



COLORADO

Transportation
Investment Office

CTIO DYNAMIC PRICING ALGORITHM CRITERIA RECOMMENDATIONS

July 19, 2023

CTIO Board Meeting

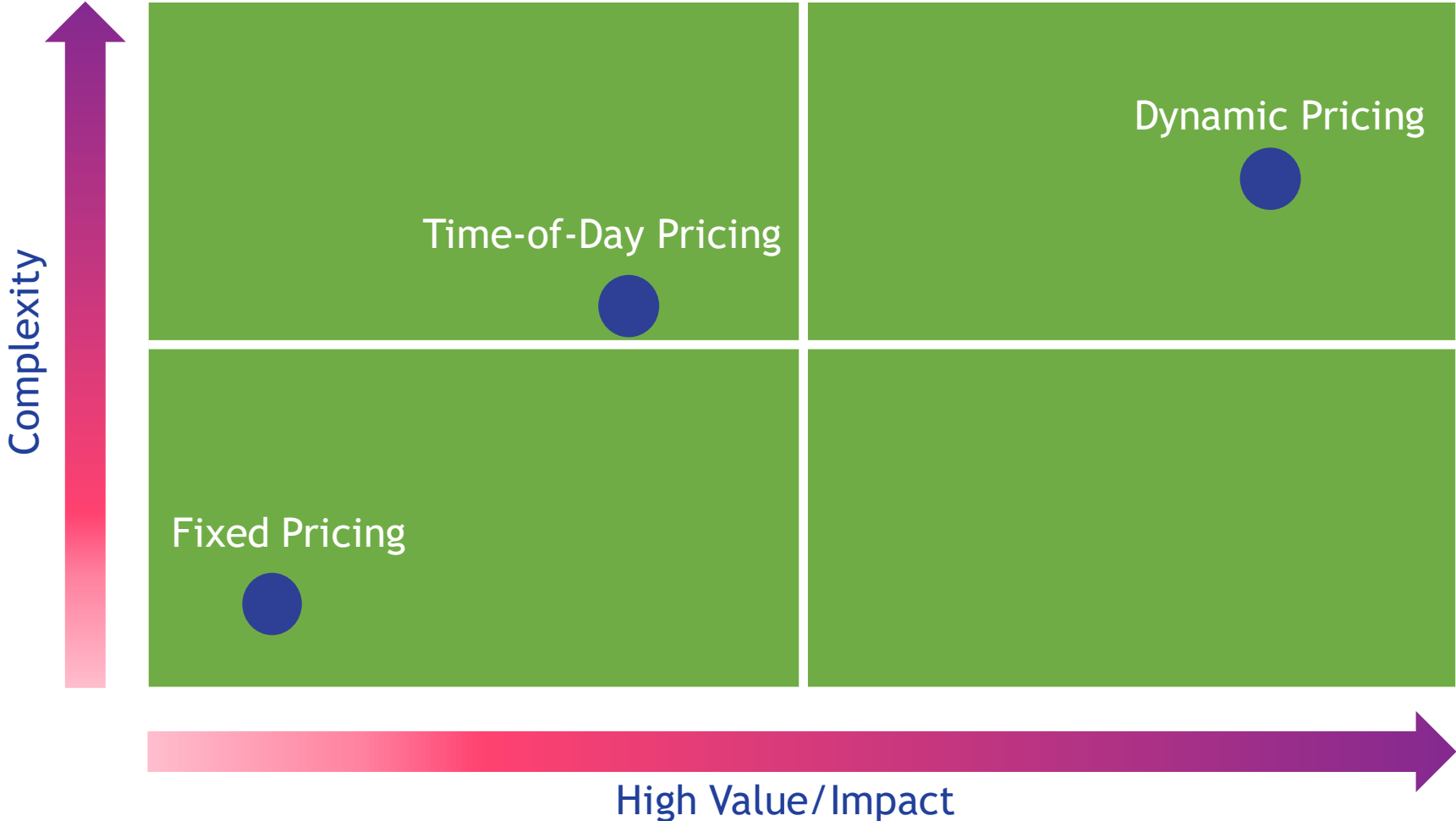
Introduction

- Review
 - Dynamic Pricing Benefits
 - National Scan of Dynamic Pricing
- Dynamic Tolling Algorithm Criteria
- Next Steps
- Questions

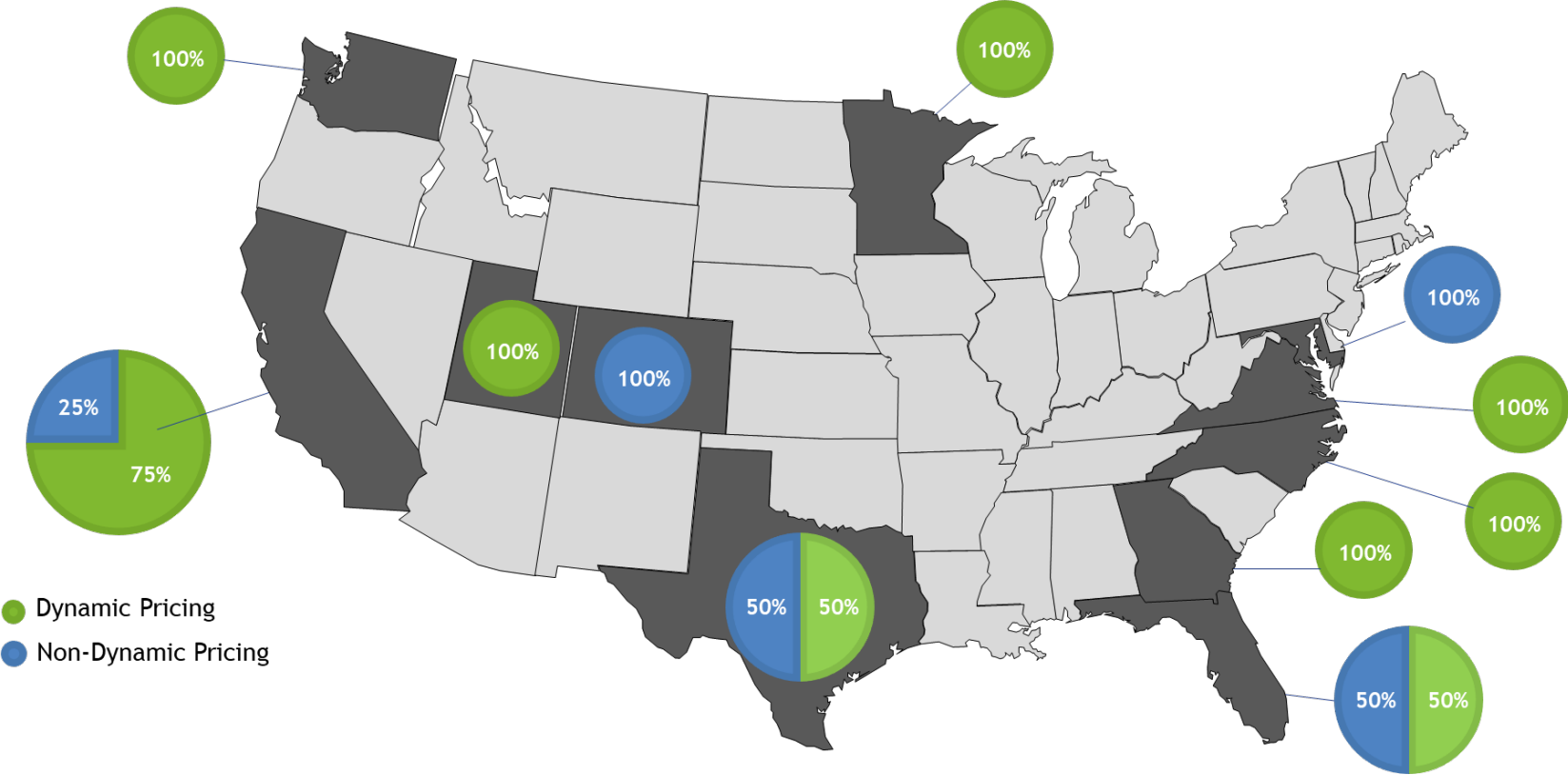
Benefit of Dynamic Pricing

- Dynamic pricing manages traffic demand better during variances from average traffic trends
- Dynamic pricing minimizes the needs for historical traffic trend analyses
 - Time-of-Day Pricing is based on historical traffic trends; it does not manage traffic demand during varying conditions efficiently.

Pricing Strategies



Pricing Strategy of Existing Express Lanes



Dynamic Pricing Algorithm Criteria

Criteria

Capped or
Not Capped
Maximum Toll
Rates

- **Soft Cap Max Toll Rate**
 - Subject to corridor-specific evaluation

Rate Change
Interval

- **Not Less Than 5 Minutes**
 - Subject to corridor-specific evaluation

Criteria

Maximum Increment or Decrement

- **Varies**
 - Subject to corridor-specific evaluation

Minimum Toll Rate

- **Must Cover Costs**
 - Subject to corridor-specific evaluation

Procedure to Reconsider Board-Approved Algorithm

- Algorithm goals of adhering to Tolling Policy objective(s) are not being met

Next Steps

- The CTIO Board is encouraged to provide feedback on the recommended dynamic pricing criteria presented today
- Staff will return with a red-lined version of the CTIO Tolling Policy, including the agreed-on criteria, for CTIO Board approval.
- NGLTS Express Lanes (Central 70, I-25 South Gap and Westbound Mountain Express Lane) will implement Dynamic Tolling on January 1, 2024 [Pending Board Approval]

Questions?