



Central Texas Turnpike System (CTTS)
Fiscal Year 2014 Report
Quarterly Reports of Actual Traffic and Revenue

September 2013 - November 2013



December 11, 2013

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A Note on Data Collection and Analysis

The Central Texas Turnpike System (CTTS) Fiscal Year to Date 2014 Report is a comparison of traffic counts, revenue projections and collections, and traffic forecasts.

Information for this report was collected from records generated through the roadway Toll Management System (TMS) and the TxTag Customer Service Center (CSC) database.

Please note:

- Traffic and revenue projections used in this report are based on the traffic and revenue projections documented in the 2012 CTTS Traffic and Revenue Forecast dated October 23, 2012, and have been seasonally adjusted to better represent the month to month trends established over the past couple of years.
- All revenue projections are adjusted to reflect anticipated losses due to uncollectable transactions.
- Projections provided for Average Weekday Transactions (AWT) are inclusive of all transactions.
- Seasonal impacts, such as holidays and the number of weekdays in each month, have an impact on month-to-month changes in revenue and transactions.
- Revenue and transaction data are rounded to the nearest hundred.
- Transaction counts and revenue statistics are derived from different systems, and it is not possible to directly link the revenue totals with the transaction data on any road within this report. Transactions are reported in the period in which they occur. A transaction occurs when a vehicle passes through a toll facility, plaza or ramp. For TxTag transactions, revenues are reported in the period they are earned; however, for Pay By Mail transactions, revenues are reported in the period they are received. For example, a Pay By Mail transaction may be reported in one month, but the revenue for that transaction may not be received until a later month. Also, each transaction may represent a different amount of revenue depending on the rate charged for the type of vehicle and tolling point. Due to these various factors, transaction and revenue trends may not exactly correlate on a monthly or quarterly basis.
- Data in this report is unaudited.

Texas Transportation Commission Actions

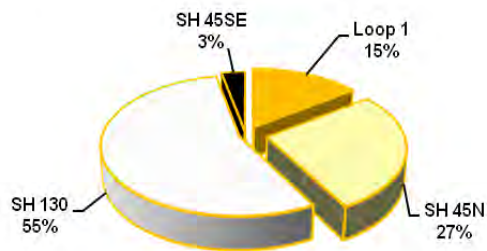
In August of 2012, the Texas Transportation Commission adopted a number of changes to the CTTS which were designed in aggregate to make the CTTS more self-sufficient and to strengthen the CTTS financial credit. The key changes are summarized below:

- The Texas Transportation Commission adopted an Amended Toll Plan on August 30, 2012, which accelerated the planned toll increase (initially scheduled for September 1, 2015) to January 1, 2013. Also included in the Amended Toll Plan:
 - Conversion to a cashless system
 - Annual toll escalation based on the Consumer Price Index-Urban (or “CPI-U”), occurring on January 1 every year thereafter
 - Automatic toll escalation will occur with no action required of the Texas Transportation Commission

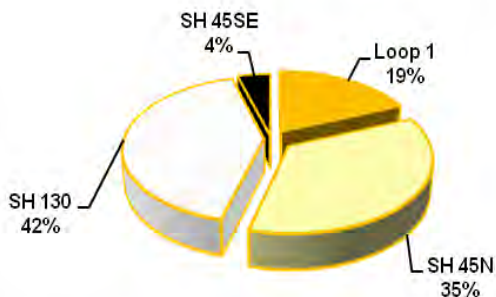
Promotional rates applying only to SH 130, Segments 1-4 and SH 45 Southeast were approved effective April 1, 2013. During the promotional period, the 2 axle rate (effective January 1, 2013, as escalated or amended) will be charged to all vehicles, regardless of classification. The purpose of the promotion is to reduce traffic congestion on I-35 and to make Central Texas roadways safer by encouraging greater through trips of trucks on Central Texas toll roads. The Commission has allocated \$5 million to be used to make up the difference in revenue between the temporary toll rates charged to vehicles with more than 2 axles and the standard toll rates. This promotional period will expire on December 31, 2013.

CTTS Executive Summary

CTTS FY 2014 Revenue to Date



CTTS FY 2014 Transactions to Date



CTTS Fiscal Year to Date Highlights:

The CTTS generated approximately \$32.9 million in revenue and 26.6 million transactions in the first quarter of FY 2014. Both figures represent an increase over the prior year. Average Weekday Transactions (AWTs) surpassed projections and the same month of the prior fiscal year by 15.5 percent and 4.7 percent respectively.

- Beginning on January 1, 2013, the CTTS increased toll rates on some of the roads. These increases in toll rates contributed to larger than normal revenue variances between the same months of FY 2013.
- On April 1, 2013, TxDOT began a \$5 million promotional period on SH 130 and SH 45SE that reduces the toll rate for trucks to the two axle rate. The reduction in tolls is reimbursed to the CTTS; therefore, there will be no effect on CTTS revenue. This promotional period will expire on December 31, 2013.

CTTS First Quarter Highlights:

- CTTS revenue exceeded both projections and the same quarter of the prior fiscal year by approximately 22.7 percent and 47.7 percent respectively.
- Average monthly revenue was approximately \$11.2 million.
- Approximately 72 percent of transactions posted to TxTag accounts during the quarter.

Figure 1: CTTS FY 2014 YTD Revenue Comparison

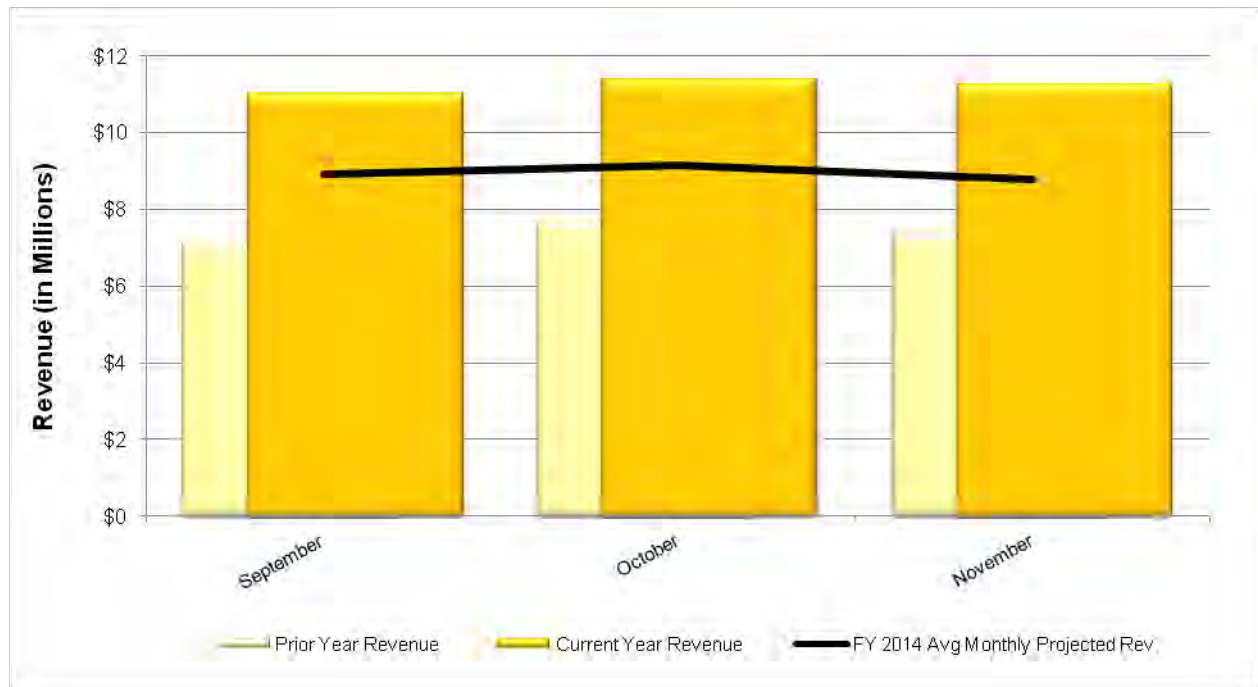


Table 1: CTTS FY 2014 YTD Revenue Comparison

FY 2014	Current Revenue	Projected Revenue	Current Revenue - vs - Projected Revenue		Prior Year Revenue	Current Revenue -vs- Prior Year	
			Variance	% Variance		Variance	% Variance
September	\$11,006,500	\$8,903,600	\$2,102,900	23.62%	\$7,131,100	\$3,875,400	54.35%
October	\$11,396,800	\$9,157,200	\$2,239,600	24.46%	\$7,734,100	\$3,662,700	47.36%
November	\$10,543,200	\$8,783,300	\$1,759,900	20.04%	\$7,435,000	\$3,108,200	41.80%
Totals:	\$32,946,500	\$26,844,100	\$6,102,400	22.73%	\$22,300,200	\$10,646,300	47.74%

Notes: January 1, 2013, toll rates on some of the Central Texas Turnpike System roads increased, contributing to larger than normal revenue variances between the same months of FY 2013 and FY 2014.

Due to billing discrepancies, revenue on SH 45SE is lower than expected for the current period. Any potential revenue collected resulting from this discrepancy will be reflected in future periods.

Figure 2: CTTS FY 2014 YTD - Average Weekday Transactions Comparison

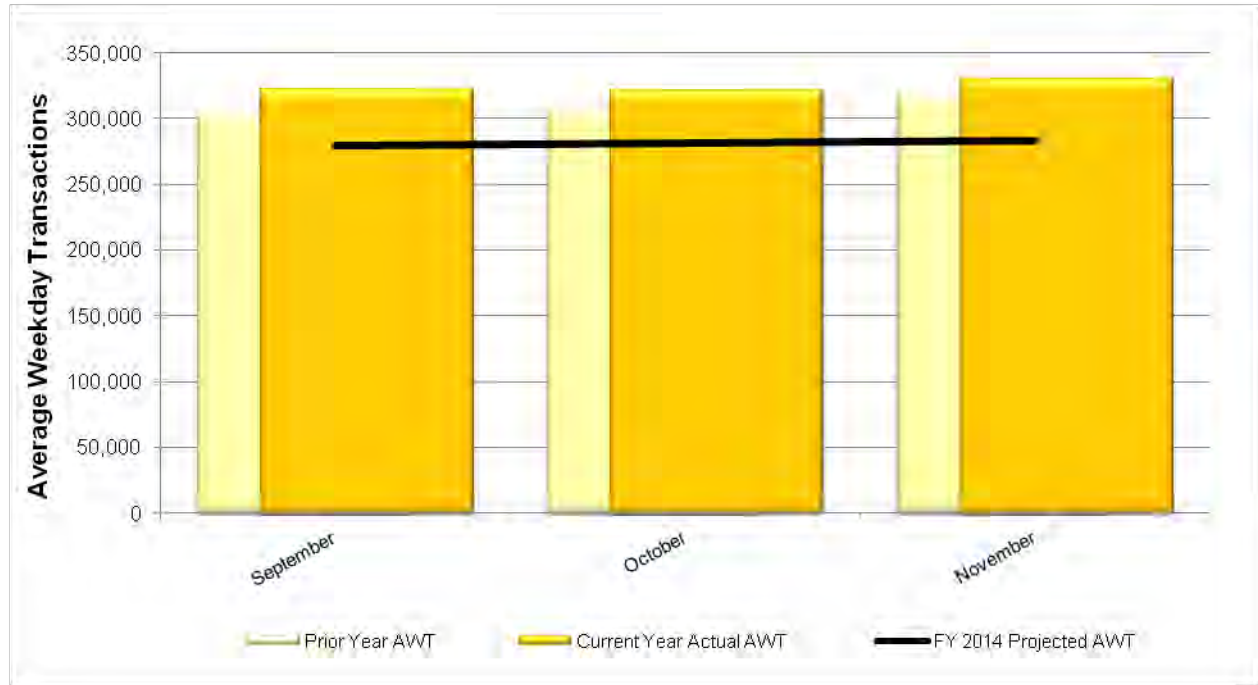


Table 2: CTTS FY 2014 YTD - Average Weekday Transactions Comparison

FY 2014	Current AWT	Current AWT -vs- Projected AWT			Current AWT -vs- Prior Year AWT		
		Projected AWT	Variance	% Variance	Prior Year AWT (FY 2013)	Variance	% Variance
September	322,226	279,173	43,053	15.42%	303,435	18,791	6.19%
October	322,106	281,314	40,792	14.50%	307,826	14,280	4.64%
November	330,872	283,554	47,318	16.69%	319,982	10,890	3.40%

Figure 3: CTTS Transactions by Type

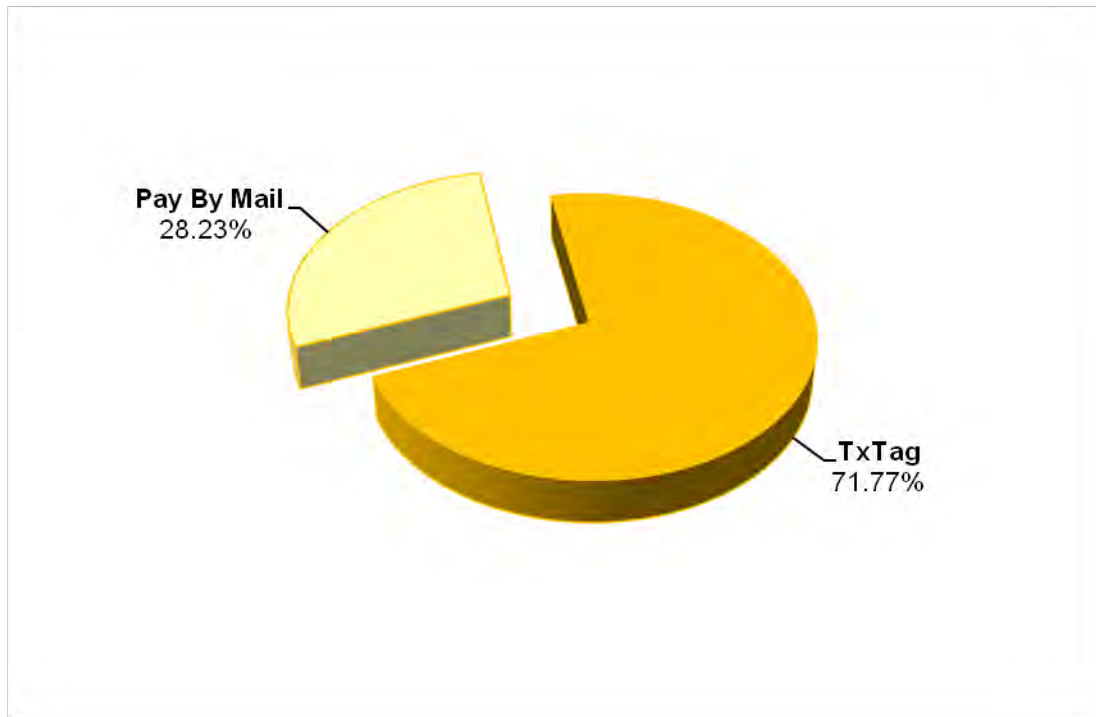


Table 3: CTTS Transactions by Type

FY - 2014	Transaction Count	TxTag		Pay By Mail	
	Totals	Count	Percent	Count	Percent
September	8,572,600	6,143,200	71.66%	2,429,400	28.34%
October	9,159,500	6,635,400	72.44%	2,524,100	27.56%
November	8,853,900	6,301,400	71.17%	2,552,500	28.83%
Totals:	26,586,000	19,080,000	71.77%	7,506,000	28.23%



Loop 1 Fiscal Year to Date Highlights:

In the first quarter of FY 2014, Loop 1 produced \$5 million in revenue and 4.9 million transactions. Revenue results reflect growth over the same period of the prior year by 50 percent.

Beginning on January 1, 2013, toll rates were increased by 50 percent on the roadway, contributing to larger than normal revenue variances between the same months of FY 2013.

Loop 1 First Quarter Highlights:

- Average monthly revenue was approximately \$1.6 million.
- AWTs for the first quarter finished at 61,822, which exceeded projections by 6 percent.
- TxTag accounted for approximately 78 percent of the total transactions.

Figure 4: Loop 1 Revenue Comparison

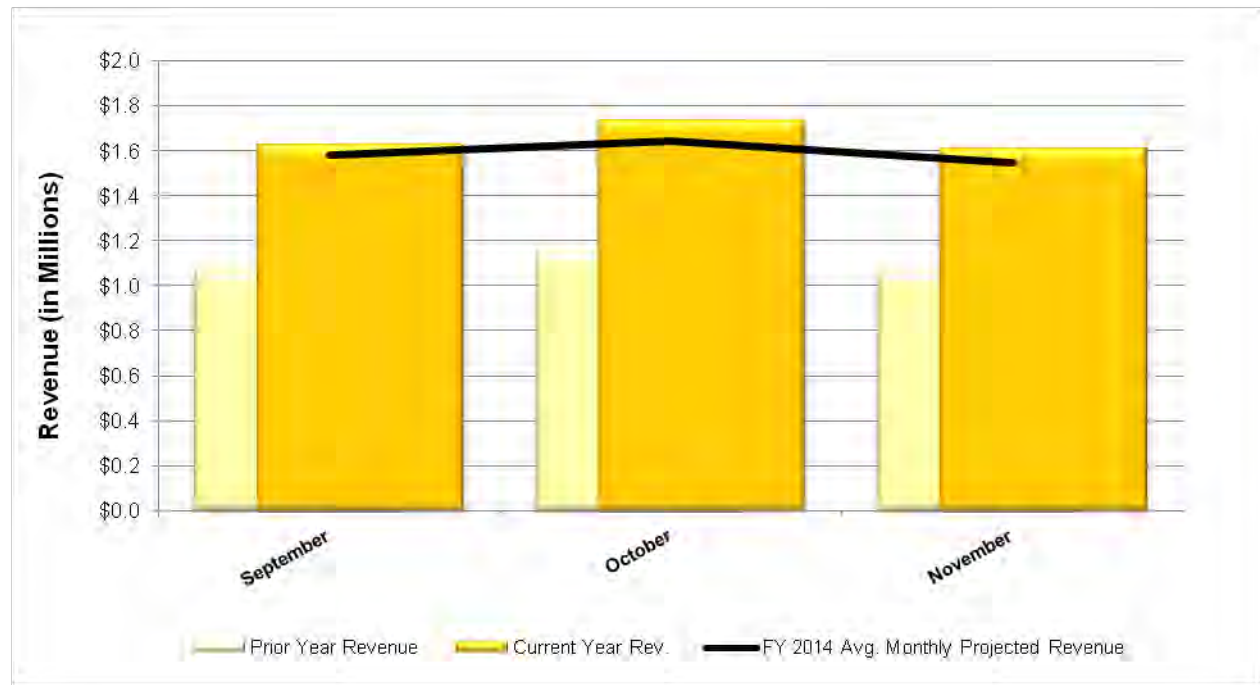


Table 4: Loop 1 Revenue Comparison

FY 2014	Current Revenue	Projected Revenue	Current Revenue -vs- Projected Revenue		Prior Year Revenue	Current Revenue -vs- Prior Year Revenue	
			Variance	% Variance		Variance	% Variance
September	\$1,625,700	\$1,579,100	\$46,600	2.95%	\$1,057,900	\$567,800	53.67%
October	\$1,730,300	\$1,644,200	\$86,100	5.24%	\$1,143,200	\$587,100	51.36%
November	\$1,518,400	\$1,545,200	-\$26,800	-1.73%	\$1,056,800	\$461,600	43.68%
Totals:	\$4,874,400	\$4,768,500	\$105,900	2.22%	\$3,257,900	\$1,616,500	49.62%

Note: January 1, 2013, toll rates on Loop 1 increased 50%, contributing to larger than normal revenue variances between the same months of FY 2013 and FY 2014.

Figure 5: Loop 1 Average Weekday Transactions Comparison

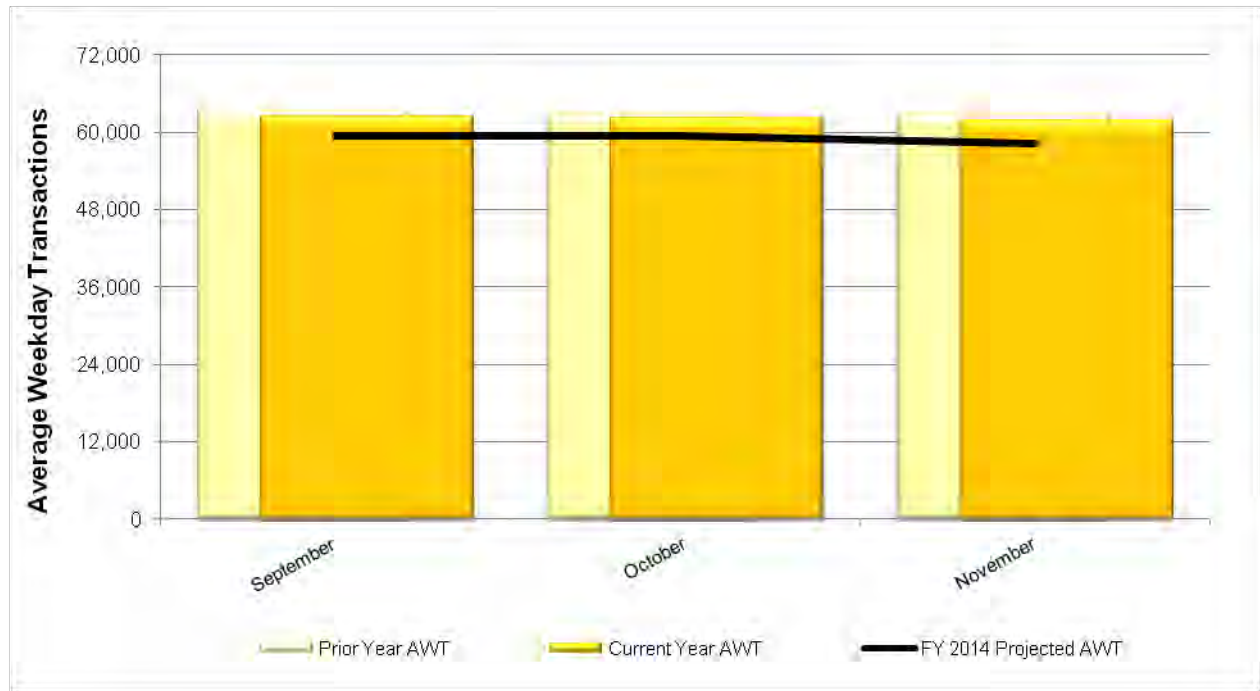


Table 5: Loop 1 Average Weekday Transactions Comparison

FY 2014	Current AWT	Current AWT -vs- Projected AWT			Current AWT -vs- Prior Year AWT		
		Projected AWT	Variance	% Variance	Prior Year AWT	Variance	% Variance
September	62,362	59,470	2,892	4.86%	63,415	-1,053	-1.66%
October	62,302	59,468	2,834	4.77%	62,916	-614	-0.98%
November	61,822	58,323	3,499	6.00%	62,802	-980	-1.56%

Figure 6: Loop 1 Transactions by Type

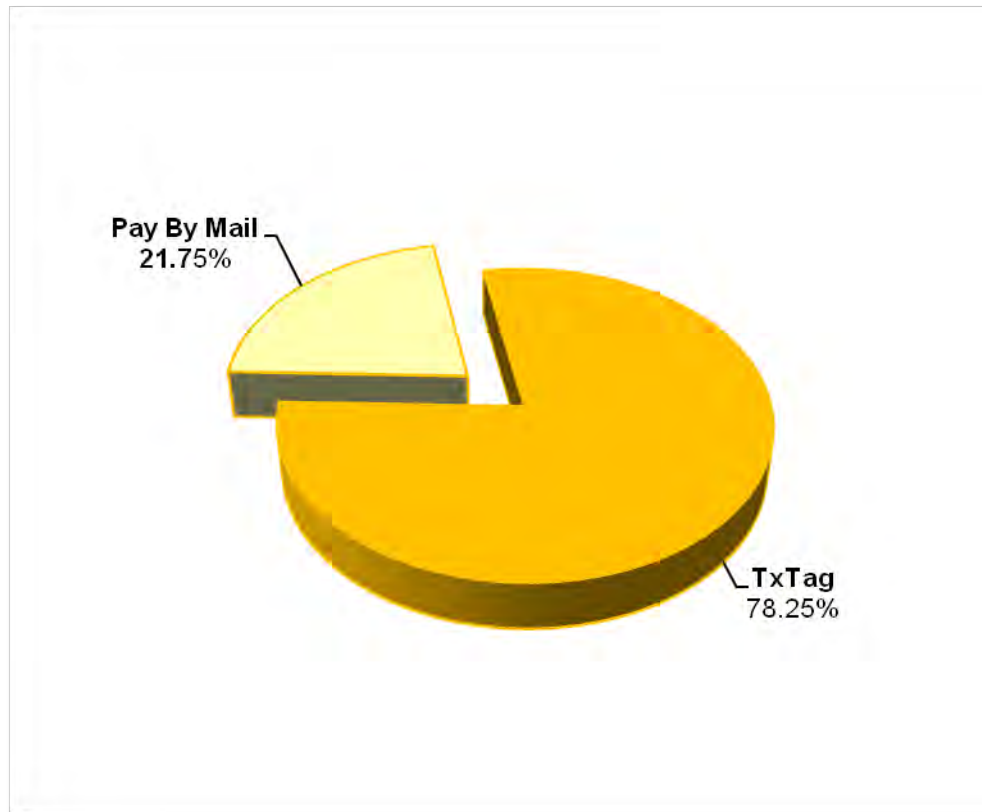
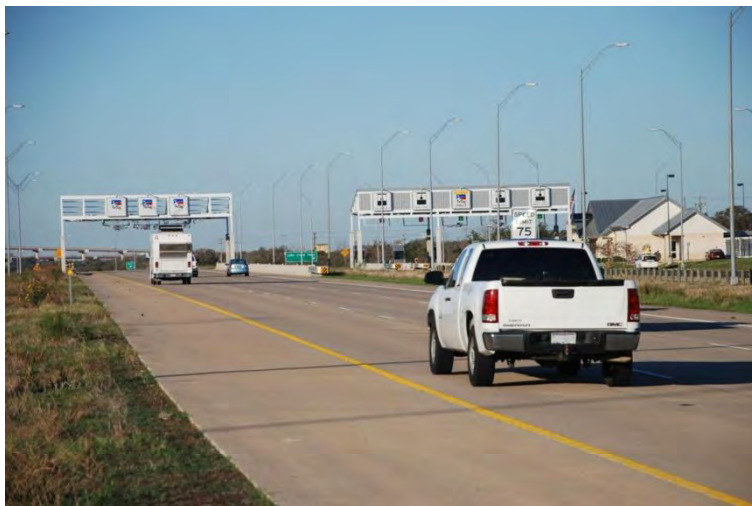


Table 6: Loop 1 Transactions by Type

FY 2014	Transaction Count	TxTag		Pay By Mail	
	Totals	Count	Percent	Count	Percent
September	1,610,900	1,265,100	78.53%	345,800	21.47%
October	1,731,100	1,359,500	78.53%	371,600	21.47%
November	1,595,800	1,239,200	77.65%	356,600	22.35%
Totals:	4,937,800	3,863,800	78.25%	1,074,000	21.75%



SH 45N Fiscal Year to Date Highlights:

SH 45N generated approximately \$9 million in revenue and more than 9.4 million transactions in the first quarter of FY 2014. Both numbers reflect an increase over the same period of the prior year by 56 percent and 1 percent respectively.

Beginning on January 1, 2013, toll rates were increased on the roadway by 50 percent, contributing to larger than normal revenue variances between the same months of FY 2013.

SH 45N First Quarter Highlights:

- Average monthly revenue was approximately \$3 million.
- AWTs for the first quarter finished at 115,937, which exceeded projections by 18 percent.
- TxTag accounted for approximately 77 percent of the total transactions.

Figure 7: SH 45N Revenue Comparison

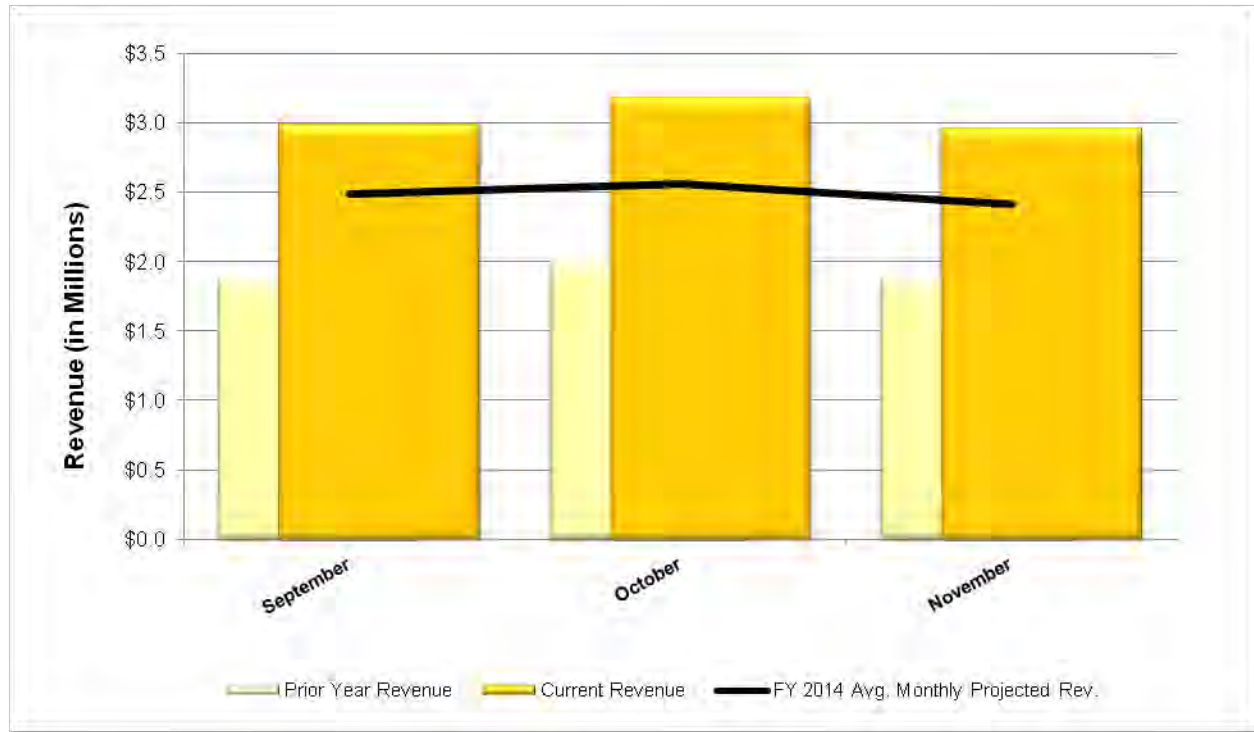


Table 7: SH 45N Revenue Comparison

FY 2014	Current Revenue	Projected Revenue	Actual Revenue -vs- Projected Revenue		Prior Year Revenue	Current Revenue -vs- Prior Year Revenue	
			Variance	% Variance		Variance	% Variance
September	\$2,981,200	\$2,486,500	\$494,700	19.90%	\$1,868,500	\$1,112,700	59.55%
October	\$3,181,300	\$2,559,200	\$622,100	24.31%	\$1,998,000	\$1,183,300	59.22%
November	\$2,810,300	\$2,408,100	\$402,200	16.70%	\$1,869,900	\$940,400	50.29%
Totals:	\$8,972,800	\$7,453,800	\$1,519,000	20.38%	\$5,736,400	\$3,236,400	56.42%

Note: January 1, 2013, toll rates on SH 45N increased 50%, contributing to larger than normal revenue variances between the same months of FY 2013 and FY 2014.

Figure 8: SH 45N Average Weekday Transactions Comparison

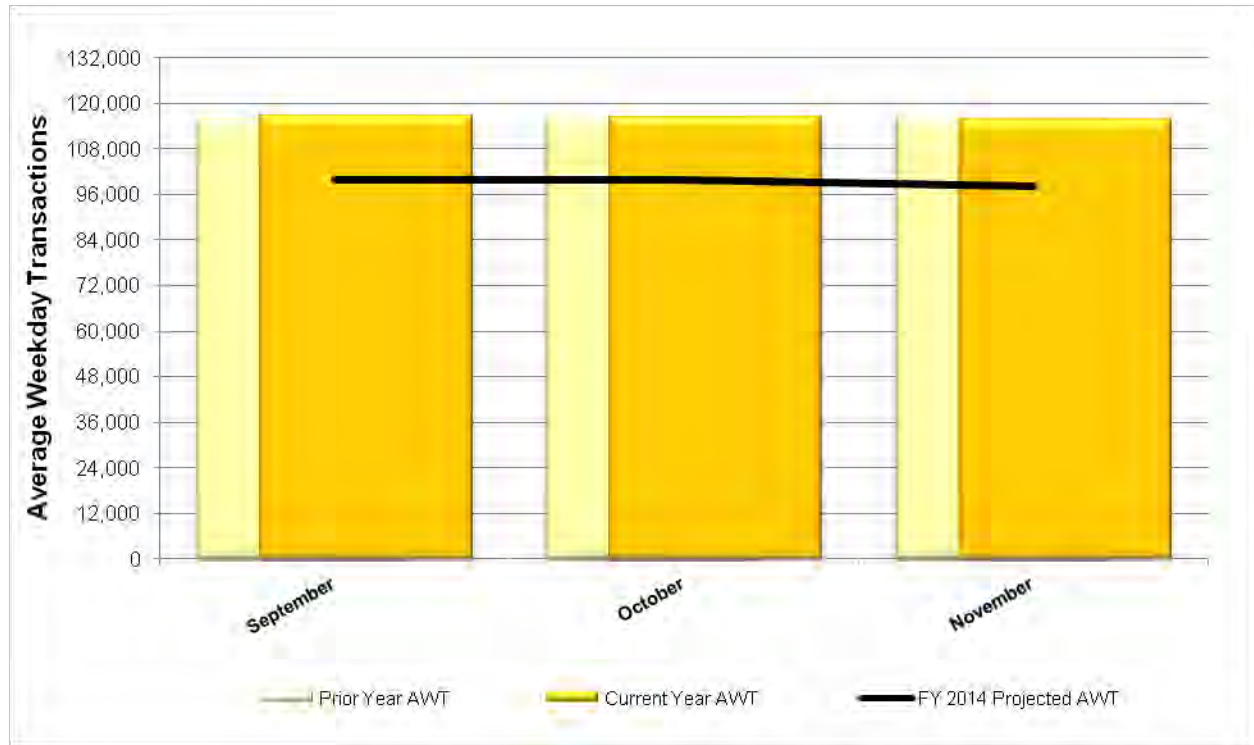


Table 8: SH 45N Average Weekday Transactions Comparison

FY 2014	Current AWT	Actual AWT -vs- Projected AWT			Current AWT -vs- Prior Year AWT		
		Projected AWT	Variance	% Variance	Prior Year AWT (FY 2013)	Variance	% Variance
September	116,671	99,702	16,969	17.02%	115,703	968	0.84%
October	116,577	99,926	16,651	16.66%	116,106	471	0.41%
November	115,937	98,052	17,885	18.24%	116,175	-238	-0.20%

Figure 9: SH 45N Transactions by Type

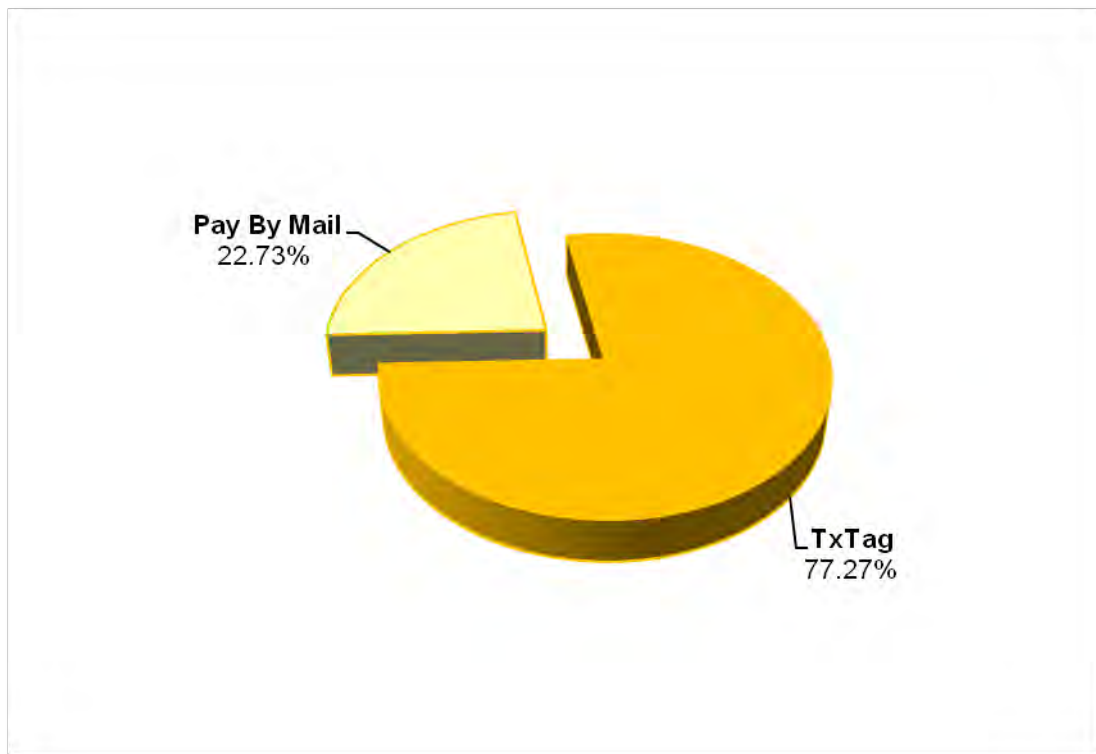


Table 9: SH 45N Transactions by Type

FY 2014	Transaction Count	TxTag		Pay By Mail	
	Totals	Count	Percent	Count	Percent
September	3,087,100	2,373,700	76.89%	713,400	23.11%
October	3,296,100	2,561,300	77.71%	734,800	22.29%
November	3,065,800	2,366,500	77.19%	699,300	22.81%
Totals:	9,449,000	7,301,500	77.27%	2,147,500	22.73%



SH 130 Fiscal Year to Date Highlights:

The SH 130 facility has generated approximately \$18 million in revenue and 11 million transactions in the first quarter of FY 2014.

Beginning on January 1, 2013, toll rates were increased by 25 percent contributing to larger than normal revenue variances between the same months of FY 2013 and FY 2014.

On April 1, 2013, TxDOT began a \$5 million promotional period on SH 130 and SH 45SE that reduces the toll rate for trucks to the two axle rate. The reduction in tolls is reimbursed to the CTTS; therefore, the CTTS will continue to receive revenue from these transactions at the full axle rate. This promotional period will expire on December 31, 2013.

SH 130 First Quarter Highlights:

- Average monthly revenue was approximately \$6 million.
- AWTs for the first quarter finished at 138,575 which exceeded projections by 20 percent,
- TxTag accounted for approximately 63 percent of the total transactions.

Figure 10: SH 130 Revenue Comparison

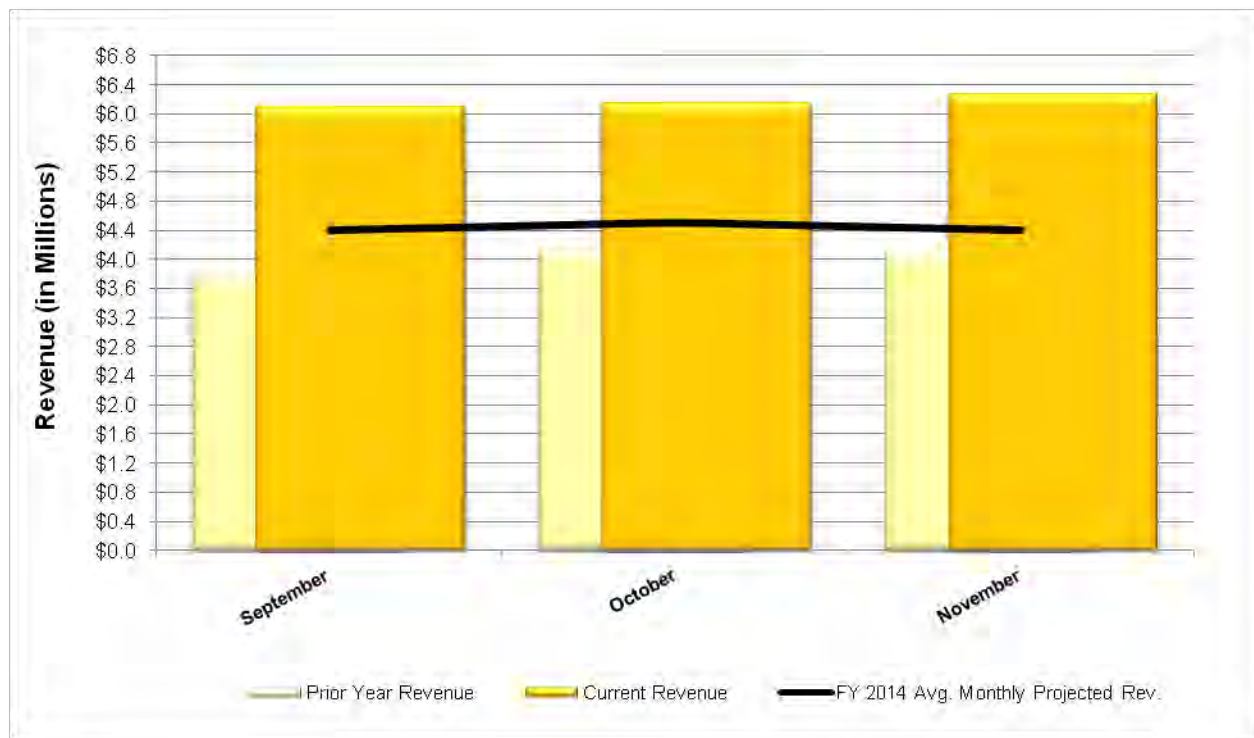


Table 10: SH 130 Revenue Comparison

FY 2014	Current Revenue	Projected Revenue	Actual Revenue -vs- Projected Revenue		Prior Year Revenue	Actual Revenue -vs- Prior Year Revenue	
			Variance	% Variance		Variance	% Variance
September	\$6,088,300	\$4,394,000	\$1,694,300	38.56%	\$3,788,100	\$2,300,200	60.72%
October	\$6,144,600	\$4,504,100	\$1,640,500	36.42%	\$4,140,000	\$2,004,600	48.42%
November	\$5,825,200	\$4,407,000	\$1,418,200	32.18%	\$4,106,400	\$1,718,800	41.86%
Totals:	\$18,058,100	\$13,305,100	\$4,753,000	35.72%	\$12,034,500	\$6,023,600	50.05%

Note: January 1, 2013, toll rates on SH 130 increased 25%, contributing to larger than normal revenue variances between the same months of FY 2013 and FY 2014. Monthly revenue totals include the amounts that will be reimbursed to the CTTS resulting from the trucker incentive program.

Figure 11: SH 130 Average Weekday Transactions Comparison

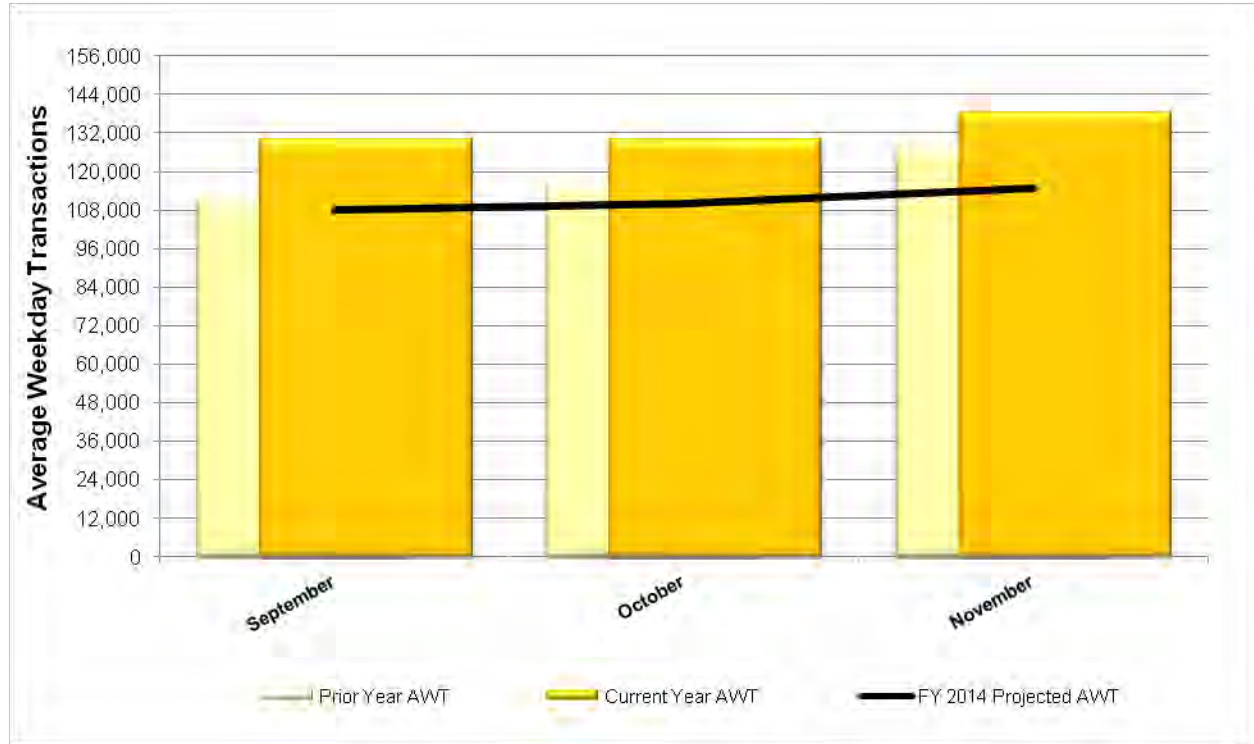


Table 11: SH 130 Average Weekday Transactions Comparison

FY 2014	Current AWT	Current AWT -vs- Projected AWT			Current AWT -vs- Prior Year AWT		
		Projected AWT	Variance	% Variance	Prior Year AWT (FY 2013)	Variance	% Variance
September	129,924	108,031	21,892	20.26%	111,510	18,414	16.51%
October	129,967	109,965	20,003	18.19%	115,919	14,048	12.12%
November	138,575	114,867	23,708	20.64%	128,511	10,065	7.83%

Figure 12: SH 130 Transactions by Type

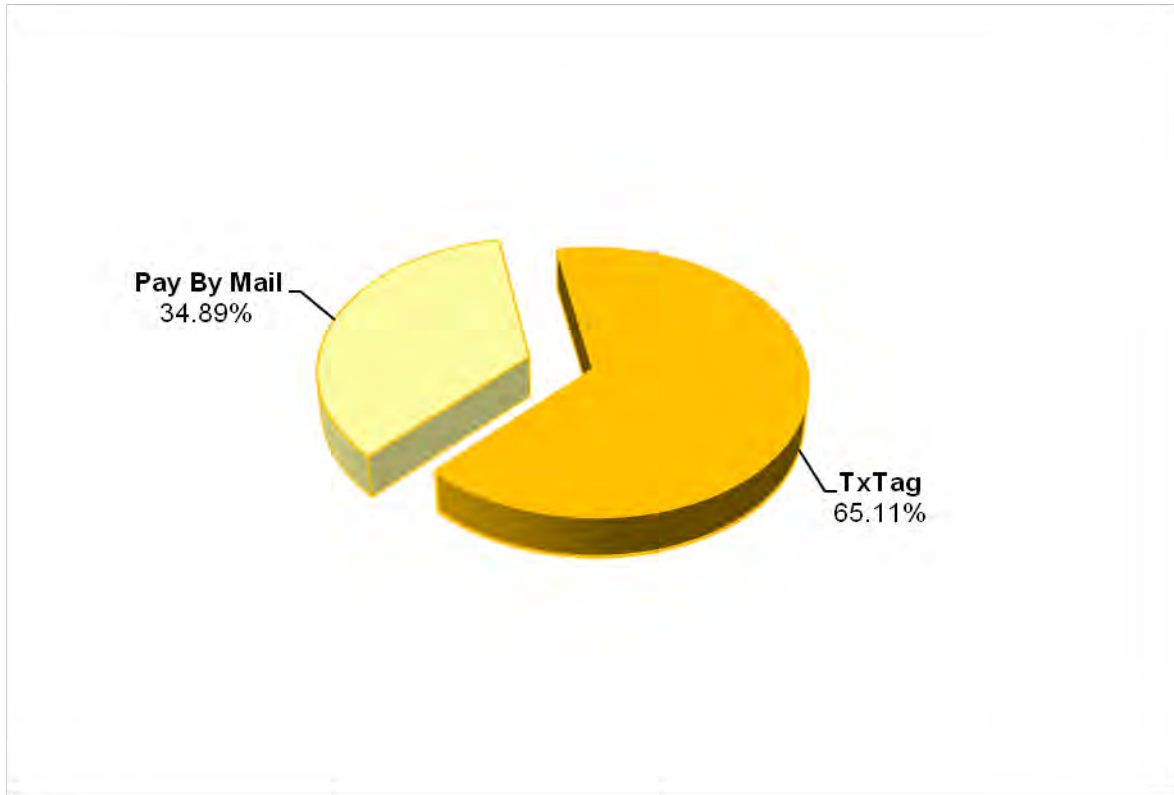


Table 12: SH 130 Transactions by Type

FY 2014	Transaction Count	TxTag		Pay By Mail	
	Totals	Count	Percent	Count	Percent
September	3,512,800	2,277,800	64.84%	1,235,000	35.16%
October	3,747,600	2,469,600	65.90%	1,278,000	34.10%
November	3,789,700	2,447,400	64.58%	1,342,300	35.42%
Totals:	11,050,100	7,194,800	65.11%	3,855,300	34.89%



SH 45SE Fiscal Year to Date Highlights:

The SH 45SE facility generated more than \$1 million in revenue and approximately 1.1 million transactions in the first quarter of FY 2014.

On April 1, 2013, TxDOT began a \$5 million promotional period on SH 130 and SH 45SE that reduces the toll rate for trucks to the two axle rate. The reduction in tolls is reimbursed to the CTTS; therefore, the CTTS will continue to receive revenue from these transactions at the full axle rate. This promotional period will expire on December 31, 2013.

SH 45SE First Quarter Highlights:

- Average monthly revenue was more than \$347,000.
- AWTs for the first quarter finished at 14,538, which exceeded projections by 18 percent.
- TxTag accounted for 63 percent of the total transactions.

Figure 13: SH 45SE Revenue Comparison

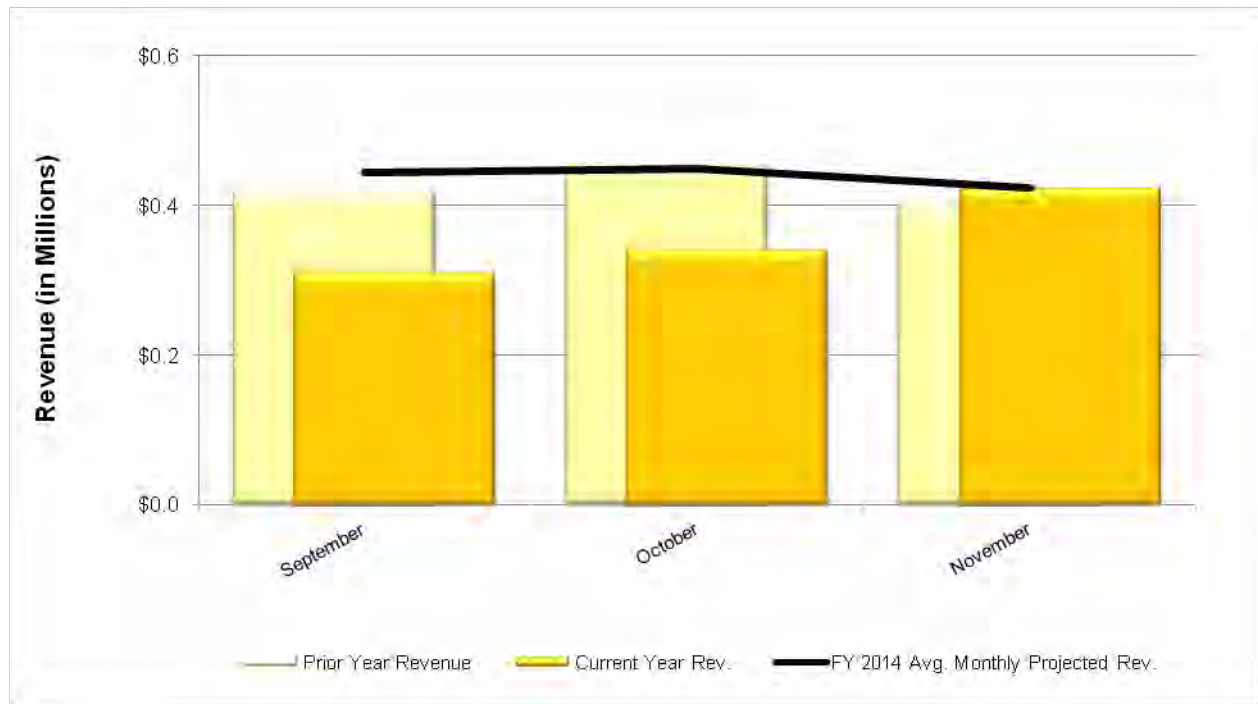


Table 13: SH 45SE Revenue Comparison

FY 2014	Current Revenue	Projected Revenue	Actual Revenue -vs- Projected Revenue		Prior Year Revenue	Actual Revenue -vs- Prior Year Revenue	
			Variance	% Variance		Variance	% Variance
September	\$311,300	\$444,000	-\$132,700	-29.89%	\$416,600	-\$105,300	-25.28%
October	\$340,600	\$449,700	-\$109,100	-24.26%	\$452,900	-\$112,300	-24.80%
November	\$389,300	\$423,000	-\$33,700	-7.97%	\$401,900	-\$12,600	-3.14%
Totals:	\$1,041,200	\$1,316,700	-\$275,500	-20.92%	\$1,271,400	-\$230,200	-18.11%

Notes: Monthly revenue totals include the amounts that will be reimbursed to the CTTS resulting from the trucker incentive program.

Due to billing discrepancies, revenue on SH 45SE is lower than expected for the current period. Any potential revenue collected resulting from this discrepancy will be reflected in future periods.

Figure 14: SH 45SE Average Weekday Transactions Comparison

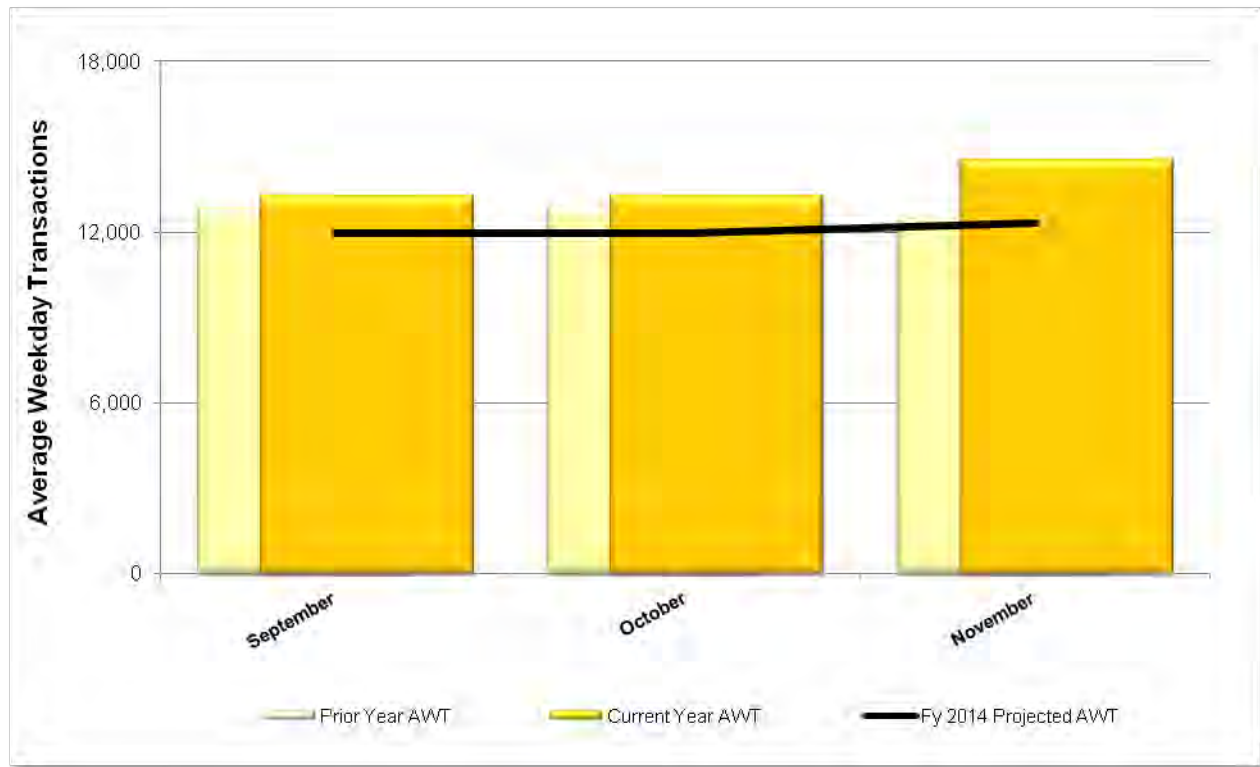


Table 14: SH 45SE Average Weekday Transactions Comparison

FY 2014	Current AWT	Current AWT -vs- Projected AWT			Current AWT -vs- Prior Year AWT		
		Projected AWT	Variance	% Variance	Prior Year AWT (FY 2013)	Variance	% Variance
September	13,269	11,969	1,300	10.86%	12,808	461	3.60%
October	13,260	11,955	1,304	10.91%	12,885	375	2.91%
November	14,538	12,312	2,225	18.08%	12,494	2,044	16.36%

Figure 15: SH 45SE Transactions by Type

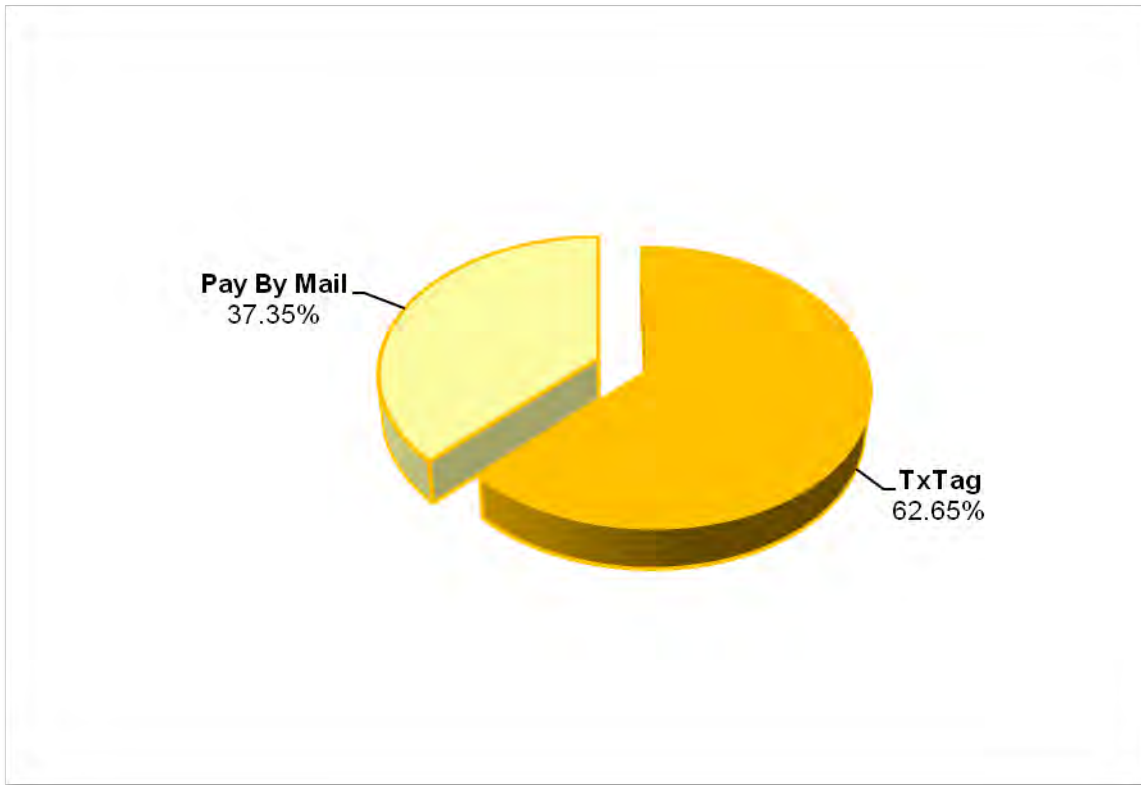


Table 15: SH 45SE Transactions by Type

FY 2014	Transaction Count	TxTAG		Pay By Mail	
		Count	Percent	Count	Percent
September	361,800	226,600	62.63%	135,200	37.37%
October	384,700	245,000	63.69%	139,700	36.31%
November	402,600	248,300	61.67%	154,300	38.33%
Totals:	1,149,100	719,900	62.65%	429,200	37.35%



Active Accounts and TxTags



Active Accounts and Tags Fiscal Year to Date Highlights:

At the end of November 2013, there were 1,227,700 active TxTags and more than 642,900 active TxTag accounts statewide.

Active Accounts and Tags First Quarter Highlights:

- The number of active TxTags and the number of active TxTag accounts increased by approximately 15 percent and 12 percent respectively between November 2013 and the same month of the prior year.

Figure 16: Active Accounts and TxTags

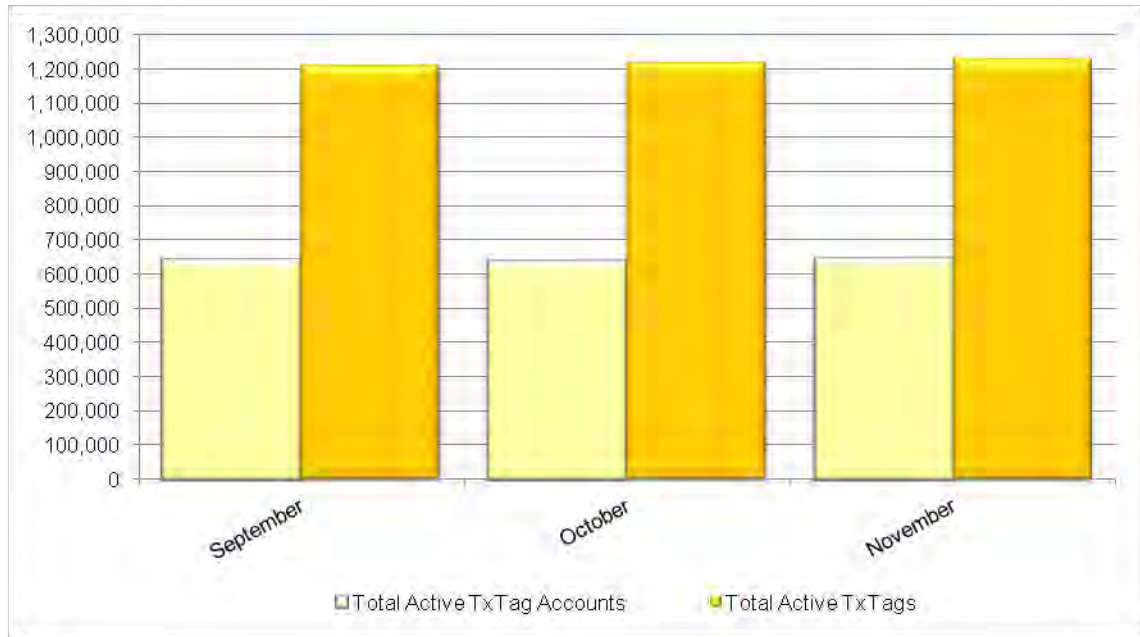
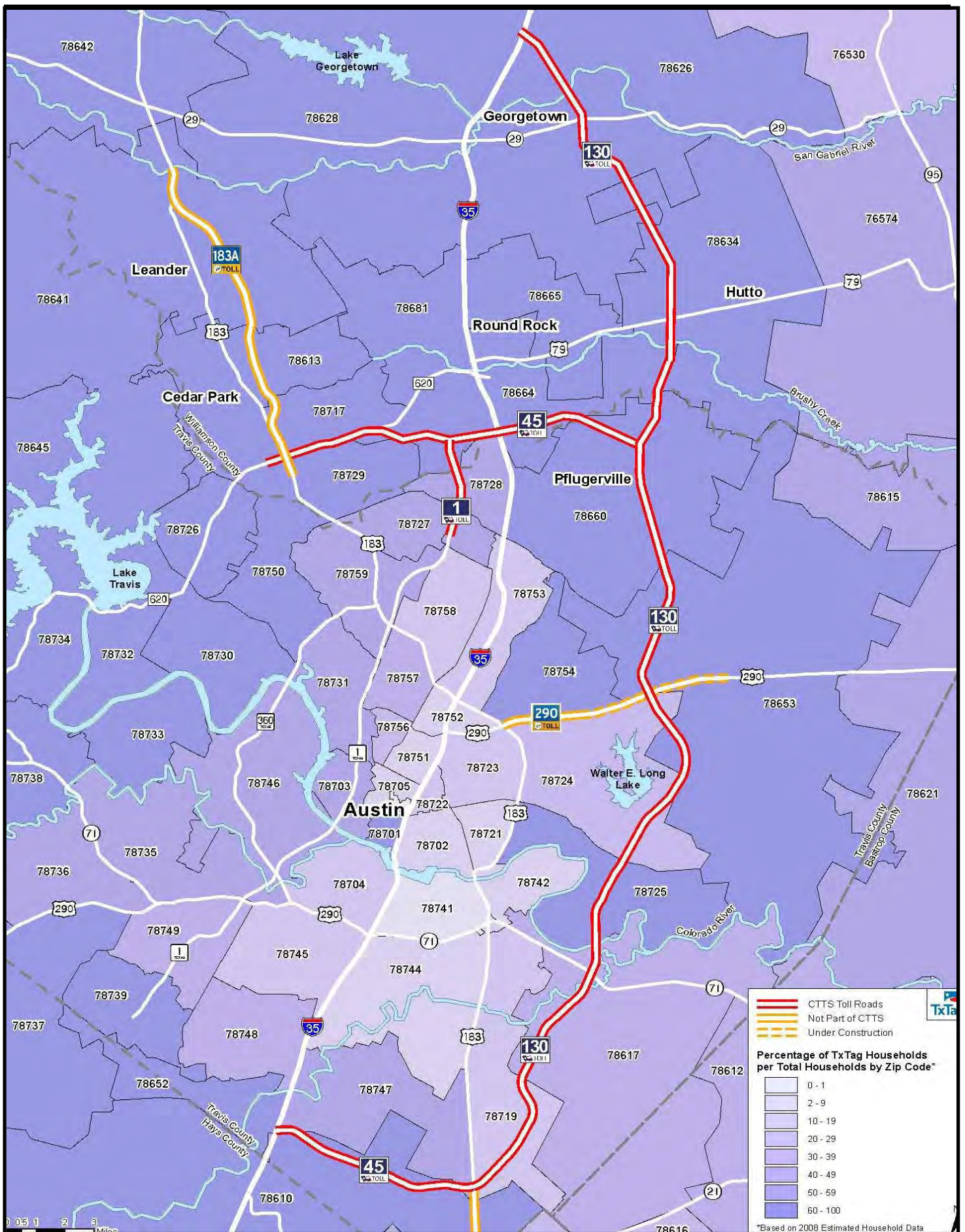



Table 16: Active Accounts and TxTags

FY 2014	Total Active TxTag Accounts	Total Active TxTags
September	641,744	1,211,155
October	637,763	1,217,398
November	642,898	1,227,745

Note: More than one TxTag may be activated under the same TxTag account.





Additional Information

About the Central Texas Turnpike System

The CTTS is a 74-mile facility of roadways (Loop 1, SH 45N, SH 45SE and SH 130) designed to expedite traffic flow, improve access to regional services and promote safe travel for Central Texas motorists.

Texas toll facilities are safe, reliable and cost efficient, and can be built faster than conventional transportation projects. Private-sector partnerships and innovative financing options work together to accelerate project delivery. This non-traditional approach to road financing and construction supports TxDOT's four goals—maintain a safe system, address congestion, connect Texas communities, and be a Best-in-Class agency.

Transaction Terminology

TxDOT uses state-of-the-art technology to allow drivers to pay tolls in various ways. The types of transactions are:

- **TxTag:** This payment method or transaction type includes TxTag, TollTag and EZ TAG, which are tied to a pre-paid customer toll account. Note that the section reporting on Active Accounts and TxTags only refers to TxDOT's TxTag program.
- **Pay By Mail Program:** These transactions are created when a customer crosses a tolling point and a valid TxTag is not recognized. Since the toll is not being paid at the time the transaction occurs, an image of the license plate is captured. The Customer Service Center processes these images to either post the toll to an existing account for that license plate or send the vehicle owner a bill for the toll charges.