

August 27, 2025

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: 91 Express Lanes Zero-Emission Vehicle Discount

Overview

The State of California's clean air vehicle decal program is set to expire on September 30, 2025. With the expiration of the decal program, several California toll agencies will be discontinuing toll discounts associated with the program. Board of Directors' approval is requested to update the Toll Policy for the 91 Express Lanes to remove a similar zero-emission vehicle discount on the 91 Express Lanes.

Recommendation

Approve the updated Toll Policy for the 91 Express Lanes, eliminating discounts for zero-emission vehicles, and direct staff to present this item to the next State Route 91 Advisory Committee on October 30, 2025.

Background

The Orange County segment of the 91 Express Lanes (91 EL) is a four-lane, ten-mile tolled facility built in the median of State Route 91 (SR-91) between the State Route 55/SR-91 interchange and the Orange/Riverside County Line. The 91 EL was built by the California Private Transportation Company (CPTC) for a cost of approximately \$135 million and opened to travelers in December 1995. An agreement with the California Department of Transportation included a non-compete provision that created a 1.5-mile protection zone along each side of SR-91. This zone prohibited improvements along the corridor and created mobility problems as the region and corresponding transportation demands grew.

To mitigate growing concerns over congestion, the Orange County Transportation Authority (OCTA) acquired the 91 EL franchise rights from the CPTC in January 2003. This eliminated the non-compete provision, clearing the way for future enhancements to increase capacity and improve traffic flow along

the SR-91 corridor. With OCTA's acquisition of the 91 EL, the OCTA Board of Directors (Board) approved the 91 EL Toll Policy (Policy) on July 14, 2003. The adopted Policy outlined goals, toll schedules, holiday toll schedules, operating and financial metrics for adjusting tolls, and discounts. One of the discounts included in the Policy is free or reduced tolls for zero-emission vehicles (ZEV) on the 91 EL. The ZEV discount was unique to 91 EL customers and was established to promote ZEV early adoption in the region. Furthermore, it was supported by members of the California Toll Operations Committee (CTOC), of which OCTA is a member, through its standardization of discounts for clean air vehicles (CAV).

California Vehicle Code (CVC) Section 5205.5 (h) (1) requires high-occupancy toll lanes, which were authorized under the Streets and Highways Code Section 149.7, to provide toll-free or reduced-rate passage to certain CAV that display a valid Department of Motor Vehicles-issued CAV decal. The Bay Area Bridges and Express Lanes, Metro Express Lanes, Riverside Transportation Commission Express Lanes, San Bernardino Express Lanes, San Diego Express Lanes, and OCTA (for the 405 Express Lanes) were among the CTOC agencies that adopted this discount.

Federal authorization for the CAV decal program is set to expire on September 30, 2025. This program allows certain low-emission vehicles meeting specific emissions standards to use high-occupancy vehicle lanes regardless of the number of occupants. After the expiration date, CAV decals will no longer be valid for single-occupant use of high-occupancy vehicle lanes. Also, upon the expiration of the decal program, the requirement to provide the CAV discount on express lanes will no longer be in effect, and the basis for determining eligibility will no longer be available.

Staff has participated in meetings with CTOC agencies to discuss the future of the CAV discount on the various toll facilities. All CTOC members who currently offer CAV discounts on their express lanes are preparing to eliminate their CAV discounts upon termination of the decal program. Additionally, the 405 Express Lanes (405 EL)-adopted toll policy also eliminates the CAV discount upon the termination of the decal program. Therefore, on October 1, 2025, only the 91 EL will continue to offer a CAV/ZEV discount to customers.

Discussion

The number of CAV/ZEV discounts provided continues to grow as more eligible vehicles are purchased. This increase reflects the success of the original discount goal to support early adoption of CAV/ZEV. The continued increase in vehicles receiving the CAV/ZEV discount reduces the effectiveness of

congestion management pricing, as these users are not affected by toll increases.

CTOC agencies plan to be consistent in removing the CAV discount on October 1, 2025, after the sunset of the CAV decal program. OCTA's 405 EL are among the facilities that are scheduled to remove the discount per the adopted toll policy. The Riverside Transportation Commission (RCTC) also plans to remove the CAV discount from the 15 Express Lanes and the ZEV discount from their segment of the 91 EL. Staff has been working with RCTC on the analysis and review of the ZEV discount and the impact of its removal. While not required, OCTA and RCTC have historically maintained the same discount policy for both 91 EL segments for ease of communication to customers.

For the 91 EL, the total number of vehicles eligible for the ZEV/CAV discount as of June 30, 2025, was 23,372. This is 4.6 percent of the total registered vehicles for the 91 EL of 504,283. For fiscal year 2024-25 (FY 2025), on the OCTA segment of the 91 EL, the CAV/ZEV discount was provided to over 1.3 million transactions. This accounts for over 6.1 percent of the total transactions for FY 2025, which were 21.9 million. Moreover, the financial impact of the ZEV discount for FY 2025 was \$5.8 million, which is 8.3 percent of the total gross potential toll revenue of \$70.1 million.

Based on the coordination with the CTOC agencies, the highly collaborative efforts with RCTC for the 91 EL, as well as the forthcoming expiration of the CAV program, staff recommends that the 91 EL Toll Policy be updated to eliminate the zero-emission discount. In order to implement this change, the 91 EL back-office system (BOS) will need to be updated to remove the ZEV discount. Changes would include removing the discount from all eligible vehicles, transferring ZEV customers from a special access account to a convenience plan account, along with extensive customer communications. Staff is working with the BOS contractor to determine the time required for these changes. A change to the user agreement requires written notification to all account holders at least 30 days prior to the change taking place. Additionally, CVC Section 5205.5 (k) provides a 60-day grace period where CAV can use high-occupancy lanes and possibly continue to be eligible for discounts on express lanes after the sunset of the decal program.

Staff recommends the effect date to discontinue the ZEV discount on the 91 EL to be effective on or after December 31, 2025. Staff's recommended end date extends the discount period to allow sufficient time for communications to customers and surpass the possible required grace period prior to the change taking effect. If there are delays in system updates, the effective date is proposed to be upon completion of the updates and customer notification.

A comprehensive communication effort will be made in addition to the required accountholder notification. Communication efforts will include email announcements, website updates, statement inserts, and social media postings. The Policy update will also be communicated through SoCal 511, the FasTrak.org website, and AAA.

Staff has reviewed the current Policy and recommends updating the Policy to remove the ZEV discount, along with making minor updates throughout. The removal of the ZEV discount will more closely align the 91 EL discounts with the discounts offered by CTOC agencies. In addition, the updates to the Policy are clarification changes that align with the 405 EL Toll Policy that was adopted on July 24, 2023. While making minor updates, the updated Policy maintains the same goals, operating metrics, and financial metrics for adjusting tolls. The toll schedules, holiday toll schedules, and discount sections were updated to current rates and policies.

Next Steps

If the updated Policy is approved by the Board, staff will begin making the necessary notifications to customers of the Policy change. This will include communication to CTOC agencies, customer communication, marketing outreach, user agreement updates, standard operating procedure updates, and BOS updates. Additionally, as outlined in SB 1316 (Chapter X, Statutes of X), toll policy changes must be presented to the State Route 91 Advisory Committee. Staff will present the changes to the Policy with RCTC at the next State Route 91 Advisory Committee meeting on October 30, 2025.

Summary

Staff recommends the Board of Directors approve the updated 91 Express Lanes Toll Policy, eliminating discounts for zero-emission vehicles, and direct staff to present this item to the next State Route 91 Advisory Committee.

Attachments

- A. 91 Express Lanes 2025 Toll Policy, Adopted September 8, 2025 Clean Version
- B. 91 Express Lanes 2025 Toll Policy, Adopted September 8, 2025 Redline Version
- C. 91 Express Lanes Toll Policy, Adopted July 14, 2003

Prepared by:

Kirk Avila

General Manager,

Express Lanes Programs

(714) 560-5674