



Reducing Toll Authority Shrinkage and Operational Costs Without Risk

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Introduction

As funding for our nation's highways continues to shrink and traffic numbers continue to climb, toll roads are increasingly becoming an answer to transportation issues. The result has been an explosive increase in the number of toll roads under consideration or development throughout the country. More than 30 states have active tolled bridges, roads or tunnels and more are forecasted.

U.S. Toll Roads, Bridges & Tunnels Map



Toll roads are not a new concept. Tolls have been collected manually (or in cash) for centuries. Roman property owners would provide travelers with short-cuts in exchange for payment. The process has remained a simple one: toll customers stop at a toll booth or plaza, pay a toll and move on. A simple procedure that has become much more complex in today's transportation environment. Toll booths and cash payments have resulted in extra overhead for toll authorities. Operating expenses associated with employing toll collectors and supports staff to process cash payments, perform toll booth maintenance and handle violations have resulted in every increasing overhead outlays. Most toll authorities are identifying mechanisms to contain overhead costs and toll fees.

In order to keep costs down and automate processes, many toll authorities are shifting away from cash collecting toll booths. Innovative methods of electronic toll collection (ETC), like video and open road tolling (ORT) where toll fees are collected electronically, are being installed on both

existing and new toll roads. While ETC makes toll collection more efficient, problems with interoperability (ability to exchange toll information and payment data between toll authorities) frequently occur. Equipment for ETC is customized for each respective toll authority's network and does not always work with other toll authorities' equipment, hence a lack of interoperability.

The Issue

The industry problem is twofold. First, toll authorities spend millions of dollars and exhaust valuable time and resources attempting to collect violations from car rental companies or third-party leased vehicles. Second, car renters or fleet drivers lack access to express toll lanes or are unfamiliar with the open road tolling system. As a result, car renters often become frustrated with waiting in toll lines and having to search for exact change to pay tolls, which may lead to either an intentional or unintentional toll violation.

When electronic toll equipment does not operate with another toll authority's equipment violations and fines result. When a cash option is not available and a car is not equipped with the appropriate toll transponder; video technology is used to obtain the vehicle license plate number. A bill for toll fees or a fine for failure to pay the toll is sent to the registered vehicle owner. Many times the registered owner is a rental car company or leasing company who completes an affidavit and returns the driver information to the toll authority and the process of notification must then be repeated. These fees and the accompanying fine must be processed and received by the toll authority, which increases the toll authority's overhead. The toll authority may try to offset this cost by charging processing fees and violation charges. Violation charges and late fees can turn a single missed toll fee into thousands of dollars in fees, fines, overhead costs and legal fees. This can cause unwanted negative publicity, customer service issues, and public relation problems.

According to a recent news release by the Texas Department of Transportation (TxDOT), almost \$3.2 million in unpaid tolls and \$58.4 million in unpaid violation fees are owed on a total of four toll roads. According to Mark Tomlinson, TxDOT Turnpike Authority director, "We [TxDOT] strive to provide good customer service to toll road users, but we can't ignore the financial commitments we've made to bondholders to collect these tolls."

Interoperability

Interoperability means the ability to exchange toll information and payment data between toll authorities. With the increase of different ETC technologies, the lack of interoperability among toll authorities can be a huge problem for fleet drivers, their managers and the leasing agent. Without interoperability, it can be difficult for rental or fleet vehicles to use ETC lanes, as drivers may pass through several different toll authorities on the way to a destination. A driver can utilize ETC equipment and still receive a fine if their ETC equipment did not work with various technologies used by different toll authorities.



As ETC technology is deployed, interoperability between toll systems becomes more important than ever, especially for vehicles which travel throughout the United States. Many drivers receive unexpected toll violations when they travel on toll roads that use ORT or ETC, especially if they expect to have the cash payment option. Others maybe unfamiliar with ETC or ORT toll roads and not realize they are on a toll road. Travelers from one state may not have the appropriate toll transponder to use the ETC facility in a neighboring state, which creates another unintentional toll violation. Still other vehicle owners will receive a toll violation when they replace an existing vehicle and do not register the transponder to the new vehicle.

The Alliance for Toll Interoperability (ATI) is working toward national interoperability solution among toll authorities. According to J.J. Eden, North Carolina Turnpike operations head and ATI chairperson, "We're at a time of great potential. We've got the technology, but we've got to be creative in collaborating across agencies to use the technology to the maximum."

Future trends for toll collection are even more heavily based on the use of electronic technology. The Omniair Consortium is a private, non-profit organization that focuses on researching and promoting interoperable, reliable, and cost-effective dedicated short-range communications systems for the toll industry. Executive Director Tim McGuckin says, "Upcoming technology offers the ability for different tolling systems to work together to achieve interoperability." Such technology includes:

- Odometer tolling, where mileage counting equipment is placed in the vehicle and uses GPS to report mileage for tolling purposes.
- Satellite tolling, where a satellite based tracking system determines vehicle mileage for toll fees.
- Improved video tolling capabilities with clearer license plate capture.
- · Compatibility between different electronic payment systems.

A Solution

A better solution is to implement an innovative technology that will reduce overhead and expense management by resolving toll violation challenges. Rent a Toll® (RTL), offers the only patented system (U.S. Patent No. 7407097) that eliminates toll violation exposure, fines and the work hours spent on processing violations. Its toll fee tracking system utilizes video or transponder technology depending on the toll authority's system and integrates the electronic data exchange between the toll authority and fleet leasing/rental agencies to provide accurate toll charges for fleets. RTL's system is used by many toll authorities throughout the United States. By offering a solution for fleet and rental vehicles, customer relations between the toll authority and fleet leasing and car rental companies is improved. RTL also has a second patent (U.S. Patent No. 7501961) approved and has filed 15 other patents in support of its technology.

RTL solutions are easy to use, decrease the need for toll violation and fine processing. Additional benefits include:

- Fewer delays at toll plazas, which means less traffic congestion
- · Improved cash management and flow
- · Improved customer relations

Another benefit of the RTL solution is that it can be customized to meet each customer's unique business needs. RTL is an innovator in the travel and transportation industry, focused on providing convenient toll payment solutions for car rental companies and their clients, leasing companies and corporate fleet managers. Using its patented Web-based technology solutions, RTL integrates the exchange of electronic data between third party entities and the respective toll authorities.

RTL guarantees payment to toll authorities on all toll charges for vehicles that are registered in its programs. The RTL solution reduces internal costs and reduces the number of toll violators. This program is free for toll authorities, the costs are borne by the car rental companies and leasing companies, who are the registered owners of the vehicles.

How it Works

RTL integrates the exchange of electronic toll data between the toll authority and car rental company or fleet leasing company. RTL's patented Web-based technology matches toll usage data captured by either video or transponder with our fleet vehicle file that has been provided to the toll authority and pays 100 percent of all validated toll usage on a daily basis.

Strategic Partnerships

RTL adds value for toll authorities with strategic marketing and service partnerships with companies such as Vengroff Williams and Associates, a leading provider of innovative and proprietary cost recovery services and outsource solutions for Fortune 1000 corporations and fast growth companies. Together with these partnerships, RTL delivers the best-inclass service and innovation that helps toll authorities provide outstanding customer service.

Summary

Toll authorities have much to gain from using RTL's toll payment solution, which is offered at no cost to the authority. RTL solutions significantly reduce overhead costs, processing expenses, and collecting of toll fees from rental car companies or third party leased vehicles. Legal fees are also dramatically reduced. Lastly, RTL guarantees 100% of all toll fees for vehicles registered in the program. As a result, toll revenues increase and toll authority manpower allocations can be redirected from collections to other assignments. It is a win-win-win proposition for the toll authority, car rental company, and fleet leasing company.

For additional information how a Rent A Toll® solution can help your toll authority, go to www.rentatoll.com or call 1-877-509-9506.