

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: December 9, 2015

Reference No.: 4.3
Information

From: WILL KEMPTON
Executive Director

Subject: **ROAD CHARGE TECHNICAL ADVISORY COMMITTEE & PILOT PROGRAM UPDATE**

ISSUE:

The Road Charge Technical Advisory Committee (TAC) met on October 23rd in Oakland and on November 11th in Los Angeles. At the October and November meetings, the TAC reviewed the draft Road Charge Pilot Design Recommendations Report. Comments and edits were provided by the TAC through engaging discussions, which led to the adoption of the recommendations at the November 11th meeting. The report is available at

http://www.catc.ca.gov/meetings/Committees/Road_Charge/Road_Charge.html

The report contains the key policy and design recommendations the TAC has concluded are critical to the implementation of the pilot program, along with the recommended criteria to be used to evaluate the pilot program. Pursuant to statute, the TAC's recommendations will be submitted to the California State Transportation Agency. The Agency will implement the pilot project based on the recommendations of the TAC. Statute does not require Commission action on the Road Charge Pilot Design Recommendations Report; however, this item provides an opportunity for Commissioners to give input. Staff will relay any comments or suggestions to the TAC at the TAC's December 11th meeting. The TAC can consider any input at that meeting.

In early December, Caltrans' contractor, D'Artagnan Consulting, will begin the process of evaluating proposals for vendors to implement the pilot program. They expect to award the contract(s) in mid-December, and to begin implementation of the pilot in Summer 2016. The State Transportation Agency and Caltrans expect to report back to the TAC, the Commission, and the Legislature in Summer 2017. The Commission is required to include its recommendations regarding the pilot program in its annual report to the Legislature.

Key to the success of the pilot will be recruitment of volunteers. The TAC and Caltrans will be active in this effort. One can sign up to be a volunteer at www.CaliforniaRoadChargePilot.com

BACKGROUND:

On September 29, 2014 the Governor signed Senate Bill 1077 (DeSaulnier) mandating the Commission Chair, in consultation with the California State Transportation Agency Secretary, to create a 15-member TAC to study road usage charge alternatives to the gas tax, gather public input, and to make recommendations on the design of a pilot program.

Stakeholder engagement in the pilot program development process has been critical. To facilitate stakeholder input, a Road Charge Workgroup consisting of 22 members was formed to meet specific consultation requirements outlined in Senate Bill (SB) 1077 and to support the TAC as a resource to efficiently gather and provide expert input on the design and evaluation of the road charge pilot program. The workgroup is chaired by Anne Mayer, Executive Director of the Riverside County Transportation Commission. Workgroup participants include representatives from a wide variety of areas including: vehicle users; vehicle manufacturers; fuel distributors; tribal governments; social equity and sustainability advocates; taxpayers; state, local, and regional transportation agencies; and building, construction, business and economy interests. As a resource for the TAC, the workgroup is complementary to the larger public engagement process being undertaken by the TAC.

The workgroup held teleconferences on October 14th and November 9th to discuss the policy issues to be considered by the TAC at the October and November meetings. In addition to feedback received from the workgroup, the TAC also received comments and feedback through the California Road Charge Pilot Program website (www.CaliforniaRoadChargePilot.com).

The TAC will continue to undertake an open and inclusive process to gather public input during the implementation of the pilot program.

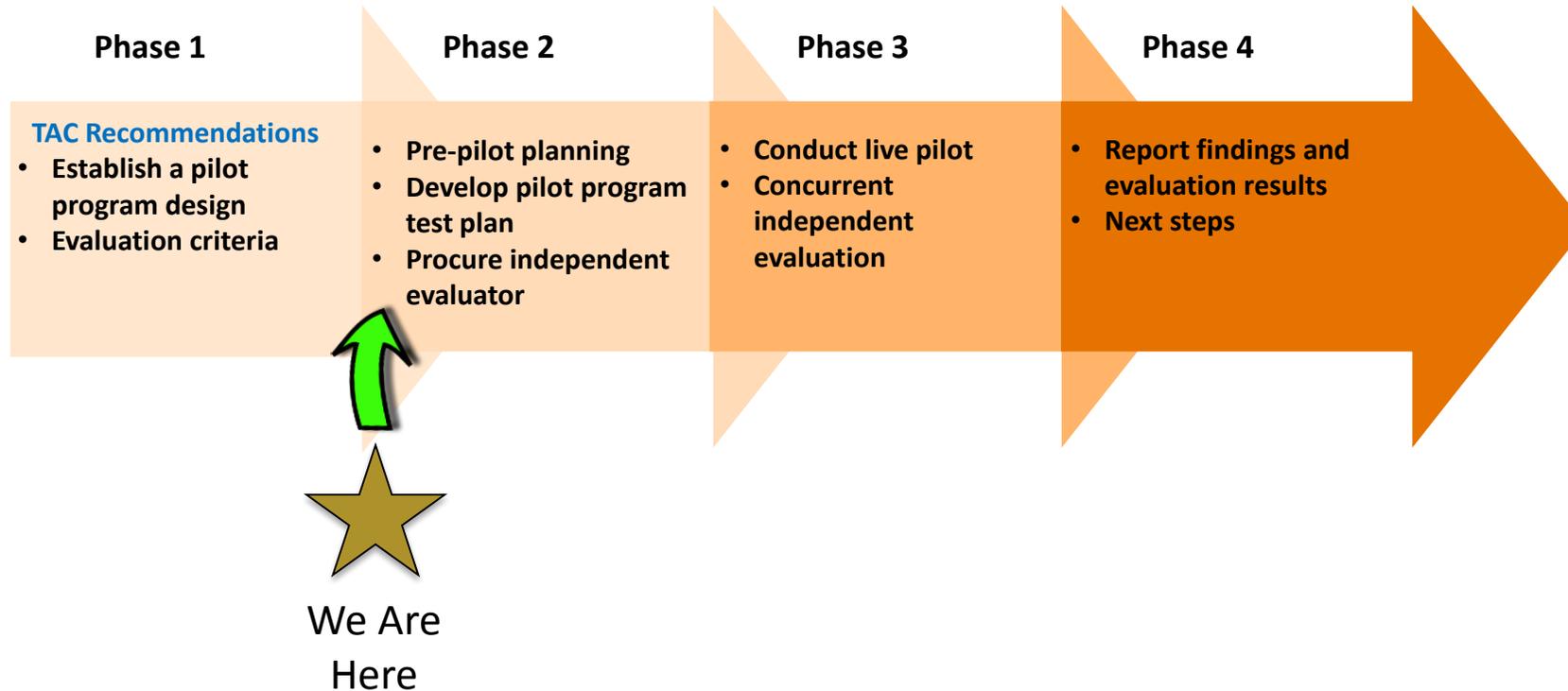
Road Charge Pilot Program Update

Mitch Weiss

December 9, 2015



Pilot Program Phases



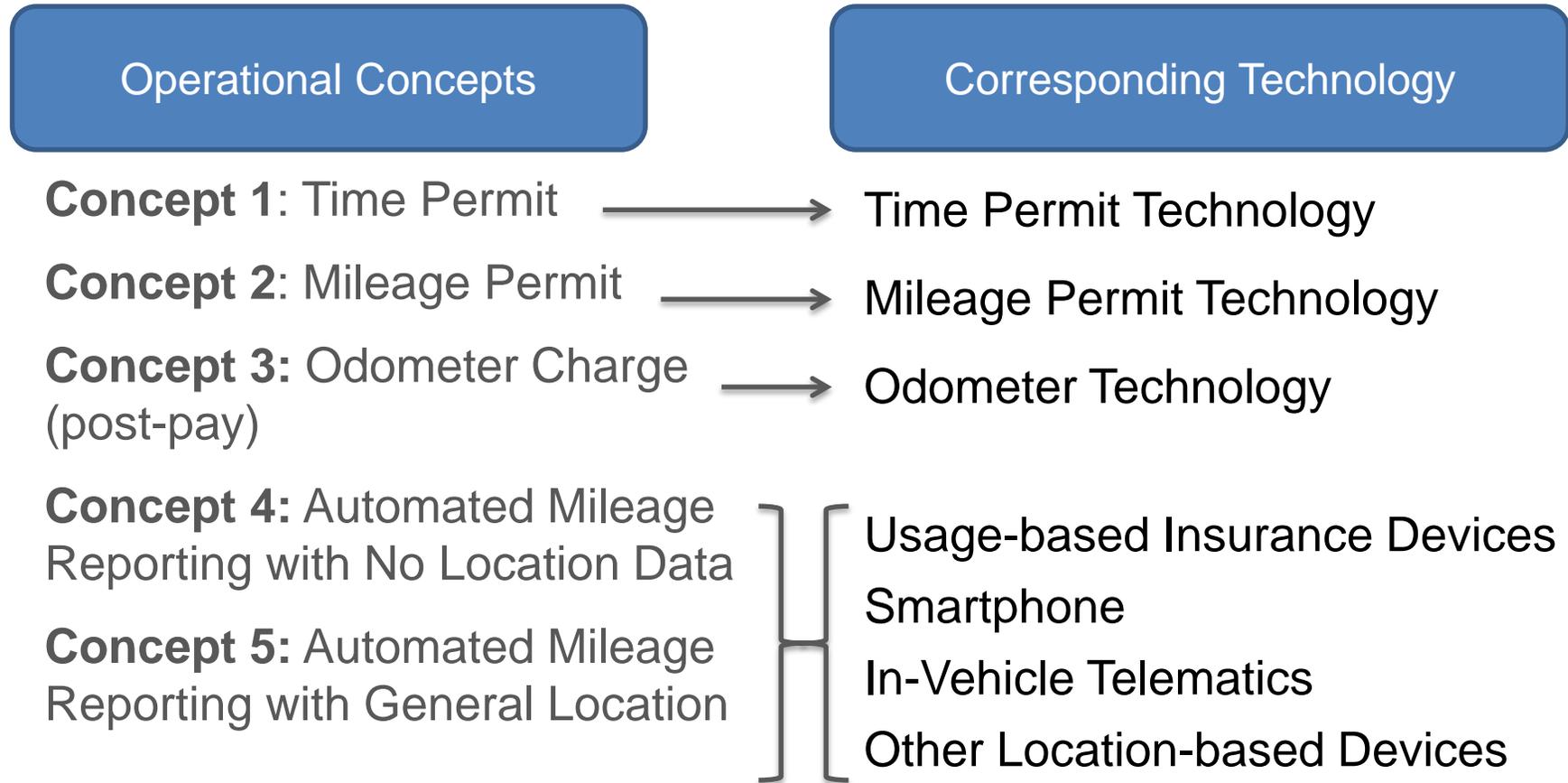
Road Charge Pilot Design Recommendations Report

- TAC approved in Nov (with edits)
- On TAC agenda Friday
- Roll-out early Jan.

Pilot Program

- Key recommendations:
 - Choice of mileage recording methods
 - Choice of account managers
 - Test open system design
 - Allow multiple operational concepts, technologies, and service providers
 - Test interoperability with other states
 - **Security standards and privacy protections required**

Mileage Reporting Methods



50 Recommended Evaluation Criteria

- Protection of privacy
- Protection of data
- Ability to match fuel tax revenue
- Ease and cost of administration and use
- Accuracy of reported data
- User acceptance
- Road charges and compliance cost

Volunteers

5,000 vehicles

- Diversity:
 - Geographic
 - Rural/Urban
 - Income
 - Vehicle type

Will require about 15,000 people to volunteer

www.CaliforniaRoadChargePilot.com

Pilot Program Timeline

- Agency to implement pilot by ~~Jan. 2017~~ Summer 2016
- Agency to report its findings by ~~June 30, 2018~~ Summer 2017
- CTC recommendations in its annual report ~~Dec. 2018~~ Dec. 2017

Pilot Program Timeline – Update

- Agency to implement pilot by ~~Jan. 2017~~ **Summer 2016**
 - Independent evaluator:
 - Award early Dec.
 - Vendors:
 - Award mid Dec.
 - Estimated Demo Phase July 2016 – March 2017
- Agency to report its findings by ~~June 30, 2018~~ **Summer 2017**
- CTC recommendations in its annual report ~~Dec. 2018~~ **Dec. 2017**

Questions?

www.CaliforniaRoadChargePilot.com

