



COLORADO

Transportation
Investment Office

DYNAMIC PRICING OVERVIEW

CTIO Board Meeting
September 23, 2024

What is Dynamic Pricing?

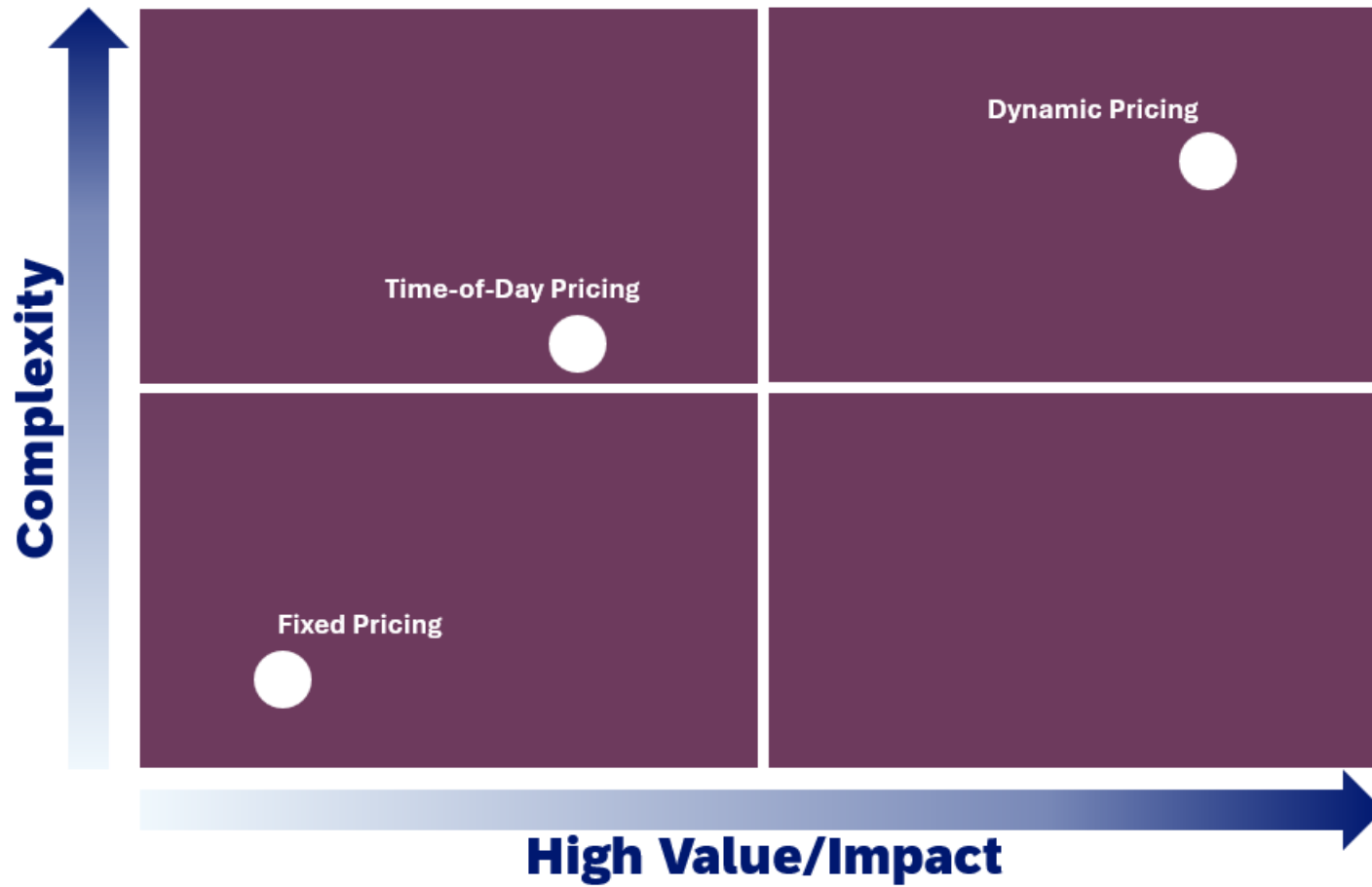
What is Dynamic Pricing?

- Dynamic pricing is a traffic demand management strategy that promotes travel time reliability in Express Lanes.

Benefit of Dynamic Pricing Over Time-of-Day Pricing

- Time-of-Day Pricing is based on historical traffic trends; it does not manage traffic demand efficiently during varying conditions.

Pricing Strategies



Fixed Pricing

- Eastbound MEXL
- Westbound MEXL

Time-of-Day Pricing

- I-25 North Segment 2
- I-25 North Segment 3
- C-470

Dynamic Pricing

- Central 70

Algorithm Goals

- **Maintain Speeds & Level of Service in Express Lanes**
- **Adhere to CTIO Tolling Policy**
 - **Fiscally responsible toll rates that balance needs such as:**
 - ✓ Traffic speeds
 - ✓ Reliable travel times
 - ✓ Debt coverage
 - ✓ Operations and maintenance costs
 - ✓ Financing future corridor improvements
- **Toll rates based on express lanes corridor-specific objectives**

Dynamic Pricing Algorithm Parameters

Capped or not capped maximum rates (Policy)

- Recommend capping maximum toll rates

Rate Change interval (Corridor-based)

- Most common are 5, 10, and 15 minutes
- Recommend 5 minutes

Maximum Increment or Decrement (Corridor-based)

- Most common, 5 cents, 10 cents, and 25 cents
- Recommend corridor-specific amounts

Procedure to Reconsider Board-Approved Algorithm

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

Questions and Comments