being depreciated (cost)					
Land	$ 181,846	$ 23,209	$ –	$ 390	$ 204,665
Assets under construction	1,346,351	526,137	(642,653)	–	1,229,835
Total capital assets not being depreciated	1,528,197	549,346	(642,653)	390	1,434,500
Capital assets being depreciated (cost)					
Buildings	697,816	29	49,917	4,947	742,815
Improvements other than buildings	59,482	751	89	–	60,322
Equipment	397,477	5,664	14,006	15,203	401,944
Infrastructure	4,613,052	7,905	578,641	–	5,199,598
Total capital assets being depreciated	5,767,827	14,349	642,653	20,150	6,404,679
Less accumulated depreciation for:					
Buildings	233,844	19,981	–	3,583	250,242
Improvements other than buildings	43,563	1,865	–	–	45,428
Equipment	269,566	40,677	–	14,981	295,262
Infrastructure	2,982,222	174,585	–	–	3,156,807
Total accumulated depreciation	3,529,195	237,108	–	18,564	3,747,739
Total capital assets being depreciated, net	2,238,632	(222,759)	642,653	1,586	2,656,940
Total capital assets	$ 3,766,829	$ 326,587	$ –	$ 1,976	$ 4,091,440

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Notes to Financial Statements (continued)

5. Capital Assets (continued)

	Balance June 1, 2007	Additions	Transfers	Retirements	Balance May 31, 2008
			(In Thousands)		
Capital assets not being depreciated (cost)					
Land	$ 174,661	$ 7,276	$ –	$ 91	$ 181,846
Assets under construction	1,194,364	513,780	(361,793)	–	1,346,351
Total capital assets not being depreciated	1,369,025	521,056	(361,793)	91	1,528,197
Capital assets being depreciated (cost)					
Buildings	666,087	4,356	28,240	867	697,816
Improvements other than buildings	58,831	–	867	216	59,482
Equipment	319,524	5,390	76,967	4,404	397,477
Infrastructure	4,362,098	–	255,719	4,765	4,613,052
Total capital assets being depreciated	5,406,540	9,746	361,793	10,252	5,767,827
Less accumulated depreciation for:					
Buildings	215,367	19,113	–	636	233,844
Improvements other than buildings	41,643	2,136	–	216	43,563
Equipment	251,389	21,689	–	3,512	269,566
Infrastructure	2,836,229	150,758	–	4,765	2,982,222
Total accumulated depreciation	3,344,628	193,696	–	9,129	3,529,195
Total capital assets being depreciated, net	2,061,912	(183,950)	361,793	1,123	2,238,632
Total capital assets	$ 3,430,937	$ 337,106	$ –	$ 1,214	$ 3,766,829

For the fiscal years ended May 31, 2009 and 2008, the Commission incurred interest costs of $17.1 million and $26.2 million, respectively, which qualified for capitalization. For 2009, the interest expense was offset by $9.2 million of interest income resulting in a net capitalization of $7.9 million. For 2008, the interest expense was offset by an approximately equal amount of interest income resulting in a net capitalization of zero.

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Notes to Financial Statements (continued)

6. Debt

Debt consists of the following:

	May 31 2009	May 31 2008
	(In Thousands)	
Mainline Debt		
1998 Series Q: Issued $53,000 in July 1998 at a variable rate (based on SIFMA, reset daily, paid the 1st of each month) due in varying installments through June 1, 2028.	**$ 53,000**	$ 53,000
2001 Series R: Issued $186,025 in March 2001 at 5.00% to 5.125%, due in varying installments through December 1, 2030. Interest paid each June 1 and December 1.	**186,025**	186,025
2001 Series S: Issued $244,925 in May 2001 at 3.40% to 5.60%, due in varying installments through June 1, 2015. Interest paid each June 1 and December 1.	**143,530**	160,205
2001 Series T: Issued $86,660 in September 2001 at 4.13% to 5.50%, due in varying installments through December 1, 2013. Interest paid each June 1 and December 1.	**72,755**	75,355
2001 Series U: Issued $169,820 in September 2001 at a variable rate (based on SIFMA, reset weekly, paid the 1st of each month) due in varying installments through December 1, 2019.	**169,820**	169,820
2002 Series A: Issued $288,265 in September 2002 at a variable rate (based on SIFMA, reset weekly, paid the 1st of each month) due in varying installments through December 1, 2030.	**288,265**	288,265
2002 Series B: Issued $160,880 in September 2002 at a variable rate (based on SIFMA, reset weekly, paid the 1st of each month) due in varying installments through December 1, 2012.	**49,470**	67,940
2004 Series A: Issued $269,245 in June 2004 at 5.00% to 5.50%, due in varying installments through December 1, 2034. Interest paid each June 1 and December 1.	**269,245**	269,245
2006 Series A: Issued $118,015 in June 2006 at 5.00%, due in varying installments through December 1, 2026. Interest paid each June 1 and December 1.	**118,015**	118,015
2007 Series A: Issued $280,830 in October 2007 at 4.00%, due in varying installments through October 15, 2009. Interest paid each April 15 and October 15.	**280,830**	280,830
2007 Series B (Federally Taxable): Issued $251,025 in October 2007 at 5.29% due in varying installments through October 15, 2009. Interest paid each April 15 and October 15.	**251,025**	251,025

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Notes to Financial Statements (continued)

6. Debt

	May 31 2009	May 31 2008
	(In Thousands)	
Mainline Debt (continued)		
2008 Series A Subordinate (Subseries A-1): Issued $176,565 in April 2008 at 4.125% to 5.00%, due in varying installments through June 1, 2038. Interest paid each June 1 and December 1.	**$ 176,565**	$ 176,565
2008 Series A Subordinate (Subseries A-2 Federally Taxable): Issued $68,290 in April 2008 at 3.74% to 6.41%, due in varying installments through June 1, 2022. Interest paid each June 1 and December 1.	**68,290**	68,290
2008 Series B Multi-Modal: Issued $402,000 in May 2008 at a variable rate (based on SIFMA, reset weekly, paid the 1st of each month) due in varying installments through December 1, 2038.	**402,000**	402,000
2008 Series A Multi-Modal Refunding: Issued $233,455 in May 2008 at a variable rate (based on SIFMA, reset weekly, paid the 1st of each month) due in varying installments through December 1, 2022.	**221,705**	233,455
2008 Series B Subordinate (Subseries B-2 Federally Taxable): Issued $233,905 in July 2008 at 5.00% to 7.47% due in varying installments through June 1, 2036. Interest paid each June 1 and December 1.	**233,905**	–
2008 Series C Multi-Modal Revenue: Issued $50,000 in August 2008 at a variable rate (based on SIFMA, reset weekly, paid the 1st of each month) due in varying installments through June 1, 2038.	**50,000**	–
2008 Series C Subordinate (Subseries C-4 Federally Taxable): Issued $411,110 in October 2008 at 4.00% to 6.25% due in varying installments through June 1, 2038. Interest paid each June 1 and December 1 (Subseries C-3 interest due on July 31, 2009).	**411,110**	–
2009 A Subordinate: Issued $308,035 in January 2009 at 3.00% to 5.00% due in varying installments through June 1, 2039. Interest paid each June 1 and December 1.	**308,035**	–
Total Mainline debt payable	**3,753,590**	2,800,035

6. Debt (continued)

	May 31 2009	May 31 2008
	(In Thousands)	
Oil Company Franchise Tax Debt		
1998 Series A Oil Company Franchise Tax Revenue: Issued $310,475 in August 1998 at 3.85% to 5.50%, partially defeased in July 2003 and November 2006, due in varying installments through December 1, 2023. Interest paid each June 1 and December 1.	$ **18,505**	$ 21,665
1998 Series B Oil Company Franchise Tax Revenue: Issued $228,405 in August 1998 at 3.85% to 5.25%, partially defeased in July 2003 and November 2006, due in varying installments through December 1, 2027. Interest paid each June 1 and December 1.	**28,845**	30,600
2003 Series A Oil Company Franchise Tax Revenue: Issued $124,730 in August 2003 at 2.50% to 5.25%, partially defeased in November 2006, due in varying installments through December 1, 2024. Interest paid each June 1 and December 1.	**53,405**	57,355
2003 Series B Oil Company Franchise Tax Revenue: Issued $197,955 in August 2003 at 2.38% to 5.50%, partially defeased in November 2006, due in varying installments through December 1, 2032. Interest paid each June 1 and December 1.	**69,910**	73,305
2003 Series C Oil Company Franchise Tax Multi-Modal Revenue: Issued $160,000 in August 2003 at a variable rate, were converted to a fixed rate of 5.00% in May 2008, due in varying installments through December 1, 2032. Interest paid each June 1 and December 1.	**160,000**	160,000
2006 Series A Oil Company Franchise Tax Revenue Refunding: Issued $98,705 in November 2006 at 5.00%, due in varying installments through December 1, 2023. Interest paid each June 1 and December 1.	**98,705**	98,705
2006 Series B Oil Company Franchise Tax Revenue Refunding: Issued $141,970 in November 2006 at 3.75% to 5.00%, due in varying installments through December 1, 2031. Interest paid each June 1 and December 1.	**141,670**	141,970
Total Oil Company Franchise Tax debt payable	**571,040**	583,600

6. Debt (continued)

	May 31 2009	May 31 2008
	(In Thousands)	
Motor License Registration Fee Debt		
2005 Series A: Issued $234,135 in August 2005 at 3.25% to 5.25%, due in varying installments through July 15, 2030. Interest paid each January 15 and July 15.	**$ 216,280**	$ 221,780
2005 Series B, C, and D: Issued $231,425 in August 2005 at a variable rate (based on SIFMA, reset weekly, paid the 15th of each month) due in varying installments through July 15, 2041.	**231,425**	231,425
Total Motor License Registration Fee debt payable	**447,705**	453,205
Total debt payable	**4,772,335**	3,836,840
Unamortized premium	**50,337**	56,906
Unamortized deferred loss on refundings	**(65,855)**	(70,904)
Total debt, net of unamortized premium and deferred loss on refundings	**4,756,817**	3,822,842
Less current portion	**709,715**	67,555
Debt, noncurrent portion	**$ 4,047,102**	$ 3,755,287

As disclosed in Note 3, the Commission's Trust Indentures impose certain restrictions and requirements. The Commission's Trust Indenture for the Series 2008 A Turnpike Subordinate Revenue Bonds imposes that the Commission establish and maintain schedules of tolls for traffic over the System as required by the Senior Indenture, and in addition, the amount paid into the General Reserve Fund of the Senior Indenture in each fiscal year and for each Commission Payment, will be at least sufficient to provide funds in an amount not less than: (1) 115% of the Annual Debt Service for each fiscal year on account of all outstanding Revenue Bonds and Revenue Bonds Parity Obligations; (2) 100% of the Annual Debt Service for such fiscal year on account of all Outstanding Guaranteed Bonds, Guaranteed Bonds Parity Obligations and Subordinated Indebtedness; and (3) any payment by the Commission required by the Subordinate Indenture for restoring deficiency in the Debt Service Fund within an eighteen (18) month period.

The Amended and Restated Trust Indenture of 2001 requires that tolls be adequate to provide funds to cover current expenses and (1) provide funds in an amount not less than the greater of 130% of the maximum principal and interest requirements for the succeeding year, or (2) 100% of the maximum principal and interest payments for the next fiscal year plus the amount required for maintenance of the Turnpike System as determined by the Commission's Consulting Engineer. If any deficiencies occur, the Commission is authorized to raise tolls accordingly.

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Notes to Financial Statements (continued)

6. Debt (continued)

The Oil Company Franchise Tax Revenue Bonds are secured by a pledge and assignment by the Commission to the Trustee of: (1) all proceeds from the Commission's allocation of the Commonwealth of Pennsylvania's Oil Company Franchise Tax; (2) the Commission's right to receive its allocation of the Oil Company Franchise Tax and any portion of the allocation actually received by the Commission; (3) all monies deposited into accounts or funds created by the 1998 Indenture, as supplemented; and, (4) all investment earnings on all monies held in accounts and funds established by the 1998 Indenture.

The 1998 Indenture requires the Commission to petition the General Assembly of the Commonwealth of Pennsylvania for additional funds in the event that the Commission's allocation of the Oil Company Franchise Tax is inadequate to pay maximum principal and interest payments for the succeeding year.

Pursuant to Section 20 of Act 3, the Commonwealth appropriates $28,000,000 of Act 3 revenues to the Commission annually. The $28,000,000 is payable to the Commission in the amount of $2,333,333 per month. The Registration Fee Revenue Bonds are secured by a pledge and assignment by the Commission to the Trustee of any receipts, revenues and other moneys received by the Trustee on or after the date of the Indenture from the Commission's allocation of Act 3 revenues and any income earned on any fund or account established pursuant to the Indenture.

Changes in debt are as follows:

	Balance at June 1, 2008	Additions	Reductions	Balance at May 31, 2009	Due Within One Year
			(In Thousands)		
Mainline debt	$ 2,800,035	$ 1,003,050	$ 49,495	$ 3,753,590	$ 690,955
Oil Company Franchise Tax debt	583,600	–	12,560	571,040	13,075
Motor License Registration Fee debt	453,205	–	5,500	447,705	5,685
	3,836,840	1,003,050	67,555	4,772,335	709,715
Premium (discount)	56,906	(2,151)	4,418	50,337	–
Less: deferred loss on refundings	70,904	–	5,049	65,855	–
	$ 3,822,842	$ 1,000,899	$ 66,924	$ 4,756,817	$ 709,715

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Notes to Financial Statements (continued)

6. Debt (continued)

	Balance at June 1, 2007	Additions	Reductions	Balance at May 31, 2008	Due Within One Year
			(In Thousands)		
Mainline debt	$ 1,655,270	$ 1,412,165	$ 267,400	$ 2,800,035	$ 49,495
Oil Company Franchise Tax debt	594,945	–	11,345	583,600	12,560
Motor License Registration Fee debt	458,535	–	5,330	453,205	5,500
	2,708,750	1,412,165	284,075	3,836,840	67,555
Premium (discount)	49,005	11,068	3,167	56,906	–
Less: deferred loss on refundings	73,622	2,187	4,905	70,904	–
	$ 2,684,133	$ 1,421,046	$ 282,337	$ 3,822,842	$ 67,555

The issuance of new debt is conducted in accordance with the terms of the applicable Trust Indenture and approval of the Commissioners.

In October 2007, the Commission issued Series A&B Bond Anticipation Notes in the amounts of $280,830,000 and $251,025,000, respectively. The 2007 Series Anticipation Notes were issued primarily to make payments to the Pennsylvania Department of Transportation (PennDOT) in accordance with Act 44 to fund certain grants to mass transit agencies and various road, highway, bridge and capital projects of PennDOT. The Series A Anticipation Notes have a 4.00% fixed rate. The Series B Anticipation Notes are federally taxable and were issued at 5.29%.

In April 2008, the Commission issued Series 2008 A (Subseries A-1) Subordinate Bonds in the amount of $176,565,000 at fixed rates from 4.125% to 5.00% and (Subseries A-2) which are federally taxable for $68,290,000 at fixed rates from 3.74% to 6.41%. The 2008 A Subordinate Bonds were issued primarily to make payments to PennDOT in accordance with Act 44 to fund certain grants to mass transit agencies and various road, highway, bridge and capital projects of PennDOT. Also in April 2008, the Oil Company Franchise Tax Revenue Bonds Series 2003 C were converted from auction rate to 5.00% fixed.

In May 2008, the Commission issued Series 2008 A Multi-Modal Refunding Bonds in the amount of $233,455,000. The primary purpose of this variable to variable refunding was to replace the Ambac insured 2006 B&C bonds with the 2008 A bonds which are uninsured, supported by a JP Morgan Standby Bond Purchase Agreement. The refunding of these bonds resulted in a deferred loss of $2.2 million that will be amortized over the life of the bonds.

6. Debt (continued)

In May 2008, the Commission also issued Series 2008 B Multi-Modal Bonds in the amount of $402,000,000. The 2008 B Series Bonds were issued primarily to provide funds to finance the costs of various capital expenditures for the Pennsylvania Turnpike System as set forth in the Commission's current Ten-Year Capital Plan. The bonds were issued at a variable rate.

In July 2008, the Commission issued $233,905,000 Turnpike Subordinate Revenue Bonds, Series B of 2008 which bear interest at fixed interest rates. Subseries B-1 of 2008 bonds total $164,915,000 and consist of: $65,420,000 Serial Bonds maturing June 1, 2030, $48,830,000 5.50% Term Bonds maturing June 1, 2033 and $50,665,000 5.25% Term Bonds maturing June 1, 2036. Subseries B-2 of 2008 bonds total $68,990,000 (federally taxable) and consist of: $6,565,000 Serial Bonds maturing June 1, 2018 and $62,425,000 7.47% Term Bonds maturing June 1, 2025. These bonds were issued primarily to finance the costs of making payments to fund certain grants to mass transit agencies and to fund various road, highway and bridge capital projects of PennDOT.

In August 2008, the Commission issued $50,000,000 Turnpike Multi-Modal Revenue Bonds, Series C of 2008 maturing June 1, 2038. These bonds bear interest at a variable rate and were issued primarily to finance the costs of various capital expenditures to fund the reconstruction of roadbed and roadway and the widening, replacing and redecking of certain bridges and/or the rehabilitation of certain interchanges.

In October 2008, the Commission issued $411,110,000 Turnpike Subordinate Revenue Bonds, Series C of 2008. The bonds consist of Subseries C-1 Subordinate Revenue Bonds issued for $231,335,000, Subseries C-3 Subordinate Revenue Bond Anticipation Notes issued for $102,060,000 and Subseries C-4 Subordinate Revenue Bond Anticipation Notes (federally taxable) issued for $77,715,000. These bonds were issued primarily to make payments to PennDOT in accordance with Act 44 to fund certain grants to mass transit agencies and various road, highway, bridge and capital projects of PennDOT.

In January 2009, the Commission issued $308,035,000 Turnpike Subordinate Revenue Bonds, Series A of 2009. The 2009 A Subordinate Bonds were issued primarily to make payments to PennDOT in accordance with Act 44 to fund certain grants to mass transit agencies and various road, highway, bridge and capital projects of PennDOT.

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Notes to Financial Statements (continued)

6. Debt (continued)

In prior years, the Commission defeased certain revenue bonds by placing funds in irrevocable trusts to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds were not included in the Commission's financial statements. At May 31, 2009 and 2008, the Commission had $895.5 million and $993.0 million, respectively, of defeased bonds outstanding.

Total debt service requirements subsequent to May 31, 2009 are as follows:

Year Ending May 31	Principal Maturities	Interest	Total
		(In Thousands)	
2010	$ 709,715	$ 160,606	$ 870,321
2011	166,150	141,066	307,216
2012	92,320	135,863	228,183
2013	96,855	132,494	229,349
2014	101,640	128,920	230,560
2015 – 2019	569,340	590,078	1,159,418
2020 – 2024	609,525	502,775	1,112,300
2025 – 2029	763,250	359,917	1,123,167
2030 – 2034	900,565	206,701	1,107,266
2035 – 2039	669,265	50,732	719,997
2040 – 2044	93,710	1,282	94,992
	$ 4,772,335	$ 2,410,434	$ 7,182,769

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Notes to Financial Statements (continued)

6. Debt (continued)

Debt service requirements subsequent to May 31, 2009 related to the Mainline debt are as follows:

Year Ending May 31	Principal Maturities	Interest	Total
		(In Thousands)	
2010	$ 690,955	$ 119,702	$ 810,657
2011	146,585	100,909	247,494
2012	71,885	96,594	168,479
2013	75,440	94,190	169,630
2014	79,185	91,644	170,829
2015 – 2019	439,290	421,232	860,522
2020 – 2024	442,755	370,291	813,046
2025 – 2029	550,435	274,416	824,851
2030 – 2034	672,960	176,839	849,799
2035 – 2039	564,870	44,942	609,812
2040 – 2044	19,230	481	19,711
	$ 3,753,590	$ 1,791,240	$ 5,544,830

Debt service requirements subsequent to May 31, 2009 related to Oil Company Franchise Tax debt are as follows:

Year Ending May 31	Principal Maturities	Interest	Total
		(In Thousands)	
2010	$ 13,075	$ 27,691	$ 40,766
2011	13,685	27,150	40,835
2012	14,340	26,521	40,861
2013	15,020	25,868	40,888
2014	15,735	25,168	40,903
2015 – 2019	91,015	113,920	204,935
2020 – 2024	116,410	89,190	205,600
2025 – 2029	147,760	57,276	205,036
2030 – 2034	144,000	17,984	161,984
	$ 571,040	$ 410,768	$ 981,808

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Notes to Financial Statements (continued)

6. Debt (continued)

Debt service requirements subsequent to May 31, 2009 related to Motor License Registration Fee debt are as follows:

Year Ending May 31	Principal Maturities	Interest	Total
		(In Thousands)	
2010	$ 5,685	$ 13,213	$ 18,898
2011	5,880	13,007	18,887
2012	6,095	12,748	18,843
2013	6,395	12,436	18,831
2014	6,720	12,108	18,828
2015 – 2019	39,035	54,926	93,961
2020 – 2024	50,360	43,294	93,654
2025 – 2029	65,055	28,225	93,280
2030 – 2034	83,605	11,878	95,483
2035 – 2039	104,395	5,790	110,185
2040 – 2044	74,480	801	75,281
	$ 447,705	$ 208,426	$ 656,131

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Notes to Financial Statements (continued)

6. Debt (continued)

Swap Payments and Associated Debt

Net swap payments and related debt service requirements subsequent to May 31, 2009, assuming current interest rates remain the same for the term of the agreements are as follows:

Year Ending May 31	Variable-Rate Bonds Principal Maturities	Variable-Rate Bonds Interest	Fixed Interest Rate Swaps, Net	Total
		(In Thousands)		
2010	$ 15,540	$ 6,717	$ 33,516	$ 55,773
2011	13,385	6,535	32,992	52,912
2012	13,785	6,366	32,508	52,659
2013	14,405	6,190	32,005	52,600
2014	2,110	6,098	31,749	39,957
2015 – 2019	213,360	26,176	149,287	388,823
2020 – 2024	117,080	20,240	132,916	270,236
2025 – 2029	160,305	18,108	120,781	299,194
2030 – 2034	238,195	13,990	87,938	340,123
2035 – 2039	278,335	7,116	40,090	325,541
2040 – 2044	74,480	801	3,158	78,439
	$ 1,140,980	$ 118,337	$ 696,940	$ 1,956,257

Year Ending May 31	Fixed-Rate Bonds Principal Maturities	Fixed-Rate Bonds Interest	Variable Interest Rate Swaps, Net	Total
		(In Thousands)		
2010	$ –	$ 13,901	$ (7,796)	$ 6,105
2011	–	13,901	(8,590)	5,311
2012	–	13,901	(8,577)	5,324
2013	–	13,901	(8,564)	5,337
2014	–	13,901	(8,550)	5,351
2015 – 2019	–	69,504	(42,514)	26,990
2020 – 2024	42,855	68,500	(40,466)	70,889
2025 – 2029	151,360	41,441	(20,051)	172,750
2030 – 2034	83,800	10,694	(5,250)	89,244
2035 – 2039	–	–	(703)	(703)
	$ 278,015	$ 259,644	$(151,061)	$ 386,598

6. Debt (continued)

Swap Payments and Associated Debt (continued)

As rates vary, variable rate bond interest payments and net swap payments will vary. Please refer to Note 8 Commitments and Contingencies – Interest Rate Swaps for additional information pertaining to the individual swaps.

7. Retirement Benefits

Substantially all employees of the Commission participate in the Commonwealth of Pennsylvania State Employees' Retirement System (System), a cost-sharing multiple-employer public employee retirement system that was established under the provisions of Public Law 858, No. 331.

Membership in the System is mandatory for most Commission employees. The System provides retirement, death, and disability benefits, which were established by and can be amended according to statute. Retirement benefits vest after 5 years of credited service. Employees who retire at age 60 with three years of service or with 35 years of service if under age 60 are entitled to an unreduced annual retirement benefit.

Article II of the Pennsylvania Constitution provides the General Assembly the authority to establish or amend benefit provisions. Act 2001-9, signed into law on May 17, 2001, established Class AA membership whereby, generally, annual full retirement benefits for electing active members is 2.5% of the member's highest three-year average salary (final average salary) multiplied by years of service. Commission employees hired after June 30, 2001 are Class AA members. Members hired on or before June 30, 2001 had the option, but were not required, to elect Class AA membership. Those members not electing Class AA membership are considered Class A. The general annual benefit for full retirement for Class A members is 2% of the member's final average salary multiplied by years of service.

Covered Class A and Class AA employees are required by statute to contribute to the System at a rate of 5% and 6.25%, respectively, of their gross pay. Employees' contributions are recorded in individually identified accounts, which are also credited with interest, calculated quarterly to yield 4% per annum, as mandated by statute. Accumulated employee contributions and credited interest vest immediately and are returned to the employee upon termination of service if the employee is not eligible for other benefits.

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Notes to Financial Statements (continued)

7. Retirement Benefits (continued)

Participating agency contributions, including those for the Commission, are also mandated by statute and are based upon an actuarially determined percentage of gross pay that is necessary to provide the System with assets sufficient to meet the benefits to be paid to System members.

The Commission's retirement contribution, as a percentage of covered payroll, for all Class A and Class AA members whose normal retirement age is any age upon accumulation of 35 years of eligibility points or age 60, with three years of service is as follows:

Year Ended June 30	Class A	Class AA
2009	**2.64%**	**3.29%**
2008	2.63%	3.28%
2007	2.59%	3.23%

The Commission's required contributions and percentage contributed are as follows:

Year Ended May 31	Commission Required Contribution	% Contributed
	(In millions)	
2009	**$ 3.8**	**100%**
2008	$ 3.7	100%
2007	$ 3.3	100%

A copy of the System's annual financial statements can be obtained by writing to: State Employees' Retirement System, 30 North Third Street, P.O. Box 1147, Harrisburg, Pennsylvania 17108-1147.

8. Commitments and Contingencies

Litigation

The Commission is a defendant in a number of legal proceedings pertaining to matters normally incidental to routine operations. Such litigation includes, but is not limited to, claims asserted against the Commission arising from alleged torts, alleged breaches of contracts, and condemnation proceedings. Tort claims against the Commission are generally barred by sovereign immunity, except as waived by statute. Further, to the extent waived, damages for any loss are limited by sovereign immunity to $250,000 for each person and $1,000,000 for each accident. Based on the current status of all of the Commission's legal proceedings, it is the opinion of Commission management and counsel that they will not have a material effect on the Commission's financial position.

Open Purchase Order Commitments

The Commission had open purchase order commitments of $1,166,707,132 and $1,133,215,453 at May 31, 2009 and 2008, respectively.

Lease and Funding Agreement Between the Commission and PennDOT

On October 14, 2007, the Commission and PennDOT entered into a Lease and Funding Agreement (the Agreement) as required under the terms of Act 44. The Agreement provides for an option to the Commission to lease the portion of Interstate 80 located in the Commonwealth from PennDOT. In addition, the Agreement contains certain provisions set forth in Act 44, including provisions dealing with the terms and conditions of the conversion of Interstate 80 into a toll road (the Conversion), subject to the requisite approval of the Federal Highway Administration (FHWA), and the operation, maintenance, repair and improvement of Interstate 80. The term of the Agreement is 50 years.

The Agreement grants the unilateral option to the Commission to effectuate the Conversion at any time before the third anniversary of the Agreement (the Conversion Period), provided that the Commission may elect to extend such Conversion Period for three additional one-year periods.

Also, the Agreement commits the Commission to make certain payments to PennDOT. The Commission made payments of $850 million and $750 million (recorded as nonoperating expense) in fiscal 2009 and fiscal 2008, respectively. The Commission will make the scheduled payment of $900 million in fiscal year 2010. Thereafter, the scheduled annual payments

8. Commitments and Contingencies (continued)

Lease and Funding Agreement Between the Commission and PennDOT (continued)

increase by 2.50% for each fiscal year for the remainder of the 50-year term, with certain credits for Interstate 80 Cost Savings once Conversion has occurred. All such cash payments are due in equal quarterly installments.

Upon Conversion, the cash component of the scheduled annual payment obligation will be offset by an amount equal to $116,985,856 per fiscal year, reflecting cost-savings to the Commonwealth's Motor License Fund if Interstate 80 becomes a tolled facility (Interstate 80 Cost Savings). Under Act 44, the Interstate 80 Cost Savings credit (which will be prorated for the fiscal year during which Conversion occurs), increases by 4.00% for each fiscal year thereafter.

If the Conversion does not occur by October 14, 2010 (such date may be extended at the option of the Commission for up to three (3) one-year extension periods), Act 44 provides that the scheduled annual payment obligation will be reduced to $450 million per fiscal year beginning in fiscal 2011.

The payment obligations of the Commission under the Agreement are subordinate obligations of the Commission, payable from amounts in the General Reserve Fund only as permitted by any financing documents, financial covenants, liquidity policies, or other agreements in effect of the Commission. However, the Commission is required by the terms of the Lease to fix and adjust tolls at levels that will generate revenues (together with other available moneys) sufficient to pay, among other things, amounts to PennDOT pursuant to the Agreement when due and other obligations of the Commission.

Interest Rate Swaps

On December 18, 2008, the Commission entered into two forward starting swap agreements with two counterparties (Deutsche Bank and Goldman Sachs). Each swap agreement had a notional amount of $150,000,000 with an effective date of June 1, 2010 and a termination date of June 1, 2039. The Commission entered into these forward starting interest rate swaps to hedge its exposure to interest rate variations and interest rate costs with respect to the Series 2009 A and Series 2010 A Mainline Revenue Bonds. The Commission issued its Series 2009 A revenue bonds in June 2009 and expects to issue its Series 2010 A revenue bonds in June 2010.

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Notes to Financial Statements (continued)

8. Commitments and Contingencies (continued)

Interest Rate Swaps (continued)

Following is a summary of the swaps in place as of May 31, 2009. These swap agreements contain certain risks as described below.

			Receivable		Payable		Fair Value
Associated Debt	Notional Value	Final Maturity	Floating Rate Index[1]	Fixed Rate	Floating Rate Index[1]	Fixed Rate	(to) from Counterparty
Series U 2001	$ 127,365,000	12/01/2019	67.00% of 1-month LIBOR			4.21%	$ (18,317,424)
	42,455,000	12/01/2019					(6,106,133)
Series A 2002	72,066,250	12/01/2030	67.00% of 1-month LIBOR			4.40%	(15,710,166)
	144,070,000	12/01/2030					(31,405,159)
	72,066,250	12/01/2030					(15,710,327)
Series U 2001 and A 2002 Constant maturity	107,784,000	12/01/2030	60.08% of 10-year LIBOR		67.00% of 1-month LIBOR		4,726,937
	107,784,000	12/01/2030					4,726,937
	107,784,000	12/01/2030					4,726,937
	134,733,000	12/01/2030					5,909,336
Series B 2002	12,367,500	12/01/2012	SIFMA			4.54%	(794,720)
	24,735,000	12/01/2012					(1,589,232)
	12,367,500	12/01/2012					(794,840)
Series C 2003	48,000,000	12/01/2032	63.00% of 1-month LIBOR plus 20 basis points		SIFMA		(5,550,614)
	112,000,000	12/01/2032					(12,951,456)
Series C 2003 Constant maturity	80,000,000	11/15/2032	60.15% of 10-year LIBOR		67.00% of 1-month LIBOR		2,433,721
	80,000,000	11/15/2032					2,433,721
Series 2005	57,860,000	07/15/2041	SIFMA			4.20%	(6,526,302)
	57,845,000	07/15/2041					(6,524,842)
	57,860,000	07/15/2041					(6,521,494)
	57,860,000	07/15/2041					(6,521,494)
Series A 2006	118,015,000	12/01/2026		4.19%	SIFMA		11,529,106
Series 2008	100,000,000	12/01/2038	SIFMA			4.89%	(22,102,083)
	100,000,000	12/01/2038					(22,100,571)
	100,000,000	12/01/2038					(22,102,073)
Series A 2009 forward starting	150,000,000	06/01/2039	99.80% of 3-month LIBOR		SIFMA		9,695,003
Series A 2009 forward starting	150,000,000	06/01/2039	99.68% of 3-month LIBOR		SIFMA		9,593,384

[1] 1-month LIBOR was 0.32% at May 31, 2009.
3-month LIBOR was 0.66% at May 31, 2009.
10-year LIBOR was 3.78% at May 31, 2009.
SIFMA was 0.39% at May 31, 2009.

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Notes to Financial Statements (continued)

8. Commitments and Contingencies (continued)

Interest Rate Swaps (continued)

- ***Credit Risk*** – The Commission is exposed to credit risk for swaps that have positive fair values. The Commission was exposed to credit risk with respect to the Series U of 2001 and A of 2002 constant maturity, the Series C of 2003 constant maturity, the Series A of 2006 and Series A of 2009 forward starting swaps at May 31, 2009. However, should interest rates change and the fair values of the other swaps become positive, the Commission would have additional credit risk exposure.

  The Commission had eleven counterparties at May 31, 2009. The credit ratings of the swap providers as of May 31, 2009 were AAA to A and Aaa to A2 by Standard & Poor's and Moody's, respectively. To mitigate the exposure to credit risk, the swap agreements include collateral provisions in the event of downgrades to the swap counterparties' credit ratings. Collateral would be posted with a third-party custodian and would be in the form of cash, U.S. Treasury Obligations, or U.S. Government Agency Securities.

- ***Interest Rate Risk*** – The Commission is exposed to variable interest rates with respect to the fixed-to-variable swap agreement associated with the Series A of 2006 Revenue Bonds. Additionally, the Commission will be exposed to variable interest rates if the swap provider for the variable-to-fixed swap agreement defaults or if a variable-to-fixed swap is terminated.

- ***Basis Risk*** – The underlying variable rates for the Commission's Series U of 2001 and Series A of 2002 bonds are based on Securities Industry and Financial Markets Association (SIFMA) while the Series U of 2001 and Series A 2002 swaps are based on a percentage of LIBOR. Therefore, the Commission is exposed to basis risk to the extent SIFMA exceeds 67% of one-month LIBOR.

  The Commission is also exposed to basis risk related to Series C of 2003 and the constant maturity swap agreements. The exposure for the agreement associated with the Series C 2003 is to the extent that SIFMA exceeds 63% of one-month LIBOR plus 20 basis points. The exposure for the Series C 2003 constant maturity swap is to the extent 67% of one-month LIBOR exceeds 60.15% of 10-year LIBOR. The exposure for Series U of 2001 and Series A of 2002 Revenue Bonds constant maturity swap is to the extent 67% of one-month LIBOR exceeds 60.08% of 10-year LIBOR. The risk for the Series A

8. Commitments and Contingencies (continued)

Interest Rate Swaps (continued)

of 2009 (Deutsche Bank) is to the extent SIFMA exceeds 99.80% of 3-month LIBOR and the Series A (Goldman Sachs) of 2009 is to the extent SIFMA exceeds 99.68% of 3-month LIBOR.

- ***Termination Risk*** – The swap agreements may be terminated due to a number of circumstances and the Commission retains the option to terminate the swaps at any time. If a swap agreement is terminated (by either party), the respective variable-rate bond would no longer carry a synthetic fixed interest rate. Also, if at the time of termination, the swap had a negative fair value, the Commission would be liable to the swap counterparty for a liability equal to the swap's fair value. It is the Commission's intent to maintain the swap transactions for the life of the financing.

9. Related Party Transactions

The Commission incurred costs of $36.4 million and $35.5 million related to its use of the Commonwealth's State Police in patrolling the Turnpike System in 2009 and 2008, respectively.

10. Postemployment Benefits

Plan Description

The Commission maintains a welfare plan program (the Plan), one purpose of which is to provide benefits to eligible retirees and their dependents. The Plan is a single employer, defined benefit plan. The Plan's financial statements are not included in the financial statements of a public employee retirement system. The Plan issues a stand-alone financial report, which can be obtained by contacting the Commission's Accounting Department.

Plan benefit provisions and employee contribution rates are established and may be amended by the Commission. The Plan provides certain postemployment medical, prescription drug, dental and vision benefits to management employees who have reached 20 years of service and are under age 60; benefit eligibility changes from 20 to 10 years for retirees 60 years of age or older. The Plan provides certain postemployment medical and prescription drug benefits to union employees who have reached 20 years of service and are under age 60; benefit eligibility changes from 20 to 10 years for retirees 60 years of age or older.

10. Postemployment Benefits (continued)

Plan Description (continued)

The Commission established The Pennsylvania Turnpike Commission Retiree Medical Trust to provide these postemployment benefits other than pensions (OPEB). The Trust is administered by PNC Bank, which acts as a third-party administrator and administers the Trust under an administrative agreement with the Commission.

Funding Policy

The Commission approved a Retiree Medical Trust Funding Policy whereby the Commission anticipates approving an annual contribution to the Trust in the amount of the Annual Required Contribution as determined by the Commission's actuary during the approval of each Operating Budget.

Annual OPEB Cost and Net OPEB Asset

The Commission implemented Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, prospectively during fiscal 2008 and no net OPEB obligation or asset was carried forward from prior accounting periods. Therefore, the Commission's annual OPEB cost (expense) for fiscal 2008 was equal to its annual required contribution (ARC) of $19,455,000. The ARC is actuarially calculated in accordance with the parameters of GASB Statement No. 45 and represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and the amortization of the actuarial accrued liabilities over a period not to exceed thirty years.

The Commission made contributions towards the ARC totaling $20,549,297 in fiscal 2008 which resulted in a net OPEB asset of $1,094,297, which was recorded as an other asset on the balance sheet at year end. The contributions towards the ARC consisted of $14,000,000 transferred to the Retiree Medical Trust plus $7,612,262 paid to retiree medical benefit providers for current premiums offset by $1,062,965 in contributions from retirees. The effect of adopting GASB Statement No. 45 was a $12.9 million increase in OPEB cost (expense) for fiscal 2008.

The ARC for fiscal 2009 was $27,835,000. The Commission made contributions towards the ARC totaling $29,033,699. The contributions towards the ARC consisted of $28,000,000 transferred to the Retiree Medical Trust plus $2,167,629 paid to retiree medical benefit providers for current premiums offset by $1,133,930 in contributions from retirees. The contributions were

10. Postemployment Benefits (continued)

Annual OPEB Cost and Net OPEB Asset (continued)

offset by a $16,675 ARC adjustment which resulted in an ending OPEB asset of $2,276,321, which was recorded as an other asset on the balance sheet at year end and a net OPEB cost of $27,851,675 for fiscal 2009. The following chart summarizes the components of the Commission's annual OPEB cost for the year ended May 31, 2009 and 2008 and the amount contributed to the Plan.

Fiscal Year Ended May 31,	Normal Cost	30-Year Level Dollar Amortization of the Unfunded Actuarial Accrued Liability (UAAL)	Mid-Year Contribution Interest	ARC Adjustment	Annual OPEB Cost	Actual Contributions	Percentage Contributed	Ending Net OPEB Asset
			(Dollar Amounts in Thousands)					
2009	$ 6,373	$ 20,391	$1,071	$ 17	$ 27,852	$ 29,034	104.2%	$ 2,276
2008 – transition year	$ 4,920	$ 13,800	$ 735	$ –	$ 19,455	$ 20,549	105.6%	$ 1,094

The ARC and its components (normal cost, UAAL, and mid-year contribution interest) were obtained from an actuarial valuation, prepared by an independent actuary, as of February 28, 2006 using census data collected as of February 28, 2006 and health care claims for the period ended February 28, 2006.

Retiree and spouse contribution rates at May 31, 2009 are as follows:

- Management employees and union employees who retired prior to July 1, 1998 and October 1, 1997, respectively—the retiree/spouse contributes the full cost of coverage less the Commission's monthly subsidy of $19.28 once the retiree turns 65.

- Union employees who retired on October 1, 1997 or later—the retiree/spouse contributes the full cost of coverage less the Commission's monthly subsidy of $73.50 when the retiree or spouse reach age 65.

- Surviving spouses are paying 100% of the premiums, except for surviving spouses of Management employees who retired after March 1, 2001.

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Notes to Financial Statements (continued)

10. Postemployment Benefits (continued)

Funding Status and Funding Progress

Fiscal Year Ended May 31	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
		(Dollar Amounts in Thousands)				
2008 – transition year	$ 14,000	$228,067	$214,067	6.1%	$118,559	180.6%
2006	$ –	$167,785	$167,785	–%	$109,022	153.9%

The actuarial value of assets, AAL, and UAAL amounts for the fiscal years ended May 31, 2008 and 2006 in the above chart were obtained from actuarial valuations, prepared by an independent actuary, as of March 1, 2008 and February 28, 2006, respectively.

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, is to present multiyear trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

The valuation measurements in the above charts result, in part, from estimates of the value of reported amounts and assumptions about the probability of events far into the future and such actuarially determined estimates are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Also, the valuation measurements are based, in part, on the types of benefits provided under the terms of the substantive plan at the time of the valuation and on the pattern of sharing of costs between the Commission and the plan members through the respective valuation dates. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Following is a summary of the actuarial methods and assumptions used in the February 28, 2006 and March 1, 2008 valuations.

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Notes to Financial Statements (continued)

10. Postemployment Benefits (continued)

Actuarial Methods and Assumptions (continued)

Actuarial cost method	Projected Unit Credit
Discount rate	8%
Rate of return on assets	8%
Amortization method	Level dollar
Amortization period	30 years (closed)
Asset valuation method	Fair value

Health Care Trend	Medical	Prescription Drugs	Dental	Vision
Initial Rate	10%	12%	5%	4%
Ultimate Rate	5% in 2012	5% in 2014	5%	4%
Annual Change	1% decrease	1% decrease	NA	NA
Cost	Incurred costs	Incurred costs	Incurred costs	Incurred costs

Salary increases were not considered as OPEB benefits are not based upon pay.

11. Self-Insurance

The Commission is exposed to various risks of losses such as theft of, damage to, and destruction of assets, errors and omissions, third-party torts, injuries to employees, injuries to third parties due to accidents caused by Commission automobiles, and natural disasters. The Commission has purchased commercial insurance for all risks of losses, including employee medical benefits, except for torts, injuries to employees and injuries to third parties due to accidents caused by Commission automobiles. No settlements exceeded insurance coverage for each of the past three years.

The Commission recorded a liability of \$26.8 million and \$22.3 million for loss and loss adjustment expenses on claims relating to self-insurance that have been incurred but not reported as of May 31, 2009 and 2008, respectively. This liability is based on GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, which requires that a liability for claims be recorded if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liability is calculated based on the Commission's past loss experience. The liability was discounted using

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Notes to Financial Statements (continued)

11. Self-Insurance (continued)

a rate of 4.05% and 3.59% for May 31, 2009 and 2008, respectively. The liability includes amounts for claims adjustment expense and is net of any salvage and subrogation. Salvage and subrogation were not material for the years ended May 31, 2009 and 2008. The Commission believes the liability established is reasonable and appropriate to provide for settlement of losses and related loss adjustment expenses.

Management believes that its reserve for claims incurred but not reported is determined in accordance with generally accepted actuarial principles and practices. However, estimating the ultimate liability is a complex and judgmental process inasmuch as the amounts are based on management's informed estimates and judgments using data currently available. As additional experience and data become available regarding claim payments and reporting patterns, legislative developments and economic conditions, the estimates are revised accordingly and the impact is reflected currently in the Commission's financial statements.

The following summary provides aggregated information on self-insurance liabilities:

	June 1, 2008 Liability	Effects of Discount as of June 1, 2008	Incurred Claims		Paid Claims		Effects of Discount as of May 31, 2009	May 31, 2009 Liability
			Current Year	Prior Years	Current Year	Prior Years		
	(In Thousands)							
Year ended May 31, 2009								
Workers' compensation	$ 7,070	$ 1,732	$ 1,622	$ 2,403	$ 623	$ 2,381	$ 2,099	$ 7,724
Automobile/general tort	15,200	–	96	4,118	24	329	–	19,061
	$ 22,270	$ 1,732	$ 1,718	$ 6,521	$ 647	$ 2,710	$ 2,099	$ 26,785

	June 1, 2007 Liability	Effects of Discount as of June 1, 2007	Incurred Claims		Paid Claims		Effects of Discount as of May 31, 2008	May 31, 2008 Liability
			Current Year	Prior Years	Current Year	Prior Years		
	(In Thousands)							
Year ended May 31, 2008								
Workers' compensation	$ 7,541	$ 2,023	$ 1,218	$ 589	$ 706	$ 1,863	$ 1,732	$ 7,070
Automobile/general tort	11,029	–	40	4,497	20	346	–	15,200
	$ 18,570	$ 2,023	$ 1,258	$ 5,086	$ 726	$ 2,209	$ 1,732	$ 22,270

The foregoing reflects an adjustment for a deficiency of $6.5 million and $5.1 million for the fiscal years ended May 31, 2009 and 2008, respectively, for prior years' incurred claims that resulted from a change in estimate as more information became available.

Pennsylvania Turnpike Commission
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Notes to Financial Statements (continued)

12. Compensated Absences

Sick leave is earned at a rate of 3.08 hours every two weeks, or ten days per year. Unused sick leave may be carried over from year to year up to a maximum of 18 days. In November of each year, employees are reimbursed for all accumulated unused sick leave above the maximum. Sick leave payouts were $2.0 million and $1.9 million in November 2008 and 2007, respectively.

Vacation leave is earned at varying rates, depending on years of service. Management employees earn between 4.62 and 8.93 hours every two weeks. Union employees earn between 3.08 and 8.93 hours every two weeks.

Upon termination of employment, all unused sick and vacation leave is paid to the employee. A summary of changes to compensated absences for the years ended May 31, 2009 and 2008 is as follows:

Fiscal Year Ended May 31	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
			(In Thousands)		
2009	**$ 16,847**	**$ 12,713**	**$ 12,652**	**$ 16,908**	**$10,108**
2008	$ 16,347	$ 12,075	$ 11,575	$ 16,847	$ 9,808

13. Segment Information

The Pennsylvania Turnpike Commission consists of three segment types. These segments are based on the types of revenues and the associated bond issues. The Mainline consists of income and expenses directly associated with the operations of the toll road. In addition, all bonds pledged against this revenue source are included in this segment.

The Oil Company Franchise segment consists of revenues received from the Commission's allocation of the Commonwealth's Oil Company Franchise Tax. This revenue is pledged against the associated 1998 Series A and B Oil Company Franchise Tax Revenue Bonds, the 2003 Series A, B, and C Oil Company Franchise Tax Revenue Bonds and the 2006 Series A and B Oil Company Franchise Tax Revenue Bonds.

The Motor License segment consists of an annual income of $28 million which has been provided to the Commission pursuant to Section 20 of Act 3 of the Commonwealth of Pennsylvania. This income is pledged against the Registration Fee Revenue Bonds 2005 Series.

Pennsylvania Turnpike Commission
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Notes to Financial Statements (continued)

13. Segment Information (continued)

Balance Sheet

	May 31, 2009			
	Mainline	Oil Franchise	Motor License	Total
	(In Thousands)			
Assets				
Current assets:				
Cash and cash equivalents	$ 118,623	$ 28,425	$ 692	$ 147,740
Short-term investments	2,031	5,230	903	8,164
Accounts receivable	595	–	–	595
Accrued interest receivable	152	1,676	201	2,029
Inventories	19,144	–	–	19,144
Restricted current assets:				
Cash and cash equivalents	378,475	25,864	40,056	444,395
Short-term investments	69,535	16,449	–	85,984
Accounts receivable	30,100	5,635	736	36,471
Accrued interest receivable	602	438	128	1,168
Total current assets	619,257	83,717	42,716	745,690
Noncurrent assets:				
Long-term investments:				
Long-term investments unrestricted	14,546	163,350	22,182	200,078
Long-term investments restricted	75,238	18,356	17,547	111,141
Total long-term investments	89,784	181,706	39,729	311,219
Capital assets not being depreciated:				
Land	204,665	–	–	204,665
Assets under construction	1,229,835	–	–	1,229,835
Capital assets being depreciated:				
Buildings	742,815	–	–	742,815
Improvements other than buildings	60,322	–	–	60,322
Equipment	401,944	–	–	401,944
Infrastructure	5,199,598	–	–	5,199,598
	7,839,179	–	–	7,839,179
Less accumulated depreciation	3,747,739	–	–	3,747,739
	4,091,440	–	–	4,091,440
Other assets:				
Other assets	2,332	–	–	2,332
Deferred issuance costs	31,690	11,884	4,606	48,180
Total other assets	34,022	11,884	4,606	50,512
Total noncurrent assets	4,215,246	193,590	44,335	4,453,171
Total assets	$ 4,834,503	$ 277,307	$ 87,051	$ 5,198,861

Continued on the following page.

Pennsylvania Turnpike Commission
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Notes to Financial Statements (continued)

13. Segment Information (continued)

Balance Sheet (continued)

	May 31, 2009			
	Mainline	Oil Franchise	Motor License	Total
	(In Thousands)			
Liabilities and net assets				
Current liabilities:				
Accounts payable and accrued liabilities	$ 179,763	$ 24,106	$ 13,799	$ 217,668
Current portion of debt	690,955	13,075	5,685	709,715
Unearned income	28,555	–	–	28,555
Total current liabilities	899,273	37,181	19,484	955,938
Noncurrent liabilities:				
Debt, less current portion, net of unamortized premium/discount	3,047,807	564,091	435,204	4,047,102
Other noncurrent liabilities	39,660	191	–	39,851
Total noncurrent liabilities	3,087,467	564,282	435,204	4,086,953
Total liabilities	3,986,740	601,463	454,688	5,042,891
Net assets:				
Invested in capital assets, net of related debt	2,228,250	(553,001)	(411,371)	1,263,878
Restricted for certain construction and maintenance purposes	–	30,170	19,756	49,926
Unrestricted	(1,380,487)	198,675	23,978	(1,157,834)
Total net assets	847,763	(324,156)	(367,637)	155,970
Total liabilities and net assets	$ 4,834,503	$ 277,307	$ 87,051	$ 5,198,861

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Notes to Financial Statements (continued)

13. Segment Information (continued)

Statement of Revenues, Expenses, and Changes in Net Assets

	Year Ended May 31, 2009			
	Mainline	Oil Franchise	Motor License	Total
	(In Thousands)			
Operating revenues:				
Net fares	$ 615,604	$ –	$ –	$ 615,604
Other	17,904	38	1	17,943
	633,508	38	1	633,547
Operating expenses:				
Cost of services	384,261	7,874	1,229	393,364
Depreciation	237,108	–	–	237,108
	621,369	7,874	1,229	630,472
Operating income (loss)	12,139	(7,836)	(1,228)	3,075
Nonoperating revenues (expenses):				
Oil company franchise tax revenues	–	57,379	–	57,379
Motor license registration fee revenue	–	–	28,000	28,000
Investment earnings	12,869	11,481	3,322	27,672
Other nonoperating revenues	660	–	–	660
Act 44 payments to PennDOT	(850,000)	–	–	(850,000)
Interest and bond expenses	(144,457)	(24,952)	(22,144)	(191,553)
	(980,928)	43,908	9,178	(927,842)
Change in net assets before capital contributions	(968,789)	36,072	7,950	(924,767)
Capital contributions	10,869	901	–	11,770
Change in net assets	(957,920)	36,973	7,950	(912,997)
Net assets at beginning of year	1,207,136	59,084	(197,253)	1,068,967
Asset transfers	598,547	(420,213)	(178,334)	–
Net assets at end of year	$ 847,763	$(324,156)	$ (367,637)	$ 155,970

Pennsylvania Turnpike Commission
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Notes to Financial Statements (continued)

13. Segment Information (continued)

Statement of Cash Flows

	Year Ended May 31, 2009			
	Mainline	Oil Franchise	Motor License	Total
	(In Thousands)			
Operating activities				
Cash received from customer tolls and deposits	$ 629,760	$ –	$ –	$ 629,760
Cash payments for goods and services	(245,187)	(6,858)	(901)	(252,946)
Cash payments to employees	(134,415)	(852)	(209)	(135,476)
Cash received from other operating activities	12,900	38	1	12,939
Net cash provided by (used in) operating activities	263,058	(7,672)	(1,109)	254,277
Investing activities				
Proceeds from sales and maturities of investments	328,198	326,934	125,600	780,732
Interest received on investments	9,737	12,550	4,056	26,343
Purchases of investments	(367,403)	(219,041)	(78,745)	(665,189)
Net cash (used in) provided by investing activities	(29,468)	120,443	50,911	141,886
Capital and related financing activities				
Capital grants received	11,312	1,272	–	12,584
Construction and acquisition of capital assets	(333,204)	(153,349)	(42,007)	(528,560)
Proceeds from sale of capital assets	1,225	–	–	1,225
Payments for bond expenses	(1,773)	(135)	(374)	(2,282)
Payments for redemption of debt	(49,495)	(12,560)	(5,500)	(67,555)
Interest paid on debt	(110,261)	(21,658)	(21,524)	(153,443)
Proceeds from new debt	1,003,050	–	–	1,003,050
Net cash provided by (used in) capital and related financing activities	520,854	(186,430)	(69,405)	265,019

Continued on the following page.

Pennsylvania Turnpike Commission
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Notes to Financial Statements (continued)

13. Segment Information (continued)

Statement of Cash Flows (continued)

	Year Ended May 31, 2009			
	Mainline	Oil Franchise	Motor License	Total
		(In Thousands)		
Noncapital financing activities				
Cash payments to PennDOT	$(850,000)	$ –	$ –	$(850,000)
Cash proceeds from motor license grant	–	–	28,000	28,000
Cash proceeds from oil company franchise tax	–	57,379	–	57,379
Net cash (used in) provided by noncapital financing activities	(850,000)	57,379	28,000	(764,621)
(Decrease) increase in cash and cash equivalents	(95,556)	(16,280)	8,397	(103,439)
Cash and cash equivalents at beginning of year	592,654	70,569	32,351	695,574
Cash and cash equivalents at end of year	$ 497,098	$ 54,289	$ 40,748	$ 592,135

Continued on the following page – see accompanying schedule of reconciliation.

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Notes to Financial Statements (continued)

13. Segment Information (continued)

Statement of Cash Flows (continued)

	Year Ended May 31, 2009			
	Mainline	Oil Franchise	Motor License	Total
	(In Thousands)			
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	$ 12,139	$ (7,836)	$ (1,228)	$ 3,075
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	237,108	–	–	237,108
Change in operating assets and liabilities:				
Accounts receivable	(641)	–	–	(641)
Inventories	(3,772)	–	–	(3,772)
Other assets	(939)	–	–	(939)
Accounts payable and accrued liabilities	17,185	171	119	17,475
Other noncurrent liabilities	1,978	(7)	–	1,971
Net cash provided by (used in) operating activities	$ 263,058	$ (7,672)	$ (1,109)	$ 254,277
Noncash activities				
Increase in fair value of investments	$ 3,096	$ 141	$ 155	$ 3,392
Amortization of bond premium	$ 2,759	$ 940	$ 719	$ 4,418
Amortization of deferred refunding loss	$ (3,555)	$ (563)	$ (931)	$ (5,049)

Pennsylvania Turnpike Commission
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Notes to Financial Statements (continued)

13. Segment Information (continued)

Balance Sheet

	May 31, 2008 Mainline	Oil Franchise	Motor License	Total
	(In Thousands)			
Assets				
Current assets:				
Cash and cash equivalents	$ 121,032	$ 18,452	$ 3,792	$ 143,276
Short-term investments	8,624	18,854	–	27,478
Accounts receivable	1,038	–	–	1,038
Accrued interest receivable	285	1,434	183	1,902
Inventories	15,372	–	–	15,372
Restricted current assets:				
Cash and cash equivalents	471,622	52,117	28,559	552,298
Short-term investments	63,282	65,270	–	128,552
Accounts receivable	30,509	6,005	–	36,514
Accrued interest receivable	304	1,563	914	2,781
Total current assets	712,068	163,695	33,448	909,211
Noncurrent assets:				
Long-term investments unrestricted	24,149	139,265	18,032	181,446
Long-term investments restricted	23,123	88,076	69,420	180,619
Total long-term investments	47,272	227,341	87,452	362,065
Capital assets not being depreciated:				
Land	181,846	–	–	181,846
Assets under construction	953,763	264,462	128,126	1,346,351
Capital assets being depreciated:				
Buildings	697,816	–	–	697,816
Improvements other than buildings	59,482	–	–	59,482
Equipment	397,477	–	–	397,477
Infrastructure	4,613,052	–	–	4,613,052
	6,903,436	264,462	128,126	7,296,024
Less accumulated depreciation	3,529,195	–	–	3,529,195
	3,374,241	264,462	128,126	3,766,829
Other assets:				
Other assets	1,433	–	–	1,433
Deferred issuance costs	20,196	12,441	4,749	37,386
Total other assets	21,629	12,441	4,749	38,819
Total noncurrent assets	3,443,142	504,244	220,327	4,167,713
Total assets	$ 4,155,210	$ 667,939	$ 253,775	$ 5,076,924

Continued on the following page.

Pennsylvania Turnpike Commission
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Notes to Financial Statements (continued)

13. Segment Information (continued)

Balance Sheet (continued)

	May 31, 2008			
	Mainline	Oil Franchise	Motor License	Total
	(In Thousands)			
Liabilities and net assets				
Current liabilities:				
Accounts payable and accrued liabilities	$ 97,867	$ 18,554	$ 4,851	$ 121,272
Current portion of debt	49,495	12,560	5,500	67,555
Unearned income	25,963	–	–	25,963
Total current liabilities	173,325	31,114	10,351	214,790
Noncurrent liabilities:				
Debt, less current portion, net of unamortized premium/discount	2,737,067	577,543	440,677	3,755,287
Other noncurrent liabilities	37,682	198	–	37,880
Total noncurrent liabilities	2,774,749	577,741	440,677	3,793,167
Total liabilities	2,948,074	608,855	451,028	4,007,957
Net assets:				
Invested in capital assets, net of related debt	1,722,882	(145,876)	(249,986)	1,327,020
Restricted for certain construction and maintenance purposes	–	26,955	30,726	57,681
Unrestricted	(515,746)	178,005	22,007	(315,734)
Total net assets	1,207,136	59,084	(197,253)	1,068,967
Total liabilities and net assets	$ 4,155,210	$ 667,939	$ 253,775	$ 5,076,924

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Notes to Financial Statements (continued)

13. Segment Information (continued)

Statement of Revenues, Expenses, and Changes in Net Assets

	Year Ended May 31, 2008			
	Mainline	**Oil Franchise**	**Motor License**	**Total**
	(In Thousands)			
Operating revenues:				
Net fares	$ 598,926	$ –	$ –	$ 598,926
Other	21,279	–	–	21,279
	620,205	–	–	620,205
Operating expenses:				
Cost of services	337,352	35,340	267	372,959
Depreciation	193,696	–	–	193,696
	531,048	35,340	267	566,655
Operating income (loss)	89,157	(35,340)	(267)	53,550
Nonoperating revenues (expenses):				
Oil company franchise tax revenues	–	60,592	–	60,592
Motor license registration fee revenue	–	–	28,000	28,000
Investment earnings	22,495	22,329	5,664	50,488
Other nonoperating expenses	(135)	–	–	(135)
Act 44 payments to PennDOT	(750,000)	–	–	(750,000)
Interest and bond expenses	(96,550)	(28,903)	(20,797)	(146,250)
	(824,190)	54,018	12,867	(757,305)
Change in net assets before capital contributions	(735,033)	18,678	12,600	(703,755)
Capital contributions	10,258	2,316	–	12,574
Change in net assets	(724,775)	20,994	12,600	(691,181)
Net assets at beginning of year	1,925,643	44,374	(209,869)	1,760,148
Asset transfers	6,268	(6,284)	16	–
Net assets at end of year	$ 1,207,136	$ 59,084	$(197,253)	$ 1,068,967

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Notes to Financial Statements (continued)

13. Segment Information (continued)

Statement of Cash Flows

	Year Ended May 31, 2008			
	Mainline	Oil Franchise	Motor License	Total
	(In Thousands)			
Operating activities				
Cash received from customer tolls and deposits	$ 667,795	$ –	$ –	$ 667,795
Cash payments for goods and services	(267,199)	(41,857)	(267)	(309,323)
Cash payments to employees	(156,402)	(200)	–	(156,602)
Cash received from other operating activities	14,281	222	–	14,503
Net cash provided by (used in) operating activities	258,475	(41,835)	(267)	216,373
Investing activities				
Proceeds from sales and maturities of investments	787,898	351,291	120,392	1,259,581
Interest received on investments	21,748	19,480	5,447	46,675
Purchases of investments	(505,246)	(245,542)	(113,989)	(864,777)
Net cash provided by investing activities	304,400	125,229	11,850	441,479
Capital and related financing activities				
Capital grants received	12,939	3,755	–	16,694
Construction and acquisition of capital assets	(449,323)	(82,520)	15	(531,828)
Proceeds from sale of capital assets	29	–	–	29
Payments for bond expenses	(2,495)	(1,058)	231	(3,322)
Payments for redemption of debt	(35,970)	(11,345)	(5,330)	(52,645)
Interest paid on debt	(90,088)	(28,866)	(21,414)	(140,368)
Proceeds from new debt	1,179,835	–	–	1,179,835
Net cash provided by (used in) capital and related financing activities	614,927	(120,034)	(26,498)	468,395

Continued on the following page.

Pennsylvania Turnpike Commission
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Notes to Financial Statements (continued)

13. Segment Information (continued)

Statement of Cash Flows (continued)

	Year Ended May 31, 2008			
	Mainline	Oil Franchise	Motor License	Total
	(In Thousands)			
Noncapital financing activities				
Cash payments to PennDOT	$(750,000)	$ –	$ –	$(750,000)
Cash proceeds from motor license grant	–	–	28,000	28,000
Cash proceeds from oil company franchise tax	–	58,709	–	58,709
Net cash (used in) provided by noncapital financing activities	(750,000)	58,709	28,000	(663,291)
Increase in cash and cash equivalents	427,802	22,069	13,085	462,956
Cash and cash equivalents at beginning of year	164,852	48,500	19,266	232,618
Cash and cash equivalents at end of year	$ 592,654	$ 70,569	$ 32,351	$ 695,574

Continued on the following page – see accompanying schedule of reconciliation.

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Notes to Financial Statements (continued)

13. Segment Information (continued)

Statement of Cash Flows (continued)

	Year Ended May 31, 2008			
	Mainline	Oil Franchise	Motor License	Total
	(In Thousands)			
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	$ 89,157	$ (35,340)	$ (267)	$ 53,550
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	193,696	–	–	193,696
Change in operating assets and liabilities:				
Accounts receivable	(3,121)	–	–	(3,121)
Inventories	1,033	–	–	1,033
Other assets	(1,047)	–	–	(1,047)
Accounts payable and accrued liabilities	(23,354)	(6,495)	–	(29,849)
Other noncurrent liabilities	2,111	–	–	2,111
Net cash provided by (used in) operating activities	$ 258,475	$ (41,835)	$ (267)	$ 216,373
Noncash activities				
Increase in fair value of investments	$ 5,215	$ 4,282	$ 200	$ 9,697
Amortization of bond premium	$ 1,691	$ 756	$ 719	$ 3,166
Amortization of deferred refunding loss	$ (3,410)	$ (563)	$ (931)	$ (4,904)

14. Subsequent Events

On June 22, 2009, the Commission issued Series 2009 A Revenue Bonds, Federally Taxable Build America Bonds, in the amount of $275,000,000 at 6.105% and maturing December 1, 2039. The Commission has designated the 2009 A bonds as "Build America Bonds" for purposes of the American Recovery and Reinvestment Act of 2009 and has elected to receive a cash subsidy from the United States Treasury equal to 35% of the interest payable on the 2009 A bonds for an effective yield of 3.96%. The 2009 A bonds are being issued to: (a) finance the costs of various capital expenditures for the Pennsylvania Turnpike System set forth in the Commission's current ten-year capital plan, including, but not limited to, the reconstruction of roadbed and roadway, the widening, replacing and redecking of certain bridges and/or the rehabilitation of certain interchanges, (b) fund capitalized interest with respect to the 2009 A bonds, (c) fund a debt service reserve fund with respect to the 2009 A bonds, and (d) pay the cost of issuance of the 2009 A bonds.

On July 22, 2009, the Commission issued Series 2009 B&C Subordinate Revenue Bonds for $956,733,204. The Series B bonds consist of serial and term bonds. The serial bonds were issued for $247,650,000, bear interest at 3.00% to 5.25% and mature in varying installments through June 1, 2022. The term bonds were issued for $609,085,000, bear interest at 4.75% to 5.75% and mature in varying installments through June 1, 2039. The Series C bonds are considered Convertible Capital Appreciation Term Bonds maturing on June 1, 2033 at a 6.25% interest rate. The interest on the 2009 C Bonds will not be payable on a current basis prior to June 1, 2016, but will compound from the date of delivery on a semiannual basis, beginning December 1, 2009, to and including June 1, 2016. After June 1, 2016, the interest will be payable semiannually on December 1, 2016 and on each June 1 and December 1 thereafter. The compounded amount will be payable at maturity or earlier redemption. The 2009 B&C Bonds will be used to (a) make payments in accordance with Act 44 to fund certain transportation grants to mass transit agencies and to local governments and various road, highway and bridge projects, (b) refund the Commission's outstanding Turnpike Bond Anticipation Notes Series B of 2007 and C-3 of 2008, (c) fund the debt service reserve for the 2009 bonds, (d) obtain a credit facility for a portion of the 2009 bonds, (e) pay capitalized interest on a portion of the 2009 bonds, and (f) pay the cost of issuing the 2009 bonds.

Required Supplementary Information

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Schedule of Funding Progress – Postemployment Healthcare Benefits

(Dollar Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
March 1, 2008	$ 14,000	$228,067	$214,067	6.54%	$118,559	180.6%
February 28, 2006	$ –	$167,785	$167,785	–%	$109,022	153.9%

Because 2008 was the year of transition for GASB Statement No. 45, requirements of GASB Statement No. 45 have been implemented prospectively; therefore, the above schedule does not reflect information for three years as typically required.

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index

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

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APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

DEFINITIONS OF CERTAIN TERMS

In addition to words and terms elsewhere defined in this Official Statement, the following words and terms as used in this Appendix C and the Indenture shall have the following meanings unless the context clearly indicates otherwise:

"Additional Bonds" -- Bonds of any Series authorized to be issued under the Indenture.

"Annual Capital Budget" -- the budget adopted by the Commission pursuant to the provisions described under the heading "The Indenture—Covenants of Commission--Annual Operating Budget; Capital Budget."

"Annual Debt Service" -- (i) the amount of principal and interest paid or payable with respect to Bonds in a Fiscal Year plus (ii) Reimbursement Obligations paid or payable by the Commission in such Fiscal Year (but only to the extent they are not duplicative of such principal and interest), plus (iii) the amounts, if any, paid or payable by the Commission in such Fiscal Year with respect to Approved Swap Agreements, minus (iv) the amounts, if any, paid or payable to the Commission in such Fiscal Year with respect to Approved Swap Agreements, provided that the difference between the amounts described in clauses (iii) and (iv) shall be included only to the extent that such difference would not be recognized as a result of the application of the assumptions set forth below. The following assumptions shall be used to determine the Annual Debt Service becoming due in any Fiscal Year: (a) in determining the principal amount paid or payable with respect to Bonds or Reimbursement Obligations in each Fiscal Year, payment shall be assumed to be made in accordance with any amortization schedule established for such Indebtedness, including amounts paid or payable pursuant to any mandatory redemption schedule for such Indebtedness; (b) if any of the Indebtedness or proposed Indebtedness constitutes Balloon Indebtedness, then such amounts thereof as constitute Balloon Indebtedness shall be treated as if such Indebtedness is to be amortized in substantially equal annual installments of principal and interest over a term of 25 years from the date of issuance of such Indebtedness; anything to the contrary in the Indenture notwithstanding, during the year preceding the final maturity date of such Indebtedness, all of the principal thereof shall be considered to be due on such maturity date unless the Commission provides to the Trustee a certificate of a Financial Consultant certifying that, in its judgment, the Commission will be able to refinance such Balloon Indebtedness, in which event the Balloon Indebtedness shall be amortized over the term of such refinancing and shall bear the interest rate specified in the certificate of the Financial Consultant; (c) if any of the Indebtedness or proposed Indebtedness constitutes Variable Rate Indebtedness, then interest in future periods shall be based on the Assumed Variable Rate; and (d) termination or similar payments under an Approved Swap Agreement shall not be taken into account in any calculation of Annual Debt Service.

"Annual Operating Budget" -- the budget adopted by the Commission pursuant to the provisions described under the heading "The Indenture--Annual Operating Budget; Capital Budget."

"Applicable Long-Term Indebtedness" -- includes Bonds, Additional Bonds, Reimbursement Obligations and obligations of the Commission under Approved Swap Agreements, to the extent the same constitute Long-Term Indebtedness, and excludes Subordinated Indebtedness.

"Approved Swap Agreement" -- shall have the meaning set forth below under the heading "The Indenture--Approved and Parity Swap Obligations".

"Assumed Variable Rate" -- in the case of (1) Outstanding Variable Rate Indebtedness, the average interest rate on such Indebtedness for the most recently completed 12-month period; and (2) proposed Variable Rate Indebtedness, (a) which will, in the opinion of Bond Counsel delivered at the time of the issuance thereof be excluded from gross income for federal income tax purposes, the average of the Bond Market Association Swap Index ("BMA Index") for the 12 months ending 7 days preceding the date of calculation plus 100 basis points, or (b) in the case of Bonds not described in clause (a), the London Interbank Offered Rate ("Libor") most closely resembling the reset period for the Variable Rate Indebtedness plus 100 basis points; provided that if the BMA Index or Libor shall cease to be published, the index to be used in its place shall be that index which the Commission in consultation with the Financial Consultant determines most closely replicates such index, as set forth in a certificate of a Commission Official filed with the Trustee.

"Authenticating Agent" -- that Person designated and authorized to authenticate any series of Bonds or such Person designated by the Authenticating Agent to serve such function, and shall initially be the Trustee.

"Authorized Denominations" – for the 2010B Bonds are described in the forepart of this Official Statement.

"Balloon Indebtedness" -- Long-Term Indebtedness of which 25% or more of the principal matures in the same Fiscal Year and is not required by the documents pursuant to which such Indebtedness was issued to be amortized by payment or redemption prior to that Fiscal Year, provided that such Indebtedness will not constitute Balloon Indebtedness if the Trustee is provided a certificate of a Commission Official certifying that such Indebtedness is not to be treated as Balloon Indebtedness (because, by way of example, such Indebtedness is intended to serve as "wrap around" Indebtedness).

"Bank" -- as to any particular Series of Bonds, each Person (other than a Bond Insurer) providing a letter of credit, a line of credit, a guaranty or another credit or liquidity enhancement facility as designated in the Supplemental Indenture providing for the issuance of such Bonds.

"Bankruptcy Law" -- Title 9 of the United States Code, as amended from time to time, and any successor to or replacement of such Title and any other applicable federal or state bankruptcy, insolvency or similar law.

"Bond" or "Bonds" -- Bonds outstanding under the Prior Indenture and indebtedness of any kind or class, including bonds, notes, bond anticipation notes, commercial paper and other obligations, issued as Additional Bonds under the applicable provisions of the Indenture, other than Additional Bonds issued as Subordinated Indebtedness.

"Bond Buyer Index" -- shall mean the Bond Buyer 20-Bond Index as published weekly in "The Bond Buyer". If such Index shall cease to be published, the Financial Consultant shall select another index which shall be reflective of the Commission's fixed borrowing cost.

"Bond Counsel" -- any attorney or firm of attorneys whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized.

"Bond Documents" means Supplemental Indenture No. 20, the 2010B Bonds and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the foregoing.

"Bond Insurer" -- as to any particular maturity or any particular Series of Bonds, the Person undertaking to insure such Bonds as designated in a Supplemental Indenture providing for the issuance of such Bonds.

"Bond Owner," "Bondholder," "Holder," "Owner" or "Registered Owner" (or the lower case version of the same) -- the Person in whose name any Bond or Bonds are registered on the books maintained by the Registrar.

"Bond Register" -- the register maintained pursuant to the applicable provisions of the Indenture.

"Bond Registrar" -- with respect to any series of Bonds, that Person which maintains the bond register or such other entity designated by the Bond Registrar to serve such function and initially shall be the Trustee.

"Book-Entry-Only System" -- a system similar to the system described in the Indenture and in the forepart of this Official Statement under "Description of the 2010B Bonds--Book-Entry Only System" pursuant to which Bonds are registered in book-entry form.

"Business Day" -- any day other than a Saturday or a Sunday or a day on which banking institutions are required or authorized by law or executive order to remain closed in the city in which the designated office of the Trustee is located, the Commonwealth or the City of New York.

"Chief Engineer" -- the employee of the Commission designated its "Chief Engineer" or any successor title.

"Code" -- the Internal Revenue Code of 1986, as amended, and the regulations proposed or in effect with respect thereto.

"Commonwealth" -- the Commonwealth of Pennsylvania.

"Commission Official" -- any commissioner, director, officer or employee of the Commission authorized to perform specific acts or duties by resolution duly adopted by the Commission.

"Conditional Redemption" – a redemption of Bonds (1) that is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the redemption date or (2) that the Commission retains the right to rescind such notice at any time prior to the scheduled redemption date if the Commission delivers a certificate of a Commission Official to the Trustee instructing the Trustee to rescind the redemption notice.

"Consultant" -- a Person who shall be independent, appointed by the Commission as needed, qualified and having a nationwide and favorable reputation for skill and experience in such work for which the Consultant was appointed. In those situations in which a Consultant is appointed to survey risks and to recommend insurance coverage, such Consultant may be a broker or agent with whom the Commission transacts business.

"Consulting Engineers" -- the engineer or engineering firm or corporation at the time employed by the Commission under the Indenture.

"Cost" -- all or any part of: (a) the cost of construction, reconstruction, restoration, repair and rehabilitation of a Project or portion thereof (including, but not limited to, indemnity and surety bonds, permits, taxes or other municipal or governmental charges lawfully levied or assessed during construction); (b) the cost of acquisition of all real or personal property, rights, rights-of-way, franchises, easements and interests acquired or used for such Project or portion thereof; (c) the cost of demolishing or removing any structures on land so acquired, including the cost of acquiring any land to which the structures may be removed; (d) any cost of borings and other preliminary investigations necessary or incident to determining the feasibility or practicability of constructing such Project and any cost necessary or desirable to satisfy conditions associated with the issuance of any permit for the construction thereof (including the costs of environmental mitigation required in connection therewith); (e) the cost of all machinery and equipment, vehicles, materials and rolling stock; (f) Issuance Costs; (g) interest on Bonds and on any Reimbursement Obligation for the period prior to, during and for a period of up to one year after completion of construction as determined by the Commission, provisions for working capital, reserves for principal and interest and for extensions, enlargements, additions, replacements, renovations and improvements; (h) the cost of architectural, engineering, environmental feasibility, financial and legal services; (i) plans, specifications, estimates and administrative and other expenses which are necessary or incidental to the determination of the feasibility of constructing such Project or portion thereof or incidental to the obtaining of construction contracts or to the construction (including construction administration and inspection), acquisition or financing thereof and which constitute capital costs; (j) Current Expenses, provided that, if applicable, the Trustee has received an opinion of Bond Counsel (which opinion may address either specific Current Expenses or categories of Current Expenses) to the effect that the treatment of such Current Expenses as a Cost will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes; (k) the repayment of any loan or advance for any of the foregoing; and (l) with respect to the use of Bond proceeds, such other costs and expenses as are permitted by the Enabling Acts at the time such Bonds are issued.

"Counsel" -- an attorney or law firm (who may be counsel for the Commission) not unsatisfactory to the Trustee.

"Credit Facility" -- any letter of credit, line of credit, standby letter of credit, indemnity or surety insurance policy or agreement to purchase a debt obligation or any similar extension of credit, credit enhancement or liquidity support obtained by the Commission from a responsible financial or insurance institution, to provide for or to secure payment of principal and purchase price of, and/or interest on Bonds pursuant to the provisions of a Supplemental Indenture under which such Bonds are issued. The use of such definition is not intended to preclude the Commission from providing the credit or liquidity support with respect to one or more series of Bonds directly rather than through a financial or insurance institution.

"Current Expenses" -- the Commission's reasonable and necessary current expenses of maintenance, repair and operation of the System, including, without limiting the generality of the foregoing, all premiums for insurance and payments into any self-insurance reserve fund, all administrative and engineering expenses relating to maintenance, repair and operation of the System, fees and expenses of the Trustee and of the Paying Agents, Policy Costs, legal expenses and any other expenses required to be paid by the Commission as shown in the Annual Operating Budget for the System.

"Debt Service Fund" -- the fund created by the Indenture and described under "The Indenture—Debt Service Fund."

"Debt Service Reserve Fund" -- the fund created by the Indenture and described under "The Indenture—Debt Service Reserve Fund."

"Debt Service Reserve Fund Bonds" -- shall mean the Long-Term Indebtedness specified by the Commission that is secured by the Debt Service Reserve Fund as described under "The Indenture—Debt Service Reserve Fund."

"Debt Service Reserve Requirement" -- the amount equal to the Maximum Annual Debt Service on account of all the Debt Service Reserve Fund Bonds.

"Defeasance Securities" -- Cash, Government Obligations, Government Obligations which have been stripped by the U.S. Treasury and CATS, TIGRS and similar securities, Resolution Funding Corp. strips which have been stripped by the Federal Reserve Bank of New York, pre-refunded obligations of a state or municipality rated in the highest rating category by the Rating Agency, and Obligations issued by the following agencies which are backed by the full faith and credit of the U.S.: Farmers Home Administration (Certificates of beneficial ownership), Federal Financing Bank, General Services Administration (Participation certificates), U.S. Maritime Administration (Guaranteed Title XI financing), U.S. Department of Housing and Urban Development (Project Notes, Local Authority Bonds and New Communities Debentures - U.S. government guaranteed debentures) and U.S. Public Housing Notes and Bonds (U.S. government guaranteed public housing notes and bonds).

"Depositary" -- a bank or trust company designated as such by the Commission to receive moneys under the provisions of the Indenture and approved by the Trustee, and shall include the Trustee.

"DSRF Security" -- shall have the meaning set forth under "The Indenture—Debt Service Reserve Fund."

"DTC" – The Depository Trust Company.

"Event of Bankruptcy" -- the filing of a petition in bankruptcy (or other commencement of a bankruptcy or similar proceedings) by or against the Commission as debtor, under Bankruptcy Law.

"Event of Default" -- those events specified under "The Indenture—Events of Default" and such other events specified in any Supplemental Indentures.

"Financial Consultant" -- any financial advisor or firm of financial advisors of favorable national reputation for skill and experience in performing the duties for which a Financial Consultant is required to be employed pursuant to the provisions of the Indenture and who is retained by the Commission as a Financial Consultant for the purposes of the Indenture.

"Fiscal Year" -- the period commencing on the first day of June and ending on the last day of May of the following year.

"Fitch" – Fitch, Inc., its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized rating agency designated by the Commission.

"General Reserve Fund" -- the fund created by the Indenture and described under "The Indenture—General Reserve Fund."

"Government Obligations" – (a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed as to full and timely payment by, the United States of America, (b) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the payment of the principal of and interest on which is fully and unconditionally guaranteed as a full faith and credit obligation of the United States of America (including any securities described in clause (a) above issued or held in book-entry form in the name of the Trustee only on the books of the Department of Treasury of the United States of America), (c) any certificates or any other evidences of an ownership interest in obligations or specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in clause (a) or (b) above, which obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian, (d) stripped obligations of interest issued by the Resolution Funding Corporation pursuant to the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA"), the interest on which, to the extent not paid from other specified sources, is payable when due by the Secretary of the Treasury pursuant to FIRREA, and (e) obligations of any state or political subdivision thereof or any agency or instrumentality of such a state or political subdivision, provided that cash, obligations described in clause (a), (b), (c) or (d) above, or a combination thereof have been irrevocably pledged to and deposited into a segregated escrow account for the payment when due of the principal or redemption price of and interest on such obligations, and provided further that, at the time of purchase, such obligations are rated by the Rating Service in its highest rating category.

"Historical Debt Service Coverage Ratio" -- for any period of time, the ratio determined by dividing Net Revenues for such period by the Annual Debt Service for all Applicable Long-Term Indebtedness which is Outstanding during such period.

"Historical Pro Forma Debt Service Coverage Ratio" -- for any period of time, the ratio determined by dividing Net Revenues for such period by the Maximum Annual Debt Service for all Applicable Long-Term Indebtedness then Outstanding and the Applicable Long-Term Indebtedness proposed to be issued pursuant to the Indenture pursuant to the provisions described under "The Indenture—Covenants--Limitations on Issuance of Additional Bonds and Execution of Approved Swaps."

"Immediate Notice" -- notice transmitted by electronic means, in writing, by telecopier or other electronic means or by telephone (promptly confirmed in writing) and received by the Person to whom it was addressed.

"Indebtedness" -- any obligation or debt incurred for money borrowed.

"Indenture" -- the Amended and Restated Trust Indenture amended and restated as of March 1, 2001, as amended and supplemented.

"Interest Payment Date" – for the 2010B Bonds is described in the forepart of this Official Statement. If the Interest Payment Date is not a Business Day then the Interest Payment Date shall be the Business Day next succeeding the date specified above.

"Issuance Cost" -- costs incurred by or on behalf of the Commission in connection with the issuance of Additional Bonds including, without limitation, the following: payment of financial, legal, accounting and appraisal fees and expenses, the Commission's fees and expenses attributable to the issuance of the Bonds, the cost of printing, engraving and reproduction services, fees and expenses incurred in connection with any Credit Facility and any Approved Swap Obligation, legal fees and expenses for Bond Counsel, Commission's counsel, Trustee's counsel and Underwriter's counsel relating to the issuance of the Bonds, the initial or acceptance fee of the Trustee, and all other fees, charges and expenses incurred in connection with the issuance of the Bonds and the preparation of the Indenture.

"Letter of Representations" -- the letter of representations or similar document executed by the Commission and delivered to the Securities Depository (and any amendments thereto or successor agreements) for one or more Series of Book Entry Bonds.

"Long-Term Indebtedness" -- all Indebtedness, which is not (a) Short-Term Indebtedness or (b) Subordinated Indebtedness.

"Maximum Annual Debt Service" -- at any point in time the maximum amount of Annual Debt Service on all Applicable Long-Term Indebtedness, as required by the context (e.g., whether relating to all such Applicable Long-Term

Indebtedness or only specified Applicable Long-Term Indebtedness) paid or payable in the then current or any future Fiscal Year.

"Moody's" -- Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized rating agency designated by the Commission.

"Net Revenues" -- the amount by which total Revenues exceed Current Expenses for any particular period.

"Other Revenues" -- any funds received or payable to the Commission, other than Revenues, which the Commission chooses to include as security for Parity Obligations and/or Subordinated Indebtedness pursuant to a Supplemental Indenture.

"Original Indenture" – the Indenture of Trust dated as of July 1, 1986 between the Commission and the Trustee.

"Outstanding" or "outstanding" in connection with Bonds -- all Bonds which have been authenticated and delivered under the Indenture, except: (a) Bonds theretofore cancelled or delivered to the Trustee for cancellation under the Indenture; (b) Bonds which are deemed to be no longer Outstanding in accordance with the provisions described under "The Indenture---Defeasance"; and (c) Bonds in substitution for which other Bonds have been authenticated and delivered pursuant to the Indenture. In determining whether the owners of a requisite aggregate principal amount of Bonds Outstanding have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions of the Indenture, Bonds which are held by or on behalf of the Commission (unless all of the Outstanding Bonds are then owned by the Commission) shall be disregarded for the purpose of any such determination.

"Parity Obligations" -- includes Bonds and other obligations of the Commission owed to Secured Owners and excludes Subordinated Indebtedness.

"Parity Swap Agreement" -- shall have the meaning set forth under the heading "The Indenture--Approved and Parity Swap Obligations".

"Parity Swap Agreement Counterparty" -- the counterparty to a Parity Swap Agreement with the Commission or with the Trustee.

"Paying Agent" -- with respect to any series of Bonds, that Person appointed pursuant to the Indenture to make payments to Bondholders of interest and/or principal pursuant to the terms of the Indenture, which initially shall be the Trustee.

"Permitted Investments" -- (to the extent permitted by law): (a) Government Obligations; (b) obligations issued or guaranteed as to full and timely payment of principal and interest by any agency or Person controlled or supervised by and acting as an instrumentality of the U.S., pursuant to authority granted by the U.S. Congress; (c) obligations of the Governmental National Mortgage Association, Farmers Home Administration, Federal Financing Bank, Federal Housing Administration, Maritime Administration and Public Housing Authorities, provided that the full and timely payment of the principal and interest on such obligations shall be unconditionally guaranteed by the U.S.; (d) obligations of the Federal Intermediate Credit Corporation and of the Federal National Mortgage Association; (e) obligations of the Federal Banks for Cooperation; (f) obligations of Federal Land Banks; (g) obligations of Federal Home Loan Banks; provided that the obligations described in clauses (c) through (g) above shall constitute Permitted Investments only to the extent that the Rating Agency has assigned a rating to such obligations which is not lower than the highest rating assigned by such Rating Agency to any series of comparable Bonds then Outstanding; (h) certificates of deposit of any bank, savings and loan or trust company organized under the laws of the U.S. or any state thereof, including the Trustee or any holder of the Bonds, provided that such certificates of deposit shall be fully collateralized (with a prior perfected security interest), to the extent they are not insured by the Federal Deposit Insurance Corporation, by Permitted Investments described in (a), (b), (c), (d), (e), (f) or (g) above having a market value at all times equal to the uninsured amount of such deposit; (i) money market funds registered under the Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933, including funds for which the Trustee, its parent, its affiliates or its subsidiaries provide investment advisory or other management services, and which are rated by S&P, Moody's and Fitch in one of their two highest rating categories; (j) investment agreements (which term, for purposes of this clause, shall not include repurchase agreements) with a Qualified Financial Institution; (k) repurchase agreements with banks or primary government dealers reporting to the Federal Reserve Bank of New York ("Repurchasers"), including but not limited to the Trustee and any of its affiliates, provided that each such repurchase agreement results in transfer to the Trustee of legal and equitable title to, or the granting to the Trustee of a prior perfected security interest in, identified Permitted Investments described in (a), (b), (c), (d), (e), (f) or (g) above which are free and clear of any claims by third parties and are segregated in a custodial or trust account held either by the Trustee or by a third party (other than the Repurchaser) as the agent solely of, or in trust solely for the benefit of, the Trustee, provided that Government Obligations acquired pursuant to such repurchase agreements shall be valued at the lower of the then current market value of such Government Obligations or the repurchase price thereof set forth in the applicable repurchase agreement; (l) bonds or notes issued by any state or municipality which are rated by S&P, Moody's and Fitch in one of their two highest rating categories; (m) commercial paper rated in the highest short-term, note or commercial paper Rating Category by S&P, Moody's and Fitch; (n) any auction rate certificates which are rated by S&P, Moody's and Fitch in one of their two highest rating categories; (o) corporate bonds and medium term notes rated at least "AA-" by the Rating Agency; (p) asset-backed securities rated in the highest rating category by the Rating Agency; and (q) any other investment approved by the Commission for which confirmation is received from the Rating Agency that such investment will not adversely affect such Rating Agency's rating on such Bonds.

"Person" -- an individual, public body, a corporation, a partnership, an association, a joint stock company, a trust and any unincorporated organization.

"Policy Costs" -- a periodic fee or charge required to be paid to maintain a DSRF Security.

"Principal Office" means, with respect to any entity performing functions under any Bond Document, the principal office of that entity or its affiliate at which those functions are performed.

"Prior Indenture" – the Original Indenture as supplemented and amended.

"Project" -- any improvements to the System or refundings which are authorized by the Enabling Acts or which may be hereafter authorized by law.

"Projected Annual Debt Service" -- for any future period of time, shall equal the amount of Maximum Annual Debt Service on all Applicable Long-Term Indebtedness then Outstanding and on any Applicable Long-Term Indebtedness proposed to be issued.

"Projected Debt Service Coverage Ratio" -- for the two Fiscal Years following the end of any period during which interest was fully capitalized on the Applicable Long-Term Indebtedness proposed to be issued, the ratio determined by dividing Projected Net Revenues for such period by the Projected Annual Debt Service for such period.

"Projected Net Revenues" -- projected Net Revenues for the period in question, taking into account any revisions of the Tolls which have been approved by the Commission and which will be effective during such period and any additional Tolls which the Commission or the Consultant, as appropriate, estimates will be received by the Commission following the completion of any Project then being constructed or proposed to be constructed.

"Purchase Price" -- shall mean the purchase price payment described in paragraph (a) of the definition of Tender Indebtedness.

"Qualified Financial Institution" (a) any U.S. domestic institution which is a bank, trust company, national banking association or a corporation, including the Trustee and any of its affiliates, subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956, or a member of the National Association of Securities Dealers, Inc. whose unsecured obligations or uncollateralized long-term debt obligations have been assigned a rating within the two highest rating categories by the Rating Agency or which has issued a letter of credit, contract, agreement or surety bond in support of debt obligations which have been so rated; (b) an insurance company with a claims-paying ability or a corporation whose obligations are guaranteed by an insurance company (in the form of an insurance policy) or by an insurance holding company rated in the highest rating category by the Rating Agency or whose unsecured obligations or uncollateralized long-term debt obligations have been assigned a rating within the highest rating category by the Rating Agency; or (c) any banking institution whose unsecured obligations or uncollateralized long-term debt obligations have been assigned a rating within one of the two highest rating categories by the Rating Agency.

"Rate Covenant" -- the requirement to establish and maintain a schedule of Tolls sufficient to provide the funds required pursuant to the Indenture provisions described under "The Indenture—Rate Covenant."

"Rating Agency" -- Fitch, Moody's or S&P or such other nationally recognized securities rating agency as may be so designated in writing to the Trustee by a Commission Official.

"Rating Category" -- each major rating classification established by the Rating Agency, determined without regard to gradations such as " 1," "2" and "3" or "plus" and "minus."

"Rebate Fund" -- the fund created by the Indenture and described under "The Indenture—Rebate Fund."

"Rebate Regulations" -- the Treasury Regulations issued under Section 148(f) of the Code.

"Record Date" -- for the 2010B Bonds is described in the forepart of this Official Statement. If the Record Date is not a Business Day, then the Record Date shall be the Business Day next preceding the date specified above.

"Reimbursement Agreement" -- an agreement between the Commission and one or more Banks pursuant to which, among other things, such Bank or Banks issue a Credit Facility with respect to Bonds of one or more series and the Commission agrees to reimburse such Bank or Banks for any drawings made thereunder.

"Reimbursement Obligation" – an obligation of the Commission pursuant to a Reimbursement Agreement to repay any amounts drawn under a Credit Facility and to pay interest on such drawn amounts pursuant to such Reimbursement Agreement.

"Reserve Maintenance Fund" -- the fund created by the Indenture and described under "The Indenture—Reserve Maintenance Fund."

"Reserve Maintenance Fund Requirement" -- the amount to be deposited to the credit of the Reserve Maintenance Fund from the Revenues of the Commission pursuant to the provisions described under "The Indenture—Reserve Maintenance Fund."

"Revenue Fund" -- the fund created by the Indenture and described under "The Indenture—Revenue Fund; Agreements with Other Turnpikes."

"Revenues" -- (a) all Tolls received by or on behalf of the Commission from the System, (b) any other sources of revenues or funds of the Commission which the Commission chooses to include in the Trust Estate pursuant to a Supplemental Indenture, and (c) the interest and income earned on any fund or account where said interest or income is required to be credited to the Revenue Fund pursuant to the Indenture. As more fully provided by the provisions described below under "The Indenture—Revenue Fund; Agreements with Other Turnpikes," in the event the Commission receives advances or prepayments or otherwise operates or participates in a system in which funds are collected prior to the actual usage of the System, such funds shall not be deemed to be Revenues until the usage occurs or the funds are earned pursuant to the agreement under which the Commission receives such funds.

"S&P" -- Standard & Poor's, a division of McGraw-Hill, Inc., a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Commission.

"Secured Owner" -- each Person who is a Bondholder of any Bonds, each Parity Swap Agreement Counterparty providing a Parity Swap Agreement, each Bank providing a Credit Facility and each Bond Insurer providing a bond insurance policy with respect to a Parity Obligation.

"Securities Depository" -- a Person that is registered as a clearing agency under Section 17A of the Securities Exchange Act of 1934 or whose business is confined to the performance of the functions of a clearing agency with respect to exempted securities, as defined in Section 3(a)(12) of such Act for the purposes of Section 17A thereof.

"Series" -- one or more Bonds issued at the same time, or sharing some other common term or characteristic, and designated as a separate series of Bonds.

"Series Issue Date" means, with respect to the 2010B Bonds, the date of original issuance of the 2010B Bonds.

"Short-Term Indebtedness" -- all Indebtedness which matures in less than 365 days and is designated as Short-Term Indebtedness pursuant to the provisions described under "The Indenture—Limitation on Issuance of Additional Bonds and Execution of Swap Agreements." In the event a Bank has extended a line of credit or the Commission has undertaken a commercial paper or similar program, only amounts actually borrowed under such line of credit or program and repayable in less than 365 days shall be considered Short-Term Indebtedness and the full amount of such commitment or program shall not be treated as Short-Term Indebtedness to the extent that such facility remains undrawn.

"Special Record Date" -- for the 2010B Bonds is described in the forepart of this Official Statement.

"Subordinated Indebtedness" -- Indebtedness incurred pursuant to the provisions referenced under "The Indenture—Limitation on Issuance of Additional Bonds and Execution of Swap Agreements."

"Supplemental Indenture" -- any supplemental indenture to (a) the Indenture, now or hereafter duly authorized and entered into in accordance with the provisions of the Indenture or (b) the Prior Indenture, including any supplemental indenture pursuant to which (and only for so long as) bonds are outstanding thereunder.

"Swap Agreement" -- shall have the meaning set forth under the heading "The Indenture--Approved and Parity Swap Obligations."

"System" – is described in the forepart of this Official Statement under "Pennsylvania Turnpike System."

"Tender Indebtedness" -- any Indebtedness or portion thereof: (a) the terms of which include (i) an option or an obligation on the part of the Secured Owner to tender all or a portion of such Indebtedness to the Commission, the Trustee, the Paying Agent or another fiduciary or agent for payment or purchase and (ii) a requirement on the part of the Commission to purchase or cause to be purchased such Indebtedness or portion thereof if properly presented; and (b) which is rated in either (i) one of the two highest long-term Rating Categories by the Rating Agency or (ii) the highest short-term, note or commercial paper Rating Category by the Rating Agency.

"Tolls" -- all rates, rents, fees, charges, fines or other income derived by the Commission from vehicular usage of the System, and all rights to receive the same.

"Trust Estate" -- (i) all Revenues, (ii) all monies deposited into accounts or funds created by the Indenture and held by or on behalf of the Trustee (other than the Rebate Fund), (iii) any insurance proceeds and other moneys required to be deposited in the Indenture, (iv) all payments received by the Commission pursuant to Parity Swap Agreements, and (v) all investment earnings on all moneys held in accounts and funds established by the Indenture, other than the Rebate Fund.

"Trustee" -- the Trustee at the time in question, whether the initial Trustee or a successor.

"U.S." -- United States of America.

"Variable Rate Indebtedness" -- any Indebtedness the interest rate on which fluctuates from time to time subsequent to the time of incurrence. Variable Rate Indebtedness may include, without limitation, (a) "auction rate" Indebtedness, that is, Variable Rate Indebtedness (i) the interest rate applicable to which (after an initial period following the issuance thereof or the conversion thereof to such an interest rate mode) is reset from time to time through an auction or bidding system and (ii) which the Commission has no obligation to repurchase in connection with the resetting of the interest rate applicable thereto except to the extent proceeds are available for such purpose either from the remarketing of such Variable Rate Indebtedness or from such other sources as identified in the Supplemental Indenture pursuant to which such Variable Rate Indebtedness was issued, (b) Tender Indebtedness, (c) commercial paper Indebtedness which is intended to be reissued and refinanced periodically, or (d) other forms of Indebtedness on which the interest fluctuates or is subject to being set or reset from time to time.

THE INDENTURE

LIMITED OBLIGATIONS

The Bonds shall be limited obligations of the Commission, payable solely from the Trust Estate. The Bonds shall constitute a valid claim of the respective owners thereof against the Trust Estate, which is pledged to secure the payment of the principal of, redemption premium, if any, and interest on the Bonds, and which shall be utilized for no other purpose, except as expressly authorized in the Indenture. The Bonds shall not constitute general obligations of the Commission and under no circumstances shall the Bonds be payable from, nor shall the holders thereof have any rightful claim to, any income, revenues, funds or assets of the Commission other than those pledged under the Indenture as security for the payment of the Bonds.

ADDITIONAL BONDS

The Commission agrees in the Indenture that it will not issue or incur any other Indebtedness having a parity lien on the Trust Estate except for Additional Bonds issued pursuant to the provisions described below and other Parity Obligations. Additional Bonds may be issued and the Trustee shall authenticate and deliver such Additional Bonds when there have been filed with the Trustee the following:

(a) A copy certified by a Commission Official of the resolution or resolutions of the Commission authorizing (1) the execution and delivery of a Supplemental Indenture providing for, among other things, the date, rate or rates of interest on, interest payment dates, maturity dates and redemption provisions of such Additional Bonds, and (2) the issuance, sale, execution and delivery of the Additional Bonds;

(b) An original executed counterpart of the Supplemental Indenture;

(c) An opinion or opinions of Bond Counsel, addressed to the Commission and the Trustee, to the effect that (1) issuance of the Additional Bonds is permitted under the Indenture, (2) each of the Supplemental Indenture and the Additional Bonds has been duly authorized, executed and delivered and is a valid, binding and enforceable obligation of the Commission, subject to bankruptcy, equitable principles and other standard legal opinion exceptions and (3) subject to the last paragraph of this Section, interest on the Additional Bonds is not included in gross income for federal income tax purposes under the Code;

(d) A request and authorization of the Commission, signed by a Commission Official, to the Trustee to authenticate and deliver the Additional Bonds to such Person or persons named therein after confirmation of payment to the Trustee for the account of the Commission of a specified sum (which may include directions as to the disposition of such of such sum);

(e) A certificate of the Commission, signed by a Commission Official, that the Commission is not in default under the Indenture and evidence satisfactory to the Trustee that, upon issuance of the Additional Bonds, amounts will be deposited in the Funds under the Indenture adequate for the necessary balances therein after issuance of the Additional Bonds (including an amount sufficient to satisfy the Debt Service Reserve Requirement if the Additional Bonds constitute Debt Service Reserve Fund Bonds);

(f) A certificate of the Commission, signed by a Commission Official, identifying the Additional Bonds as Short-Term Indebtedness, Long-Term Indebtedness or Subordinated Indebtedness and demonstrating with reasonable detail that the applicable Indenture provisions described under "Covenants of the Commission -- Limitations on Issuance of Additional Bonds and Execution of Swap Agreements" have been met for the issuance of such Additional Bonds; and

(g) Such further documents, moneys and securities as are required by the provisions of the Supplemental Indenture.

Anything in the Indenture to the contrary notwithstanding, Additional Bonds may bear interest which is included in gross income for federal income tax purposes under the Code, in which event provisions in the Indenture requiring or referencing the exclusion of interest on Bonds of gross income for federal income tax purposes may be ignored or modified, as appropriate, as set forth in an opinion of Bond Counsel.

APPROVED AND PARITY SWAP OBLIGATIONS

The Commission may enter into one or more contracts having an interest rate, currency, cash-flow, or other basis desired by the Commission (a "Swap Agreement"), including, without limitation, interest rate swap agreements, currency swap agreements, forward payment conversion agreements, futures contracts, contracts providing for payments based on levels of or changes in interest rates, currency exchange rates, stock or other indices, or contracts to exchange cash flows or a series of payments, and contracts including, without limitation, interest rate floors or caps, options, puts or calls to hedge payment, currency rate, spread or similar exposure. In the event the Commission wishes the payments to be made and received by the Commission under the Swap Agreement to be taken into account in any calculation of Annual Debt Service under the Indenture, the Commission shall file with the Trustee the following on or before entering into the Swap Agreement (in which event such Swap Agreement shall constitute an "Approved Swap Agreement"):

(a) A copy certified by a Commission Official of the resolution or resolutions of the Commission authorizing the execution and delivery of the Swap Agreement (no Supplemental Indenture being required unless the Commission determines it to be necessary or appropriate);

(b) An original executed counterpart of the Swap Agreement;

(c) An opinion of Bond Counsel addressed to the Commission and to the Trustee, to the effect that execution of the Swap Agreement is permitted under the laws of the Commonwealth and will not adversely affect the exclusion from gross income from interest on any Bonds for federal income tax purposes; provided that if the Swap Agreement relates to Bonds being issued and the Swap Agreement is entered into prior to the issuance of such Bonds, the portion of the opinion of Bond Counsel referring to tax-exempt status of the Bonds need not be delivered until such Bonds are issued;

(d) A certificate of the Commission, signed by a Commission Official, that the Commission is not under default under the Indenture;

(e) Evidence that the execution of the Swap Agreement will not result in a reduction or withdrawal of the rating then assigned to any Bonds by the Rating Agency;

(f) Evidence that the provisions with respect to Approved Swap Agreements described under "Limitation on Issuance of Additional Bonds and Execution of Swap Agreements" have been met; and

(g) Such further documents as are required by the Swap Agreement or Bond Counsel.

In the event the Commission wishes to enter into an Approved Swap Agreement and to have its obligations thereunder be on parity with all Bonds and other Parity Obligations, it shall file with the Trustee the items set forth above, together with a supplemental indenture granting such parity position (in which event, such Swap Agreement shall constitute a "Parity Swap Agreement"). Upon entering into a Parity Swap Agreement, unless otherwise provided in the supplemental indenture, the Commission shall pay to the Trustee for deposit into the Interest Account the net amount payable, if any, to the Parity Swap Agreement Counterparty as if such amounts were additional amounts of interest due; and the Trustee shall pay on behalf of the Commission to the Parity Swap Agreement Counterparty, to the extent required under the Parity Swap Agreement, amounts deposited in the Interest Account. Net amounts received by the Commission or the Trustee from the counterparty pursuant to a Parity Swap Agreement shall be deposited to the credit of the Interest Account or to such other account as designated by a Commission Official.

Amounts paid by or to the Commission pursuant to Approved Swap Agreements which do not constitute Parity Swap Agreements shall not be required to be made through the Trustee as described in the preceding paragraph (but shall be taken into account in calculation of Annual Debt Service as provided in the definition of such term).

CONVERSIONS OF VARIABLE RATE INDEBTEDNESS TO FIXED RATE INDEBTEDNESS

The Indenture provides that the Commission may convert Variable Rate Indebtedness to a fixed rate if permitted pursuant to the terms thereof and if the Commission was in compliance with the Rate Covenant for the most recently completed Fiscal Year. If the Commission did not meet the Rate Covenant for such Fiscal Year, the Commission must treat the proposed conversion as if it constituted the issuance of Additional Bonds by meeting the requirements set forth in paragraph (b) below under "Covenants of the Commission -- Limitation on Issuance of Additional Bonds and Execution of

Swap Agreements" (computing the Annual Debt Service with respect to such Variable Rate Indebtedness proposed to be converted as bearing interest at the Bond Buyer Index or such other rate as identified by a Financial Consultant as being more appropriate under the circumstances).

REDEMPTION OF BONDS

The Bonds of any Series issued under the provisions of the Indenture shall be subject to redemption, in whole or in part, and at such times and prices as may be provided in the Supplemental Indenture pursuant to which such Bonds are issued. The provisions for redemption of the 2010B Bonds are described in the forepart of this Official Statement under "Description of the 2010B Bonds -- Redemption of 2010B Bonds."

NOTICE OF REDEMPTION

When Bonds (or portions thereof) are to be redeemed, the Commission shall give or cause to be given notice of the redemption of the Bonds to the Trustee no later than 15 days prior to the last date on which notice of such redemption can be given or such shorter time as may be acceptable to the Trustee. In the case of an optional redemption, the notice may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the redemption date or (2) that the Commission retains the right to rescind such notice at any time prior to the scheduled redemption date if the Commission delivers a certificate of a Commission Official to the Trustee instructing the Trustee to rescind the redemption notice (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded.

The provisions for notice of redemption for the 2010B Bonds are further described in the forepart of this Official Statement under "Description of the 2010B Bonds -- Redemption of 2010B Bonds."

On or before the date fixed for redemption, subject to the provisions described above, moneys shall be deposited with the Trustee to pay the principal of, redemption premium, if any, and interest accrued to the redemption date on the Bonds called for redemption. Upon the deposit of such moneys, unless the Commission has given notice of rescission as described herein, the Bonds shall cease to bear interest on the redemption date and shall no longer be entitled to the benefits of the Indenture (other than for payment and transfer and exchange) and shall no longer be considered Outstanding.

Any Conditional Redemption may be rescinded in whole or in part at any time prior to the redemption date if the Commission delivers a certificate of a Commission Official to the Trustee instructing the Trustee to rescind the redemption notice. The Trustee shall give prompt notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a Conditional Redemption, the failure of the Commission to make funds available in part or in whole on or before the redemption date shall not constitute an Event of Default.

CONSTRUCTION FUND

The Indenture creates a special fund known as the "Construction Fund", which shall be held in trust by the Trustee. Money shall be deposited to the Construction Fund pursuant to the provisions of the Indenture and from any other sources identified by the Commission. Payment of the costs of the construction portion of any Project shall be made from the Construction Fund. A special account shall be created and identified for each such construction project, although funds, at the written direction of the Commission, may be transferred from one such account in the Construction Fund to another account in such Fund. Moneys in the Construction Fund may be disbursed by the Trustee to the Commission upon the filing by the Commission of a requisition, signed by the Chief Engineer (or his designee) and a Commission Official meeting the requirements of the Indenture.

If at any time a Commission Official shall file with the Trustee a certificate stating that the cost of a Project has been finally determined and that the funds remaining in the account established for such Project exceed the remaining costs of the Project, then an amount equal to such excess shall be transferred to such fund or account as directed in the certificate, provided the same is accompanied by an opinion of Bond Counsel to the effect that such transfer or and/or application will not adversely effect the tax-exempt status of the interest of the applicable Bonds.

There is being created a separate 2010B Account of the Construction Fund for deposit and disbursement of proceeds of the 2010B Bonds, including investment earnings on sums on deposit in the Clearing Fund, the 2010B Capitalized Interest Sub-account and the 2010B Account of the Debt Service Reserve Fund. All funds on deposit in the 2010B Account of the Construction Fund and interest earnings thereon shall be applied (i) to payment of the costs of the capital projects as authorized by the Resolution and (ii) in the case of investment earnings on sums on deposit in the 2010B Account of the Debt Service Reserve Fund, on any other capital projects of the Commission.

RATE COVENANT

The Indenture contains the Rate Covenant which is described in the forepart of this Official Statement under "Security For The 2010B Bonds—Rate Covenant."

COVENANTS AS TO TOLLS

The Commission covenants with respect to Tolls as described in the forepart of this Official Statement under "Security For The 2010B Bonds—Rate Covenant."

COVENANTS OF COMMISSION

In addition to the Rate Covenant and covenants as to Tolls described above, in the Indenture the Commission also makes various other covenants, including the following covenants:

Payment of Principal, Interest and Premium. The Commission covenants in the Indenture that it will promptly pay the principal of, premium, if any, and the interest on every Bond issued under the provisions of the Indenture at the places, on the dates and in the manner provided in the Indenture and in said Bonds. Except as otherwise provided in the Indenture, the principal, interest and premium are payable solely from Revenues, which Revenues are hereby pledged to the payment thereof in the manner and to the extent provided in the Indenture. Neither the general credit of the Commission nor the general credit nor the taxing power of the Commonwealth or any political subdivision, agency or instrumentality thereof is pledged for the payment of the Bonds.

Annual Operating Budget; Capital Budget. The Commission covenants in the Indenture that on or before the 31st day of May (or such other date as is consistent with the Commission's policies then in effect) in each Fiscal Year it will adopt a budget for the ensuing Fiscal Year (the "Annual Operating Budget"). Copies of each Annual Operating Budget shall be provided to the Trustee. Prior to adopting the Operating Budget, the Commission shall provide a draft of such budget to the Consulting Engineer sufficiently in advance of the adoption of such Annual Operating Budget in order for the Consulting Engineer to provide comments before such adoption. The Commission further covenants in the Indenture that it will prepare each such Annual Operating Budget on the basis of monthly requirements, so that it will be possible to determine the Current Expenses for each month during the Fiscal Year.

If for any reason the Commission shall not have adopted the Annual Operating Budget before the first day of any Fiscal Year, the budget for the preceding Fiscal Year, shall, until the adoption of the Annual Operating Budget, be deemed to be in force and shall be treated as the Annual Operating Budget.

The Commission may adopt an amended or supplemental Annual Operating Budget at any time for the remainder of the then current Fiscal Year. Copies of any such amended or supplemental Annual Operating Budget shall be provided to the Trustee.

The Commission further covenants in the Indenture that it will adopt a capital budget (the "Annual Capital Budget) on or before May 31st of each Fiscal Year. The Annual Capital Budget will detail the Commission's planned capital expenditures over a period of up to 10 years and the portion of capital expenditures expected to be funded from the Reserve Maintenance Fund. The Annual Capital Budget shall include the expected beginning balance in the Reserve Maintenance Fund, the amounts to be transferred by the Trustee to the Reserve Maintenance Fund from the General Reserve Fund, the amount of bond proceeds expected to become available during the Fiscal Year, the amounts expected to be transferred monthly by the Trustee from the Revenue Fund, and the desired year-end balance in the Reserve Maintenance Fund. Prior to adopting the Annual Capital Budget, the Commission shall provide a draft of the capital budget to the Consulting Engineer a sufficient time in advance of the Commission's adoption of the Annual Capital Budget in order for the Consulting Engineer to provide comments before the date of such adoption. The Commission may adopt amendments or supplements to the Annual Capital Budget at any time. Copies of the Annual Capital Budget shall be made available to the Trustee.

Limitations on Issuance of Additional Bonds and Execution of Approved Swaps. The Commission has covenanted in the Indenture with respect to issuance of Additional Bonds and execution of Approved Swap Agreements as described in the forepart of this Official Statement under "Security For The 2010B Bonds— Additional Bonds Test."

Use and Operation of System. The Commission covenants in the Indenture that (a) it will maintain and operate the System in an efficient and economical manner, (b) it will maintain the System in good repair and will make all necessary repairs, renewals and replacements, to the extent funds are available therefor under the Indenture, and (c) it will comply with laws and all rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to such System, subject to the right of the Commission to contest the same in good faith and by appropriate legal proceedings.

Inspection of the System. The Commission shall make arrangements for the System to be inspected at least once every three years by engaging one or more Consultants to conduct the actual inspections and to prepare a report. Such report shall state (a) whether the System has been maintained in good repair, working order and condition since the last inspection report pursuant to this Section and (b) any recommendations which such Consultants may have as to revisions or additions to the Commission's Annual Capital Budget. Copies of such reports shall be filed with the Trustee.

Construction of Projects. The Commission covenants in the Indenture that it will proceed with diligence to construct any Projects in conformity with law and all requirements of all governmental authorities having jurisdiction thereover. Before entering into any construction contract it will secure the approval of the plans and specifications for such contract by a certified engineer or architect, who may be an employee of the Commission, and that it will require each Person, firm or corporation with whom it may contract in connection with the construction of any Project to furnish (1) a performance bond for 100% of the contract amount, and (2) a payment bond for 100% of the contract amount. Each of such bonds shall be executed by one or more responsible surety companies authorized to do business in the Commonwealth. Any proceeds received from such bonds first shall be applied toward the completion of the applicable Project and second shall be deposited in the General Reserve Fund. Construction contracts for labor and/or materials also shall provide that payments thereunder shall not be made by the Commission in excess of 95% of current estimates except that once the work is at least 50% complete, such retainage may be reduced by the Chief Engineer or another Commission Official to the extent such officer deems such reduction to be necessary or appropriate.

The Commission shall involve the Consulting Engineer or another Consultant to assist in quality assurance matters in connection with design and/or construction of any Project or portion thereof to the extent the Commission determines necessary or appropriate. For purposes of this subsection, "quality assurance" shall be defined to mean those activities, from inception to completion of a Project, which are necessary to ensure that the processes are in place to produce a quality product.

Employment of Consulting Engineers. The Commission covenants in the Indenture to employ an independent engineer or engineering firm or corporation having a national reputation for skill and experience in such work to perform any functions of the Consulting Engineer under the Indenture.

Insurance. The Commission covenants in the Indenture that it will keep the System and its use and operation thereof insured (including through self-insurance) at all times in such amounts, subject to such exceptions and deductibles and against such risks, as are customary for similar organizations. All insurance policies shall be carried with a responsible insurance company or companies authorized to do business in the Commonwealth or shall be provided under a self-insurance program; any self-insurance program shall be actuarially sound in the written opinion of an accredited actuary, which opinion shall filed with the Trustee at least annually. At any time and from time to time, the Commission may elect to terminate self-insurance of a given type. Upon making such election, the Commission shall, to the extent then deemed necessary by a Consultant, obtain and maintain comparable commercial insurance.

On July 1, 2003 and every three years thereafter (except with respect to self-insurance, which shall be annually), the Commission shall cause a Consultant to certify to the Trustee that (a) it has reviewed the adequacy of the Commission's insurance, listing the types and amounts of insurance, and (b) it finds such coverage to be reasonable and customary for similar organizations. If the Consultant concludes that coverage other than that which is currently carried by the Commission should be carried, the Commission shall obtain such insurance coverage unless it determines in good faith that it is unreasonable or uneconomical to obtain such coverage and certifies the same in writing to the Trustee.

All insurance policies maintained by the Commission shall be available at reasonable times for inspection by the Trustee, its agents and representatives.

The Commission covenants that it will take actions as it deems necessary to demand, collect and sue for any proceeds that may become due and payable to it under any policy

Damage or Destruction. Immediately after any damage to or destruction of any part of the System which materially adversely affects the Revenues of the Commission, the Commission will promptly take action to repair, reconstruct or replace the damaged or destroyed property or to otherwise ameliorate the adverse impact on Revenues.

Annual Audit. The Commission covenants in the Indenture that it will cause an annual audit to be made of its books and accounts of each Fiscal Year by an independent certified public accountant. A copy of such audit shall be filed with the Trustee promptly after the receipt by the Commission for such purpose.

Encumbrance of Revenues; Sale, Lease or Other Disposition of Property. The Commission covenants in the Indenture that so long as any Bonds are Outstanding under the Indenture:

(a) (1) It will not create or suffer to be created any lien or charge upon any Revenues, except the lien and charge of the Bonds secured hereby and any Subordinated Indebtedness permitted pursuant to the provisions of the Indenture; and (2) from such Revenues or other funds available under the Indenture, it will pay or cause to be discharged, or will make adequate provision to pay or discharge, within ninety (90) days after the same shall accrue, all lawful claims and demands for labor, materials or supplies which, if unpaid, might by law become a lien upon any Revenues; provided, however, that the Commission shall not be required to pay or discharge, or make provision for such payment or discharge of, any such lien or charge so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings.

(b) The Commission will not sell or otherwise dispose of any real estate or personal property comprising a portion of the System unless the Commission determines (1) such property (i) has become obsolete or worn out or is reasonably expected to become so within one year after the date of such disposition, (ii) is no longer used or useful in the operation of the System or in the generation of Revenues or (iii) is to be or has been replaced by other property or (2) by resolution that such action will not materially adversely affect the Net Revenues of the Commission. The Commission shall have the discretion to deposit the proceeds of such sale or disposition in a fund or account held under the Indenture or a Commission account held outside the Indenture, as it deems appropriate. In the event the Commission did not meet the Rate Covenant during the preceding Fiscal Year, however, then the Commission shall notify the Trustee of the sale or disposition of any property which generated Net Revenues in excess of one percent of the Commission's Net Revenues during the prior Fiscal Year and all proceeds from such sale or disposition shall be deposited in the Revenue Fund.

(c) The Commission will not lease any real estate or personal property comprising a portion of the System unless the Commission determines by resolution that such action will not materially adversely affect the Net Revenues of the Commission. The rental and other proceeds from any lease shall not be required to be deposited in the Revenue Fund unless the effect of such lease is to reduce Tolls.

Without intending to limit the foregoing, the Commission also may enter into contracts or other forms of agreement for the use of any real estate comprising a portion of the System including, but not limited to, rights of way for telephone, telegraph, optic fiber and other forms of communication, electric, gas transmission and other lines or facilities for utilities, and other uses which do not materially adversely affect the operation of the System and the payments received in connection with the same shall be deposited in such accounts (which may be outside the Indenture) as the Commission shall determine.

CREATION OF FUNDS

In addition to the Construction Fund and any other funds created by Supplemental Indentures, the Indenture creates the following funds: Operating Account; Revenue Fund; Debt Service Fund; Debt Service Reserve Fund; Reserve Maintenance Fund; General Reserve Fund; and Rebate Fund. Amounts deposited therein shall be held in trust by the Trustee until applied as directed in the Indenture.

REVENUE FUND; AGREEMENTS WITH OTHER TURNPIKES

The Commission covenants in the Indenture that all Revenues will be deposited daily, as far as practicable, with the Trustee or in the name of the Trustee with a Depositary or Depositaries, to the credit of the Revenue Fund.

The Indenture provides that, to the extent now or hereafter authorized by law, the Commission may enter into agreements with any commission, authority or other similar legal body operating a turnpike, whether or not connected to the System, (1) with respect to the establishment of combined schedules of Tolls and/or (2) for the collection and application of Tolls charged for trips over all or a portion of both turnpikes combined, which on the basis of the Revenues to be received by any such agreement will result in the receipt by the Commission of its allocable portion of such Tolls (less fees and expenses associated with such arrangement). To the extent now or hereafter authorized by law, the Commission also may enter into agreements with other Persons with respect to the collection of Tolls or advances or prepayment of Tolls charged for trips over all or a portion of the System, which on the basis of the Revenues to be received by any such agreement will result in the receipt by the Commission of the appropriate Tolls for such trips. Unless approved by a Consultant, no agreement establishing a combined schedule of Tolls shall restrict the ability of the Commission to implement an increase in its Tolls at least annually.

Amounts received by the Commission from such other commission, authority or other similar legal body or Person, in accordance with such agreements, shall be deposited in the Revenue Fund when they constitute Revenues. Such amounts may be held with a Depository or Depositories until they constitute Revenues. Amounts received by the Commission and deposited in the Revenue Fund which are payable by the Commission to such other commission, authority or other similar legal body or Person, in accordance with any such agreements, shall be withdrawn by the Trustee from the Revenue Fund upon delivery to the Trustee of a certificate of a Commission Official that such withdrawal is required pursuant to the terms of an agreement entered into pursuant to this Section and shall be paid by the Trustee in accordance with directions contained in such certificate.

Except as otherwise provided in the provisions described under this heading, transfers from the Revenue Fund shall be made to the following funds and in the following order of priority: (1) Rebate Fund; (2) Operating Account; (3) Debt Service Fund; (4) Reserve Maintenance Fund; (5) Debt Service Reserve Fund; and (6) General Reserve Fund (after retaining such funds in the Revenue Fund as are identified in the certificate described below under "General Reserve Fund").

OPERATING ACCOUNT

The Indenture provides that the Commission shall establish an account known as the "Operating Account" which is described in the forepart of this Official Statement under "Security for the 2010B Bonds--Operating Account."

DEBT SERVICE FUND

The Indenture creates two separate accounts in the Debt Service Fund to be known as the "Interest Account" and the "Principal Account."

The Trustee and the Commission may create such additional accounts in the Debt Service Fund pursuant to a Supplemental Indenture as they deem necessary or appropriate, including, but not limited to, (a) an account into which drawings on a Credit Facility are to be deposited and from which principal (including redemption price) and Purchase Price of and interest on the Series of Bonds secured by such Credit Facility are to be paid (and upon such payment, amounts on deposit in the Principal and Interest Accounts for such Bonds shall be used to repay the provider of the Credit Facility for such payments), and (b) an account into which payments to the Commission to any Parity Swap Counterparty are to be deposited and from which payments to such Parity Swap Counterparty are to be paid.

The Trustee shall make deposits into the Debt Service Fund as described in the forepart of this Official Statement under "Security for the 2010B Bonds--Debt Service Fund."

The moneys in the Interest and Principal Accounts shall be held by the Trustee in trust for the benefit of the Bonds, to the extent the foregoing are payable from such accounts, and, to said extent and pending application, shall be subject to a lien and charge in favor of the Owners of the Bonds until paid out or transferred as provided in the Indenture. There shall be withdrawn from the Interest Account (and any available capitalized interest) and the Principal Account from time to time and set aside or deposited with the Trustee sufficient money for paying the interest on and the principal of and premium on the Bonds as the same shall become due, except to the extent such interest, principal or other amounts are payable from a fund or account other than the Debt Service Fund as provided in any Supplemental Indenture.

If at the time the Trustee is required to make a withdrawal from the Debt Service Fund the moneys therein shall not be sufficient for such purpose, the Trustee shall withdraw the amount of such deficiency from the moneys on deposit in the following funds or accounts and transfer the same to the Debt Service Fund in the following order: the Debt Service Reserve Fund, the General Reserve Fund, and the Reserve Maintenance Fund.

A 2010B Account of the Debt Service Fund is being created for the purpose of depositing and disbursing funds for payment of debt service on the 2010B Bonds and a separate 2010B Capitalized Interest Sub-account therein. Earnings on funds on deposit in the 2010B Capitalized Interest Sub-account shall not be applied to the payment of interest on the 2010B Bonds, but shall be transferred to the 2010B Account of the Construction Fund on or prior to December 31, 2011.

RESERVE MAINTENANCE FUND

In each Fiscal Year, after first having made the deposits to the Revenue Fund, Operating Account and Debt Service Fund provided by the provisions described above, the Trustee shall transfer from the Revenue Fund on or before the last Business Day of each month to the credit of the Reserve Maintenance Fund the amount shown in the Annual Capital Budget for the ensuing month. The provisions regarding the Reserve Maintenance Fund are further described in the forepart of this Official Statement under "Security for the 2010B Bonds—Reserve Maintenance Fund."

DEBT SERVICE RESERVE FUND

The Indenture establishes a Debt Service Reserve Fund and provides that a special account within the Debt Service Reserve Fund may be created with respect to each series of Debt Service Reserve Fund Bonds issued under the Indenture and any Supplemental Indenture.

A 2010B Account is being established in the Debt Service Reserve Fund in connection with the 2010B Bonds. All earnings on investments held in such 2010B Account shall be transferred to the 2010B Account of the Construction Fund, such transfers to be made no less frequently than semi-annually, on the second Business Day preceding each Interest Payment Date.

In each Fiscal Year, after first having made the deposits to the Operating Account, Debt Service Fund and Reserve Maintenance Fund described above, the Trustee shall transfer from the Revenue Fund on or before the last day of each month to the credit of the Debt Service Reserve Fund (a) the amount, if any, required to make the amount on deposit in the Debt Service Reserve Fund equal to the Debt Service Reserve Requirement which restoration, as implied by the Rate Covenant, is intended to occur within eighteen (18) months; and (b) the amount set forth in a Supplemental Indenture if an amount different from the Debt Service Reserve Requirement is required.

To the extent accounts are created in the Debt Service Reserve Fund for Debt Service Reserve Fund Bonds, the funds and DSRF Security, as hereinafter defined, held therein shall be available to make payments required under the Indenture for the benefit of all Debt Service Reserve Fund Bonds.

Moneys held in the Debt Service Reserve Fund shall be used for the purpose of paying interest on, maturing principal and mandatory sinking fund redemption price of Debt Service Reserve Fund Bonds whenever and to the extent that the moneys held for the credit of the Debt Service Fund shall be insufficient for such purpose. If at any time the moneys and the principal amount of any DSRF Security held in the Debt Service Reserve Fund shall exceed the Debt Service Reserve Requirement, the Commission shall direct whether such excess moneys shall be transferred by the Trustee to the credit of the General Reserve Fund or used to reduce the principal amount of any DSRF Security.

In the event the Trustee shall be required to withdraw funds from the Debt Service Reserve Fund to restore a deficiency in the Debt Service Fund arising with respect to Debt Service Reserve Fund Bonds, the amount of such deficiency shall be allocated pro rata among such Bonds except to the extent provided in the last sentence of the next paragraph.

In lieu of the deposit of moneys into the Debt Service Reserve Fund, the Commission may cause to be provided a surety bond, an insurance policy, a letter of credit or similar financial instrument satisfactory to the Rating Agency (as evidenced by a letter from the Rating Agency confirming that the DSRF Security will not result in the rating on any outstanding Bonds being downgraded) (each, a "DSRF Security") payable to the Trustee for the benefit of the Bondholders in an amount equal to the difference between the Debt Service Reserve Requirement and the amounts then on deposit in the Debt Service Reserve Fund. The DSRF Security shall be payable (upon the giving of notice as required thereunder) on any Interest Payment Date on which moneys will be required to be withdrawn from the Debt Service Reserve Fund and applied to the payment of the principal of or interest on any Bonds to the extent that such withdrawals cannot be made by amounts on deposit in the Debt Service Reserve Fund.

If a disbursement is made pursuant to a DSRF Security, the Commission shall be obligated either (a) to reinstate the maximum limits of such DSRF Security or (b) to deposit into the Debt Service Reserve Fund, funds in the amount of the disbursement made under such DSRF Security, or a combination of such alternatives, as shall provide that the amount credited to the Debt Service Reserve Fund equals the Debt Service Reserve Requirement within a time period of eighteen (18) months.

If the DSRF Security shall cease to have a rating described in the second preceding paragraph, the Commission shall use reasonable efforts to replace such DSRF Security with one having the required rating, but shall not be obligated to pay, or commit to pay, increased fees, expenses or interest in connection with such replacement or to deposit Revenues in the Debt Service Reserve Fund in lieu of replacing such DSRF Security with another.

GENERAL RESERVE FUND

After first having made the deposits to the Operating Account, Debt Service Fund, Reserve Maintenance Fund and Debt Service Reserve Fund described above, the Trustee shall transfer from the Revenue Fund on or before the last Business Day of each year (or more frequently if the Commission determines that excess funds are on deposit in the Revenue Fund) to the credit of the General Reserve Fund any funds which a Commission Official determines to be in excess of the amount required to be reserved therein for future transfers to the Debt Service Fund. The provisions regarding the General Reserve Fund are further described in the forepart of this Official Statement under "Security for the 2010B Bonds—General Reserve Fund."

REBATE FUND

The Indenture authorizes the creation of a Rebate Fund. The Commission covenants in the Indenture to calculate and to pay directly to the government of the United States of America all amounts due for payment of "arbitrage rebate" under Section 148(f) of the Code with respect to any Bonds. Nevertheless, the Commission in the future may deposit with the Trustee or direct the Trustee to deposit in the Rebate Fund amounts held in any Fund under the Indenture for any or all Series of Bonds (which direction shall specify the procedures for collection and payment of amounts due in respect of arbitrage rebate) if (a) required under any amendments to Section 148(f) of the Code or (b) the Commission otherwise determines that the funding of the Rebate Fund is necessary or appropriate. The Rebate Fund is a trust fund but the amounts therein do not constitute part of the Trust Estate. Amounts on deposit in the Rebate Fund may be used solely to make payments to the United States of America under Section 148 of the Code and to pay costs related to the calculation of the amounts due. Upon satisfaction of the Commission's covenants described above, any amounts remaining in the Rebate Fund shall be deposited in the General Reserve Fund.

ADDITIONAL SECURITY; PARITY WITH OTHER PARITY OBLIGATIONS

Except as otherwise provided or permitted in the Indenture, the Trust Estate securing all Bonds issued under the terms of the Indenture shall be shared on a parity with other Parity Obligations on an equal and ratable basis. The Commission may, however, in its discretion, provide additional security or credit enhancement for specified Parity Obligations with no obligation to provide such additional security or credit enhancement to other Parity Obligations, except that no additional security or credit enhancement shall be provided unless there shall have been first delivered to the Trustee an opinion of Bond Counsel that the exclusion from gross income of interest on any Bonds for federal income tax purposes will not be adversely affected thereby. Moreover, the Commission may provide in a Supplemental Indenture that Bonds issued thereunder are not secured, or are secured only in part or only under certain circumstances, by the Trust Estate.

DEPOSITARIES; INVESTMENT OF MONEYS

Except as otherwise provided in the Indenture, all moneys received by the Commission under the provisions of the Indenture shall be deposited with the Trustee or with one or more Depositaries. All moneys deposited under the provisions of the Indenture with the Trustee or any other Depositary shall be held in trust, credited to the particular fund or account to which such moneys belong and applied only in accordance with the provisions of the Indenture. No moneys shall be deposited with any Depositary, other than the Trustee, in an amount exceeding fifty per centum (50%) of the amount which an officer of such Depositary shall certify to the Commission as the combined capital and surplus of such Depositary. All moneys deposited with the Trustee or any other Depositary under the Indenture shall, to the extent not insured, be secured in the manner required or permitted by applicable law.

Moneys held in any of the funds or accounts under the Indenture may be retained uninvested, if deemed necessary by the Commission, as trust funds and secured as provided above or may be invested in Permitted Investments. All investments made pursuant to the Indenture shall be subject to withdrawal or shall mature or be subject to repurchase or redemption by the holder, not later than the earlier of (a) the date or dates set forth for similar investments in the applicable Supplemental Indenture or (b) the date on which the moneys may reasonably be expected to be needed for the purpose of the Indenture.

Investments acquired with the moneys in any fund or account shall be a part of such fund or account and, for the purposes of determining the amount in such fund or account, shall be valued at their then fair market value. The interest or income received on an investment shall remain in the fund or account to which the investment is credited except to the extent otherwise provided in the applicable Supplemental Indenture.

The Trustee shall withdraw, redeem or sell all or a portion of any investment upon receipt of the written direction from the Commission or upon a determination by the Trustee that moneys in such fund or account are to be applied or paid by the Trustee pursuant to the provisions of the Indenture, and the proceeds thereof shall be deposited by the Trustee in the appropriate fund or account. Neither the Trustee nor the Commission shall be liable or responsible for any depreciation in the value of the Permitted Investments or for any losses incurred upon any unauthorized disposition thereof.

Each fund held under the Indenture shall be valued by the Trustee at least once annually within thirty days after the end of each Fiscal Year.

EVENTS OF DEFAULT

Each of the following is an "Event of Default" under the Indenture:

(a) Default in the payment of any installment of principal, redemption premium, if any, interest or other amount due on any Bond when the same becomes due and payable;

(b) Default in the payment by the Commission of any other Parity Obligation;

(c) Subject to the provisions relating to notice and opportunity to cure certain defaults, default in the performance or breach of any covenant, warranty or representation of the Commission contained in the Indenture (other than a default under (a) and (b) above);

(d) The occurrence of any Event of Default under any Supplemental Indenture; or

(e) (1) The occurrence of an Event of Bankruptcy of the Commission; (2) the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or other similar official of the Commission or of any substantial portion of its property, which appointment shall not have been rescinded or stayed within ninety (90) days after taking effect; or (3) the ordering of the winding up or liquidation of the affairs of the Commission.

No default under paragraph (c) above under "Events of Default" shall constitute an Event of Default until written notice of such default shall have been given to the Commission by the Trustee or by the holders of at least 25% in aggregate principal amount of the Bonds Outstanding, and the Commission shall have had thirty (30) days after receipt of such notice to correct such default or cause such default to be corrected, and shall have failed to do so. In the event, however, that the default is such that it cannot be corrected within such thirty (30) day period, it shall not constitute an Event of Default if corrective action is instituted by the Commission within such period and diligently pursued (as determined by the Trustee) until the default is corrected.

REMEDIES UPON DEFAULT

If an Event of Default occurs and is continuing, the Trustee may, and upon the written request to the Trustee by the holder or holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall, subject to the requirement that the Trustee be provided with indemnity satisfactory to it, by written notice to the Commission, declare the principal and interest on of the Bonds to the date of acceleration to be immediately due and payable.

At any time after such a declaration of acceleration has been made and before the entry of a judgment or decree for payment of the money due, the Trustee may, or the holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, may by written notice to the Commission and the Trustee, and subject to the provision to the Trustee of satisfactory indemnity, direct the Trustee to rescind and annul such declaration and its consequences if: (1) there has been paid to or deposited with the Trustee by or for the account of the Commission, or provision satisfactory to the Trustee has been made for the payment of a sum sufficient to pay: (i) all overdue installments of interest on the Bonds; (ii) the principal of and redemption premium, if any, on any Bonds which have become due other than by such declaration of acceleration and interest thereon; (iii) all amounts due on other Parity Obligations; (iv) to the extent lawful, interest upon overdue installments of interest and redemption premium, if any; and (v) all sums paid or advanced by the Trustee under the Indenture, together with the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel prior to the date of notice of rescission; and (2) all Events of Default, other than those described in paragraphs (a) and (b) above under "Events of Default", if any, which have occasioned such acceleration, have been cured or waived.

No such rescission and annulment shall affect any subsequent default or impair any consequent right.

ADDITIONAL REMEDIES

The Trustee, upon the occurrence of an Event of Default may, and upon the written request of the holders of not less than a majority in aggregate principal amount of the Bonds Outstanding and subject to the requirement that the Trustee be provided with satisfactory indemnity, shall proceed to protect and enforce its rights and the rights of the holders of the Bonds under the Indenture by a suit or suits in equity or at law, either for the specific performance of any covenant or agreement contained in the Indenture or in aid of the execution of any power in the Indenture granted, or for the enforcement of any other appropriate legal or equitable remedy, and the Trustee in reliance upon the advice of counsel may deem most effective to protect and enforce any of the rights or interests of the Bondholders under the Bonds or the Indenture.

TRUSTEE MAY FILE PROOFS OF CLAIM

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding under the Bankruptcy Law relating to the Commission, any other obligor upon the Bonds or any property of the Commission, the Trustee (whether or not the principal of the Bonds shall then be due and payable by acceleration or otherwise, and whether or not the Trustee shall have made any demand upon the Commission for the payment of overdue principal, redemption premium, if any, and interest) shall be entitled and empowered, by intervention in such proceeding or other means: (1) to file and prove a claim for the whole amount of the principal, redemption premium, if any, and interest owing and unpaid in respect of the Bonds then Outstanding or for breach of the Indenture and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the holders allowed in such proceeding; and (2) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any receiver, assignee, trustee, liquidator, sequestrator or similar official in any such judicial proceeding is hereby authorized by each holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under the Indenture. No provision of the Indenture empowers the

Trustee to authorize or consent to or accept or adopt on behalf of any Bondholders any plan of reorganization, arrangement, adjustment or composition affecting any of the Bonds or the rights of any holder thereof, or to authorize the Trustee to vote in respect of the claim of any holder in any proceeding described in the preceding paragraph.

PRIORITY OF PAYMENT FOLLOWING EVENT OF DEFAULT

Any portion of the Trust Estate held or received by the Trustee, by any receiver or by any Bond Owner pursuant to any right given or action taken under the provisions of the Indenture, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses and liabilities incurred by the Trustee and the transfer to Secured Owners (other than Owners of the Bonds) of amounts to which they are entitled by virtue of their parity position, shall be deposited and applied as follows:

(a) If the principal of all the Bonds then Outstanding and the interest accrued thereon has been declared to be due and payable immediately pursuant to the acceleration provisions described above (or, but for any legal prohibition on such declaration of acceleration, such principal and interest would have been declared to be due and payable immediately pursuant to such Section or the provisions of any applicable Reimbursement Agreement) and such declaration has not been rescinded and annulled, there shall be deposited into the Debt Service Fund moneys sufficient to pay the amounts described in clauses (i), (ii) and (iii) below, and all such moneys shall be applied, as promptly as practicable (but subject to the provisions of the last paragraph of this Section), proportionately to:

(i) the payment to the persons entitled thereto of all payments of interest then due on the Bonds with interest on overdue installments, if lawful, at their respective rates from the respective dates upon which they became due, in the order of maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment;

(ii) the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due (or which but for any legal prohibition on such declaration of acceleration would have become due) with interest on such Bonds at their respective rates from the respective dates upon which they became due and, if the amount available shall not be sufficient to pay in full the Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, in each case to the persons entitled thereto, without any discrimination or privilege;

(iii) the payment of any other amounts then owing under the Indenture; and, after said deposit into the Debt Service Fund, there shall be paid the Subordinated Indebtedness issued or incurred by the Commission pursuant to the Indenture.

(b) If the principal of and interest on all Bonds then Outstanding and has not been declared to be due and payable immediately pursuant to the acceleration provisions described above (or deemed to be due and payable as contemplated in paragraph (a) above) or if such a declaration has been rescinded and annulled, then there shall be deposited into the Debt Service Fund moneys sufficient to pay the amounts described in clauses (i), (ii) and (iii) below, and all such moneys shall be applied, as promptly as practicable (but subject to the provisions of the last paragraph of this Section),

(i) first, to the payment to the persons entitled thereto of all installments of interest then due on the Bonds, with interest on overdue installments, if lawful, at their respective rates from the respective dates upon which they became due, in the order of maturity and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment;

(ii) second, to the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due with interest on such Bonds at their respective rates from the respective dates upon which they became due and, if the amount available shall not be sufficient to pay in full the Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, in each case to the persons entitled thereto, without any discrimination or privilege; and

(iii) third, to the payment of any other amounts then owing under the Indenture, and, after said deposit into the Debt Service Fund, there shall be paid the Subordinated Indebtedness issued or incurred by the Commission pursuant to the Indenture.

Whenever moneys are to be applied pursuant to the above provisions, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal and interest to be paid on such date shall cease to accrue. The Trustee shall give notice of the deposit with it of any such moneys and of the fixing of any such date by mail to all Owners of Bonds with respect to which the Event of Default occurred and shall not be required to make payment to any Bond Owner until such Bonds shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

BONDHOLDERS MAY DIRECT PROCEEDINGS

The owners of a majority in aggregate principal amount of the Bonds Outstanding shall, subject to the requirement that the Trustee be provided with satisfactory indemnity, have the right, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings by the Trustee under the Indenture, provided that such direction shall not be in conflict with any rule of law or the Indenture and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unduly prejudicial to the rights of Bondholders not parties to such direction or would subject the Trustee to personal liability or expense. Notwithstanding the foregoing, the Trustee shall have the right to select and retain counsel of its choosing to represent it in any such proceedings. The Trustee may take any other action which is not inconsistent with any direction under this provision.

LIMITATIONS ON RIGHTS OF BONDHOLDERS

No Bondholder shall have any right to pursue any other remedy under the Indenture or the Bonds unless: (1) an Event of Default shall have occurred and is continuing; (2) the owners of not less than a majority in aggregate principal amount of all Bonds then Outstanding have requested the Trustee, in writing, to exercise the powers hereinabove granted or to pursue such remedy in its or their name or names; (3) the Trustee has been offered indemnity satisfactory to it against costs, expenses and liabilities reasonably anticipated to be incurred; (4) the Trustee has declined to comply with such request, or has failed to do so, within sixty (60) days after its receipt of such written request and offer of indemnity; and (5) no direction inconsistent with such request has been given to the Trustee during such 60 day period by the holders of a majority in aggregate principal amount of the Bonds Outstanding.

The provisions of the preceding paragraph are conditions precedent to the exercise by any Bondholder of any remedy under the Indenture. The exercise of such rights is further subject to the provisions described under "Bondholders May Direct Proceedings" and "Delay or Omission Not Waiver" and certain other provisions of the Indenture. No one or more Bondholders shall have any right in any manner whatever to enforce any right under the Indenture, except in the manner provided in the Indenture. All proceedings at law or in equity with respect to an Event of Default shall be instituted and maintained in the manner provided in the Indenture for the equal and ratable benefit of the Bondholders of all Bonds Outstanding.

RIGHTS AND REMEDIES CUMULATIVE

No right or remedy in the Indenture conferred upon or reserved to the Trustee is intended to be exclusive of any other right or remedy, but each such right or remedy shall, to the extent permitted by law, be cumulative of and in addition to every other right or remedy given under the Indenture or now or hereafter existing at law, in equity or otherwise. The assertion or employment of any right or remedy under the Indenture shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

DELAY OR OMISSION NOT WAIVER

No delay or omission by the Trustee or any Bondholder to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of such Event of Default. Every right and remedy given by the Indenture or by law to the Trustee or the Bondholders may be exercised from time to time, and as often as may as deemed expedient, by the Trustee or the Bondholders, as the case may be.

WAIVER OF DEFAULTS

The holders of a majority in aggregate principal amount of the Outstanding Bonds may, by written notice to the Trustee and subject to the requirement that the Trustee be provided with satisfactory indemnity, waive any existing default or Event of Default and its consequences, except an Event of Default under paragraph (a) or (b) under "Events of Default." Upon any such waiver, the default or Event of Default shall be deemed cured and shall cease to exist for all purposes. No waiver of any default or Event of Default shall extend to or effect any subsequent default or Event of Default or shall impair any right or remedy consequent thereto.

Notwithstanding any provision of the Indenture, in no event shall any Person, other than all of the affected Bondholders, have the ability to waive any Event of Default under the Indenture if such event results or may result, in the opinion of Bond Counsel, in interest on any of the Bonds becoming includable in gross income for federal income tax purposes if the interest on such Bonds was not includable in gross income for federal income tax purposes prior to such event.

NOTICE OF EVENTS OF DEFAULT

If an Event of Default occurs of which the Trustee has or is deemed to have notice under the Indenture, the Trustee shall give Immediate Notice thereof to the Commission. Within 90 days thereafter (unless such Event of Default has been cured or waived), the Trustee shall give notice of such Event of Default to each Bondholder then Outstanding, provided, however, that except in the instance of an Event of Default described in paragraph (a) or (b) above under "Events of Default," the Trustee may withhold such notice if and so long as the Trustee in good faith determines that the withholding of such notice does not materially adversely affect the interests of Bondholders, and provided, further, that notice to Bondholders of any Event of Default under paragraph (c) under "Events of Default" shall be subject to the provisions described above relating to cure of such defaults and shall not be given until the grace period has expired.

THE TRUSTEE; QUALIFICATIONS OF TRUSTEE

The Indenture contains provisions relating to the appointment and duties of the Trustee. The trustee under the Indenture shall be a corporation or banking association organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise corporate trust powers, which has a combined capital and surplus of at least $50,000,000, or is an affiliate of, or has a contractual relationship with, a corporation or banking association meeting such capital and surplus requirement which guarantees the obligations and liabilities of the proposed trustee, and which is subject to supervision or examination by federal or state banking authority. If at any time the Trustee shall cease to be eligible in accordance with the provision described above, it shall resign promptly in the manner and with the effect specified in the Indenture.

RESIGNATION OR REMOVAL OF TRUSTEE; APPOINTMENT OF SUCCESSOR TRUSTEE

No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to the Indenture shall become effective until the acceptance of appointment by the successor Trustee under the Indenture.

The Trustee may resign at any time by giving written notice to the Commission. Upon receiving such notice of resignation, the Commission shall promptly appoint a successor Trustee by an instrument in writing. If an instrument of acceptance has not been delivered to the resigning Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee or any Bondholder may petition a court of competent jurisdiction for the appointment of a successor Trustee.

Prior to the occurrence and continuance of an Event of Default under the Indenture, or after the curing or waiver of any such Event of Default, the Commission or the holders of a majority in aggregate principal amount of the Outstanding Bonds, may remove the Trustee and shall appoint a successor Trustee. In the event there shall have occurred and be continuing an Event of Default under the Indenture, the holders of a majority in aggregate principal amount of the Outstanding Bonds may remove the Trustee and shall appoint a successor Trustee. In each instance, such removal and appointment shall be accomplished by an instrument or concurrent instruments in writing signed by the Commission or such holders, as the case may be, and delivered to the Trustee, the Commission, the holders of the Outstanding Bonds and the Successor Trustee.

If at any time: (1) the Trustee shall cease to be eligible and qualified under the Indenture and shall fail or refuse to resign after written request to do so by the Commission or the holder of any Bond, or (2) the Trustee shall become incapable of acting or shall be adjudged insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take charge or control of the Trustee, its property or affairs for the purpose of rehabilitation, conservation or liquidation, then in either such case (i) the Commission may remove the Trustee and appoint a successor Trustee in accordance with the provisions of the immediately preceding paragraph; or (ii) any holder of a Bond then Outstanding may, on behalf of the holders of all Outstanding Bonds, petition a court of competent jurisdiction for removal of the Trustee and appointment of a successor Trustee.

The Commission shall give written notice of each resignation or removal of the Trustee and each appointment of a successor Trustee to each holder of Bonds then Outstanding as listed in the Bond Register. Each such notice shall include the name and address of the applicable corporate trust office of the successor Trustee.

SUPPLEMENTAL INDENTURES WITHOUT BONDHOLDERS' CONSENT

The Indenture provides that the Commission and the Trustee may from time to time and at any time enter into Supplemental Indentures, without the consent of or notice to any Bondholder, to effect any one or more of the following: (a) cure any ambiguity, defect or omission or correct or supplement any provision in the Indenture or in any Supplemental Indenture; (b) grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders or the Trustee which are not contrary to or inconsistent with the Indenture as then in effect or to subject to the pledge and lien of the Indenture additional revenues, properties or collateral including Defeasance Obligations; (c) add to the covenants and agreements of the Commission in the Indenture other covenants and agreements thereafter to be observed by the Commission or to surrender any right or power in the Indenture reserved to or conferred upon the Commission which are not contrary to or inconsistent with the Indenture as then in effect; (d) permit the appointment of a co-trustee under the Indenture; (e) modify, alter, supplement or amend the Indenture in such manner as shall permit the qualification of the Indenture, if required, under the Trust Indenture Act of 1939, the Securities Act of 1933 or any similar federal statute hereafter in effect; (f) make any other change in the Indenture that is determined by the Trustee not to be materially adverse to the interests of the Bondholders; (g) implement the issuance of Additional Bonds permitted under the Indenture; or (h) if all Bonds in a series are Book Entry Bonds, amend, modify, alter or replace any Letter of Representations as provided in Section 209 of the Indenture or other provisions relating to Book Entry Bonds. The Trustee shall not be obligated to enter into any such Supplemental Indenture which adversely affects the Trustee's own rights, duties or immunities under the Indenture.

SUPPLEMENTAL INDENTURES REQUIRING BONDHOLDERS' CONSENT

The Commission and the Trustee, at any time and from time to time, may execute and deliver a Supplemental Indenture for the purpose of making any modification or amendment to the Indenture, but only with the written consent, given as provided in the Indenture, of the holders of at least a majority in aggregate principal amount of the Bonds Outstanding at the time such consent is given, and in case less than all of the Bonds then Outstanding are affected by the modification or amendment, of the holders of at least a majority in aggregate principal amount of the Bonds so affected and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds so affected remain Outstanding, the consent of the holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under these provisions. Notwithstanding the foregoing, no modification or amendment contained in any such Supplemental Indenture shall permit any of the following, without the consent of each Bondholder whose rights are affected thereby: (a) a change in the terms of stated maturity or redemption of any Bond or of any installment of interest thereon; (b) a reduction in the principal amount of or redemption premium on any Bond or in the rate of interest thereon or a change in the coin or currency in which such Bond is payable; (c) the creation of a lien on or a pledge of any part of the Trust Estate which has priority over or parity with (to the extent not permitted under the Indenture) the lien or pledge granted to the Bondholders under the Indenture (but this provision shall not apply to the release of any part of the Trust Estate as opposed to the creation of a prior or parity lien or pledge); (d) the granting of a preference or priority of any Bond or Bonds over any other Bond or Bonds, except to the extent permitted in the Indenture; (e) a reduction in the aggregate principal amount of Bonds of which the consent of the Bondholders is required to effect any such modification or amendment; or (f) a change in the provisions of the Indenture provisions relating to amendments and supplements. Notwithstanding the foregoing, the holder of any Bond may extend the time for payment of the principal of or interest on such Bond; provided, however, that upon the occurrence of an Event of Default, funds available under the Indenture for the payment of the principal of and interest on the Bonds shall not be applied to any payment so extended until all principal and interest payments which have not been extended have first been paid in full. Notice of any Supplemental Indenture executed pursuant to the provisions described above shall be given to the Bondholders promptly following the execution thereof.

CONSENTS OF BONDHOLDERS AND OPINIONS

Each Supplemental Indenture executed and delivered pursuant to the provisions described under "Supplemental Indentures Requiring Bondholders' Consent" shall take effect only when and as provided below. A copy of such Supplemental Indenture (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to Bondholders for their consent thereto in form satisfactory to the Trustee, shall be sent by the Trustee to Bondholders, at the expense of the Commission, by first class mail, postage prepaid, provided that a failure to mail such request shall not affect the validity of the Supplemental Indenture when consented to as provided in the Indenture. Such Supplemental Indenture shall not be effective unless and until there shall have been filed with the Trustee (a) the written consents of Bondholders of the percentage of Bonds specified above under "Supplemental Indentures Requiring Bondholders' Consent" given as provided in the Indenture, and (b) an opinion of counsel acceptable to the Trustee stating that (1) the execution of such Supplemental Indenture is authorized or permitted by the Indenture and (2) all conditions precedent to the execution and delivery of such Supplemental Indenture have been complied with, and an opinion of Bond Counsel that the execution and performance of such Supplemental Indenture shall not, in and of itself, adversely affect the federal income tax status of any Bonds, the interest on which is not included in gross income for federal income tax purposes. Any such consent shall be binding upon the Bondholder giving such consent and upon any subsequent holder of such Bonds and of any Bonds issued in exchange therefor or in lieu thereof (whether or not such subsequent Bondholder has notice thereof), unless such consent is revoked in writing by the Bondholder giving such consent or a subsequent holder of such Bonds by filing such revocation with the Trustee prior to the date the Trustee receives the material required in clauses (a) and (b) above.

Notwithstanding anything else in the Indenture, if a Supplemental Indenture is to become on the same date as the date of issuance of Additional Bonds, the consents of the underwriters or purchasers of such Additional Bonds shall be counted for purposes of the Indenture.

The Indenture provides that Bonds which are to be disregarded under the last sentence of the definition of "Outstanding" shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article. At the time of any consent or other action taken under this Article or elsewhere in the Indenture, the Commission shall furnish the Trustee a certificate of a Commission Official, upon which the Trustee may rely, describing all Bonds so to be excluded.

DISCHARGE OF BONDS

If (a) the principal of any Bonds and the interest due or to become due thereon, together with any redemption premium required by redemption of any of the Bonds prior to maturity, shall be paid, or is caused to be paid, or is provided for as described below under "Defeasance," at the times and in the manner to which reference is made in the Bonds, according to the true intent and meaning thereof, or the outstanding Bonds shall have been paid and discharged in accordance with the Indenture, and (b) all of the covenants, agreements, obligations, terms and conditions of the Commission under the Indenture shall have been kept, performed and observed and there shall have been paid to the Trustee, the Bond Registrar and the Paying Agents all sums of money due or to become due to them in accordance with the terms and provisions of the Indenture, then the right, title and interest of the Trustee in the Trust Estate shall thereupon cease and the Trustee, on request of the Commission and at the expense of the Commission, shall release the Indenture and the Trust Estate and shall execute such documents to evidence such release as may be reasonably required by the Commission and shall turn over to the Commission, or to such other Person as may be entitled to receive the same, all balances remaining in any Funds under the Indenture except for amounts required to pay such Bonds or held unclaimed in respect of Bonds which have matured or been redeemed pursuant to the Indenture.

If payment or provision therefor is made with respect to less than all of the 2010B Bonds of a maturity, the particular 2010B Bonds within such maturity for which provision for payment shall have been made shall be selected as provided for a partial redemption, and thereupon the Trustee shall take similar action for the release of the Indenture with respect to such 2010B Bonds.

DEFEASANCE

Provision for the payment of 2010B Bonds shall be deemed to have been made when the Trustee holds in the Debt Service Fund (1) cash in an amount sufficient to make all payments (including principal, premium, if any, and interest) specified above with respect to such 2010B Bonds, or (2) direct non-callable obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to which direct obligation or guarantee the full faith and credit of the United States of America has been pledged, Refcorp interest strips, CATS, TIGRS, STRPS, or defeased municipal bonds rated AAA by S&P or Aaa by Moody's (or any combination of the foregoing), or (3) any combination of cash and obligations described in clause (2) above the amounts of which and interest thereon, when due, are or will be, in the aggregate, sufficient (together with any earnings thereon) to make all such payments. If provision is to be made for the payment of less than 100% of the 2010B Bonds Outstanding, the Trustee shall have received written confirmation from each Rating Agency then rating the 2010B Bonds at the request of the Commission that any ratings on the 2010B Bonds for which such payment provision is not to be made will remain unaffected by such provision.

Neither the moneys nor the obligations deposited with the Trustee pursuant to this Article shall be withdrawn or used for any purpose other than, and such obligations and moneys shall be segregated and held in trust for, the payment of the principal or redemption price of, premium, if any, on and interest on, the 2010B Bonds (or portions thereof) to be no longer entitled to the lien of this Indenture; provided that such moneys, if not then needed for such purpose, shall, to the extent practicable, be invested and reinvested in Government Obligations maturing on or prior to the Interest Payment Date next succeeding the date of investment or reinvestment.

Whenever moneys or obligations shall be deposited with the Trustee for the payment or redemption of 2010B Bonds more than 60 days prior to the date that such 2010B Bonds are to mature or be redeemed, the Trustee shall mail a notice to the Owners of 2010B Bonds for the payment of which such moneys or obligations are being held at their registered addresses stating that such moneys or obligations have been deposited. Such notice shall also be sent by the Trustee to each Rating

Agency then rating the 2010B Bonds at the request of the Commission. Notwithstanding the foregoing, no provision for payment shall be deemed to have been made with respect to any 2010B Bonds which are to be redeemed prior to their stated maturity until such 2010B Bonds shall have been irrevocably called or designated for redemption on a date thereafter on which such 2010B Bonds may be redeemed and proper notice of such redemption shall have been given or the Commission shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions to give proper notice of such redemption.

In the event of a deposit of moneys or obligations for the payment or redemption of the 2010B Bonds described above, the Commission shall cause to be delivered a verification report of an independent, nationally recognized certified public accountant confirming that the above-described requirements have been satisfied. If a forward supply contract is employed in connection with the advance refunding, (i) such verification report shall expressly state that the adequacy of the escrow to accomplish the refunding relies solely on the initial escrowed investments and the maturing principal thereof and interest income thereon and does not assume performance under or compliance with the forward supply contract, and (ii) the applicable escrow agreement shall provide that in the event of any discrepancy or difference between the terms of the forward supply contract and the escrow agreement (or the authorizing document, if no separate escrow agreement is utilized), the terms of the escrow agreement or authorizing document, if applicable, shall be controlling.

At such times as a 2010B Bond shall be deemed to be paid under the Indenture, as aforesaid, it shall no longer be secured by or entitled to the benefits of the Indenture, except for the purposes of any such payment from such money or Defeasance Obligations.

NOTICE OF DEFEASANCE

In case any of the Bonds, for the payment of which moneys or Defeasance Obligations have been deposited with the Trustee pursuant to the provisions described above under "Defeasance," are to be redeemed on any date prior to their maturity, the Commission shall give to the Trustee in form satisfactory to it irrevocable instructions to give notice of redemption of such Bonds on the redemption date for such Bonds.

In addition to the foregoing notice, in the event such Bonds to be redeemed are not by their terms subject to redemption within the next succeeding 60 days, the Trustee shall give further notice to the Bondholders that the deposit required by the provisions described above under "Defeasance" has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with the Indenture and stating the maturity or redemption date or dates upon which moneys are to be available for the payment of the principal of and redemption premium, if any, on said Bonds; such further notice shall be given promptly following the making of the deposit required by said provisions; and such further notice also shall be given in the manner set forth in the Indenture; but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of the deposit.

If the Commission has retained any rights pursuant to the provisions described above under "Defeasance", notice thereof shall be sent to Bondholders of such Bonds as soon as practicable and not later than any notice required as described above.

AMENDMENT OF INDENTURE

Upon receipt of the consent of the holders of a majority of the aggregate principal amount of the Bonds then Outstanding, the amendments to the Indenture set forth below shall become effective.

(a) The definition of Annual Debt Service in the Indenture will be amended by adding the following clause (5) at the end thereof:

"(5) If any cash subsidy payments (the "Subsidy Payments") from the United States Treasury pursuant to Section 54AA or 6431 of the Code (as such Sections were added by Section 1531 of the American Recovery and Reinvestment Act of 2009 (Pub.L. 111-5) pertaining to " Build America Bonds") are scheduled to be received by the Commission with respect to any Bonds which are eligible for such Subsidy Payments, each of the Subsidy Payments may be deducted from the interest payable on such Bonds in the period in which such Subsidy Payment is scheduled to be received."

(b) Section 506 of the Indenture will be amended by adding the following paragraph at the end thereof:

"With respect to any Bonds for which Subsidy Payments are scheduled to be received by the Commission, the Commission shall deposit or cause to be deposited all such Subsidy Payments, as and when received, into a separate account of the Debt Service Fund held for each such Series of Bonds, and such Subsidy Payments shall be applied to pay debt service on the corresponding Series of Bonds with respect to which such Subsidy Payments are received."

The holders of the 2010B Bonds as of the date of Supplemental Indenture No. 20, on behalf of themselves, their successors and assigns, have consented irrevocably to such amendments by their purchase of the 2010B Bonds, and such consent is deemed sufficient to satisfy Section 1003 of the Indenture.

APPENDIX D

PROPOSED FORM OF OPINION OF CO-BOND COUNSEL

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APPENDIX D

BELOW IS THE PROPOSED FORM OF OPINION OF CO-BOND COUNSEL EXPECTED TO BE DELIVERED IN CONNECTION WITH THE ISSUANCE OF THE 2010B BONDS

September 10, 2010

RE: Pennsylvania Turnpike Commission
$600,000,000 Turnpike Revenue Bonds, Series B of 2010
(Federally Taxable — Issuer Subsidy — Build America Bonds)

TO THE PURCHASERS OF THE BONDS:

We have served as Co-Bond Counsel to the Pennsylvania Turnpike Commission (the "Commission") in connection with the issuance of its $600,000,000 Turnpike Revenue Bonds, Series B of 2010 (Federally Taxable — Issuer Subsidy — Build America Bonds) (the "2010B Bonds"). The 2010B Bonds are issued under and pursuant to an Act of the General Assembly of Pennsylvania approved July 18, 2007, P. L. 169, No. 44 ("Act 44") and various Acts of the General Assembly approved on several dates, including the Act of May 21, 1937, P. L. 774, Act 211, the Act of May 24, 1945, P. L. 972; the Act of February 26, 1947, P. L. 17; the Act of May 23, 1951, P. L. 335; the Act of August 14, 1951, P. L. 1232; and the Act of September 30, 1985, P. L. 240, No. 61 to the extent not repealed by Act 44 (collectively with Act 44, the "Enabling Acts"), pursuant to a resolution of the Commission adopted on March 3, 2010 (the "Resolution"), and pursuant to and under an Amended and Restated Trust Indenture dated as of March 1, 2001, between the Commission and U.S. Bank National Association (successor trustee to First Union National Bank), as trustee, as amended and supplemented (as previously amended and supplemented, the "Restated Indenture"), including by a Supplemental Trust Indenture No. 20 dated as of September 1, 2010 (the "Supplemental Indenture," and together with the Restated Indenture, the "Indenture").

The 2010B Bonds are fixed rate bonds dated their date of issuance, and will bear interest from such dated date at the rates, and mature in the amounts and on the dates, set forth in the Official Statement of the Commission related to the 2010B Bonds. The 2010B Bonds will be issued only as fully registered bonds in denominations of $5,000 and integral multiples of $5,000 in excess thereof. The 2010B Bonds are subject to redemption prior to maturity as more fully described in the Indenture.

The 2010B Bonds are being issued to finance a project (the "Project") which consists of financing: (i) various capital expenditures set forth in the Commission's current ten year capital plan including, but not limited to, the reconstruction of roadbed and roadway, the widening, replacing and redecking of certain bridges and/or the rehabilitation of certain interchanges; (ii) capitalized interest on the 2010B Bonds; (iii) deposits to necessary reserves to the extent required; and (iv) costs of issuing the 2010B Bonds.

We have examined the proceedings relating to the authorization and issuance of the 2010B Bonds, including, among other things: (a) the Enabling Acts; (b) certified copies of the Resolution and the Indenture; (c) certificates executed by the Commission and the Trustee as to the execution and authentication of the 2010B Bonds; (d) various other certificates executed by the Commission, including a certificate with regard to Sections 103, 141 through 150, 54AA and 6431 of the Internal Revenue Code of 1986, as amended; (e) the opinion of Doreen A. McCall, Esquire, Chief Counsel to the Commission; and (f) the Form 8038-B of the Commission with respect to the 2010B Bonds. We also have examined such other documents as we have deemed necessary or appropriate as a basis for the opinions set forth herein. In rendering our opinion, we have not undertaken to verify the factual matters set forth in such agreements, certificates and other documents by independent investigation and have relied on the covenants, warranties and representations made by the Commission and the Trustee in such certificates and in the Indenture.

Based upon and subject to the foregoing and the additional assumptions, qualifications and limitations set forth below, we are of the opinion that:

1. The Commission is a body corporate and politic, is validly existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth") and has the corporate power to execute and deliver the Supplemental Indenture and to issue and deliver the 2010B Bonds.

2. The 2010B Bonds have been duly authorized, executed and delivered by the Commission, are valid and binding limited obligations of the Commission, payable as to principal, interest and all other obligations thereunder solely from and enforceable only against the revenues and receipts derived from the Trust Estate and any other properties and rights assigned or pledged under the Indenture as security for the debt evidenced by the 2010B Bonds, except as such enforcement may be limited by laws relating to bankruptcy, insolvency, reorganization, arrangement, moratorium or similar laws affecting creditors' rights generally and subject to limitations on legal remedies against public entities in the Commonwealth, to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and to the exercise of judicial discretion in appropriate cases.

3. The Supplemental Indenture has been duly authorized, executed and delivered by the Commission and is enforceable against the Commission in accordance with its terms, except as such enforcement may be limited by laws relating to bankruptcy, insolvency, reorganization, arrangement, moratorium or similar laws affecting creditors' rights generally and subject to limitations on legal remedies against public entities in the Commonwealth, to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and to the exercise of judicial discretion in appropriate cases.

4. The Trust Estate (as defined in the Indenture) has been duly and validly assigned to the Trustee under the Indenture.

5. Under existing laws of the Commonwealth, the interest on the 2010B Bonds is free from Pennsylvania personal income taxation and Pennsylvania corporate net income taxation, but such exemption does not extend to gift, estate, succession or inheritance taxes or any other taxes not levied or assessed directly on the 2010B Bonds or the interest thereon.

We express no opinion herein on the adequacy, completeness or accuracy of any official statement, placement memorandum or other disclosure document pertaining to the offering of the 2010B Bonds.

We call to your attention that the 2010B Bonds do not pledge the general credit or taxing power of the Commonwealth or any political subdivision, agency or instrumentality of the Commonwealth, nor shall the Commonwealth or any political subdivision, agency or instrumentality thereof be liable for the payment of the principal of or interest on the 2010B Bonds (other than the Commission, to the limited extent described in the Indenture).

This opinion is given as of the date hereof and we express no opinion as to any matter not set forth in the numbered paragraphs herein. We assume no obligation to update or supplement this opinion to reflect any facts or circumstances which may hereafter come to our attention or any changes in law which may hereafter occur.

Very truly yours,

APPENDIX E

TOTAL DEBT SERVICE FOR TOLL REVENUE BONDS

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APPENDIX E

ESTIMATED DEBT SERVICE REQUIREMENTS OF THE TURNPIKE REVENUE BONDS[1]

Fiscal Year Ending May 31	Existing Debt Service on Senior Indenture Bonds[2,3,4]	2010B Bonds Principal	2010B Bonds Interest[4,5]	2010B Bonds Total	Aggregate Senior Indenture Debt Service	Aggregate Senior Indenture Debt Service - - Calculated Per Indenture[6]
2011	$149,804,084	-	$8,424,263	$8,424,263	$158,228,348	$146,393,444
2012	200,330,664	-	24,844,128	24,844,128	225,174,792	161,292,377
2013	197,892,289	-	33,199,068	33,199,068	231,091,357	169,901,794
2014	208,339,528	-	33,199,068	33,199,068	241,538,595	183,120,855
2015	189,535,236	-	33,199,068	33,199,068	222,734,303	167,213,080
2016	135,826,102	-	33,199,068	33,199,068	169,025,169	167,345,943
2017	135,457,400	-	33,199,068	33,199,068	168,656,468	167,174,464
2018	135,452,802	-	33,199,068	33,199,068	168,651,869	167,321,731
2019	135,662,093	-	33,199,068	33,199,068	168,861,161	167,706,369
2020	135,652,562	-	33,199,068	33,199,068	168,851,630	167,855,497
2021	135,558,894	-	33,199,068	33,199,068	168,757,962	167,961,877
2022	135,556,795	-	33,199,068	33,199,068	168,755,862	168,136,548
2023	149,502,774	-	33,199,068	33,199,068	182,701,841	181,788,782
2024	150,708,133	-	33,199,068	33,199,068	183,907,201	183,827,864
2025	150,677,698	-	33,199,068	33,199,068	183,876,766	184,792,784
2026	150,663,320	-	33,199,068	33,199,068	183,862,388	185,784,879
2027	113,306,401	-	33,199,068	33,199,068	146,505,469	149,483,287
2028	93,766,105	-	33,199,068	33,199,068	126,965,172	131,582,682
2029	94,030,563	-	33,199,068	33,199,068	127,229,630	132,138,117
2030	119,973,040	-	33,199,068	33,199,068	153,172,107	158,350,919
2031	120,173,729	-	33,199,068	33,199,068	153,372,797	158,835,689
2032	146,988,102	-	33,199,068	33,199,068	180,187,169	185,930,136
2033	147,201,315	-	33,199,068	33,199,068	180,400,382	186,453,057
2034	147,435,982	-	33,199,068	33,199,068	180,635,049	186,979,850
2035	147,681,154	-	33,199,068	33,199,068	180,880,221	187,527,265
2036	144,992,127	-	33,199,068	33,199,068	178,191,194	171,639,491
2037	123,771,675	-	33,199,068	33,199,068	156,970,742	154,783,457
2038	122,428,161	-	33,199,068	33,199,068	155,627,228	154,390,349
2039	121,328,833	-	33,199,068	33,199,068	154,527,901	154,331,299
2040	40,319,900	-	33,199,068	33,199,068	73,518,968	73,518,968
2041	-	50,780,000	31,799,825	82,579,825	82,579,825	82,579,825
2042	-	52,635,000	28,950,224	81,585,224	81,585,224	81,585,224
2043	-	54,555,000	25,996,604	80,551,604	80,551,604	80,551,604
2044	-	56,545,000	22,935,243	79,480,243	79,480,243	79,480,243
2045	-	58,605,000	19,762,285	78,367,285	78,367,285	78,367,285
2046	-	60,745,000	16,473,596	77,218,596	77,218,596	77,218,596
2047	-	62,970,000	13,048,887	76,018,887	76,018,887	76,018,887
2048	-	65,290,000	9,482,617	74,772,617	74,772,617	74,772,617
2049	-	67,690,000	5,785,108	73,475,108	73,475,108	73,475,108
2050	-	70,185,000	1,951,494	72,136,494	72,136,494	72,136,494
TOTAL	$4,180,017,460	$600,000,000	$1,139,028,164	$1,739,028,164	$5,919,045,624	$5,699,748,738

(1) Does not include debt service on Subordinate Bonds and Special Revenue Bonds issued under the Subordinate Indenture.

(2) All variable rate debt, unless subject to an interest rate swap agreement, is shown at an assumed rate of 4.0%. All variable rate debt which is swapped to a fixed rate is shown at the fixed swap rate. Interest on the 2009C Bonds is calculated at 4.0% plus the fixed spread for unhedged bonds and the fixed swap rate plus the fixed spread for the hedged bonds which are swapped to a fixed rate.

(3) All fixed rate debt, unless subject to an interest rate swap agreement, is shown at the actual interest rate. All fixed rate debt which is swapped to a floating rate is shown at an assumed rate of 4.0% plus the fixed spread.

(4) Interest does not reflect anticipated receipt of Federal Subsidy.

(5) Interest is net of Capitalized Interest.

(6) Based on the variable rate debt, interest rate swap agreement and Balloon Indebtedness calculation requirements under the Indenture. See "APPENDIX C".

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APPENDIX F

TRAFFIC AND REVENUE STUDY

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ENGINEERS
PLANNERS
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January 6, 2009

Mr. Tim Scanlon, P.E.
Project Director
Pennsylvania Turnpike Commission
P.O. Box 67676
Harrisburg, PA 17106-7676

Re: Pennsylvania Turnpike 2009 Traffic and Revenue Update Study

Dear Mr. Scanlon:

This letter report summarizes Wilbur Smith Associates' (WSA) work related to updated traffic and revenue projections for the various toll facilities that make up the Pennsylvania Turnpike System (the Turnpike). In addition to considering normal growth forecasts for the Turnpike, this study also analyzes the estimated impacts of various future toll rate increases proposed, or recently implemented, by the Pennsylvania Turnpike Commission (PTC). A 25 percent rate increase was implemented on January 4, 2009; beyond this, three percent annual inflationary adjustments are to be assumed thereafter on or about each January 1st. All of these have been incorporated into the forecasts developed in this report.

The last study conducted by WSA for the PTC was in May 2004. That study was in anticipation of the toll increase which took place on August 1, 2004. Updated traffic modeling and actual experience from the 2004 toll increase were used to estimate likely impacts resulting from the upcoming rate adjustments. Though the 25 percent increase took effect on January 4, 2009, not enough information is available yet to estimate its impact on traffic and toll revenue. In addition, this analysis has taken into account a detailed review of Turnpike traffic trends, trends and forecasts of socioeconomic data, as well as an assessment of the near term impacts of the current economic recession. Traffic and revenue forecasts were developed through 2030. Estimates were developed for cars and trucks separately and for the ticket system and the various barrier toll systems that make up the entire Pennsylvania Turnpike System. Actual Turnpike experience through November 2008 has been incorporated into this study.

Only currently funded Turnpike capital projects are assumed in this study. Several major potential improvements are under study, but not included here. No revenue forecasts have been included in this analysis regarding conversion of the east end of the Turnpike to a barrier system or the potential future direct connection between the Turnpike and Interstate 95 in Philadelphia. Both of these would likely have significant positive revenue impacts should they be implemented. Likewise, full build-out of the

Southern Beltway is not assumed in this study. Only the existing portion and that currently under construction are considered for revenue purposes here. Finally, no additional sections of the Mon Fayette Expressway (PA 43), beyond that already under construction, is assumed in the traffic and revenue projections.

TURNPIKE TRAFFIC AND REVENUE TRENDS

Figure 1 provides an overview of the Turnpike. By far, the greatest proportion of traffic and toll revenue is generated on the I-76/276 East-West section (from Interchange 2 near the Ohio border to Interchange 359 near the New Jersey border) and the Northeastern Extension (from Interchange 20 to Interchange 131). Toll collection on the majority of these two sections is based on a ticket system. The exceptions to this are for Gateway barrier plaza at Interchange 2 and the two northernmost tolling locations on the Northeastern Extension, which are also barrier plazas (Interchanges 122 and 131, in Figure 1).

All remaining tolls are collected at fixed barrier locations, though these account for less than 5 percent of total Systemwide toll revenue. In addition to the three barrier locations mentioned above, additional barrier systems include the PA 43, PA 60, PA 66 and PA 576 systems. These are identified in Figure 1.

TICKET SYSTEM TRAFFIC TRENDS BETWEEN 1987 AND 2007

Table 1 identifies average annual daily traffic trends for each of the ticket system locations between 1987 and 2007. Gateway barrier plaza (Interchange 2) is also shown in this table. More recent trends will be discussed in Table 3. Please note that in 2003 the west end of the system converted from a ticket system to a barrier system. Thus, volumes shown at Gateway are not comparable between 2002 and 2003. Also at this time, exit toll plazas were removed from Interchanges 10, 13 and 28 as the new endpoint of the ticket system (identified in this table as Interchange 30) was shifted to between Interchanges 28 and 39. Also as footnoted in Table 1, two-way toll collection was replaced by one-way toll collection at Gateway in 2006. Traffic values in Table 1 were doubled from that point forward to simulate total two-way traffic volumes in order to be comparable to historical trends.

Passenger car trends are shown in the upper portion of Table 1. Average annual percent changes (AAPC) are shown for various periods. Relatively strong growth was exhibited for the 1987-1993 and 1994-2002 periods (3.7 and 3.4 AAPC, respectively). Growth between 2003 and 2007 averaged only 0.7 percent per year for passenger cars. Low to negative growth was experienced over much of the western half of the tickets system, and low, positive growth was experienced on the eastern section and Northeastern Extension. Average annual passenger car growth on the ticket system has been 3.3 percent over the 20 years of historical trends shown in Table 1.

The second portion of Table 1 shows commercial vehicle historical traffic trends on the ticket system. Over the entire 20 year period, commercial vehicles have grown at an average annual rate very similar to that for passenger cars (3.5 percent for commercial vehicles versus 3.3 percent for passenger cars). But it is interesting to note that commercial vehicle growth was quite low (1.5 percent per annum) during the earliest period shown between 1987 and 1993. On the other hand, commercial vehicle growth was considerably higher than that for passenger cars for the more recent period between 2003 and 2007 (3.4 AAPC for commercial vehicles versus 0.7 AAPC for passenger cars).

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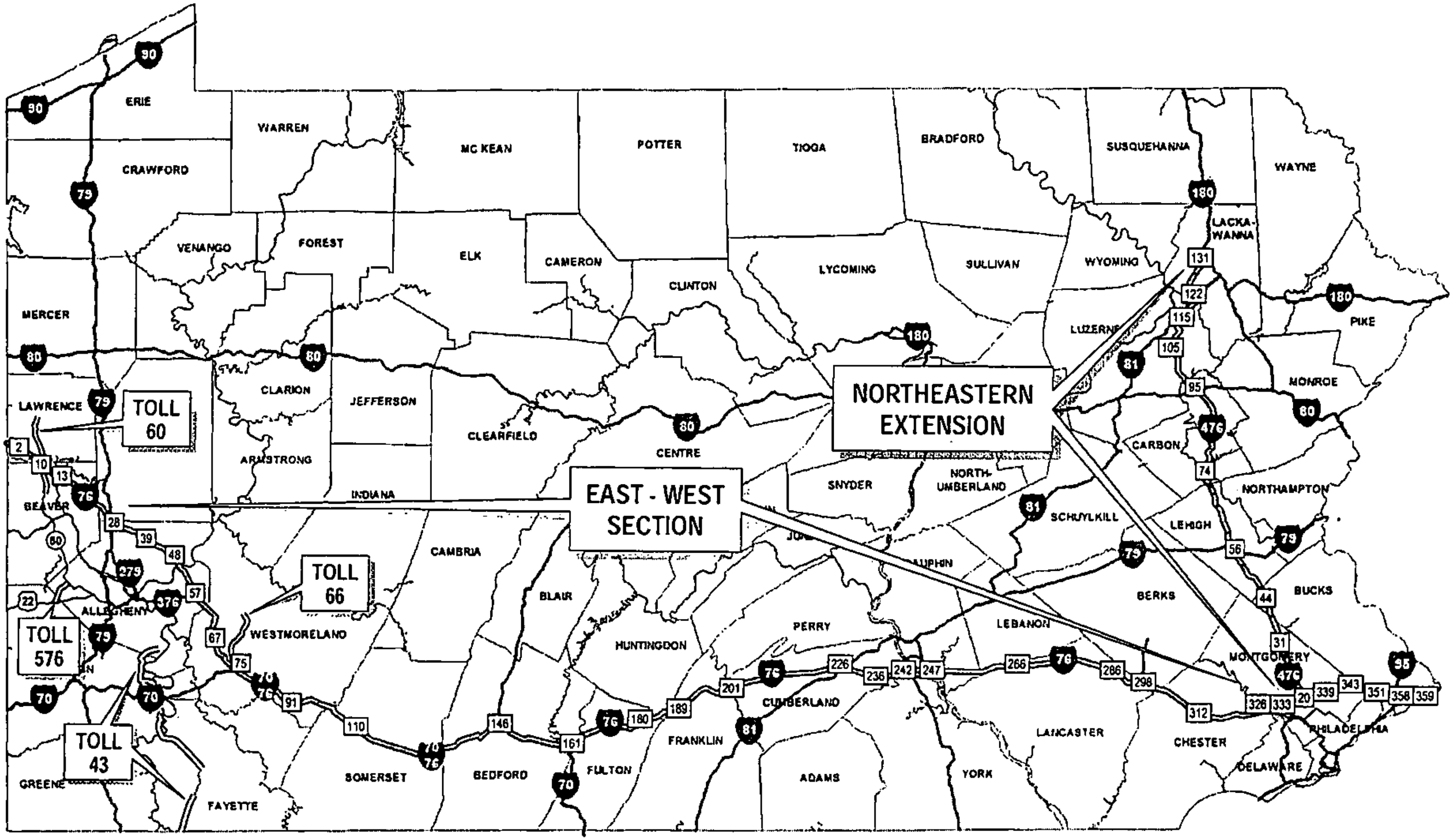

WilburSmith
ASSOCIATES

STUDY AREA LOCATION MAP

FIGURE 1

Table 1
Summary of Annual Ticket System and Gateway Average Daily Toll Transaction Trends
Pennsylvania Turnpike System

Passenger Cars

Calendar Year	2(4)	10(5)	13(5)	28(5)	30(5)	39	48	57	67	75	91	110	146	161	180	189	201	226	236	242	247	266	286	298	312	326	333	20	339	343	351	358	359	31	44	56	74	95	105	115	Total
1987(1)	5,757		1,383	6,189		4,098	6,567	14,302	6,944	7,447	2,022	1,574	1,717	4,954	475	308	343	3,580	1,880	3,195	5,848	1,798	3,773	3,850	4,731	20,404	4,939		11,220	13,356	16,229	4,478	12,371	3,874	3,573	6,366	2,176	2,982	1,787	1,689	198,099
1988	6,082		1,548	6,551		4,143	6,782	14,732	7,100	7,664	2,172	1,641	1,793	5,239	517	325	369	3,832	2,177	3,480	6,210	1,944	4,120	3,767	5,302	21,618	10,329		12,265	14,719	17,883	4,762	13,406	4,127	3,907	6,496	2,316	3,018	1,829	1,752	215,854
1989	6,480		1,759	7,088		4,211	7,080	15,518	7,441	7,726	2,342	1,682	1,869	5,535	545	347	395	4,082	2,317	3,708	6,579	2,055	4,471	3,846	5,856	23,044	12,747		13,306	16,013	20,211	5,180	14,669	4,362	4,232	6,617	2,417	2,864	1,816	1,787	232,270
1990	6,612		1,825	7,363		4,015	7,182	15,577	7,758	7,822	2,099	1,833	1,955	5,563	573	354	420	4,328	2,612	4,035	7,129	2,179	4,607	3,858	6,279	23,948	13,551		13,881	16,874	21,292	5,068	14,168	4,628	3,927	7,290	2,433	2,831	1,667	1,776	239,674
1991(2)	6,673		1,740	7,414		4,018	7,196	15,621	7,674	7,765	2,126	1,944	1,943	5,407	570	366	430	4,333	2,672	3,974	7,164	2,212	4,750	4,001	6,438	22,820	12,073		14,473	17,576	21,666	5,065	14,113	5,181	4,141	7,764	2,551	3,020	1,970	2,018	241,388
1992	6,818		1,634	7,445		4,013	7,198	15,624	7,971	7,829	2,149	1,949	1,827	5,214	566	362	438	4,327	2,726	3,905	7,182	2,241	4,887	4,035	6,567	21,681	10,730		15,262	18,287	21,995	5,050	14,026	5,536	4,358	8,248	2,689	3,108	2,053	2,286	242,810
1993	6,990		1,581	7,519		4,029	7,235	15,714	6,113	7,519	2,185	1,966	1,822	5,057	586	368	451	4,346	2,787	3,858	7,241	2,282	5,056	4,092	6,775	21,009	9,587		16,186	19,100	22,458	5,063	14,018	6,626	4,618	8,811	2,609	3,211	2,157	2,806	246,130
1994	7,064	1,556	1,507	7,874		4,035	7,257	15,783	6,236	7,381	2,218	1,978	1,912	4,803	584	373	462	4,364	2,862	3,802	7,282	2,319	5,220	4,138	6,850	20,122	8,553	22,910	17,125	19,926	22,876	5,068	13,879	7,630	4,677	9,367	2,849	3,313	2,250	2,965	273,839
1995	7,288	1,691	1,488	7,818		4,063	7,345	15,887	6,228	7,651	2,311	2,034	2,038	5,109	589	381	477	4,675	3,499	4,188	7,609	2,363	5,453	4,224	7,070	20,707	8,878	25,560	18,179	21,863	24,361	5,024	14,248	8,256	5,087	9,007	3,058	3,397	2,305	3,170	287,342
1996	7,392	1,636	1,516	8,232		4,278	7,802	16,101	6,398	8,048	2,212	2,025	2,135	5,214	588	407	500	4,665	3,585	4,148	7,989	2,500	5,490	4,330	6,723	21,092	9,298	26,959	18,335	22,370	24,750	5,215	14,595	8,760	5,344	10,534	3,281	3,803	2,329	3,232	295,584
1997	7,496	1,911	1,604	8,569		4,463	8,084	16,700	6,586	8,331	2,253	2,030	2,222	5,438	617	428	521	4,281	3,495	4,080	7,981	2,643	5,729	4,844	7,311	21,337	9,912	28,430	18,812	22,802	25,885	5,291	14,829	9,980	5,885	11,218	3,452	3,832	2,442	3,401	306,765
1998	7,815	2,010	1,743	9,211		4,827	7,862	17,291	9,082	8,706	2,352	2,050	2,479	5,687	643	462	549	4,626	3,641	4,295	8,408	2,867	6,041	5,253	7,838	22,380	10,337	29,605	20,186	23,207	26,256	5,422	15,312	10,994	6,250	11,290	3,708	4,003	2,550	3,546	320,468
1999	7,850	2,064	1,758	9,368		5,003	8,686	17,626	9,481	9,684	2,381	1,916	2,728	5,636	673	480	567	4,886	3,689	4,699	8,818	2,987	6,098	5,613	8,361	21,643	10,665	29,628	20,031	22,387	26,088	5,476	15,450	11,187	6,526	11,843	3,885	4,150	2,593	3,587	328,504
2000	7,333	2,164	1,771	9,399		4,838	8,251	17,782	9,533	8,504	2,142	1,848	2,760	5,828	630	453	574	4,792	4,039	5,103	9,004	3,037	6,242	5,661	8,824	21,531	10,585	30,770	19,867	23,085	28,665	5,373	15,565	11,361	6,690	12,558	3,897	4,144	2,811	3,592	330,117
2001	8,056	2,302	1,824	9,840		5,180	8,988	18,337	9,593	8,866	2,238	1,811	2,960	6,331	861	436	591	5,304	4,172	5,081	9,125	3,214	6,472	6,187	9,437	24,784	11,335	31,945	21,056	23,753	27,653	5,317	16,349	11,430	6,983	13,363	4,137	4,151	2,718	3,697	345,995
2002	9,062	2,344	1,860	10,183		5,186	8,368	18,436	9,769	9,366	2,204	2,031	3,225	6,599	700	477	861	5,160	4,580	5,400	9,739	3,361	6,855	6,662	10,006	25,284	11,901	33,406	21,380	24,197	28,556	5,478	16,765	12,411	6,981	13,805	4,323	4,413	2,858	4,042	358,618
2003	13,828				7,374	5,449	8,505	18,770	10,303	9,394	2,253	2,081	3,290	6,820	715	486	670	5,365	4,604	5,781	10,217	3,663	6,854	7,201	10,421	26,928	12,287	34,130	22,140	24,650	29,503	5,755	17,532	12,939	7,376	14,528	4,442	4,599	2,948	4,013	366,305
2004(3)	16,379				11,885	5,417	8,377	18,598	10,054	9,191	2,239	1,948	3,370	6,713	761	483	679	5,262	4,796	5,734	10,256	3,695	7,207	7,358	10,455	28,231	12,586	35,753	22,015	25,716	30,084	6,011	18,086	13,166	7,026	15,392	4,691	6,020	3,243	4,256	383,734
2005	15,873				11,289	5,154	8,101	18,087	9,437	8,660	2,257	1,892	3,163	6,517	681	448	849	4,859	4,567	5,352	9,917	3,643	8,869	7,335	10,291	28,201	11,861	35,452	21,709	25,152	29,563	5,856	17,844	12,941	7,950	15,064	4,562	4,722	3,033	4,051	374,387
2006	16,388				11,419	5,181	8,129	18,290	9,582	8,779	2,237	1,827	3,037	6,356	676	443	658	4,959	4,562	5,196	9,553	3,802	7,185	7,457	10,558	28,173	11,455	36,080	21,661	24,609	29,433	5,854	17,635	13,034	8,148	15,316	4,857	4,750	3,080	4,047	374,969
2007	16,365				11,040	5,613	8,406	18,188	9,614	8,606	2,476	2,067	3,058	6,218	711	440	662	4,973	4,461	5,285	9,902	3,740	7,367	7,446	11,011	27,088	11,312	36,659	21,303	26,054	29,917	5,817	17,727	13,304	8,236	15,581	4,798	4,781	3,168	4,043	379,734
Average Annual Percent Change																																									
1987-93	3.3	NA	2.3	3.3	NA	(0.3)	1.6	1.6	2.6	0.2	1.3	3.8	1.0	0.3	3.6	3.1	4.7	3.3	5.9	3.2	3.6	4.1	5.0	1.0	6.2	0.5	11.7	NA	6.3	6.1	5.6	2.1	2.1	9.0	4.4	5.5	4.3	1.2	3.1	1.6	3.7
1994-02	3.2	5.3	2.7	3.8	NA	3.2	3.2	2.0	2.2	3.0	(0.1)	0.3	6.8	3.6	2.7	3.1	4.6	2.2	6.1	4.5	3.7	4.8	3.1	6.2	4.7	2.9	4.2	4.8	2.6	2.6	2.8	1.0	2.3	6.9	4.6	4.9	4.8	3.6	3.0	3.9	3.4
2003-07	4.3	NA	NA	NA	12.8	0.8	(0.3)	(0.8)	(1.7)	(1.8)	2.4	0.1	(1.8)	(2.3)	(0.1)	(2.5)	(0.3)	(1.9)	(0.7)	(2.3)	(0.8)	0.5	1.6	0.8	1.4	0.1	(2.1)	1.8	(1.1)	1.2	0.3	0.7	0.3	0.7	2.8	1.8	1.9	0.9	2.0	0.2	0.7
1987-07	5.4	NA	NA	NA	NA	1.6	1.6	1.2	1.6	0.8	1.0	1.4	2.9	1.1	2.0	1.8	3.3	1.7	4.4	2.5	2.7	3.7	3.4	3.6	4.3	1.4	4.2	NA	3.2	3.4	3.1	1.4	1.8	6.4	4.3	4.6	4.0	2.4	2.9	4.8	3.3

Commercial Vehicles

Calendar Year	2(4)	10(5)	13(5)	28(5)	30(5)	39	48	57	67	75	91	110	146	161	180	189	201	226	236	242	247	266	286	298	312	326	333	20	339	343	351	358	359	31	44	56	74	95	105	115	Total
1987(1)	2,322		377	1,291		382	767	1,181	841	3,006	186	606	609	1,821	110	80	97	2,083	286	401	969	208	801	517	616	2,227	1,020		768	1,181	2,024	932	2,283	547	397	1,103	208	396	85	441	32,808
1988	2,432		411	1,347		411	828	1,246	572	3,215	205	656	630	1,928	113	100	104	2,248	317	459	1,062	225	895	531	692	2,391	1,101		835	1,187	2,174	995	2,519	588	444	1,131	233	413	92	445	35,167
1989	2,491		438	1,400		432	881	1,334	619	3,307	219	663	612	2,019	110	111	107	2,328	347	508	1,129	241	945	537	765	2,535	1,097		877	1,262	2,328	1,022	2,664	630	483	1,163	255	467	94	432	36,872
1990	2,378		404	1,385		390	880	1,314	664	3,337	207	678	638	1,894	107	105	112	2,340	349	520	1,143	305	904	520	740	2,530	1,144		871	1,258	2,392	981	2,561	604	382	1,185	241	438	94	465	36,474
1991(2)	2,370		371	1,372		389	869	1,321	664	3,292	205	658	641	1,906	111	98	111	2,318	365	529	1,164	285	821	548	732	2,437	867		699	1,278	2,369	1,010	2,436	663	399	1,255	250	478	97	543	36,220
1992	2,356		345	1,355		388	856	1,206	662	3,239	203	638	644	1,916	114	93	110	2,208	381	536	1,183	271	837	576	714	2,341	656		927	1,296	2,342	1,027	2,312	726	416	1,328	258	517	100	632	35,868
1993	2,355		322	1,346		390	848	1,218	665	3,206	202	624	651	1,938	119	88	110	2,288	398	546	1,206	285	869	810	700	2,085	499		980	1,323	2,328	1,051	2,206	800	438	1,409	268	568	104	738	35,813
1994	2,348	225	304	1,334		391	830	1,344	665	3,164	201	608	657	1,955	123	83	108	2,247	417	555	1,231	281	878	845	664	2,162	378	2,435	992	1,347	2,308	1,093	2,099	880	458	1,493	278	816	106	663	38,861
1995	2,404	241	274	1,382		412	820	1,381	655	3,300	199	651	694	2,041	120	81	113	2,540	517	636	1,293	268	876	879	679	2,799	415	2,619	1,005	1,404	2,355	1,112	2,125	824	480	1,582	311	874	107	801	40,673
1996	2,374	281	285	1,433		413	860	1,419	665	3,400	185	674	695	2,115	124	86	109	2,619	478	629	1,273	282	913	690	618	2,375	427	2,630	1,035	1,471	2,371	1,162	2,179	1,005	486	1,713	342	775	114	844	41,848
1997	2,446	302	303	1,502		437	848	1,471	706	3,546	202	891	721	2,208	130	90	113	2,454	479	656	1,378	316	1,050	829	670	2,495	452	3,052	1,082	1,541	2,588	1,199	2,240	1,097	541	1,811	357	837	122	1,036	44,073
1998	2,605	314	295	1,578		472	963	1,534	745	3,789	211	725	825	2,380	138	95	117	2,799	470	685	1,470	358	1,035	881	740	2,670	473	3,256	1,152	1,628	2,681	1,242	2,364	1,143	615	2,081	398	889	125	1,113	47,121
1999	2,848	363	324	1,610		518	1,042	1,635	810	4,060	238	808	1,062	2,711	157	102	124	3,030	518	771	1,574	400	1,123	986	796	2,706	514	3,406	1,200	1,627	2,614	1,383	2,510	1,216	646	2,250	408	1,039	131	1,160	50,682
2000	2,649	384	324	1,708		526	1,057	1,662	808	4,138	228	780	1,145	2,729	151	104	135	3,072	536	802	1,556	399	1,305	997	838	2,727	532	3,573	1,198	1,680	2,681	1,552	2,716	1,242	678	2,380	429	1,113	141	1,182	52,008
2001	2,709	394	315	1,653		521	1,032	1,563	809	4,086	225	712	1,198	2,672	146	98	143	3,121	544	813	1,517	418	1,325	985	844	2,665	504	3,470	1,227	1,623	2,680	1,332	2,722	1,202	633	2,336	418	1,076	142	1,140	51,539
2002	2,937	402	303	1,670		523	1,027	1,604	828	4,161	253	734	1,312	2,753	160	100	151	3,196	569	856	1,567	452	1,336	1,034	901	2,894	572	3,707	1,323	1,749	3,071	1,420	2,971	1,249	689	2,443	481	1,138	165	1,241	53,920
2003	4,259				1,865	513	1,048	1,561	837	4,255	267	729	1,375	2,840	173	108	161	3,256	619	985	1,718	499	1,437	1,148	935	3,137	596	3,839	1,373	1,877	3,204	1,624	3,298	1,319	642	2,592	485	1,166	178	1,250	57,489
2004(3)	5,447				3,196	536	1,075	1,653	849	4,345	316	729	1,454	2,888	186	106	186	3,471	632	1,070	1,812	501	1,482	1,194	971	3,380	618	4,124	1,408	2,040	3,268	1,737	3,613	1,387	868	2,833	496	1,235	206	1,338	62,646
2005	5,760				3,340	552	1,072	1,680	857	4,348	262	710	1,350	2,902	205	108	215	3,430	668	1,119	1,895	518	1,461	1,160	967	3,408	626	4,187	1,453	2,102	3,338	1,807	3,754	1,400	897	2,909	528	1,227	208	1,340	63,770
2006	5,288				3,371	527	1,081	1,708	853	4,380	280	715	1,332	2,835	218	107	214	3,483	723	1,154	1,854	538	1,507	1,187	988	3,446	611	4,320	1,424	2,219	3,374	1,810	3,780	1,429	931	3,051	548	1,292	210	1,329	64,106
2007	5,403				3,505	575	1,177	1,735	894	4,476	306	743	1,327	2,910	230	106	229	3,548	774	1,194	1,883	549	1,672	1,188	1,058	3,446	636	4,433	1,403	2,210	3,387	1,812	3,849	1,505	980	3,139	586	1,336	218	1,358	65,796
Average Annual Percent Change																																									
1987-93	0.2	NA	(2.6)	0.7	NA	(0.1)	1.7	0.5	3.5	1.1	1.4	0.5	1.1	1.1	1.3	(0.2)	2.1	1.4	5.7	5.3	3.7	4.1	3.0	2.8	2.2	(1.1)	(11.2)	NA	3.8	3.1	2.4	2.0	(0.6)	6.5	1.7	4.2	4.8	8.1	3.4	8.0	1.5
1994-02	2.8	7.5	(0.1)	2.8	NA	3.7	2.8	2.2	2.7	3.5	2.8	2.4	9.0	4.4	3.4	2.3	4.2	4.5	4.6	5.8	3.1	7.1	4.0	6.1	3.5	3.6	5.3	5.4	3.7	3.3	3.6	3.6	4.4	4.5	5.3	6.5	6.5	7.8	5.4	4.7	4.2
2003-07	6.1	NA	NA	NA	17.1	2.9	2.9	2.2	1.7	1.3	3.4	0.5	(0.9)	0.6	7.4	(0.7)	9.3	1.4	8.7	4.6	2.0	2.4	2.3	0.9	3.1	2.4	1.6	3.7	0.5	4.2	1.5	2.8	4.6	3.4	4.1	4.9	8.4	3.4	5.6	2.1	3.4
1987-07	4.3	NA	NA	NA	NA	1.9	2.2	1.9	2.5	2.0	2.5	1.0	4.0	2.4	3.8	1.0	4.4	2.7	5.1	5.8	3.3	5.0	3.4	4.2	2.7	2.2	(2.3)	NA	3.1	3.5	2.6	3.4	2.6	6.2	4.7	5.4	5.5	8.3	4.6	5.8	3.5

Total Vehicles

Calendar Year	2(4)	10(5)	13(5)	28(5)	30(5)	39	48	57	67	75	91	110	146	161	180	189	201	226	236	242	247	266	286	298	312	326	333	20	339	343	351	358	359	31	44	56	74	95	105	115	Total
1987(1)	8,079		1,760	7,480		4,490	7,334	15,483	7,485	10,455	2,208	2,180	2,326	6,777	585	388	440	5,663	2,266	3,596	6,817	2,006	4,574	4,167	5,347	22,631	5,958		11,988	14,457	18,253	5,410	14,654	4,421	3,970	7,469	2,382	3,378	1,872	2,130	230,907
1988	8,514		1,951	7,898		4,554	7,611	15,978	7,672	10,880	2,377	2,298	2,423	7,167	630	425	473	6,078	2,494	3,938	7,272	2,168	5,015	4,298	5,994	23,009	11,430		13,100	15,906	20,067	5,758	15,927	4,715	4,351	7,629	2,551	3,431	1,920	2,197	251,021
1989	8,971		2,187	8,488		4,643	7,961	16,853	8,060	11,033	2,461	2,345	2,481	7,554	655	458	502	6,410	2,664	4,216	7,708	2,296	5,416	4,383	6,721	25,579	13,844		14,183	17,277	22,539	6,182	17,333	4,992	4,715	7,780	2,672	3,421	1,910	2,219	268,142
1990	9,181		2,229	8,748		4,405	8,062	16,891	8,422	11,259	2,306	2,609	2,561	7,487	680	459	532	6,668	2,961	4,555	8,272	2,484	5,511	4,478	7,028	26,478	14,695		14,562	18,132	23,684	6,059	16,729	5,132	4,309	8,475	2,674	3,387	1,981	2,243	276,348
1991(2)	9,243		2,111	8,786		4,408	8,067	16,942	8,538	11,077	2,331	2,602	2,584	7,315	681	457	541	6,649	3,037	4,503	8,328	2,497	5,671	4,549	7,171	25,357	12,940		15,372	18,854	24,035	6,075	16,549	6,854	4,540	9,019	2,801	3,498	2,067	2,561	277,608
1992	9,272		1,980	8,800		4,401	8,052	16,830	8,633	10,868	2,352	2,588	2,571	7,132	680	455	549	6,613	3,107	4,441	8,365	2,512	6,824	4,611	7,301	24,222	11,386		16,189	19,583	24,337	6,077	16,338	6,662	4,774	9,574	2,927	3,622	2,153	2,918	278,698
1993	9,354		1,903	8,865		4,419	8,083	16,930	6,778	10,725	2,387	2,590	2,573	6,996	685	456	561	6,615	3,186	4,404	8,449	2,547	6,015	4,702	7,475	23,094	10,081		17,148	20,423	24,786	6,116	16,225	7,628	5,063	10,220	3,077	3,777	2,258	3,345	281,943
1994	9,412	1,781	1,811	8,908		4,426	8,086	17,107	6,901	10,555	2,417	2,586	2,569	6,845	687	456	571	6,601	3,279	4,357	8,513	2,580	6,198	4,784	7,634	22,304	8,931	25,345	18,117	21,273	25,184	6,141	16,078	8,710	5,336	10,860	3,227	3,931	2,356	3,628	312,720
1995	9,692	1,932	1,762	9,211		4,465	7,865	17,268	6,881	10,951	2,510	2,675	2,732	7,150	688	462	590	7,235	4,016	4,824	8,901	2,631	6,431	4,903	7,749	22,876	9,390	28,188	19,184	23,267	26,716	6,136	16,373	9,180	5,567	11,488	3,370	4,071	2,412	4,071	328,015
1996	9,666	2,117	1,801	9,665		4,692	8,462	17,520	9,063	11,448	2,407	2,699	2,830	7,329	710	496	609	7,284	4,143	4,775	9,262	2,782	6,403	5,020	7,339	23,467	9,723	29,789	19,370	23,841	27,121	6,377	16,774	9,765	5,830	12,247	3,603	4,378	2,443	4,178	337,433
1997	9,942	2,213	1,907	10,071		4,920	8,933	18,171	9,292	11,879	2,455	2,721	2,943	7,846	747	518	634	6,735	3,974	4,736	9,359	2,959	6,788	5,673	7,981	23,832	10,364	31,482	19,874	24,443	28,254	6,490	17,069	11,077	6,136	13,129	3,809	4,869	2,564	4,439	350,838
1998	10,420	2,324	2,038	10,787		5,299	8,945	18,825	9,827	12,495	2,563	2,764	3,304	8,067	781	557	666	7,425	4,111	4,980	9,888	3,225	7,076	6,134	8,578	25,030	10,810	32,863	21,337	24,835	28,947	6,664	17,676	11,737	6,865	13,371	4,106	4,902	2,675	4,661	367,607
1999	10,698	2,427	2,083	11,058		5,522	9,728	19,261	10,291	13,743	2,619	2,724	3,790	8,549	830	582	691	7,916	4,405	5,470	10,392	3,387	7,219	6,479	9,158	24,351	11,179	33,036	21,231	24,024	28,903	6,859	17,960	12,403	7,172	14,093	4,291	5,189	2,724	4,747	377,186
2000	9,982	2,548	2,095	11,107		5,465	10,308	19,444	10,342	12,732	2,370	2,968	3,905	8,557	781	557	709	7,864	4,575	5,905	10,560	3,436	7,547	6,658	9,683	24,258	11,117	34,343	21,165	24,765	29,544	6,925	18,281	12,623	7,368	14,938	4,326	5,257	2,752	4,754	382,126
2001	10,765	2,696	2,139	11,833		5,701	10,030	20,000	10,402	12,934	2,482	2,623	4,158	8,003	809	534	734	8,425	4,716	5,894	10,642	3,632	7,797	7,172	10,281	27,852	11,839	35,415	22,283	25,376	30,633	6,649	19,071	12,632	7,326	15,699	4,555	5,227	2,858	4,837	397,134
2002	12,019	2,746	2,163	11,853		5,709	10,393	20,040	10,615	13,527	2,487	2,766	4,530	9,352	860	577	612	8,378	5,149	6,256	11,306	3,833	7,992	7,715	10,009	28,158	12,473	37,113	22,703	25,945	31,627	6,898	19,736	13,660	7,669	16,247	4,784	6,852	3,024	5,283	412,636
2003	18,087				9,239	5,961	10,553	20,361	11,140	13,650	2,520	2,780	4,665	9,661	888	596	831	8,724	5,422	6,777	11,936	4,163	8,391	8,347	11,355	30,064	12,885	37,969	23,513	26,727	32,707	7,380	20,828	14,258	8,220	17,120	4,907	5,768	3,122	5,263	423,794
2004(3)	21,826				14,781	5,953	10,452	20,251	10,902	13,537	2,556	2,676	4,824	9,601	936	589	865	8,733	5,428	6,803	12,068	4,196	8,688	8,552	11,426	31,991	13,204	39,877	23,422	27,756	33,352	7,748	21,698	14,553	8,796	18,225	5,188	6,255	3,448	5,592	446,383
2005	21,633				14,609	5,706	10,173	19,767	10,294	13,228	2,520	2,602	4,514	9,419	886	555	863	8,369	5,235	6,471	11,812	4,161	8,430	8,495	11,259	31,609	12,487	39,640	23,162	27,254	32,900	7,663	21,598	14,350	8,848	17,973	5,090	5,949	3,242	5,381	438,158
2006	21,676				14,791	5,709	10,210	19,998	10,435	13,169	2,523	2,642	4,369	9,191	894	540	872	8,442	8,285	6,350	11,407	4,140	8,691	8,644	11,554	31,659	12,066	40,361	22,984	26,728	32,807	7,664	21,425	14,463	9,009	18,368	5,204	6,042	3,290	5,377	439,076
2007	21,768				15,445	6,188	10,583	19,923	10,507	13,264	2,784	2,810	4,386	9,128	941	546	891	8,521	8,435	6,459	11,765	4,289	8,989	8,634	12,069	30,515	11,948	41,091	22,608	28,264	33,318	7,729	21,676	14,809	9,225	18,720	5,383	6,097	3,406	5,401	445,530
Average Annual Percent Change																																									
1987-93	2.5	NA	1.3	2.8	NA	(0.3)	1.6	1.6	2.7	0.4	1.3	2.9	1.7	0.5	2.7	2.4	4.1	2.6	5.8	3.4	3.6	4.1	4.7	2.0	5.7	0.3	9.2	NA	6.1	5.8	5.2	2.1	1.7	9.5	4.1	5.3	4.4	1.9	3.2	7.8	3.4
1994-02	3.1	5.6	2.2	3.8	NA	3.2	3.2	2.0	2.2	3.1	0.2	0.8	7.4	4.0	2.8	3.0	4.5	3.0	5.8	4.6	3.6	5.1	3.2	6.2	4.6	3.0	4.3	4.9	2.9	2.5	2.9	1.5	2.6	5.8	4.6	5.1	5.0	4.4	3.2	4.1	3.5
2003-07	4.7	NA	NA	NA	13.7	0.9	0.1	(0.5)	(1.4)	(0.7)	2.5	0.2	(1.5)	(1.4)	1.5	(2.1)	1.8	(0.6)	0.1	(1.2)	(0.4)	0.8	1.7	0.8	1.5	0.4	(1.9)	2.0	(1.0)	1.4	0.5	1.2	1.0	1.0	2.9	2.3	2.4	1.4	2.2	0.8	1.1
1987-07	5.1	NA	NA	NA	NA	1.8	1.9	1.3	1.7	1.2	1.2	1.3	3.2	1.5	2.4	1.8	3.6	2.1	4.5	3.0	2.8	3.9	3.4	3.7	4.2	1.5	3.5	NA	3.2	3.4	3.1	1.8	2.0	6.2	4.3	4.7	4.2	3.0	3.0	4.8	3.3

(1) A toll increase of 40% was implemented on January 2, 1987.
(2) A toll increase of 32% was implemented on June 1, 1991.
(3) A toll increase of 42.5% was implemented on August 1, 2004.
(4) Several changes have occurred at Gateway Plaza during this time period. It was converted from the western terminus of the ticket system to a barrier plaza on June 1, 2003; at this time toll classifications were switched from weight based to axle based. On January 2, 2006, toll collection at the barrier location was converted from two-way to one-way collection.
(5) Once Gateway was converted to a barrier plaza, Interchange 30, Warrendale, became the new start of the Turnpike ticket system in 2004. Toll collection was removed from Interchanges 10, 13 and 28 at this time.

Total vehicle traffic trends are shown in the lower portion of Table 1. Because passenger cars make up about 85 percent of total ticket system toll transactions, the trends and growth rates for total vehicles closely mirror those for passenger cars. It should also be noted that three toll increases have occurred over the time frame shown in Table 1. Rate increases were implemented in 1987, 1991 and 2004. These would have had some negative impact on traffic levels and this will be discussed in more detail below.

BARRIER SYSTEM TRAFFIC TRENDS BETWEEN 1994 AND 2007

Table 2 identifies average annual daily traffic trends for each of the Turnpike barrier systems. As mentioned above, these contribute relatively little to overall traffic and revenue (about 15 percent of traffic and 5 percent of revenue), but, as shown in Table 2, they have been growing at a slightly greater level than the ticket system. The higher growth in these corridors is likely related to the fact that they are newer facilities than the ticket system, and that the potential for "induced" and "ramp-up" growth is greater. These facilities tend to be on the fringe of urban areas and are benefiting from the increasing spread of development into their corridors.

Table 2

Barrier System: Average Daily Transactions by Interchange

Pennsylvania Turnpike

Passenger Cars

	Northeastern Facilities			Toll 60[3]						Toll 66[4]						Mon Fayette								Southern Beltway				Total
Calendar Year	Kaiser Ave.	Clarks Summit	Subtotal	South Toll 60	Beaver Falls Rte 551	Moravia Rte 168	North Toll 60	Mt Jackson Rte 108	Subtotal	Rte 136	AKH Mainline	Route 30	Route 130	Route 66	Subtotal	Ramp M4	M5	California	Ramp M39	Ramp M44	Ramp M48	M52	Subtotal	Route 30	Bald Knob Rd	Route 22	Subtotal	Barrier Facilities
1994	0	2,831	2,831	6,965	271	481	3,915	720	12,352	295	5,754	1,641	822	413	8,925			5,436					5,436					29,544
1995	4,803	5,177	9,980	7,268	319	520	4,130	826	13,063	303	6,411	1,977	873	459	10,023			5,942					5,942					39,008
1996	6,491	6,814	13,305	7,897	334	546	4,614	1,097	14,488	366	7,259	2,191	1,017	501	11,334			6,714					6,714					45,841
1997	6,941	7,281	14,222	8,407	336	579	4,984	1,211	15,497	413	8,081	2,471	1,190	523	12,678			7,314					7,314					49,711
1998	6,461	6,769	13,230	8,724	359	613	5,192	1,313	16,201	437	8,911	3,020	1,123	527	14,018			6,843					6,843					50,092
1999	5,686	5,844	11,530	8,798	370	610	5,298	1,385	16,461	489	8,850	3,105	966	456	13,848			7,312					7,312					49,151
2000	5,527	5,642	11,169	9,008	382	619	5,481	1,454	16,944	478	9,283	3,390	893	455	14,499			8,274					8,274					50,886
2001	5,622	5,847	11,469	9,390	399	682	5,866	1,606	17,943	518	9,613	3,751	1,001	516	15,399	29	1,659	8,437	954				11,050					55,861
2002[1]	5,948	6,169	12,117	9,586			6,021		15,607		10,044				10,044	29	1,726	5,582	1,360				8,669					48,437
2003	6,274	6,492	12,766	9,782			6,176		15,958		10,476				10,476	30	1,794	2,728	1,786			5,689	12,006					51,205
2004[2]	6,719	6,747	13,466	9,821			6,385		16,206		10,858				10,858	29	1,884	9,365	906	736	2,543	6,326	21,789					62,320
2005	6,489	6,519	13,008	9,896			6,812		16,708		11,123				11,123	28	1,973	9,366	868	720	2,790	6,748	22,489					63,328
2006	6,573	6,545	13,117	9,854			7,047		16,901	217	12,053	861	226	117	13,473	32	2,060	9,754	963	758	2,936	7,099	23,602	80	59	533	671	67,765
2007	6,736	6,740	13,476	10,334	434	756	7,524	1,277	20,326	597	12,308	2,889	1,260	580	17,633	39	2,151	10,224	1,000	745	3,213	7,179	24,581	168	283	2,914	3,363	79,379
Average Annual Percent Change																												
1994[5] - 00	2.8	1.7	2.3	4.4	5.9	4.3	5.8	12.4	5.4	8.4	8.3	12.9	1.4	1.6	8.4	NA	NA	7.3	NA	NA	NA	NA	7.3	NA	NA	NA	NA	9.5
2000 - 07	2.9	2.6	2.7	2.0	1.9	2.9	4.6	(1.8)	2.6	3.2	4.1	(2.3)	5.0	3.5	2.8	NA	NA	3.1	NA	NA	NA	NA	16.8	NA	NA	NA	NA	6.6
1994[5] - 07	2.9	2.2	2.5	3.1	3.7	3.5	5.2	4.5	3.9	5.6	6.0	4.4	3.3	2.6	5.4	NA	NA	5.0	NA	NA	NA	NA	12.3	NA	NA	NA	NA	7.9

Commercial Vehicles

	Northeastern Facilities			Toll 60[3]						Toll 66[4]						Mon Fayette								Southern Beltway				Total
Calendar Year	Kaiser Ave.	Clarks Summit	Subtotal	South Toll 60	Beaver Falls Rte 551	Moravia Rte 168	North Toll 60	Mt Jackson Rte 108	Subtotal	Rte 136	AKH Mainline	Route 30	Route 130	Route 66	Subtotal	Ramp M4	M5	California	Ramp M39	Ramp M44	Ramp M48	M52	Subtotal	Route 30	Bald Knob Rd	Route 22	Subtotal	Barrier Facilities
1994	0	480	480	719	35	36	409	53	1,252	134	906	141	58	66	1,305	0	0	227	0				227					3,264
1995	782	941	1,723	819	34	60	491	50	1,454	159	1,024	157	29	27	1,396	0	0	248	0				248					4,821
1996	1,113	1,272	2,385	986	39	72	614	85	1,796	169	1,215	172	30	30	1,616	0	0	280	0				280					6,077
1997	1,163	1,349	2,512	1,110	44	93	681	101	2,029	222	1,457	225	35	35	1,974	0	0	305	0				305					6,820
1998	1,038	1,255	2,293	1,147	45	91	725	109	2,117	196	1,518	256	38	32	2,040	0	0	277	0				277					6,727
1999	936	1,125	2,061	1,263	52	85	793	118	2,311	230	1,552	268	50	29	2,129	0	0	305	0				305					6,806
2000	919	1,118	2,037	1,301	51	93	863	138	2,446	241	1,729	296	67	27	2,360	0	0	345	0				345					7,188
2001	892	1,142	2,034	1,359	65	144	874	141	2,583	232	1,673	345	75	28	2,353	2	119	352	30				501					7,471
2002[1]	905	1,049	1,954	1,332			872		2,204		1,743				1,743	2	135	218	41				395					6,296
2003	918	957	1,875	1,304			870		2,174		1,813				1,813	1	151	84	52			92	382					6,244
2004[2]	938	931	1,869	1,328			911		2,239		1,818				1,818	1	135	314	23	37	107	107	724					6,650
2005	1,092	1,038	2,130	1,353			915		2,268		1,872				1,872	1	136	303	23	34	82	118	697					6,967
2006	1,227	1,112	2,339	1,311			998		2,309	126	1,935	142	17	5	2,226	1	150	321	26	42	59	108	707	2	1	24	28	7,808
2007	1,408	1,162	2,570	1,490	36	96	1,133	98	2,854	211	2,070	290	38	15	2,623	1	140	384	32	46	65	111	779	18	20	210	248	9,074
Average Annual Percent Change																												
1994[5] - 00	3.3	3.5	3.4	10.4	6.5	17.1	13.3	17.3	11.8	10.3	11.3	13.2	3.0	(13.8)	10.4	NA	NA	7.2	NA	NA	NA	NA	7.2	NA	NA	NA	NA	14.1
2000 - 07	6.3	0.6	3.4	2.0	(4.7)	0.5	4.0	(4.8)	2.2	(1.9)	2.6	(0.3)	(7.9)	(7.7)	1.5	NA	NA	1.5	NA	NA	NA	NA	12.3	NA	NA	NA	NA	3.4
1994[5] - 07	5.0	1.8	3.4	5.8	0.3	7.9	8.2	4.8	6.5	3.5	6.5	5.7	(3.0)	(10.6)	5.5	NA	NA	4.1	NA	NA	NA	NA	10.0	NA	NA	NA	NA	8.2

Total Vehicles

	Northeastern Facilities			Toll 60[3]						Toll 66[4]						Mon Fayette								Southern Beltway				Total
Calendar Year	Kaiser Ave.	Clarks Summit	Subtotal	South Toll 60	Beaver Falls Rte 551	Moravia Rte 168	North Toll 60	Mt Jackson Rte 108	Subtotal	Rte 136	AKH Mainline	Route 30	Route 130	Route 66	Subtotal	Ramp M4	M5	California	Ramp M39	Ramp M44	Ramp M48	M52	Subtotal	Route 30	Bald Knob Rd	Route 22	Subtotal	Barrier Facilities
1994	0	3,311	3,311	7,684	306	517	4,324	773	13,604	429	6,662	1,782	878	479	10,230	0	0	5,663	0	0	0	0	5,663	0	0	0	0	32,808
1995	5,585	6,118	11,703	8,087	353	580	4,621	876	14,517	462	7,435	2,134	902	486	11,419	0	0	6,190	0	0	0	0	6,190	0	0	0	0	43,829
1996	7,604	8,086	15,690	8,883	373	618	5,228	1,182	16,284	535	8,474	2,363	1,047	531	12,950	0	0	6,994	0	0	0	0	6,994	0	0	0	0	51,918
1997	8,104	8,630	16,734	9,517	380	672	5,645	1,312	17,526	635	9,538	2,696	1,225	558	14,652	0	0	7,619	0	0	0	0	7,619	0	0	0	0	56,531
1998	7,499	8,024	15,523	9,871	404	704	5,917	1,422	18,318	633	10,429	3,276	1,161	559	16,058	0	0	6,920	0	0	0	0	6,920	0	0	0	0	56,819
1999	6,622	6,969	13,591	10,061	422	695	6,091	1,503	18,772	699	10,402	3,373	1,016	487	15,977	0	0	7,617	0	0	0	0	7,617	0	0	0	0	55,957
2000	6,446	6,760	13,206	10,309	433	712	6,344	1,592	19,390	719	11,012	3,686	960	482	16,859	0	0	8,619	0	0	0	0	8,619	0	0	0	0	58,074
2001	6,514	6,989	13,503	10,749	464	826	6,740	1,747	20,526	750	11,286	4,096	1,076	544	17,752	31	1,778	8,789	984	0	0	0	11,582	0	0	0	0	63,363
2002[1]	6,853	7,219	14,072	10,917	0	0	6,893	0	17,811	0	11,787	0	0	0	11,787	31	1,862	5,800	1,401	0	0	0	9,063	0	0	0	0	52,733
2003	7,192	7,449	14,641	11,086	0	0	7,046	0	18,132	0	12,288	0	0	0	12,288	31	1,945	2,812	1,819	0	0	5,781	12,387	0	0	0	0	57,448
2004[2]	7,657	7,678	15,335	11,149	0	0	7,296	0	18,445	0	12,676	0	0	0	12,676	30	2,020	9,679	929	773	2,649	6,433	22,513	0	0	0	0	68,970
2005	7,581	7,557	15,138	11,249	0	0	7,727	0	18,976	0	12,995	0	0	0	12,995	29	2,110	9,669	891	753	2,872	6,863	23,186	0	0	0	0	70,295
2006	7,800	7,656	15,456	11,165	0	0	8,044	0	19,210	343	13,988	1,003	243	122	15,699	33	2,210	10,075	989	799	2,995	7,208	24,309	82	60	557	699	75,373
2007	8,144	7,903	16,047	11,824	471	853	8,658	1,375	23,180	808	14,378	3,178	1,298	595	20,256	40	2,292	10,608	1,062	792	3,277	7,289	25,360	184	303	3,124	3,611	88,453
Average Annual Percent Change																												
1994[5] - 00	2.9	2.0	2.4	5.0	6.0	5.5	6.6	12.8	6.1	9.0	8.7	12.9	1.5	0.1	8.7	NA	NA	7.3	NA	NA	NA	NA	7.3	NA	NA	NA	NA	10.0
2000 - 07	3.4	2.3	2.8	2.0	1.2	2.6	4.5	(2.1)	2.6	1.7	3.9	(2.1)	4.4	3.1	2.7	NA	NA	3.0	NA	NA	NA	NA	16.7	NA	NA	NA	NA	6.2
1994[5] - 07	3.2	2.2	2.7	3.4	3.4	3.9	5.5	4.5	4.2	5.0	6.1	4.6	3.1	1.7	5.4	NA	NA	4.9	NA	NA	NA	NA	12.2	NA	NA	NA	NA	7.9

(1) 2002 traffic data is not available. It is estimated by averaging 2001 and 2003 traffic data.
(2) New rates became effective Sunday, August 1, 2004. Rates were increased by 42.5%.
(3) Toll 60 ramp counts are not available from 2002 to 2005.
(4) Toll 66 ramp counts are not available from 2002 to 2005.
(5) Average annual growth rate of Northeastern Facilities began in 1995.

RECENT MONTHLY TRAFFIC AND REVENUE TRENDS

Table 3 provides monthly traffic volumes on all facilities for FY 2005-06 through mid FY 2008-09. Information is also provided for passenger cars and commercial vehicles separately. Similar to the longer term historical trends shown in Tables 1 and 2, the ticket system has exhibited much lower growth compared to the barrier locations. The effect of the current negative economic climate is evident in the most current monthly traffic trends. As shown, total ticket system transactions have been trending negative for some time and are currently lower by 2.7 percent for the first half of FY 2008-09. Though more positive, the contribution of the barrier locations still results in a total Turnpike traffic loss of 1.8 percent for the first half of FY 2008-09. A review of other toll facilities in the area has shown the same trends.

It should be pointed out that the impact on commercial vehicles was especially negative in November 2008. Total commercial traffic declined by 12.3 percent in November 2008 compared to November 2007. Part of this decline is real and part due to the fact that November 2008 had two more weekend days than November 2007. Commercial traffic is typically much lower on weekend days and this likely contributed to the especially large negative growth in the most recent month.

Monthly gross toll revenue trends over the same time period are shown in Table 4 for each toll facility. The same general trends are seen here as exhibited in the transaction trends. Because of the higher average commercial vehicle toll rates, however, the effect of larger negative commercial vehicle growth has a bigger impact on total revenue growth. Thus, while total ticket system transactions were down by 2.7 percent in the first half of FY 2008-09, revenue growth is down by 5.2 percent over the same period.

On a total Systemwide basis, gross toll revenue grew by 1.7 percent between FY 2005-06 and FY 2006-07. Growth amounted to only 0.2 percent between FY 2006-07 and FY 2007-08. In the most recent six month period (June through November) revenue growth has continued to decrease and amounted to a decrease of 4.8 percent over the same period in the last fiscal year.

Table 3
Pennsylvania Turnpike Monthly Traffic Volume Trends By Facility and Vehicle Class
Volumes in Thousands

Ticket System (Including Gateway Barrier Plaza)

Month	Passenger Cars							Commercial Vehicles							Total Vehicles						
	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09
June	12,486	(5.7)	11,769	1.9	11,932	(3.6)	11,561	2,103	(4.5)	2,009	(0.9)	1,991	(4.8)	1,895	14,589	(5.6)	13,778	1.5	13,983	(3.8)	13,456
July	12,805	(6.5)	11,979	1.8	12,197	(0.8)	12,100	1,969	(4.9)	1,872	3.4	1,936	0.6	1,947	14,774	(6.2)	13,851	2.0	14,133	(0.6)	14,047
August	12,868	(4.1)	12,345	3.1	12,731	(1.8)	12,502	2,133	(2.4)	2,081	(0.1)	2,079	(8.5)	1,902	15,001	(3.8)	14,426	2.7	14,810	(2.7)	14,404
September	11,401	(1.3)	11,253	1.6	11,431	(3.6)	11,014	2,004	(5.9)	1,886	(2.1)	1,847	(0.6)	1,835	13,405	(2.0)	13,139	1.1	13,278	(3.2)	12,849
October	11,702	0.5	11,762	2.0	12,002	(1.3)	11,843	2,005	(1.2)	1,980	3.3	2,045	(6.5)	1,912	13,707	0.3	13,742	2.2	14,047	(2.1)	13,755
November	11,418	(1.4)	11,262	(0.2)	11,236	(2.8)	10,927	1,887	(3.8)	1,816	(0.7)	1,803	(13.4)	1,562	13,305	(1.7)	13,078	(0.3)	13,039	(4.2)	12,489
December	11,073	0.2	11,096	(4.6)	10,585			1,786	(5.8)	1,683	(3.4)	1,626			12,859	(0.6)	12,779	(4.4)	12,211		
January	10,348	(0.1)	10,336	0.1	10,347			1,670	5.3	1,759	(0.8)	1,745			12,018	0.6	12,095	(0.0)	12,092		
February	9,559	(3.8)	9,200	5.6	9,718			1,572	2.4	1,609	0.9	1,624			11,131	(2.9)	10,809	4.9	11,342		
March	11,226	(2.7)	10,925	1.4	11,077			1,885	(2.2)	1,843	(5.2)	1,747			13,111	(2.6)	12,768	0.4	12,824		
April	11,063	(0.4)	11,022	0.5	11,078			1,783	2.0	1,818	4.3	1,897			12,846	(0.0)	12,840	1.1	12,975		
May	11,625	1.6	11,816	(1.6)	11,625			1,989	2.5	2,038	(6.1)	1,913			13,614	1.8	13,854	(2.3)	13,538		
Total Year	137,574	(2.0)	134,765	0.9	136,019			22,786	(1.7)	22,394	(0.6)	22,253			160,360	(2.0)	157,159	0.7	158,272		
June-Nov	72,680	(3.2)	70,370	1.7	71,589	(2.3)	69,947	12,101	(3.8)	11,644	0.5	11,701	(5.5)	11,053	84,781	(3.3)	82,014	1.6	83,290	(2.7)	81,000

PA 43 (Mon Fayette Expressway)

Month	Passenger Cars							Commercial Vehicles							Total Vehicles						
	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09
June	666	1.2	674	5.6	712	1.5	723	23	4.3	24	12.5	27	22.2	33	689	1.3	698	5.9	739	2.3	756
July	671	3.3	693	4.2	722	4.6	755	22	4.5	23	21.7	28	28.6	36	693	3.3	716	4.7	750	5.5	791
August	710	6.1	753	4.5	787	3.7	816	24	0.0	24	20.8	29	24.1	36	734	5.9	777	5.0	816	4.4	852
September	717	6.1	761	2.5	780	4.0	811	21	4.8	22	9.1	24	37.5	33	738	6.1	783	2.7	804	5.0	844
October	736	7.6	792	3.4	819	7.4	880	20	20.0	24	12.5	27	29.6	35	756	7.9	816	3.7	846	8.2	915
November	681	6.0	722	1.8	735	11.8	822	18	11.1	20	10.0	22	45.5	32	699	6.2	742	2.0	757	12.8	854
December	664	6.8	709	(2.4)	692			16	6.3	17	0.0	17			680	6.8	726	(2.3)	709		
January	628	4.6	657	3.3	679			15	6.7	16	18.8	19			643	4.7	673	3.7	698		
February	613	0.7	617	9.6	676			14	21.4	17	17.6	20			627	1.1	634	9.8	696		
March	692	4.9	726	(1.5)	715			19	5.3	20	5.0	21			711	4.9	746	(1.3)	736		
April	695	3.7	721	5.1	758			20	0.0	20	25.0	25			715	3.6	741	5.7	783		
May	696	7.8	750	(0.1)	749			22	9.1	24	20.8	29			718	7.8	774	0.5	778		
Total Year	8,169	5.0	8,575	2.9	8,824			234	7.3	251	14.7	288			8,403	5.0	8,826	3.2	9,112		
June-Nov	4,181	5.1	4,395	3.6	4,555	5.5	4,807	128	7.0	137	14.6	157	30.6	205	4,309	5.2	4,532	4.0	4,712	6.4	5,012

PA 66

Month	Passenger Cars							Commercial Vehicles							Total Vehicles						
	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09
June	358	8.1	387	39.0	538	10.8	596	64	15.6	74	17.6	87	(1.1)	86	422	9.2	461	35.6	625	9.1	682
July	358	23.7	443	23.5	547	12.8	617	61	29.5	79	10.1	87	3.4	90	419	24.6	522	21.5	634	11.5	707
August	364	33.5	486	18.7	577	11.3	642	65	36.9	89	2.2	91	(3.3)	88	429	34.0	575	16.2	668	9.3	730
September	340	37.9	469	20.5	565	7.4	607	64	21.9	78	6.4	83	6.0	88	404	35.4	547	18.5	648	7.3	695
October	345	42.6	492	30.1	640	0.0	640	60	40.0	84	14.3	96	(7.3)	89	405	42.2	576	27.8	736	(1.0)	729
November	326	41.4	461	27.3	587	(0.7)	583	52	38.5	72	6.9	77	(9.1)	70	378	41.0	533	24.6	664	(1.7)	653
December	320	43.1	458	26.4	579			45	35.6	61	3.3	63			365	42.2	519	23.7	642		
January	303	38.0	418	29.7	542			46	39.1	64	9.4	70			349	38.1	482	27.0	612		
February	288	28.8	371	39.1	516			43	27.9	55	21.8	67			331	28.7	426	36.9	583		
March	341	35.8	463	23.8	573			55	29.1	71	1.4	72			396	34.8	534	20.8	645		
April	352	35.8	478	24.3	594			56	32.1	74	12.2	83			408	35.3	552	22.6	677		
May	361	51.5	547	11.7	611			61	45.9	89	(5.6)	84			422	50.7	636	9.3	695		
Total Year	4,056	34.9	5,473	25.5	6,869			672	32.4	890	7.9	960			4,728	34.6	6,363	23.0	7,829		
June-Nov	2,091	30.9	2,738	26.2	3,454	6.7	3,685	366	30.1	476	9.5	521	(1.9)	511	2,457	30.8	3,214	23.7	3,975	5.6	4,196

Northeast Extension Barrier Plazas Only

Month	Passenger Cars							Commercial Vehicles							Total Vehicles						
	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09
June	430	(3.7)	414	3.6	429	1.4	435	71	7.0	76	5.3	80	(2.5)	78	501	(2.2)	490	3.9	509	0.8	513
July	524	(3.8)	504	1.4	511	1.2	517	71	8.5	77	3.9	80	3.8	83	595	(2.4)	581	1.7	591	1.5	600
August	507	0.2	508	8.7	552	3.3	570	76	7.9	82	7.3	88	(6.8)	82	583	1.2	590	8.5	640	1.9	652
September	390	6.4	415	2.9	427	(6.1)	401	70	10.0	77	2.6	79	1.3	80	460	7.0	492	2.8	506	(4.9)	481
October	392	11.0	435	(3.4)	420	2.6	431	68	16.2	79	1.3	80	(2.5)	78	460	11.7	514	(2.7)	500	1.8	509
November	380	7.6	409	(4.4)	391	0.8	394	64	9.4	70	(5.7)	66	(7.6)	61	444	7.9	479	(4.6)	457	(0.4)	455
December	337	8.9	367	(9.5)	332			58	6.9	62	(3.2)	60			395	8.6	429	(8.6)	392		
January	290	4.8	304	(2.3)	297			58	13.8	66	(1.5)	65			348	6.3	370	(2.2)	362		
February	283	(5.3)	268	6.7	286			56	16.1	65	(3.1)	63			339	(1.8)	333	4.8	349		
March	336	6.5	358	(0.8)	355			65	12.3	73	(11.0)	65			401	7.5	431	(2.6)	420		
April	383	5.5	404	(1.7)	397			64	17.2	75	4.0	78			447	7.2	479	(0.8)	475		
May	411	9.2	449	1.3	455			74	16.2	86	(3.5)	83			485	10.3	535	0.6	538		
Total Year	4,663	3.7	4,836	0.4	4,852			795	11.7	888	(0.1)	887			5,458	4.9	5,723	0.3	5,739		
June-Nov	2,623	2.4	2,685	1.7	2,730	0.7	2,748	420	9.8	461	2.6	473	(2.3)	462	3,043	3.4	3,146	1.8	3,203	0.2	3,210

PA 60

Month	Passenger Cars							Commercial Vehicles							Total Vehicles						
	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09
June	553	(2.2)	541	22.9	665	(2.4)	649	78	2.6	80	25.0	100	(2.0)	98	631	(1.6)	621	23.2	765	(2.4)	747
July	587	(4.4)	561	23.7	694	0.3	696	75	(2.7)	73	26.0	92	12.0	103	662	(4.2)	634	24.0	786	1.7	799
August	575	(2.1)	563	26.5	712	(1.1)	704	79	3.8	82	20.7	99	3.0	102	654	(1.4)	645	25.7	811	(0.6)	806
September	507	2.0	517	25.7	650	(2.9)	631	74	(2.7)	72	23.6	89	10.1	98	581	1.4	589	25.5	739	(1.4)	729
October	519	2.9	534	25.1	668	(1.8)	656	71	4.2	74	33.8	99	(2.0)	97	590	3.1	608	26.2	767	(1.8)	753
November	501	1.2	507	21.5	616	(3.7)	593	64	3.1	66	28.8	85	(11.8)	75	565	1.4	573	22.3	701	(4.7)	668
December	492	3.9	511	15.3	589			57	7.0	61	14.8	70			549	4.2	572	15.2	659		
January	449	0.9	453	20.3	545			58	10.3	64	26.6	81			507	2.0	517	21.1	626		
February	428	2.8	440	18.0	519			54	11.1	60	26.7	76			482	3.7	500	19.0	595		
March	499	17.8	588	1.4	596			67	14.9	77	5.2	81			566	17.5	665	1.8	677		
April	498	19.7	596	4.7	624			68	20.6	82	17.1	96			566	19.8	678	6.2	720		
May	521	24.6	649	0.9	655			78	29.5	101	(2.0)	99			599	25.2	750	0.5	754		
Total Year	6,129	5.4	6,460	16.6	7,533			823	8.4	892	19.6	1,067			6,952	5.8	7,352	17.0	8,600		
June-Nov	3,242	(0.6)	3,223	24.3	4,005	(1.9)	3,929	441	1.4	447	26.2	564	1.6	573	3,683	(0.4)	3,670	24.5	4,569	(1.5)	4,502

Total Transactions

Month	Passenger Cars							Commercial Vehicles							Total Vehicles						
	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09
June	14,493	(4.9)	13,785	4.0	14,338	(2.6)	13,964	2,339	(3.2)	2,263	1.0	2,285	(4.2)	2,190	16,832	(4.7)	16,048	3.6	16,621	(2.8)	16,154
July	14,945	(5.1)	14,180	3.5	14,671	0.1	14,685	2,198	(3.4)	2,124	4.7	2,223	1.6	2,259	17,143	(4.9)	16,304	3.6	16,894	0.3	16,944
August	15,024	(2.5)	14,656	4.8	15,359	(0.8)	15,234	2,377	(0.8)	2,358	1.2	2,386	(7.4)	2,210	17,401	(2.2)	17,013	4.3	17,745	(1.7)	17,444
September	13,355	0.4	13,415	3.3	13,853	(2.8)	13,464	2,233	(4.4)	2,135	(0.6)	2,122	0.6	2,134	15,588	(0.2)	15,550	2.7	15,975	(2.4)	15,598
October	13,694	2.3	14,015	3.8	14,549	(0.7)	14,450	2,224	0.8	2,241	4.7	2,347	(5.8)	2,211	15,918	2.1	16,256	3.9	16,896	(1.4)	16,661
November	13,306	0.4	13,361	1.5	13,565	(1.9)	13,319	2,085	(2.0)	2,044	0.4	2,053	(12.3)	1,800	15,391	0.1	15,405	1.4	15,618	(3.2)	15,119
December	12,886	2.0	13,141	(2.8)	12,777			1,962	(4.0)	1,884	(2.5)	1,836			14,848	1.2	15,025	(2.7)	14,613		
January	12,018	1.2	12,168	2.0	12,410			1,847	6.6	1,969	0.6	1,980			13,865	2.0	14,137	1.8	14,390		
February	11,171	(2.5)	10,896	7.5	11,715			1,739	3.9	1,806	2.4	1,850			12,910	(1.6)	12,702	6.8	13,565		
March	13,094	(0.3)	13,060	2.0	13,316			2,091	(0.3)	2,084	(4.7)	1,986			15,185	(0.3)	15,144	1.0	15,302		
April	12,991	1.8	13,221	1.7	13,451			1,991	3.9	2,068	5.3	2,179			14,982	2.1	15,290	2.2	15,630		
May	13,614	4.4	14,211	(0.8)	14,095			2,224	5.1	2,338	(5.6)	2,208			15,838	4.5	16,549	(1.5)	16,303		
Total Year	160,591	(0.3)	160,108	2.5	164,097			25,310	0.0	25,315	0.8	25,455			185,901	(0.3)	185,423	2.2	189,552		
June-Nov	84,817	(1.7)	83,411	3.5	86,333	(1.4)	85,116	13,456	(2.2)	13,165	1.9	13,416	(4.6)	12,804	98,273	(1.7)	96,576	3.3	99,749	(1.8)	97,920

Table 4

Pennsylvania Turnpike Monthly Gross Toll Revenue Trends By Facility and Vehicle Class

Revenue in Thousands

Ticket System (Including Gateway Barrier Plaza)

	Passenger Cars							Commercial Vehicles							Total Vehicles						
Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09
June	$28,374	(2.6)	$27,631	3.7	$28,665	(5.4)	$27,110	$24,105	3.5	$24,945	(0.9)	$24,714	(5.6)	$23,324	$52,479	0.2	$52,576	1.5	$53,379	(5.5)	$50,434
July	30,961	(3.6)	29,860	0.3	29,935	(2.3)	29,244	22,468	1.6	22,823	6.1	24,208	(1.6)	23,824	53,429	(1.4)	52,683	2.8	54,143	(2.0)	53,068
August	30,410	(1.2)	30,032	5.4	31,655	(2.2)	30,972	24,617	4.2	25,642	1.6	26,055	(10.0)	23,439	55,027	1.2	55,674	3.7	57,710	(5.7)	54,411
September	25,146	3.2	25,960	1.0	26,218	(5.9)	24,682	23,181	2.0	23,655	0.3	23,716	(3.9)	22,787	48,327	2.7	49,615	0.6	49,934	(4.9)	47,469
October	26,278	1.3	26,628	(0.8)	26,410	0.3	26,482	24,005	3.9	24,930	3.6	25,828	(9.1)	23,477	50,283	2.5	51,558	1.3	52,238	(4.4)	49,959
November	25,590	1.8	26,055	(1.5)	25,673	(2.8)	24,958	22,450	1.8	22,847	0.1	22,885	(16.0)	19,202	48,040	1.8	48,902	(0.7)	48,538	(9.0)	44,158
December	24,088	4.5	25,160	(6.3)	23,564			21,840	(2.1)	21,378	(0.9)	21,193			45,928	1.3	46,538	(3.8)	44,757		
January	21,621	(0.9)	21,434	(1.2)	21,182			21,618	4.7	22,636	1.3	22,929			43,239	1.9	44,070	0.1	44,111		
February	19,904	(8.6)	18,197	8.2	19,687			20,479	9.9	22,507	(4.5)	21,504			40,383	0.8	40,704	1.2	41,191		
March	23,902	(1.6)	23,511	0.5	23,622			24,279	0.9	24,497	(4.7)	23,336			48,181	(0.4)	48,008	(2.2)	46,958		
April	21,726	3.4	22,466	6.7	23,981			26,057	(0.3)	25,983	(9.3)	23,568			47,783	1.4	48,449	(1.9)	47,549		
May	26,202	3.5	27,118	(1.5)	26,706			24,536	4.2	25,559	(7.7)	23,597			50,738	3.8	52,677	(4.5)	50,303		
Total Year	$304,202	(0.0)	$304,052	1.1	$307,298			$279,635	2.8	$287,402	(1.4)	$283,513			$583,837	1.3	$591,454	(0.1)	$590,811		
June-Nov	$166,759	(0.4)	$166,166	1.4	$168,556	(3.0)	$163,446	$140,826	2.9	$144,842	1.8	$147,386	(7.7)	$136,053	$307,585	1.1	$311,008	1.6	$315,942	(5.2)	$299,459

PA 43 (Mon Fayette Expressway)

	Passenger Cars							Commercial Vehicles							Total Vehicles						
Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09
June	$518	1.0	$523	5.0	$549	1.8	$559	$54	1.9	$55	9.1	$60	25.0	$75	$572	1.0	$578	5.4	$609	4.1	$634
July	523	2.9	538	3.7	558	4.5	563	51	2.0	52	19.2	62	29.0	80	574	2.8	590	5.1	620	6.9	663
August	554	5.6	585	3.9	608	3.5	629	55	1.8	56	12.5	63	25.4	79	609	5.3	641	4.7	671	5.5	708
September	556	6.5	592	1.4	600	4.2	625	49	2.0	50	10.0	55	36.4	75	605	6.1	642	2.0	655	6.9	700
October	573	7.5	616	2.6	632	7.8	681	48	14.6	55	12.7	62	27.4	79	621	8.1	671	3.4	694	9.5	760
November	532	5.6	562	1.2	569	13.9	648	42	14.3	48	4.2	50	44.0	72	574	6.3	610	1.5	619	16.3	720
December	520	6.7	555	(3.2)	537			37	10.8	41	(2.4)	40			557	7.0	596	(3.2)	577		
January	490	4.3	511	2.7	525			36	8.3	39	15.4	45			526	4.6	550	3.6	570		
February	478	0.2	479	9.0	522			35	8.6	38	26.3	48			513	0.8	517	10.3	570		
March	538	4.5	562	(1.4)	554			46	0.0	46	4.3	48			584	4.1	608	(1.0)	602		
April	539	3.3	557	5.2	586			47	2.1	48	20.8	58			586	3.2	605	6.4	644		
May	541	6.8	578	0.3	580			52	7.7	56	17.9	66			593	6.9	634	1.9	646		
Total Year	$6,362	4.7	$6,658	2.4	$6,820			$552	5.8	$584	12.5	$657			$6,914	4.7	$7,242	3.2	$7,477		
June-Nov	$3,256	4.9	$3,416	2.9	$3,516	5.9	$3,725	$299	5.7	$316	11.4	$352	30.7	$460	$3,555	5.0	$3,732	3.6	$3,868	8.2	$4,185

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	Passenger Cars							Commercial Vehicles							Total Vehicles						
Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09
June	$357	7.0	$382	26.7	$484	8.5	$525	$182	13.2	$206	12.6	$232	(0.9)	$230	$539	9.1	$588	21.8	$716	5.4	$755
July	358	18.7	425	15.8	492	10.4	543	171	22.8	210	9.5	230	3.0	237	529	20.0	635	13.7	722	8.0	780
August	364	26.1	459	12.0	514	10.3	567	184	28.8	237	0.0	237	(2.5)	231	548	27.0	696	7.9	751	6.3	798
September	340	30.9	445	12.8	502	6.6	535	183	12.6	206	3.4	213	9.4	233	523	24.5	651	9.8	715	7.4	768
October	345	34.5	464	21.3	563	0.0	563	174	28.2	223	15.2	257	(7.4)	238	519	32.4	687	19.4	820	(2.3)	801
November	326	33.1	434	18.9	516	(0.6)	513	148	29.1	191	7.3	205	(9.8)	185	474	31.9	625	15.4	721	(3.2)	698
December	319	34.5	429	18.2	507			130	26.9	165	3.0	170			449	32.3	594	14.0	677		
January	302	29.5	391	21.5	475			135	28.1	173	12.1	194			437	29.1	564	18.6	669		
February	287	20.2	345	30.7	451			126	16.7	147	25.2	184			413	19.1	492	29.1	635		
March	341	26.1	430	17.0	503			157	21.0	190	3.2	196			498	24.5	620	12.7	699		
April	352	25.0	440	18.6	522			159	23.3	196	13.3	222			511	24.5	636	17.0	744		
May	360	35.8	489	9.8	537			173	36.4	236	(4.2)	226			533	36.0	725	5.2	763		
Total Year	$4,051	26.7	$5,133	18.2	$6,066			$1,922	23.8	$2,380	7.8	$2,566			$5,973	25.8	$7,513	14.9	$8,632		
June-Nov	$2,090	24.8	$2,609	17.7	$3,071	5.7	$3,246	$1,042	22.2	$1,273	7.9	$1,374	(1.5)	$1,354	$3,132	23.9	$3,882	14.5	$4,445	3.5	$4,600

Northeast Extension Barrier Plazas Only

	Passenger Cars							Commercial Vehicles							Total Vehicles						
Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09
June	$215	(3.7)	$207	3.9	$215	1.4	$218	$198	8.6	$215	4.7	$225	(2.2)	$220	$413	2.2	$422	4.3	$440	(0.5)	$438
July	263	(4.2)	252	1.6	256	1.2	259	186	11.8	208	5.8	220	5.0	231	449	2.4	460	3.5	476	2.9	490
August	255	0.0	255	8.6	277	2.9	285	207	11.1	230	5.2	242	(6.6)	226	462	5.0	485	7.0	519	(1.5)	511
September	196	6.1	208	2.9	214	(6.1)	201	194	11.9	217	1.8	221	3.6	229	390	9.0	425	2.4	435	(1.1)	430
October	196	11.2	218	(3.7)	210	2.4	215	197	16.2	229	2.6	235	(3.0)	228	393	13.7	447	(0.4)	445	(0.4)	443
November	190	7.9	205	(4.4)	196	0.5	197	190	8.9	207	(5.3)	196	(6.1)	184	380	8.4	412	(4.9)	392	(2.8)	381
December	169	8.9	184	(9.8)	166			172	7.6	185	(2.7)	180			341	8.2	369	(6.2)	346		
January	145	4.8	152	(2.0)	149			174	13.2	197	(2.0)	193			319	9.4	349	(2.0)	342		
February	142	(9.9)	128	11.7	143			165	6.7	176	5.7	186			307	(1.0)	304	8.2	329		
March	168	6.5	179	(1.1)	177			195	11.8	218	(10.6)	195			363	9.4	397	(6.3)	372		
April	192	5.2	202	(1.5)	199			191	16.2	222	5.4	234			383	10.7	424	2.1	433		
May	206	8.7	224	1.8	228			214	15.4	247	(4.5)	236			420	12.1	471	(1.5)	464		
Total Year	$2,337	3.3	$2,414	0.7	$2,430			$2,283	11.7	$2,551	0.5	$2,563			$4,620	7.5	$4,965	0.6	$4,993		
June-Nov	$1,315	2.3	$1,345	1.7	$1,368	0.5	$1,375	$1,172	11.4	$1,306	2.5	$1,339	(1.6)	$1,318	$2,487	6.6	$2,651	2.1	$2,707	(0.5)	$2,693

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	Passenger Cars							Commercial Vehicles							Total Vehicles						
Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09
June	$389	(1.5)	$383	18.8	$455	(2.6)	$443	$161	5.6	$170	22.9	$209	(11.0)	$186	$550	0.5	$553	20.1	$664	(5.3)	$629
July	414	(3.9)	398	19.3	475	0.4	477	152	1.3	154	14.9	177	11.9	198	566	(2.5)	552	18.1	652	3.5	675
August	405	(1.7)	398	22.4	487	(0.8)	483	163	6.1	173	9.8	190	3.2	196	568	0.5	571	18.6	677	0.3	679
September	357	2.8	367	21.3	445	(2.9)	432	156	(2.6)	152	12.5	171	10.5	189	513	1.2	519	18.7	616	0.8	621
October	366	3.0	377	21.2	457	(1.5)	450	150	6.0	159	20.1	191	(2.1)	187	516	3.9	536	20.9	648	(1.7)	637
November	352	2.3	360	17.2	422	(3.8)	406	136	4.4	142	16.9	166	(12.7)	145	488	2.9	502	17.1	588	(6.3)	551
December	346	5.2	364	10.2	401			123	9.8	135	0.7	136			469	6.4	499	7.6	537		
January	316	1.9	322	15.8	373			128	11.7	143	12.6	161			444	4.7	465	14.8	534		
February	300	1.0	303	16.5	353			119	10.9	132	14.4	151			419	3.8	435	15.9	504		
March	351	14.5	402	1.0	406			149	12.8	168	(3.6)	162			500	14.0	570	(0.4)	568		
April	352	15.3	406	4.9	426			142	24.6	177	7.3	190			494	18.0	583	5.7	616		
May	369	20.3	444	0.9	448			165	29.1	213	(11.3)	189			534	23.0	657	(3.0)	637		
Total Year	$4,317	4.8	$4,524	13.8	$5,148			$1,744	10.0	$1,918	9.1	$2,093			$6,061	6.3	$6,442	12.4	$7,241		
June-Nov	$2,283	0.0	$2,283	20.1	$2,741	(1.8)	$2,691	$918	3.5	$950	16.2	$1,104	(0.3)	$1,101	$3,201	1.0	$3,233	18.9	$3,845	(1.4)	$3,792

Total Revenues

	Passenger Cars							Commercial Vehicles							Total Vehicles						
Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09
June	$29,853	(2.4)	$29,126	4.3	$30,368	(5.0)	$28,855	$24,700	3.6	$25,591	(0.6)	$25,440	(5.5)	$24,035	$54,553	0.3	$54,717	2.0	$55,808	(5.2)	$52,890
July	32,519	(3.2)	31,473	0.8	31,716	(1.9)	31,106	23,028	1.8	23,447	6.2	24,897	(1.3)	24,570	55,547	(1.1)	54,920	3.1	56,613	(1.7)	55,676
August	31,988	(0.8)	31,729	5.7	33,541	(1.8)	32,936	25,226	4.4	26,338	1.7	26,787	(9.8)	24,171	57,214	1.5	58,067	3.9	60,328	(5.3)	57,107
September	26,595	3.7	27,572	1.5	27,979	(5.4)	26,475	23,763	2.2	24,280	0.4	24,376	(3.5)	23,513	50,358	3.0	51,852	1.0	52,355	(4.5)	49,988
October	27,758	2.0	28,303	(0.1)	28,272	0.4	28,391	24,574	4.2	25,596	3.8	26,573	(8.9)	24,209	52,332	3.0	53,899	1.8	54,845	(4.1)	52,600
November	26,990	2.3	27,616	(0.9)	27,376	(2.4)	26,720	22,966	2.0	23,435	0.2	23,482	(15.7)	19,788	49,956	2.2	51,051	(0.4)	50,856	(8.6)	46,508
December	25,442	4.9	26,692	(5.7)	25,175			22,302	(1.8)	21,904	(0.8)	21,719			47,744	1.8	48,596	(3.5)	46,894		
January	22,874	(0.3)	22,810	(0.5)	22,704			22,091	5.0	23,188	1.4	23,522			44,965	2.3	45,998	0.5	46,226		
February	21,111	(7.9)	19,452	8.8	21,158			20,924	9.9	23,000	(4.0)	22,073			42,035	1.0	42,452	1.8	43,229		
March	25,300	(0.9)	25,084	0.7	25,262			24,826	1.2	25,119	(4.7)	23,937			50,126	0.2	50,203	(2.0)	49,199		
April	23,161	3.9	24,071	6.8	25,714			26,596	0.1	26,626	(8.8)	24,272			49,757	1.9	50,697	(1.4)	49,986		
May	27,678	4.2	28,853	(1.2)	28,499			25,140	4.7	26,311	(7.6)	24,314			52,818	4.4	55,164	(4.3)	52,813		
Total Year	$321,269	0.5	$322,781	1.5	$327,762			$286,136	3.0	$294,835	(1.2)	$291,392			$607,405	1.7	$617,616	0.2	$619,154		
June-Nov	$175,703	0.1	$175,819	2.0	$179,252	(2.7)	$174,483	$144,257	3.1	$148,687	1.9	$151,555	(7.4)	$140,286	$319,960	1.4	$324,506	1.9	$330,807	(4.8)	$314,769

SOCIOECONOMIC TRENDS AND FORECASTS

A detailed analysis of longer term economic trends and forecasts in the corridor was conducted as part of this analysis. These were used as input to the corridor growth analysis. Tables 5-8 provide a summary of various economic measures reviewed for this study, including population, employment, retail sales and gross state product. Additional detailed information is provided regarding monthly unemployment levels in the Turnpike corridor as well as weekly gasoline price trends.

The nation is now, according to most economists, in a recession. Traffic and revenue trends on the Pennsylvania Turnpike, and on most other toll facilities, clearly show the effect of the current economic downturn. Actual long term traffic and revenue trends along with the information provided in Tables 5-8 provide a good indication of the longer term growth potential for the Pennsylvania Turnpike, but short term (one to two year) adjustments are required to reflect the likely continued negative effects of the recession.

While there is no "crystal ball", it is widely expected that, on a national level, negative GDP growth will continue for the next one to two quarters, with low to flat GDP growth for another one to two quarters before an economic recovery begins to take effect. For purposes of developing the current forecasts, WSA has assumed continued negative growth through the middle of FY 2009-10. And then flat to no growth through the middle of FY 2010-11. Thereafter, we expect some recovery and then a continuation of more "normal" growth patterns as would be expected by the longer term economic growth forecasts shown in Tables 5-8.

POPULATION TRENDS AND FORECASTS

Historic population data were obtained from the U.S. Census, and future rates of growth were obtained from an economic research firm, Woods and Poole, for counties and states that significantly contribute to Pennsylvania Turnpike traffic demand. The historic and forecast rates of growth in total population are presented in Table 5, from 1980 through 2030. Historic data were available up to 2007. The rates of growth are summarized as the AAPC between the following time periods:

- 1980 through 1990;
- 1990 through 2000;
- 2000 through 2007;
- 2007 through 2010;
- 2010 through 2020;
- 2020 through 2030; and
- 2007 through 2030.

The rates of growth are presented for the following five states: New Jersey, New York, Ohio, Pennsylvania, and West Virginia. Information for the United States is provided as well. The county level data were summarized into the following four groups:

- **Pittsburgh Area Counties**: Allegheny, Armstrong, Beaver, Butler, Indiana, Lawrence, Washington and Westmoreland,
- **Interurban Area Counties**: Adams, Bedford, Blair, Cambria, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Lancaster, Lebanon, Mifflin, Perry, Somerset and York,
- **Philadelphia Area Counties:** Berks, Bucks, Chester, Delaware, Montgomery and Philadelphia, and
- **Northeastern Corridor Counties**: Carbon, Lackawanna, Lehigh, Luzerne, Northampton and Wyoming.

Table 5
Population Trends and Forecast

Area		Average Annual Percent Change						
		1980 - 90	1990 - 00	2000 - 07	2007 - 10	2010 - 20	2020 - 30	2007 - 30
Pittsburgh Area	(1)	(0.7)	(0.2)	(0.3)	0.3	0.4	0.5	0.4
Interurban Area	(2)	0.6	0.7	0.7	0.7	0.8	0.8	0.8
Philadelphia Area	(3)	0.2	0.4	0.3	0.3	0.4	0.5	0.4
Northeastern Corridor	(4)	0.2	0.2	0.6	0.3	0.4	0.5	0.4
Subtotal		**0.0**	**0.3**	**0.3**	**0.4**	**0.5**	**0.6**	**0.5**
New Jersey		0.5	0.8	0.6	0.8	0.8	0.9	0.8
New York		0.3	0.5	0.3	0.3	0.4	0.4	0.4
Ohio		0.1	0.5	0.2	0.2	0.3	0.4	0.3
Pennsylvania		0.0	0.3	0.3	0.4	0.5	0.6	0.5
West Virginia		(0.9)	0.1	0.1	0.2	0.2	0.4	0.3
Subtotal		**0.2**	**0.5**	**0.3**	**0.4**	**0.4**	**0.5**	**0.5**
United States		0.9	1.2	1.0	1.0	1.0	1.0	1.0

(1) Pittsburgh Area Counties: Allegheny, Armstrong, Beaver, Butler, Indiana, Lawrence, Washington, and Westmoreland.
(2) Interurban Counties: Adams, Bedford, Blair, Cambria, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Lancaster, Lebanon, Mifflin, Perry, Somerset, and York.
(3) Philadelphia Area Counties: Berks, Bucks, Chester, Delaware, Montgomery, and Philadelphia.
(4) Northeastern Corridor Counties: Carbon, Lackawana, Lehigh, Luzerne, Northhampton, and Wyoming.

Note: Years 1980 to 2000 represents U.S. Census data. Forecast year growth rates were obtained from Woods & Poole CEDDS, 2007 edition.

These groups of counties were used to describe areas of the Turnpike centered on the Pittsburgh metropolitan area, mid-state Pennsylvania, the Philadelphia metropolitan area, and the Northeastern Extension corridor. The data helped WSA to analyze the longer term growth potential of traffic demand on the Turnpike through 2030.

As can be seen in Table 5, population growth is very moderate in the Turnpike subregion, the states and the United States. Historically, Pennsylvania population has increased by between 0.0 and 0.3 percent per year between 1980 and 2007; this is about the same as population growth in the Turnpike corridor as well. For comparative purposes, population growth in the Unites States has averaged about 1.0 percent growth per year over the same period.

It is interesting to note that, as shown in Table 1, traffic growth on the Turnpike grew at 3.3 percent between 1987 and 2007; a much greater level than population growth, even in spite of multiple toll increases over this period. This demonstrates the ability of the Turnpike to attract a greater and greater share of travel in the corridor. It is also indicative of the nature of a facility of this type to both attract and generate its own traffic as motorists and businesses choose to locate along the Turnpike corridor to take advantage of the high level of service it offers.

Future population growth in the Turnpike corridor is forecast to increase slightly compared to historical levels. As shown, estimates average about 0.5 percent per year through 2030. This is more or less comparable to that for the states in the region, but only about half of the longer term population forecasts for the U.S.

EMPLOYMENT AND UNEMPLOYMENT TRENDS AND FORECASTS

Rates of growth in employment are shown in Table 6. Historical data are from the U.S. Department of Commerce, and the future growth rates are based on data from Woods & Poole.

Table 6
Employment Trends and Forecast

Area		Average Annual Percent Change						
		1980 - 90	1990 - 00	2000 - 07	2007 - 10	2010 - 20	2020 - 30	2007 - 30
Pittsburgh Area	(1)	0.4	0.9	0.5	1.4	1.3	1.1	1.2
Interurban Area	(2)	1.9	1.2	1.0	1.3	1.2	1.1	1.2
Philadelphia Area	(3)	1.3	0.8	0.6	1.1	1.0	0.9	1.0
Northeastern Corridor	(4)	1.1	0.9	0.8	1.2	1.1	1.0	1.1
Subtotal		**1.2**	**0.9**	**0.7**	**1.2**	**1.1**	**1.0**	**1.1**
New Jersey		1.9	0.9	1.1	1.3	1.2	1.0	1.1
New York		1.3	0.6	0.7	0.8	0.8	0.7	0.8
Ohio		1.2	1.5	0.3	1.3	1.2	1.1	1.2
Pennsylvania		1.2	1.0	0.7	1.2	1.1	1.0	1.1
West Virginia		(0.0)	1.3	0.8	1.4	1.3	1.1	1.2
Subtotal		**1.3**	**1.0**	**0.7**	**1.1**	**1.1**	**1.0**	**1.0**
United States		2.0	1.8	1.1	1.6	1.4	1.3	1.4

(1) Pittsburgh Area Counties: Allegheny, Armstrong, Beaver, Butler, Indiana, Lawrence, Washington, and Westmoreland.
(2) Interurban Counties: Adams, Bedford, Blair, Cambria, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Lancaster, Lebanon, Mifflin, Perry, Somerset, and York.
(3) Philadelphia Area Counties: Berks, Bucks, Chester, Delaware, Montgomery, and Philadelphia.
(4) Northeastern Corridor Counties: Carbon, Lackawana, Lehigh, Luzerne, Northhampton, and Wyoming.

Note: Historical data through 2000 are based on the U.S. Department of Commerce. Forecast data are based on growth rates obtained from Woods & Poole CEDDS, 2007 edition.

Historically, employment growth has averaged between 0.7 and 1.2 percent per year in Pennsylvania and the Turnpike corridor from 1980 through 2007. Employment growth in the United States increased at a faster rate, averaging between 1.1 and 2.0 percent per year during this time period. As with historical population growth, the 3.3 percent annual growth in traffic on Turnpike toll facilities is more than triple the average annual rate of growth in employment.

From 2000 through 2030, employment growth is estimated to increase by 1.4 percent per year in the Unites States, 1.1 percent in Pennsylvania, and 1.1 percent in the Turnpike corridors. Within the Turnpike corridor, employment growth rates are fairly consistent, estimated to average between 1.0 percent and 1.2 percent per year through 2030.

Figure 2 provides a detailed monthly trend in unemployment levels for various segments of the Turnpike, for the state and the U.S. Data are shown from January 1998 through November 2008 for the state and the U.S., and through October 2008 for the state sub-regions. This graph shows both the seasonal variations in unemployment levels during each year as well as the longer, multi-year, cyclical patterns.

Historically, the Harrisburg-Carlisle area has exhibited the lowest unemployment rates. This is probably a result of state government employment in the state capitol. Unemployment levels for the state, Philadelphia metro area and Pittsburgh have generally tended to vary at, or near, levels for the U.S. Only in the last few months has there been a divergence where unemployment levels for the U.S. have begun to exceed those for the state and corridor areas. Estimated November 2008 unemployment for the US reached 6.7 percent while that for Pennsylvania was 6.1 percent. October 2008 unemployment estimates totaled 5.7 percent for the Philadelphia metro area, 4.8 percent for Harrisburg-Carlisle, and 5.0 percent for Pittsburgh.

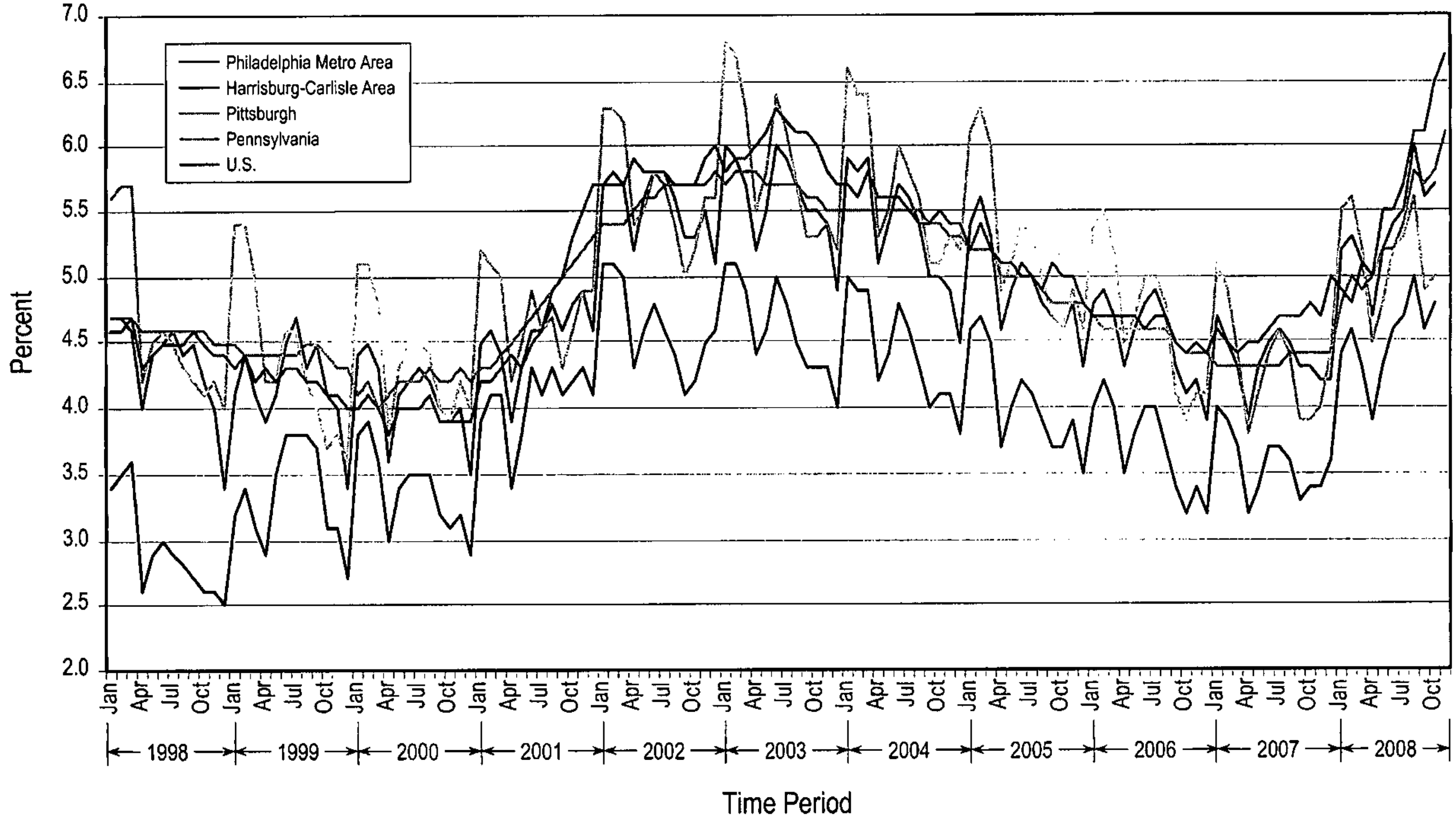
Economists are estimating continued short term increases in unemployment levels for the U.S. before a recovery to pre-recession levels. Various estimates for national unemployment levels reach the 9 to 10 percent level. This would put unemployment rates at levels not seen since 1982 when they averaged 9.7 percent. However, based on recent historical trends, it would appear that unemployment levels for Pennsylvania, and particularly for the Turnpike corridor itself, will be lower than those at the national level.

Retail Sales Trends and Forecasts

Retail sales trend and forecast information is shown in Table 7. Trends for Pennsylvania and the Turnpike corridor are very similar with the surrounding states, though lower than those for the U.S. as a whole.

Growth rates in retail sales are estimated to be slightly lower in the future, averaging 2.0 percent per year in the United States, 1.6 percent in Pennsylvania, and 1.6 percent in the Turnpike corridor between 2007 and 2030. The strongest growth in retail sales within the Turnpike corridor is forecast to occur in the Interurban Area (1.9 percent per year), followed by the Philadelphia Area (1.7 percent per year). The Northeastern Corridor is forecast to experience growth in retail sales averaging 1.4 percent per year from

index



WilburSmith ASSOCIATES

SUMMARY OF HISTORICAL MONTHLY UNEMPLOYMENT RATES

FIGURE 2

2007 through 2030, and retail sales in the Pittsburgh Area are forecast to average 1.4 percent per year through the same time period.

Table 7
Retail Sales Trends and Forecast

Area		Average Annual Percent Change						
		1980 - 90	1990 - 00	2000 - 07	2007 - 10	2010 - 20	2020 - 30	2007 - 30
Pittsburgh Area	(1)	0.3	2.2	0.8	1.3	1.4	1.5	1.4
Interurban Area	(2)	2.1	2.7	1.8	1.8	1.8	1.9	1.9
Philadelphia Area	(3)	2.0	2.5	1.6	1.6	1.6	1.7	1.7
Northeastern Corridor	(4)	1.5	2.3	1.7	1.3	1.4	1.5	1.4
Subtotal		**1.5**	**2.4**	**1.5**	**1.5**	**1.6**	**1.7**	**1.6**
New Jersey		2.1	2.4	1.8	1.9	2.0	2.0	2.0
New York		1.4	2.0	1.5	1.4	1.5	1.6	1.5
Ohio		1.1	3.1	1.4	1.3	1.4	1.5	1.4
Pennsylvania		1.5	2.4	1.5	1.5	1.6	1.7	1.6
West Virginia		(0.3)	2.7	1.3	1.3	1.4	1.5	1.4
Subtotal		**1.4**	**2.4**	**1.5**	**1.5**	**1.6**	**1.7**	**1.6**
United States		1.8	3.3	2.0	2.0	2.0	2.0	2.0

(1) Pittsburgh Area Counties: Allegheny, Armstrong, Beaver, Butler, Indiana, Lawrence, Washington, and Westmoreland.
(2) Interurban Counties: Adams, Bedford, Blair, Cambria, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Lancaster, Lebanon, Mifflin, Perry, Somerset, and York.
(3) Philadelphia Area Counties: Berks, Bucks, Chester, Delaware, Montgomery, and Philadelphia.
(4) Northeastern Corridor Counties: Carbon, Lackawana, Lehigh, Luzerne, Northhampton, and Wyoming.

Note: Data is based on Woods & Poole, CEDDS, 2007 Edition.

Gross State Product Trends and Forecasts

Another economic indicator that can reflect changing traffic demand is gross state product (GSP) and the gross domestic product (GDP) of the United States. The historic and forecast rates of growth for these variables are shown in Table 8. U.S. GDP increased by an average of about 3.0 percent per year between 1980 through 2007. Pennsylvania's GSP increased by an average 2.4 percent during the same time period. The growth rate of the combined five states averaged 2.6 percent per year, though much of this average growth was fueled by the high 4.5 percent growth exhibited by New Jersey between 1980 and 1990.

Future growth rates are estimated to decrease somewhat, averaging 2.3 percent for the US GDP from 2007 through 2030. Pennsylvania is estimated to experience an average increase in GSP of about 2.0 percent per year, while the combined five states are forecast to average an increase in GSP of 1.9 percent during that time period. Increasing GSP and GDP are positive indicators reflecting the potential for increasing traffic demand on the Turnpike.

Table 8
Gross State Product Trends and Forecast

	Average Annual Percent Change						
State	1980 - 90	1990 - 00	2000 - 07	2007 - 10	2010 - 20	2020 - 30	2007 - 30
New Jersey	4.5	2.4	2.5	2.0	2.1	2.2	2.2
New York	3.3	2.4	2.0	1.5	1.6	1.8	1.7
Ohio	1.9	2.5	2.2	1.9	2.0	2.1	2.0
Pennsylvania	2.2	2.3	2.6	1.9	2.0	2.1	2.0
West Virginia	(0.4)	1.6	3.1	2.1	2.1	2.2	2.1
Subtotal	**2.9**	**2.4**	**2.3**	**1.8**	**1.9**	**2.0**	**1.9**
United States	3.1	3.2	2.5	2.3	2.3	2.4	2.3

Note: Data was obtained from Woods & Poole, CEDDS, 2007 Edition.

It should be pointed out that these longer term forecasts are about one year old at this time. Current short term GDP forecasts are much more pessimistic than those shown in Table 8 for the 2007 to 2010 period. In their December 10, 2008 report, the Wachovia Economic Group is estimating negative US GDP growth of 2.0 percent in 2009 and positive 1.4 percent growth in 2010.

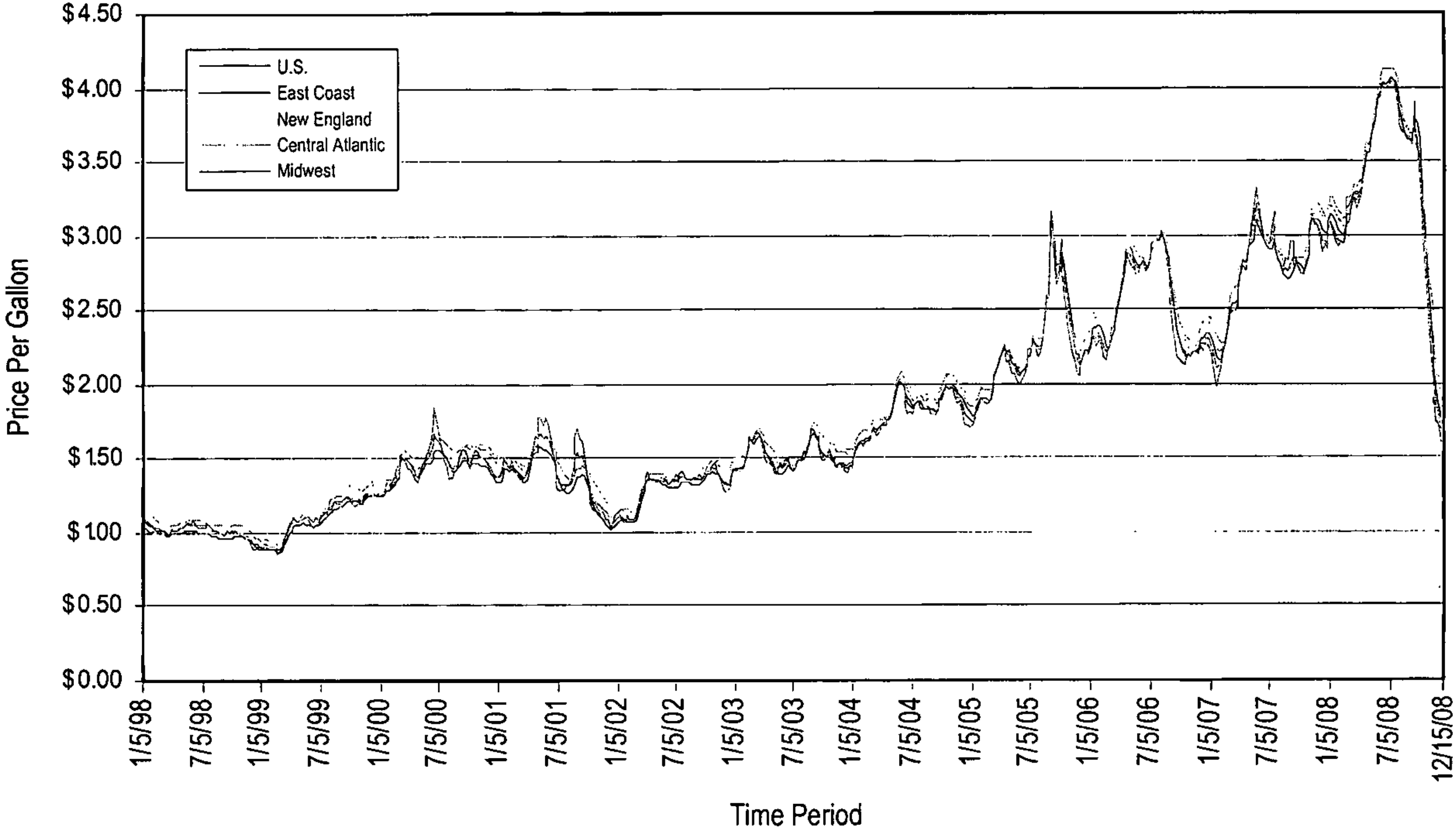
As discussed at the beginning of this section (Socioeconomic Trends and Forecasts), WSA has assumed continued short term negative growth for purposes of developing traffic and revenue forecasts for the Pennsylvania Turnpike. As discussed above, we assume continued negative growth through the middle of FY 2009-10 and then flat to no growth through the middle of FY 2010-11. Thereafter, we expect some recovery and then a continuation of more "normal" growth patterns as would be expected by the longer term economic growth forecasts shown for the economic indicators in Tables 5 through 8.

HISTORICAL GASOLINE PRICES

Another variable that can influence driver behavior is the price of gasoline. Figure 3 shows the weekly price per gallon of regular unleaded gasoline from January 5, 1998 through December 15, 2008. Data are shown for the U.S., the East Coast, New England, Central Atlantic (including Pennsylvania) and Midwest states. The most obvious characteristic is how consistent prices are for all of these regions. Prices tend not to vary more than about $0.10 to $0.20 between the five regions shown.

Prices peaked in June and July 2008 at just over $4.00 per gallon. This price increase was accompanied by decreasing traffic volumes on the Pennsylvania Turnpike and other toll and non-toll roads around the country. Many attributed this decline in trip making to high gas prices. Since July 2008, gas prices have dropped dramatically to a U.S. average of $1.65 per gallon by December 15, 2008. Averages for the Central Atlantic region are slightly higher at about $1.80 per gallon.

Trip making has continued to decline, however, even as gasoline prices have declined to levels not seen in the last five years. Thus, it is clear that the primary cause of declining traffic volumes was, and is, the underlying economic conditions of the region (and the US as a whole) and not simply gasoline prices. That said, however, low fuel costs do result in real savings to the consumer, and longer term that can only be positive in terms of future trip making.



WEEKLY REGULAR UNLEADED GASOLINE PRICES

FIGURE 3

Development of Normal Growth Assumptions

All of the socioeconomic data described above was used in the development of estimated growth rates on the Turnpike. Regression analyses were used to develop a relationship between these various measures and historical Turnpike traffic growth. While the data shown in Tables 5-8 are summarized into the four county groupings, WSA actually analyzed each interchange and barrier location based on the market area it serves. Using data collected as part of the 1999 origin and destination survey, WSA developed an interchange level profile (for both cars and commercial vehicles) identifying the Pennsylvania counties and states that contribute traffic to each Turnpike interchange.

As these types of data were not available for the barrier locations, county data were used based on the surrounding counties at each barrier location. Based on the analysis of the ticket system market share, this probably reflects an accurate reflection of actual barrier usage.

It should be emphasized again, however, that the regression analysis was used to develop longer term normal growth estimates beyond FY 2011-12. Shorter term estimates were developed recognizing the current economic recession and assumed continued negative growth through the middle of FY 2009-10 and zero to very low growth through the end of FY 2010-11.

ESTIMATED TRAFFIC AND TOLL REVENUE

This section of the report summarizes the study findings. Estimates of toll transaction and gross and net toll revenue are presented through FY 2030-31. These forecasts take into account the recent 25 percent toll rate increase on January 4, 2009 as well as the 3.0 percent annual toll rate adjustments on or about each subsequent January 1. A brief discussion is also provided of historical toll rate increases on the Pennsylvania Turnpike and the estimated effect they have had on traffic. Lastly, the currently proposed future rate structure will be discussed.

Historical and Proposed Pennsylvania Turnpike Toll Rates

Table 9 provides a historical summary of all past rate increases on the Turnpike, up to and including the one implemented on January 4, 2009. Since 1940, when the Turnpike's first section opened to traffic, there have only been five rate increases. The one on January 4, 2009 was the sixth. Table 9 also shows the average annual percent rate of growth in the per mile rate charged to use the Turnpike. Since 1940 the rate of growth has averaged 2.9 percent per year.

To keep up with inflation and to improve funding capability for proposed capital projects, the Turnpike will now implement a 3.0 percent toll adjustment that occurs each year (beginning on or about January 1, 2010) instead of a toll increase once every 10 years, at a compounded rate of 3.0 percent per year. Table 10 shows an example of how rates will increase through 2030 for various rates, including a current $1.00, $2.50 and $10.00 toll. This table begins with hypothetical rates just prior to the January 4, 2009 rate increase. As shown, the rounding convention will be different for cash and E-ZPass transactions. Today, there is no difference between these two payment types. E-ZPass tolls will be rounded to the nearest $0.01 while cash rates will be rounded up to the nearest $0.05.

Table 9
Historical and Future Per Mile Toll Rates
Pennsylvania Turnpike System

Year	Car Per Mile Toll	Total Percent Increase	Average Annual Increase
1940 (1)	$0.010	---	---
1969	0.020	100.0%	2.4%
1978	0.022	10.0	1.1
1987	0.031	40.9	3.9
1991	0.041	32.3	7.2
2004	0.059	43.9	2.8
2009 (2)	0.074	25.4	4.6
1940 - 2009			2.9

(1) The first section of the Turnpike opened in October 1940.
(2) This is the most recent rate increase which took place on January 4, 2009. Annual 3.0 percent rate increases will occur on or about January 1 of each succeeding year.

Table 10
Sample of Future Cash and E-ZPass Toll Rates
Pennsylvania Turnpike System

Calendar Year (1)	Percent Toll Rate Increase (2)	Growth in Rates from Levels Prior to January 4, 2009 Rate Increase: $1.00 Toll Cash (3)	$1.00 Toll E-ZPass (3)	$2.50 Toll Cash (3)	$2.50 Toll E-ZPass (3)	$10.00 Toll Cash (3)	$10.00 Toll E-ZPass (3)
2008 (4)	---	$1.00	$1.00	$2.50	$2.50	$10.00	$10.00
2009 (5)	25.0%	1.25	1.25	3.15	3.13	12.50	12.50
2010	3.0	1.30	1.29	3.25	3.22	12.90	12.88
2011	3.0	1.35	1.33	3.35	3.32	13.30	13.27
2012	3.0	1.40	1.37	3.45	3.42	13.70	13.67
2013	3.0	1.45	1.41	3.55	3.52	14.10	14.08
2014	3.0	1.45	1.45	3.65	3.63	14.50	14.50
2015	3.0	1.50	1.49	3.75	3.74	14.95	14.94
2016	3.0	1.55	1.53	3.85	3.85	15.40	15.39
2017	3.0	1.60	1.58	4.00	3.97	15.85	15.85
2018	3.0	1.65	1.63	4.10	4.09	16.35	16.33
2019	3.0	1.70	1.68	4.25	4.21	16.85	16.82
2020	3.0	1.75	1.73	4.35	4.34	17.35	17.32
2021	3.0	1.80	1.78	4.50	4.47	17.85	17.84
2022	3.0	1.85	1.83	4.60	4.60	18.40	18.38
2023	3.0	1.90	1.88	4.75	4.74	18.95	18.93
2024	3.0	1.95	1.94	4.90	4.88	19.50	19.50
2025	3.0	2.00	2.00	5.05	5.03	20.10	20.09
2026	3.0	2.10	2.06	5.20	5.18	20.70	20.69
2027	3.0	2.15	2.12	5.35	5.34	21.35	21.31
2028	3.0	2.20	2.18	5.50	5.50	21.95	21.95
2029	3.0	2.25	2.25	5.70	5.67	22.65	22.61
2030	3.0	2.35	2.32	5.85	5.84	23.30	23.29

(1) The 25 percent rate increase occurred on January 4, 2009; all other rate increases are assumed to occur on or about January 1 of the indicated year.
(2) These rate increases apply to all Turnpike toll facilities except for tolls on the Findlay Connector. Passenger Car toll rates on the Findlay Connector are currently $0.50 (with higher rates for commercial vehicles) and are assumed to remain unchanged over the forecast period.
(3) Cash rates are rounded up to the nearest $0.05 and E-ZPass rates are rounded to the nearest $0.01.
(4) These rates reflect those that would have been in effect prior to January 4, 2009.
(5) These are the rates that would currently be in effect subsequent to the January 4, 2009 rate increase.

Table 11 shows the historical growth in E-ZPass transactions. Over the last five years, passenger car E-ZPass market share has increased from almost 32 percent to nearly 47 percent of toll transactions. Commercial vehicle market share growth has been even greater, growing from about 40 percent in FY 2003-04 to over 70 percent by FY 2007-08. The actual rate of growth has been declining each year and we would expect that trend to continue. Some toll facilities offer toll discounts to those who pay electronically, that is not the case on the Pennsylvania Turnpike. Though the new rate schedules will introduce a very small toll savings for some E-ZPass users, that difference will never be greater than \$0.04 and is not, therefore, expected to create an inducement to join the E-ZPass program. All of the other benefits of E-ZPass (no need for cash, faster toll transactions, payment accountability, etc.) will be the driving factors behind continued growth in the E-ZPass program.

Table 11
E-ZPass Transaction
Market Share Trends
Pennsylvania Turnpike System

Fiscal Year	Passenger Car	Commercial Vehicle	Total
2003-04	31.9%	40.1%	33.0%
2004-05	36.4	49.1	38.1
2005-06	40.4	60.2	43.2
2006-07	44.3	67.9	47.6
2007-08	46.8	71.1	50.1

As shown in Table 9, the most recent toll increase for which data are available on the Pennsylvania Turnpike occurred in 2004 (August 1st). Impact information is not yet available for the January 4, 2009 increase. Table 12 provides a summary of the estimated impact the 42.5 percent rate increase had on toll transactions. Traffic volumes for the June and July period just before the toll increase (2004) were compared to the June and July period following the toll increase (2005). The impact between these two periods would include both normal growth between 2004 and 2005 and the impact of the toll increase.

As shown in Table 12, passenger car traffic decreased by 1.2 percent and commercial vehicle transactions dropped by 0.6 percent. Based on general growth trends after the toll increase, we estimate normal growth between 2004 and 2005 to have been 0.5 percent for passenger cars and about 3.0 percent for commercial vehicles. The difference between observed growth and estimated normal growth reflects the impact of the toll rate increase. In this case, the passenger car toll rate increase impact is estimated at negative 1.7 percent and a loss of about 3.6 percent for commercial vehicles. The elasticity measure is a way to benchmark these impacts. Thus, for each 100 percent increase in rates, passenger car traffic would be expected to decrease by about 4.0 percent and commercial vehicle trips by about 8.5 percent.

Table 12
Estimated Impact of 2004 Toll Rate Increase (1)
Pennsylvania Turnpike System

Time Period/Impact Estimates	Passenger Car	Commercial Vehicle	Total
Toll Increase plus Normal Growth Impact (2)	-1.2%	-0.6%	-1.1%
Estimated Normal Growth Only	0.5%	3.0%	0.8%
Estimated Toll Increase Impact (3)	-1.7%	-3.6%	-1.9%
Percent Toll Increase	42.5%	42.5%	42.5%
Elasticity of Demand (4)	-4.0%	-8.5%	-4.5%

(1) A rate increase of 42.5 percent was implemented for all vehicle classes on August 1, 2004.
(2) This reflects growth between June/July 2005 compared to June/July 2004. The June/July 2004 period excludes the toll increase impact while the June/July 2005 period does include the toll increase impact. Thus, the percent impacts shown in this row reflect the impact of the toll increase plus normal growth. between 2004 and 2005
(3) The estimated toll impact is calculated by subtracting normal growth (row two) from the toll increase plus normal growth estimates in row one.
(4) Elasticity of demand is calculated by dividing the estimated toll increase impact by the percent toll rate increase.

ESTIMATED TRAFFIC AND TOLL REVENUE

Tables 13 through 15 show the resulting estimates of annual traffic and gross toll revenue. Table 13 provides information for the ticket system only (including Gateway barrier plaza information as well) while Table 14 shows estimated traffic and gross toll revenue for the barrier systems (excluding Gateway). Table 15 provides a summary of total Turnpike traffic and toll revenue. All data for FY 2007-08 are actual and FY 2008-09 includes actual data for the first six months of the year (June through November 2008).

As shown in Table 13, total ticket transactions are expected to increase from about 158 million in FY 2007-08 to 233.1 million by FY 2030-31, an average annual growth rate of 1.7 percent. Estimated annual toll revenue increases from $571.5 million (after accounting for discounts and adjustments) to approximately $2,004.3 million over the same period. This represents an average annual growth rate of 5.6 percent and reflects the impact of both normal growth and the effects of annual toll rate increases.

Barrier system toll traffic (Table 14) is expected to increase from almost 31.3 million in FY 2007-08 to 61.4 million by the last forecast year, reflecting an average growth rate of about 3.0 percent per year. Growth rates on these facilities are higher than those on the ticket system due to the new market areas these facilities tend to serve. They are located on the fringes of urban areas where new suburban growth rates exceed those of the more developed areas served by the ticket system. Annual barrier toll revenue is shown to grow from about $27.4 million to $125.1 million over the forecast period; this represents an annualized growth of 6.8 percent.

Table 15 shows total Turnpike traffic and toll revenue. Total toll transactions are estimated to increase from 189.6 million in FY 2007-08 to almost 294.5 million by FY 2030-31. This represents annual growth of 1.9 percent. Total adjusted gross toll revenue is estimated to increase from $598.9 million to $2,129.5 million over the same period, representing 5.7 percent annualized growth.

Table 13
Estimated Annual Traffic and Gross Toll Revenue
Ticket System Only

Fiscal Year	Annual Traffic (1,000s) Passenger Cars	Commercial Vehicles	Total Vehicles	Annual Gross Revenue (1,000s) Passenger Cars	Commercial Vehicles	Total Vehicles	Revenue Discounts and Adjustments (1,000s) (4)	Adjusted Annual Gross Revenue (1,000s)
2007-08 (1)	136,018	22,253	158,272	$307,299	$283,511	$590,810	($19,296)	$571,514
2008-09 (2)	132,241	20,788	153,029	323,715	285,714	609,430	(19,904)	589,526
2009-10 (3)	129,996	19,887	149,883	366,066	314,577	680,643	(22,230)	658,413
2010-11 (3)	130,618	19,984	150,601	378,797	325,641	704,438	(23,007)	681,431
2011-12 (3)	135,189	20,883	156,072	403,817	350,503	754,320	(24,636)	729,684
2012-13 (3)	139,245	21,718	160,963	428,409	375,459	803,869	(26,254)	777,614
2013-14 (3)	142,726	22,479	165,205	452,293	400,258	852,551	(27,844)	824,707
2014-15 (3)	146,009	23,153	169,162	476,577	424,634	901,211	(29,434)	871,777
2015-16 (3)	149,075	23,824	172,899	501,183	450,057	951,239	(31,067)	920,172
2016-17 (3)	152,205	24,515	176,721	527,059	477,002	1,004,060	(32,793)	971,268
2017-18 (3)	155,402	25,202	180,604	554,271	505,068	1,059,339	(34,598)	1,024,741
2018-19 (3)	158,510	25,907	184,417	582,317	534,787	1,117,103	(36,485)	1,080,619
2019-20 (3)	161,680	26,607	188,287	611,782	565,703	1,177,485	(38,457)	1,139,028
2020-21 (3)	164,914	27,325	192,239	642,738	598,406	1,241,144	(40,536)	1,200,608
2021-22 (3)	168,047	28,063	196,110	674,599	633,000	1,307,598	(42,706)	1,264,892
2022-23 (3)	171,240	28,793	200,033	708,039	668,941	1,376,980	(44,972)	1,332,008
2023-24 (3)	174,493	29,541	204,035	743,136	706,924	1,450,060	(47,359)	1,402,701
2024-25 (3)	177,809	30,309	208,118	779,973	747,063	1,527,036	(49,873)	1,477,163
2025-26 (3)	181,009	31,097	212,107	817,833	789,481	1,607,315	(52,495)	1,554,820
2026-27 (3)	184,268	31,875	216,142	857,531	833,495	1,691,026	(55,229)	1,635,797
2027-28 (3)	187,584	32,672	220,256	899,155	879,962	1,779,118	(58,106)	1,721,012
2028-29 (3)	190,961	33,488	224,449	942,800	929,020	1,871,821	(61,134)	1,810,687
2029-30 (3)	194,398	34,326	228,724	988,564	980,813	1,969,377	(64,320)	1,905,057
2030-31 (3)	197,897	35,184	233,081	1,036,549	1,035,493	2,072,042	(67,673)	2,004,369

(1) Reflects actual traffic and revenue experience.
(2) Assumes implementation of the 25 percent rate increase on January 4, 2009. FY 2008-09 contains six months of actual experience.
(3) Assumes implementation of a 3 percent rate increase on or about January 1 of the indicated year.
(4) Discounts and adjustments are based on actual experience in FY 2007-08 and reflect approximately 3.3 percent of gross toll revenue.

Table 14
Estimated Annual Traffic and Gross Toll Revenue
Barrier System Only

Fiscal Year	Annual Traffic (1,000s) Passenger Cars	Commercial Vehicles	Total Vehicles	Annual Revenue (1,000s) Passenger Cars	Commercial Vehicles	Total Vehicles	Discounts and Adjustments (1,000s) (4)	Adjusted Annual Gross Revenue (1,000s)
2007-08 (1)	28,078	3,201	31,280	$20,462	$7,878	$28,340	($926)	$27,415
2008-09 (2)	28,438	3,200	31,639	22,811	8,590	31,402	(1,026)	30,376
2009-10 (3)	28,316	3,135	31,451	26,157	9,690	35,847	(1,171)	34,676
2010-11 (3)	28,557	3,159	31,717	27,175	10,057	37,232	(1,216)	36,016
2011-12 (3)	29,912	3,297	33,210	29,340	10,809	40,149	(1,311)	38,838
2012-13 (3)	31,182	3,425	34,607	31,528	11,561	43,089	(1,407)	41,682
2013-14 (3)	32,352	3,550	35,901	33,717	12,338	46,055	(1,504)	44,551
2014-15 (3)	33,539	3,669	37,209	36,040	13,133	49,173	(1,606)	47,567
2015-16 (3)	34,733	3,783	38,516	38,483	13,943	52,426	(1,712)	50,714
2016-17 (3)	35,971	3,891	39,863	41,093	14,770	55,863	(1,824)	54,038
2017-18 (3)	37,220	3,997	41,217	43,839	15,622	59,460	(1,942)	57,519
2018-19 (3)	38,514	4,105	42,619	46,771	16,517	63,288	(2,067)	61,221
2019-20 (3)	39,855	4,212	44,068	49,900	17,453	67,353	(2,200)	65,153
2020-21 (3)	41,205	4,322	45,527	53,190	18,436	71,626	(2,339)	69,287
2021-22 (3)	42,604	4,434	47,038	56,699	19,475	76,174	(2,488)	73,686
2022-23 (3)	44,009	4,546	48,555	60,383	20,559	80,942	(2,644)	78,298
2023-24 (3)	45,425	4,661	50,086	64,253	21,703	85,955	(2,807)	83,148
2024-25 (3)	46,889	4,778	51,667	68,372	22,911	91,283	(2,981)	88,302
2025-26 (3)	48,362	4,899	53,261	72,694	24,186	96,881	(3,164)	93,717
2026-27 (3)	49,841	5,019	54,860	77,224	25,516	102,740	(3,355)	99,384
2027-28 (3)	51,317	5,142	56,459	81,958	26,918	108,876	(3,556)	105,321
2028-29 (3)	52,839	5,268	58,107	86,985	28,398	115,383	(3,768)	111,615
2029-30 (3)	54,362	5,398	59,759	92,241	29,959	122,200	(3,991)	118,209
2030-31 (3)	55,882	5,530	61,413	97,729	31,607	129,335	(4,224)	125,111

(1) Reflects actual traffic and revenue experience.
(2) Assumes implementation of the 25 percent rate increase on January 4, 2009. FY 2008-09 contains six months of actual experience.
(3) Assumes implementation of a 3 percent rate increase on or about January 1 of the indicated year.
(4) Discounts and adjustments are based on actual experience in FY 2007-08 and reflect approximately 3.3 percent of gross toll revenue.

Table 15
Estimated Annual Traffic and Gross Toll Revenue
Total Turnpike System

Fiscal Year	Annual Traffic (1,000s) Passenger Cars	Annual Traffic (1,000s) Commercial Vehicles	Annual Traffic (1,000s) Total Vehicles	Annual Revenue (1,000s) Passenger Cars	Annual Revenue (1,000s) Commercial Vehicles	Annual Revenue (1,000s) Total Vehicles	Discounts and Adjustments (1,000s) (4)	Adjusted Annual Gross Revenue (1,000s)
2007-08 (1)	164,097	25,455	189,552	$327,761	$291,389	$619,150	($20,221)	$598,929
2008-09 (2)	160,679	23,988	184,667	346,527	294,305	640,831	(20,930)	619,902
2009-10 (3)	158,312	23,022	181,334	392,223	324,266	716,489	(23,401)	693,089
2010-11 (3)	159,175	23,143	182,318	405,972	335,698	741,670	(24,223)	717,447
2011-12 (3)	165,101	24,181	189,282	433,157	361,312	794,469	(25,947)	768,522
2012-13 (3)	170,427	25,143	195,571	459,938	387,020	846,958	(27,662)	819,296
2013-14 (3)	175,078	26,028	201,106	486,011	412,596	898,607	(29,348)	869,258
2014-15 (3)	179,548	26,822	206,370	512,617	437,767	950,384	(31,040)	919,344
2015-16 (3)	183,808	27,607	211,415	539,665	464,000	1,003,665	(32,780)	970,885
2016-17 (3)	188,177	28,407	216,584	568,151	491,772	1,059,923	(34,617)	1,025,306
2017-18 (3)	192,622	29,199	221,821	598,110	520,690	1,118,800	(36,540)	1,082,260
2018-19 (3)	197,024	30,012	227,036	629,087	551,304	1,180,391	(38,552)	1,141,840
2019-20 (3)	201,535	30,819	232,355	661,682	583,156	1,244,838	(40,656)	1,204,181
2020-21 (3)	206,119	31,647	237,766	695,928	616,842	1,312,770	(42,875)	1,269,895
2021-22 (3)	210,651	32,497	243,148	731,298	652,475	1,383,772	(45,194)	1,338,578
2022-23 (3)	215,249	33,339	248,587	768,422	689,500	1,457,922	(47,616)	1,410,306
2023-24 (3)	219,918	34,202	254,120	807,389	728,627	1,536,015	(50,166)	1,485,849
2024-25 (3)	224,698	35,088	259,785	848,346	769,974	1,618,319	(52,854)	1,565,465
2025-26 (3)	229,371	35,996	265,367	890,528	813,668	1,704,195	(55,659)	1,648,536
2026-27 (3)	234,108	36,894	271,002	934,755	859,011	1,793,765	(58,584)	1,735,181
2027-28 (3)	238,901	37,814	276,715	981,114	906,880	1,887,994	(61,662)	1,826,332
2028-29 (3)	243,800	38,757	282,556	1,029,785	957,418	1,987,203	(64,902)	1,922,301
2029-30 (3)	248,760	39,723	288,483	1,080,804	1,010,772	2,091,577	(68,311)	2,023,266
2030-31 (3)	253,780	40,714	294,494	1,134,277	1,067,100	2,201,377	(71,897)	2,129,480

(1) Reflects actual traffic and revenue experience.
(2) Assumes implementation of the 25 percent rate increase on January 4, 2009. FY 2008-09 contains six months of actual experience.
(3) Assumes implementation of a 3 percent rate increase on or about January 1 of the indicated year.
(4) Discounts and adjustments are based on actual experience in FY 2007-08 and reflect approximately 3.3 percent of gross toll revenue.

* * *

DISCLAIMER

Current professional practices and procedures were used in the development of these findings. However, there is considerable uncertainty inherent in future traffic and revenue forecasts for any toll facility. There may sometimes be differences between forecasted and actual results caused by events and circumstances beyond the control of the forecasters. These differences could be material. Also, it should be recognized that traffic and revenue forecasts in this document are intended to reflect the overall estimated long-term trend. Actual experience in any given year may vary due to economic conditions and other factors.

Respectfully submitted,

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March 30, 2010

Mr. Nikolaus Grieshaber
Chief Financial Officer
Pennsylvania Turnpike Commission
700 South Eisenhower Boulevard
Middletown, PA 17057

Re: Pennsylvania Turnpike 2010 Traffic and Toll Revenue Bring Down Letter

Dear Mr. Grieshaber:

It is our understanding that the Pennsylvania Turnpike Commission (PTC) will be going to the bond market in the next few months in order to support the Turnpike's ongoing capital improvement program and other funding requirements. Wilbur Smith Associates (WSA) developed a detailed Traffic and Toll Revenue Update Study for PTC dated January 6, 2009. Several significant events have occurred since the development of WSA's prior forecasts. Toll rate increases of 25 percent in January 2009 and three percent in January 2010, as well as the continuing effects of the recent economic recession, have all occurred in the period since WSA's last update. The purpose of this Bring Down Letter is to provide an update of Turnpike System traffic and toll revenue trends since the January 2009 study, review actual versus estimated traffic and revenue over that period, and to provide updated forecasts of Turnpike traffic and toll revenue.

The forecast period in this update is extended to FY 2034-35 (the forecast period in the January 2009 study ended in FY 2030-31). Consistent with the January 2009 analysis, and the actual January 2010 increase, it is assumed that an annual three percent toll rate increase would be implemented on or around January 1 of each year. It should also be pointed out that while tolling I-80 was once considered, for purposes this traffic and toll revenue study for the existing Turnpike System, I-80 is not assumed to be tolled.

While this Bring Down Letter provides details on the Turnpike System, the original January 2009 report should be consulted for a detailed summary and review of socioeconomic trends and forecasts for the state, region and country. Additional information regarding the Turnpike, such as historical toll rate increases, sample toll rates, E-ZPass market share, and more, are also provided in the January 2009 report. The underlying economic assumptions in that report remain unchanged from this point forward regarding the assumed length and severity of the economic downturn. The purpose of this analysis is to update the forecast to reflect the most current actual traffic and toll revenue experience and to make any necessary short term adjustments to the forecasts based on that experience.

TICKET SYSTEM TRAFFIC TRENDS BETWEEN 1990 AND 2009

Table 1 identifies average annual daily traffic trends for each of the ticket system locations between 1990 and 2009. Gateway barrier plaza (Interchange 2) is also shown in this table. More recent trends will be discussed in Table 3. Please note that in 2003 the west end of the system converted from a ticket system to a barrier system. Thus, volumes shown at Gateway are not comparable between 2002 and 2003. Also at this time, exit toll plazas were removed from Interchanges 10, 13 and 28 as the new endpoint of the ticket system (identified in this table as Interchange 30) was shifted to between Interchanges 28 and 39. Also as footnoted in Table 1, two-way toll collection was replaced by one-way toll collection at Gateway in 2006. Traffic values in Table 1 were doubled from that point forward to simulate total two-way traffic volumes in order to be comparable to historical trends.

Passenger car trends are shown in the upper portion of Table 1. Average annual percent changes are shown for various periods. Relatively strong growth was experienced during the first decade (1990-2000) where total passenger car traffic grew at an annual rate of 3.2 percent. The second decade of this trend period has shown much more moderate annual growth at 1.4 percent. This is particularly affected by the most recent four year period (2005-2009) when annual growth averaged just 0.1 percent. This is clearly the result of the recent economic downturn that has affected Pennsylvania as well as the rest of the country. Overall passenger car growth between 1990 and 2009 has averaged 2.4 percent, including the impacts of the most recent downturn. It should also be noted that three toll increases have occurred over the time frame shown in Table 1. Rate increases were implemented in 1991 (32 percent), 2004 (43 percent) and 2009 (25 percent). These have had some negative impact on traffic levels over time, though as will be discussed in more detail below, the more recent impacts of the economic recession have been greater than impacts associated with the most recent toll increases.

The second portion of Table 1 shows commercial vehicle historical traffic trends on the ticket system. As with passenger cars, the strongest period of growth for commercial vehicles has been between 1990 and 2000. Commercial traffic increased at a 3.6 percent annual rate over that period. Over the most recent nine year period (2000-2009) traffic grew at an annual rate of 1.1 percent. This is heavily influenced by the negative 2.6 percent annual growth between 2005 and 2009 when commercial activity was particularly hard hit by the economic recession plus toll increase related impacts. Still, over the entire historical period shown, commercial traffic has increased at an average annual rate of 2.4 percent.

Total vehicle traffic trends are shown in the lower portion of Table 1. Because passenger cars make up about 85 percent of total ticket system toll transactions, the trends and growth rates for total vehicles closely mirror those for passenger cars.

BARRIER SYSTEM TRAFFIC TRENDS BETWEEN 1994 AND 2009

Table 2 identifies average annual daily traffic trends for each of the Turnpike barrier systems. These contribute relatively little to overall traffic and revenue (about 15 percent of traffic and 5 percent of revenue), but, as shown in Table 2, they have been growing at a slightly greater level than the ticket system. The higher growth in these corridors is likely related to the fact that they are newer facilities than the ticket system, and that the potential for "induced" and "ramp-up" growth is greater. These facilities tend to be on the fringe of urban areas and are benefiting from the increasing spread of development into their corridors.

RECENT MONTHLY TRAFFIC AND REVENUE TRENDS

Table 3 provides monthly traffic volumes on all facilities for FY 2005-06 through February FY 2009-10. Information is also provided for passenger cars and commercial vehicles separately. Similar to the longer term historical trends shown in Tables 1 and 2, the ticket system has exhibited generally lower growth compared to the barrier locations. The effects of the current negative economic climate are clearly shown in this data. What is especially clear, however, is that the biggest decline was between FY 2007-08 and FY 2008-09. During that period, total passenger car transactions declined by 0.9 percent and commercial vehicle traffic declined by 7.4 percent. It should be pointed out that the January 2009 twenty-five percent toll increase most likely negatively impacted traffic during this period, but the biggest impact was due to the general economic climate.

Transaction data for the most recent period, FY 2009-10, is shown for the period June through February. Subtotals for this period are also shown for each fiscal year. Traffic trends for the most recent period (FY 2009-10 over FY 2008-09) show a clear improvement in Turnpike activity. Total passenger car transactions are essentially unchanged over this period and commercial vehicle activity is down by a more modest 5.5 percent. Even more encouraging is that the last four months of data for commercial vehicles have shown much improved activity. Over this period (November-February) commercial activity is negative by an average of only 2.4 percent. It should be pointed out that car and truck travel demand was negatively impacted by two particularly severe winter storms in February 2010. Normal, unimpacted, traffic volumes in February 2010 would have been much higher than those shown absent the effects of February's inclement weather.

Figure 1 provides another perspective to recent traffic trends on the Pennsylvania Turnpike by comparing its experience with those of other toll facilities around the country. Monthly passenger car and commercial vehicle traffic trends are shown for the last three full calendar years for the Pennsylvania Turnpike, Oklahoma Turnpike, New Jersey Turnpike, and Illinois Tollway.

Two features are especially prominent in this figure. First are the nearly identical patterns exhibited by commercial vehicles over the last two years. Most show a peaking in negative impact by late 2008 or early 2009, with peak declines approaching 15 percent. Since then, the negative impacts have been in decline, such that during the last quarter of 2009, most facilities show negative growth as less than three percent, or even slightly positive as in the case of the Illinois Tollway. As shown in Table 3, the positive growth trend in passenger-car volumes and the smaller reductions in commercial vehicle trips are continuing on the Pennsylvania Turnpike in the current fiscal year. As recently as January 2010, passenger traffic was up by 2.4 percent and commercial traffic down by only 1.8 percent over the same month in 2009. February data does show relatively large negative growth, but, as explained above, this was heavily influenced by multiple snow storms during that period.

The second interesting feature of these graphs is that two of the facilities had toll increases near the beginning of the economic downturn (Pennsylvania Turnpike and New Jersey Turnpike) and two did not (Oklahoma Turnpike and Illinois Tollway). Yet, the overall patterns of growth are nearly identical (especially for commercial vehicles) among all four facilities. This would indicate that the impact of the rate increases have been minimal and totally eclipsed by the impact of the economic downturn.

Monthly gross toll revenue trends over the same time period are shown in Table 4 for each toll facility. The effects of the January 2009 twenty-five percent toll increase are clearly evident in this data. Passenger car revenue growth generally ranges between 20 percent and 30 percent in calendar year 2009 over calendar year 2008. Though positive, commercial vehicle toll revenue growth over the same period was much lower due to the larger negative traffic impacts resulting from the economic downturn. The improving picture for commercial vehicles, however, is evident by the increasingly large revenue growth throughout calendar year 2009. January 2009 commercial vehicle toll revenue was only 0.6 percent greater than January 2008 revenue. Those percents progressively increase through December, when commercial revenue growth in 2009 was 17.6 percent greater than in 2008. On a Systemwide basis, total toll revenue increased by 3.1 percent in FY 2008-09 over FY 2007-08, including a five month impact of the January 2009 toll increase. Thus far in FY 2009-10 (through February) total toll revenue has increased by 15.0 percent over the previous fiscal year. This includes seven month's impact of the 25 percent toll increase and two months (January and February) of the three percent toll increase that was implemented in January 2010.

Actual Versus Estimated Traffic and Toll Revenue

Table 5 provides a comparison of actual traffic and toll revenue versus estimated traffic and toll revenue from WSA's January 2009 Study. The analysis period in this table is from December 2008 through February 2010. This 15 month period corresponds to the period for which actual data currently exists, but was estimated at the time of the last study.

In general, the effect of the economic downturn has not affected passenger car traffic as much as originally estimated. Total actual passenger car traffic was about 2.6 percent greater than estimated, while actual toll revenue outpaced WSA estimates by 5.3 percent. Most of the differences fall within a relatively narrow range, with the exception being for PA 43. Here, actual experience was 6.7 percent greater than WSA estimates. This is because a significant capital improvement was completed during this period. A four-lane, limited access extension over ten miles in length was constructed at the southern terminus of this corridor. While not tolled, it significantly improves access to PA 43. WSA underestimated the positive impact of this improvement in the January 2009 Study.

As shown in Table 5, actual passenger car toll revenue exceeded WSA estimates by 5.3 percent. Again, the impact of the limited access extension at PA 43 resulted in the largest difference between actual and forecasted revenue, with actual experience outperforming WSA estimates by 6.4 percent.

With the exception of PA 43 (for reasons explained above) actual commercial vehicle experience underperformed WSA estimates on all sections of the Turnpike. On a traffic basis, the worst performer was PA 60, which was nearly 10 percent under WSA estimates. Overall, however, commercial traffic was just 2.1 percent below WSA estimates. The fact that commercial vehicle revenue was down by 7.8 percent on the ticket system, versus only 2.1 percent on a traffic basis, indicates that the effect of the economic downturn affected longer distance (higher paying) trips much more than shorter distance (lower paying) trips. In addition, the average weight classification (and thus toll rate) has shifted downward slightly in calendar year 2009 compared to 2008. Class 2 and 3 vehicles now make up a slightly greater proportion of commercial vehicles and Classes 4-8 make up a slightly lower proportion.

This has resulted in slightly less toll revenue per vehicle being collected. Total commercial vehicle toll revenue underperformed WSA estimates by 7.6 percent.

The over performance of passenger car activity and the underperformance of commercial vehicle activity nearly cancel each other out on a total Systemwide basis. For all vehicles combined, actual traffic experience outperformed WSA estimates by 2.0 percent, with actual toll revenue experience underperforming WSA estimates by 0.6 percent.

Updated Near and Long Term Growth Estimates

The comparison of WSA's recent estimates with actual experience (shown in the previous section) helped to fine tune the near term forecasts for passenger cars and commercial vehicles. Compared to the January 2009 forecast, passenger vehicle growth was increased slightly and commercial vehicle growth was decreased slightly. It must be remembered that while the impact of the economic downturn has been especially severe for commercial vehicles, the last four months of actual data have shown dramatic improvement and are essentially back to growth levels that were previously assumed. Longer term growth estimates, beyond 2012, remain unchanged from the assumptions in WSA's January 2009 Study.

Table 6 provides a comparison of actual (2008 and 2009) and estimated (2010 through 2014) growth in gross domestic product (GDP) and updated traffic growth forecasts. As shown, GDP is projected to spike in 2012 to 5.0 percent. It is important to note (as footnoted in this table) that the Turnpike traffic growth estimates are on a fiscal year basis, such that 2008 reflects the growth in traffic in FY 2007-08. The first WSA estimate year is for FY 2009-10; as shown traffic is still estimated to show a decline of 0.5 percent compared to the previous year. A slight improvement to positive 1.3 percent traffic growth is forecast for FY 2010-11. The 3.8 percent growth in FY 2011-12 reflects both normal growth plus a "bump" in growth due to recovery from the several years of low to negative growth. Beyond FY 2013-14, average Turnpike traffic growth is estimated to average about 2 percent growth; again, this is consistent with assumptions in the January 2009 study.

Estimated Traffic and Gross Toll Revenue

Traffic and toll revenue forecasts for the Pennsylvania Turnpike were refined and extended through FY 2034-35. Consistent with WSA's January 2009 Study, annual rates adjustments of 3 percent were assumed to be implemented on, or about, January 1st of each year.

Table 7 shows the traffic and toll revenue for only the ticket system, assuming 3 percent annual toll increases. FY 2007-08 and FY 2008-09 reflect actual data and FY 2009-10 includes actual data through February 2010. Total toll transactions increase from 158.3 million to 256.2 million over the forecast period, an average annual increase of 1.8 percent. Gross toll revenue increases from $590.8 million to nearly $2.5 billion by FY 2034-35. This amounts to an average annual increase of 5.4 percent, reflecting the impact of normal growth plus the annual rates adjustments and the 25 percent toll increase in January 2009.

The same information is shown for the barrier toll systems in Table 8. Compared to the ticket system, total annual toll transactions are estimated to grow at a slightly higher average annual rate, averaging 3.0 percent over the period shown. Total barrier revenue increases at an annual rate of 6.7 percent. In FY

2007-08 barrier revenue amounts to about 4.6 percent of total Systemwide toll revenue. By FY 2034-35 that percent has increased slightly to about 6.2 percent due to the higher growth rates.

Table 9 identifies total combined gross toll revenue and also factors in estimated toll discounts and adjustments. The vast majority of the discounts and adjustments results from commercial account toll adjustments due to the Turnpike's volume discount program. The final column in Table 9 shows total adjusted annual gross toll revenue. As shown, total adjusted gross toll revenue is estimated to grow from approximately $598.9 million in FY 2007-08 to nearly $2.6 billion by FY 2034-35. This reflects an average annual growth rate in gross toll revenue of 5.5 percent. Again, this includes the impact of normal growth, annual three percent toll adjustments and the January 2009 twenty-five percent toll increase. The net impact of including the most recent traffic and revenue experience and short term growth adjustments is that total estimated toll revenue is about 1 percent lower than the estimates developed as part of the January 2009 Study.

* * *

DISCLAIMER

Current professional practices and procedures were used in the development of these findings. However, there is considerable uncertainty inherent in future traffic and revenue forecasts for any toll facility. There may sometimes be differences between forecasted and actual results caused by events and circumstances beyond the control of the forecasters. These differences could be material. Also, it should be recognized that traffic and revenue forecasts in this document are intended to reflect the overall estimated long-term trend. Actual experience in any given year may vary due to economic conditions and other factors.

Respectfully submitted,

WILBUR SMITH ASSOCIATES

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Table 1
Summary of Annual Ticket System and Gateway Average Daily Transaction Trends
Pennsylvania Turnpike System

Passenger Cars By Interchange (Milepost)

Calendar Year	2 (5)	10 (5)	13 (5)	28 (5)	30 (5)	39	48	57	67	75	91	110	146	161	180	189	201	226	236	242
1990	6,812		1,875	7,363		4,015	7,182	15,577	7,758	7,927	2,099	1,933	1,855	5,593	573	354	420	4,328	2,612	4,035
1991 (1)	6,873		1,740	7,414		4,019	7,196	15,671	7,674	7,785	2,129	1,944	1,943	5,407	570	350	430	4,333	2,672	3,974
1992	6,916		1,654	7,445		4,013	7,196	15,624	7,871	7,629	2,149	1,949	1,927	5,214	566	342	439	4,327	2,726	3,905
1993	6,990		1,561	7,519		4,029	7,235	15,714	6,113	7,519	2,186	1,966	1,972	5,057	566	358	451	4,346	2,797	3,858
1994	7,064	1,558	1,507	7,574		4,035	7,257	15,763	6,736	7,381	2,216	1,976	1,912	4,965	564	373	462	4,354	2,842	3,802
1995	7,280	1,601	1,488	7,819		4,063	7,045	15,887	6,228	7,651	2,311	2,024	2,036	5,109	589	381	477	4,675	3,499	4,186
1996	7,292	1,636	1,516	8,232		4,279	7,602	16,101	6,399	8,046	2,212	2,025	2,135	5,214	586	407	500	4,665	3,665	4,145
1997	7,496	1,911	1,604	8,569		4,463	8,064	16,700	8,586	8,331	2,253	2,030	2,222	5,436	617	428	521	4,281	3,495	4,060
1998	7,815	2,010	1,743	9,211		4,827	7,962	17,291	9,082	8,706	2,352	2,058	2,479	5,697	643	462	649	4,626	3,641	4,296
1999	7,850	2,064	1,759	9,369		5,003	8,686	17,826	9,481	9,484	2,301	1,916	2,728	5,838	673	480	667	4,886	3,889	4,699
2000	7,333	2,184	1,771	9,399		4,939	9,251	17,762	9,533	8,584	2,142	1,848	2,760	5,828	630	453	574	4,792	4,039	5,103
2001	8,068	2,307	1,824	9,940		5,180	8,998	18,337	9,593	8,868	2,236	1,911	2,960	6,331	661	436	591	5,304	4,172	5,081
2002	9,082	2,344	1,800	10,163		5,188	9,348	18,436	9,789	9,386	2,204	2,031	3,228	6,599	700	477	661	5,460	4,560	5,400
2003	13,628				7,374	5,448	9,506	18,770	10,303	9,394	2,253	2,081	3,290	6,820	715	488	670	5,365	4,804	5,761
2004 (2)	16,379				11,565	5,417	8,377	18,398	10,064	9,191	2,239	1,948	3,370	6,713	761	483	679	5,292	4,798	5,734
2005	15,873				11,298	5,164	9,101	18,087	9,437	8,880	2,257	1,987	3,163	6,517	661	448	649	4,939	4,567	5,352
2006	16,386				11,419	5,181	9,129	16,290	8,562	8,779	2,237	1,927	3,037	6,356	678	443	658	4,958	4,562	5,196
2007	16,365				11,940	5,613	9,408	16,196	8,814	8,606	2,478	2,087	3,059	6,218	711	440	662	4,973	4,661	5,285
2008	16,192				12,066	5,627	9,276	18,305	9,066	8,522	2,395	2,119	2,884	6,005	675	428	614	4,736	4,507	5,068
2009 (3)	16,862				12,232	5,406	9,087	16,083	8,674	8,433	2,351	2,104	2,972	6,366	655	409	603	4,628	4,470	5,894
Average Annual Percent Change																				
1990-00	0.7	NA	(0.3)	2.5	NA	2.1	2.6	1.3	2.1	0.8	0.2	(0.4)	3.5	0.4	1.0	2.5	3.2	1.0	4.5	2.4
2000-09	9.7	NA	NA	NA	NA	1.2	(0.2)	0.2	(1.0)	(0.2)	1.0	1.4	0.8	1.0	0.4	(1.1)	0.5	(0.4)	1.1	1.6
2005-09	1.6	NA	NA	NA	2.1	1.6	(0.0)	(0.0)	(2.1)	(1.3)	1.0	2.7	(1.5)	(0.6)	(1.3)	(2.3)	(1.8)	(1.6)	(0.5)	2.4
1990-09	4.9	NA	NA	NA	NA	1.7	1.2	0.8	0.8	0.3	0.6	0.4	2.2	0.7	0.7	0.8	1.9	0.4	2.9	2.0

Calendar Year	247	266	286	298	312	326	333	20	339	340	343	351	358	359	31	44	56	74	95	105	115	Total
1990	7,129	2,179	4,607	3,858	6,279	23,848	13,561		13,681		16,674	21,292	5,088	14,186	4,528	3,927	7,290	2,433	2,931	1,887	1,778	239,874
1991 (1)	7,164	2,212	4,750	4,001	6,438	22,920	12,073		14,473		17,576	21,666	5,085	14,113	5,191	4,141	7,764	2,551	3,020	1,870	2,018	241,388
1992	7,162	2,241	4,867	4,035	6,567	21,681	10,730		15,782		18,287	21,995	5,050	14,026	5,936	4,358	8,748	2,689	3,105	2,033	2,284	242,610
1993	7,241	2,282	5,058	4,092	6,775	21,009	9,592		16,166		19,100	22,456	5,085	14,819	6,826	4,618	8,811	2,809	3,211	2,152	2,806	248,130
1994	7,282	2,319	5,220	4,139	6,930	20,122	6,553	22,910	17,125		19,926	22,678	5,068	13,979	7,830	4,877	9,387	2,949	3,313	2,250	2,865	273,838
1995	7,808	2,383	5,453	4,224	7,070	20,707	6,975	25,568	18,179		21,963	24,361	5,024	14,348	8,256	5,087	9,807	3,069	3,387	2,305	3,170	287,342
1996	7,989	2,500	5,400	4,330	6,723	21,082	9,296	26,958	18,335		22,370	24,750	5,215	14,596	8,760	6,344	10,534	3,281	3,603	2,329	3,232	295,864
1997	7,991	2,643	5,728	4,844	7,311	21,337	9,912	28,430	18,812		22,902	25,685	5,291	14,829	9,980	5,595	11,218	3,452	3,832	2,442	3,401	306,785
1998	8,409	2,867	6,041	5,253	7,838	22,380	10,337	29,605	20,185		23,207	26,256	5,422	15,312	10,984	6,250	11,290	3,709	4,003	2,550	3,548	320,486
1999	8,818	2,867	6,098	5,513	8,361	21,643	10,865	29,828	20,031		22,397	26,089	5,476	15,450	11,187	6,626	11,843	3,865	4,130	2,593	3,587	326,504
2000	9,004	3,037	6,242	5,681	8,824	21,531	10,585	30,770	19,967		23,085	26,865	5,373	15,385	11,381	6,890	12,558	3,897	4,144	2,611	3,592	330,117
2001	9,123	3,214	6,472	6,187	9,437	24,784	11,335	31,945	21,056		23,753	27,653	5,317	16,349	11,430	6,683	13,363	4,137	4,151	2,714	3,887	345,565
2002	9,739	3,361	6,653	6,682	10,006	25,284	11,901	33,408	21,360	998	24,197	28,568	5,478	16,785	12,411	6,981	13,805	4,323	4,413	2,850	4,042	358,816
2003	10,217	3,663	6,954	7,201	10,421	26,826	12,297	34,130	22,149	1,316	24,850	29,503	5,765	17,532	12,930	7,378	14,578	4,442	4,590	2,946	4,013	369,305
2004 (2)	10,256	3,695	7,207	7,359	10,455	26,231	12,566	35,753	22,015	1,341	25,716	30,084	6,011	18,089	13,166	7,929	15,392	4,691	5,020	3,243	4,258	383,734
2005	9,917	3,843	6,969	7,336	10,291	26,201	11,861	35,452	21,709	1,570	25,152	29,563	5,856	17,844	12,941	7,950	15,064	4,582	4,722	3,033	4,051	374,397
2006	9,553	3,802	7,185	7,457	10,556	26,173	11,455	36,060	21,581	1,561	24,809	29,433	5,854	17,635	13,034	8,149	15,316	4,657	4,750	3,060	4,047	374,980
2007	9,802	3,740	7,397	7,446	11,011	27,089	11,312	35,850	21,200	1,537	26,054	29,817	5,917	17,727	13,304	8,235	15,581	4,796	4,761	3,186	4,043	376,734
2008	10,073	3,577	7,060	7,448	10,636	26,975	11,848	35,518	20,312	1,521	25,277	29,315	5,964	17,274	13,389	8,313	14,850	4,811	4,709	3,062	4,178	375,695
2009 (3)	9,952	3,484	6,910	7,576	10,234	27,783	11,904	34,961	20,989	1,370	25,165	29,196	5,707	16,943	13,431	8,399	15,339	4,773	5,021	3,232	4,289	375,594
Average Annual Percent Change																						
1990-00	2.4	3.4	3.1	3.8	3.5	(1.1)	(2.4)	NA	3.8	NA	3.2	2.3	0.6	0.9	9.7	5.5	5.6	4.8	3.5	3.3	7.3	3.2
2000-09	1.1	1.5	1.1	2.7	1.7	2.9	1.3	1.4	0.6	NA	1.0	1.0	0.6	0.9	1.9	2.6	2.2	2.2	2.2	2.4	2.0	1.4
2005-09	0.1	(1.1)	(0.2)	(0.5)	(0.1)	(0.4)	0.1	(0.3)	(0.8)	(3.3)	0.0	(0.3)	(0.4)	(1.3)	0.9	1.4	0.5	0.9	1.5	1.6	1.4	0.1
1990-09	1.8	2.5	2.2	3.2	2.6	0.8	(0.7)	NA	2.3	NA	2.1	1.7	0.7	0.9	5.9	4.1	4.0	3.6	2.9	2.9	4.7	2.4

Commercial Vehicles By Interchange (Milepost)

Calendar Year	2 (5)	10 (5)	13 (5)	28 (5)	30 (5)	39	48	57	67	75	91	110	146	161	180	189	201	226	236	242	247	266	286	298	312	326	333	20	339	340	343	351	358	359	31	44	56	74	95	105	115	Total
1990	2,370		404	1,385		390	880	1,314	664	3,337	207	675	630	1,894	107	105	112	2,340	348	520	1,143	305	904	520	749	2,530	1,144		871		1,758	2,382	991	2,561	604	382	1,185	241	438	94	465	36,474
1991 (1)	2,370		371	1,372		368	849	1,321	664	3,282	205	658	841	1,906	111	99	111	2,316	365	529	1,184	285	921	548	732	2,437	667		899		1,278	2,359	1,010	2,436	663	309	1,255	250	476	97	543	36,220
1992	2,366		345	1,355		388	856	1,206	862	3,230	203	639	644	1,916	114	93	110	2,288	361	536	1,183	271	937	576	714	2,341	656		927		1,296	2,342	1,027	2,312	729	416	1,326	258	517	100	832	35,888
1993	2,355		372	1,346		390	848	1,216	665	3,206	202	624	651	1,839	119	88	110	2,260	390	546	1,208	265	959	610	700	2,085	490		960		1,323	2,328	1,051	2,206	800	458	1,409	288	566	104	739	35,613
1994	2,348	225	304	1,334		391	839	1,344	665	3,164	201	606	657	1,955	123	83	109	2,247	417	555	1,231	261	978	645	684	2,182	378	2,435	992		1,347	2,308	1,073	2,099	880	458	1,483	276	618	108	863	38,861
1995	2,404	241	274	1,382		412	870	1,381	655	3,300	199	651	694	2,041	120	81	113	2,560	517	639	1,293	268	978	679	679	2,268	415	2,619	1,005		1,404	2,355	1,112	2,125	924	480	1,582	311	674	107	901	40,673
1996	2,374	281	288	1,433		413	880	1,419	665	3,400	185	674	695	2,115	124	89	109	2,619	476	629	1,273	282	913	690	616	2,375	427	2,830	1,035		1,471	2,371	1,182	2,179	1,005	495	1,713	342	773	114	944	41,988
1997	2,446	302	303	1,502		437	849	1,471	706	3,548	202	681	721	2,208	130	90	113	2,454	479	656	1,376	316	1,059	679	670	2,495	452	3,052	1,062		1,541	2,569	1,199	2,240	1,097	541	1,911	357	837	122	1,038	44,073
1998	2,805	314	295	1,576		472	963	1,534	745	3,788	211	725	875	2,380	138	95	117	2,799	470	695	1,479	358	1,035	681	740	2,870	473	3,258	1,152		1,828	2,691	1,242	2,384	1,143	615	2,081	396	899	125	1,113	47,121
1999	2,848	383	324	1,690		518	1,042	1,635	810	4,058	238	808	1,082	2,711	137	102	124	3,030	518	771	1,574	400	1,123	866	796	2,706	514	3,408	1,200		1,627	2,814	1,363	2,510	1,216	846	2,250	406	1,039	131	1,180	50,842
2000	2,849	384	324	1,706		526	1,067	1,567	609	4,138	228	750	1,145	2,729	151	104	135	3,072	536	802	1,556	399	1,305	997	830	2,727	532	3,573	1,188		1,660	2,681	1,552	2,716	1,247	678	2,380	479	1,113	141	1,162	52,009
2001	2,709	394	315	1,693		521	1,032	1,663	809	4,066	226	712	1,196	2,672	146	98	143	3,121	544	813	1,517	418	1,325	985	844	2,868	504	3,470	1,227		1,823	2,880	1,337	2,722	1,202	633	2,336	418	1,076	142	1,140	51,539
2002	2,837	402	303	1,670		523	1,027	1,604	826	4,161	253	734	1,312	2,753	160	100	151	3,198	580	856	1,587	452	1,338	1,034	901	2,884	572	3,707	1,323	4	1,748	3,071	1,420	2,971	1,249	689	2,443	481	1,138	166	1,241	53,920
2003	4,258				1,865	513	1,048	1,591	837	4,756	267	729	1,375	2,840	173	108	161	3,359	619	995	1,718	499	1,437	1,146	935	3,137	598	3,639	1,373	11	1,877	3,204	1,624	3,296	1,319	842	2,592	465	1,166	178	1,250	57,489
2004 (4)	5,447				3,196	536	1,075	1,653	849	4,345	316	729	1,484	2,886	198	106	186	3,471	632	1,070	1,812	601	1,492	1,194	971	3,360	618	4,124	1,408	13	2,040	3,268	1,737	3,613	1,387	869	2,833	498	1,235	205	1,336	62,849
2005	5,780				3,340	552	1,072	1,680	857	4,348	282	710	1,350	2,902	205	108	215	3,430	668	1,119	1,895	518	1,481	1,160	987	3,408	628	4,187	1,453	16	2,102	3,338	1,807	3,754	1,408	897	2,909	526	1,227	208	1,340	63,770
2006	5,288				3,371	527	1,081	1,706	853	4,369	286	715	1,332	2,635	218	107	214	3,483	723	1,154	1,854	538	1,507	1,187	996	3,468	611	4,320	1,424	19	2,119	3,374	1,610	3,790	1,429	851	3,051	546	1,292	210	1,329	64,106
2007	5,403				3,505	575	1,177	1,735	894	4,478	306	743	1,327	2,910	230	108	229	3,548	774	1,164	1,663	549	1,572	1,188	1,056	3,446	636	4,433	1,403	20	2,210	3,397	1,612	3,949	1,505	990	3,139	596	1,336	216	1,368	65,796
2008	5,243				3,412	571	1,185	1,636	895	4,389	287	736	1,151	2,616	203	96	219	3,350	690	1,243	1,817	523	1,491	1,084	806	3,190	663	4,114	1,343	19	2,100	3,384	1,529	4,137	1,495	958	3,118	464	1,284	400	1,204	63,156
2009 (3)	4,517				2,894	544	1,104	1,498	889	3,902	314	652	1,009	2,261	189	85	193	2,893	646	1,146	1,653	469	1,325	936	806	2,902	587	3,751	1,260	18	1,999	3,111	1,410	3,768	1,453	929	3,039	480	1,226	306	1,187	57,489
Average Annual Percent Change																																										
1990-00	1.1	NA	(2.2)	2.1	NA	3.0	1.9	2.4	2.0	2.2	1.0	1.0	6.1	3.7	3.5	(0.1)	1.9	2.8	4.4	4.4	3.1	2.7	3.7	6.7	1.1	0.8	(7.4)	NA	3.2	NA	2.9	1.9	4.6	0.6	7.5	5.9	7.2	5.9	9.8	4.1	9.6	3.6
2000-09	6.1	NA	NA	NA	NA	0.4	0.5	(1.1)	0.6	(0.7)	3.6	(1.5)	(1.4)	(2.1)	1.2	(2.2)	4.0	(0.7)	2.1	4.0	0.7	1.9	0.2	(0.7)	(0.3)	0.7	1.3	0.5	0.8	NA	1.9	0.9	(1.1)	3.7	1.6	3.6	2.9	1.3	1.1	12.1	0.0	1.1
2005-09	(5.9)	NA	NA	NA	(2.7)	(0.4)	0.7	(2.8)	0.3	(2.7)	4.6	(2.1)	(7.0)	(6.1)	(4.8)	(3.3)	(2.7)	(4.2)	(0.8)	0.6	(3.4)	(2.4)	(2.4)	(5.2)	(4.5)	(3.9)	(1.2)	(2.7)	(3.5)	2.1	(1.2)	(1.7)	(6.0)	0.1	0.8	0.9	1.1	(2.2)	(0.0)	17.3	(3.4)	(2.6)
1990-09	3.4	NA	NA	NA	NA	1.8	1.2	0.7	1.4	0.8	2.2	(0.2)	2.5	0.9	2.4	(1.1)	2.9	1.1	3.3	4.2	2.0	2.3	2.0	3.1	0.4	0.7	(3.4)	NA	2.0	NA	2.5	1.4	1.9	2.1	4.7	4.8	5.1	3.7	5.6	7.9	5.0	2.4

Total Vehicles By Interchange (Milepost)

Calendar Year	2 (5)	10 (5)	13 (5)	28 (5)	30 (5)	39	48	57	67	75	91	110	146	161	180	189	201	226	236	242	247	266	286	298	312	326	333	20	339	340	343	351	358	359	31	44	56	74	95	105	115	Total
1990	9,191		2,229	8,748		4,405	8,067	16,891	8,422	11,298	2,306	2,609	2,581	7,487	680	459	532	6,668	2,961	4,555	8,272	2,484	5,511	4,478	7,029	26,418	14,695		14,562		18,132	23,684	6,050	16,729	5,132	4,309	8,475	2,674	3,367	1,981	2,243	276,348
1991 (1)	9,243		2,111	8,786		4,408	8,067	16,947	8,538	11,077	2,331	2,602	2,584	7,315	681	457	541	6,649	3,037	4,503	8,328	2,497	5,671	4,549	7,171	25,367	12,940		15,372		18,854	24,035	6,075	16,549	5,854	4,540	9,019	2,801	3,496	2,067	2,561	277,606
1992	9,272		1,999	8,800		4,401	8,052	16,830	8,533	10,868	2,352	2,588	2,571	7,132	680	455	549	6,613	3,107	4,441	8,365	2,512	5,824	4,811	7,301	24,222	11,366		16,189		19,563	24,337	6,077	16,338	6,662	4,774	9,574	2,937	3,622	2,153	2,918	278,698
1993	9,354		1,903	8,865		4,419	8,063	16,930	6,778	10,725	2,387	2,590	2,573	6,896	685	456	561	6,615	3,198	4,404	8,449	2,547	6,016	4,702	7,475	23,094	10,081		17,148		20,423	24,786	6,116	16,225	7,626	5,053	10,220	3,077	3,777	2,256	3,345	281,943
1994	9,412	1,781	1,811	8,906		4,426	8,096	17,107	8,001	10,555	2,417	2,586	2,569	6,848	687	456	571	6,601	3,279	4,357	8,513	2,580	6,198	4,784	7,634	22,304	6,931	25,345	18,117		21,273	25,184	6,141	16,078	8,710	5,336	10,880	3,227	3,931	2,358	3,626	312,720
1995	9,682	1,932	1,762	9,211		4,466	7,865	17,268	6,881	10,951	2,510	2,675	2,732	7,150	809	462	590	7,235	4,016	4,624	8,801	2,631	6,431	4,903	7,749	22,976	9,390	28,188	19,184		23,367	26,716	6,136	16,373	9,180	5,567	11,489	3,370	4,071	2,412	4,071	328,015
1996	9,666	2,117	1,801	9,665		4,692	8,482	17,520	9,063	11,446	2,407	2,699	2,830	7,329	710	496	609	7,284	4,143	4,775	9,262	2,782	6,403	5,020	7,339	23,487	9,723	29,789	19,370		23,841	27,121	6,377	16,774	9,785	5,839	12,247	3,603	4,378	2,443	4,176	337,433
1997	9,942	2,213	1,907	10,071		4,920	6,933	18,171	9,292	11,879	2,455	2,721	2,943	7,646	747	518	634	6,735	3,974	4,736	9,369	2,959	6,786	5,673	7,981	23,832	10,364	31,482	19,874		24,443	28,254	6,490	17,069	11,077	6,136	13,129	3,809	4,669	2,564	4,439	350,838
1998	10,420	2,324	2,038	10,787		5,299	8,945	18,825	9,827	12,495	2,563	2,784	3,304	8,087	781	557	666	7,425	4,111	4,990	9,888	3,225	7,076	6,134	8,578	25,030	10,810	32,863	21,337		24,835	28,947	6,664	17,676	11,737	6,865	13,371	4,105	4,902	2,675	4,661	367,607
1999	10,696	2,427	2,083	11,059		5,527	9,728	19,261	10,291	13,743	2,619	2,724	3,790	8,549	830	582	691	7,916	4,405	5,470	10,392	3,367	7,219	6,479	9,159	24,351	11,379	33,038	21,231		24,024	28,903	6,658	17,960	12,403	7,172	14,093	4,291	5,169	2,724	4,747	377,186
2000	9,882	2,548	2,095	11,107		5,465	10,308	19,444	10,342	12,732	2,370	2,598	3,905	8,557	781	557	709	7,864	4,575	5,905	10,560	3,436	7,547	6,658	9,663	24,258	11,117	34,343	21,185		24,765	29,548	6,925	18,281	12,623	7,388	14,938	4,376	5,257	2,752	4,754	362,126
2001	10,785	2,696	2,139	11,633		5,701	10,030	20,000	10,402	12,934	2,462	2,623	4,158	9,003	809	534	734	8,425	4,716	5,894	10,642	3,632	7,797	7,172	10,281	27,652	11,839	35,415	22,283		25,376	30,533	6,649	19,071	12,632	7,326	15,699	4,555	5,227	2,856	4,637	397,104
2002	12,019	2,746	2,163	11,853		5,709	10,363	20,040	10,615	13,527	2,457	2,766	4,536	9,352	860	577	812	8,376	5,149	6,256	11,306	3,833	7,992	7,715	10,909	28,158	12,473	37,113	22,703	1,002	25,945	31,627	6,898	19,736	13,660	7,669	16,247	4,784	5,652	3,024	5,283	412,636
2003	18,087				9,239	5,961	10,553	20,361	11,140	13,650	2,520	2,769	4,665	9,661	886	596	831	8,724	5,422	6,777	11,936	4,163	8,391	8,347	11,355	30,064	12,895	37,969	23,613	1,329	26,727	32,707	7,380	20,828	14,258	8,220	17,120	4,907	5,768	3,122	5,283	426,794
2004 (4)	21,826				14,761	5,953	10,452	20,251	10,902	13,537	2,556	2,676	4,874	9,601	959	588	865	8,733	5,429	6,803	12,066	4,196	8,699	8,552	11,426	31,891	13,204	39,877	23,422	1,554	27,756	33,352	7,748	21,699	14,553	8,796	18,225	5,188	6,255	3,448	5,592	446,383
2005	21,633				14,609	5,706	10,173	19,767	10,294	13,228	2,520	2,602	4,514	9,419	896	555	863	8,369	5,235	6,471	11,812	4,161	8,430	8,485	11,259	31,609	12,487	39,640	23,162	1,587	27,254	32,900	7,663	21,598	14,350	8,848	17,973	5,088	5,949	3,242	5,391	438,168
2006	21,675				14,791	5,708	10,210	19,996	10,435	13,168	2,523	2,642	4,369	9,191	894	550	672	8,442	5,265	6,350	11,407	4,140	8,691	8,644	11,654	31,659	12,066	40,381	22,984	1,599	26,728	32,807	7,664	21,425	14,463	8,999	18,368	5,204	6,043	3,269	5,377	439,075
2007	21,766				15,445	6,186	10,583	19,930	10,507	13,284	2,784	2,810	4,386	9,126	941	548	891	8,521	5,435	6,459	11,765	4,389	8,968	8,634	12,088	30,515	11,948	41,091	22,606	1,558	28,264	33,315	7,728	21,676	14,809	9,225	18,720	5,393	6,097	3,406	5,401	447,087
2008	21,434				15,458	6,198	10,411	19,941	9,963	12,912	2,661	2,857	4,146	8,621	878	522	832	8,085	5,197	7,311	11,890	4,100	6,551	6,532	11,543	30,165	12,511	39,631	21,655	1,540	27,365	32,700	7,494	21,411	14,885	9,271	18,068	5,295	5,973	3,463	5,332	438,851
2009 (3)	21,400				15,226	6,039	10,191	19,581	9,543	12,334	2,665	2,755	3,981	8,617	624	494	796	7,521	5,116	7,040	11,604	3,854	8,235	8,112	11,039	30,685	12,501	38,712	22,249	1,386	27,163	32,307	7,177	20,712	14,664	9,328	16,378	5,204	6,247	3,427	5,458	433,083
Average Annual Percent Change																																										
1990-00	0.8	NA	(0.6)	2.4	NA	2.2	2.5	1.4	2.1	1.2	0.3	(0.0)	4.2	1.3	1.4	2.0	2.9	1.7	4.4	2.6	2.5	3.3	3.2	4.0	3.2	(0.9)	(2.6)	NA	3.8	NA	3.2	2.2	1.3	0.9	9.4	5.5	5.8	4.9	4.6	3.3	7.8	3.3
2000-09	8.8	NA	NA	NA	NA	1.1	(0.1)	0.1	(0.8)	(0.4)	1.3	0.7	0.2	0.1	0.6	(1.3)	1.3	(0.5)	1.3	2.0	1.1	1.8	1.0	2.2	1.5	2.6	1.3	1.3	0.6	NA	1.0	1.0	0.4	1.4	1.6	2.7	2.3	2.1	1.9	3.1	1.5	1.4
2005-09	(0.3)	NA	NA	NA	1.0	1.4	0.0	(0.2)	(1.9)	(1.7)	1.4	1.4	(3.1)	(2.2)	(2.1)	(2.8)	(2.0)	(2.6)	(0.6)	2.1	(0.4)	(1.3)	(0.6)	(1.1)	(0.5)	(0.7)	0.0	(0.6)	(1.0)	(3.3)	(0.1)	(0.5)	(1.6)	(1.0)	0.9	1.3	0.6	0.6	1.2	2.8	0.3	(0.3)
1990-09	4.6	NA	NA	NA	NA	1.7	1.2	0.8	0.7	0.5	0.8	0.3	2.3	0.7	1.0	0.4	2.1	0.6	2.8	2.3	1.8	2.5	2.1	3.2	2.4	0.8	(0.8)	NA	2.3	NA	2.2	1.6	0.8	1.1	5.8	4.1	4.2	3.6	3.3	3.2	4.8	2.4

(1) A toll increase of 32% was implemented on June 1, 1991.
(2) A toll increase of 42.5% was implemented on August 1, 2004
(3) A toll increase of 25% was implemented on January 4, 2009. Toll rates on Findlay Connector/PA-576 and the Mon-Fayette Expy/Tpke 43 Uniontown to Brownsville remained unchanged.
(4) Several changes have occurred at Gateway Plaza during this time period. It was converted from the western terminus of the ticket system to a barrier plaza on June 1, 2003; at this time toll classifications were switched from weight based to axle based. On January 2, 2006, toll collection at the barrier location was converted from two-way to one-way collection.
(5) Once Gateway was converted to a barrier plaza, Interchange 30, Warrendale, became the new start of the Turnpike ticket system in 2004. Toll collection was removed from Interchanges 10, 13 and 28 at this time.

Table 2
Barrier System: Average Daily Transactions by Interchange
Pennsylvania Turnpike

Passenger Cars

Calendar Year	Northeastern Facilities: Keiser Ave.	Clarks Summit	Subtotal	Toll 60[4]: South Toll 60	Beaver Falls Rte 551	Moravia Rte 168	North Toll 60	Mt Jackson Rte 108	Subtotal	Toll 66[5]: Rte 136	AKH Mainline	Ramp 30	Route 130	Route 66	Subtotal	Mon Fayette (Toll 43): Ramp I-68	I-68	I-35 California	Ramp I-70	Ramp M44	Ramp M48	I-52	Subtotal	Southern Beltway (Toll 576): 60 Route 30	60 Westport Rd	Route 22	Subtotal	Total Barrier Facilities
1994	0	2,831	2,831	6,965	271	481	3,916	720	12,352	295	5,764	1,641	622	413	8,925			5,436					5,436					29,544
1995	4,803	5,177	9,980	7,268	318	520	4,130	836	13,083	303	8,411	1,977	873	459	10,023			5,942					5,942					39,008
1996	6,491	6,814	13,305	7,897	334	648	4,614	1,087	14,468	366	7,250	2,181	1,017	501	11,334			6,714					6,714					45,841
1997	6,961	7,261	14,222	8,407	336	579	4,964	1,211	15,497	413	8,081	2,471	1,190	523	12,678			7,314					7,314					49,711
1998	6,441	6,789	13,230	8,724	358	613	5,193	1,313	16,201	437	8,911	3,020	1,123	527	14,018			6,643					6,643					50,092
1999	5,686	5,844	11,530	8,798	370	610	5,298	1,385	16,461	480	8,050	3,105	986	430	13,048			7,312					7,312					49,151
2000	5,527	5,642	11,169	9,008	382	619	5,481	1,454	16,944	478	9,283	3,390	893	455	14,499			8,274					8,274					50,888
2001	5,622	5,847	11,469	9,390	399	682	5,866	1,606	17,943	516	9,813	2,751	1,001	518	15,399	29	1,859	8,237	954				11,079					53,890
2002[1]	5,948	6,169	12,117	9,586			6,021		15,607		10,044				10,044	29	1,726	5,582	1,300				8,898					48,487
2003	6,274	6,492	12,766	9,782			6,174		15,956		10,478				10,478	30	1,794	2,728	1,788			5,669	12,008					51,208
2004[2]	6,719	6,747	13,466	9,821			6,385		16,206		10,658				10,658	29	1,864	9,305	906	736	2,543	6,326	21,709					62,320
2005	6,489	6,519	13,008	9,896			6,812		16,708		11,123				11,123	25	1,873	9,368	868	720	2,790	6,748	22,409					63,328
2006	6,573	6,545	13,117	9,854			7,047		16,901	217	12,053	861	225	117	13,473	32	2,080	9,754	983	758	2,936	7,099	23,802	80	59	533	671	67,765
2007	6,736	6,740	13,476	10,334	434	766	7,534	1,277	20,328	597	12,308	2,889	1,260	680	17,633	39	2,151	10,224	1,030	748	3,213	7,179	24,581	166	125	2,914	3,204	79,221
2008	6,782	6,790	13,572	10,288	458	808	7,633	1,557	20,744	808	12,327	4,817	1,370	782	19,803	32	2,257	10,530	1,082	749	3,301	7,351	25,273	223	130	3,320	3,873	83,146
2009[3]	7,012	6,850	13,862	9,897	430	708	7,617	1,390	20,040	727	12,114	4,845	1,376	738	19,594	22	2,301	10,316	1,050	703	3,356	7,181	24,831	262	153	3,727	4,142	82,589
Average Annual Percent Change																												
1994[6] - 00	NA	12.2	25.7	4.4	5.9	4.3	5.8	12.4	5.4	8.4	6.3	12.9	1.4	1.6	8.4	NA	NA	7.3	NA	NA	NA	NA	7.3	NA	NA	NA	NA	9.5
2000 - 09	2.7	2.2	2.4	1.1	1.3	1.5	3.7	(0.5)	1.9	4.8	3.0	3.8	4.9	5.5	3.4	NA	NA	2.5	NA	NA	NA	NA	13.0	NA	NA	NA	NA	5.6
2005 - 09	2.0	1.2	1.9	0.0	NA	NA	2.8	NA	4.7	NA	2.2	NA	NA	NA	15.2	(4.3)	3.9	2.4	4.9	(0.6)	4.7	1.6	2.6	NA	NA	NA	NA	6.9
1994[6] - 09	NA	6.1	11.2	2.4	3.1	2.6	4.5	4.5	3.3	6.2	5.1	7.2	3.5	3.8	5.4	NA	NA	4.4	NA	NA	NA	NA	10.7	NA	NA	NA	NA	7.1

Commercial Vehicles

Calendar Year	Northeastern Facilities: Keiser Ave.	Clarks Summit	Subtotal	Toll 60[4]: South Toll 60	Beaver Falls Rte 551	Moravia Rte 168	North Toll 60	Mt Jackson Rte 108	Subtotal	Toll 66[5]: Rte 136	AKH Mainline	Ramp 30	Route 130	Route 66	Subtotal	Mon Fayette: Ramp I-68	I-68	I-35 California	Ramp I-70	Ramp M44	Ramp M48	I-52	Subtotal	Southern Beltway: 60 Route 30	Site Knob Rd	Route 22	Subtotal	Total Barrier Facilities
1994	0	480	480	719	35	36	408	53	1,252	134	906	141	56	66	1,305	0	0	227	0				277					3,264
1995	762	941	1,723	619	34	60	491	50	1,454	150	1,024	157	28	27	1,386	0	0	248	0				248					4,821
1996	1,113	1,272	2,385	966	39	72	614	85	1,796	180	1,215	172	30	30	1,616	0	0	280	0				280					6,077
1997	1,163	1,349	2,512	1,110	44	93	661	101	2,029	222	1,457	225	35	35	1,974	0	0	305	0				305					6,820
1998	1,038	1,255	2,293	1,147	45	91	725	108	2,117	186	1,518	256	38	32	2,040	0	0	277	0				277					6,727
1999	936	1,125	2,061	1,263	52	85	793	118	2,311	230	1,562	258	50	28	2,129	0	0	305	0				305					6,806
2000	919	1,118	2,037	1,301	51	93	863	138	2,446	241	1,729	296	67	27	2,360	0	0	345	0				345					7,188
2001	892	1,142	2,034	1,358	65	144	874	141	2,583	232	1,673	345	76	28	2,353	2	119	352	30				503					7,473
2002[1]	805	1,049	1,854	1,332			972		2,304		1,743				1,743	2	135	216	41				398					6,297
2003	918	957	1,875	1,304			870		2,174		1,813				1,813	1	151	84	52			92	382					6,244
2004[2]	938	931	1,869	1,328			911		2,239		1,818				1,818	1	135	314	23	37	107	107	724					6,650
2005	1,092	1,038	2,130	1,353			915		2,268		1,872				1,872	1	136	303	23	34	82	118	697					6,967
2006	1,227	1,112	2,339	1,311			998		2,309	126	1,938	142	17	5	2,228	1	150	321	26	42	59	108	707	2	1	24	28	7,608
2007	1,408	1,162	2,570	1,400	36	96	1,133	98	2,764	211	2,070	290	38	15	2,623	1	140	384	32	48	85	111	779	18	6	210	234	9,060
2008	1,363	1,096	2,459	1,546	39	145	1,170	108	3,010	183	2,145	282	29	18	2,656	2	198	478	34	68	86	137	971	27	14	249	290	9,385
2009[3]	1,306	1,047	2,353	1,342	31	80	1,034	113	2,580	146	2,010	265	30	17	2,468	1	240	532	35	33	80	125	1,026	31	58	287	375	8,801
Average Annual Percent Change																												
1994[6] - 00	NA	15.1	27.2	10.4	6.5	17.1	13.2	17.3	11.6	10.3	11.3	13.2	3.0	(13.8)	10.4	NA	NA	7.2	NA	NA	NA	NA	7.2	NA	NA	NA	NA	14.1
2000 - 09	4.0	(0.7)	1.6	0.3	(5.5)	(4.8)	2.0	(2.2)	0.6	(5.4)	1.7	(1.2)	(8.4)	(5.1)	0.5	NA	NA	4.9	NA	NA	NA	NA	12.9	NA	NA	NA	NA	2.3
2005 - 09	4.6	0.2	2.5	(0.2)	NA	NA	3.1	NA	3.3	NA	1.6	NA	NA	NA	7.2	(0.2)	15.2	15.1	10.9	(0.7)	(7.4)	1.5	10.1	NA	NA	NA	NA	6.0
1994[6] - 09	NA	5.3	11.2	4.2	(0.9)	3.4	6.4	5.2	4.5	0.5	5.4	4.3	(4.0)	(8.7)	4.3	NA	NA	5.8	NA	NA	NA	NA	10.6	NA	NA	NA	NA	6.6

Total Vehicles

Calendar Year	Northeastern Facilities: Keiser Ave.	Clarks Summit	Subtotal	Toll 60[4]: South Toll 60	Beaver Falls Rte 551	Moravia Rte 168	North Toll 60	Mt Jackson Rte 108	Subtotal	Toll 66[5]: Rte 136	AKH Mainline	Ramp 30	Route 130	Route 66	Subtotal	Mon Fayette: Ramp I-68	I-68	I-35 California	Ramp I-70	Ramp M44	Ramp M48	I-52	Subtotal	Southern Beltway: 60 Route 30	Site Knob Rd	Route 22	Subtotal	Total Barrier Facilities
1994	0	3,311	3,311	7,684	306	517	4,324	773	13,604	429	6,670	1,782	678	479	10,230	0	0	5,663	0	0	0	0	5,663	0	0	0	0	32,808
1995	5,565	6,118	11,703	8,087	353	580	4,621	878	14,517	462	7,435	2,134	902	486	11,419	0	0	6,190	0	0	0	0	6,190	0	0	0	0	43,829
1996	7,604	8,086	15,690	8,863	373	618	5,228	1,183	16,284	535	8,474	2,353	1,047	531	12,950	0	0	6,994	0	0	0	0	6,994	0	0	0	0	51,918
1997	8,104	8,630	16,734	9,517	380	672	5,645	1,312	17,526	635	9,538	2,686	1,225	558	14,652	0	0	7,619	0	0	0	0	7,619	0	0	0	0	56,531
1998	7,499	8,024	15,523	9,871	404	704	5,917	1,422	18,318	633	10,429	3,276	1,161	559	16,058	0	0	6,920	0	0	0	0	6,920	0	0	0	0	56,819
1999	6,622	6,969	13,591	10,061	422	695	6,091	1,503	18,773	690	10,402	3,373	1,016	467	15,977	0	0	7,617	0	0	0	0	7,617	0	0	0	0	55,957
2000	6,446	6,760	13,206	10,309	433	712	6,344	1,592	19,390	719	11,012	3,686	980	482	16,858	0	0	8,619	0	0	0	0	8,619	0	0	0	0	58,074
2001	6,514	6,989	13,503	10,748	464	826	6,740	1,747	20,526	750	11,286	4,096	1,076	544	17,752	31	1,778	8,789	984	0	0	0	11,582	0	0	0	0	63,363
2002[1]	6,853	7,219	14,072	10,917	0	0	6,893	0	17,811	0	11,787	0	0	0	11,787	31	1,862	5,800	1,401	0	0	0	9,094	0	0	0	0	52,764
2003	7,192	7,449	14,641	11,086	0	0	7,046	0	18,132	0	12,291	0	0	0	12,291	31	1,945	2,812	1,819	0	0	5,761	12,387	0	0	0	0	57,448
2004[2]	7,657	7,678	15,335	11,149	0	0	7,296	0	18,445	0	12,676	0	0	0	12,676	30	2,020	9,679	929	773	2,649	6,433	22,513	0	0	0	0	68,970
2005	7,581	7,557	15,138	11,249	0	0	7,727	0	18,976	0	12,995	0	0	0	12,995	29	2,110	9,669	891	753	2,872	6,863	23,106	0	0	0	0	70,295
2006	7,800	7,656	15,456	11,165	0	0	8,044	0	19,210	343	13,988	1,003	243	122	15,698	33	2,210	10,075	989	799	2,995	7,208	24,308	82	60	557	699	75,373
2007	8,144	7,903	16,047	11,834	471	653	8,658	1,375	23,180	808	14,378	3,179	1,298	695	20,256	40	2,292	10,608	1,062	792	3,277	7,289	25,360	184	131	3,124	3,438	88,281
2008	8,144	7,887	16,031	11,836	497	953	8,803	1,665	23,754	989	14,472	4,809	1,399	770	22,535	34	2,453	11,008	1,087	817	3,366	7,478	26,245	250	144	3,569	3,963	92,531
2009[3]	8,316	7,897	16,215	11,239	461	788	8,651	1,503	22,620	873	14,124	4,910	1,406	754	22,062	23	2,541	10,849	1,085	736	3,416	7,306	25,856	293	209	4,014	4,517	91,371
Average Annual Percent Change																												
1994[6] - 00	NA	12.8	25.9	5.0	6.0	5.5	6.6	12.8	6.1	9.9	8.7	12.9	1.5	0.1	8.7	NA	NA	7.3	NA	NA	NA	NA	7.3	NA	NA	NA	NA	10.0
2000 - 09	2.9	1.7	2.3	1.0	0.7	0.8	3.5	(0.6)	1.7	2.2	2.8	3.2	4.3	5.1	3.0	NA	NA	2.6	NA	NA	NA	NA	13.0	NA	NA	NA	NA	5.2
2005 - 09	2.3	1.1	1.7	(0.0)	NA	NA	2.9	NA	4.5	NA	2.1	NA	NA	NA	14.1	(4.1)	4.8	2.9	5.0	(0.6)	4.4	1.6	2.9	NA	NA	NA	NA	6.8
1994[6] - 09	NA	5.0	11.2	2.6	2.8	2.7	4.7	4.5	3.4	4.8	5.1	7.0	3.2	3.1	5.3	NA	NA	4.4	NA	NA	NA	NA	10.7	NA	NA	NA	NA	7.1

(1) 2002 traffic data is not available. It is estimated by averaging 2001 and 2003 traffic data.
(2) New rates became effective Sunday, August 1, 2004. Rates were increased by 42.5%.
(3) A toll increase of 25 % was implemented on January 4, 2009. Toll rates on Findlay Connector/PA-576 and the Mon-Fayette Expwy/Tpke 43 Uniontown to Brownsville remained unchanged.
(4) Toll 60 ramp counts were not available from 2002 to 2005.
(5) Toll 66 ramp counts were not available from 2002 to 2005.
(6) Average annual growth rate of Northeastern Facilities began in 1995.

Table 3
Pennsylvania Turnpike Monthly Traffic Volume Trends By Facility and Vehicle Class
Volumes in Thousands

Ticket System (Including Gateway Barrier Plaza)

Passenger Cars

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	12,486	(5.7)	11,769	1.9	11,992	(3.6)	11,561	2.4	11,836
July	12,605	(6.5)	11,979	1.8	12,197	(0.8)	12,100	2.7	12,422
Aug.	12,868	(4.1)	12,345	3.1	12,731	(1.8)	12,502	(0.4)	12,431
Sept.	11,491	(1.3)	11,253	1.6	11,431	(3.6)	11,014	3.3	11,378
Oct.	11,707	0.5	11,762	2.0	12,002	(1.3)	11,843	(0.7)	11,766
Nov.	11,418	(1.4)	11,262	(0.2)	11,236	(2.8)	10,927	1.8	11,129
Dec.	11,073	0.2	11,056	(4.6)	10,545	3.1	10,915	(1.6)	10,745
Jan.	10,348	(0.1)	10,336	0.1	10,347	(5.1)	9,818	2.9	10,104
Feb.	9,558	(3.6)	9,200	5.6	9,716	(2.1)	9,518	(12.6)	8,321
March	11,228	(2.7)	10,925	1.4	11,077	(3.0)	10,740		
April	11,083	(0.4)	11,022	0.5	11,078	1.1	11,205		
May	11,625	1.6	11,816	(1.6)	11,625	0.3	11,657		
Total Year	137,574	(2.0)	134,765	0.8	136,019	(1.6)	133,786		
June-Feb	103,680	(2.6)	101,002	1.2	102,239	(2.0)	100,184	(0.1)	100,132

Commercial Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	2,103	(4.5)	2,009	(0.9)	1,991	(4.9)	1,895	(7.1)	1,760
July	1,969	(4.9)	1,872	3.4	1,936	0.6	1,947	(8.9)	1,774
Aug.	2,133	(2.4)	2,081	(0.1)	2,079	(8.5)	1,902	(8.6)	1,738
Sept.	2,004	(5.9)	1,886	(2.1)	1,847	(0.6)	1,835	(6.6)	1,713
Oct.	2,005	(1.2)	1,980	3.3	2,045	(6.5)	1,912	(8.7)	1,746
Nov.	1,887	(3.8)	1,816	(0.7)	1,803	(13.4)	1,562	(1.9)	1,532
Dec.	1,786	(5.6)	1,683	(3.4)	1,626	(3.7)	1,566	(1.7)	1,540
Jan.	1,670	5.3	1,759	(0.8)	1,745	(14.7)	1,488	(2.5)	1,451
Feb.	1,572	2.4	1,609	0.9	1,624	(13.5)	1,405	(5.5)	1,328
March	1,885	(2.7)	1,843	(5.2)	1,747	(8.8)	1,598		
April	1,783	2.0	1,818	4.3	1,897	(12.4)	1,662		
May	1,988	2.5	2,038	(6.1)	1,913	(12.2)	1,679		
Total Year	22,786	(1.7)	22,394	(0.6)	22,253	(8.1)	20,449		
June-Feb	17,129	(2.5)	16,695	0.0	16,696	(7.1)	15,512	(6.0)	14,587

Total Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	14,589	(5.6)	13,778	1.5	13,983	(3.8)	13,456	1.8	13,596
July	14,774	(6.2)	13,851	2.0	14,133	(0.6)	14,047	1.1	14,196
Aug.	15,001	(3.6)	14,426	2.7	14,810	(2.7)	14,404	(1.5)	14,169
Sept.	13,495	(2.0)	13,139	1.1	13,278	(3.2)	12,849	1.9	13,091
Oct.	13,797	0.3	13,742	2.2	14,047	(2.1)	13,755	(1.8)	13,512
Nov.	13,305	(1.7)	13,078	(0.3)	13,039	(4.2)	12,489	1.4	12,661
Dec.	12,859	(0.6)	12,779	(4.4)	12,211	2.2	12,481	(1.6)	12,285
Jan.	12,018	0.6	12,095	(0.0)	12,092	(6.5)	11,304	2.2	11,555
Feb.	11,131	(2.9)	10,809	4.9	11,342	(3.7)	10,921	(11.6)	9,649
March	13,111	(2.6)	12,768	0.4	12,824	(3.8)	12,338		
April	12,846	(0.0)	12,840	1.1	12,975	(0.8)	12,867		
May	13,614	1.6	13,854	(2.3)	13,538	(1.5)	13,336		
Total Year	160,360	(2.0)	157,159	0.7	158,272	(2.5)	154,245		
June-Feb	120,789	(2.6)	117,697	1.1	118,935	(2.7)	115,706	(0.9)	114,714

PA 43 (Mon Fayette Expressway)

Passenger Cars

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	666	1.2	674	5.6	712	1.5	723	11.5	806
July	671	3.3	693	4.2	722	4.6	755	11.5	842
Aug.	710	6.1	753	4.5	787	3.7	816	6.6	869
Sept.	717	6.1	761	2.5	780	4.0	811	8.4	879
Oct.	736	7.6	792	3.4	819	7.4	880	4.4	919
Nov.	681	6.0	722	1.8	735	11.8	822	0.2	824
Dec.	654	5.8	708	(2.4)	692	17.5	813	(2.1)	796
Jan.	628	4.6	657	3.3	679	7.4	729	(1.0)	722
Feb.	613	0.7	617	9.6	676	8.7	735	(9.9)	662
March	692	4.9	726	(1.5)	715	14.5	819		
April	696	3.7	721	5.1	758	11.1	842		
May	696	7.8	750	(0.1)	749	8.5	813		
Total Year	8,169	5.0	8,575	2.9	8,824	8.3	9,556		
June-Feb	6,086	4.8	6,378	3.5	6,602	7.3	7,084	3.3	7,319

Commercial Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	23	4.3	24	12.5	27	22.2	33	9.1	36
July	22	4.5	23	21.7	28	28.6	36	13.9	41
Aug.	24	0.0	24	20.8	29	24.1	36	27.8	46
Sept.	21	4.8	22	9.1	24	37.5	33	33.3	44
Oct.	20	20.0	24	12.5	27	29.6	35	20.0	42
Nov.	18	11.1	20	10.0	22	45.5	32	15.6	37
Dec.	16	6.3	17	0.0	17	58.8	27	14.8	31
Jan.	15	6.7	16	18.8	19	31.6	25	12.0	28
Feb.	14	21.4	17	17.6	20	40.0	28	(14.3)	24
March	19	5.3	20	5.0	21	52.4	32		
April	20	0.0	20	25.0	25	24.0	31		
May	22	9.1	24	20.8	29	6.9	31		
Total Year	234	7.3	251	14.7	288	31.6	379		
June-Feb	173	8.1	187	13.9	213	33.8	285	15.4	329

Total Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	689	1.3	698	5.9	739	2.3	756	11.4	842
July	693	3.3	716	4.7	750	5.5	791	11.6	883
Aug.	734	5.9	777	5.0	816	4.4	852	7.4	915
Sept.	738	6.1	783	2.7	804	5.0	844	9.4	923
Oct.	756	7.9	816	3.7	846	8.2	915	5.0	961
Nov.	699	6.2	742	2.0	757	12.8	854	0.8	861
Dec.	680	6.8	726	(2.3)	709	18.5	840	(1.5)	827
Jan.	643	4.7	673	3.7	698	8.0	754	(0.5)	750
Feb.	627	1.1	634	9.8	696	9.8	763	(10.1)	686
March	711	4.9	746	(1.3)	736	15.8	851		
April	715	3.6	741	5.7	783	11.5	873		
May	718	7.8	774	0.5	778	8.5	844		
Total Year	8,403	5.0	8,826	3.2	9,112	9.1	9,937		
June-Feb	6,259	4.9	6,565	3.8	6,815	8.1	7,369	3.8	7,648

PA 66

Passenger Cars

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	358	8.1	387	39.0	538	10.8	596	2.0	608
July	358	23.7	443	23.5	547	12.0	611	0.8	622
Aug.	364	33.5	486	18.7	577	11.3	642	(3.1)	622
Sept.	340	37.9	469	20.5	565	7.4	607	(0.3)	605
Oct.	345	42.6	492	30.1	640	0.0	640	(4.1)	614
Nov.	326	41.4	461	27.3	587	(0.7)	583	(1.2)	576
Dec.	320	43.1	458	26.4	579	5.0	608	(4.3)	582
Jan.	303	38.0	418	29.7	542	(4.1)	520	(0.2)	519
Feb.	289	28.6	371	39.1	516	(2.9)	501	(8.6)	458
March	341	35.8	463	23.8	573	(0.9)	568		
April	352	35.8	478	24.3	594	(2.7)	578		
May	361	51.5	547	11.7	611	(0.3)	609		
Total Year	4,056	34.9	5,473	25.5	6,869	2.9	7,069		
June-Feb	3,002	32.7	3,985	27.8	5,091	4.4	5,314	(2.0)	5,206

Commercial Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	64	15.6	74	17.6	87	(1.1)	86	(8.1)	79
July	61	29.5	79	10.1	87	3.4	90	(8.9)	82
Aug.	65	36.9	89	1.1	90	(2.2)	88	(11.4)	78
Sept.	64	21.9	78	6.4	83	4.8	87	(6.9)	81
Oct.	60	40.0	84	14.3	96	(7.3)	89	(5.6)	84
Nov.	52	38.5	72	6.9	77	(9.1)	70	1.4	71
Dec.	45	35.6	61	3.3	63	3.2	65	6.2	69
Jan.	46	39.1	64	9.4	70	(11.4)	62	4.8	65
Feb.	43	27.9	55	21.8	67	(10.4)	60	(1.7)	59
March	65	29.1	71	1.4	72	(4.2)	69		
April	56	32.1	74	12.2	83	(14.5)	71		
May	61	45.9	89	(5.6)	84	(11.9)	74		
Total Year	672	32.4	890	7.8	959	(5.0)	911		
June-Feb	500	31.2	656	9.8	720	(3.2)	697	(4.2)	668

Total Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	422	9.2	461	35.8	625	9.1	682	0.7	687
July	419	24.6	522	21.5	634	11.5	707	(0.4)	704
Aug.	429	34.0	575	18.0	667	9.4	730	(4.1)	700
Sept.	404	35.4	547	18.5	648	7.1	694	(1.2)	686
Oct.	405	42.2	576	27.8	736	(1.0)	729	(4.3)	698
Nov.	378	41.0	533	24.8	664	(1.7)	653	(0.9)	647
Dec.	365	42.2	519	23.7	642	4.8	673	(3.3)	651
Jan.	349	38.1	482	27.0	612	(4.9)	582	0.3	584
Feb.	331	28.7	426	36.9	583	(3.8)	561	(7.8)	517
March	396	34.8	534	20.8	645	(1.2)	637		
April	408	35.3	552	22.6	677	(4.1)	649		
May	422	50.7	636	9.3	695	(1.7)	683		
Total Year	4,728	34.8	6,363	23.8	7,828	1.9	7,980		
June-Feb	3,502	32.5	4,641	25.2	5,811	3.4	6,011	(2.3)	5,874

Northeast Extension Barrier Plazas Only

Passenger Cars

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	430	(3.7)	414	3.6	429	1.4	435	1.1	440
July	524	(3.8)	504	1.4	511	1.2	517	11.4	576
Aug.	507	0.2	508	8.7	552	3.3	570	6.3	606
Sept.	390	6.4	415	2.9	427	(6.1)	401	10.0	441
Oct.	392	11.0	435	(3.4)	420	2.6	431	(1.2)	426
Nov.	380	7.6	409	(4.4)	391	0.8	394	1.5	400
Dec.	337	8.9	367	(9.5)	332	8.1	359	(3.3)	347
Jan.	290	4.8	304	(2.3)	297	(3.7)	286	0.0	286
Feb.	283	(5.3)	268	6.7	286	1.0	289	(12.1)	254
March	338	6.5	358	(0.8)	355	(5.1)	337		
April	383	5.5	404	(1.7)	397	0.8	400		
May	411	9.2	449	1.3	455	0.7	458		
Total Year	4,663	3.7	4,835	0.4	4,852	0.5	4,877		
June-Feb	3,533	2.6	3,624	0.6	3,645	1.0	3,682	2.6	3,778

Commercial Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	71	7.0	76	5.3	80	(2.5)	78	(1.3)	77
July	71	8.5	77	3.9	80	3.8	83	3.6	86
Aug.	76	7.9	82	7.3	88	(6.8)	82	4.9	86
Sept.	70	10.0	77	2.6	79	1.3	80	(1.3)	79
Oct.	68	16.2	79	1.3	80	(2.5)	78	(5.1)	74
Nov.	64	9.4	70	(5.7)	66	(7.6)	61	0.0	61
Dec.	58	6.9	62	(3.2)	60	1.7	61	(1.6)	60
Jan.	58	13.8	66	(1.5)	65	(13.8)	56	1.8	57
Feb.	56	16.1	65	(3.1)	63	(14.3)	54	(3.7)	52
March	65	12.3	73	(11.0)	65	(6.2)	61		
April	64	17.2	75	4.0	78	(12.8)	68		
May	74	16.2	86	(3.5)	83	(7.2)	77		
Total Year	795	11.7	888	(0.1)	887	(5.4)	839		
June-Feb	582	10.5	654	1.1	661	(4.2)	633	(0.2)	632

Total Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	501	(2.2)	490	3.9	509	0.8	513	0.8	517
July	595	(2.4)	581	1.7	591	1.5	600	10.3	662
Aug.	583	1.2	590	8.5	640	1.9	652	6.1	692
Sept.	460	7.0	492	2.8	506	(4.9)	481	8.1	520
Oct.	460	11.7	514	(2.7)	500	1.8	509	(1.8)	500
Nov.	444	7.9	479	(4.6)	457	(0.4)	455	1.3	461
Dec.	395	8.6	429	(8.6)	392	7.1	420	(3.1)	407
Jan.	348	6.3	370	(2.2)	362	(5.5)	342	0.3	343
Feb.	339	(1.8)	333	4.8	349	(1.7)	343	(10.8)	306
March	401	7.5	431	(2.6)	420	(5.2)	398		
April	447	7.2	479	(0.6)	475	(1.5)	468		
May	485	10.3	535	0.6	538	(0.6)	535		
Total Year	5,458	4.9	5,723	0.3	5,738	(0.4)	5,716		
June-Feb	4,125	3.7	4,278	0.7	4,306	0.2	4,316	2.2	4,408

PA 60

Passenger Cars

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	553	(2.2)	541	22.9	665	(2.4)	649	(1.4)	640
July	587	(4.4)	561	23.7	694	0.3	696	(3.3)	673
Aug.	575	(2.1)	563	26.5	712	(1.1)	704	(5.1)	668
Sept.	507	2.0	517	25.7	650	(2.9)	631	(1.4)	622
Oct.	519	2.9	534	25.1	668	(1.8)	656	(1.8)	644
Nov.	501	1.2	507	21.5	616	(3.7)	593	0.3	595
Dec.	492	3.9	511	15.3	589	4.1	613	(4.9)	583
Jan.	449	0.9	453	20.3	545	(8.4)	499	0.2	500
Feb.	428	2.8	440	18.0	519	(4.2)	497	(10.9)	443
March	499	17.8	588	1.4	596	(3.2)	577		
April	498	19.7	596	4.7	624	(5.0)	593		
May	521	24.6	649	0.9	655	(3.8)	630		
Total Year	6,129	5.4	6,460	16.6	7,533	(2.6)	7,336		
June-Feb	4,611	0.3	4,627	22.3	5,658	(2.1)	5,538	(3.1)	5,368

Commercial Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	78	2.6	80	25.0	100	(2.0)	98	(14.3)	84
July	75	(2.7)	73	26.0	92	12.0	103	(15.5)	87
Aug.	79	3.8	82	20.7	99	3.0	102	(13.7)	88
Sept.	74	(2.7)	72	23.6	89	10.1	98	(14.3)	84
Oct.	71	4.2	74	33.8	99	(2.0)	97	(13.4)	84
Nov.	64	3.1	66	28.8	85	(11.8)	75	(5.3)	71
Dec.	57	7.0	61	14.8	70	2.9	72	(6.9)	67
Jan.	58	10.3	64	26.6	81	(18.5)	66	(1.5)	65
Feb.	54	11.1	60	26.7	76	(17.1)	63	9.5	69
March	67	14.9	77	5.2	81	(8.6)	74		
April	68	20.6	82	18.3	97	(21.6)	76		
May	78	29.5	101	(2.0)	99	(19.2)	80		
Total Year	823	8.4	892	19.7	1,068	(6.0)	1,004		
June-Feb	610	3.8	632	25.2	791	(2.1)	774	(9.7)	699

Total Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	631	(1.6)	621	23.2	765	(2.4)	747	(3.1)	724
July	662	(4.2)	634	24.0	786	1.7	799	(4.9)	760
Aug.	654	(1.4)	645	25.7	811	(0.6)	806	(6.2)	756
Sept.	581	1.4	589	25.5	739	(1.4)	729	(3.2)	706
Oct.	590	3.1	608	26.2	767	(1.8)	753	(3.3)	728
Nov.	565	1.4	573	22.3	701	(4.7)	668	(0.3)	666
Dec.	549	4.2	572	15.2	659	3.8	685	(5.1)	650
Jan.	507	2.0	517	21.1	626	(9.7)	565	0.0	565
Feb.	482	3.7	500	19.0	595	(5.9)	560	(8.6)	512
March	566	17.5	665	1.8	677	(3.8)	651		
April	566	19.8	678	6.3	721	(7.2)	669		
May	599	25.2	750	0.5	754	(5.8)	710		
Total Year	6,952	5.8	7,352	17.0	8,601	(3.0)	8,342		
June-Feb	5,221	0.7	5,259	22.6	6,449	(2.1)	6,312	(3.9)	6,067

Total Transactions

Passenger Cars

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	14,483	(4.9)	13,785	4.0	14,336	(2.6)	13,964	2.6	14,330
July	14,945	(5.1)	14,180	3.5	14,671	0.1	14,685	3.1	15,135
Aug.	15,024	(2.5)	14,656	4.8	15,350	(0.8)	15,234	(0.2)	15,196
Sept.	13,365	0.4	13,415	3.3	13,853	(2.8)	13,464	3.4	13,925
Oct.	13,684	2.3	14,015	3.8	14,549	(0.7)	14,450	(0.6)	14,368
Nov.	13,306	0.4	13,381	1.5	13,565	(1.8)	13,319	1.5	13,524
Dec.	12,886	2.0	13,141	(2.8)	12,777	4.2	13,308	(1.9)	13,053
Jan.	12,018	1.2	12,166	2.0	12,410	(4.5)	11,850	2.4	12,131
Feb.	11,171	(2.5)	10,896	7.5	11,715	(1.5)	11,538	(12.1)	10,138
March	13,094	(0.3)	13,060	2.0	13,316	(2.1)	13,041		0
April	12,991	1.8	13,221	1.7	13,451	1.2	13,616		0
May	13,616	4.4	14,211	(0.6)	14,095	0.5	14,167		0
Total Year	160,581	(0.3)	160,108	2.5	164,097	(0.9)	162,636		
June-Feb	120,882	(1.1)	119,616	3.0	123,235	(1.2)	121,812	(0.0)	121,801

Commercial Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	2,339	(3.2)	2,263	1.0	2,285	(4.2)	2,190	(7.0)	2,036
July	2,196	(3.4)	2,124	4.7	2,273	1.6	2,259	(8.4)	2,070
Aug.	2,377	(0.8)	2,358	1.1	2,385	(7.3)	2,210	(7.9)	2,036
Sept.	2,233	(4.4)	2,135	(0.6)	2,122	0.5	2,133	(6.2)	2,001
Oct.	2,224	0.8	2,241	4.7	2,347	(5.8)	2,211	(8.2)	2,030
Nov.	2,085	(2.0)	2,044	0.4	2,053	(12.3)	1,800	(1.6)	1,772
Dec.	1,962	(4.0)	1,884	(2.5)	1,836	(2.5)	1,791	(1.3)	1,767
Jan.	1,847	6.6	1,969	0.5	1,980	(14.3)	1,697	(1.6)	1,666
Feb.	1,739	3.9	1,806	2.4	1,850	(13.0)	1,610	(4.8)	1,532
March	2,091	(0.3)	2,084	(4.7)	1,986	(7.8)	1,832		0
April	1,991	3.9	2,069	5.4	2,180	(12.5)	1,906		0
May	2,224	5.1	2,338	(5.6)	2,206	(12.1)	1,941		0
Total Year	25,310	0.0	25,315	0.6	25,455	(7.4)	23,582		
June-Feb	19,004	(0.9)	18,824	1.4	19,081	(6.2)	17,901	(5.5)	16,910

Total Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	16,832	(4.7)	16,048	3.6	16,621	(2.8)	16,154	1.3	16,368
July	17,143	(4.9)	16,304	3.8	16,694	0.3	16,944	1.5	17,205
Aug.	17,401	(2.2)	17,013	4.3	17,744	(1.7)	17,444	(1.2)	17,232
Sept.	15,598	(0.2)	15,550	2.7	15,975	(2.4)	15,597	2.1	15,926
Oct.	15,915	2.1	16,256	3.9	16,896	(1.4)	16,661	(1.5)	16,398
Nov.	15,391	0.1	15,405	1.4	15,618	(3.2)	15,119	1.2	15,296
Dec.	14,848	1.2	15,025	(2.7)	14,613	3.3	15,099	(1.6)	14,820
Jan.	13,865	2.0	14,137	1.8	14,390	(5.9)	13,547	1.8	13,797
Feb.	12,910	(1.6)	12,702	6.8	13,565	(3.1)	13,148	(11.2)	11,670
March	15,185	(0.3)	15,144	1.0	15,302	(2.8)	14,873		
April	14,982	2.1	15,290	2.2	15,631	(0.7)	15,520		
May	15,839	4.5	16,549	(1.6)	16,303	(1.2)	16,108		
Total Year	185,901	(0.3)	185,423	2.2	189,552	(1.8)	186,220		
June-Feb	139,886	(1.0)	138,440	2.6	142,316	(1.8)	139,713	(0.7)	138,711

NOTES:
(1) A toll increase of 25% was implemented on January 4, 2009. Toll rates on Findlay Connector/PA-576 and the Mon-Fayette Expy/Tpke 43 Uniontown to Brownsville remained unchanged
(2) A toll increase of 3% was implemented on January 3, 2010. Toll rates on Findlay Connector/PA-576 remained unchanged
(3) February traffic was negatively impacted several times due to severe snowstorms.
(4) All six (6) Phase 1 projects of the Mon/Fayette Expressway, Uniontown to Brownsville Project were completed in the fall of 2008. Phase 1 was open to traffic on October 30, 2008. This had positive traffic impacts on the Mon/Fayette Expressway.

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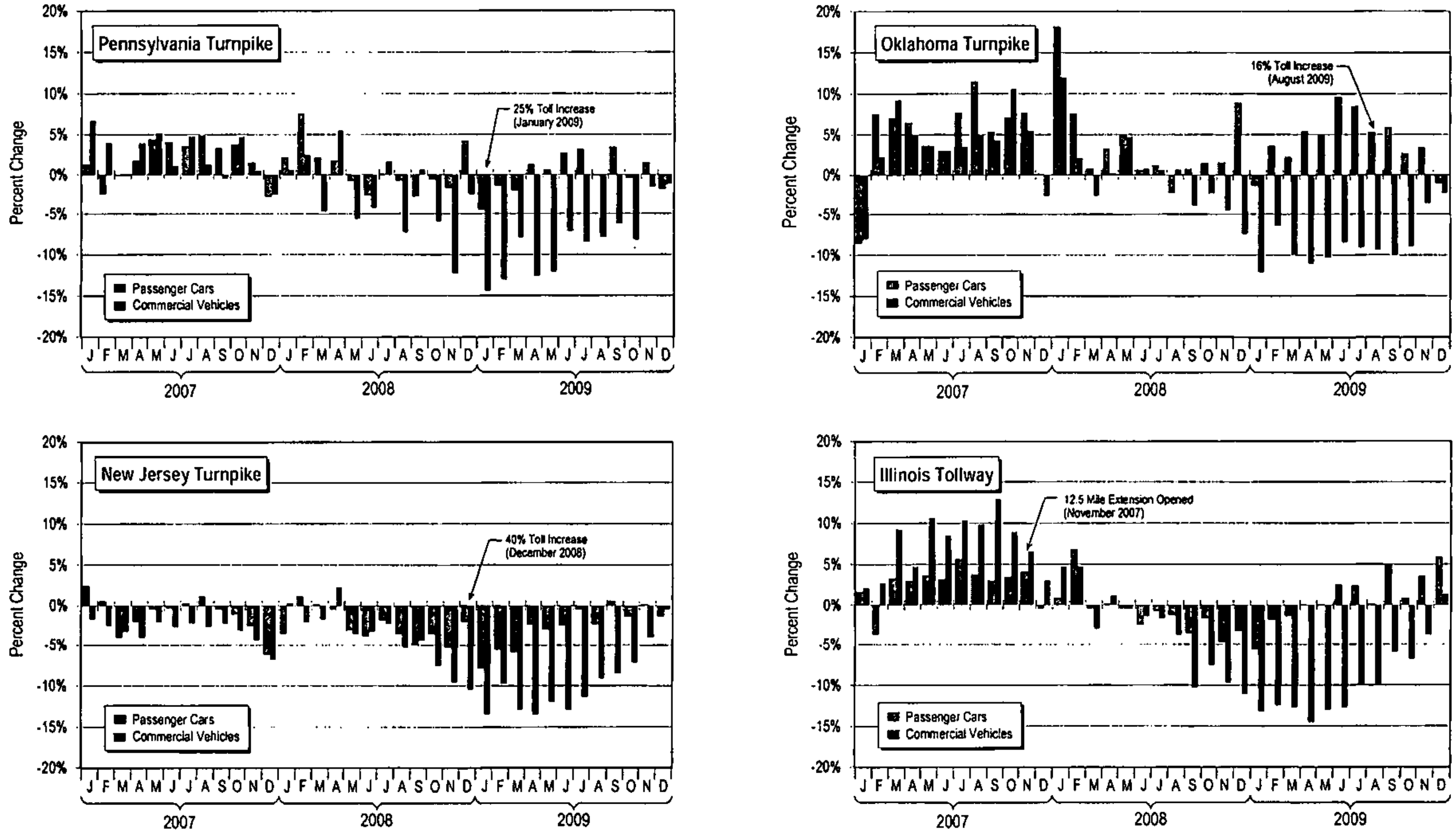

WilburSmith
ASSOCIATES

COMPARISON OF VARIOUS STATES' MONTHLY PASSENGER CAR AND COMMERCIAL VEHICLE TRANSACTION TRENDS

FIGURE 1

Table 4
Pennsylvania Turnpike Monthly Gross Toll Revenue Trends By Facility and Vehicle Class
Revenue in Thousands

Ticket System (Including Gateway Barrier Plaza)

Passenger Cars

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$28,374	(2.6)	$27,631	3.7	$28,665	(5.4)	$27,110	27.5	$34,578
July	30,961	(3.6)	29,880	0.3	29,835	(2.3)	29,244	30.6	38,194
Aug.	30,410	(1.2)	30,032	5.4	31,656	(2.2)	30,972	25.1	38,760
Sept.	25,146	3.2	25,960	1.0	26,218	(5.9)	24,682	31.7	32,509
Oct.	28,276	1.3	28,629	(0.8)	28,419	0.3	28,482	25.3	33,193
Nov.	25,980	1.4	26,655	(1.5)	25,673	(1.5)	25,296	27.8	32,323
Dec.	24,088	4.5	25,180	(6.3)	23,564	4.4	24,612	22.6	30,228
Jan.	21,621	(0.9)	21,434	(1.2)	21,182	20.5	25,508	7.6	27,544
Feb.	19,904	(8.6)	18,187	6.2	19,887	20.4	24,894	(11.8)	21,950
March	23,902	(1.6)	23,511	0.5	23,622	22.4	28,925		
April	21,728	3.4	22,468	6.7	23,961	31.4	31,511		
May	26,202	3.5	27,118	(1.5)	26,708	26.5	33,794		
Total Year	$304,202	(0.0)	$304,052	1.1	$307,398	8.4	$333,120		
June-Feb	$232,372	(0.6)	$230,957	0.9	$232,880	2.5	$238,880	21.1	$289,279

Commercial Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$24,105	3.5	$24,945	(0.9)	$24,713	(5.6)	$23,324	10.1	$25,674
July	22,468	1.6	22,823	6.1	24,208	(1.6)	23,824	6.8	25,449
Aug.	24,617	4.2	25,642	1.6	26,055	(10.0)	23,439	7.8	25,278
Sept.	23,181	2.0	23,655	0.3	23,718	(3.8)	22,797	8.6	24,879
Oct.	24,005	3.9	24,930	3.6	25,826	(9.1)	23,477	8.1	25,385
Nov.	22,450	1.6	22,647	0.1	22,885	(15.7)	19,287	14.7	22,107
Dec.	21,440	(2.1)	21,378	(0.9)	21,183	(9.2)	19,244	17.3	22,580
Jan.	21,618	4.7	22,638	1.3	22,929	0.4	23,010	(3.1)	22,295
Feb.	20,479	9.9	22,507	(4.5)	21,504	1.0	21,716	(5.0)	20,628
March	24,279	0.9	24,487	(4.7)	23,336	3.6	24,179		
April	26,057	(0.3)	25,983	(9.3)	23,568	4.4	24,604		
May	24,538	4.2	25,559	(7.7)	23,587	4.5	24,657		
Total Year	$279,635	2.8	$287,402	(1.4)	$283,512	(3.5)	$273,528		
June-Feb	$204,783	3.2	$211,353	0.8	$213,011	(6.1)	$200,066	7.1	$214,361

Total Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$52,479	0.2	$52,576	1.5	$53,378	(5.5)	$50,434	19.5	$60,252
July	53,429	(1.4)	52,683	2.8	54,143	(2.0)	53,068	18.9	63,643
Aug.	55,027	1.2	56,674	3.7	57,710	(5.7)	54,411	17.7	64,038
Sept.	48,327	2.7	49,615	0.6	49,934	(4.9)	47,480	21.1	57,488
Oct.	50,283	2.5	51,558	1.3	52,234	(4.4)	49,958	17.3	58,576
Nov.	48,040	1.8	48,902	(0.7)	48,538	(8.2)	44,583	22.1	54,430
Dec.	45,528	1.3	46,538	(3.8)	44,757	(2.0)	43,856	20.4	52,798
Jan.	43,239	1.9	44,070	0.1	44,111	10.2	48,609	2.5	49,839
Feb.	40,383	0.8	40,704	1.2	41,191	13.2	46,610	(8.7)	42,578
March	48,181	(0.4)	48,008	(2.2)	46,958	13.1	53,104		
April	47,783	1.4	48,449	(1.9)	47,549	18.0	56,115		
May	50,738	3.8	52,677	(4.5)	50,303	16.2	58,451		
Total Year	$583,837	1.3	$591,454	(0.1)	$590,618	2.7	$606,640		
June-Feb	$437,135	1.2	$442,320	0.8	$446,000	(1.8)	$438,978	14.7	$503,840

PA 43 (Mon Fayette Expressway)

Passenger Cars

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$516	1.0	$523	5.0	$549	1.5	$558	39.5	$779
July	523	2.9	538	3.7	558	4.5	583	39.6	815
Aug.	554	5.6	585	3.9	608	3.5	629	33.7	841
Sept.	536	6.5	582	1.4	600	4.2	625	35.6	849
Oct.	573	7.5	616	2.6	632	7.8	681	30.8	891
Nov.	532	5.6	562	1.4	570	13.7	648	23.8	802
Dec.	520	6.7	555	(3.2)	537	19.7	643	20.5	775
Jan.	480	4.3	511	2.7	525	32.8	697	4.7	730
Feb.	478	0.7	479	9.0	522	37.0	715	(6.4)	669
March	538	4.5	562	(1.4)	554	43.3	794		
April	538	3.3	557	5.2	586	39.1	815		
May	541	6.6	578	0.3	580	35.7	787		
Total Year	$6,362	4.7	$6,658	2.4	$6,821	19.9	$8,175		
June-Feb	$4,744	4.6	$4,961	2.8	$5,101	13.3	$5,779	23.7	$7,151

Commercial Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$54	1.9	$55	9.1	$60	25.0	$75	34.7	$101
July	51	2.0	52	19.2	62	21.0	80	45.0	118
Aug.	55	1.8	56	12.5	63	25.4	79	63.3	129
Sept.	49	2.0	50	10.0	55	36.4	75	64.0	123
Oct.	48	14.6	55	12.7	62	27.4	79	51.9	120
Nov.	42	14.3	48	4.2	50	44.0	72	45.8	105
Dec.	37	10.8	41	(2.4)	40	60.0	64	43.8	92
Jan.	36	8.3	39	15.4	45	62.2	73	16.4	85
Feb.	35	8.6	38	26.3	48	70.8	82	(9.8)	74
March	46	0.0	46	4.3	48	89.6	91		
April	47	2.1	48	20.8	58	55.2	90		
May	52	7.7	56	17.9	66	36.4	90		
Total Year	$552	5.8	$584	12.5	$657	44.6	$950		
June-Feb	$407	6.6	$434	11.8	$485	40.0	$679	39.2	$945

Total Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$572	1.0	$578	5.4	$609	3.9	$633	39.0	$880
July	574	2.8	590	5.1	620	6.9	663	40.4	931
Aug.	609	5.3	641	4.7	671	5.5	708	37.0	970
Sept.	605	6.1	642	2.0	655	6.9	700	38.9	972
Oct.	621	8.1	671	3.4	694	9.5	760	33.6	1,011
Nov.	574	6.3	610	1.6	620	16.1	720	26.0	907
Dec.	557	7.0	596	(3.2)	577	22.5	707	22.6	867
Jan.	526	4.6	550	3.6	570	35.1	770	5.6	815
Feb.	513	0.8	517	10.3	570	39.6	797	(6.8)	743
March	584	4.1	608	(1.0)	602	47.0	885		
April	585	3.2	605	8.4	644	40.5	905		
May	593	6.9	634	1.9	646	35.8	877		
Total Year	$6,914	4.7	$7,242	3.3	$7,478	22.0	$9,125		
June-Feb	$5,151	4.7	$5,395	3.5	$5,586	15.6	$6,458	25.4	$8,096

PA 66

Passenger Cars

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$357	7.8	$382	26.7	$484	8.5	$525	27.4	$669
July	350	18.7	425	15.8	492	10.4	543	26.5	687
Aug.	364	26.1	459	12.0	514	10.3	567	21.0	686
Sept.	340	30.9	445	12.8	502	6.6	535	25.0	668
Oct.	345	34.5	464	21.3	563	0.0	563	20.4	678
Nov.	326	33.1	434	18.9	516	(0.6)	513	23.8	635
Dec.	319	34.5	429	18.2	507	4.9	532	19.9	638
Jan.	307	29.5	391	21.5	475	17.7	559	5.4	589
Feb.	287	20.2	345	30.7	451	22.4	552	(5.8)	520
March	341	26.1	430	17.0	503	24.5	626		
April	352	25.0	440	18.4	521	22.5	638		
May	380	35.8	489	9.8	537	24.8	670		
Total Year	$4,051	26.7	$5,133	18.2	$6,065	12.5	$6,823		
June-Feb	$2,996	25.9	$3,774	19.3	$4,504	8.5	$4,889	18.0	$5,771

Commercial Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$182	13.2	$206	12.6	$232	(0.9)	$230	12.6	$259
July	171	22.8	210	9.5	230	3.0	237	13.1	268
Aug.	184	28.8	237	0.0	237	(2.5)	231	10.8	256
Sept.	163	12.6	206	3.4	213	8.4	233	13.3	264
Oct.	174	28.2	223	15.2	257	(7.4)	238	17.6	280
Nov.	148	29.1	191	7.3	205	(9.7)	185	27.0	235
Dec.	130	26.9	165	3.0	170	0.6	171	34.5	230
Jan.	135	28.1	173	12.1	194	2.6	199	12.6	224
Feb.	126	16.7	147	25.2	184	10.3	203	(0.5)	202
March	157	21.0	190	2.6	195	17.4	229		
April	159	23.3	196	13.3	222	2.7	228		
May	173	36.4	236	(4.2)	226	5.8	239		
Total Year	$1,822	23.8	$2,380	7.8	$2,565	2.3	$2,623		
June-Feb	$1,433	22.7	$1,758	9.3	$1,922	0.3	$1,927	18.1	$2,218

Total Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$539	9.1	$588	21.8	$716	5.4	$755	22.9	$928
July	529	20.0	635	13.7	722	8.0	780	22.4	955
Aug.	548	27.0	696	7.9	751	6.3	798	18.0	942
Sept.	523	24.5	651	9.8	715	7.4	768	21.5	933
Oct.	519	32.4	687	19.4	820	(2.3)	801	19.5	958
Nov.	474	31.9	625	15.4	721	(3.2)	698	24.6	870
Dec.	449	32.3	594	14.0	677	3.8	703	23.5	868
Jan.	437	29.1	564	18.6	669	13.3	758	7.3	813
Feb.	413	19.1	492	29.1	635	18.9	755	(4.4)	722
March	498	24.5	620	12.6	698	22.5	855		
April	511	24.5	636	16.8	743	16.8	866		
May	533	36.0	725	5.2	763	19.1	909		
Total Year	$5,873	25.8	$7,513	14.9	$8,630	9.5	$9,446		
June-Feb	$4,431	24.8	$5,532	16.2	$6,426	6.1	$6,816	17.2	$7,989

Northeast Extension Barrier Plazas Only

Passenger Cars

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$215	(3.7)	$207	3.9	$215	1.4	$218	29.4	$282
July	263	(4.2)	252	1.6	256	1.2	259	42.9	370
Aug.	255	0.0	255	8.6	277	2.9	285	36.5	389
Sept.	196	8.1	208	2.9	214	(6.1)	201	40.8	283
Oct.	196	11.2	218	(3.7)	210	2.9	216	26.4	273
Nov.	190	7.9	205	(4.4)	196	0.5	197	29.9	256
Dec.	169	8.9	184	(9.8)	166	7.8	179	24.0	222
Jan.	145	4.8	152	(2.0)	149	20.1	179	11.2	199
Feb.	142	(9.9)	128	11.7	143	29.4	185	(7.6)	171
March	166	8.5	179	(1.1)	177	22.0	216		
April	192	5.2	202	(2.0)	198	29.8	257		
May	206	8.7	224	1.8	228	28.5	293		
Total Year	$2,337	3.3	$2,414	0.6	$2,429	10.5	$2,685		
June-Feb	$1,771	2.1	$1,809	0.9	$1,826	5.1	$1,919	27.4	$2,445

Commercial Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$198	8.6	$215	4.7	$225	(2.2)	$220	24.5	$274
July	186	11.8	208	5.8	220	5.0	231	26.6	293
Aug.	207	11.1	230	5.2	242	(6.6)	226	30.5	295
Sept.	194	11.9	217	1.8	221	3.6	229	23.1	282
Oct.	197	16.2	229	2.6	235	(3.0)	228	18.9	271
Nov.	190	8.9	207	(5.3)	196	(6.1)	184	22.6	226
Dec.	172	7.6	185	(2.7)	180	1.7	183	25.1	229
Jan.	174	13.2	197	(2.0)	193	8.3	209	6.7	223
Feb.	165	6.7	176	5.7	186	9.1	203	0.0	203
March	195	11.8	218	(10.6)	195	17.9	230		
April	191	16.2	222	5.4	234	6.8	250		
May	214	15.4	247	(4.5)	236	16.1	274		
Total Year	$2,283	11.7	$2,551	0.5	$2,563	4.1	$2,667		
June-Feb	$1,683	10.8	$1,864	1.8	$1,898	0.8	$1,913	20.6	$2,296

Total Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$413	2.2	$422	4.3	$440	(0.5)	$438	28.9	$556
July	449	2.4	460	3.5	476	2.9	490	36.3	663
Aug.	462	5.0	485	7.0	519	(1.5)	511	33.8	684
Sept.	390	9.0	425	2.4	435	(1.1)	430	31.4	565
Oct.	393	13.7	447	(0.4)	445	(0.2)	444	22.5	544
Nov.	380	8.4	412	(4.9)	392	(2.8)	381	26.5	482
Dec.	341	8.2	369	(6.2)	346	4.8	362	24.6	451
Jan.	319	8.4	349	(2.0)	342	13.5	388	8.8	422
Feb.	307	(1.0)	304	8.2	329	17.9	388	(3.6)	374
March	363	9.4	397	(6.3)	372	18.9	446		
April	383	10.7	424	1.9	432	17.4	507		
May	420	12.1	471	(1.5)	464	22.2	567		
Total Year	$4,620	7.5	$4,965	0.5	$4,992	7.2	$5,352		
June-Feb	$3,454	6.3	$3,673	1.4	$3,724	2.9	$3,832	23.7	$4,741

PA 60

Passenger Cars

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$388	(1.5)	$383	18.8	$456	(2.8)	$443	26.6	$561
July	414	(3.9)	398	19.3	475	0.6	478	23.4	590
Aug.	405	(1.7)	398	22.4	487	(0.6)	484	21.1	586
Sept.	357	2.8	367	21.3	445	(2.7)	433	25.9	545
Oct.	366	3.0	377	21.2	457	(1.5)	460	25.1	563
Nov.	352	2.3	360	17.2	422	(3.8)	406	28.1	520
Dec.	343	6.2	364	10.2	401	4.7	420	21.2	509
Jan.	316	1.9	322	15.8	373	13.7	424	7.5	456
Feb.	300	1.0	303	16.5	353	22.7	433	(6.7)	404
March	351	14.5	402	1.0	406	24.4	505		
April	352	15.3	406	4.9	426	21.8	519		
May	369	20.3	444	0.9	448	22.3	548		
Total Year	$4,317	4.8	$4,524	13.8	$5,148	7.7	$5,543		
June-Feb	$3,245	0.8	$3,272	18.2	$3,868	2.7	$3,971	19.2	$4,734

Commercial Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$161	5.6	$170	22.9	$209	(11.0)	$186	10.2	$205
July	152	1.3	154	14.3	176	12.5	198	6.1	210
Aug.	163	6.1	173	9.8	190	2.6	195	10.8	216
Sept.	156	(2.6)	152	12.5	171	10.5	189	7.9	204
Oct.	150	6.0	159	20.1	191	(2.1)	187	8.6	203
Nov.	136	4.4	142	16.9	166	(12.7)	145	20.0	174
Dec.	123	9.8	135	0.7	136	4.4	142	18.8	169
Jan.	128	11.7	143	12.6	161	0.6	162	5.6	171
Feb.	119	10.9	132	14.4	151	7.3	162	11.1	180
March	149	12.8	168	(3.6)	162	14.8	186		
April	142	24.6	177	7.3	190	(1.6)	187		
May	165	29.1	213	(11.3)	189	1.6	192		
Total Year	$1,744	10.0	$1,918	9.1	$2,092	1.9	$2,131		
June-Feb	$1,284	5.8	$1,360	14.0	$1,551	1.9	$1,580	10.4	$1,732

Total Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$550	0.5	$553	20.1	$664	(5.3)	$629	21.6	$765
July	566	(2.5)	552	17.9	651	3.8	676	18.3	800
Aug.	568	0.5	571	18.6	677	0.3	679	18.1	802
Sept.	513	1.2	519	18.7	616	1.0	622	20.4	749
Oct.	516	3.9	536	20.9	648	(1.7)	637	20.3	766
Nov.	488	2.9	502	17.1	588	(6.3)	551	26.0	694
Dec.	466	6.4	499	7.6	537	4.7	562	20.8	678
Jan.	444	4.7	465	14.6	534	9.7	586	7.0	627
Feb.	419	3.8	435	15.9	504	18.1	595	(1.8)	584
March	500	14.0	570	(0.4)	568	21.7	691		
April	494	18.0	583	5.7	616	14.8	706		
May	534	23.0	657	(3.0)	637	16.2	740		
Total Year	$6,061	6.3	$6,442	12.4	$7,240	6.0	$7,674		
June-Feb	$4,533	2.2	$4,632	17.0	$5,419	2.2	$5,537	16.6	$6,466

Total Revenues

Passenger Cars

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$29,863	(2.4)	$29,126	4.3	$30,368	(5.0)	$28,854	27.6	$36,869
July	32,518	(3.2)	31,473	0.8	31,718	(1.9)	31,107	30.7	40,656
Aug.	31,986	(0.8)	31,729	5.7	33,541	(1.8)	32,932	25.3	41,282
Sept.	26,595	3.7	27,572	1.5	27,979	(5.4)	26,476	31.6	34,855
Oct.	27,758	2.0	28,303	(0.1)	28,272	0.4	28,382	25.4	35,596
Nov.	26,990	2.3	27,618	(0.8)	27,377	(1.2)	27,060	27.6	34,536
Dec.	25,442	4.9	26,682	(5.7)	25,175	4.6	26,348	22.7	32,372
Jan.	22,874	(0.3)	22,810	(0.5)	22,704	20.9	27,457	7.5	29,518
Feb.	21,111	(7.9)	19,432	8.8	21,156	26.6	26,779	(11.4)	23,714
March	25,300	(0.9)	25,084	0.7	25,282	23.0	31,066		0
April	23,161	3.9	24,071	6.4	25,712	31.2	33,740		0
May	27,678	4.2	28,853	(1.2)	28,499	26.6	36,092		0
Total Year	$321,269	0.5	$322,791	1.5	$327,781	8.7	$356,348		
June-Feb	$245,130	(0.1)	$244,773	1.4	$248,288	2.9	$255,446	21.1	$309,380

Commercial Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$24,700	3.6	$25,591	(0.6)	$25,439	(5.5)	$24,035	10.3	$26,513
July	23,028	1.8	23,447	6.2	24,898	(1.3)	24,578	7.2	26,330
Aug.	25,226	4.4	26,336	1.7	26,787	(9.8)	24,179	8.3	26,172
Sept.	23,763	2.2	24,280	0.4	24,376	(3.5)	23,513	9.9	25,852
Oct.	24,574	4.2	25,598	3.8	26,573	(8.8)	24,200	8.5	26,258
Nov.	22,968	2.0	23,435	0.2	23,482	(15.5)	19,853	15.1	22,847
Dec.	22,302	(1.8)	21,904	(0.8)	21,719	(8.8)	19,804	17.6	23,288
Jan.	22,091	5.0	23,188	1.4	23,522	0.8	23,653	(2.6)	22,896
Feb.	20,924	9.9	23,000	(4.0)	22,073	1.3	22,386	(4.8)	21,287
March	24,826	1.2	25,119	(4.7)	23,938	4.1	24,915		0
April	26,596	0.1	26,628	(8.6)	24,272	4.5	25,369		0
May	25,140	4.7	26,311	(7.6)	24,314	4.7	25,452		0
Total Year	$286,136	3.0	$294,635	(1.2)	$291,389	(3.3)	$281,699		
June-Feb	$209,574	3.4	$216,779	1.0	$218,867	(5.8)	$206,173	7.5	$221,552

Total Vehicles

Month	2005-06	% Chg	2006-07	% Chg	2007-08	% Chg	2008-09	% Chg	2009-10
June	$54,563	0.3	$54,717	2.0	$55,807	(5.2)	$52,890	18.8	$63,382
July	55,547	(1.1)	54,920	3.1	56,612	(1.7)	55,677	20.3	66,982
Aug.	57,214	1.5	58,067	3.9	60,328	(5.3)	57,107	18.1	67,434
Sept.	50,358	3.0	51,852	1.0	52,355	(4.5)	49,989	21.4	60,707
Oct.	52,332	3.0	53,899	1.8	54,845	(4.1)	52,601	17.6	61,857
Nov.	49,958	2.2	51,051	(0.4)	50,859	(7.8)	46,913	22.3	57,383
Dec.	47,744	1.8	48,596	(3.5)	46,894	(1.5)	46,190	20.5	55,660
Jan.	44,965	2.3	45,998	0.5	46,226	10.6	51,110	2.8	52,518
Feb.	42,035	1.0	42,452	1.6	43,229	13.7	49,145	(8.4)	45,001
March	50,126	0.2	50,203	(2.0)	49,198	13.6	55,981		
April	49,757	1.9	50,697	(1.4)	49,984	18.2	59,098		
May	52,818	4.4	55,164	(4.3)	52,813	16.5	61,544		
Total Year	$607,405	1.7	$617,616	0.2	$619,150	3.1	$638,245		
June-Feb	$454,704	1.5	$461,552	1.2	$467,156	(1.2)	$461,621	15.0	$530,932

NOTES:
(1) A toll increase of 25% was implemented on January 4, 2009. Toll rates on Findlay Connector/PA-576 and the Mon-Fayette Expy/Tpke 43 Uniontown to Brownsville remained unchanged
(2) A toll increase of 3% was implemented on January 3, 2010. Toll rates on Findlay Connector/PA-576 remained unchanged
(3) February traffic was negatively impacted several times due to severe snowstorms.
(4) All six (6) Phase 1 projects of the Mon/Fayette Expressway, Uniontown to Brownsville Project were completed in the fall of 2008. Phase 1 was open to traffic on October 30, 2008. This had positive traffic impacts on the Mon/Fayette Expressway.

Table 5

Comparison of Estimated and Actual Traffic Volumes and Toll Revenue From December 2008 through February 2010 (1)

Pennsylvania Turnpike System

	Total Traffic (in Thousands)			Total Toll Revenue (in Thousands)		
Facility	Estimated	Actual	Actual vs Estimated (% Difference)	Estimated	Actual	Actual vs Estimated (% Difference)
			Passenger Cars			
Ticket and Gateway Barrier	159,683	163,981	2.7	$435,072	$458,613	5.4
PA 43	11,308	12,070	6.7	10,907	11,601	6.4
PA 66	8,613	8,589	(0.3)	9,330	9,349	0.2
Northeast Extension	5,751	5,902	2.6	3,565	3,753	5.3
PA 60	8,833	8,777	(0.6)	7,476	7,585	1.5
Total System	194,188	199,318	2.6	$466,350	$490,901	5.3
			Commercial Vehicles			
Ticket and Gateway Barrier	24,503	23,978	(2.1)	$381,511	$351,761	(7.8)
PA 43	439	502	14.4	1,208	1,436	18.9
PA 66	1,085	1,067	(1.6)	3,650	3,488	(4.4)
Northeast Extension	1,013	1,009	(0.4)	3,659	3,645	(0.4)
PA 60	1,251	1,130	(9.6)	3,020	2,763	(8.5)
Total System	28,290	27,687	(2.1)	$393,048	$363,094	(7.6)
			Total Vehicles			
Ticket and Gateway Barrier	184,186	187,959	2.0	$816,583	$810,374	(0.8)
PA 43	11,747	12,572	7.0	12,115	13,037	7.6
PA 66	9,697	9,657	(0.4)	12,980	12,837	(1.1)
Northeast Extension	6,764	6,912	2.2	7,224	7,399	2.4
PA 60	10,084	9,907	(1.8)	10,496	10,348	(1.4)
Total System	222,479	227,006	2.0	$859,398	$853,995	(0.6)

(1) This 15 month period corresponds to the period for which actual data currently exists, but was estimated at the time of WSA's January 6, 2009 Traffic and Toll Revenue Study.

Table 6

Near Term GDP and Total Turnpike Traffic Estimates

Percent Change over Previous Year

Year	Gross Domestic Product Growth (1)	Total Penn Turnpike Traffic Growth (2)
2008	0.4	2.2
2009	(2.4)	(1.8)
2010	2.8	(0.5)
2011	3.6	1.3
2012	5.0	3.8
2013	3.5	3.3
2014	2.6	2.9

(1) GDP percent changes are based on constant dollars. 2008 and 2009 data are from the US Bureau of Economic Analysis. Forecast data (2010-2014) is from Moody's Economy.com baseline forecast (February 2010).
(2) Traffic growth estimates are based on fiscal year basis. Thus, for example, year 2010 traffic growth data reflects the growth in FY 2009-10 over FY 2008-09.

Table 7

Estimated Annual Traffic and Gross Toll Revenue
Pennsylvania Turnpike: Ticket System Only

Traffic and Toll Revenue in Thousands

Fiscal Year	Annual Traffic			Annual Gross Toll Revenue		
	Passenger Cars	Commercial Vehicles	Total Vehicles	Passenger Cars	Commercial Vehicles	Total Vehicles
2007-08 (1)	136,018	22,253	158,271	$307,299	$283,511	$590,810
2008-09 (1)(2)	133,797	20,449	154,246	333,121	273,528	606,649
2009-10 (3)	133,902	19,396	153,298	386,821	288,104	674,925
2010-11 (4)	136,142	19,043	155,185	404,745	291,421	696,166
2011-12 (4)	140,907	19,900	160,807	431,478	313,671	745,149
2012-13 (4)	145,134	20,756	165,890	457,755	336,973	794,728
2013-14 (4)	148,763	21,586	170,349	483,275	360,966	844,241
2014-15 (4)	152,184	22,342	174,526	509,222	384,808	894,030
2015-16 (4)	155,380	23,012	178,392	535,513	408,243	943,756
2016-17 (4)	158,643	23,679	182,322	563,162	432,684	995,846
2017-18 (4)	161,975	24,342	186,317	592,238	458,143	1,050,381
2018-19 (4)	165,214	25,024	190,238	622,205	485,100	1,107,305
2019-20 (4)	168,519	25,699	194,218	653,689	513,144	1,166,833
2020-21 (4)	171,889	26,393	198,282	686,765	542,809	1,229,574
2021-22 (4)	175,155	27,106	202,261	720,808	574,189	1,294,997
2022-23 (4)	178,483	27,811	206,294	756,539	606,791	1,363,330
2023-24 (4)	181,874	28,534	210,408	794,041	641,245	1,435,286
2024-25 (4)	185,329	29,276	214,605	833,401	677,655	1,511,056
2025-26 (4)	188,665	30,037	218,702	873,854	716,132	1,589,986
2026-27 (4)	192,061	30,788	222,849	916,271	756,056	1,672,327
2027-28 (4)	195,518	31,557	227,075	960,747	798,206	1,758,953
2028-29 (4)	199,038	32,346	231,384	1,007,382	842,706	1,850,088
2029-30 (4)	202,621	33,155	235,776	1,056,280	889,687	1,945,967
2030-31 (4)	206,268	33,984	240,252	1,107,552	939,287	2,046,839
2031-32 (4)	209,424	34,706	244,130	1,158,232	988,027	2,146,259
2032-33 (4)	212,628	35,444	248,072	1,211,230	1,039,297	2,250,527
2033-34 (4)	215,881	36,197	252,078	1,266,654	1,093,227	2,359,881
2034-35 (4)	219,184	36,966	256,150	1,324,614	1,149,955	2,474,569

(1) Reflects actual traffic and revenue experience.
(2) A 25 percent toll rate increase was implemented on January 4, 2009.
(3) A 3 percent toll increase was implemented on January 3, 2010. FY 2009-10 contains 9 months of actual experience.
(4) Assumes implementation of a 3 percent rate increase on or about January 1 of the indicated year.

Table 8

Estimated Annual Traffic and Gross Toll Revenue
Pennsylvania Turnpike: Barrier System Only

Traffic and Toll Revenue in Thousands

Fiscal Year	Annual Traffic: Passenger Cars	Annual Traffic: Commercial Vehicles	Annual Traffic: Total Vehicles	Annual Gross Toll Revenue: Passenger Cars	Annual Gross Toll Revenue: Commercial Vehicles	Annual Gross Toll Revenue: Total Vehicles
2007-08 (1)	28,078	3,201	31,279	$20,462	$7,878	$28,340
2008-09 (1)(2)	28,841	3,134	31,975	23,225	8,371	31,596
2009-10 (3)	28,936	3,077	32,013	27,009	9,572	36,581
2010-11 (4)	29,426	3,114	32,540	28,281	9,989	38,270
2011-12 (4)	30,749	3,262	34,011	30,458	10,771	41,229
2012-13 (4)	32,054	3,400	35,454	32,727	11,557	44,284
2013-14 (4)	33,255	3,528	36,783	34,998	12,350	47,348
2014-15 (4)	34,473	3,647	38,120	37,405	13,146	50,551
2015-16 (4)	35,698	3,760	39,458	39,937	13,956	53,893
2016-17 (4)	36,969	3,868	40,837	42,642	14,784	57,426
2017-18 (4)	38,250	3,973	42,223	45,488	15,636	61,124
2018-19 (4)	39,578	4,079	43,657	48,527	16,532	65,059
2019-20 (4)	40,954	4,186	45,140	51,770	17,468	69,238
2020-21 (4)	42,339	4,295	46,634	55,179	18,451	73,630
2021-22 (4)	43,773	4,406	48,179	58,814	19,490	78,304
2022-23 (4)	45,215	4,517	49,732	62,631	20,574	83,205
2023-24 (4)	46,667	4,631	51,298	66,640	21,718	88,358
2024-25 (4)	48,169	4,748	52,917	70,908	22,927	93,835
2025-26 (4)	49,680	4,867	54,547	75,385	24,202	99,587
2026-27 (4)	51,197	4,986	56,183	80,078	25,532	105,610
2027-28 (4)	52,711	5,109	57,820	84,982	26,935	111,917
2028-29 (4)	54,272	5,234	59,506	90,189	28,415	118,604
2029-30 (4)	55,834	5,362	61,196	95,633	29,976	125,609
2030-31 (4)	57,394	5,493	62,887	101,317	31,624	132,941
2031-32 (4)	58,757	5,607	64,364	106,835	33,249	140,084
2032-33 (4)	60,152	5,724	65,876	112,653	34,958	147,611
2033-34 (4)	61,581	5,842	67,423	118,789	36,754	155,543
2034-35 (4)	63,044	5,964	69,007	125,258	38,643	163,901

(1) Reflects actual traffic and revenue experience.
(2) A 25 percent toll rate increase was implemented on January 4, 2009.
(3) A 3 percent toll increase was implemented on January 3, 2010. FY 2009-10 contains 9 months of actual experience.
(4) Assumes implementation of a 3 percent rate increase on or about January 1 of the indicated year.

Table 9

Estimated Annual Traffic and Gross Toll Revenue
Pennsylvania Turnpike: Total System

Traffic and Revenue in Thousands

Fiscal Year	Annual Traffic: Passenger Cars	Annual Traffic: Commercial Vehicles	Annual Traffic: Total Vehicles	Annual Gross Toll Revenue: Passenger Cars	Annual Gross Toll Revenue: Commercial Vehicles	Annual Gross Toll Revenue: Total Vehicles	Discounts and Adjustments (5)	Adjusted Annual Gross Revenue
2007-08 (1)	164,096	25,454	189,550	$327,761	$291,389	$619,150	($20,224)	$598,926
2008-09 (1)(2)	162,638	23,583	186,221	356,346	281,899	638,245	(22,640)	615,605
2009-10 (3)	162,838	22,473	185,311	413,830	297,676	711,506	(23,480)	688,026
2010-11 (4)	165,568	22,157	187,725	433,026	301,410	734,436	(24,236)	710,200
2011-12 (4)	171,656	23,162	194,818	461,936	324,442	786,378	(25,950)	760,428
2012-13 (4)	177,188	24,156	201,344	490,482	348,530	839,012	(27,687)	811,325
2013-14 (4)	182,018	25,114	207,132	518,273	373,316	891,589	(29,422)	862,167
2014-15 (4)	186,657	25,989	212,646	546,627	397,954	944,581	(31,171)	913,410
2015-16 (4)	191,078	26,772	217,850	575,450	422,199	997,649	(32,922)	964,727
2016-17 (4)	195,612	27,547	223,159	605,804	447,468	1,053,272	(34,758)	1,018,514
2017-18 (4)	200,225	28,315	228,540	637,726	473,779	1,111,505	(36,680)	1,074,825
2018-19 (4)	204,792	29,103	233,895	670,732	501,632	1,172,364	(38,688)	1,133,676
2019-20 (4)	209,473	29,885	239,358	705,459	530,612	1,236,071	(40,790)	1,195,281
2020-21 (4)	214,228	30,688	244,916	741,944	561,260	1,303,204	(43,006)	1,260,198
2021-22 (4)	218,928	31,512	250,440	779,622	593,679	1,373,301	(45,319)	1,327,982
2022-23 (4)	223,698	32,328	256,026	819,170	627,365	1,446,535	(47,736)	1,398,799
2023-24 (4)	228,541	33,165	261,706	860,681	662,963	1,523,644	(50,280)	1,473,364
2024-25 (4)	233,498	34,024	267,522	904,309	700,582	1,604,891	(52,961)	1,551,930
2025-26 (4)	238,345	34,904	273,249	949,239	740,334	1,689,573	(55,756)	1,633,817
2026-27 (4)	243,258	35,774	279,032	996,349	781,588	1,777,937	(58,672)	1,719,265
2027-28 (4)	248,229	36,666	284,895	1,045,729	825,141	1,870,870	(61,739)	1,809,131
2028-29 (4)	253,310	37,580	290,890	1,097,571	871,121	1,968,692	(64,967)	1,903,725
2029-30 (4)	258,455	38,517	296,972	1,151,913	919,663	2,071,576	(68,362)	2,003,214
2030-31 (4)	263,662	39,477	303,139	1,208,869	970,911	2,179,780	(71,933)	2,107,847
2031-32 (4)	268,181	40,313	308,494	1,265,066	1,021,276	2,286,343	(75,449)	2,210,894
2032-33 (4)	272,780	41,167	313,948	1,323,884	1,074,255	2,398,138	(79,139)	2,319,000
2033-34 (4)	277,462	42,040	319,501	1,385,443	1,129,981	2,515,424	(83,009)	2,432,415
2034-35 (4)	282,227	42,930	325,157	1,449,872	1,188,598	2,638,470	(87,070)	2,551,401

(1) Reflects actual traffic, revenue, and discounts and adjustments experience.
(2) A 25 percent toll rate increase was implemented on January 4, 2009.
(3) A 3 percent toll increase was implemented on January 3, 2010. FY 2009-10 contains 9 months of actual experience.
(4) Assumes implementation of a 3 percent rate increase on or about January 1 of the indicated year.
(5) Discounts and adjustments are based on actual experience from FY 2007-08 through the first nine months of FY 2009-10. Discounts and adjustments averaged 3.3 percent of gross toll revenue over this period and this figure is used to estimate these values through the forecast period.