



**Oregon Highway Cost Allocation Study**  
**2023-2025 Biennium**  
*Draft Results: May 11, 2023*

- Greetings and schedule update – 5 min
- Update on data collection – 10 min
- Preliminary HCAS model results and discussion – 30 min
- Questions from prior SRT meeting (March 31, 2023) – 30 min
- Timelines, next steps, and wrap up – 15 min

# Schedule

	Dec	Jan	February				March				April				May					June			
			6	13	20	27	6	13	20	27	3	10	17	24	1	8	15	22	29	5	12	19	26
Task 1: Completion Plan																							
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- Deliverable
- Meeting
- # Weeks with holidays are noted in red
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# Data updates

ID	Dataset Name	Dataset Source	Received Raw Data	Reviewed Raw Data	Processed / Cleaned Data
1	VMT Forecast	ODOT Financial and Economic Analysis Unit	100%	100%	100%
2	Vehicle Registrations	Oregon DMV	100%	100%	100%
3	RUAF (Road Use Assessment Fee)	ODOT Motor Carrier Transportation Division (MCTD)	100%	100%	100%
4	Project Cost Report	ODOT Financial Services	100%	100%	90%
5	Federal Fleet Report	U.S. General Services Administration	100%	100%	100%
6	Federal Highway Statistics Tables	FHWA Office of Highway Policy Information	100%	100%	N/A
7	Flat Fees	ODOT Motor Carrier Transportation Division (MCTD)	100%	100%	100%
8	HPMS (Highway Performance Monitoring System)	ODOT, FHWA	100%	100%	100%
9	Motor Carrier Registration Data	ODOT Motor Carrier Transportation Division (MCTD)	100%	100%	100%
10	MPG (Miles per gallon)	ODOT Financial and Economic Analysis Unit	100%	100%	100%
11	Pavement Factors	RD Mingo & Associates	100%	100%	90%
12	Revenue Forecast	ODOT Financial Services	100%	100%	100%
13	WIM (Weight-In-Motion)	ODOT Transportation Data Section	100%	100%	100%
14	WMT (Weight Mile Tax)	ODOT Motor Carrier Transportation Division (MCTD)	100%	100%	100%
15	Rates	Oregon Revised Statutes (including HB-2017)	100%	100%	100%
16	LRSS (Local Costs)	ODOT Local Roads and Streets Survey	100%	100%	100%

Outstanding Data

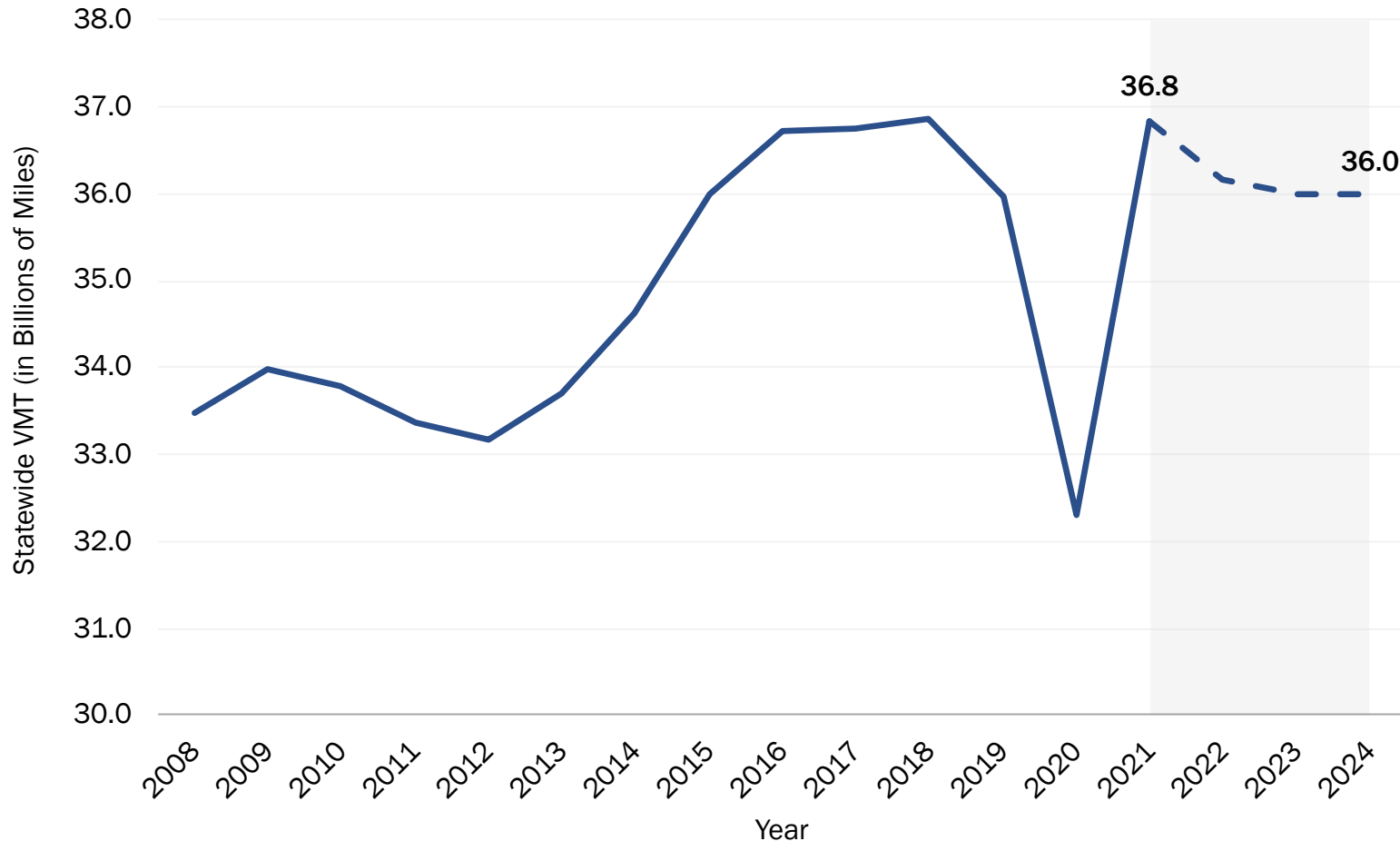
Updated progress

# Oregon's approach to cost allocation

- Oregon's HCAS is prospective, with equity ratios predicted for the upcoming biennium based on:
  - Vehicle miles traveled (VMT) are forecasted by ODOT as part of their revenue forecasting process
  - Expenditures as forecasted by agency budget requests
  - Revenue forecast, which assumes current-law instruments and rates

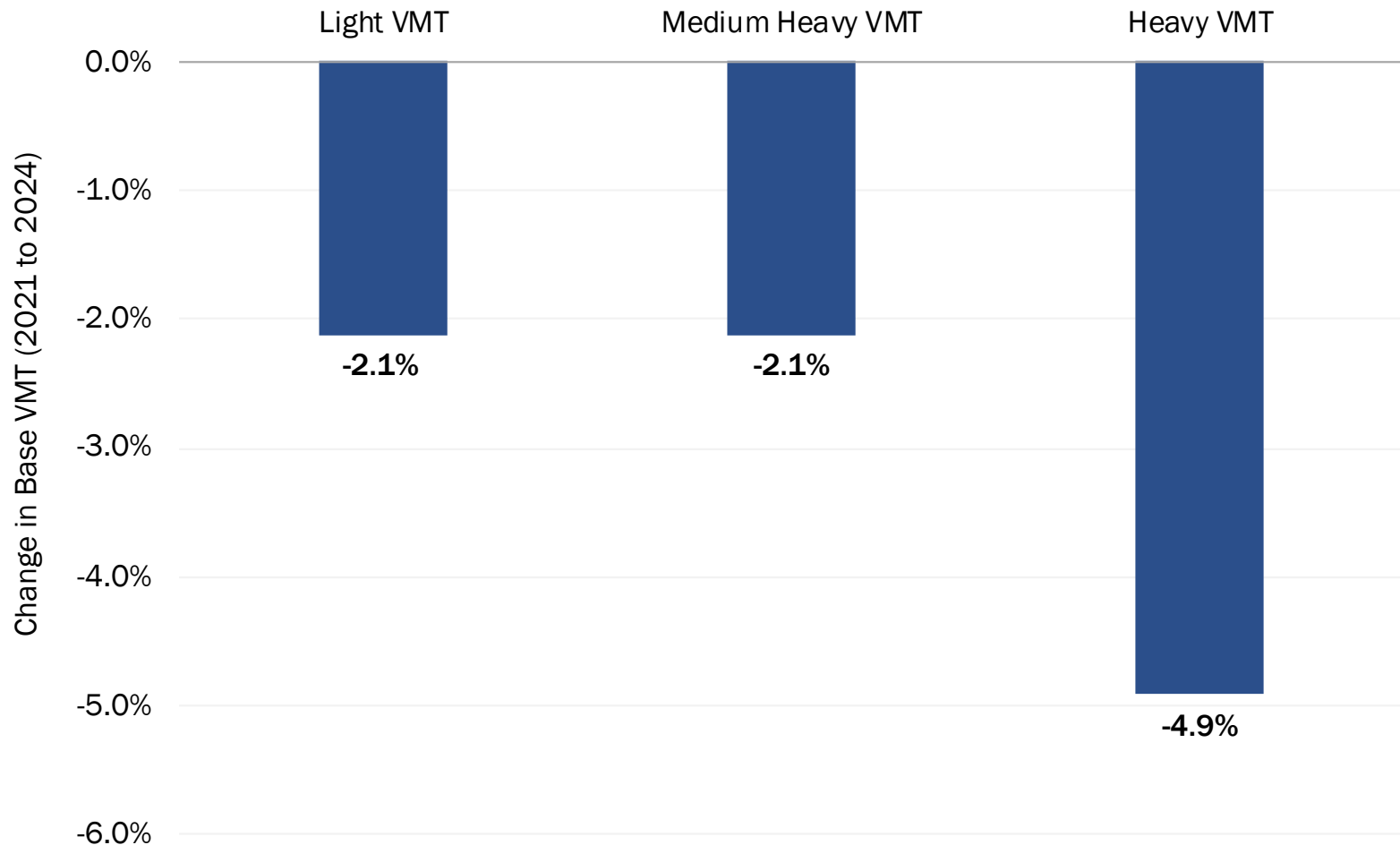
# Oregon VMT trend and forecast

For 2024, ODOT's VMT forecast predicted 36.0 billion miles per year for all vehicles in Oregon.



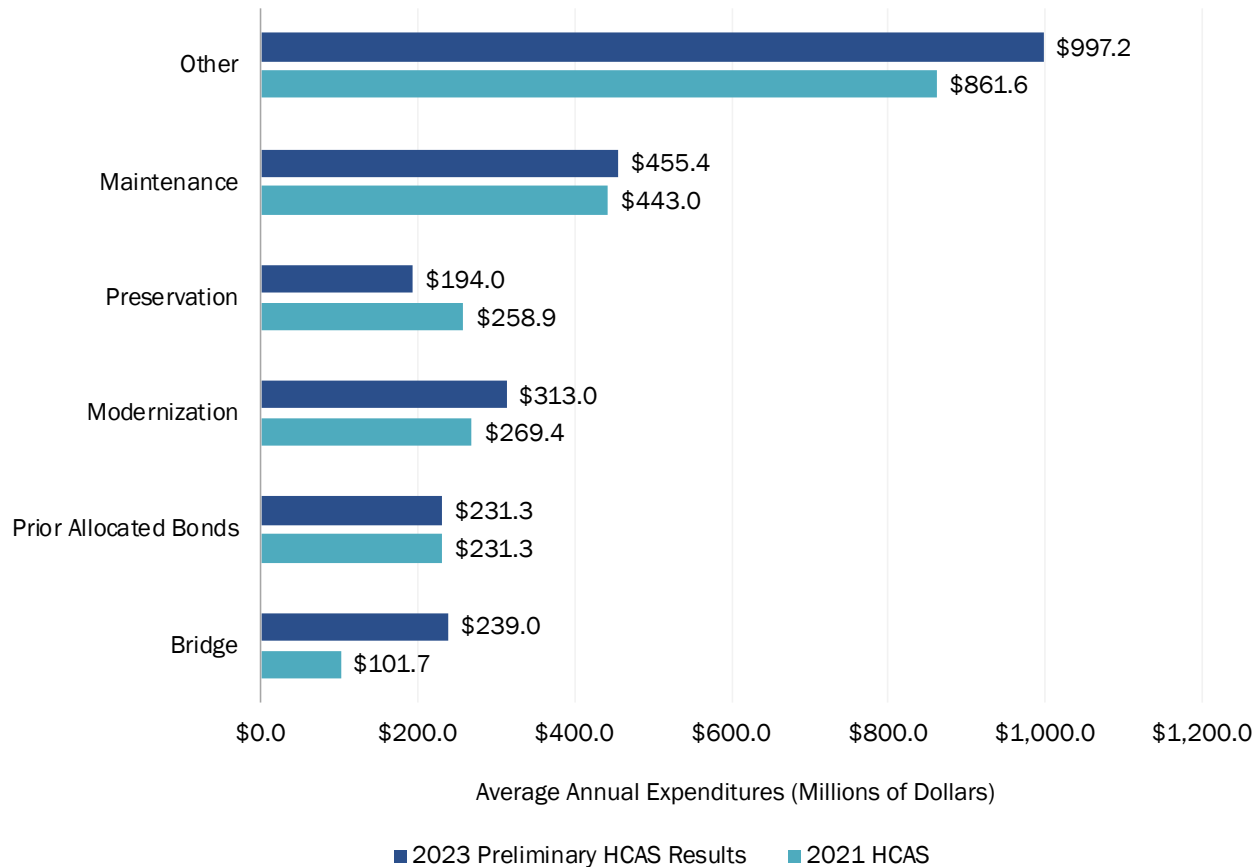
# Comparison of base vs. modeled VMT

Compared to the base (2021) year, expected change in VMT for the modeled (2024) year is lower for all vehicles.



# Composition of highway expenditures

Expected average annual expenditures are \$2.43 billion, up 12.2 percent (nominally) compared to expenditures in the 2021 study.

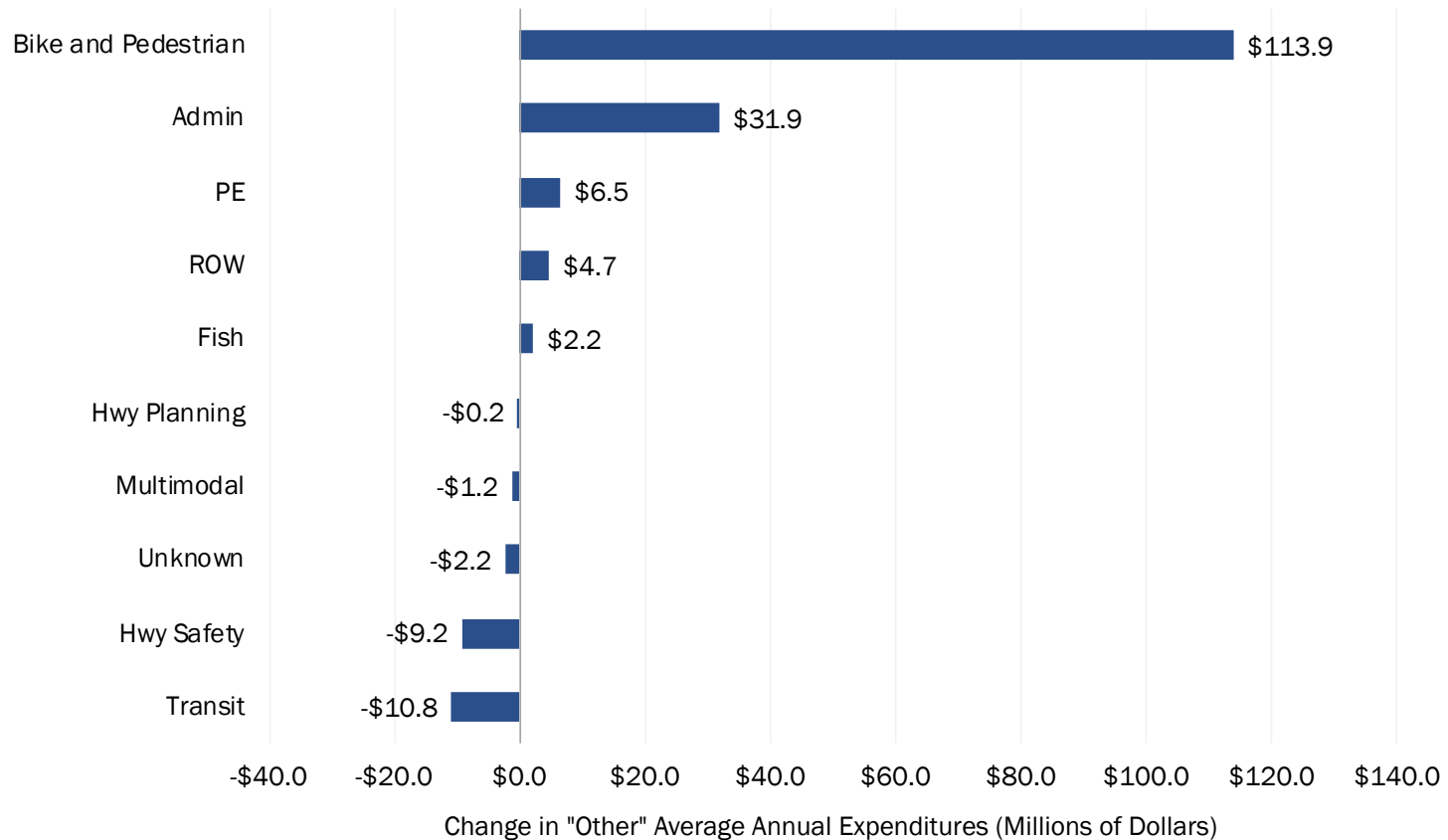


**NOTE: The 2023 HCAS results presented on this slide are preliminary estimates.**



# Composition of “other” highway expenditures

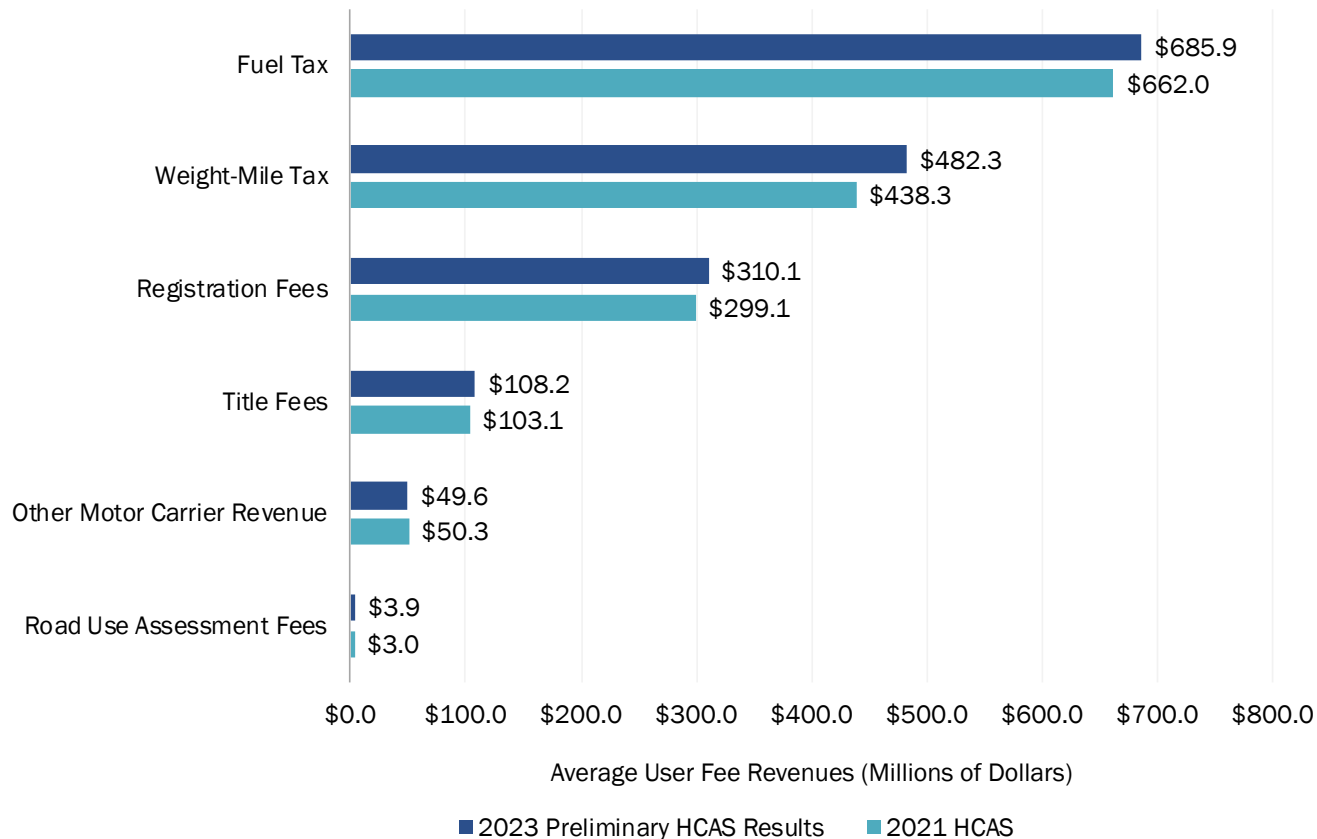
Growth in “other” is related to administration and bike/ped spending, which are allocated to all VMT.



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# Composition of highway revenues

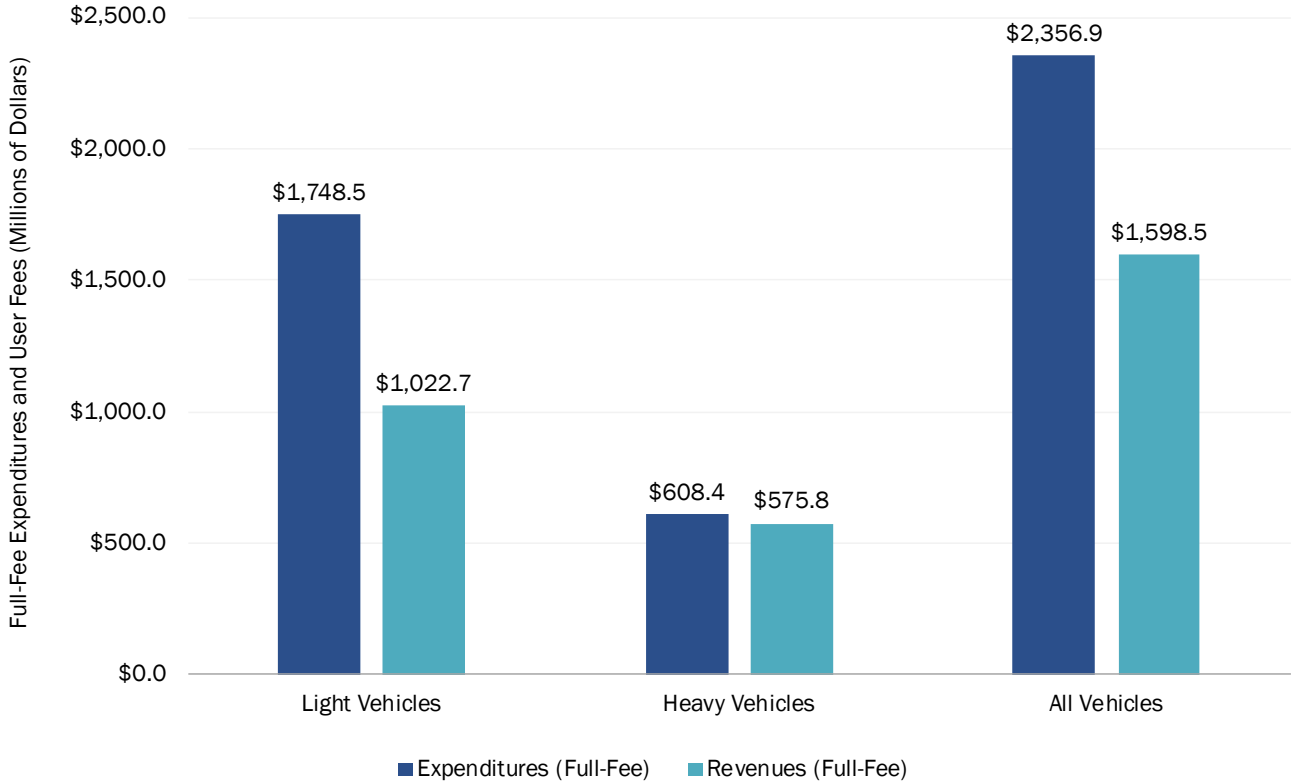
Projected average annual revenues for the biennium are \$1.64 billion, a 5.4 percent growth compared to the 2021 study.



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# Comparison of full-fee revenues and expenditures

Average annual “full-fee” expenditures are projected to be \$2.36 billion and full-fee revenues \$1.60 billion – these are the totals allocated for equity ratios.



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# Interpreting equity ratios

We calculate equity ratios for each weight class – each vehicle class's share of attributed revenues divided by its share of allocated expenditures.

- Ratio = 1.0 means perfect equity
- Ratio > 1.0 means paying more than fair share
- Ratio < 1.0 means paying less than fair share

# Summary results

The table below displays the average annual full-fee VMT, revenues, and expenditures (in millions) allocated to vehicles weight classes.

Declared Weight	VMT (in millions)	Cost Responsibility (in millions)	User Fees (in millions)	Equity Ratio
1 to 10,000	32,319	\$1,749	\$1,023	0.862
10,001 to 26,000	723	\$75	\$55	1.078
26,001 to 78,000	253	\$52	\$37	1.043
78,001 to 80,000	1,373	\$285	\$348	1.803
80,001 to 104,000	219	\$76	\$55	1.058
104,001 to 105,000	296	\$104	\$78	1.106
105,001 and up	3	\$17	\$4	0.311
<b>Total</b>	<b>35,186</b>	<b>\$2,357</b>	<b>\$1,599</b>	<b>1.000</b>

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- For the 2023 – 2025 biennium:
  - Light vehicles are projected to underpay by 13.8 percent, while heavy vehicles are projected to overpay by 39.6 percent
  - Disparity in equity ratios may shrink as basic VMT returns to growth from the 2020 drop and as the project mix changes

## Light Vehicles:



Equity ratio:	0.862
Revenues:	64.0 percent
Costs:	74.2 percent

## Heavy Vehicles:



Equity ratio:	1.396
Revenues:	36.0 percent
Costs:	25.8 percent

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# Considerations for the next HCAS

For the 2025-2027 HCAS, we recommend considering several refinements to the study:

- Review underlying assumptions and simplify work types used in study.
- Discuss pathway for incorporating pavement factors into future studies.
- Increase code transparency and flexibility.
- Perform a multi-biennium look at equity to address variation in expenditures over time.

- Produce final model run results
- Revising and updating model documentation
- Tolling equity research

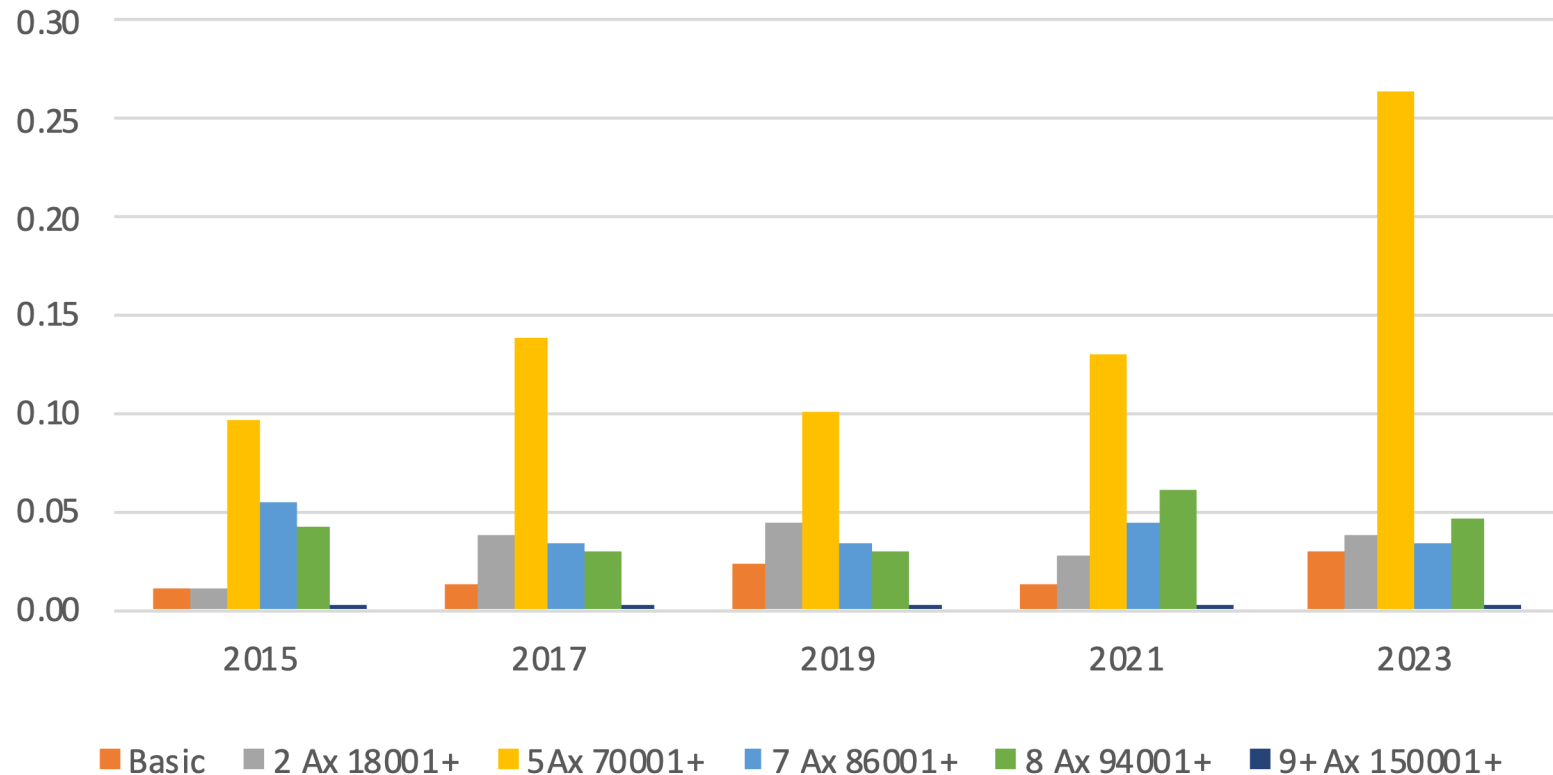


# Schedule

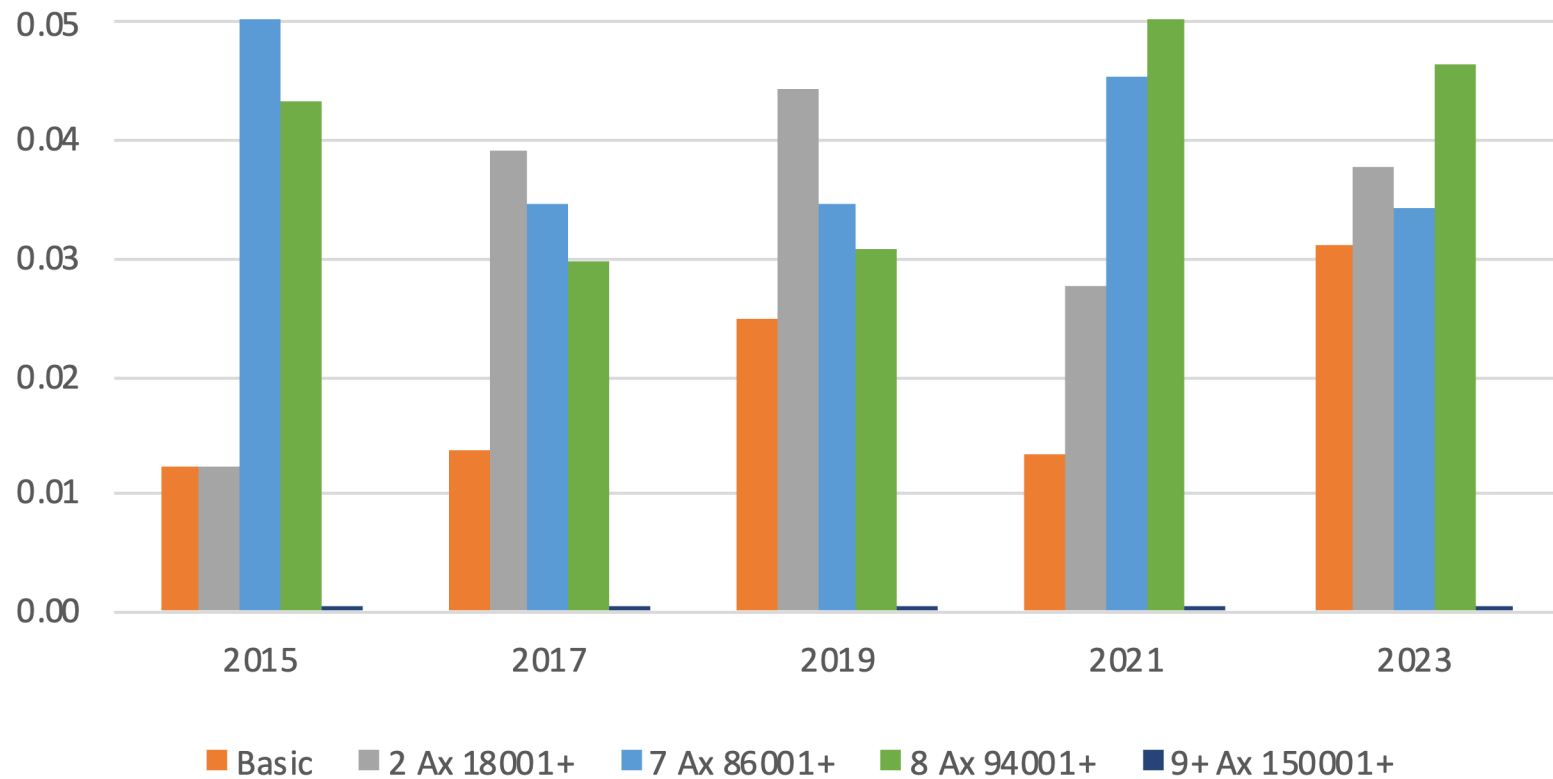
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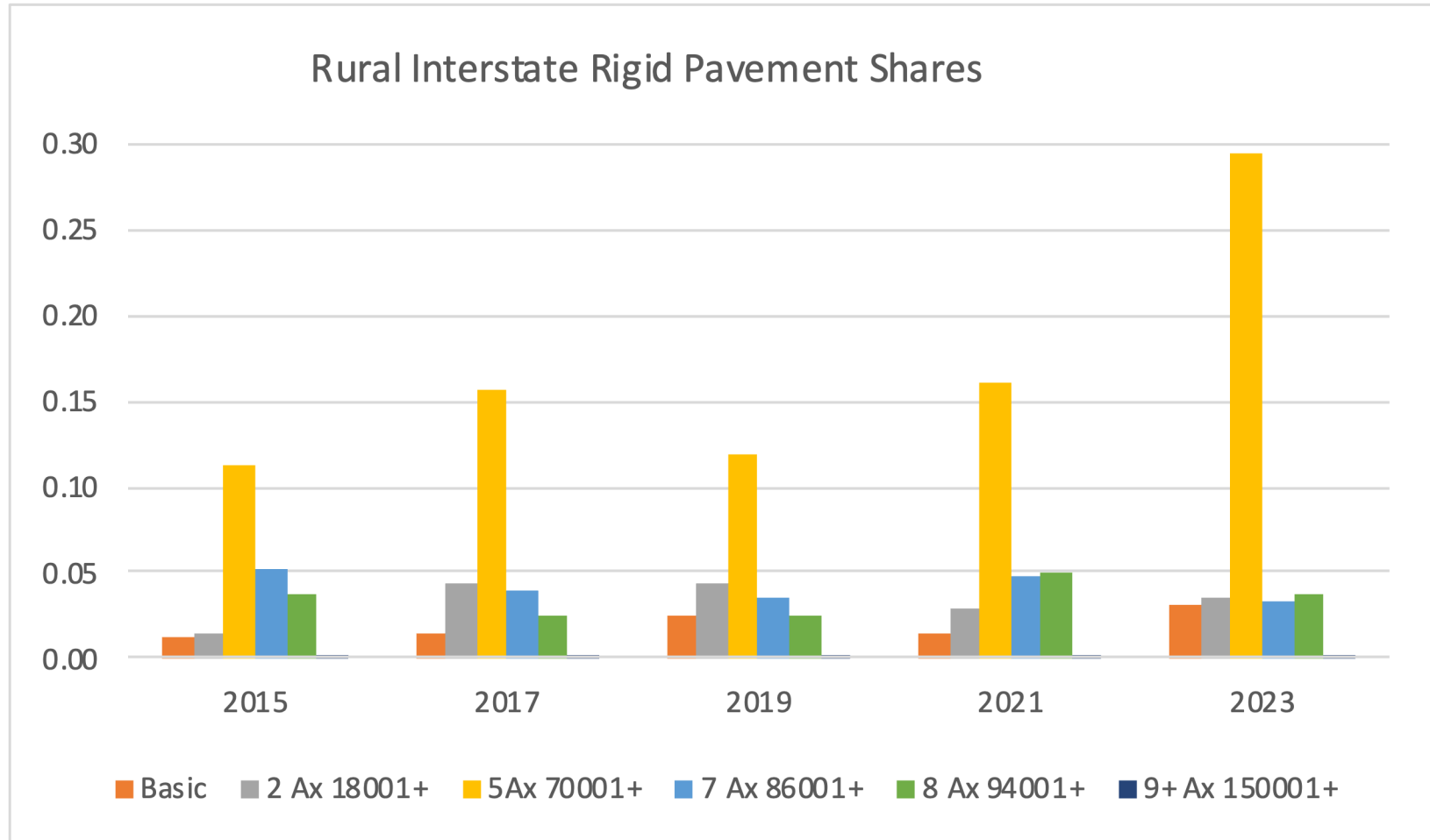
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## Rural Interstate Flexible Pavement Shares

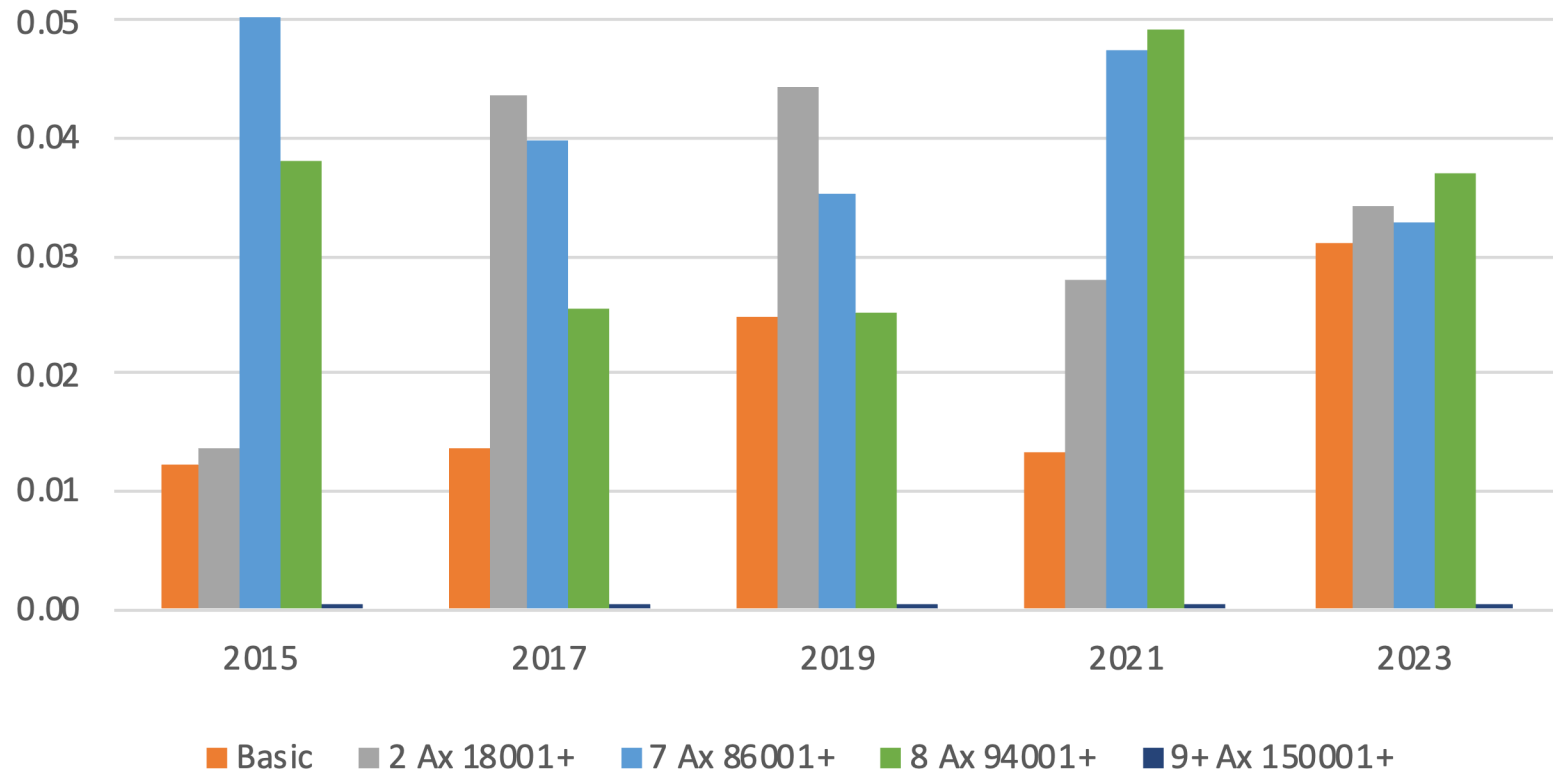


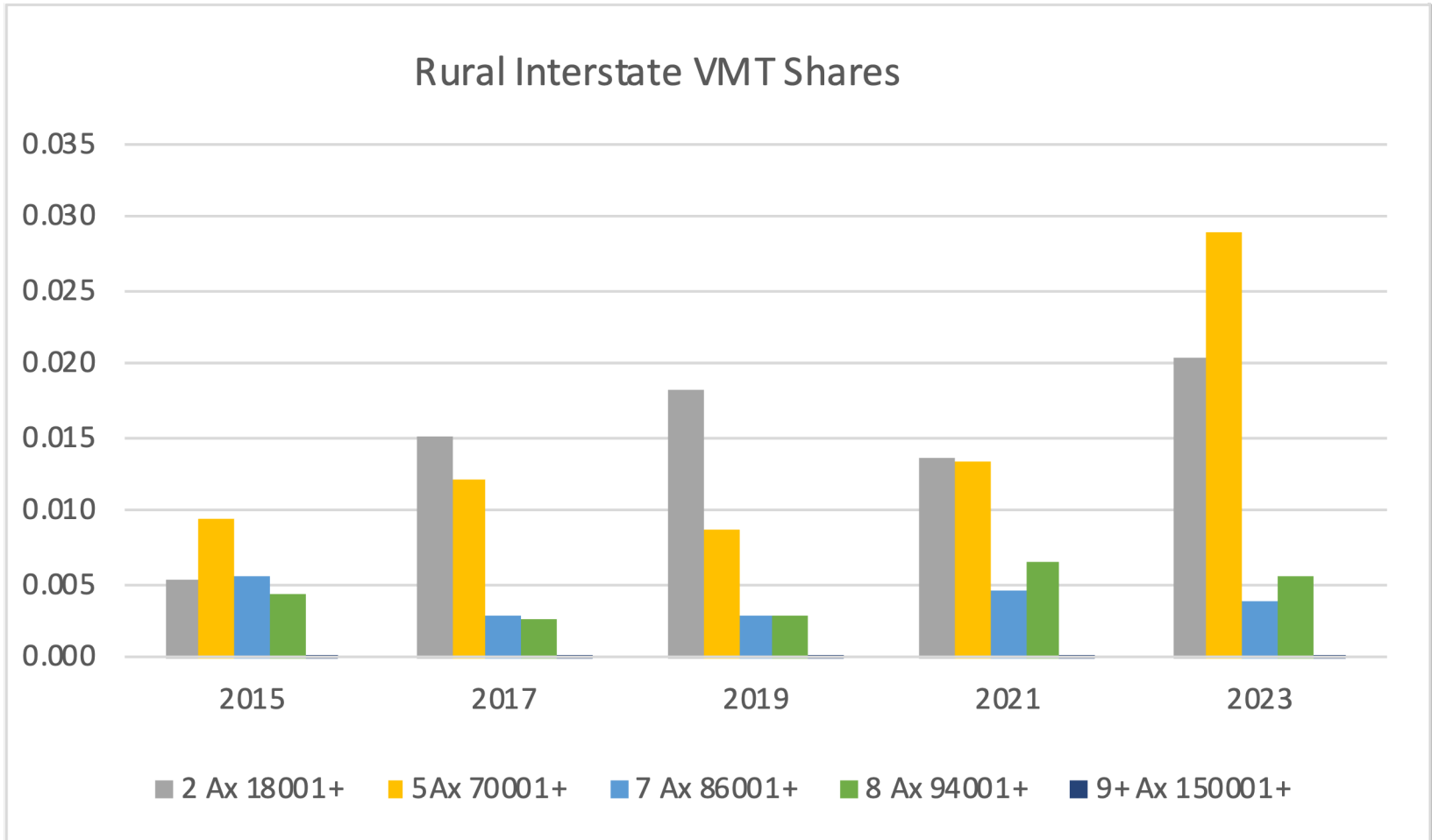
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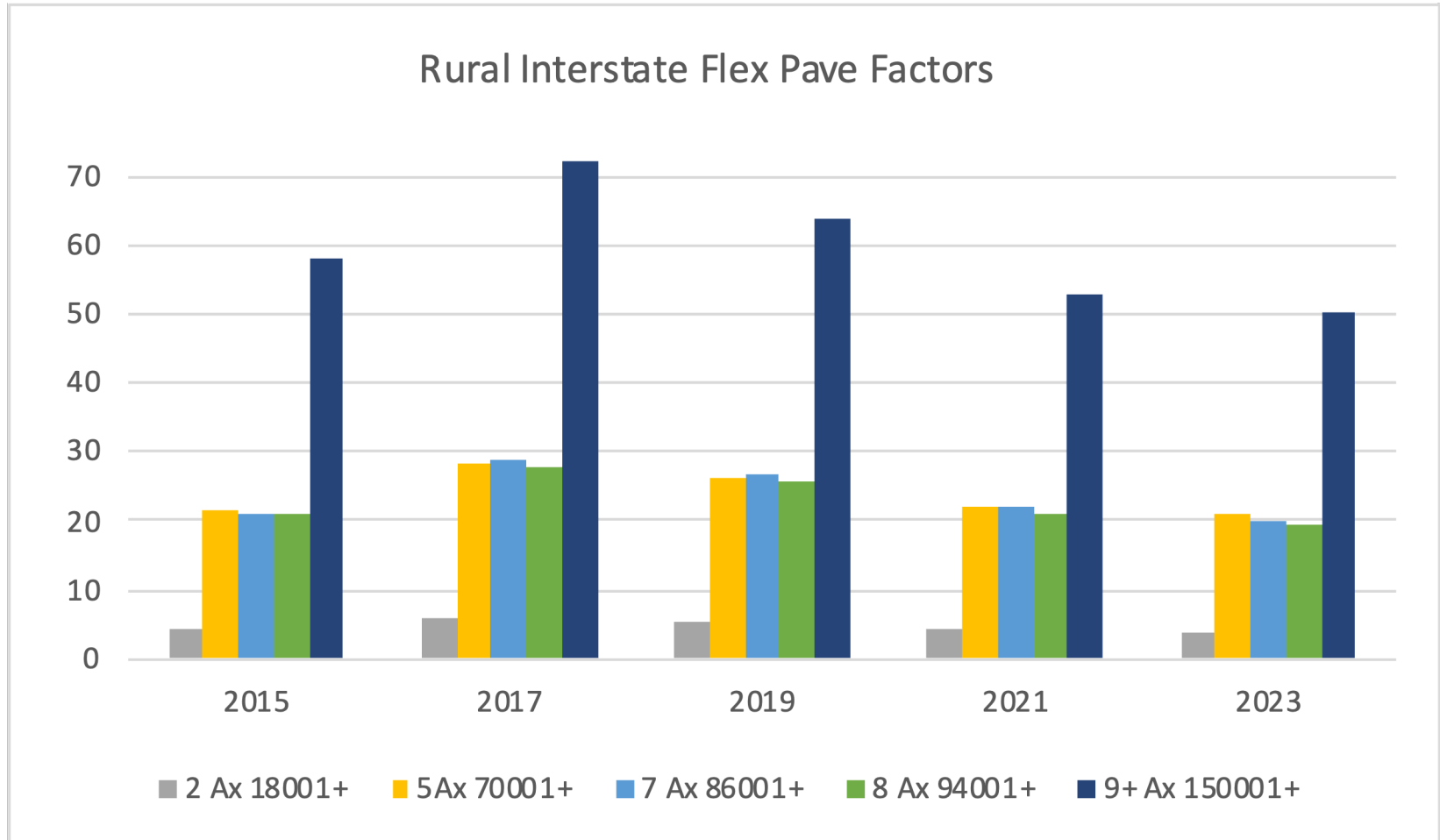


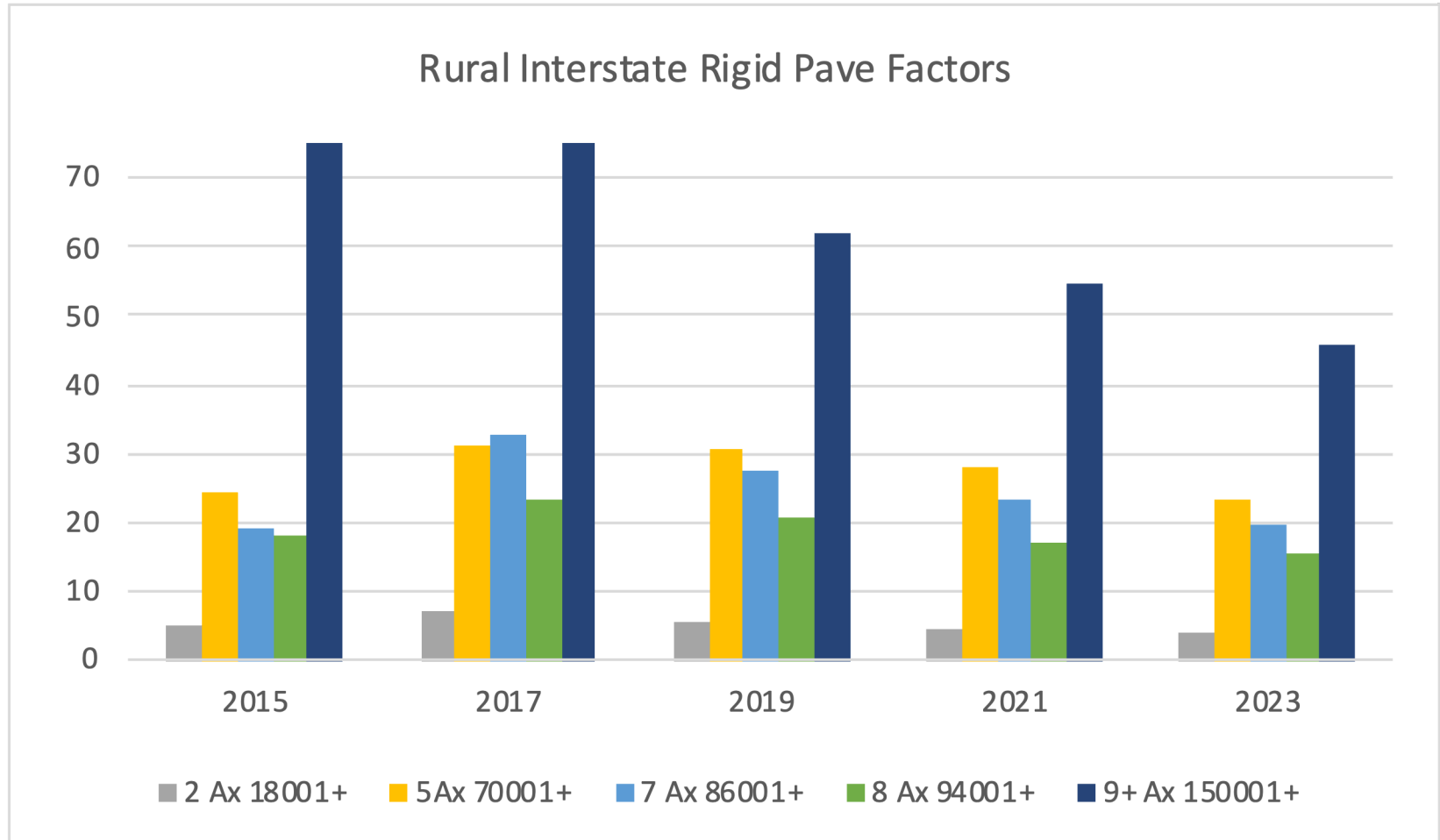


## Rural Interstate Rigid Pavement Shares



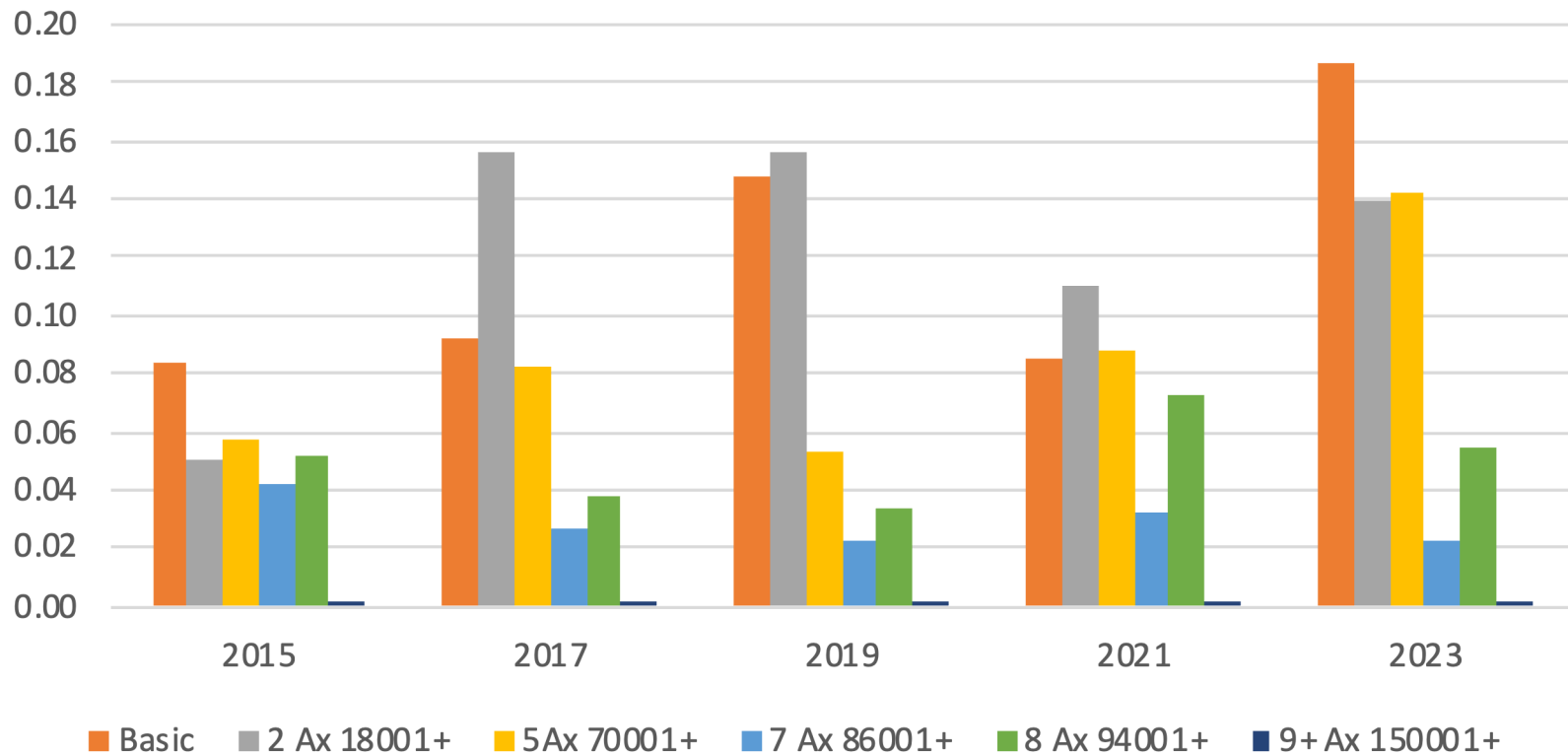




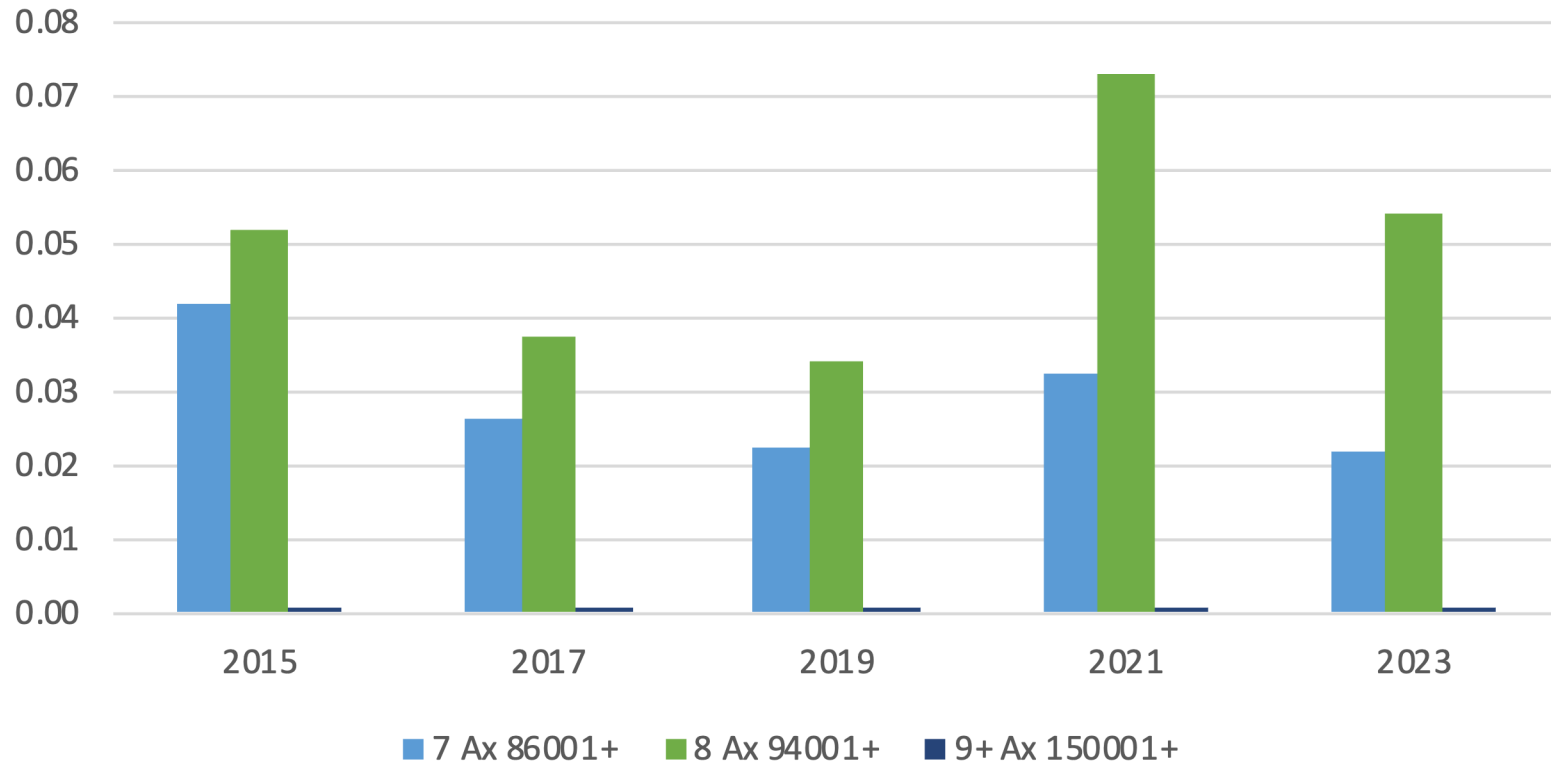




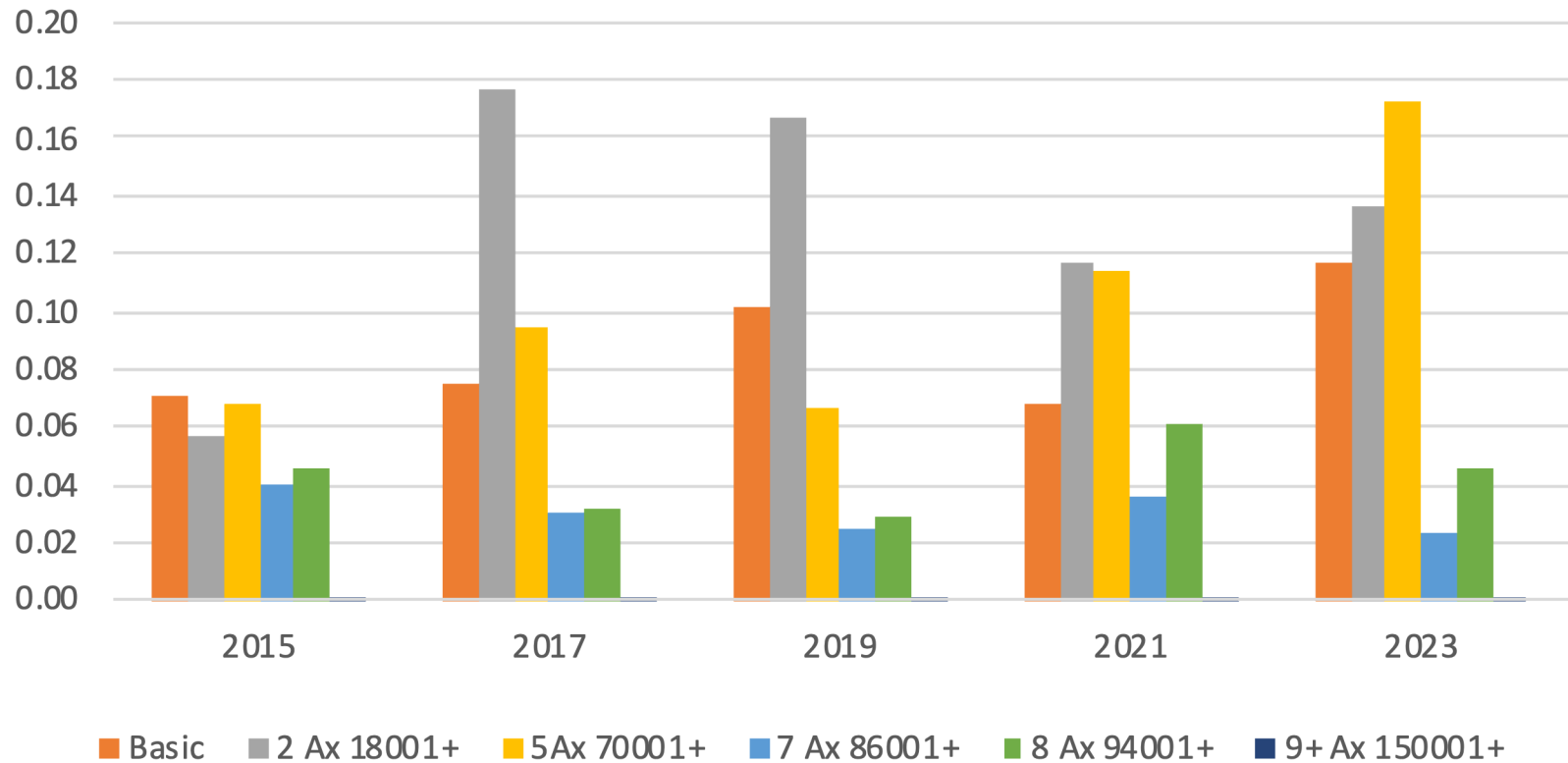
## Urban OPA Flexible Pavement Shares



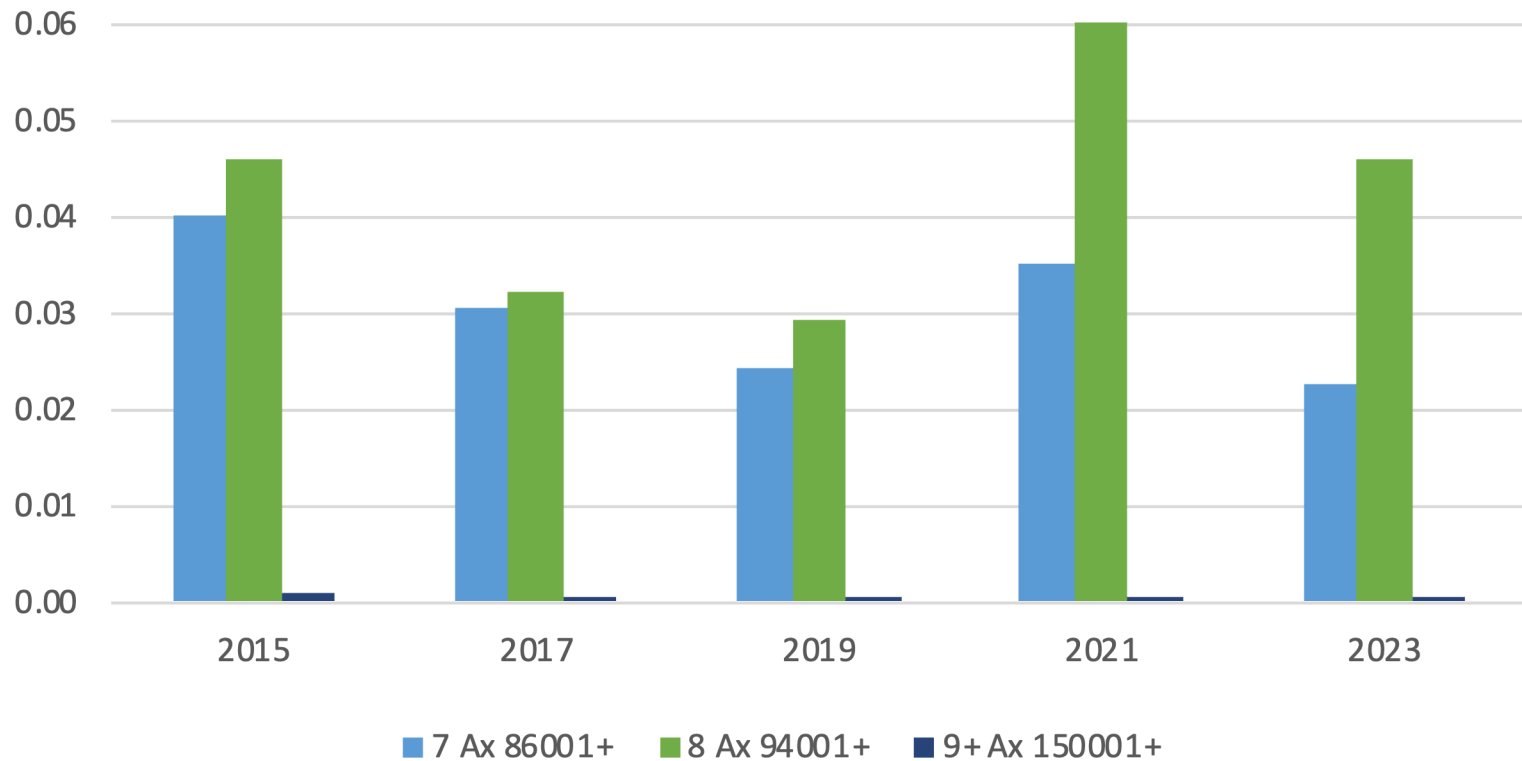
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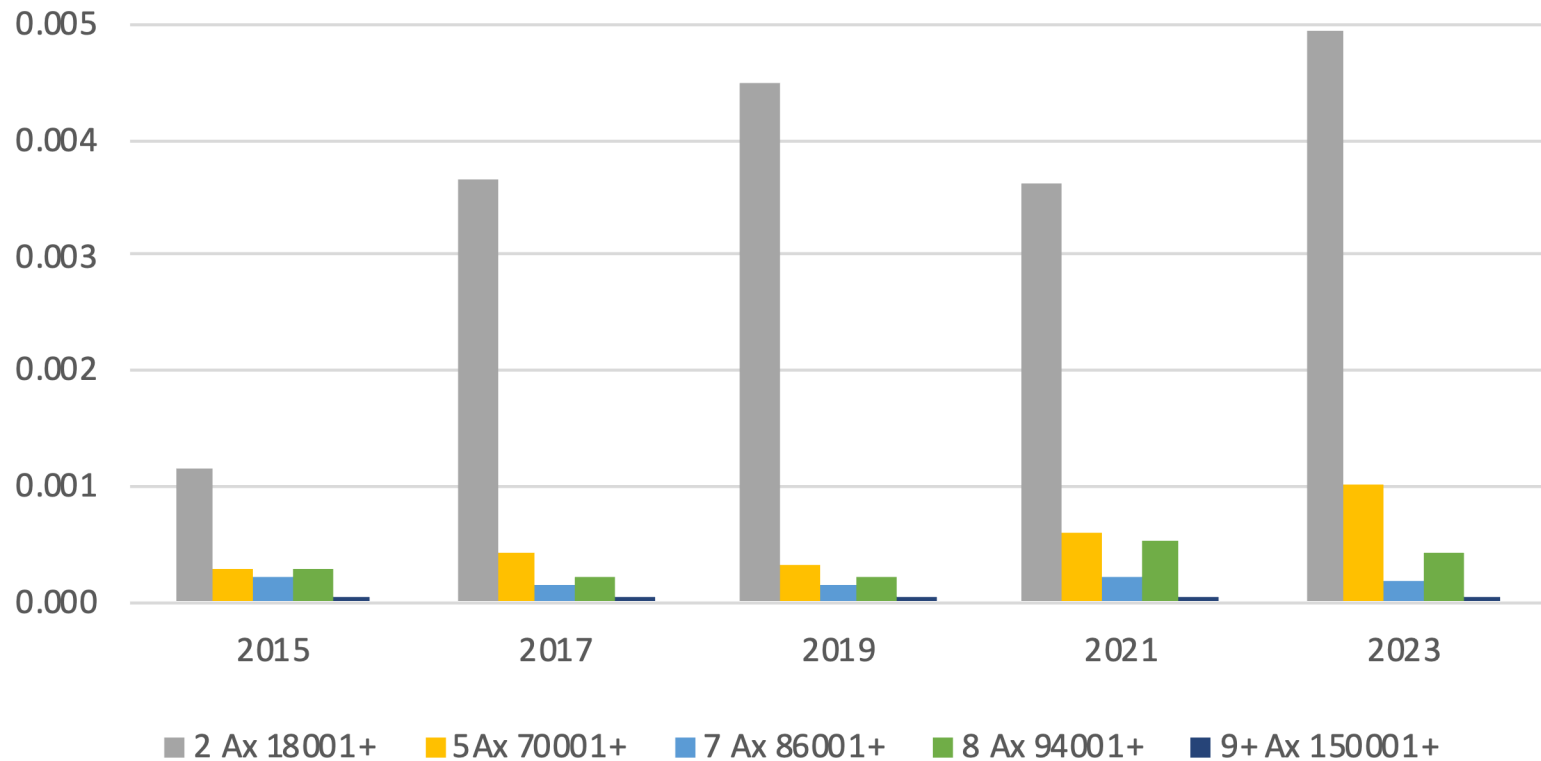
## Urban OPA Rigid Pavement Shares



## Urban OPA Rigid Pavement Shares



## Urban OPA VMT Shares



## Urban OPA Flex Pave Factors

