OREGON'S ROAD USAGE CHARGE PROGRAM

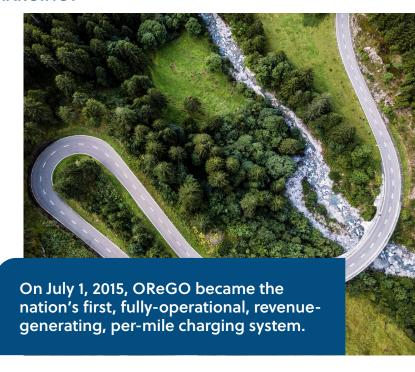


WHY DOES OREGON NEED ROAD USAGE CHARGING?

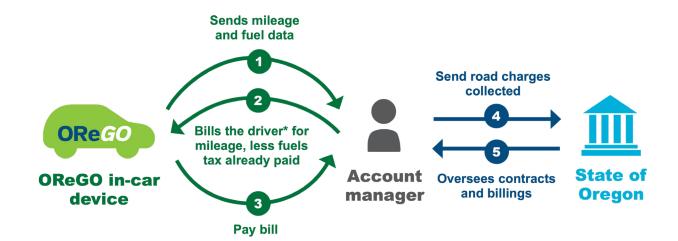
Funding for transportation system maintenance, improvements and construction has not kept pace with needs in Oregon and around the country since the 1990s. This is due in part to more fuel efficient vehicles requiring less gas, thus less gas tax collection – the main source of funding for maintaining and building roads, bridges and highways.

The Oregon Legislature identified this trend in 2001 and established <u>Oregon's Road User Fee Task Force</u> to investigate options to supplement or replace the traditional gas tax. With direction from the Legislature, ODOT designed and conducted pilot programs in 2007 and 2013 to test a per-mile charging system. A fully operational and voluntary system, named OReGO, launched in 2015 and was the first of its kind in the nation.

Charging by the mile has been recognized by transportation and business leaders across the country as a way to generate sustainable transportation funding and make sure everyone pays their fair share for use of the roads. Taking Oregon's lead, many other states are considering charging by the mile, and members of Congress are exploring a national road charging system.



HOW DOES THE ROAD USAGE CHARGE SYSTEM WORK?



By law (Senate Bill 810), Oregon's Road Usage Charge Program offers motorists choices for the technologies they use to report miles driven as well as how they manage and pay their road use charges. They can obtain services through private sector account managers with market-driven options that are efficient and cost-effective.

More than 2,000 vehicles have enrolled to date and 700 active vehicles.

A mileage reporting device – chosen by the driver and plugged into the car's data port – sends mileage and fuel consumption data to the selected account manager. Volunteers are charged 1.9 cents per mile driven and credited 38 cents in fuels tax per gallon. Drivers pay the net difference. Use our mileage calculator to find out what you would pay.

Drivers have enrolled more than 2,000 vehicles. ODOT has shown we can provide low- and high-tech options, work effectively with private sector account managers, and even run an ODOT agency account manager for drivers who want that choice. Simply put, we have proven the technology and the concept, that road usage charging could serve as an alternative to the gas tax.

WHAT ABOUT PRIVACY?

The law that created OReGO requires ODOT to strictly protect the privacy of participants' data. ODOT receives only aggregated (anonymous) mileage data, and GPS is used only to determine a drivers' total miles traveled in- or out-of-state. Location data is used by OReGO reporting technology to calculate miles driven in Oregon (chargeable) or outside the state (not chargeable).

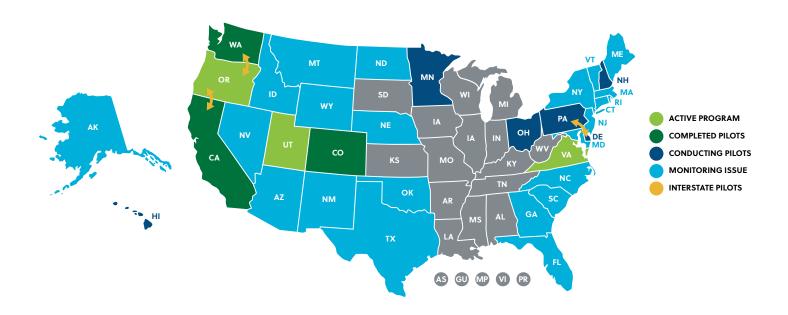
By law, program data is destroyed 30 days after payment.

By law...

- 1. The program must provide drivers with choices for their mileage reporting, to include at least one option that does not use GPS technology. With our business partners, ODOT provides multiple ways for drivers to report mileage. A "basic" option is available that does not use GPS. "Advanced" options include value-added services provided by our business partners, such as remote emissions testing with DEQ.
- 2. OReGO data must be destroyed after 30 days unless it is disputed by the driver or under audit.
- 3. ODOT must ensure the security of the OReGO technology and its resistance to tampering.

To meet these requirements, ODOT implemented strict policies and procedures to protect the privacy of OReGO drivers' data. We certify business partners as compliant before they are allowed to work on OReGO and routinely monitor their privacy protection protocols. By contract, partners must continually follow privacy rules or be subject to audit.

TO OREGO AND BEYOND



- 2001 Oregon forms Road User Fee Task Force
- 2006 Oregon launches first road usage charge pilot
- 2012 Second Oregon pilot
- 2015 Oregon launches fully-operational OReGO
- 2016 FAST Act funds first road charging projects

- 2017 FAST Act funds round 2 projects
 - Oregon allows EVs option of OReGO vs. fees
 - · Washington pilot with Oregon, Idaho, and BC
- 2019 Oregon demonstrates local area road usage charging
 - · RUC West implements California-Oregon pilot
- 2021 Fed calls for nationwide per-mile charging pilot

WE ARE HERE

- Telematics implemented with road charging technology
 - States mandate road usage charging