



Andy Beshear
Governor



Jim Gray
Secretary

June 8, 2022

KY-IN Tolling Body
(via email)

Re: KPTIA Request for FY 23 Toll Rate Increase to be Minimized

Tolling Body Members,

Reconsideration is respectfully requested regarding Indiana's denial of calls from Governor Beshear and KPTIA for the Tolling Body to come together to consider minimizing the historic FY 23 toll rate increase. Please be aware:

- The Tolling Body bylaws (4.4) state that the Tolling Body has the authority to change toll rates at any time. The bylaws also note that the toll rates must, at all times, be sufficient to meet toll rate covenants. KPTIA has demonstrated that 8.3% goes far beyond sufficient. Indiana has given no indication that it needs any increase at all to meet its Louisville Bridges financial obligations.
- We have a responsibility not to allow a windfall. Pursuant to an independent analysis requested by Indiana and provided to both states, over the life of the project, given projected traffic growth and the minimum toll rate increase possible each year, nearly \$400 Million in additional toll revenue is likely to be generated from the 8.3% increase (compared to the 2.5% that Kentucky recommends). This is revenue generated beyond what is currently needed, and at the expense of bridge users already facing inflationary pressures.
- The automatic toll rate increase policy was put into place before tolling began. With five years' experience under our belts, and given the current climate, we have the opportunity and obligation to reevaluate what is in the best interest of travelers, while fulfilling our commitments. We must not allow this policy to compromise the states' ability to make an appropriate decision.
- The current policy, which needs to be adjusted immediately for FY 23, causes an automatic increase on July 1, and required rates to be advertised on or about June 1. Nonetheless the Tolling Body can meet at any time to do the right thing. Governor Beshear and KPTIA will continue to ask that rates be responsibly set, either at an immediate special meeting for this purpose, or if Indiana continues to deny that request, at the next necessary Tolling Body meeting.

Thank you for reconsidering this request for the Tolling Body to come to the table to discuss minimizing the FY 23 toll rate increase to ensure toll revenue is not more than truly needed. We ask this on behalf of bridge users on both sides of the river.

Sincerely,

Jim Gray
Chairman