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# Road Charge Pilot Payment Simulation Options

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San Diego, CA



# Background on Road Charge Pilot Payment Options

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- ◆ No policy guidance on payment options from SB 1077 or CTIP
- ◆ Many possible payment options
- ◆ TAC guidance to date:
  - ✧ Although pilot will not feature payments, it should simulate them
  - ✧ Greater understanding needed of how to simulate payments



# Payment Options in a Potential Future Road Charge System

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- ◆ Statute could:
  - ✧ Stipulate payment options to be offered
  - ✧ Delegate to administration to decide payment options
  - ✧ Combination of the above
  
- ◆ Precedents available from:
  - ✧ DMV
  - ✧ Utilities
  - ✧ Toll agencies
  - ✧ Other state agencies
  - ✧ Private customer service and account management systems



# Common Payment Options

Business or utility	Online		Mail	Retail outlets in California			Phone
	Credit/debit	Direct debit	Check	Cash	Check	Credit/debit	Credit/debit
AT&T	✓	✓	✓	500+	500+	500+	✓
San Diego Gas & Electric	✓	✓	✓	70	70	30+ (debit only)	✓
Pacific Gas & Electric	✓	✓	✓	700+	700+	27	✓
California DMV	✓	✓	✓	100+	100+	100+ (debit only)	✓
The Toll Roads	✓	✓	✓	100+	1	1	✓
Bay Area Fastrak	✓	✓	✓	100+	1	1	✓



# Payment Simulation Options for the Pilot

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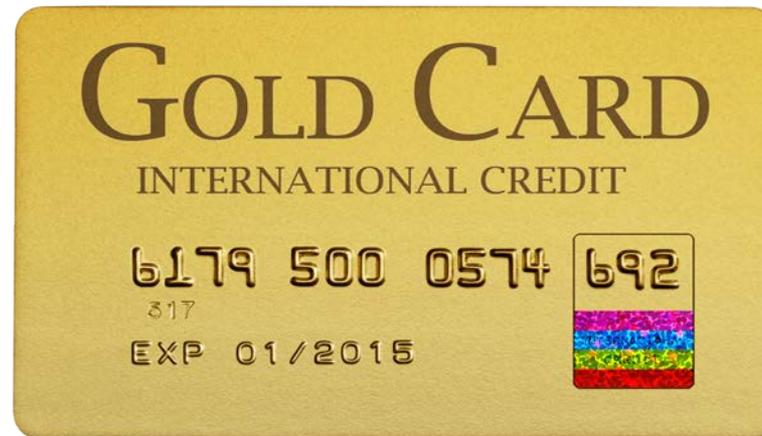
- ◆ Initial payment options for the TAC's consideration and feedback
  - ✧ Online (includes smartphone apps): credit/debit or direct debit
  - ✧ Mail: check
  - ✧ Retail: check or cash
- ◆ Phone payments
  - ✧ Staffing a live call center and/or automated phone system for payments is better suited for a large-scale system
  - ✧ Commercial account managers may offer this option



# 1. Online: Credit or Debit

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- ◆ Simulated card information provided to participant at sign-up
- ◆ Mail or email invoice to participant
- ◆ Participant completes online payment using card information
- ◆ “Payment” made within a secure web environment and posted against participant’s corresponding road charge account



## 2. Online: Direct Debit

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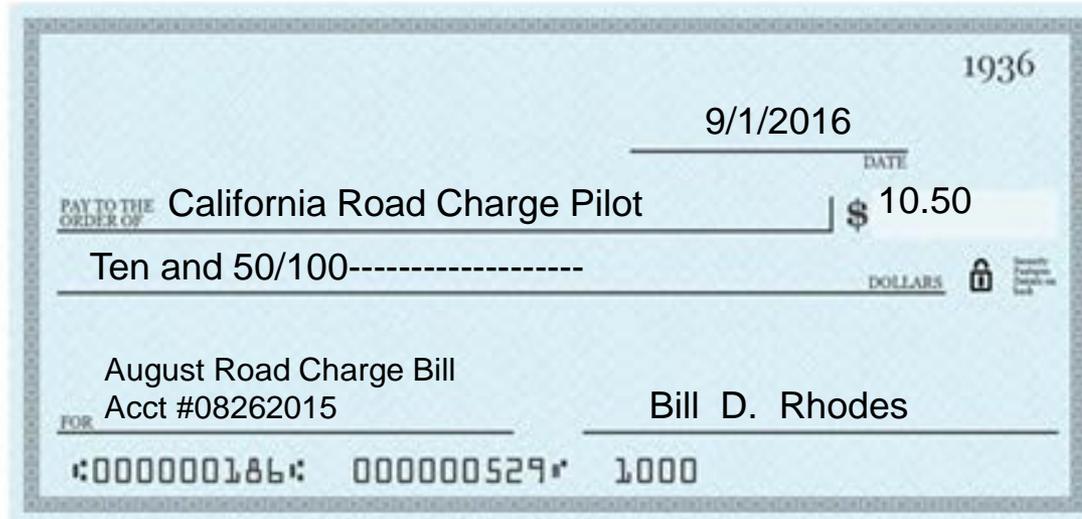
- ◆ Direct debit option offered to participants at sign-up
  - ✧ Opt in at any time
  - ✧ Bank account details simulated
- ◆ Mail or email invoice to participant, but no further action required
- ◆ Direct debit payments posted against corresponding road charge account at each billing cycle, with notification sent to participant



### 3. Mail: Check

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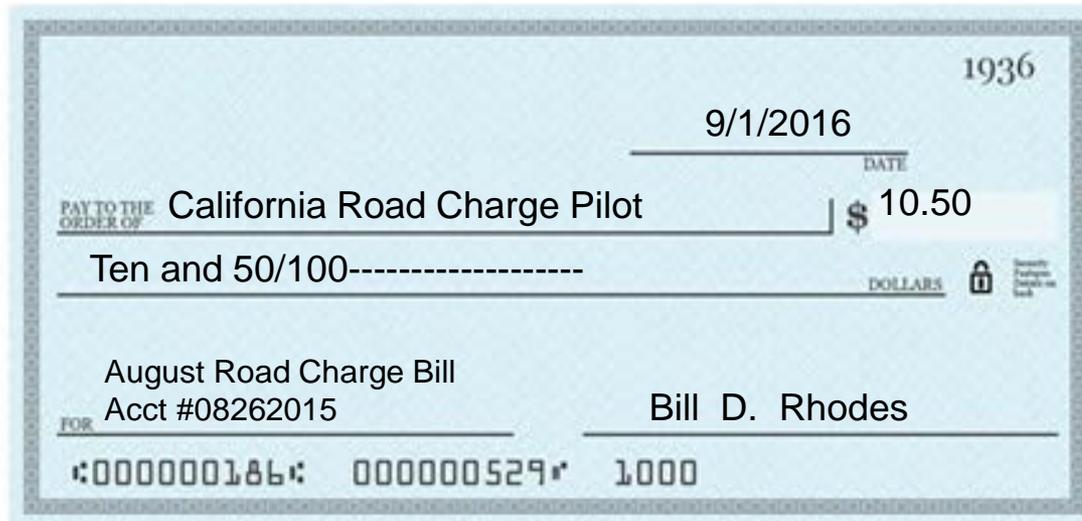
- ◆ Mail or email invoice to participant including blank simulated check
- ◆ Participant fills out, signs, and returns check via mail
- ◆ Participants include road charge account identifying information on check so that funds can be posted against correct account



## 4. Retail: Check

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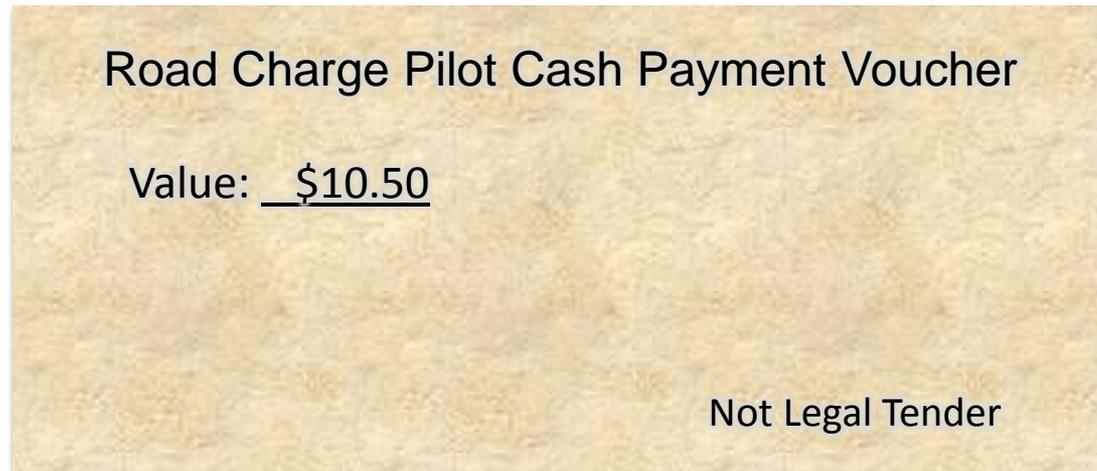
- ◆ Mail or email invoice to participant including blank simulated check
- ◆ Participant completes check and delivers to retail partner
- ◆ Participants include road charge account identifying information on check so that funds can be posted against correct account



## 5. Retail: Cash

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- ◆ Mail or email invoice to participant with “cash” enclosed
- ◆ Customer delivers “cash” to retail partner to complete payment
- ◆ “Cash” is anonymous, but participant must provide some road charge account information (e.g., license plate) at time of payment to ensure funds are posted to the correct account



# Operational Concepts and Payment Options Available

Operational concept	Timing	Online		Mail	Retail	
		Credit/ debit	Direct debit	Check	Check	Cash
Time permit★	Pre-pay	✓	✓	✓	✓	✓
Mileage permit★	Pre-pay	✓	✓	✓	✓	✓
Odometer charge★	Pre-pay or Post-pay	✓	✓	✓	✓	✓
Automated distance charge (with or without location)*	Pre-pay or Post-pay	✓	✓	✓	?	?

★Potentially administered by commercial account managers

\*Administered by commercial account managers, who may have additional ideas on details of these payment options and/or new payment options.



# Questions for TAC feedback on payment options

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- ◆ Should any of these initial payment options be eliminated?
- ◆ Should any of these initial payment options be changed?
- ◆ Should other payment options be considered? If so, which?
- ◆ Participant choice:
  - ✧ Should participants be allowed to choose a payment option?
  - ✧ Should participants be allowed to change their choice from one payment to the next?

