

Value Pricing Conference Gathers Enthusiastic Crowd

For the first time ever, regional leaders have met in a major public event to discuss the use of pricing policies to influence travel behavior, cut congestion and raise revenue.

On June 4, the Transportation Planning Board convened more than 200 elected officials, community leaders, planners and academics for a one-day conference that explored innovative transportation pricing strategies. The TPB organized the event in conjunction with the Federal Highway Administration and the departments of transportation in the District of

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More than 200 elected officials, community leaders, planners and academics gathered on June 4 for the region's first major conference on transportation value pricing.

Employer Recognition Awards



The TRANServe program of the U.S. Department of Transportation was one of six recipients of Commuter Connections 2003 Employer Recognition Awards. TRANServe provides assistance to more than 100,000 commuters in 100 different agencies in the region. Pictured left to right are Catherine Hudgins, Fairfax County Supervisor and awards committee chair; Janet Kraus representing the TRANServe program; and David Robertson, COG executive director.

Commuter Connections Prepares Mass Marketing

The TPB's Commuter Connections program is getting ready to launch a mass marketing campaign designed to cut solo driving and reduce emissions.

"Our goal is to convert 8,500 SOV [single-occupant vehicle] commuters to an alternative mode each year over four years," said Nick Ramfos of the COG/TPB staff.

The program is classified as a Transportation Emissions Reduction Measure (TERM). The TPB adopts a number of TERMS every year to help the region reach emission reduction goals that are laid out in the region's air quality improvement plan.

By 2005, the program is aiming to reduce daily vehicle miles of travel (VMT) across the region by 250,650 miles. By 2007, daily VMT will be cut by 501,300 miles. These VMT reductions are

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Columbia, Maryland and Virginia.

From across the political spectrum, attendees said they were open to the idea of value pricing, and in some cases, enthusiastic about its potential for relieving congestion.

“What we are talking about is options,” said Peter Shapiro, chair of the TPB and the Prince George’s County Council. “Pricing means more options in a region with notorious congestion and shrinking budgets.”

In the terminology of transportation planning, “value pricing” means that drivers and transit riders are given the option of paying an extra fee for the value of reduced congestion.

The most commonly discussed value pricing mechanism is high occupancy toll (HOT) lanes, which permit travelers to either ride for free in a carpool lane or pay a toll if they are driving alone. Tolls are typically paid through electronic transponders attached to car windshields. More sophisticated HOT lanes automatically adjust their tolls based on congestion levels—an approach called “dynamic pricing.”

The TPB’s value pricing conference featured presentations on HOT lane projects in California and Texas.

In addition to expanding travel options, pricing strategies aim to reduce congestion by influencing travel behavior. On New York’s toll bridges, for example, higher peak tolls help to reduce peak period backups by encouraging drivers to shift into off-peak hours.

London’s cordon charge, probably the boldest value pricing project discussed at the TPB conference, is designed to reduce congestion in the city’s urban core. Anyone who drives in the inner part of the British capital is required to pay a fee, although residents receive a 90 percent discount.



High Occupancy/Toll (HOT) Lanes permit solo drivers to pay a toll to use carpool lanes. Pictured above is a HOT lane facility on Route 91 in Orange County California. (Photo courtesy of Cofiroute Global Mobility.)

Preliminary counts show that traffic is down 20 percent and traffic speeds are up by 15 percent in the cordon area. Before implementation, elected officials predicted the program would be opposed by 80 percent of citizens, but in fact it was only opposed by 30 percent.

The TPB conference also looked at parking cash-out programs in which employers offer their workers the cash equivalent of parking subsidies. Another concept under discussion was “pay as you go” fees for paying taxes, registration or insurance on cars.

Key themes discussed

Several key themes emerged in the conference discussions:

Equity. In the past, critics have charged that HOT lanes are “Lexus lanes” allowing wealthy drivers to buy their way out of congestion. But Professor Martin Wachs noted that other commonly accepted financing mechanisms, such as sales taxes, are clearly less equitable.

Experience shows that the public, regardless of income, are ready to take advantage of the benefits of value pricing. Overall, people of all income levels have been found to be using the HOT lanes in California and Texas. Even non-users can feel the benefits of HOT lanes because congestion is reduced when cars are diverted from conventional lanes. Furthermore, value pricing revenues have frequently been used to expand public transit services.

Expanding Choice. The most popular value pricing mechanisms are those that are perceived to be offering a new travel choice, not charging for a previously “free” public good. Converting existing high-occupancy vehicle (HOV) lanes to



London’s pricing program, in which drivers are charged a fee to travel in the central city, is not considered a likely model for U.S. cities. Nonetheless, the London experience provides a useful case study on pricing’s potential effects on congestion and the role of public opinion and political leadership in implementing pricing programs.

HOT lanes, or adding new capacity, is generally seen as the most palatable way to create a HOT lane system, rather than converting existing general purpose lanes.

Transportation Revenue. Value pricing presents attractive revenue options for transportation systems facing shrinking budgets and growing needs. Conference speakers noted that gas taxes are not yielding adequate revenues because of increased fuel efficiency and because fuel taxes have not kept pace with inflation.

Several speakers suggested that value pricing revenues should be used in the same corridor in which the funds were raised.

These revenues have typically been used to improve transit, and to pay operating costs and debt service.

Technology.

New technologies have made value pricing feasible. Transponders and smart cards permit pricing systems to be seamless and convenient to customers. In contrast, old-fashioned toll booths were a burden to users.

A Wide Range of Support. Conference speakers and participants included representatives from the business and environmental communities, who expressed support for value pricing—with conditions. For example, Lon Anderson of the American Automobile Association said he was amenable to the possible use of pricing for new road capacity.

Public Education. Misperceptions about value pricing can be overcome through public education efforts. A well-known HOT lane project in San Diego generated widespread public support and actually created increased carpooling because of increased public awareness of the “value” of carpool lanes.

Political Support is Key. Value pricing projects must have political champions. Ken Livingstone,

the mayor of London, pushed the cordon pricing project against tremendous political odds. Similarly, San Diego’s HOT lane project would not have happened without the leadership of an elected official working through the region’s metropolitan planning organization (MPO)—an agency which, like the TPB, is responsible for meeting federal transportation planning requirements.

Regional initiatives

At the conference, representatives from the states described a number of new initiatives to explore value pricing. Virginia’s DOT has requested federal funding to study HOT lanes in such locations as the Dulles Toll Road, the Capital Beltway and I-66. The study will compare the implications of building new lanes for value pricing versus using existing lanes. Converting existing HOV facilities to HOT lanes would require “excess capacity,” which means the lanes must have room for additional cars without slowing down traffic.

The current interest in value pricing stands in contrast to the recent past. Only two years, former Maryland Governor Parris Glendening, citing concerns about equity, cancelled plans to test HOT lanes on Maryland Route 50 in Prince George’s County. Maryland is now taking a second look at the possibility of a value pricing pilot project, this time along the I-270 corridor.

The District of Columbia is looking at variable pricing for parking. The Metro system is currently implementing smart card technologies that might accommodate new pricing strategies in the future.

The TPB’s Regional Mobility and Accessibility Study, which is looking at the long-term effects of various transportation and land use scenarios, will include a HOV/HOT lane system in its analysis.

The TPB at its meeting on June 18 voted to form a task force to further explore value pricing.

To see the summary report and presentations from the conference, go to www.mwcog.org/pricingconference/. ■



Business and community leaders said they were open to pricing—with conditions. Pictured left to right: Stewart Schwartz, Coalition for Smarter Growth; Bob Grow, Board of Trade; Michael Replogle, Environmental Defense; Lon Anderson, AAA; Phil Mendelson, TPB Vice Chair; Ron Kirby, COG Director of Transportation Planning.

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translated through computer modeling into cuts in vehicle emissions of nitrogen oxides (NOx) and volatile organic compounds (VOCs). NOx and VOCs are the precursors of ground-level ozone. The Washington region is in violation of national standards for ozone. The region is required to meet those standards by 2005.

The new year-round marketing campaign will establish a Commuter Connections “brand” that will communicate the benefits of ride sharing, transit, telecommuting, biking and walking—any option besides driving alone.

The campaign will be focused on those drivers who actually have viable commuting options. For that reason, the advertising will be aimed at selected regional activity centers and at areas surrounding under-utilized transit corridors and stations.

Dudnyk Advertising and Public Relations has been selected to create the campaign. Funding for the program will start aggressively— \$1.275 million this year—in order to build brand identity for Commuter Connections. Funding will gradually level out over the program’s six-year timeframe.

A TPB work session to further discuss the campaign will be held on the morning of July 16 prior to the regular TPB meeting. ■

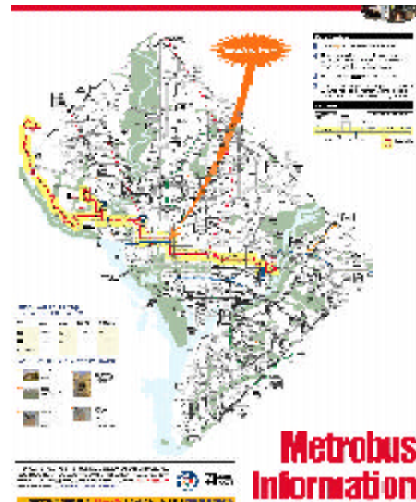
Report on Non-English Transit Information Approved

At its June 18 meeting, the Transportation Planning Board unanimously approved recommendations from its Access for All Advisory Committee regarding ways to improve transit information for people with limited English proficiency.

The recommendations, which were described in last month’s *TPB News* include suggestions on telephone information, bus station information and other forms of customer service that might be rendered in other languages or in symbolic forms that do not require written words. For a full copy of the recommendations, go to www.mwcog.org. Under *Transportation*, go to *Committees* and look for the *TPB Access for All Advisory Committee*.

The Access for All Advisory Committee, which is chaired by Takoma Park Mayor Kathy Porter, was formed to provide guidance to the region’s decision-makers on transportation priorities for low-income, minority and disabled people. ■

Providing Bus Maps



Large bus maps will be installed at bus shelters in central D.C. under a project sponsored by the Downtown Business Improvement District (BID) in conjunction with the D.C. Department of Transportation and WMATA. Anne Marie Bairstow of the BID gave a briefing on this project at the TPB’s June 18 meeting.

In a separate, but related effort, WMATA has announced it will begin distributing bus maps for free by the end of 2003. The TPB’s Citizens Advisory Committee in May endorsed a series of recommendations on improving bus information, including free distribution of bus maps and installation of the maps at shelters and rail stations throughout the region. These recommendations were put together by CAC member Dennis Jaffe.

Improved bus information is also a priority of the TPB’s Access for All Advisory Committee, which has been promoting increased transit information for people with limited English.

Upcoming TPB Agenda

The TPB’s July 16 agenda will include:

- **Approval** of CLRP amendments requested by VDOT
- **Appointment** of task force on value pricing
- **Review and approval** of TPB responses to comments regarding the regional air quality plan.
- **Report** of regional pedestrian/bicycle safety education campaign
- **Briefing** on the federal certification review of the TPB’s planning process
- **Report** on financial analysis for the CLRP update
- **Status** report on the air quality conformity analysis for the CLRP update
- **Review** of proposed scenarios for the Regional Mobility and Accessibility Study

Financial Analysis Discussed

At its meeting on June 18, the Transportation Planning Board was briefed on draft data for the financial analysis for the 2003 Update to the Constrained Long-Range Plan (CLRP).

Under federal law, the CLRP can only include projects for which funding can be “reasonably anticipated to be available.” In order to comply with this requirement, the TPB every three years undergoes an analysis of transportation funding and expenditures that are anticipated for the region over the next 25-30 years.

In his report to the TPB, Arlee Reno, a consultant with Cambridge Systematics, reported that the steering committee working on the analysis had finished its technical analysis, but was awaiting information from Virginia jurisdictions regarding contributions to the Washington Metropolitan Area Transit Authority (WMATA).

Mr. Reno noted that the WMATA’s request for operating and capital expenses did not appear to be fully funded. The state of Maryland had not identified adequate dollars to fund its share of WMATA’s request for operating expenses,

although it did fully fund anticipated capital costs. In contrast, the District of Columbia funded its share of WMATA’s operating request, but did not fully fund the transit agency’s capital request. In Virginia, local jurisdictions provide significant WMATA funding, but not all of this information was available yet.

Mr. Reno said that anticipated revenues for highways were consistent with anticipated expenditures. However, he noted that the level of annual highway spending was roughly 10 percent lower than the levels included in the 2000 CLRP. The last comprehensive update of the CLRP—including a financial analysis—was approved in 2000.

The draft financial data triggered a lively discussion. Chris Zimmerman, who serves on both the WMATA and Arlington County boards, said that concerns about WMATA funding should focus on capital needs, not the operating shortfall. “I don’t see any reason to assume that the region isn’t going to pay its Metro bills,” he said. “But, particularly on expansion needs, and also on access and on preservation the real story here is that we are billions of dollars below where we need to be.”

TPB Vice Chairman Phil Mendelson suggested a shortfall in transit funding might mean the transit program would have to be scaled back in the CLRP. “And if there’s a ratcheting down of the program, it seems that would affect the air quality conformity analysis,” he said.

Peter Shapiro, TPB Chairman, suggested it might be appropriate for the TPB to again seek to raise public awareness of these “funding shortfalls that are so transparent.”

The board will be presented with a final financial analysis at its meeting on July 16. ■

New Kiosks



Dan Tangherlini, Director of the District Department of Transportation, tested out a new Commuter Connections kiosk that was unveiled on June 7 at the Reeves D.C. Government Building. The InfoExpress kiosks, which provide quick traveler information, will soon be upgraded across the region.

TPB Alphabet Soup

CAC	-	Citizens Advisory Committee
CLRP	-	Constrained Long-Range Plan
COG	-	Metropolitan Washington Council of Governments
DDOT	-	District Department of Transportation
EPA	-	U.S. Environmental Protection Agency
FHWA	-	Federal Highway Administration
FTA	-	Federal Transit Administration
MDOT	-	Maryland Department of Transportation
SIP	-	State Implementation Plan for air quality
TERMs	-	Transportation Emission Reduction Measures
TIP	-	Transportation Improvement Program
TPB	-	Transportation Planning Board
UPWP	-	Unified Planning Work Program
VDOT	-	Virginia Department of Transportation
WMATA	-	Washington Metropolitan Area Transit Authority

Calendar of Events

Dates and times subject to change. All meetings are at COG unless otherwise indicated. If you are in need of special assistance to participate in meetings, please call (202) 962-3315 or (202) 962-3213 (TDD). Bicycle racks are located in the parking garage at 777 N. Capitol St., NE (Enter from 1st Street).

July 2003

- July 8 — Management, Operations and Intelligent Transportation Systems (MOITS)
Policy and Technical Task Forces Joint Meeting (12:30 pm)
- July 9 — Telecommuting Ad-Hoc Committee (10 am)
- July 10 — TPB Citizens Advisory Committee (6 pm)
- July 11 — Traffic Signals and Operations Working Group (10 am)
- July 11 — Joint Technical Working Group for the Regional Mobility and Accessibility Study (noon)
- July 15 — Bicycle and Pedestrian Subcommittee (1 pm)
- July 15 — Commuter Connections Employer Outreach Ad-Hoc Group (8:30 am)
- July 15 — Commuter Connections Subcommittee (10 am)
- July 15 — Commuter Operations Subcommittee (12:15 am)
- July 16 — Transportation Planning Board (noon)**
- July 18 — Travel Forecasting Subcommittee (9 am)
- July 22 — Travel Management Subcommittee (9 am)
- July 24 — Aviation Technical Subcommittee (10:30 am)

August 2003

- August 5 — Regional Transportation Demand Management (TDM) Marketing Group (10 am)

September 2003

- September 5 — TPB Technical Committee (9 am)
- September 5 — TPB Program Committee (noon)
- September 9 — Management, Operations and Intelligent Transportation Systems (MOITS)
Policy and Technical Task Forces Joint Meeting (12:30 pm)
- September 11 — TPB Citizens Advisory Committee (6 pm)
- September 12 — Joint Technical Working Group for the Regional Mobility and Accessibility Study (noon)
- September 16 — Bicycle and Pedestrian Subcommittee (1 pm)
- September 17 — Transportation Planning Board (noon)**
- September 19 — Travel Forecasting Subcommittee (9 am)
- September 23 — Employer Outreach Ad-Hoc Group (8:30 am)
- September 23 — Travel Management Subcommittee (9 am)
- September 23 — Commuter Connections Subcommittee (10 am)
- September 23 — Commuter Operations Subcommittee (2:30 pm)
- September 25 — Aviation Technical Subcommittee (10:30 am)

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