

Pennsylvania Turnpike Commission
Nominee Douglas Farnham
PA Senate Transportation Committee
September 18, 2024

Good morning, Chairman Langerholc, Chairman Flynn, and members of the Senate Transportation Committee. I am humbled and pleased to sit before you today. It is a significant honor to be nominated by Governor Josh Shapiro to serve on the Board of Commissioners for the Pennsylvania Turnpike Commission. I want to thank Senate President Pro Tempore Kim Ward for submitting my name for consideration and my hometown Senator, Camera Bartolotta, for supporting my nomination. I understand the significance of this responsibility and the role I will serve in advancing the state's transportation legacy.

As the Pennsylvania Turnpike Commission strives to become America's first sustainable superhighway by 2040, I can leverage my 30-year career in sustainable transportation solutions. I am the founder and president of PFBC Environmental Energy Technology, a company based in Monessen, Pennsylvania. PFBC focuses on innovative environmental engineering solutions, particularly pressurized fluidized-bed combustion (PFBC) technology, known for its high efficiency and low emissions, making it a significant player in clean energy.

I am also the founder and current vice chairman of Families Representing the Coal Economy, or FORCE, now known as the Pennsylvania Coal Alliance. This organization promotes and supports clean energy in our state. In Monessen, I also founded and continue to serve as President of Vision 4 PA, which promotes a clean energy future from fossil fuels produced in Pennsylvania.

Continuing Roadway Improvements

In the past several weeks since my nomination was made, I took the opportunity to drive most of the system from border to border. I walked away with a strong sense of the pride taken by the Commission, its staff and contractors in providing a superior product for its customers. Particularly given the challenges that have been leveled against the Commission to fund off Turnpike Transportation needs, the work that is ongoing is remarkable. It is clear that the Commission continues to work hard to balance the needs of the 83-year-old system and is making strides to prepare for a more technologically complex future.

Open Road Tolling and 2025 Toll Increase

Open Road Tolling (ORT) is the culmination of the PA Turnpike's decade-long journey to modernize operations and meet customer expectations for seamless, nonstop travel. ORT is a safer, more convenient way for customers to travel and represents the future of toll collection in Pennsylvania and worldwide.

The Pennsylvania Turnpike Commission will convert its tolling system to ORT east of Reading and on the Northeast Extension in January 2025. The Turnpike will begin removing toll plazas in the eastern sections in 2025. ORT construction west of Reading is underway, and ORT will be fully operational there in early 2027.

The PA Turnpike will have invested a little more than \$600 million over nearly two decades in the planning, design, civil infrastructure, and new tolling system construction and demolition associated with ORT. Once the conversion program is complete, this investment is expected to save the Commission at least \$25 million per year in future maintenance and operating costs.

I am aware that the Pennsylvania Turnpike Commission has already approved a 5% toll increase. This action also includes a change in how tolls are calculated. This change is significant as the toll system moves from a weight-based system to one similar to nearly every tolling system in the country, using axles and vehicle heights as the basis of classification. January 5, 2025, will mark a significant milestone in this project as the first of the Commission's mainline open road tolling conversions is rolled out for all areas of the Turnpike from the Reading interchange east to New Jersey and north to Clarks Summit.

This modern yet nationally accepted method of collecting tolls will transform the Commission's operations on many levels. It will improve traffic flow and safety at interchanges, allow for more access points along the system, and reduce the environmental impact of the Commission's entry and exit points.

Revenue Assurance Plan

I understand and share your concerns about unpaid tolls. The tolling industry has always faced challenges with leakage — even in cash collections — just as it is in the retail sector. Clearly, the Commission must do more to improve collection rates. Having only scratched the surface of this issue, I am impressed by what the Commission has done with the tools available, but I remain concerned that it is still too easy for those with ill intent to repeatedly use the Turnpike without paying to do so.

The most recent Revenue Assurance Plan report showed that uncollected tolls reached \$180 million, an increase of \$10 million over the previous year. However, the trend is going in the right direction, with the annual increase in uncollected tolls falling from \$50 million two years ago to \$15 million last year and \$10 million in the most recent report.

This more positive trend is attributed in part to better collection tools enacted by the state Legislature and to the Commission's more aggressive use of current legal tools to pursue those who refuse to pay.

As I stated above, I am only at the beginning of this journey, and I look forward to learning more about how the Commission operates. I commit today that I am only interested in this appointment to improve what exists at the Commission and earn the trust you are extending me with your support of my nomination. Throughout the interview process, I've enjoyed learning more about your vision to make the Pennsylvania Turnpike the best highway system in America. But we need to do that together. I hope to begin that partnership with you today.

Thank you.