

Toll System Improvement Action Plan

Elizabeth River Tunnels Project

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TABLE OF CONTENTS

Section 1: Purpose..... 2

Section 2: Introduction 2

2.1 Historical Toll System Performance 3

2.2 Current Toll System Performance 3

Section 3: Contractor Management 4

Section 4: System Functionality 4

Section 5: E-ZPass Accounts / VTOLLS..... 4

Section 6: LPN Processing and PBP Invoicing..... 5

Section 7: Management of Returned Mail 5

Section 8: Business Rules 6

Section 9: Quality Assurance..... 6

Section 10: Customer Service..... 6

Section 11: Communications 7

Section 12: Conclusion 7



Section 1: Purpose

The purpose of this Toll System Improvement Action Plan is to enhance the quality and timeliness of toll transaction processing by Elizabeth River Crossings OpCo (“ERC”) and our partners in delivery of the Elizabeth River Tunnels Project (“ERT” or “the Project”). This plan serves as a direct response to the Secretary of Transportation’s call for action, as well as providing the Virginia Department of Transportation (“VDOT”) clarity surrounding the current and planned activities being undertaken to improve the timeliness and efficiency of toll collection. Continued cooperation with and support from VDOT, E-ZPass, and the DMV are critical to success in this endeavor.

The key objectives in executing this plan are:

- Sending first invoices for all transactions within 60 business days
- Compliance with ERC’s Comprehensive Agreement with VDOT
- Compliance with Electronic Toll Collection Agreement
- Compliance with the Code of Virginia
- Compliance with DMV Agreements
- Enhanced customer service to the traveling public in accordance with Good Industry Practice

Section 2: Introduction

ERC commenced tolling operations on February 1, 2014. To date, the system has processed over 24 million transactions. This corresponds to approximately 100,000 vehicles per day utilizing the facility. Customers using the facility have the option to pay either by utilizing an E-ZPass Transponder (a program administered by VDOT) or Pay-By-Plate (“PBP”). Accordingly, there are three processes for charging customers:

- Transactions for E-ZPass accounts in good standing are sent to VDOT electronically each day, and VDOT reconciles the transactions, debits the customer accounts and provides payment for these transactions to ERC.
- Where transactions without transponders are matched to an E-ZPass account by means of video processing (matching an image of the vehicle license plate number (“LPN”) to a plate registered as an E-ZPass customer), or when an E-ZPass account has insufficient funds to cover the transaction, the system processes these as a video toll (“VTOLL”).
- The PBP option requires ERC’s toll system to identify the LPN on the vehicle, send the LPN to the Virginia Department of Motor Vehicles (“DMV”) (for in-state license plates), who provides the registered address to ERC. ERC then must mail the customer a PBP Invoice (“PBP Invoice”) detailing the transactions that occur and requesting payment



2.1 Historical Toll System Performance

The toll system performed satisfactorily until April 4, 2014, when the system was unable to process transactions for 15 days. As a result, approximately two million transactions were backlogged and subsequent routine processing was impacted.

From April 19, ERC prioritized the processing of live transactions to ensure there would be no further accumulation of the backlog. This resulted in the slow clearance of the backlogged transactions and is the primary cause for the delayed issuance of invoices for these transactions. Since April 19, the system has continued to perform satisfactorily as a result of a number of system improvements.

2.2 Current Toll System Performance

The following represents the current daily processing of transactions through the ERC system:

- 66,000 E-ZPass Transponder transactions
- 5,000 VTOLLS
- 29,000 PBP Transactions

The ERT Customer Service Center (“CSC”) is staffed by in excess of 70 employees who handle the following average daily activity:

- 10,000 invoices are generated
- In support of the invoice generation, the CSC processes
 - 13,500 Image Reviews
 - 1,000 invoices through QA/QC
- 1,200 calls are handled
- 3,000 Inbound Mail items are processed
- 2,500 invoice payment checks are processed

ERC has identified the following areas where tolling system performance can be improved:

- Contractor Management
- System Functionality
- E-ZPass Accounts / VTOLLS
- LPN Processing and PBP Invoicing
- Management of Returned Mail
- Business Rules
- Quality Assurance
- Customer Service
- Communications

The following sections provide additional detail and action items for each of these areas.



Section 3: Contractor Management

ERC is fully responsible for all aspects of the Project, including toll collection. The toll system has been outsourced to a Tolling Contractor that has been closely managed by ERC throughout system implementation and tolling operations. Since April 2014, ERC has increased the oversight of the Tolling Contractor including several meetings between the ERC CEO, CFO and System Oversight Manager and the Tolling Contractor's senior leadership and project team.

Actions:

1. Continued daily operational reviews between ERC executives, System Oversight Manager and the Tolling Contractor Program Manager.
2. Follow on meetings to prioritize the execution of various system improvements.
3. Secure commitment from Tolling Contractor to provide the necessary resources.

Section 4: System Functionality

System functionality needs to be improved to deliver the level of service expected by VDOT, ERC and our customers.

Actions:

1. Initiate planned infrastructure improvements targeting database and processing rates.
2. Advance the development of the upgraded image processing system to enable an additional level of image review utilizing optical character recognition.
3. Complete electronic check (ACH) payment functionality.
4. Ensure reliable on-line receipt generation for payments.
5. Improve phone system automatic voice prompts for customers calling the CSC.
6. Implement the "Missed a Toll" functionality.

Section 5: E-ZPass Accounts / VTOLLS

ERC sends E-ZPass transactions to VDOT on a daily basis but needs to receive further information on transactions that are not processed. To date, ERC has encountered issues with E-ZPass accounts having insufficient funds and also where customers have registered their E-ZPass transponders purchased from retailers (On-the-Go kit).

Actions:

1. Increase frequency of reconciliation processes by Tolling Contractor in response to E-ZPass transactions that are not automatically processed by VDOT.
2. Continue with 10 day recycle process for VTOLLS to allow accounts with insufficient funds to replenish as a service to E-ZPass Customers.
3. Convert from manual to automated processing for failed E-ZPass transactions that require PBP invoicing.
4. Coordinate with VDOT E-ZPass staff to minimize rejected E-ZPass transactions and to obtain VDOT cooperation to contact every E-ZPass user with insufficient funds in his or her account.
5. Coordinate with VDOT to address the issue of customers utilizing unregistered E-ZPass transponders obtained through the retail distribution program.

Section 6: LPN Processing and PBP Invoicing

The processes supporting LPN Processing and PBP Invoicing can be further refined.

Actions:

1. Increase DMV upload frequency to 2x a week, thereby reducing the time between the customer using the roadway and receiving an invoice.
2. Implement a procedure to ensure that any LPNs returned by DMV as unprocessable will be reviewed, corrected and resubmitted to DMV within 72 hours.
3. Institute additional training for image reviewers by third party specialists – this will supplement existing training and will focus on techniques for accurately reviewing known ‘problem plates’.

Section 7: Management of Returned Mail

For all roads that employ All Electronic Tolling (“AET”), locating PBP customers is necessary in order to send invoices. Inevitably, for various customers, inaccurate or out-of-date addresses are received from DMV, which results in invoices not reaching the intended customer and ERC receiving returned mail.



Actions:

1. Open and catalog all returned invoices within 48 hours of receipt.
2. Seek alternative sources of accurate address information for these customers on a weekly basis.
3. Mail updated invoice to customer within 72 hours of receiving updated address.

Section 8: Business Rules

The Business Rules for Toll Invoicing and Violation Notice shall be updated to reflect this Toll Improvement Action Plan.

Actions:

1. Confirm the consistent application of the 10 day / 10 trip / \$20 rule to trigger PBP Invoice generation.
2. Review and confirm the application of the rule that an invoice has been issued and outstanding at least 30 days prior to the issuance of a violation notice to the same user and mailing address. In the event a customer believes this did not occur in their case, CSC will expedite an investigation and correct any error promptly.

Section 9: Quality Assurance

ERC has a Quality Management System Plan (“QMSP”) in place.

Actions:

1. Apply the processes in the QMSP to the items in this Toll System Improvement Action Plan.
2. Conduct monthly internal audit of invoice generation performance utilizing ERC’s Quality Assurance Manager and other available resources.

Section 10: Customer Service

The CSC has experienced a high volume of activity and received significant feedback from the public.

Actions:

1. Develop and implement enhanced Customer Service training programs with emphasis on handling difficult situations and conflict resolution including escalation of matters to

the appropriate manager.

2. Rental Car and Leasing Companies currently add an additional 30 days to the invoice process due to their policies. Establish a CSC specialist to manage these organizations.
3. At least once a month, review overall customer service performance including complaints to identify trending issues and take specific actions to address them.

Section 11: Communications

ERC recognizes that effective communication with its customers, partners, and the general public is critical to the success of the Project.

Actions:

1. Communicate to users when the “Missed a Toll” functionality is available and how to pay tolls with this feature.
2. Educate users on the difference between Toll Invoice and Violation Notice and that a toll invoice must be issued before a violation notice.
3. Distribute a news release detailing the 60-business day rule for invoicing; post release to ERT social media sites, website and distribute to subscriber database. Respond to media inquiries related to this new rule as they occur.
4. Develop an insert to be included with all PBP invoices explaining AET, the invoicing process, and methods of payment.
5. Continue to encourage the conversion to E-ZPass through current incentives.
6. Continue to work with VDOT in communicating the advantages of E-ZPass (including auto-replenishment) for not only the ERT Project, but other tolled facilities throughout the Commonwealth.

Section 12: Conclusion

ERC recognizes it has an opportunity to improve tolling system performance and is committed to the implementation of this action plan.

At the end of 90 days, ERC will provide a report to the Secretary of Transportation on the status of its progress in executing this action plan.