

POLICY	TOLL RATE-SETTING	Resolution Number	25-115
		Resolution Date	08-20-2025
		Effective Date	08-20-2025

PURPOSE	NTTA relies on collection of tolls to construct, operate, and maintain its Turnpike Projects. The purpose of this policy is to provide guidelines for the setting of toll rates across NTTA Turnpike Projects that incorporate scheduled adjustments to TollTag rates and associated premiums for ZipCash transactions. This policy does not apply to the base toll rates under Tolling Services Agreements and interoperable agreements; those rates are established by others, not NTTA. This policy does apply to the associated premium for ZipCash transactions under Tolling Services Agreements under which NTTA bears the toll collection risk.
DEFINITIONS	<u>Board</u> – NTTA’s Board of Directors. <u>Code</u> – Texas Transportation Code. <u>Registered Video Toll Premium</u> – The premium added to the TollTag rate for license plate transactions backed by a guaranteed payment method and whose owner(s) opt-in to electronic invoicing; or those transactions where the maximum number of non-TollTag reads requiring matching of a license plate to a TollTag account is exceeded. <u>Revenue</u> – Tolls, rents, and other money received by NTTA from the ownership or operation of a Turnpike Project. <u>System</u> – North Texas Tollway Authority System, comprised of 360 Tollway, Chisholm Trail Parkway, Dallas North Tollway, President George Bush Turnpike, Sam Rayburn Tollway, Addison Airport Toll Tunnel, Mountain Creek Lake Bridge, Lewisville Lake Toll Bridge, and any extensions or expansions thereof, and any other Turnpike Project that the Board elects to include in the System. <u>Toll Rate Adjustment Schedule</u> – The plan of rates, premiums, and adjustments adopted by the Board. <u>Tolling Services Agreement</u> – Agreement under which NTTA provides tolling services for a third party pursuant to Section 366.038 of the Code.

	<u>TollTag</u> – NTTA branded transponder used to collect tolls. <u>Turnpike Project</u> – A highway, bridge, or tunnel of any number of lanes, with or without grade separations, owned or operated by NTTA under Chapter 366 of the Code and any improvement, extension, or expansion to that highway, bridge, or tunnel. <u>Unregistered Video Toll Premium</u> – The premium added to the TollTag rate for ZipCash transactions that are not backed by a guaranteed payment method and whose owner(s) have not elected to receive electronic invoices. <u>ZipCash</u> – NTTA's toll transaction invoicing system based on electronic reading of vehicle license plate numbers.
SCOPE	GOVERNING AUTHORITY NTTA is authorized under Section 366.173(a)(1) of the Code to impose tolls for the use of its Turnpike Projects and systems and the different parts or sections of each of its Turnpike Projects and systems. Section 366.173(c) of the Code provides that NTTA tolls are not subject to supervision or regulation by any state agency or other local governmental entity. Section 366.173(b) directs NTTA to set tolls so that the aggregate of tolls from an NTTA Turnpike Project or system, together with other revenue of the Turnpike Project or system, provides revenue and creates reserves sufficient to pay: • The cost of maintaining, repairing, and operating the Turnpike Project or system. • The principal of and interest on the bonds issued for the Turnpike Project or system as those bonds become due and payable.
POLICY	APPLICATION This policy applies to all NTTA facilities and tolls. GUIDING PRINCIPLES WHEN SETTING TOLL RATES TollTag rates, Registered Video Toll Premiums, and Unregistered Video Toll Premiums will be established at levels sufficient to ensure the fiscal strength of NTTA's Turnpike Projects and to comply with the requirements of NTTA's Trust Agreement, project agreements, tolling services agreements, and other legal obligations. TOLL RATE STRUCTURE <u>Uniformity</u> TollTag rates, Registered Video Toll Premiums, and Unregistered Video Toll Premiums on the Turnpike Projects will be established to achieve as nearly as

	possible a uniform per mile toll rate across all NTTA facilities. • TollTag rates, Registered Video Toll Premiums, and Unregistered Video Toll Premiums may be adjusted on a project-by-project basis to account for non-standard project features or to ensure that the net revenue coverage is consistent with debt covenants required by the Trust Agreement. • Registered and Unregistered Video Toll Premiums may be adjusted after consideration of factors such as preservation of free traffic flow, mix of ZipCash versus transponder-based transactions, additional costs associated with processing a ZipCash transaction, and success rate in collections on ZipCash transactions. <u>Scheduled Toll Rate</u> In Resolution No. 09-193, the Board adopted a Toll Rate Adjustment Schedule that provides for annual rate increases of 2.75% compounded annually, with adjustments made every two years in odd numbered years. With Resolution No. 25-115, the Board modified the Toll Rate Policy. No later than July of the even numbered years, NTTA staff will develop a recommendation for a toll rate adjustment to be effective in the following odd numbered year. The Board will vote to either accept, modify, or reject staff's recommendation. NTTA shall consider the following responsibilities and objectives when evaluating the recommended toll rate adjustment: 1. Fulfill obligations under Trust Agreement, project agreement, and Tolling Services Agreements. 2. Achieve 2.35x 1st tier net revenue debt service coverage. 3. Maintain debt capacity required for future Turnpike Project expansion. 4. Provide necessary funding for: a) Operation and maintenance.
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	b) Approved capital plan and toll-related projects published in the region's current Metropolitan Transportation Plan. c) Reserves needed to provide financial stability and certainty for the continuation of services and projects during unforeseen events over an extended period of time. d) State or federal mandates. PROCESS FOR ESTABLISHING AND CHANGING TOLL RATES NTTA will comply with the applicable requirements of the Trust Agreement, other financial agreements, and legal requirements when it establishes or changes TollTag rates, Registered Video Toll Premium, or the Unregistered Video Toll Premium. Such requirements are incorporated into and made a part of this policy.
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