

MINUTES OF JOINT SUBCOMMITTEE ON PRICING MEETING
Providence, RI
8:00 AM, 11 July 2002

Patrick De Corla Souza opened the meeting with introductions and passing around a sign up sheet for check in and update. The minutes of the January meeting were approved.

TRB Staff

Claire Helbinger gave the TRB report. She began full time on May 20, replacing Jon Williams as the TRB staff representative for the policy and management committees. With some exceptions, Kim Fisher takes over the environmental committees from Jon. TRB is moving to the new building next weekend. Phone numbers stay the same. The mailing address will be 500 5th Street, NW, 20001.

Outreach Subcommittee Report

Lee Munich said that the session following this meeting would be sponsored by the subcommittee, highlighting the views of five organizations on reauthorization. The session will raise the question of whether there are specific things that can be done to further reauthorization. Continuing innovative pilot programs is one focus. Because FHWA staff cannot be politically involved, a large part of what the subcommittee has been doing is organizational outreach. Patrick explained how a list of organizations was selected for outreach following the January meeting. This effort involves discussions on pricing with organizations that would have an interest in reauthorization. David Ungemah said that a web site has been set up called valuepricingoutreach.org. The intent of it is to communicate and coordinate better with trade organizations with an interest in value pricing and reauthorization. He passed out a sign up sheet for organizations to identify contact persons and interests. There has been a media kit developed that can be downloaded from the web site. It describes the types of pricing and the projects that are underway. Subcommittee members are already registered on the site. Others can register on line, but there is a delay in accessing all the materials while the registration is verified.

The Humphrey Institute also maintains valuepricing.org, which has been recently updated. Roadpricing.org also leads to the site. It is managed by Todd Anderson, who described some of the content of the site. Lee Munich summarized the outreach efforts with Senator Jefford's staff during the workshop yesterday. He mentioned that he is looking for more volunteers to work on outreach.

Committee Status Application

Bill Stockton and Mike Lawrence explained the focus of the application for committee status. It deals with the theory and research of value pricing as opposed to the projects sponsored by FHWA. In comments on the proposal, Lee Munich suggested that the name should just be "pricing" instead of "road pricing," because that includes the broadest focus that the subcommittee has traditionally addressed. David Ungemah wondered if the summer meeting needed to be in July. Patrick explained the relationship to the parent committees. David Forkenbrock explained that in 1993, the economics committees were reorganized, with pricing

being removed from the name of one committee [Taxation, Finance, and Pricing]. The rationale was that pricing was an activity that cut across the several committees and was better coordinated in a joint subcommittee. With respect to the proposal, David said that he did not see that the proposal yet made the case for a separate committee, which would have to demonstrate that the subject would be better addressed in a separate committee, which would have to maintain liaison with the parent committees. Sheldon Edner, who is involved the TRB review of this effort, agreed with this point. Ed Regan thought that the coordination with the parent committees was a strong argument for keeping it just a subcommittee; pricing for finance will be a strong topic in the future, probably more important than pricing to manage demand. Ed also said that the flexible nature of subcommittees was also an asset. Chris Swanson said that the automatic nature of membership within the subcommittee is a strong asset—those who want to be a part of it can be a member just by showing up. Allen Greenberg argued for continuing the proposal. There was some discussion of turning the proposal into simply a request to have an annual conference session. This has been done informally for the last two years. Bill Stockton and others put forth a motion to not present the application in January, to continue the discussion on the valuepricing.org web site, and to have a separate meeting in January to just discuss this topic.

New Approach to Road User Charges

David Forkenbrock talked about research on how fuel cells and other new technology will have an effect on future highway revenues. He summarized the research that he has been conducting to find a new method. The key to it is a simple on-board computer that can receive a GPS signal. A GIS file has the road system on it, that with polygons of state boundaries, could tally the mileage within each state only as a first phase. To ensure privacy, there would be separate data transmittals of the total charge and shares of the charges to be allocated between states or roads via the smart card. Since privacy is a key concern, the latter information would be anonymous. Trucks would have a more elaborate system which would include weight. Privacy is much less of a concern with trucks. There could be other factors, e.g., real-time pricing for some roads (which would interact with the smart card), and discounts for green vehicles. The draft report on this project will be out in a couple of months. To buy a copy of the report, see the web site: <http://ppc.uiowa.edu> or email David at david-forkenbrock@uiowa.edu.

Ed Regan said that it was very important that this approach get considered in the current reauthorization because the next reauthorization will come after the fuel cell technology is in place. It also is the fundamental step to getting value pricing in practice by the way of pricing on a per mile basis.

There was so much interest in this topic that it was planned to be continued informally with David Forkenbrock over lunch.

Activities for January

Lee Munich said that the poster sessions have been successful and should be continued. He said that having enough space has been an issue, so there should be attention paid to the amount of space allocated. He thought that managed lanes might make a good conference session topic, e.g., I-15 in San Diego as well as what is happening in Texas (Dallas and Houston). He suggested Ed Regan as a panelist, with San Diego and Texas also featured. Potential sponsoring

committees could be HOV Systems and Freeway Management committees as well as Finance. Liaison will be set up to follow up on this.

Jon Skolnik mentioned as a possible topic the two “demons” of pricing—whether pricing freeways would cause a shift to arterials, and equity. Ed Regan said that there was some information from toll road studies, which always look at the alternates. Whether the revenue is used to create alternatives is key. He was not sure if there was enough information for a session. Another topic suggested by Ed was the public perception of fairness, etc., politician’s interpretations of this versus surveys from actual projects. This could include a summary of what surveys have shown. Jon said that the Economics committee’s interest would be the elasticity of demand. Mark Burriss said that his work includes some effort on the equity issues on the Katy Freeway, comparing income and anticipated versus actual use. Lee suggested two sessions, the first on managed lanes, with the second on one of the follow up topics. He suggested fleshing out these ideas in the next two days. Wayne Berman will follow up on the first topic. The second topic will be public opinion, with Mark Burriss coordinating it. Other suggestions should go to Patrick. **(Update: Lee Munnich is coordinating four session topics, with help from others: Public Involvement, Benefits of Value Pricing, Managed Lanes, and Truck Toll Lanes. Please contact him at (612-625-7357, or lmunnich@hhh.umn.edu if you can help with getting support from other TRB Committee chairs for any of these sessions.)**

Other Business

One-page summaries of projects are forthcoming. Reauthorization will be addressed by Lee’s session which follows the subcommittee meeting. The Joint TRB/OECD/FHWA/FDOT Conference will be next spring (February or March) in Florida, perhaps Miami or Orlando. **(Update: The Conference has been postponed to November 2003, in Miami).** Patrick is looking for ideas for speakers for the conference; please send him emails suggesting topics or speakers. Also contact Patrick if you have nominees for the TRB steering committee for this conference. The meeting was adjourned at 9:58.

Prepared by: Guillaume Shearin