

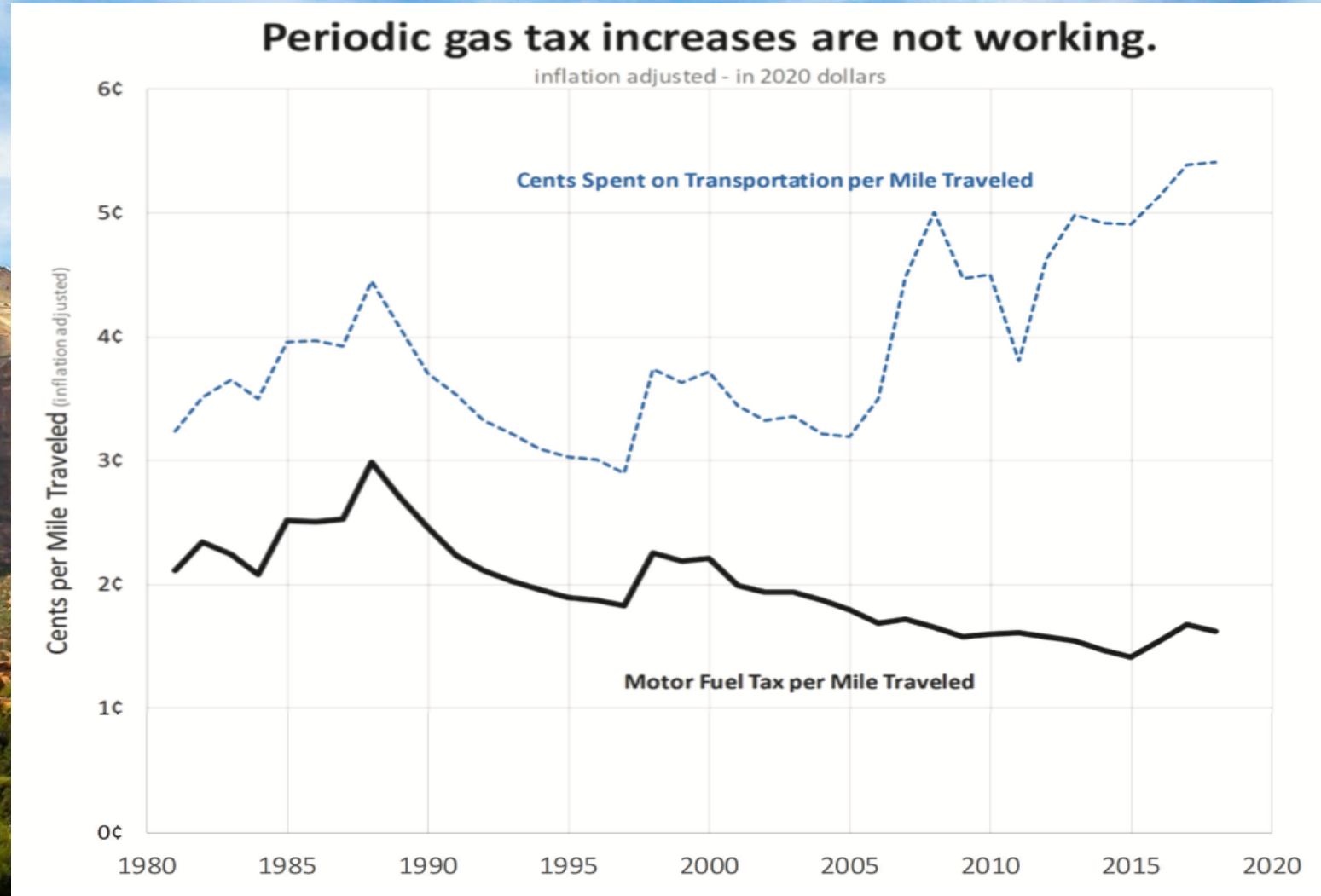


**Nathan D Lee, PE**  
**Director, Technology and Innovation**  
**Utah Department of Transportation**  
**June 27, 2022**

# Road Usage Charge – A Utah Decision

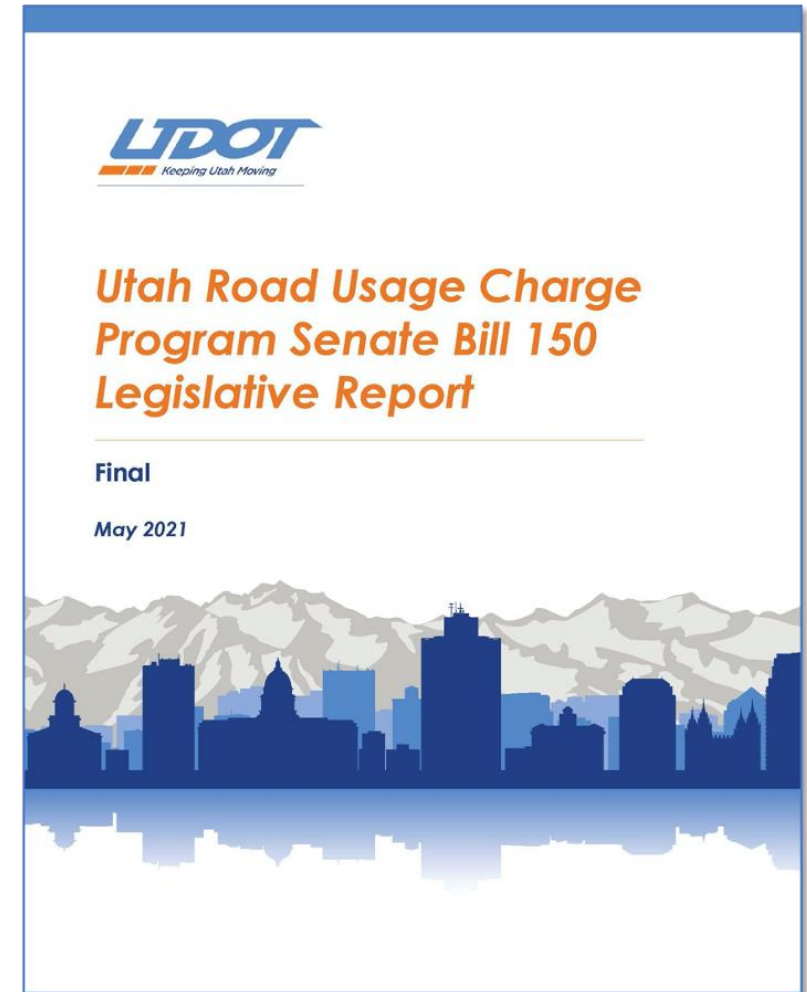
## Alternative Fuel Tax Solution

- Index to CPI
- Registration Fee
- Road Usage Charge



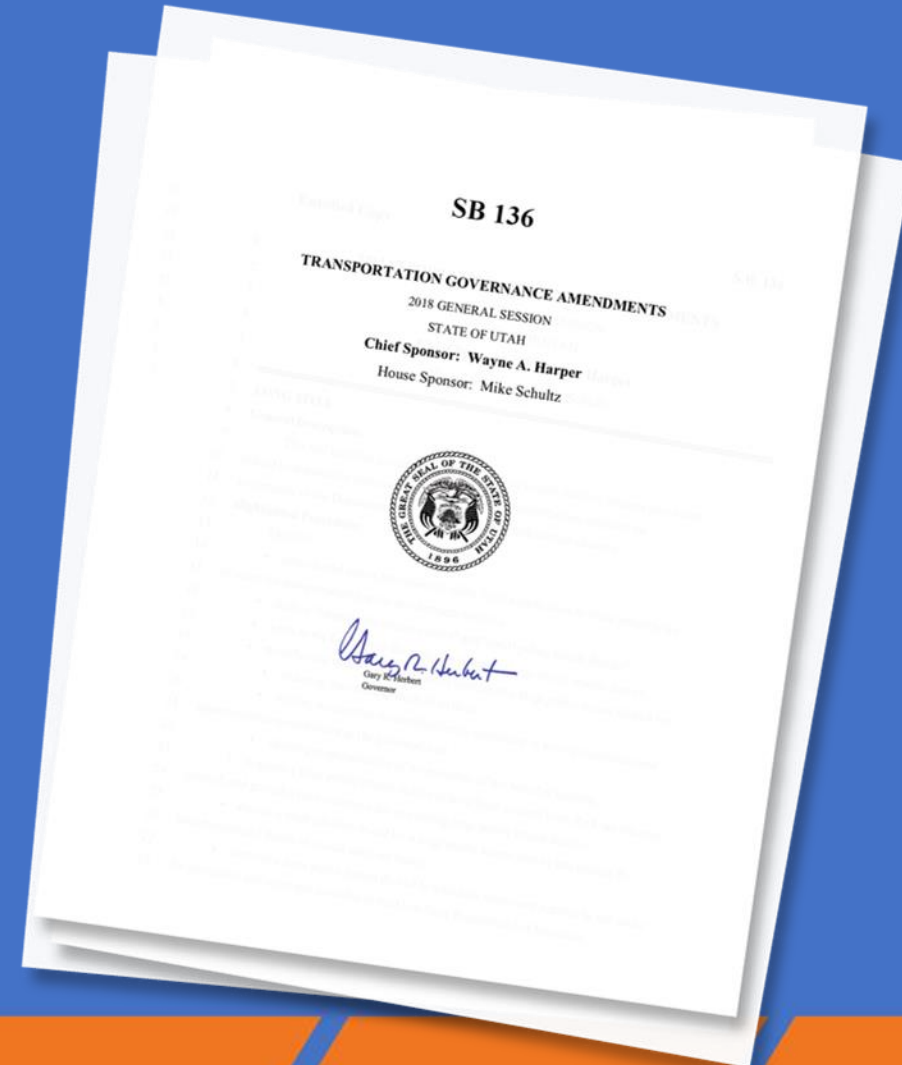
# Legislative History Fuel Tax / Road Usage Charge

<b><u>2003/2004</u></b>	Legislative Task Force, mileage-based funding
<b><u>2015</u></b>	HB 362 – UDOT study mileage-based revenues
<b><u>2017</u></b>	SB 174 – Transportation Governance & Funding task force
<b><u>2018</u></b>	SB 136 – RUC parameters, Advisory Committee
<b><u>2019</u></b>	SB 72 – RUC framework, January 2020 enactment
<b><u>2020</u></b>	SB 150 – 2031 RUC enrollment plan for all vehicles report
<b><u>2021</u></b>	SB 82 – created dedicated revenue account for RUC
<b><u>2022</u></b>	HB 186 – amended rate structure and enrollment criteria for alternative fuel vehicles



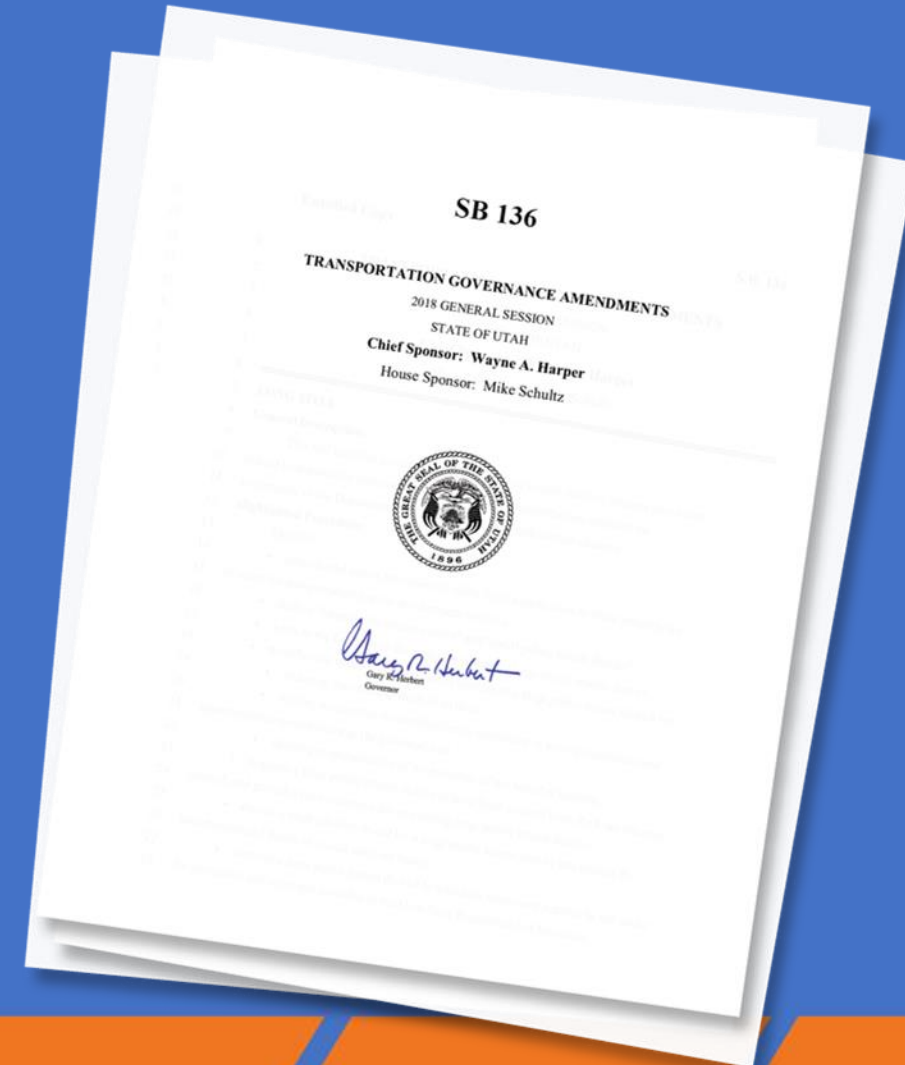
# SB 136 – RUC Parameters - First Operational Bill

- Set up RUC Advisory Committee
- Provide RUC alternative to paying flat fee for:
  - Electric vehicles
  - Plug-in hybrids
  - Gasoline hybrids
- Consider privacy, methods for reporting road usage, & options for administering program
- Implement initial system by January 1, 2020
- Submit annual report of findings
- Future research projects



# SB 72 – Alternative Fuel RUC Program Structure

- Privacy & security protections
- UDOT/DMV information sharing
- Allows owners/lessees to opt into a RUC or pay annual fee
- RUC rate setting process
  - Transportation Commission authority to set rate with advisement from UDOT
- Rulemaking authority for UDOT
  - To contract CAM & administer program
  - Implement enforcement mechanisms such as registration hold
  - Other enrollment components





# RUC Payer & CAM Privacy Expectations

## RUC Payer



RUC payer is able to:

- View their collected data
- Dispute erroneous charges
- Be protected from GRAMA requests
- Be protected from release of personal data except in criminal proceeding

## Commercial Account Manager (CAM)



CAM is able to:

- Collect raw location data
- Retain data for 30 days past each billing cycle
- Send mileage summaries to State
- Share aggregated anonymized data with the State

CAM is unable to:

- Share personal data and location data with State (except for audits and dispute resolution) or with third parties

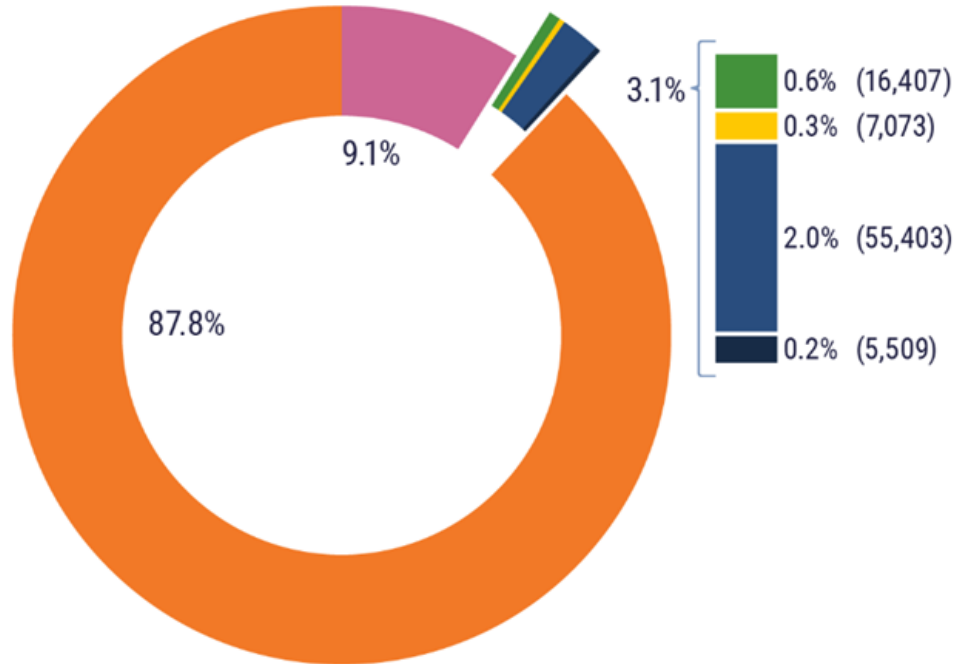
# Integration with Department of Motor Vehicles

- Enrollment synchronized with DMV annual registration cycle (and flat fee payments)
- Eligible vehicles are defined through the DMV registration database
- Agreements between DOT, DMV, and CAM allow for data sharing
- Web service communications of vehicles work well for registration and non-compliance holds



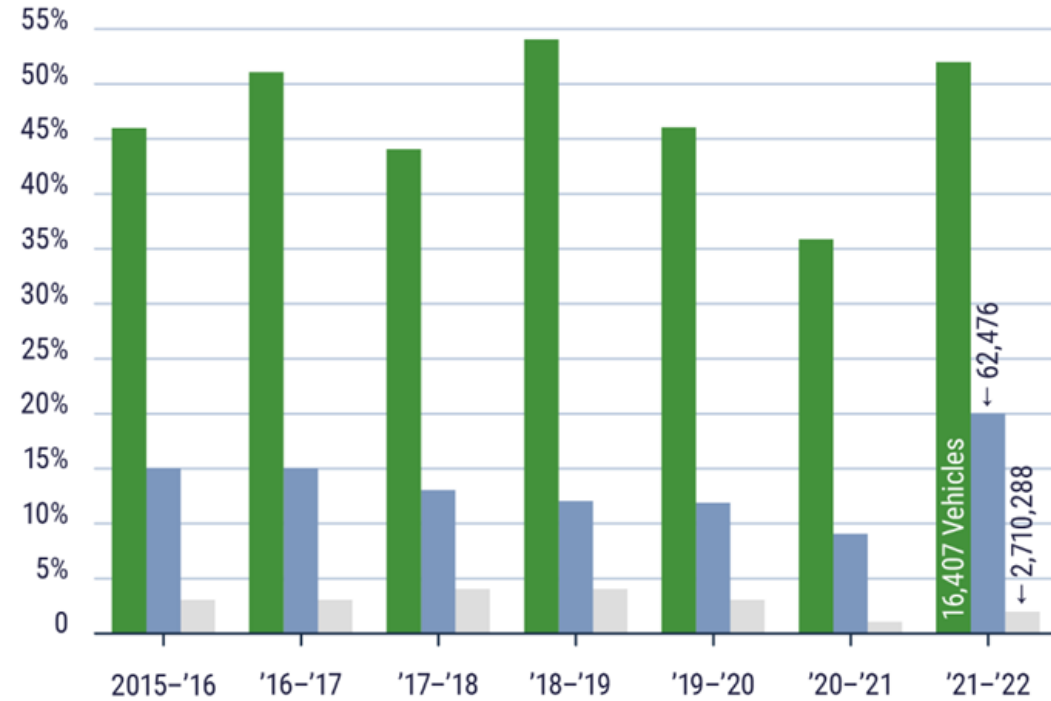
# Size & Growth of Utah's Vehicle Fleet

Total Registered Vehicles  
2,789,171 (Feb 2022)



■ Gasoline    ■ Diesel  
■ EV    ■ PHEV    ■ Gas Hybrid    ■ Other Alt Fuel

Year-over-year Growth (%)

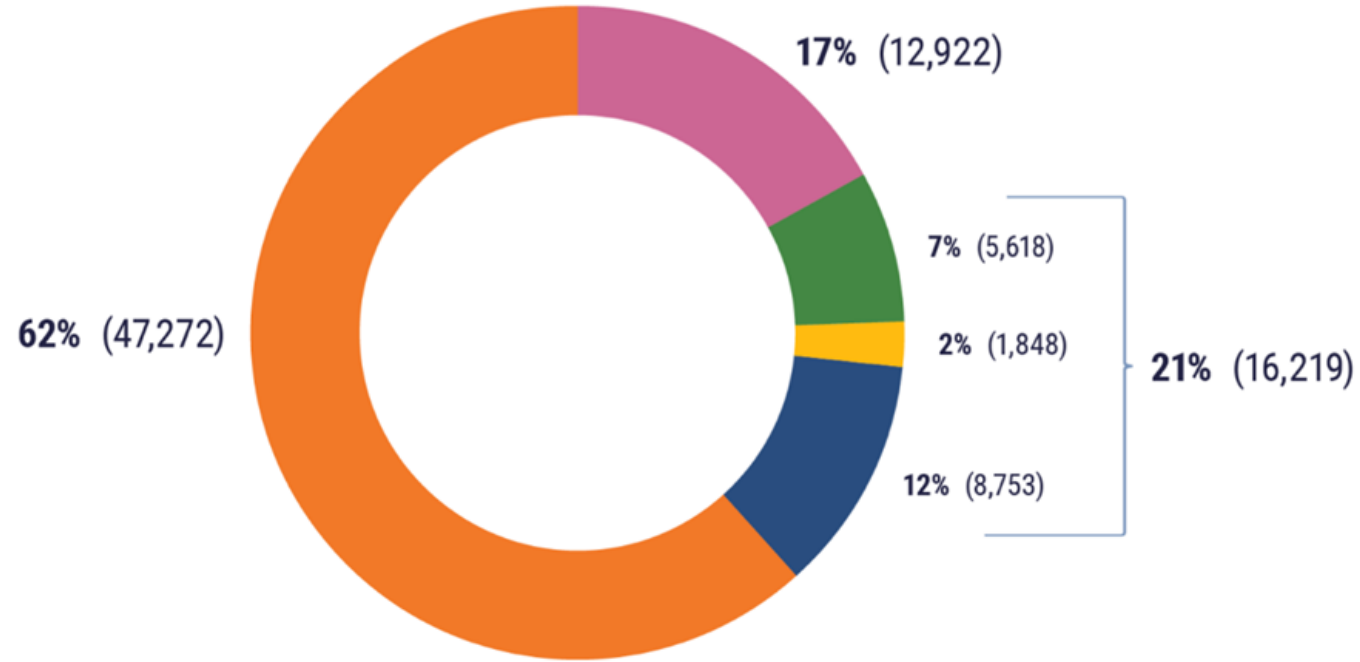


■ EV    ■ PHEV & Gas Hybrid    ■ All Others



# Size & Growth of Utah's Light Duty Vehicle Fleet

Total Increase in Registered Vehicles  
75,992 (Feb 2021 to Feb 2022)



Gasoline Diesel  
EV PHEV Gas Hybrid

# Flat Fee & Per-mile RUC Rate Options - Eligibility

## Annual Flat Fee

EV: \$123  
PHEV: \$53.25  
Hybrid: \$20.50

## Mileage-based Fee

1.52¢ / Mile

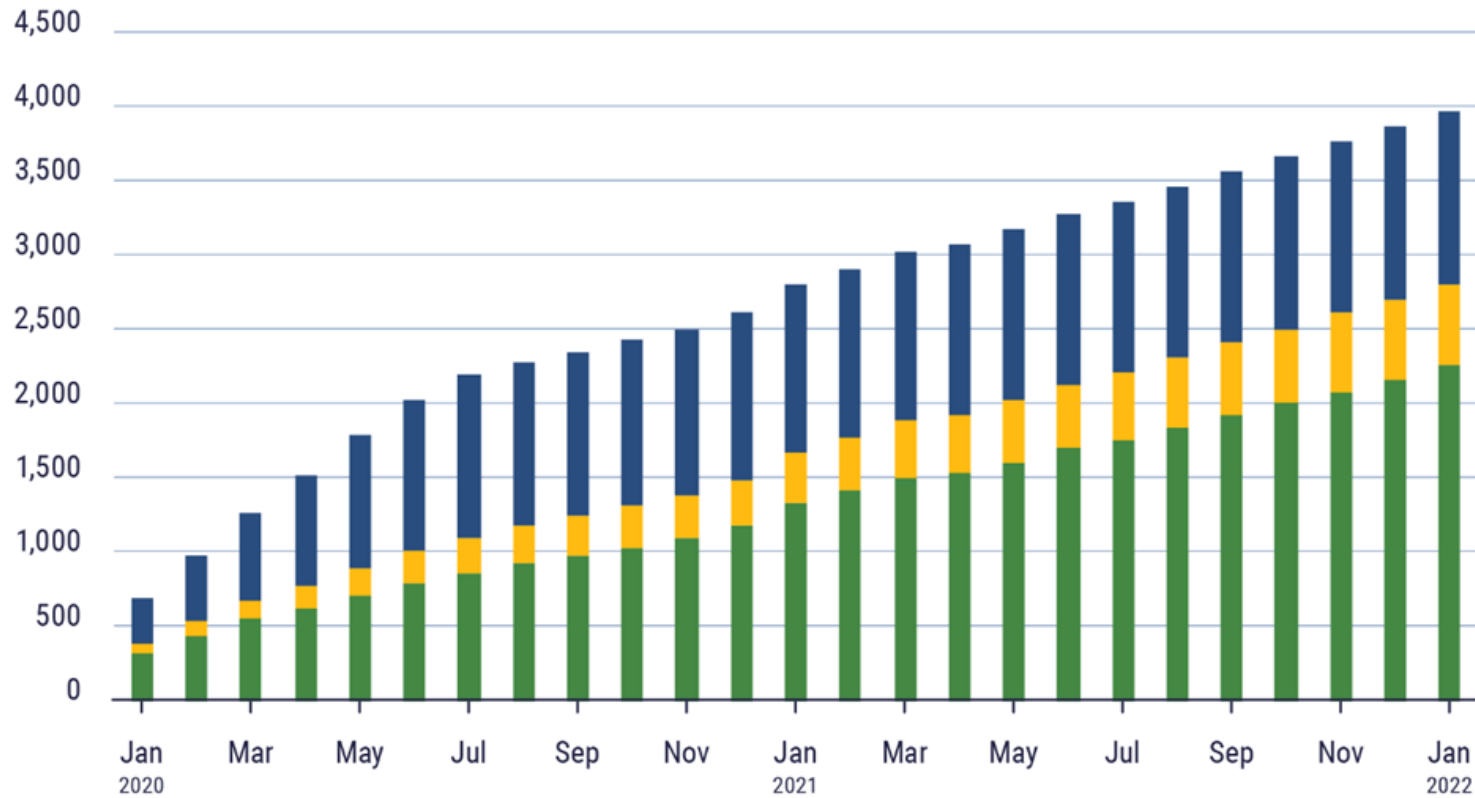


**DRIVE LESS. PAY LESS.**  
Alternative fuel vehicle drivers have a new choice.

**PAY AS YOU GO**  
Mileage-based fees will not exceed annual flat fee;  
fees and mileage rate are both indexed to CPI.

# Utah Program – Voluntary Enrollment

Cumulative Vehicle Enrollment



BY May 2022, THERE WERE A TOTAL OF **4,084 Vehicles Enrolled**

GAS HYBRID  
**1,077**

PHEV  
**568**

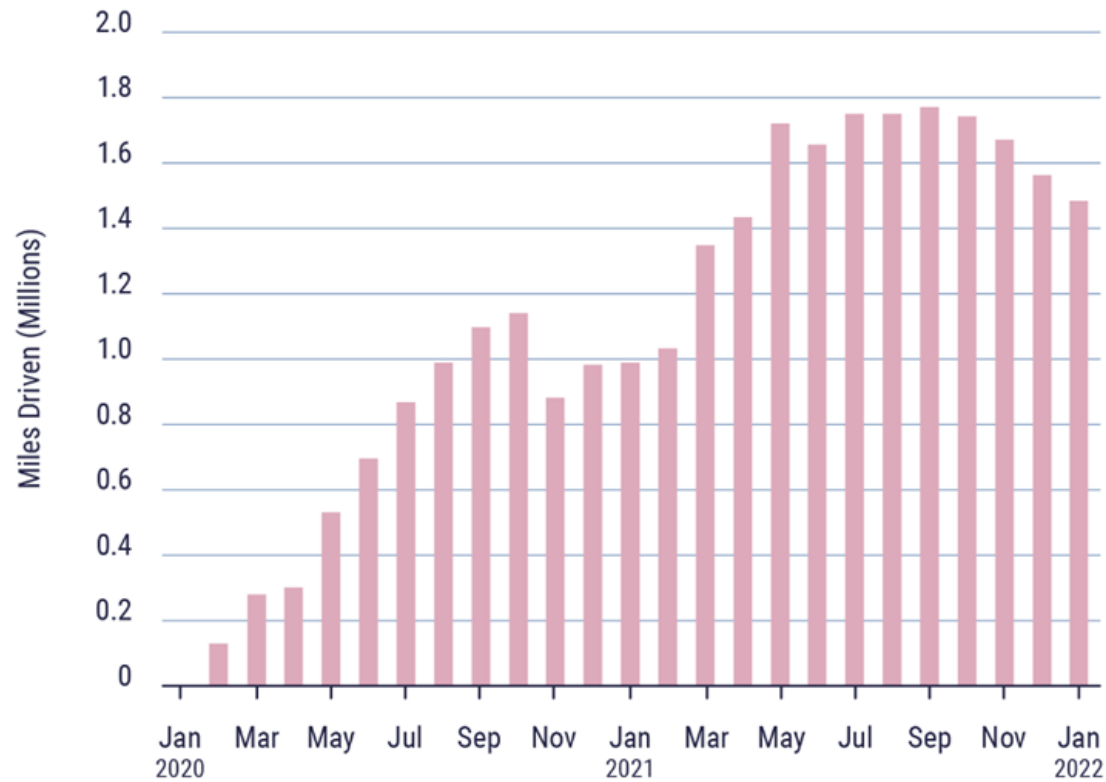
EV  
**2,439**

\* 79% of 2021 growth was attributable to EVs

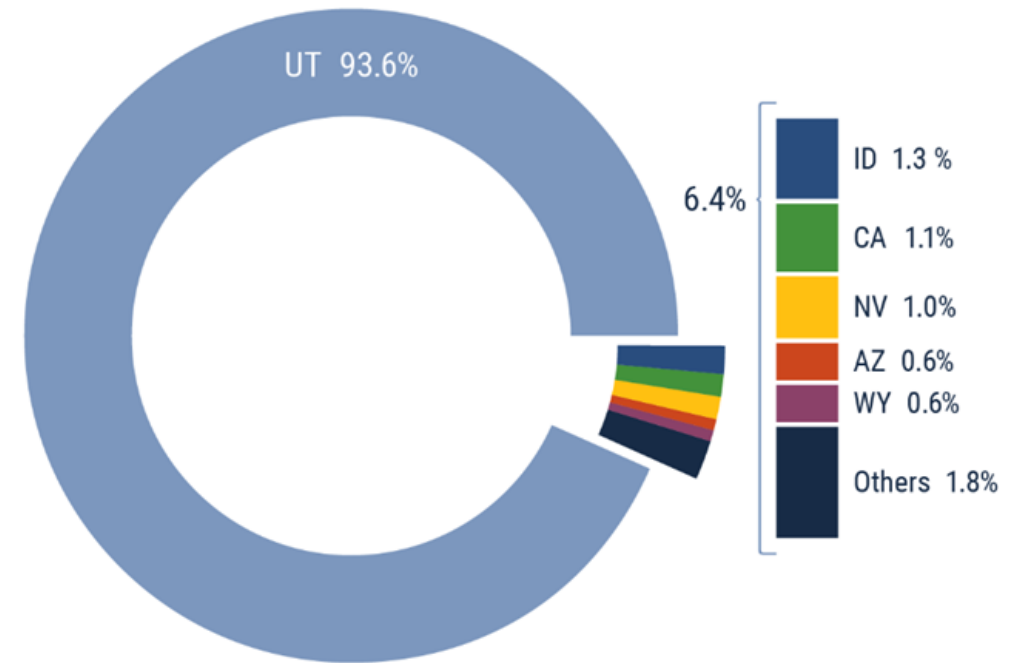
■ EV ■ PHEV ■ Gas Hybrid

# Miles Driven by Enrolled Vehicles - Interoperability

### Monthly Miles Driven

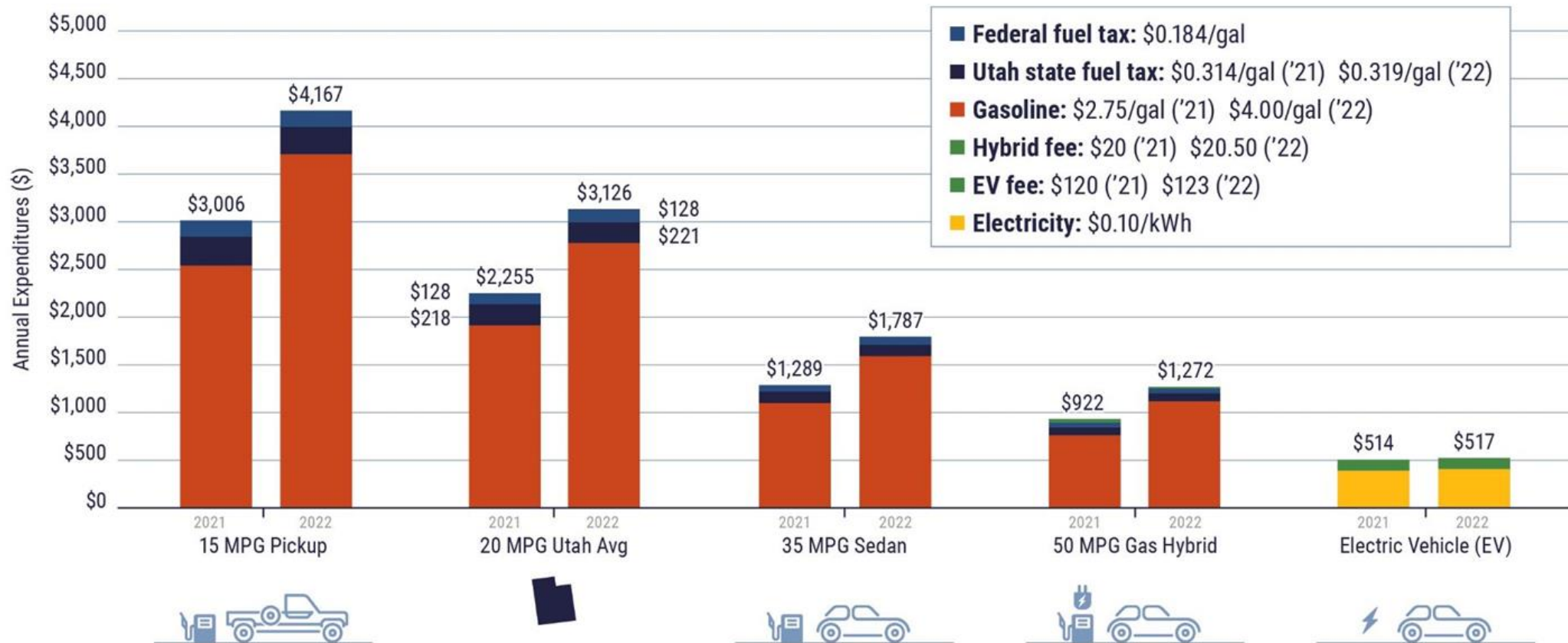


### Miles Driven by State 29,792,854 (Jan 2020–Jan 2022)



# Total Annual Costs for Typical Utah Drivers - Establishing The Rate

Total Annual Costs for Typical Utah Drivers



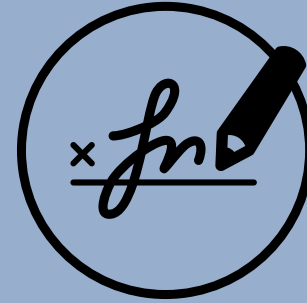
# Enrollment Process - Simplicity is Key



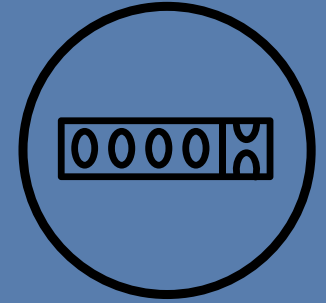
Enroll online with name, license plate number, and VIN.



Provide valid credit or debit card for prepaid wallet.



Complete CAM user agreement.



Submit initial odometer capture.



# Program Expansion - 10 Years for Full Implementation



EV ownership  
growth rate



Public  
acceptance



Pace of revenue  
generation



Policy flexibility  
and adaptability

# Road Usage Charge | Moving Forward

## Name

Local Overlay & Tolling Integration  
(STSFA Grant)



## Funding

\$745K (State)  
\$745K (Fed)  
\$1.49M (Total)

## Key Purposes

- Develop framework for revenue distributions
- Investigate different mileage rates by city/cnty
- Prioritizing streets, communities, & roadway types
- Synchronize/harmonize Tolling and RUC programs
- Reduce administrative costs and duplicative systems
- Responsibility of agency operational choices

## Name

Customer Service Optimization  
(STSFA Grant)



## Funding

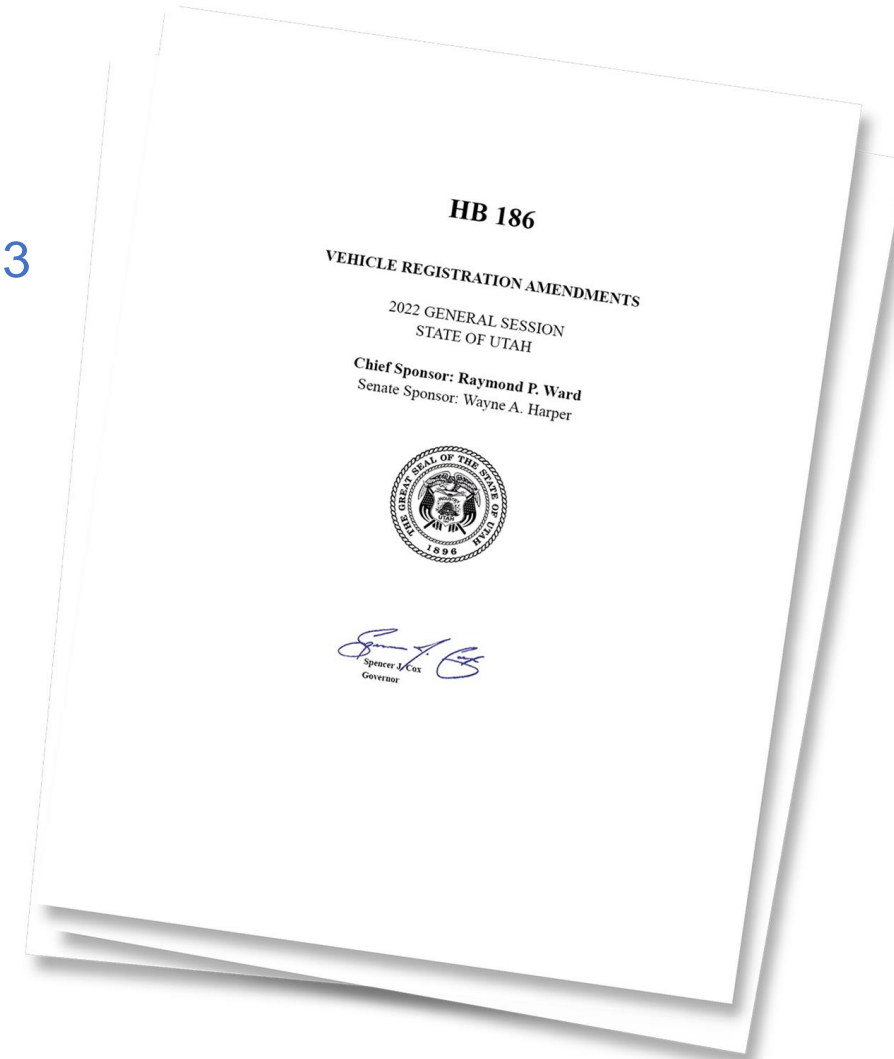
\$1.25M (State)  
\$1.25M (Fed)  
\$2.5M (Total)

## Key Purposes

- Adjust to best technology parameters
- Improve customer touchpoints
- Evaluate benefits/limitations of technology options
- Define Risk of single/multiple CAMS
- Identify agency role for long term customer satisfaction

# HB 186 (2022) -Changes Coming To Utah's Program

- Goal: Accelerate enrollment
  - Decrease in per mile rate from 1.52 cents to 1 cent in 2023
- Statutorily defined rate structure changes
  - Flat fee increase in 2027 and 2031 in addition to CPI
  - Per mile rates increase in 2027 and 2031
  - Alternative fuel vehicle definition changed such that any vehicle powered by combustion source will no longer qualify in 2023 for RUC



# Future Elements Under Consideration

## Vehicle Types

- Gas/Diesel - 2031
- Heavy Trucks
- Fleets
- Autonomous



## Interoperability

- Local RUC
- Neighboring States
- National RUC



## Technology

- Telematics
- Revenue Collection
- Public/Private



## Integration

- Tolling
- Emissions Testing
- Multimodal Payment Bundling





Road Usage Charge – [roadusagecharge.utah.gov](http://roadusagecharge.utah.gov)



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# Welcome to Utah's Road Usage Charge Program

## The Future of Utah Transportation

Operated by **emovis**®

