

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, JANUARY 16, 2013

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APPLICATION OF

TOLL ROAD INVESTORS
PARTNERSHIP II, L.P.

CASE NO. PUE-2012-00136

For an increase in tolls pursuant to
§ 56-542 I of the Code of Virginia

FINAL ORDER

On November 14, 2012, Toll Road Investors Partnership II, L.P. ("TRIP II" or "Company"), the operator of the Dulles Greenway, filed with the State Corporation Commission ("Commission") the Application of Toll Road Investors Partnership II, L.P., for an increase in tolls pursuant to § 56-542 I of the Code of Virginia ("Code") ("Application").

TRIP II requests a 3.54% increase in tolls to be effective January 1, 2013, equating to an increase in tolls for 2-axle vehicles of \$0.14, which TRIP II calls the "Maximum Base Tolls Authorized."¹ TRIP II notes in its Application that the last approved toll increase went into effect January 1, 2012, pursuant to the Commission's Final Order in Case No. PUE-2006-00081.² In its Application, TRIP II states that, pursuant to § 56-542 I 1 of the Code, it may request an increase in rates that is equal to the increase in the Consumer Price Index ("CPI") plus 1%. According to TRIP II, the annual increase in the CPI plus 1% is 3.54%.³

TRIP II states that in order to allow the efficient collection of tolls paid in cash, the tolls that TRIP II collects will be reduced to the nearest \$0.05, as shown in the "Posted Toll" columns

¹ Application at 1.

² *Application of Toll Road Investors Partnership II, L.P., For an Increase in the Maximum Authorized Level of Tolls*, Case No. PUE-2006-00081, 2007 S.C.C. Ann. Rept. 346, Final Order (Sept. 11, 2007).

³ The Company's Application explains in greater detail the reason it chose to use the increase in the CPI as the basis for its toll increase and how the Company calculated the increase in the CPI.

in the proposed tariff attached to the Application as Exhibit C.⁴ In other words, the posted tolls that actually would be collected for 2-axle vehicles will be increased by \$0.10, from \$4.00 to \$4.10 (and from \$4.80 to \$4.90 during weekday peak periods; *i.e.*, 6:30 a.m. to 9 a.m. for eastbound traffic and 4 p.m. to 6:30 p.m. for westbound traffic).⁵

On December 3, 2012, the Commission entered an Order for Notice, which established this docket, required the Company to provide public notification, permitted the filing of written and electronic public comments, and directed the Commission's Staff ("Staff") to investigate the Application and file a report on its findings and recommendations.

On January 4, 2013, TRIP II filed proof of publication and notice.

On January 14, 2013, Staff filed its Report ("Staff Report"). Staff noted that when TRIP II filed its Application, CPI data was only available through September 2012. Staff recommends that the Commission calculate the toll increase using the most currently available CPI data, which now includes October and November 2012.⁶

NOW THE COMMISSION, having considered this matter, finds as follows.

The Company filed this case under § 56-542 I of the Code, which states in part:

I. Effective January 1, 2013, through January 1, 2020, and notwithstanding any other provision of law:

1. Upon application of and public notification by the operator, filed not more often than once within any 12-month period, the Commission shall approve to become effective within 45 days any request to increase tolls by a percentage that (i) is equal to the increase in the CPI, as defined in subsection A, from the date the Commission last approved a toll increase, plus one percent, (ii) is equal to the increase in the real [Gross Domestic Product], as

⁴ Application at 1.

⁵ *Id.* at Exhibit C.

⁶ Staff Report at 9-10.

defined in subsection A, from the date the Commission last approved a toll increase, or (iii) 2.8 percent, whichever is greatest, which increase in the tolls approved by the Commission is hereafter referred to as the "annual percentage increase."

TRIP II requested an increase tied to the CPI. In this regard, § 56-542 A of the Code defines CPI as follows:

U.S. City Averages for All Urban Consumers, All Items (not seasonally adjusted) as reported by the U.S. Department of Labor, Bureau of Labor Statistics; however, if the CPI is modified such that the base year of the CPI changes, the CPI shall be converted in accordance with the conversion factor published by the U.S. Department of Labor, Bureau of Labor Statistics, and if the CPI is discontinued or revised, such other historical index or computation approved by the Commission shall be used for purposes of this section that would obtain substantially the same result as would have been obtained if the CPI had not been discontinued or revised.

We find that it is reasonable, as recommended by Staff, to calculate the CPI herein based on the most recent data available, which now includes October and November 2012. Thus, including this more recent data results in an increase in CPI plus 1% of 3.02%, as compared to the Company's proposed 3.54%. For example, this 3.02% equates to an increase in tolls for 2-axle vehicles of \$0.12, as compared to the Company's proposed \$0.14.⁷

On January 15, 2013, TRIP II filed a Motion for Leave to File Response to the Staff Report filed January 14, 2013, and enclosed the Company's Response to the Staff Report. In its Response, TRIP II indicated that it does not agree with the Staff's discussion regarding the level of tolls upon which future increases would be based.

⁷ Staff Report at 1, 13.

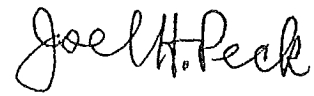
Pursuant to the requirements of § 56-542 I of the Code, the Commission approves a toll increase of 3.02% as set forth in the Staff Report.⁸

Accordingly, IT IS SO ORDERED and this matter is dismissed.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:

Timothy E. Biller, Esquire, Hunton & Williams, LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074; The Honorable David I. Ramadan, House of Delegates, 23465 Rock Haven Way #105A, Dulles, Virginia 20166; and C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, Office of the Attorney General, 900 East Main Street, Second Floor, Richmond, Virginia 23219. A copy also shall be delivered to the Commission's Office of General Counsel and Divisions of Energy Regulation and Utility Accounting and Finance.

A True Copy
Teste:


Clerk of the
State Corporation Commission

⁸ We need not, and do not, reach the question – discussed by the Company and Staff – as to how TRIP II's *next* toll increase must be calculated.