



# Portland Metro Area Value Pricing Feasibility Analysis

## Frequently Asked Questions

**DATE:** March 21, 2018

**Q: What is the problem?**

A: Drivers in the Portland metro area experienced nearly a 14 percent increase in hours of congestion between 2013 and 2015. As congestion grew, vehicle hours of delay increased almost 23 percent between 2013 and 2015. Bottlenecks and related crashes are also increasing. This congestion impacts the economy through delayed movement of goods and services, and compromises reliability and certainty for employers and employees. Sitting in cars or buses, late for work or family commitments, also hurts our quality of life. Commuters, business travelers, freight haulers and others now struggle to plan consistent departure and arrival times. With population growth, congestion will continue to grow.

**Q: What is ODOT doing to address congestion?**

A: There are many ongoing efforts to address congestion in the Portland metro area. In 2017, the Oregon Legislature approved House Bill 2017, known as *Keep Oregon Moving*, investing billions of dollars in transit, bicycle and pedestrian and highway projects that will improve the transportation system in the region and statewide.

In HB2017 the Legislature directed the Oregon Transportation Commission (OTC) to conduct a Value Pricing Feasibility Analysis and develop a proposal for value pricing, also called congestion pricing, as another way to address congestion in the Portland metro area. The OTC must submit a proposal to the Federal Highway Administration by Dec. 31, 2018, to implement value pricing along I-5 and I-205 in the Portland metro area. After the 2018 proposal is submitted, next steps will likely include public outreach; environmental, traffic, and revenue analysis; and development of an agreement with FHWA.

**Q: What is 'congestion pricing'?**

A: The terms congestion pricing and value pricing are used interchangeably to describe a type of toll that aims to reduce traffic congestion with user fees that are higher during more congested times of the day. The higher fee encourages some drivers to consider using other travel options such as alternate routes, carpools, transit or travel at less congested times. This improves mobility for all travelers who pay the fee, and potentially for the entire system. Fees are collected electronically so drivers do not have to stop at toll booths.

**Q: What corridors are being evaluated for congestion pricing?**

A: The 2017 Oregon Legislature directed the OTC to develop a proposal for congestion pricing on Interstate-5 and Interstate-205 in the Portland metro area



from the state line to the junction of the two highways just south of Tualatin, with the stated purpose of reducing congestion. The Value Pricing Feasibility Analysis is underway to understand the locations on I-5 and I-205 that are best suited for congestion pricing.

**Q: Why aren't other highways in the region included in the analysis?**

Interstate 5 and Interstate 205 are the most congested highways in the state, with the most heavily traveled corridors. These corridors are the least reliable in travel time and have the state's top recurring bottlenecks. Congestion on I-5 and I-205 also impedes the movement of goods throughout the state. Managing traffic congestion through congestion pricing on these highways may result in the most benefit to the most travelers in the region. Analyses on other Oregon highways are not being conducted at this time, however, the Oregon Legislature may decide to consider the use of this tool for other highways in the future.

**Q: What types of pricing tools will be considered during this analysis?**

A: The main types of congestion pricing tools that are being considered include:

- Priced lanes, in which drivers can choose to pay to use a managed lane and save time, or use an adjacent, unpriced lane.
- Priced roadways, a concept under which all lanes would be priced to manage congestion.

Both types of value pricing tools could be applied to the entire highway or to specific highway segments. Implementation of priced lanes in the Portland metro area would require a decision about whether to construct new lanes or convert general travel lanes.

**Q: Will there be toll booths to collect fees?**

A: No. Fees are collected electronically so drivers do not have to stop at toll booths. There are several different methods used in congestion pricing systems throughout the world, including the use of transponders, a device that collects fees electronically as you drive, and license plate recognition technology. The most appropriate technology for the Portland metro area will be determined at a later stage.

**Q: How will ODOT use the revenue collected through congestion pricing?**

A: Under the Oregon Constitution, State Highway Fund fees and taxes must be spent on roadway projects, which could include travel lanes, bicycle and pedestrian facilities, or transit improvements such as enhanced transit stops. The Keep Oregon Moving legislation (House Bill 2017) established a Congestion Relief Fund, which would receive any net proceeds from congestion pricing. Specific



decisions as to how to assign money raised for the Congestion Relief Fund will be determined later.

**Q: What will be the price of the fee?**

A: Determining the fee is not part of the scope of this feasibility analysis. The price will be based on a variety of factors and policy decisions considered through future analysis. Pricing strategies center on the most effective rate to achieve the goal of managing traffic flow.

**Q: Would charging some drivers to travel on the interstate really relieve congestion?**

A: Congestion pricing is a [proven](#) tool to manage congestion, and there are nearly 40 congestion pricing projects in operation in the U.S. In the Seattle metro area, pricing is in place on the SR-520 floating bridge and a segment of I-405. Congestion pricing helps reduce the effects of congestion by encouraging some drivers to make different choices, which then results in faster travel times and greater reliability for those who pay the fee.

**Q: Will out-of-state residents have to pay tolls in Oregon?**

A: The congestion pricing concepts being considered would apply to all drivers who choose to use the highways during congested periods, regardless of the state of residence, just as it is on other tolled facilities around the world.

**Q: How are transportation projects funded?**

A: Roads and transportation operations are funded by user fees including gas taxes, vehicle registration and title fees—and those sources are restricted by Oregon's constitution to be spent on roads and highways. Income taxes in Oregon are primarily used to fund schools, health care and public safety.

**Q: Do people in the region get a voice in the process and proposal that the OTC develops?**

A: Yes. ODOT is holding a region-wide public conversation about value pricing through open houses, stakeholder meetings, surveys and online engagement.

Additionally, a Value Pricing Policy Advisory Committee (PAC) has been established that includes more than 20 representatives from local governments from Oregon and Washington, environmental, business, social justice and equity advocates and other highway users to learn about congestion pricing options, discuss them with their networks and share their opinions. The PAC will consider public comment, technical analysis, and other factors that will inform their recommendation to the Oregon Transportation Commission (OTC). The OTC will also host a public comment session prior to submitting a proposal to the Federal Highway Administration by Dec. 31, 2018.



ODOT wants to ensure that many perspectives are [heard](#) to inform the OTC in its development of a proposal to the federal government.

**Q: How might congestion pricing affect low-income populations?**

A: All communities benefit from good mobility and reliable transportation. Benefits could include increased trip reliability and faster trips for autos and buses using priced lanes. Most successful pricing programs around the world are paired with improved transit options to create options for those that don't want to pay the toll. Potential benefits and impacts to areas within the region are being analyzed with an equity lens as part of the value pricing technical analysis. The potential adverse effects of tolling on low income drivers and communities located near the priced lane(s) are among the most important considerations that the Oregon Transportation Commission has asked the [Policy Advisory Committee](#) (PAC) to consider.

In addition to the technical analysis, ODOT is directly engaging low-income and immigrant community members through discussion groups and stakeholder interviews. Many of these meetings will be translated by interpreters and [translated materials](#) are available.

**Q: What is the Policy Advisory Committee's role in the decision-making process?**

A: The PAC is expected to make a recommendation to the Oregon Transportation Commission in June 2018 after considering technical analysis and public input. The OTC will consider their recommendation, public input, and technical analysis and use it to inform the proposal that is submitted to the Federal Highway Administration at the end of 2018. Next steps will be determined by the FHWA.

**Q: What is the Policy Advisory Committee expected to recommend to the Oregon Transportation Commission?**

A: In summer 2018, the [PAC](#) will deliver its recommendation on congestion pricing strategies to the OTC, the tolling authority in Oregon. The PAC will provide a recommendation on:

1. Which locations on I-5 and /or I-205 are best suited to implement congestion pricing
2. The type of congestion pricing that should be implemented and
3. The mitigation strategies that should be pursued to reduce impacts on environmental justice communities or nearby communities.

The recommendation will be based on consideration of the following:

- Traffic operations improvements
- Diversion of traffic onto other routes
- Adequacy of transit service or walking and bicycling as an alternative



- Impacts on low income or diverse populations
- Impacts on the community, economy, and environment
- Consistency with federal, state and regional law and policy
- Potential revenue and costs
- Public input
- Potential to alter the expected delivery schedule for planned projects on the corridor.

**Q: What happens after the proposal is submitted to the federal government?**

A: [Next steps](#) will be determined with the FHWA and depend on the type and location of congestion pricing concept(s) selected to move forward. After the feasibility analysis is completed at the end of 2018, ODOT will conduct additional public outreach and environmental analysis as required by FHWA to develop traffic management and toll systems.

**Q: Why does Oregon have to submit a tolling proposal to the Federal Highway Administration?**

A: Federal law governs where tolling can occur, particularly on interstate highways. Federal law generally allows tolls on interstate highways like I-5 or I-205 when reconstructing or replacing a bridge, tolling a new lane, or converting a carpool (high occupancy vehicle) lane to a high occupancy toll lane. ODOT may seek authority to toll under the federal Value Pricing Pilot Program, which allows FHWA to waive some restrictions on tolling. The type and level of approval needed will depend on the pricing proposal developed by the OTC, the tolling authority in Oregon.

**Q: Where can I obtain up-to-date information and to provide comments about congestion pricing?**

A: The latest information about the feasibility analysis, the advisory committee and meeting detail is posted on the project website at [www.ODOTValuePricing.org](http://www.ODOTValuePricing.org). Comments and questions can be submitted at any time to the ODOT project team or the Policy Advisory Committee via the [online comment form](#) or by phone to (503) 610-8595.