


IBTTA
Transportation Finance Summit
Dec 3-5, 2006




**TOLL ROAD TRENDS AND FUTURES:
A SURVEY & EXTRAPOLATION**

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TOLL ROAD TRENDS AND FUTURES

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CHANGING SIGNIFICANCE OF TOLLS

- **Toll roads:**
*Localized/niche need
OR
Significant part of future nationwide
highway finance and service?*
- **Stakeholder Inventory Updated**
http://www.fhwa.dot.gov/PPP/toll_survey.htm
- **What are the key trends (Futures Studies)?**

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WHAT WE FOUND

Projects	Toll roads	HOT/ETL	No states
Opened since ISTEA:	45	5	13
Under construction	21	4	10
In finance/design	13	4	10
In NEPA process	17	19	13
In planning	27	11	13
TOTAL	123	43	28

Not including Trans TX Corridor

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WHAT WE FOUND

Basics	
Toll/HOT opened since ISTEA:	738 CL miles
Toll/HOT under Development	3035 CL miles
Value of current activity	\$70B + in 8 yrs?
Pre/post 2000 rate of development (toll roads)	100 → 200 miles/year
PPP committed	26/166
PPP considering	48/166

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WHAT WE FOUND

- **Players (all stages since ISTEA)**
 - > 25 projects: TX, FL
 - 10-15 projects: CA, CO, VA
 - 4-10 projects: AL, GA, IL, LA, MD, NC, OK, OR, PA,

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(1) PROGRAM FUTURES

OLD STYLE TOLL ROADS	NEW STYLE TOLL PROGRAM	THE HORIZON
Greenfield new capacity	Conversions/Additions	Rationale: market highway services at a price – Based on dual (?) networks (more than one service level)
Add-a-lane HOT	ETL networks	
Fill financial gap	Finance new capacity	
Managed for costs	Priced for service	
A few ad hoc projects	A program of projects	

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(2) FINANCE FUTURES

OLD STYLE TOLL ROADS	NEW STYLE TOLL PROGRAM	THE HORIZON
Toll revenue finance	Mixed finance	Toll project Portfolios as attractive long-term equity investment
Project level finance	Program finance/X-sub	
Rates for coverage	Prices to maximize service	
20 Debt Horizon	99 year equity horizon	

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(3) INSTITUTIONAL FUTURES

OLD STYLE TOLL ROADS	NEW STYLE TOLL PROGRAM	THE HORIZON
Facility authorities	Regional authorities P/PPs	Competing Tollway Service Corporations owning and operating road networks
DOTs at arm's length	State DOTs as owner/operators	
Use of GEC	Use of concessionaires	

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