**NEW ISSUE – BOOK-ENTRY – ONLY** **Ratings: (See "Ratings" herein)**

In the opinion of Co-Bond Counsel, under existing law, assuming compliance with certain covenants and the accuracy of certain representations, interest on the 2010 Bonds is excludable from gross income for federal income tax purposes, is not treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations and is not included in adjusted current earnings for purposes of the federal alternative minimum tax imposed on corporations. Co-Bond Counsel is also of the opinion that, under existing law, the 2010 Bonds are exempt from personal property taxes in Pennsylvania and the interest on the 2010 Bonds is exempt from Pennsylvania personal income tax and corporate net income tax. For a discussion of other federal tax consequences arising with respect to the 2010 Bonds, see "TAX MATTERS".

# PENNSYLVANIA TURNPIKE COMMISSION

**$273,526,107.95**
**TURNPIKE SUBORDINATE REVENUE BONDS,**
**SERIES B OF 2010**
**consisting of**
**$104,485,000.00 Sub-Series B-1**
**and**
**$169,041,107.95 Sub-Series B-2**

**$187,816,151.30**
**MOTOR LICENSE FUND-ENHANCED**
**TURNPIKE SUBORDINATE SPECIAL REVENUE BONDS,**
**SERIES A OF 2010**
**consisting of**
**$92,855,000.00 Sub-Series A-1**
**and**
**$68,994,074.10 Sub-Series A-2**
**and**
**$25,967,077.20 Sub-Series A-3**

**Dated: Date of Delivery** **Due: See inside cover**

The Pennsylvania Turnpike Commission Turnpike Subordinate Revenue Bonds, Series B of 2010 (the "2010B Revenue Bonds"), consisting of Sub-Series B-1 (the "2010B-1 Revenue Bonds") and Sub-Series B-2 (the "2010B-2 Revenue Bonds"), and Motor License Fund-Enhanced Turnpike Subordinate Special Revenue Bonds, Series A of 2010 (the "2010A MLF Special Revenue Bonds" and together with the 2010B Revenue Bonds, the "2010 Bonds"), consisting of Sub-Series A-1 (the "2010A-1 MLF Special Revenue Bonds"), Sub-Series A-2 (the "2010A-2 MLF Special Revenue Bonds"), and Sub-Series A-3 (the "2010A-3 MLF Special Revenue Bonds"), are being issued pursuant to that certain Subordinate Trust Indenture dated as of April 1, 2008 (the "Original Subordinate Indenture") between the Pennsylvania Turnpike Commission (the "Commission") and TD Bank, National Association, as successor Trustee (the "Trustee"), as heretofore amended and supplemented (collectively, the "Original Indenture"), and as further supplemented and amended by that certain Supplemental Trust Indenture No. 8 dated as of July 1, 2010 ("Supplemental Subordinate Indenture No. 8" and, collectively with the Original Indenture, the "Subordinate Indenture"), all pursuant, among other things, to an Act of the General Assembly of Pennsylvania approved July 18, 2007, P.L. 169, No. 44 ("Act 44") and various other acts of the General Assembly of Pennsylvania.

The 2010 Bonds will be dated the date of initial issuance and delivery thereof, will bear interest at the rates (or compound interest at the yields) shown on the inside front cover, calculated on the basis of a year of 360 days consisting of twelve 30-day months. The 2010B-1 Revenue Bonds and the 2010A-1 MLF Special Revenue Bonds are being issued as current interest bonds; the 2010B-2 Revenue Bonds and the 2010A-2 MLF Special Revenue Bonds are being issued as convertible capital appreciation bonds; and the 2010A-3 MLF Special Revenue Bonds are being issued as capital appreciation bonds. The inside cover page of this Official Statement contains information concerning the maturity schedules, interest payment dates, interest rates, prices and approximate yields of the 2010 Bonds. So long as Cede & Co. is the registered owner of the 2010 Bonds, payments of principal of and interest, if applicable, on the 2010 Bonds will be made directly by the Trustee, as paying agent ("Paying Agent") under the Subordinate Indenture, as described herein. See "DESCRIPTION OF THE 2010 BONDS," and APPENDIX D – "SECURITIES DEPOSITORY."

The 2010 Bonds are subject to redemption prior to maturity as described herein.

**THE 2010 BONDS ARE LIMITED OBLIGATIONS OF THE COMMISSION AND SHALL NOT BE DEEMED TO BE A DEBT OF THE COMMONWEALTH OF PENNSYLVANIA (THE "COMMONWEALTH") OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH. THE COMMONWEALTH IS NOT OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION WHATSOEVER FOR THE PAYMENT OF THE 2010 BONDS OR TO MAKE ANY APPROPRIATION FOR THE PAYMENT OF THE 2010 BONDS. THE COMMISSION HAS NO TAXING POWER.**

The 2010B Revenue Bonds will be equally and ratably secured, along with additional Subordinate Indenture Bonds (herein defined) issued pursuant to the Subordinate Indenture and certain other parity obligations, and the 2010A MLF Special Revenue Bonds will be equally and ratably secured, along with additional Special Revenue Bonds and certain other parity obligations, pursuant to the pledge by the Commission of the trust estate, including Commission Payments (herein defined). Commission Payments are paid from amounts paid from the General Reserve Fund (herein defined) after the payment of all outstanding Senior Indenture Obligations (herein defined) issued under the Senior Indenture (herein defined), and thus the 2010 Bonds are subordinate to the payment of such Senior Indenture Obligations. As more fully described herein, the 2010A MLF Special Revenue Bonds are subordinate to the 2010B Revenue Bonds and to all other Subordinate Revenue Bonds (herein defined) issued or to be issued under the Subordinate Indenture. However, under certain circumstances, payments of the 2010A MLF Special Revenue Bonds for which funds are not available in the Commission Payments Fund (herein defined) may be made pursuant to Act 44 from funds transferred to the Trustee from the Commonwealth's Motor License Fund. The 2010B Revenue Bonds are not payable from funds transferred from the Commonwealth's Motor License Fund.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The 2010 Bonds are being offered when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice, to certain legal matters being passed upon by Dilworth Paxson LLP, Philadelphia, Pennsylvania, and Gonzalez Saggio & Harlan LLP, Philadelphia, Pennsylvania, Co-Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the Underwriters by Reed Smith LLP, Philadelphia, Pennsylvania, and Bowman Kavulich Ltd., Philadelphia, Pennsylvania, Co-Counsel for the Underwriters. Certain legal matters will be passed upon for the Commission by its Chief Counsel, Doreen A. McCall, Esquire. It is anticipated that the 2010 Bonds will be available for delivery in New York, New York on or about July 28, 2010.

## J.P. Morgan

**Goldman, Sachs & Co.** **Jefferies & Company** **Loop Capital Markets LLC** **PNC Capital Markets**

**Boenning and Scattergood** **Edward Jones** **Janney Montgomery Scott** **Quoin Capital LLC** **Raymond James & Associates, Inc.**

This Official Statement is dated July 23, 2010.

**$104,485,000 TURNPIKE SUBORDINATE REVENUE BONDS, SUB-SERIES B-1 OF 2010**

| | | | | | | |
|---|---|---|---|---|---|---|
| $23,135,000 | 5.000% | Term Bonds Due | December 1, 2021 | Yield 3.850% | Price: 108.946* | CUSIP†: 709223ZN4 |
| $81,350,000 | 5.000% | Term Bonds Due | December 1, 2037 | Yield 5.020% | Price: 99.697 | CUSIP†: 709223ZM6 |

**TURNPIKE SUBORDINATE REVENUE BONDS, SUB-SERIES B-2 OF 2010**
**$169,041,107.95 Convertible Capital Appreciation Bonds°**

| Due Date December 1 | Initial Principal Amount | Compounded Amount as of December 1, 2015 and Amount due at Maturity | Rate | Price | CUSIP † |
|---|---|---|---|---|---|
| 2024 | $29,683,508.75 | $39,355,000 | 5.350% | 75.425 | 709223ZK0 |
| 2028 | $46,831,788.35 | $63,395,000 | 5.750% | 73.873 | 709223ZL8 |
| 2034 | $92,525,810.85 | $126,885,000 | 6.000% | 72.921 | 709223ZJ3 |

**$92,855,000 MOTOR LICENSE FUND-ENHANCED TURNPIKE SUBORDINATE SPECIAL REVENUE BONDS, SUB-SERIES A-1 OF 2010**

| | | | | | | |
|---|---|---|---|---|---|---|
| $26,360,000 | 4.500% | Term Bonds Due | December 1, 2038 | Yield 4.570% | Price: 98.888 | CUSIP†: 709223ZP9 |
| $66,495,000 | 5.000% | Term Bonds Due | December 1, 2038 | Yield 4.570% | Price: 103.233* | CUSIP†: 709223ZQ7 |

**MOTOR LICENSE FUND-ENHANCED TURNPIKE SUBORDINATE SPECIAL REVENUE BONDS, SUB-SERIES A-2 OF 2010**
**$68,994,074.10 Convertible Capital Appreciation Bonds°**

| Due Date December 1 | Initial Principal Amount | Compounded Amount as of December 1, 2015 and Amount due at Maturity | Rate | Price | CUSIP † |
|---|---|---|---|---|---|
| 2034 | $68,994,074.10 | $92,190,000 | 5.500% | 74.839 | 709223ZR5 |

**MOTOR LICENSE FUND-ENHANCED TURNPIKE SUBORDINATE SPECIAL REVENUE BONDS, SUB-SERIES A-3 OF 2010**
**$25,967,077.20 Capital Appreciation Bonds**

| Due Date December 1 | Initial Principal Amount | Maturity Amount | Approximate Yield to Maturity | Price | CUSIP † |
|---|---|---|---|---|---|
| 2026 | $7,173,810.00 | $16,520,000 | 5.170% | 43.425 | 709223ZS3 |
| 2027 | $6,702,494.40 | $16,520,000 | 5.270% | 40.572 | 709223ZT1 |
| 2028 | $6,250,176.80 | $16,520,000 | 5.370% | 37.834 | 709223ZU8 |
| 2029 | $5,840,596.00 | $16,525,000 | 5.450% | 35.344 | 709223ZV6 |

* Price shown to first optional redemption date of December 1, 2019.



° Interest on the Convertible Capital Appreciation Bonds will not be payable on a current basis prior to December 1, 2015, but will compound from the date of delivery on a semi-annual basis, beginning December 1, 2010, to and including December 1, 2015 (the "Current Interest Commencement Date"). On and after the Current Interest Commencement Date, interest on the Convertible Capital Appreciation Bonds will be payable semi-annually on June 1, 2016 and on each June 1 and December 1 thereafter. The Compounded Amount will be payable at maturity or earlier redemption.

**PENNSYLVANIA TURNPIKE COMMISSION**

COMMISSIONERS

ALLEN D. BIEHLER
Chairman

J. WILLIAM LINCOLN
Secretary/Treasurer

PASQUALE T. DEON, SR.
Commissioner

WILLIAM K. LIEBERMAN
Commissioner

A. MICHAEL PRATT
Commissioner

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JOSEPH G. BRIMMEIER
Chief Executive Officer

GEORGE M. HATALOWICH
Chief Operating Officer

NIKOLAUS H. GRIESHABER
Chief Financial Officer

FRANK J. KEMPF, JR.
Chief Engineer

DOREEN A. MCCALL
Chief Counsel

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TD BANK, NATIONAL ASSOCIATION
Trustee and Paying Agent

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PHOENIX CAPITAL PARTNERS and NW FINANCIAL GROUP, LLC
Co-Financial Advisors

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**NO DEALER, BROKER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORIZED BY THE COMMISSION OR THE UNDERWRITERS TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY ANY OR EITHER OF THE FOREGOING. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF THE 2010 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE. THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE COMMISSION AND OTHER SOURCES WHICH ARE BELIEVED TO BE RELIABLE BUT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS REPRESENTATIONS BY, THE UNDERWRITERS. THE INFORMATION AND EXPRESSIONS OF OPINION CONTAINED HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN ANY OF THE INFORMATION SET FORTH HEREIN SINCE THE DATE HEREOF.**

**THE 2010 BONDS ARE NOT AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES LAWS, AND THE SUBORDINATE INDENTURE HAS NOT BEEN AND WILL NOT BE QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, BECAUSE OF AVAILABLE EXEMPTIONS THEREFROM. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY FEDERAL, STATE, MUNICIPAL, OR OTHER GOVERNMENTAL AGENCY WILL PASS UPON THE ACCURACY, COMPLETENESS, OR ADEQUACY OF THIS OFFICIAL STATEMENT.**

**THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING FOR INCLUSION IN THIS OFFICIAL STATEMENT: THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.**

**IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2010 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.**

**THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED TO BE A DETERMINATION OF RELEVANCE, MATERIALITY, OR IMPORTANCE, AND**

**THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE OFFERING OF THE 2010 BONDS IS MADE ONLY BY MEANS OF THIS ENTIRE OFFICIAL STATEMENT.**

## CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

**Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 27A of the United States Securities Act of 1933, as amended (the "Securities Act"). Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" or other similar words. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS DEPENDS, AMONG OTHER THINGS, ON KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM ANY ANTICIPATED FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE COMMISSION DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED, OCCUR.**

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**OFFICIAL STATEMENT**

**$273,526,107.95**
**PENNSYLVANIA TURNPIKE COMMISSION**
**TURNPIKE SUBORDINATE REVENUE BONDS, SERIES B OF 2010**
**(consisting of Sub-Series B-1 and Sub-Series B-2)**
**and**
**$187,816,151.30**
**MOTOR LICENSE FUND-ENHANCED TURNPIKE SUBORDINATE SPECIAL REVENUE BONDS, SERIES A OF 2010**
**(consisting of Sub-Series A-1, Sub-Series A-2 and Sub-Series A-3)**

## INTRODUCTION

This Official Statement, which includes the cover page, inside front cover page and the appendices hereto, is furnished by the Pennsylvania Turnpike Commission (the "***Commission***") in connection with the issuance of $273,526,107.95 aggregate principal amount of Pennsylvania Turnpike Commission Turnpike Subordinate Revenue Bonds, Series B of 2010 (the "***2010B Revenue Bonds***"), which consist of $104,485,000 aggregate principal amount of Sub-Series B-1 (the "***2010B-1 Revenue Bonds***"), and $169,041,107.95 initial aggregate principal amount of Sub-Series B-2 (the "***2010B-2 Revenue Bonds***"), and the $187,816,151.30 aggregate principal amount of Pennsylvania Turnpike Commission Motor License Fund-Enhanced Turnpike Subordinate Special Revenue Bonds, Series A of 2010 (the "***2010A MLF Special Revenue Bonds***", and, together with the 2010B Revenue Bonds, the "***2010 Bonds)***, which consist of $92,855,000 aggregate principal amount of Sub-Series A-1 (the "***2010A-1 MLF Special Revenue Bonds***), $68,994,074.10 initial aggregate principal amount of Sub-Series A-2 (the "***2010A-2 MLF Special Revenue Bonds***"), and $25,967,077.20 initial aggregate principal amount of Sub-Series A-3 (the "***2010A-3 MLF Special Revenue Bonds***").

All capitalized terms not otherwise defined herein shall have the same meanings ascribed to them in the definitions set forth in APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE."

### Purpose

The proceeds of the 2010B Revenue Bonds will be used to finance the costs of (i) refunding a portion of the Subordinate Revenue Bond Anticipation Notes, Sub-Series A-1 of 2010, and all of the Subordinate Revenue Bond Anticipation Notes, Sub-Series A-2 of 2010, previously issued by the Commission, (ii) making payments to the Pennsylvania Department of Transportation ("***PennDOT***") in accordance with Act 44 (as hereinafter defined) to fund certain grants to mass transit agencies, (iii) funding necessary reserves to the extent required for such financing, and (iv) paying the costs of issuing the 2010B Revenue Bonds. The proceeds of the 2010A MLF Special Revenue Bonds are being issued to finance the costs of (i) refunding a portion of the Subordinate Revenue Bond Anticipation Notes, Sub-Series A-1 of 2010, of the Commission, (ii) making payments to PennDOT in accordance with Act 44 to fund various road, highway, bridge and capital projects, (iii) funding a Funded Debt Service Sub-Account for the

2010A MLF Special Revenue Bonds, and (iv) paying the costs of issuing the 2010A MLF Special Revenue Bonds. See "PLAN OF FINANCING" and "ESTIMATED SOURCES AND USES OF FUNDS."

**Pennsylvania Turnpike Commission**

The Commission is an instrumentality of the Commonwealth of Pennsylvania (the "***Commonwealth***") created by the Enabling Acts (as defined below), with the power to construct, operate, and maintain the System (as defined and described in APPENDIX A) and to perform other functions authorized by Act 44. Its composition, powers, duties, functions, duration and all other attributes are derived from the Enabling Acts, as amended and supplemented from time to time. Except as provided therein, the Enabling Acts may be modified, suspended, extended or terminated at any time by further legislation.

**Subordinate Indenture and Enabling Acts**

The 2010 Bonds are being issued pursuant to that certain Subordinate Trust Indenture dated as of April 1, 2008 (the "***Original Subordinate Indenture***") between the Commission and TD Bank, National Association, as successor trustee (the "***Trustee***"), as heretofore amended and supplemented (collectively, the "***Original Indenture***"), and as further supplemented and amended by that certain Supplemental Trust Indenture No. 8 dated as of July 1, 2010 ("***Supplemental Subordinate Indenture No. 8***," and, collectively with the Original Indenture, the "***Subordinate Indenture***"), all pursuant to, and as authorized by, an Act of the General Assembly of Pennsylvania approved July 18, 2007, P. L. 169, No. 44 ("***Act 44***"), and various Acts of the General Assembly approved on several dates, including the Act of May 21, 1937, P.L. 774, Act 211; the Act of May 24, 1945, P.L. 972; the Act of February 26, 1947, P.L. 17; the Act of May 23, 1951, P.L. 335; the Act of August 14, 1951, P.L. 1232; and the Act of September 30, 1985, P.L. 240, No. 61 ("***Act 61***") to the extent not repealed by Act 44 (collectively, and together with Act 44, the "***Enabling Acts***") and Resolutions adopted by the Commission on March 3, 2010 and May 4, 2010.

**2010 Bonds**

The 2010 Bonds will bear interest at fixed interest rates and will mature, subject to prior redemption, on the dates and in the amounts set forth on the inside front cover page of this Official Statement.

Interest on the 2010B-1 Revenue Bonds and the 2010A-1 MLF Special Revenue Bonds is payable on each June 1 and December 1, commencing on December 1, 2010 (each an "***Interest Payment Date***" with respect to the 2010B-1 Revenue Bonds and the 2010A-1 MLF Special Revenue Bonds, respectively).

The 2010B-2 Revenue Bonds and the 2010A-2 MLF Special Revenue Bonds consist of convertible capital appreciation bonds (the "***Convertible Capital Appreciation Bonds")***. Interest on the Convertible Capital Appreciation Bonds will compound from their date of delivery to December 1, 2015 (the "***Current Interest Commencement Date***"). Prior to the Current Interest Commencement Date, interest will not be paid on a current basis, but will be added to the principal on each June 1 and December 1, commencing on December 1, 2010 (each a

"***Compounding Date***" with respect to the Convertible Capital Appreciation Bonds) (such compounded amount being, with respect to the Convertible Capital Appreciation Bonds at any particular time, the "***Compounded Amount***" thereof at such time), and will be treated as if accruing in equal daily amounts between Compounding Dates, until payable at maturity or upon prior redemption. See APPENDIX K – "TABLE OF COMPOUNDED AMOUNTS FOR CONVERTIBLE CAPITAL APPRECIATION BONDS." After the Current Interest Commencement Date, interest on the Convertible Capital Appreciation Bonds will be payable on a current basis on each June 1 and December 1, commencing on June 1, 2016.

The 2010A-3 MLF Special Revenue Bonds consist of capital appreciation bonds (the "***Capital Appreciation Bonds")***. Interest on the Capital Appreciation Bonds will compound from their date of delivery. Interest on the Capital Appreciation Bonds will not be paid on a current basis, but will be added to the principal on each June 1 and December 1, commencing on December 1, 2010 (each a "***Compounding Date***") (such compounded amount being, with respect to the Capital Appreciation Bonds at any particular time, the "***Compounded Amount***" thereof at such time), and will be treated as if accruing in equal daily amounts between Compounding Dates, until payable at maturity or upon prior redemption. See APPENDIX J – "TABLE OF COMPOUNDED AMOUNTS FOR CAPITAL APPRECIATION BONDS".

See "DESCRIPTION OF THE 2010 BONDS".

**Redemption**

The 2010 Bonds are subject to optional redemption and mandatory sinking fund redemption prior to maturity under certain circumstances as more fully set forth herein. See "DESCRIPTION OF THE 2010 BONDS – Redemption of 2010 Bonds."

**Security**

**THE 2010 BONDS ARE LIMITED OBLIGATIONS OF THE COMMISSION AND SHALL NOT BE DEEMED TO BE A DEBT OF THE COMMONWEALTH OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH. THE COMMONWEALTH IS NOT OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION WHATSOEVER FOR THE 2010 BONDS OR TO MAKE ANY APPROPRIATION FOR THE PAYMENT OF ANY OF THE 2010 BONDS. THE COMMISSION HAS NO TAXING POWER.**

<u>Security for the 2010B Revenue Bonds</u>.

The 2010B Revenue Bonds will be equally and ratably secured, along with the Commission's $244,855,000 aggregate principal amount of Turnpike Subordinate Revenue Bonds, Series A of 2008 (the "***2008A Bonds***") issued on April 29, 2008, the Commission's $233,905,000 aggregate principal amount of Turnpike Subordinate Revenue Bonds, Series B of 2008 (the "***2008B Bonds***") issued on July 30, 2008, the Commission's $231,335,000 aggregate amount of Turnpike Subordinate Revenue Bonds, Sub-Series C-1 of 2008 (the "***2008C-1 Bonds***") issued on October 28, 2008, the Commission's $308,035,000 aggregate principal amount of Turnpike Subordinate Revenue Bonds, Series A of 2009 (the "***2009A Bonds***") issued on January 22, 2009, the Commission's $856,735,000 aggregate principal amount of Turnpike

Subordinate Revenue Bonds, Series B of 2009 (the "***2009B Bonds***") issued on July 28, 2009, the Commission's $99,998,204 original aggregate principal amount of Turnpike Subordinate Revenue Bonds, Series C of 2009 (the "***2009C Bonds***") issued on July 28, 2009, the Commission's $324,745,000 aggregate principal amount of Turnpike Subordinate Revenue Bonds, Series D of 2009 (the "***2009D Bonds***") issued on October 27, 2009, the Commission's $200,004,558.45 Turnpike Subordinate Revenue Bonds, Series E of 2009 (the "***2009E Bonds***") issued on October 27, 2009, and along with any Additional Subordinate Indenture Bonds of the same class issued pursuant to the Subordinate Indenture and certain other Parity Obligations, by a pledge by the Commission of the Trust Estate consisting primarily of Commission Payments (hereinafter defined) from amounts released from the General Reserve Fund after the payment of all Senior Indenture Obligations issued under the Amended and Restated Trust Indenture, originally dated as of July 1, 1986 and amended and restated as of March 1, 2001 (as it may be further amended, supplemented or replaced, the "***Senior Indenture***"), between the Commission and U.S. Bank National Association, successor trustee, relating to the Commission's mainline toll revenue bonds. THE PAYMENT OF THE SUBORDINATE INDENTURE BONDS IS SUBJECT TO THE PRIOR RIGHT OF PAYMENT OF ALL SENIOR INDENTURE OBLIGATIONS ISSUED UNDER THE SENIOR INDENTURE AND, THEREFORE, THE CASH FLOW OF THE COMMISSION AVAILABLE FOR THE PAYMENT OF THE 2010 BONDS IS SUBORDINATE IN RIGHT OF PAYMENT TO THE PAYMENT OF ALL SUCH SENIOR INDENTURE OBLIGATIONS.

The 2010B Revenue Bonds are Debt Service Reserve Fund Bonds for the purpose of the Subordinate Indenture and, accordingly, are secured by moneys on deposit in the Debt Service Reserve Fund as more fully described in "SECURITY FOR THE 2010 BONDS – Debt Service Reserve Fund."

Security for the 2010A MLF Special Revenue Bonds.

The 2010A MLF Special Revenue Bonds are being issued under the Subordinate Indenture as "Special Revenue Bonds" (the "***Special Revenue Bonds***") which are subordinate to the Senior Indenture Obligations and to the 2010B Revenue Bonds and any obligations issued by the Commission under the Subordinate Indenture on parity with the 2010B Revenue Bonds. Under certain circumstances, payments of the 2010A MLF Special Revenue Bonds for which funds are not available in the Commission Payments Fund may be paid pursuant to Act 44 from funds transferred to the Trustee from the Commonwealth's Motor License Fund. No other Special Revenue Bonds have previously been issued under the Subordinate Indenture. See "SECURITY FOR THE 2010 BONDS – Special Revenue Bonds" for a description of the Special Revenue Bonds. See also APPENDIX I – "CERTAIN INFORMATION REGARDING COMMONWEALTH MOTOR LICENSE FUND."

The 2010A MLF Special Revenue Bonds are not secured by the Debt Service Reserve Fund under the Subordinate Indenture.

**2009 and 2010 Toll Increases and Future Toll Increases**

The Commission implemented a toll increase in the amount of 25% effective January 4, 2009 and a toll increase in the amount of 3% effective January 3, 2010. On July 13, 2010, the

Commission approved toll and fee increases effective January, 2011. Future toll increases will be determined by the Commission, taking into account the amount necessary to meet the then existing debt and operational obligations of the Commission. See APPENDIX A – "THE PENNSYLVANIA TURNPIKE – Revenue Sources of the Commission."

**Traffic Study**

Attached hereto as APPENDIX H is the Pennsylvania Turnpike 2009 Traffic and Revenue Update Study prepared by Wilbur Smith Associates dated January 6, 2009, together with a "Bring Down" letter from Wilbur Smith Associated dated March 30, 2010 (together, the "***Traffic Study***"). The Traffic Study, which should be reviewed in its entirety, updates the study conducted by Wilbur Smith Associates in May 2004, which was prepared in anticipation of the then last toll increase, which took effect on August 1, 2004. The "Bring Down" letter incorporates events that have occurred since the Pennsylvania Turnpike 2009 Traffic and Revenue Update Study, including toll rate increases of 25% in January 2009 and 3% in January 2010 and the continuing effects of the current economic downturn. With respect to the fifteen-month period from December 2008 through February 2010 forecasted in the January 2009 study, actual traffic experience outperformed estimates by 2.0% and actual toll revenue experience underperformed estimates by 0.6%. As set forth in the Traffic Study, total adjusted gross toll revenue is estimated to increase from $598.9 million in Fiscal Year 2007-08 to $2.6 billion by Fiscal Year 2034-35, representing 5.5% annualized growth. Total estimated toll revenue is about one percent lower than the estimate developed as part of the Pennsylvania Turnpike 2009 Traffic and Revenue Update Study. Annual toll rate adjustments of three percent were assumed to be implemented on, or about, January 1 of each year. However, as noted in the Traffic Study, because current traffic and revenue trends reflect the negative effects of the current economic downturn, the traffic forecasts made in the Traffic Study assume continued negative growth through the end of Fiscal Year 2009-10 and slightly positive growth through the end of Fiscal Year 2010-11, with the resumption of more "normal" growth patterns thereafter in the longer term forecasts. See "CERTAIN RISK FACTORS" and APPENDIX H – "TRAFFIC AND REVENUE STUDY." Despite the current low to negative growth forecasts, the Commission believes that it will have sufficient revenue to meet the debt and operational obligations of the Commission in future years.

**Recent Developments**

As more fully discussed in APPENDIX A, Act 44 obligated the Commission, among other things, to enter into a lease agreement relating to the Pennsylvania portion of I-80 with PennDOT and to make substantial annual payments to PennDOT to provide funds for various transportation needs in the Commonwealth. In addition, Act 44 granted the Commission the option to convert such portion of I-80 to a toll road (the "***Conversion***") subject to certain federal approvals and other conditions. In compliance with such requirements, the Commission and PennDOT entered into a Lease and Funding Agreement, dated October 14, 2007 (the "***Funding Agreement***"). Under the Funding Agreement, the Commission is granted the unilateral option to cause the Conversion to occur, upon the satisfaction of certain conditions stated in the Funding Agreement, during a period which, unless extended in accordance with the Funding Agreement, expires on October 14, 2010.

The Commission and PennDOT submitted a joint application for the Conversion to U.S. Department of Transportation – Federal Highway Administration ("***FHWA***") on October 13, 2007. On various dates, the FHWA asked for and the Commission and PennDOT provided the FHWA with additional information. On September 11, 2008, FHWA sent the Commission and PennDOT a letter stating that it could not approve the I-80 application at that time, primarily because of insufficient information concerning how rental payments for I-80 were determined and whether they are related to the true costs of the leasehold interest. The Commission and PennDOT submitted additional supplemental information to the FHWA in support of its I-80 application on October 29, 2009. The FHWA denied the amended application on April 6, 2010, finding that the proposed lease payment to PennDOT would have the effect of diverting toll revenues collected from the operation of I-80 to projects on other facilities, which it stated was contrary to the permitted uses of toll revenue under the Transportation Equity Act for the 21st Century.

Barring any unforeseen circumstances, the Commission does not expect to appeal the FHWA's decision or pursue the tolling of I-80 further and does not intend to extend the Conversion Period. Therefore, the Conversion Period is expected to lapse on October 14, 2010, the Commission will not be leasing I-80 from PennDOT, and all legal, financial and operational responsibility for I-80 will remain with PennDOT. Act 44 funding of highways and transit will drop from $900 million in Fiscal Year 2009-10 to $450 million annually for the remaining term of the Funding Agreement. Although the Commission believes that this reduction commences in Fiscal Year 2010-11, the Commonwealth may assert that a maximum of $922,500,000 is payable in Fiscal Year 2010-11. See APPENDIX A – "THE PENNSYLVANIA TURNPIKE – Act 44 and Recent Developments and Future Legislation" for more detail.

**Additional Indebtedness**

In July and August of 2010, the Commission is planning to issue approximately $210,000,000 aggregate principal amount of bonds under the Senior Indenture to refund other bonds outstanding under the Senior Indenture and is planning to issue other bonds under the Senior Indenture to finance a substantial portion of the Commission's Fiscal Year 2011 (and possibly Fiscal Year 2012) capital budget. The Commission is also planning to issue additional indebtedness under the Subordinate Indenture in the fall of 2010 to make additional required payments to PennDOT under the Funding Agreement. See also "THE PENNSYLVANIA TURNPIKE – Revenue Sources of the Commission -- Future Financing Considerations" in APPENDIX A.

**Act 44 Financial Plan**

In accordance with Act 44, the Commission is required to provide a financial plan (the "***Financial Plan***") to the Secretary of the Budget of the Commonwealth no later than June 1 of each year. The Financial Plan must describe the Commission's proposed operating and capital expenditures, borrowings, liquidity and other financial management covenants and policies, estimated toll rates and all other revenues and expenditures for the ensuing Fiscal Year. The Financial Plan must also show that the operation of the System can reasonably be anticipated to result in the Commission's ability to meet its payment obligations to PennDOT pursuant to the Funding Agreement and Act 44. It does not, however, address the funding needs for the

Mon/Fayette or Southern Beltway projects (see "CAPITAL IMPROVEMENTS – Mon/Fayette Expressway and Southern Beltway" in APPENDIX A hereto).

The Commission's Financial Plan for Fiscal Year 2011 indicates that in Fiscal Year 2010 it was able to meet all of its financial covenants and Act 44 obligations and was able to progress with its capital plan. Given the unprecedented economic environment, which is expected to continue to negatively impact both traffic and revenue, added snow removal costs associated with last winter's severe snow storms and additional contributions required by the State Employee Retirement System, the Commission plans to continue the cost containment and efficiency measures it implemented within the past few years. These measures, together with future toll increases, are expected to allow the Commission to meet its financial covenants, Act 44 obligations, and capital needs during Fiscal Year 2011.

The Financial Plan concludes that the Commission will continue to meet all of its indenture covenants and all of its other obligations through the 2057 Fiscal Year. However, as a forward-looking report, the Financial Plan makes certain assumptions, including future toll increases, to reach its conclusion that the financial covenants, Act 44 obligations and capital needs will be met beyond Fiscal Year 2011. Key among these assumptions is the Commission's ability to raise all tolls throughout the System. The Financial Plan reflects the full year effects of the 3% toll increase implemented in January 2010 and the partial year impacts of a planned toll increase of at least 3% in January 2011. The Financial Plan does not assume any tolling of I-80 and assumes a reduced level of funding obligations required by Act 44. No assurances can be made by the Commission with respect to the assumptions made or conclusions reached in the Financial Plan. A complete copy of the Financial Plan can be obtained by contacting the Commission. See APPENDIX A – "THE PENNSYLVANIA TURNPIKE – Act 44" for more detail.

## DESCRIPTION OF THE 2010 BONDS

### General

The 2010 Bonds are being issued by the Commission pursuant to the Enabling Acts and the Subordinate Indenture and will be dated the date of their issuance and delivery. The 2010B Revenue Bonds and the 2010A MLF Special Revenue Bonds will be issued in the principal amounts, bearing interest at the rates or compounding at the yields, paying interest on the dates, and maturing (subject to the rights of prior redemption described below) on the dates, all as shown on the inside cover page of this Official Statement.

For purposes of this Official Statement, except where specifically noted to the contrary, references to "principal" shall mean, in the case of Capital Appreciation Bonds and Convertible Capital Appreciation Bonds at any time, the Compounded Amount thereof at such time. The "Compounded Amount" shall mean, on any date and with respect to any Capital Appreciation Bond or Convertible Capital Appreciation Bond, the initial principal amount at issuance of such Convertible Capital Appreciation Bond plus accretion of principal, compounding on each Compounding Date to the maturity date thereof (in the case of Capital Appreciation Bonds) or to the Current Interest Commencement Date (in the case of Convertible Capital Appreciation Bonds) at the same interest rate as shall produce a compounded amount on such date of maturity or Current Interest Commencement Date, as applicable, equal to the principal amount thereof on such date; provided that the Compounded Amount on any day which is not a Compounding Date shall be determined on the assumption that the Compounded Amount accrues in equal daily amounts between Compounding Dates.

*2010B-1 Revenue Bonds and 2010A-1 MLF Special Revenue Bonds.* Interest on the 2010B-1 Revenue Bonds and the 2010A-1 MLF Special Revenue Bonds will accrue from their date of delivery and will be payable semi-annually to maturity (or earlier redemption) on June 1 and December 1, commencing on December 1, 2010 (each an "***Interest Payment Date***" with respect to the 2010B-1 Revenue Bonds and the 2010A-1 MLF Special Revenue Bonds, respectively).

*2010B-2 Revenue Bonds and 2010A-2 MLF Special Revenue Bonds.* Interest on the Convertible Capital Appreciation Bonds will compound from their date of delivery to December 1, 2015 (the "***Current Interest Commencement Date***"). Prior to the Current Interest Commencement Date, interest will not be paid on a current basis, but will be added to the principal on each Compounding Date, commencing December 1, 2010, and will be treated as if accruing in equal daily amounts between Compounding Dates, until payable at maturity or upon redemption. See APPENDIX K – "TABLE OF COMPOUNDED AMOUNTS FOR CONVERTIBLE CAPITAL APPRECIATION BONDS." After the Current Interest Commencement Date, interest on the Convertible Capital Appreciation Bonds will be payable on the Compounded Amount as of the Current Interest Commencement Date on a current basis on each June 1 and December 1, commencing on June 1, 2016 (each, an "***Interest Payment Date***" with respect to the 2010B-2 Revenue Bonds and the 2010A-2 MLF Special Revenue Bonds).

*2010A-3 MLF Special Revenue Bonds*. Interest on the Capital Appreciation Bonds will compound from their date of delivery. Interest on the Capital Appreciation Bonds will not be paid on a current basis, but will be added to the principal on each Compounding Date, commencing December 1, 2010, and will be treated as if accruing in equal daily amounts between Compounding Dates, until payable at maturity or upon redemption. See APPENDIX J – "TABLE OF COMPOUNDED AMOUNTS FOR CAPITAL APPRECIATION BONDS."

The 2010 Bonds will be issued in fully registered form in denominations (or Maturity Amount, in the case of the Capital Appreciation Bonds and Convertible Capital Appreciation Bonds) of $5,000 or any integral multiple thereof. As provided in the Subordinate Indenture, the principal or redemption price of the 2010 Bonds is payable at the designated payment office of the Trustee located in Philadelphia, Pennsylvania. Interest on the 2010 Bonds, if applicable, shall be paid to the person whose name appears on the bond registration books of the Trustee as the holder thereof as of the close of business on the Record Date for each Interest Payment Date. Payment of the interest on the 2010 Bonds shall be made by check mailed by first class mail to such holder at its address as it appears on such registration books or, upon the written request of any holder of at least $1,000,000 in aggregate principal amount (or Compounded Amount, if applicable) of 2010 Bonds, submitted to the Trustee no later than ten Business Days prior to the Record Date, by wire transfer in immediately available funds to an account within the United States designated by such holder. If the Commission defaults in the payment of interest due on any Interest Payment Date, Defaulted Interest will be payable to the person in whose name such 2010 Bond is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest established by notice mailed by the Trustee to the Bondholders not less than ten days prior to such Special Record Date. Such notice of the Special Record Date will be mailed to the persons in whose names the 2010 Bonds are registered at the close of business on the 10th day preceding the date of mailing.

Upon original issuance, the 2010 Bonds will be registered in the name of and held by Cede & Co., as registered holder and nominee for DTC. The 2010 Bonds initially will be issued as one fully registered certificate for each maturity and sub-series. Purchases of the 2010 Bonds will initially be made in book-entry form. See APPENDIX D – “SECURITIES DEPOSITORY” herein. As long as the 2010 Bonds are registered in the name of DTC or its nominee, Cede & Co., payments of the principal of, redemption premium, if any, and interest on the 2010 Bonds will be paid directly to Cede & Co. by wire transfer by TD Bank, National Association, Philadelphia, Pennsylvania, as Paying Agent (the “***Paying Agent***”), on each Interest Payment Date. While the book-entry only system is in effect, transfers and exchanges of the 2010 Bonds will be effected through DTC’s book-entry system.

DTC may determine to discontinue providing its service with respect to the 2010 Bonds at any time by giving notice to the Commission and discharging its responsibilities with respect thereto under applicable law or the Commission may determine to discontinue the system of book-entry-only transfers through DTC (or a successor securities depository). Under such circumstances, 2010 Bonds will be authenticated and delivered as provided in the Subordinate Indenture to the Beneficial Owners of the 2010 Bonds, who shall then become the registered owners thereof.

If the book-entry-only system is discontinued and the Beneficial Owners become registered owners of the 2010 Bonds, the Commission shall immediately advise the Trustee in writing of the procedures for transfer of the 2010 Bonds from book-entry-only form to a fully registered form.

Defaulted Interest with respect to any 2010 Bond shall cease to be payable to the Owner of such 2010 Bond on the relevant Record Date and shall be payable to the Owner in whose name such 2010 Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed in the following manner: The Commission shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each 2010 Bond and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and shall deposit with the Trustee at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment; money deposited with the Trustee shall be held in trust for the benefit of the Owners of the 2010 Bonds entitled to such Defaulted Interest. Following receipt of such funds the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Commission of such Special Record Date and, in the name and at the expense of the Commission, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Owner of a 2010

Bond entitled to such notice at the address of such owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

**THE 2010 BONDS ARE NOT SUBJECT TO ACCELERATION IN THE EVENT OF A DEFAULT.**

**Registration, Transfer and Exchange**

The Trustee shall act as initial registrar for the 2010 Bonds (the "***2010 Bond Registrar***") and in such capacity shall maintain a register (the "***Bond Register***") for the registration and transfer of 2010 Bonds. Upon surrender of any 2010 Bonds at the designated office of the Trustee, as the 2010 Bond Registrar, together with an assignment duly executed by the current holder of such 2010 Bonds or such holder's duly authorized attorney or legal representative in such form as shall be satisfactory to the Trustee, such 2010 Bonds may, at the option of the holder, be exchanged for an equal aggregate principal amount of 2010 Bonds of the same series and sub-series, of the same maturity, of Authorized Denominations and bearing interest at the same rate and in the same form as the 2010 Bonds surrendered for exchange, registered in the name or names designated on the assignment; provided the Trustee is not required to exchange or register the transfer of 2010 Bonds after the giving of notice calling such 2010 Bond for redemption, in whole or in part. The Commission shall execute and the Trustee shall authenticate any 2010 Bonds whose execution and authentication is necessary to provide for exchange of 2010 Bonds and the Commission may rely on a representation from the Trustee that such execution is required.

The Trustee may make a charge to any 2010 Bondholder requesting such exchange or registration in the amount of any tax or other governmental charge required to be paid with respect thereto and the Commission may charge such amount as it deems appropriate for each new 2010 Bond delivered upon such exchange or transfer, which charge or charges shall be paid before any new 2010 Bond shall be delivered.

Prior to due presentment for registration of transfer of any 2010 Bond, the Trustee shall treat the Person shown on the 2010 Bond Register as owning a 2010 Bond as the 2010 Bondholder and the Person exclusively entitled to payment of principal thereof, redemption premium, if any, and interest thereon and, except as otherwise expressly provided herein, the exercise of all other rights and powers of the owner thereof, and neither the Commission, the Trustee nor any agent of the Commission or the Trustee shall be affected by notice to the contrary.

The Trustee shall not be required to (i) transfer or exchange any 2010 Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of such 2010 Bond and ending at the close of business on the day of such mailing, or (ii) transfer or exchange any 2010 Bond so selected for redemption in whole or in part, or during a period beginning at the opening of business on any Record Date for such 2010 Bond and ending at the close of business on the relevant Interest Payment Date therefor.

The Subordinate Indenture, and all provisions thereof, are incorporated by reference in the text of the 2010 Bonds, and the 2010 Bonds provide that each registered owner, Beneficial

Owner, Participant or Indirect Participant (as such terms are defined in Appendix D hereto) by acceptance of a 2010 Bond (including receipt of a book-entry credit evidencing an interest therein) assents to all of such provisions as an explicit and material portion of the consideration running to the Commission to induce it to issue such 2010 Bond.

**Redemption of 2010 Bonds**

The 2010 Bonds are subject to optional redemption and mandatory redemption as set forth below.

*Optional Redemption of 2010B Revenue Bonds*.

The 2010B-1 Revenue Bonds are subject to redemption prior to maturity at the option of the Commission at any time on or after December 1, 2019 as a whole or in part by lot at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date.

The 2010B-2 Revenue Bonds are subject to redemption prior to maturity at the option of the Commission at any time on or after December 1, 2020 as a whole or in part by lot at a redemption price equal to 100% of the Compounded Amount thereof, plus accrued interest to the redemption date.

*Optional Redemption of 2010A MLF Special Revenue Bonds*.

The 2010A-1 MLF Special Revenue Bonds are subject to redemption prior to maturity at the option of the Commission at any time on and after December 1, 2019, as a whole or in part by lot at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date.

The 2010A-2 MLF Special Revenue Bonds are subject to redemption prior to maturity at the option of the Commission at any time on or after December 1, 2020, as a whole or in part by lot at a redemption price equal to 100% of the Compounded Amount thereof, plus accrued interest to the redemption date.

Subject to the limitations in the Enabling Acts, the 2010A-3 MLF Special Revenue Bonds are subject to redemption prior to maturity at the option of the Commission at any time as a whole or in part by lot at a redemption price equal to the greater of: (i) 100% of the Compounded Amount thereof, or (ii) the sum of the present values of the remaining scheduled payments of debt service on the 2010A-3 MLF Special Revenue Bonds to be redeemed, discounted on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Applicable Tax-Exempt Municipal Bond Rate (as hereinafter defined).

Although the Capital Appreciation Bonds are subject to optional redemption as provided in the preceding paragraphs, under Act 44 as currently enacted, the Commission is not authorized to redeem the Capital Appreciation Bonds if the redemption price on such Capital Appreciation Bonds is in excess of the sum of (i) 105% of the initial principal amount at issuance of the Capital Appreciation Bonds to be redeemed, plus (ii) accretion of principal of the Capital Appreciation Bonds to be redeemed to the date of redemption.

The "Applicable Tax-Exempt Municipal Bond Rate" for any Capital Appreciation Bond to be redeemed will be the comparable "AAA General Obligations" yield curve rate for the remaining weighted average maturity date of such Capital Appreciation Bond as published by Municipal Market Data. If no such yield curve rate is established for the applicable year, the comparable "AAA General Obligations" yield curve rate for the two published maturities most closely corresponding to the applicable year will be determined, and the Applicable Tax-Exempt Municipal Bond Rate will be interpolated or extrapolated from those yield curve rates on a straight-line basis. This rate is made available daily by Municipal Market Data and is available to its subscribers through its internet address: www.tm3.com.

In calculating the Applicable Tax-Exempt Municipal Bond Rate, should Municipal Market Data no longer publish the comparable "AAA General Obligations" yield curve rate, the Applicable Tax-Exempt Municipal Bond Rate will equal the "Consensus Scale" yield curve rate for the applicable year. The "Consensus Scale" yield curve rate is made available daily by Municipal Market Advisors and is available to its subscribers through its internet address: www.theconsensus.com.

The Applicable Tax-Exempt Municipal Bond Rate shall be calculated on the fifth business day preceding the redemption date.

*Mandatory Redemption*

*Mandatory Sinking Fund Redemption of 2010B-1 Revenue Bonds*. The 2010B-1 Revenue Bonds maturing on December 1, 2021 and on December 1, 2037 shall be subject to mandatory sinking fund redemption prior to maturity by the Commission in part on December 1 of the respective years and in the principal amounts each year set forth in the table below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date:

**2010B-1 Revenue Bonds maturing December 1, 2021**

| **Year** | **Amount** |
|---|---|
| 2020 | $11,285,000 |
| 2021* | 11,850,000 |

* Maturity

**2010B-1 Revenue Bonds maturing December 1, 2037**

| **Year** | **Amount** |
|---|---|
| 2035 | $25,805,000 |
| 2036 | 27,095,000 |
| 2037* | 28,450,000 |

* Maturity

*Mandatory Sinking Fund Redemption of 2010B-2 Revenue Bonds*. The 2010B-2 Revenue Bonds maturing on December 1, 2024, December 1, 2028 and December 1, 2034 shall be subject to mandatory sinking fund redemption prior to maturity by the Commission in part on December 1 of the respective years and in the Compound Amounts set forth in the table below (with corresponding initial principal amounts), at a redemption price equal to 100% of the Compounded Amount thereof, plus accrued interest to the redemption date:

**2010B-2 Revenue Bonds maturing December 1, 2024**

| Year | Redemption Amount | Initial Amount |
|---|---|---|
| 2022 | $12,440,000 | $9,382,870.00 |
| 2023 | 13,105,000 | 9,884,446.25 |
| 2024* | 13,810,000 | 10,416,192.50 |

**2010B-2 Revenue Bonds maturing December 1, 2028**

| Year | Redemption Amount | Initial Amount |
|---|---|---|
| 2025 | $14,545,000 | $10,744,827.85 |
| 2026 | 15,385,000 | 11,365,361.05 |
| 2027 | 16,265,000 | 12,015,443.45 |
| 2028* | 17,200,000 | 12,706,156.00 |

**2010B-2 Revenue Bonds maturing December 1, 2034**

| Year | Redemption Amount | Initial Amount |
|---|---|---|
| 2029 | $18,190,000 | $13,264,329.90 |
| 2030 | 19,280,000 | 14,059,168.80 |
| 2031 | 20,440,000 | 14,905,052.40 |
| 2032 | 21,665,000 | 15,798,334.65 |
| 2033 | 22,965,000 | 16,746,307.65 |
| 2034* | 24,345,000 | 17,752,617.45 |

* Final Maturity

*Mandatory Sinking Fund Redemption of 2010A-1 MLF Special Revenue Bonds*. The 2010A-1 MLF Special Revenue Bonds maturing on December 1, 2038 shall be subject to mandatory sinking fund redemption prior to maturity by the Commission in part on December 1 of the respective years and in the principal amounts each year as set forth in the table below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date:

**2010A-1 MLF Special Revenue Bonds maturing December 1, 2038 (4.50% coupon)**

| Year | Amount |
|---|---|
| 2035 | $6,125,000 |
| 2036 | 6,425,000 |
| 2037 | 6,740,000 |
| 2038* | 7,070,000 |

**2010A-1 MLF Special Revenue Bonds maturing December 1, 2038 (5.00% coupon)**

| Year | Amount |
|---|---|
| 2035 | $15,465,000 |
| 2036 | 16,215,000 |
| 2037 | 16,995,000 |
| 2038* | 17,820,000 |

* Final Maturity

*Mandatory Sinking Fund Redemption of 2010A-2 MLF Special Revenue Bonds*. The 2010A-2 MLF Special Revenue Bonds maturing on December 1, 2034 shall be subject to mandatory sinking fund redemption prior to maturity by the Commission in part on December 1 of the respective years and in the Compounded Amount as set forth in the table below (with corresponding initial principal amounts), at a redemption price equal to 100% of the Compounded Amount thereof, plus accrued interest to the redemption date:

**<u>2010A-2 MLF Special Revenue Bonds maturing December 1, 2034</u>**

| **Year** | **Redemption Amount** | **Initial Amount** |
|---|---|---|
| 2030 | $16,520,000 | $12,363,402.80 |
| 2031 | 17,425,000 | 13,040,695.75 |
| 2032 | 18,385,000 | 13,759,150.15 |
| 2033 | 19,395,000 | 14,515,024.05 |
| 2034* | 20,465,000 | 15,315,801.35 |

* Final Maturity

**Selection of 2010 Bonds to be Redeemed**

Except as to any mandatory sinking fund redemption of 2010 Bonds as described above, any partial redemption of the 2010 Bonds may be in any order of maturity and in any principal amount within a maturity as designated by the Commission and in the case of any 2010 Bonds subject to mandatory redemption, the Commission shall be entitled to designate whether such payments shall be credited against principal amounts due at maturity or against particular scheduled mandatory redemption obligations with respect to such 2010 Bonds.

The portion of any 2010 Bond to be redeemed shall be an Authorized Denomination or any multiple thereof and in selecting 2010 Bonds for redemption, each 2010 Bond shall be considered as representing that number of 2010 Bonds which is obtained by dividing the principal amount of such 2010 Bond by the minimum Authorized Denomination. If a portion of a 2010 Bond shall be called for redemption, a new 2010 Bond of the same series, sub-series and maturity in principal amount equal to the unredeemed portion thereof shall be issued to the bondholder thereof upon the surrender of such 2010 Bond. If for any reason the principal amount of 2010 Bonds called for redemption would result in a redemption of 2010 Bonds less than the Authorized Denomination, the Trustee, to the extent possible within the principal amount of such bonds to be redeemed, is authorized to adjust the selection of 2010 Bonds for such purpose in order to minimize any such redemption. Notwithstanding the foregoing, the Securities Depository shall select the 2010 Bonds for redemption within particular maturities according to its stated procedures.

*Notice of Redemption*. The Trustee, at the expense of the Commission, shall send notice of any redemption, identifying the 2010 Bonds to be redeemed, the redemption date and the method and place of payment and the information set forth in the following paragraph, by first class mail to each holder of a 2010 Bond called for redemption to the holder's address listed on the 2010 Bond Register. Such notice shall be sent by the Trustee by first class mail between 30 and 60 days prior to the scheduled redemption date.

In addition to the foregoing, the redemption notice shall contain with respect to each 2010 Bond being redeemed, (1) the CUSIP number, (2) the date of issue, (3) the interest rate, (4) the maturity date, and (5) any other descriptive information determined by the Trustee to be needed to identify the 2010 Bonds. If a redemption is a Conditional Redemption (as hereinafter defined), the notice shall so state. The Trustee also shall send each notice of redemption to (i) any Rating Agency then rating the 2010 Bonds to be redeemed; (ii) all of the registered clearing agencies known to the Trustee to be in the business of holding substantial amounts of bonds of a type similar to the 2010 Bonds; (iii) the Municipal Securities Rulemaking Board Electronic Municipal Market Access website and any similar entities which are required recipients by reason of continuing disclosure undertakings or regulatory requirements, such services to be identified by the Trustee, and (iv) one or more other national information services that disseminate notices of redemption of bonds such as the 2010 Bonds, such services to be identified by the Trustee.

In the case of an optional redemption of 2010 Bonds, the notice may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the redemption date, or (2) that the Commission retains the right to rescind such notice at any time prior to the scheduled redemption date if the Commission delivers a certificate of a Commission Official to the Trustee instructing the Trustee to rescind the redemption notice (in either case, a "***Conditional Redemption***"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described below.

*Purchase of 2010 Bonds at Any Time*. The Trustee, upon the written request of the Commission, shall purchase 2010 Bonds as specified by the Commission in the open market at a price not exceeding the price specified by the Commission. Such purchase of 2010 Bonds shall be made with funds available under the Subordinate Indenture or provided by the Commission in such written request. Upon purchase by the Trustee, such 2010 Bonds shall be treated as delivered for cancellation under the terms of the Subordinate Indenture. Nothing in the Subordinate Indenture shall prevent the Commission from purchasing 2010 Bonds on the open market without the involvement of the Trustee and delivering such 2010 Bonds to the Trustee for cancellation under the Subordinate Indenture. 2010 Bonds purchased by the Commission and delivered to the Trustee under the terms of the Subordinate Indenture which are subject to a mandatory sinking fund redemption schedule may be credited against future mandatory sinking fund redemption payments.

## PLAN OF FINANCING

The 2010B Revenue Bonds are being issued to provide funds to finance the costs of (i) refunding a portion of the $225,095,000 Subordinate Revenue Bond Anticipation Notes, Sub-Series A-1 of 2010 (the "***2010A-1 BANS***"), and all of the $79,900,000 Subordinate Revenue Bond Anticipation Notes, Sub-Series A-2 of 2010, previously issued by the Commission (together, the "***2010A BANS***"), (ii) making payments to PennDOT in accordance with Act 44 to fund certain grants to mass transit agencies, (iii) making an additional deposit to the Debt Service Reserve Fund, and (iv) paying the costs of issuing the 2010B Revenue Bonds. The 2010A BANS were issued by the Commission to finance the costs of making payments in accordance with Act 44 pursuant to the Funding Agreement to fund certain grants to mass transit agencies and various road, highway, bridge and capital projects and to refund the Commission's Subordinate Revenue Bond Anticipation Notes, Sub-Series C-4 of 2008 (Federally Taxable). The 2010A BANS are currently owned by J.P.Morgan Securities Inc., which is one of the Underwriters in this transaction.

The 2010A MLF Special Revenue Bonds are being issued to provide funds to finance the costs of (i) refunding a portion of the 2010A-1 BANS, (ii) making payments to PennDOT in accordance with Act 44 to fund various road, highway, bridge and capital projects, (iii) funding a Funded Debt Service Sub-Account for the 2010A MLF Special Revenue Bonds, and (iv) paying the costs of issuing the 2010A MLF Special Revenue Bonds.

## ESTIMATED SOURCES AND USES OF FUNDS

| | 2010B Revenue Bonds | 2010A MLF Special Revenue Bonds |
|---|---|---|
| **Sources:** | | |
| Bond Proceeds: | | |
| Par Amount | $273,526,108 | $187,816,151 |
| Net Original Issue Premium | 1,823,167 | 1,856,660 |
| TOTAL SOURCES | $275,349,275 | $189,672,811 |
| **Uses:** | | |
| Act 44 Payment [1] | $ 62,500,000 | $ 50,000,000 |
| Redemption of 2010A BANS [1] | 180,712,112 | 125,000,000 |
| Debt Service Reserve Fund Deposit relating to 2010B Revenue Bonds | 29,891,700 | |
| Funded Debt Service Sub-Account Deposit relating to 2010A MLF Special Revenue Bonds | | 13,053,200 |
| Cost of Issuance [2] | 2,245,463 | 1,619,611 |
| TOTAL USES | $275,349,275 | $189,672,811 |

1 Only the PennDOT capital project component of the ACT 44 payments (and not the grant portions) will be funded with the proceeds of the 2010A MLF Special Revenue Bonds.

2 Includes underwriters' discount, fees and expenses of bond counsel and counsel to the underwriters, rating agency fees, printing expenses, fees and expenses of financial advisors, trustee fees, and other similar costs and expenses.

## SECURITY FOR THE 2010 BONDS

### 2010B Revenue Bonds – General

The 2010B Revenue Bonds are limited obligations of the Commission. The 2010B Revenue Bonds will be secured, along with the 2008A Bonds, the 2008B Bonds, the 2008C-1 Bonds, the 2009A Bonds, the 2009B Bonds, the 2009C Bonds, the 2009D Bonds, the 2009E Bonds and any Additional Subordinate Indenture Bonds and other Parity Obligations under the Subordinate Indenture, except as otherwise noted below, by the pledge by the Commission to the Trustee of (1) the Commission Payments (as described below), (2) all monies deposited into accounts or funds (other than the Rebate Fund, the Special Revenue Bonds Receipts Account and the Special Revenue Bonds Funded Debt Service Sub-Account) created by the Subordinate Indenture and held by or on behalf of the Trustee, (3) any insurance proceeds and other moneys required to be deposited therein, (4) all payments received by the Commission pursuant to Parity Swap Agreements, and (5) all investment earnings on all moneys held in accounts and funds established by the Subordinate Indenture, other than the Rebate Fund and the Special Revenue Bonds Funded Debt Service Sub-Account (collectively, the "***Trust Estate***"). "***Commission Payments***" consist of certain payments made by the Commission from funds on deposit in the General Reserve Fund established under the Senior Indenture. The Subordinate Indenture does not create a lien on the General Reserve Fund. Under the Senior Indenture, holders of the Senior Bonds are granted a lien on the Tolls, certain other revenues and funds established under the Senior Indenture, including the General Reserve Fund, and pledged by the Commission as part of the Senior Trust Estate. The Subordinate Indenture does not create any lien on Tolls, other revenues and funds established under the Senior Indenture. See "SECURITY FOR THE 2010 BONDS – Commission Payments" below.

The Subordinate Indenture further provides that the Commission may not issue Additional Subordinate Indenture Bonds nor incur other Parity Obligations except upon satisfaction of various requirements as expressly provided in the Subordinate Indenture. See APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE – LIMITATIONS ON ISSUANCE OF ADDITIONAL SUBORDINATE INDENTURE BONDS AND EXECUTION OF APPROVED SWAP."

The 2010B Revenue Bonds are Debt Service Reserve Fund Bonds for the purpose of the Subordinate Indenture and, accordingly, are secured by moneys on deposit in the Debt Service Reserve Fund. The amount in the Debt Service Reserve Fund will be sufficient to fulfill the Debt Service Reserve Fund Requirement of the Subordinate Indenture with respect to the 2010B Revenue Bonds, the 2008A Bonds, the 2008B Bonds, the 2008C-1 Bonds, the 2009A Bonds, the 2009B Bonds, the 2009C Bonds, the 2009D Bonds and the 2009E Bonds, which currently constitute all outstanding Debt Service Reserve Fund Bonds under the Subordinate Indenture.

**2010A MLF Special Revenue Bonds – General**

The 2010A MLF Special Revenue Bonds are limited obligations of the Commission and are secured by the Trust Estate under the Subordinate Indenture, but are junior and subordinate in right of payment to the 2010B Revenue Bonds and all other bonds issued or to be issued on a parity with the 2010B Revenue Bonds in that Commission Payments must be applied to all such bonds before being used to pay the 2010A MLF Special Revenue Bonds. If Commission Payments are not sufficient to make payments with respect to the 2010A MLF Special Revenue Bonds, however, then Act 44 directs the Treasurer of the Commonwealth to transfer funds from the Commonwealth's Motor License Fund to the Trustee to fund such payments. See "Special Revenue Bonds" and "MOTOR LICENSE FUND" below and APPENDIX I – "CERTAIN INFORMATION REGARDING COMMONWEALTH MOTOR LICENSE FUND."

The 2010A MLF Special Revenue Bonds are the first series of "Special Revenue Bonds" to be issued under the Subordinate Indenture. The 2010A MLF Special Revenue Bonds are <u>not</u> "Debt Service Reserve Fund Bonds" under the Subordinate Indenture and, therefore, the 2010A MLF Special Revenue Bonds are <u>not</u> secured by the Debt Service Reserve Fund created under the Subordinate Indenture.

However, the 2010A MLF Special Revenue Bonds are secured by the Special Revenue Bonds Receipts Account and by the Funded Debt Service Sub-Account created within the Debt

Service Fund under the Subordinate Indenture. See “SECURITY FOR THE 2010 BONDS – Special Revenue Bonds” and “SECURITY FOR THE 2010 BONDS – Debt Service Fund” herein.

**Limitation**

TOLL REVENUES, OIL FRANCHISE TAX REVENUES, AND REGISTRATION FEE REVENUES (EXCEPT FOR DEPOSITS MADE BY THE COMMONWEALTH TO THE SPECIAL REVENUE BONDS RECEIPTS ACCOUNT, WHICH ACCOUNT DOES NOT SECURE THE 2010B REVENUE BONDS), AS WELL AS OTHER SOURCES OF THE COMMISSION’S REVENUES ARE NOT PLEDGED UNDER THE SUBORDINATE INDENTURE AS PART OF THE TRUST ESTATE. THE TRUST ESTATE IS LIMITED TO FUNDS AVAILABLE AND TRANSFERRED TO THE TRUSTEE FROM THE GENERAL RESERVE FUND UNDER THE SENIOR INDENTURE AND CERTAIN OTHER AMOUNTS ON DEPOSIT WITH THE TRUSTEE. THE SUBORDINATE INDENTURE DOES NOT CREATE A LIEN UPON THE MOTOR LICENSE FUND OR UPON ANY ACCOUNT THEREIN. THE TRUST ESTATE AS DEFINED IN THE SUBORDINATE INDENTURE ALSO EXCLUDES ALL MONIES HELD IN THE REBATE FUND ESTABLISHED UNDER THE SUBORDINATE INDENTURE.

**THE 2010 BONDS ARE LIMITED OBLIGATIONS OF THE COMMISSION AND SHALL NOT BE DEEMED TO BE A DEBT OF THE COMMONWEALTH OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH. THE COMMONWEALTH IS NOT OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION WHATSOEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THE PAYMENT OF ANY OF THE 2010 BONDS.**

**Senior Revenue Bonds and Other Senior Parity Obligations**

The Commission has previously issued Senior Revenue Bonds under the Senior Indenture, $2,262,455,000 of which are currently outstanding. Under the terms of the Senior Indenture the Commission may issue additional Senior Revenue Bonds. THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON ALL SUCH SENIOR REVENUE BONDS WILL BE PAID PRIOR TO THE PAYMENT OF THE SUBORDINATE INDENTURE BONDS, INCLUDING THE 2010 BONDS, EXCEPT TO THE EXTENT ANY SPECIAL REVENUE BONDS ARE PAID FROM AMOUNTS TRANSFERRED TO THE TRUSTEE FROM THE MOTOR LICENSE FUND.

In addition to the Outstanding Senior Revenue Bonds, the Commission has entered into various interest rate exchange agreements with an outstanding notional amount of $1.88 billion that constitute Senior Parity Swap Agreements under the Senior Indenture. Under the terms of the Senior Indenture, amounts payable under Senior Parity Swap Agreements, including certain termination payments, are secured on a parity with the Senior Revenue Bonds in the trust estate under the Senior Indenture and senior to the liens of the Subordinate Indenture in the Trust Estate. Under the terms of the Senior Indenture the Commission may enter into additional Senior Parity Swap Agreements. ALL AMOUNTS PAYABLE UNDER ALL SUCH SENIOR PARITY SWAP AGREEMENTS, INCLUDING CERTAIN TERMINATION PAYMENTS,

WILL BE PAID PRIOR TO THE PAYMENT OF THE SUBORDINATE INDENTURE BONDS, INCLUDING THE 2010 BONDS, EXCEPT TO THE EXTENT ANY SPECIAL REVENUE BONDS ARE PAID FROM AMOUNTS TRANSFERRED TO THE TRUSTEE FROM THE MOTOR LICENSE FUND. See “THE PENNSYLVANIA TURNPIKE – Financial Policies and Guidelines” in APPENDIX A.

**Subordinate Indenture Bonds and Other Parity Obligations**

The 2010 Bonds are the tenth and eleventh series of bonds, respectively, issued by the Commission under the Subordinate Indenture. After giving effect to the issuance of the 2010 Bonds and the application of the proceeds thereof, $2,946,585,022 principal amount of Subordinate Indenture Bonds and bond anticipation notes will be outstanding under the Subordinate Indenture. Upon the fulfillment of conditions set forth in the Subordinate Indenture, the Commission may issue Additional Subordinate Indenture Bonds under the terms of the Subordinate Indenture which will have an equal claim to the Trust Estate with the 2008A Bonds, the 2008B Bonds, the 2008C-1 Bonds, the 2009A Bonds, the 2009B Bonds, the 2009C Bonds, the 2009D Bonds, the 2009E Bonds and the 2010B Revenue Bonds. However, all such Additional Subordinate Indenture Bonds issued under the terms of the Subordinate Indenture shall be subordinate to the payment of all Senior Indenture Obligations issued pursuant to the Senior Indenture. See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE.”

In addition to Additional Subordinate Indenture Bonds, the Commission is authorized under the terms of the Subordinate Indenture to enter into various interest rate exchange agreements that will constitute Parity Swap Agreements under the Subordinate Indenture. The Commission has not entered into any such Parity Swap Agreements under the Subordinate Indenture. Under the terms of the Subordinate Indenture, amounts payable under Parity Swap Agreements entered into by the Commission, including certain termination payments, may be secured on a parity with Subordinate Indenture Bonds of a particular Class, including the 2010B Revenue Bonds or the 2010A MLF Special Revenue Bonds, in the Trust Estate. See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE.”

**Special Revenue Bonds**

Under Act 44, the Commission is authorized to issue Special Revenue Bonds (as defined in §9511.2 of Act 44) up to an aggregate principal amount of $5 billion (not to exceed $600 million per year), exclusive of original issue discount, for the purpose of paying bond-related expenses and costs of PennDOT (specifically, highway, bridge and other capital projects). The 2010A MLF Special Revenue Bonds are the first series of Special Revenue Bonds being issued by the Commission under the Subordinate Indenture. Special Revenue Bonds are subordinate to Revenue Bonds (including the 2010B Revenue Bonds) with respect to their claim on Commission Payments. The Commission may also issue additional Special Revenue Bonds under the Subordinate Indenture, which additional Special Revenue Bonds would be subordinate to the Revenue Bonds but on parity with the 2010A MLF Special Revenue Bonds. In the event the Commission does not make a required deposit for debt service on Special Revenue Bonds with the Trustee, such deposit is to be made from funds available for such purpose on deposit in the Commonwealth's Motor License Fund. The Commonwealth has no obligation to provide any funds, other than available funds on deposit in the Motor License Fund, for the payment of any Special Revenue Bonds. See "THE PENNSYLVANIA TURNPIKE – Act 44 -- *Statutory Limitations on the Incurrence of Special Revenue Bonds*" in APPENDIX A for a more detailed discussion of Special Revenue Bonds and the Commission's related reimbursement obligations related to withdrawals from the Motor License Fund.

In connection with the issuance by the Commission of the 2010A MLF Special Revenue Bonds, a Memorandum of Agreement (the "***Memorandum of Agreement***") has been executed by PennDOT, the Office of the Budget of the Commonwealth and the State Treasurer of the Commonwealth. In the Memorandum of Agreement, the State Treasurer has agreed to create a separate account, designated the "***PTC Special Revenue Bonds Account***", within the Motor License Fund and to use its best efforts to maintain in such account an amount equal to the maximum annual debt service on outstanding Special Revenue Bonds (the "***Account Requirement***"). Although funds in such account are not pledged to the Trustee, the State Treasurer agrees in the Memorandum of Agreement not to use such account for any other purpose if other funds are available in the Motor License Fund. The Subordinate Indenture requires the Trustee to provide immediate notice to PennDOT, with a copy to the State Treasurer, of any failure by the Commission to make a required monthly deposit into the Commission Payments Fund with respect to the Special Revenue Bonds (a "***Required Monthly Deposit***") in full when due under the Subordinate Indenture. The Memorandum of Agreement provides that before the end of the second business day following the day PennDOT receives such notice from the Trustee that the Commission has failed to timely make a Required Monthly Deposit and stating the amount of the shortfall, PennDOT shall prepare and deliver to the Pennsylvania Department of Transportation Comptroller in the Office of the Budget (the "***Comptroller***") a notice stating in what amount a payment shall be made to the Trustee on behalf of the Commission, which amount shall be equal to the amount of such shortfall. Before the end of the fourth business day following the Comptroller's receipt of the notice from PennDOT, the Comptroller shall prepare a pay dated voucher transmittal in the amount of the shortfall and deliver the voucher transmittal to the State Treasurer for payment. Before the end of the second business day following the State Treasurer's receipt of the voucher transmittal from the Comptroller, the State Treasurer shall cause a wire transfer in the amount of the shortfall to be made to the Trustee from funds on deposit to the credit of the Motor License Fund, excluding the PTC Special Revenue Bonds Account. If funds are not available in the Motor License Fund to pay the Trustee, funds on deposit in the PTC Special Revenue Bonds Account shall be utilized. If the balance in the PTC Special Revenue Bonds Account is reduced below the Account Requirement, the State Treasurer agrees to cause the first monies available from designated sources in the Motor License Fund to be deposited in such Account in order to restore the balance therein to the Account Requirement in the order of priority described in the Memorandum of Agreement (first, from the Liquid Fuels and Fuels Tax, second, from the Oil Company Franchise Tax, and third, from various vehicle registration fees and other miscellaneous fees and income).

In Act 44, the Commonwealth has pledged to each entity that acquires a Special Revenue Bond issued by the Commission that the Commonwealth will not limit or alter the rights vested in the Commission or the Trustee for the Special Revenue Bonds to the appropriation and distribution of the money in the Motor License Fund for the Special Revenue Bonds as described in Act 44. ***The appropriation of money in the Commonwealth's Motor License Fund in respect of Special Revenue Bonds issued by the Commission under Act 44 is continuing and non-lapsing.***

The Commission covenants under the Subordinate Indenture, as required by Act 44, that (i) it will not issue Special Revenue Bonds in an aggregate amount exceeding $5,000,000,000, unless otherwise authorized by Act of the Pennsylvania General Assembly; and (ii) it will not issue Special Revenue Bonds in an amount exceeding $600,000,000 in any calendar year unless otherwise authorized by Act of the Pennsylvania General Assembly.

In the event of an amendment to Act 44 or enactment of other legislation providing that the Motor License Fund will become the primary payment source for debt service on the Special Revenue Bonds, the Commission may elect to substitute the Motor License Fund for the Commission Payments as the primary source of payment of debt service on the Special Revenue Bonds; provided, however, that the Commission may make such election only if it (i) obtains confirmation from the Rating Agencies that such change will not adversely affect the ratings on the Special Revenue Bonds and on the Revenue Bonds that remain outstanding after such change, and (ii) causes to be delivered an opinion of Bond Counsel that such change will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Special Revenue Bonds.

The Commission covenants under the Subordinate Indenture that it will seek to enforce the covenants of the Commonwealth in Act 44 with respect to the Special Revenue Bonds and the Commonwealth's Motor License Fund. The Trustee may, and the Trustee, upon receipt of written direction from the holders of not less than twenty-five percent (25%) in principal amount of the Special Revenue Bonds then outstanding and upon being indemnified to its satisfaction shall, institute and prosecute in a court of competent jurisdiction any appropriate action to enforce the covenants of the Commonwealth in Act 44.

The Commission covenants under the Subordinate Indenture that it will seek to continue the Commonwealth's Motor License Fund in full force and effect without change which would materially adversely affect the Special Revenue Bonds. The Commission shall take such action as may be desirable or necessary to prevent or remedy the occurrence of any such change by petitioning the Governor and the General Assembly and taking appropriate legal action.

**Obligations Secured by Other Revenue Sources**

The Commission has also issued Oil Franchise Tax Revenue Bonds, $814,041,246 of which are currently outstanding, and Registration Fee Revenue Bonds, $442,020,000 of which are currently outstanding. The Commission has entered into various interest rate exchange agreements with respect to certain Oil Franchise Tax Revenue Bonds and Registration Fee Revenue Bonds. Neither the Oil Franchise Tax Revenue Bonds nor the Registration Fee Revenue Bonds are secured by or have any interest in the Trust Estate under the Subordinate Indenture. Furthermore, neither the Oil Franchise Tax Revenues nor the Registration Fee Revenues are pledged to secure the 2010 Bonds or the Senior Indenture Obligations.

**Rate Covenant**

The Commission has agreed in the Subordinate Indenture that it will at all times establish and maintain schedules of Tolls for traffic over the System so that the Net Revenues of the System in each Fiscal Year will at all times be at least sufficient to provide funds in an amount not less than the sum required by the Senior Indenture and, in addition, so that the amount paid into the General Reserve Fund of the Senior Indenture in each Fiscal Year and for each Commission Payment, will at all times (after deducting any liquidity reserve or other required holdback or deposit then in effect, whether by contract or other management policy or procedure) be at least sufficient to provide funds in an amount not less than (i) 115% of the Annual Debt Service for such Fiscal Year on account of all Outstanding Revenue Bonds and Revenue Bonds Parity Obligations, plus (ii) 100% of the Annual Debt Service for such Fiscal Year on account of all Outstanding Special Revenue Bonds, Special Revenue Bonds Parity Obligations and Subordinated Indebtedness, plus (iii) any payment by the Commission required by the Subordinate Indenture for restoring any deficiency in the Debt Service Reserve Fund within an eighteen (18) month period (the "***Rate Covenant***").

The amounts of the Commission Payments made from the Senior Trustee to the Trustee are based on the coverage levels established by the Rate Covenant described above; therefore, in each year the Commission has covenanted to transfer Commission Payments in an amount equal to the sum of (i) 115% of the Annual Debt Service for such Fiscal Year on account of all Outstanding Revenue Bonds and Revenue Bonds Parity Obligations, plus (ii) 100% of the Annual Debt Service for such Fiscal Year on account of all Outstanding Special Revenue Bonds, Special Revenue Bonds Parity Obligations and other Subordinated Indebtedness, plus (iii) any payment by the Commission required by the Subordinate Indenture for restoring any deficiency in the Debt Service Reserve Fund within an eighteen (18) month period. Notwithstanding the provisions of the Rate Covenant, however, any balance in the General Reserve Fund which a Commission Official determines to be in excess of the amount required to be reserved therein for future transfers to the Senior Indenture Debt Service Fund (as herein defined) is available to make Commission Payments to the Trustee for the payment of Debt Service on Outstanding Revenue Bonds and Revenue Bonds Parity Obligations as well as Outstanding Special Revenue Bonds, Special Revenue Bonds Parity Obligations and other Subordinated Indebtedness. See "SECURITY FOR THE 2010 BONDS – The General Reserve Fund under the Senior Indenture", "SECURITY FOR THE 2010 BONDS – Commission Payments" and APPENDIX A – "THE PENNSYLVANIA TURNPIKE – Act 44 -- *Act 44 Payments to PennDOT for Roads, Bridges and Transit*".

The Commission's failure to meet the Rate Covenant shall not constitute an Event of Default under the Subordinate Indenture if (i) no Event of Default under the Subordinate Indenture occurred in debt service payments as a result of such failure and (ii) the Commission promptly after determining that the Rate Covenant was not met retains a Consultant to make written recommendations as to appropriate revisions to the schedules of Tolls necessary or appropriate to meet the Rate Covenant and advises the Trustee in writing of such retention. Anything in the Subordinate Indenture to the contrary notwithstanding, if the Commission shall comply with the recommendations of the Consultant in respect of Tolls to the extent permitted by law, it will not constitute an Event of Default under the provisions of the Subordinate Indenture if the Commission fails to meet the Rate Covenant during the succeeding Fiscal Year as long as no Event of Default under the Subordinate Indenture has occurred in debt service payments. If the Commission does not comply with the recommendations of the Consultant in respect of Tolls, the Trustee may, and upon the request of the holders of not less than 25% in Principal Amount of the Subordinate Indenture Bonds of any Class then outstanding and upon being indemnified to its satisfaction shall, institute and prosecute in a court of competent jurisdiction any appropriate action to compel the Commission to revise the schedules of Tolls. The Commission covenants that it will adopt and charge Tolls in compliance with any final order or decree entered in any such proceeding.

In the event that the Consultant shall fail to file with the Commission such recommendations in writing within sixty (60) days after such retention, the Trustee may designate and appoint a different Consultant to make recommendations as to an adjustment of the schedules of Tolls, which recommendations shall be reported in writing to the Commission and to the Trustee within sixty (60) days after such retention. Such written report shall for all purposes be considered to be the equivalent of and substitute for the recommendations of the Consultant retained by the Commission.

In preparing its recommendations, the Consultant may rely upon written estimates of Revenues prepared by the other Consultants of the Commission. Copies of such written estimates signed by such Consultants shall be attached to such recommendations. The Commission covenants that promptly after receipt of such recommendations and the adoption of any revised schedules of Tolls, certified copies thereof will be filed with the Trustee.

The ability of the Commission to collect Tolls in an amount sufficient to comply with the Rate Covenant could be adversely affected by many factors, some of which are beyond the Commission's control. See "CERTAIN RISK FACTORS" and APPENDIX A – "THE PENNSYLVANIA TURNPIKE – Toll Schedule and Rates".

The Commission has agreed in the Senior Indenture that Tolls will be classified in a reasonable way to cover all traffic, so that the Tolls may be uniform in application to all traffic falling within any reasonable class regardless of the status or character of any person, firm or corporation participating in the traffic; provided, however, that the foregoing shall not be interpreted to restrict the Commission's right, in its discretion in connection with its management of the System, to establish and maintain flexible Toll schedules including, but not limited to, provisions for utilizing or otherwise taking into account, peak and nonpeak pricing, introductory pricing, weight, method of payment, frequency, carpooling, electronic Tolls or other new Toll collection technologies, traffic management systems, and similar classifications. The Commission has agreed that it shall not grant free passage or reduced Tolls within a class, except in the limited manner permitted by the Senior Indenture, which includes, among others, for operational or safety reasons including, but not limited to, reasons arising out of a work stoppage, work slowdown or work action, and for use by the Army, Air Force, Navy, Coast Guard, Marine Corps or National Guard or any branch thereof in time of war or other emergency.

In the event the Commission did not meet the Rate Covenant for the preceding Fiscal Year, any classification resulting in a reduced Toll or new classification shall be subject to a Consultant approving the same before it is implemented. In all events, the Commission shall not make a change in classification or any new classification which would cause the Commission to fail to meet the Rate Covenant.

The Commission's covenant as to uniformity of Tolls (pursuant to the Senior Indenture) shall not be construed as requiring that Tolls for any given class of traffic be identical in amount throughout the entire System for trips of approximately identical lengths. The Commission may fix and place in effect schedules of Tolls for any given class of traffic wherein the Tolls charged for travel on a given section of the System shall be different from the Tolls charged on another section of the System notwithstanding the fact that both of said sections may be of identical or approximately identical length.

**The General Reserve Fund under the Senior Indenture**

THIS DISCUSSION DESCRIBES CERTAIN PROVISIONS OF THE SENIOR INDENTURE:

In addition to any other funds created by an indenture supplemental to the Senior Indenture, the following funds and accounts exist under the Senior Indenture: (a) Construction Fund, (b) Revenue Fund (herein, the "***Senior Indenture Revenue Fund***"), (c) Debt Service Fund (herein, the "***Senior Indenture Debt Service Fund***"), (d) Debt Service Reserve Fund (herein, the "***Senior Indenture Debt Service Reserve Fund")***, (e) Reserve Maintenance Fund (herein, the "***Senior Indenture Reserve Maintenance Fund***"), (f) General Reserve Fund, (g) Rebate Fund (herein, the "***Senior Indenture Rebate Fund***"), and (h) Operating Account (herein, the "***Senior Indenture Operating Account***").

The Commission covenants that all Senior Revenues will be deposited daily, as far as practicable, with the Senior Trustee or in the name of the Senior Trustee with a depositary or depositaries of the Senior Trustee, to the credit of the Senior Indenture Revenue Fund.

Except as otherwise provided in the Senior Indenture, transfers from the Senior Indenture Revenue Fund shall be made to the following funds and in the following order of priority: (i) Senior Indenture Rebate Fund, (ii) Senior Indenture Operating Account, (iii) Senior Indenture Debt Service Fund, (iv) Senior Indenture Reserve Maintenance Fund, (v) Senior Indenture Debt Service Reserve Fund, and (vi) General Reserve Fund (after retaining in the Senior Indenture Revenue Fund such funds identified by the Commission for future transfers to the Senior Indenture Debt Service Fund established under the Senior Indenture). The Senior Trustee shall transfer from the Senior Indenture Revenue Fund on or before the last Business Day of each year (or more frequently if requested by a Commission Official) to the credit of the General Reserve Fund any funds which a Commission Official determines to be in excess of the amount required to be reserved therein for future transfers to the Senior Indenture Debt Service Fund.

Moneys in the General Reserve Fund may be expended by the Commission to restore deficiencies in any funds or accounts created under the Senior Indenture and, absent any such deficiency, for any of the following purposes, with no one item having priority over any of the others:

(a) To purchase or redeem Senior Bonds;

(b) To secure and pay the principal or redemption price of and interest on any Senior Indenture Subordinated Indebtedness;

(c) To make payments into the Construction Fund established under the Senior Indenture;

(d) To fund improvements, extensions and replacements of the System; or

(e) To further any corporate purpose.

The Senior Trustee is authorized under the Senior Indenture to apply monies on deposit in the General Reserve Fund for any of such purposes upon receipt of a requisition signed by a Commission Official, stating in respect of each payment to be made:

(a) The name of the Person, firm or corporation to whom payment is to be made or, if the payment is to be made to a fund or account held by the Senior Trustee under the Senior Indenture or to a fund or account held by the Commission and not subject to the Senior Indenture, the name of such fund or account,

(b) The amount to be paid, and

(c) The purpose for which the payment is to be made.

Under the terms of the Subordinate Indenture, the Commission covenants to instruct the Senior Trustee to pay to the Trustee out of the General Reserve Fund established under the Senior Indenture such amounts as are required by the Subordinate Indenture or by a indenture supplemental to the Subordinate Indenture to pay, at the times specified, debt service on all outstanding Subordinate Indenture Bonds (including the 2010 Bonds) and all Parity Obligations issued under the Subordinate Indenture. See "SECURITY FOR THE 2010 BONDS – Commission Payments".

The following chart sets forth the balances held in the General Reserve Fund as of the fiscal year end dates set forth below.

**General Reserve Fund Balances**
**as of May 31**

| 2010 (unaudited) | 2009 | 2008 | 2007 | 2006 | 2005 |
|---|---|---|---|---|---|
| $105,381,591 | $70,623,218 | $60,392,331 | $83,452,977 | $35,503,500 | $24,163,488 |

Balances in the General Reserve Fund may be applied in the future for capital expenditures of the Commission and for other general corporate purposes, including making Commission Payments as described below. In addition, Annual Surplus Payments, if any, made by the Commission to PennDOT under the Funding Agreement will be payable solely from funds available for such purpose in the General Reserve Fund. See "THE PENNSYLVANIA TURNPIKE – Act 44 -- *Act 44 Payments to PennDOT for Roads, Bridges and Transit*" in APPENDIX A for a discussion of the Commission's obligations, upon the occurrence of the

Conversion, to make certain "Annual Surplus Payments" of the General Reserve Fund surplus available at the end of each fiscal year, according to a certificate of the Auditor General of the Commonwealth.

**Commission Payments**

Pursuant to the terms of the Subordinate Indenture, the Commission covenants, after payment of all required debt service on all Senior Indenture Obligations issued under the Senior Indenture and subject to the provisions of the Senior Indenture, to pay to the Trustee, and to instruct the Senior Indenture Trustee to pay to the Trustee, out of the General Reserve Fund established under the Senior Indenture such amounts as are required by the Subordinate Indenture or by a supplemental indenture to the Subordinate Indenture to pay, at the times specified, required payments with respect to all bonds issued under the Subordinate Indenture, a supplemental indenture to the Subordinate Indenture and all Parity Obligations thereunder. Such payments out of the General Reserve Fund shall only take on the character of being "Commission Payments", as described below, upon their transmittal to the Trustee and nothing in the Subordinate Indenture shall be construed to create any lien on any amount while held in the General Reserve Fund.

Accordingly, the Commission shall instruct, or furnish a debt service schedule to, the Senior Trustee providing for the payment to the Trustee out of funds held in the General Reserve Fund monies to pay such amounts as are required by the Subordinate Indenture with respect to the outstanding bonds issued under the Subordinate Indenture, Parity Obligations thereunder and all other payments required thereunder at such times on such terms as are set forth in the Subordinate Indenture (collectively, the "***Commission Payments***").

In addition to other payments and General Reserve Fund withdrawals required under the Subordinate Indenture, the Commission shall withdraw, or arrange for the withdrawal, from the General Reserve Fund and deposit to the Commission Payments Fund the amounts hereinafter specified which shall be applied by the Trustee for the purposes for which the same shall be deposited:

(a) On or before the first Business Day of each calendar month commencing on the first Business Day of the sixth month prior to the next succeeding Interest Payment Date, an amount which equals the amount necessary to pay, and for the purpose of paying, one-sixth (1/6) of 115% of the interest due on any Fixed Rate Bonds or the monthly interest due on any Variable Rate Bonds, issued as Revenue Bonds (including the 2010B Revenue Bonds), on the next succeeding Interest Payment Date, such amount to be calculated based on the applicable Assumed Variable Rate for such Variable Rate Bonds, including any amount due to the Bond Insurer in respect thereto (or, in the case of the period from the date of issuance of such Fixed Rate Bonds or Variable Rate Bonds to the first Interest Payment Date for the applicable Fixed Rate Bonds or Variable Rate Bonds, a monthly amount equal to 115% of the interest amount owed on such first Interest Payment Date (to be calculated based on the applicable Assumed Variable Rate for such Variable Rate Bonds) divided by the number of months from the date of issuance of such Fixed Rate Bond or Variable Rate Bond to such first Interest Payment Date), which amount shall be deposited promptly in the Commission Payments Fund;

(b) On or before the first Business Day of each calendar month commencing on the first Business Day of the twelfth month prior to the next succeeding principal payment date, an amount which equals one-twelfth (1/12) of the amount necessary to pay and for the purpose of paying, 115% the principal amount (or Compounded Amount, if applicable) of any Fixed Rate Bonds or Variable Rate Bonds issued as Revenue Bonds (including the 2010B Revenue Bonds) maturing on the next succeeding maturity date (or, in the case of the period from the date of issuance of such Fixed Rate Bonds or Variable Rate Bonds to the first date on which principal (or Compounded Amount, if applicable) is due on such Fixed Rate Bonds or Variable Rate Bonds, a monthly amount equal to 115% of the principal amount (or Compounded Amount, if applicable) owed on such first principal maturity date divided by the number of months from the date of issuance of such Fixed Rate Bond or Variable Rate Bond to such first principal maturity date), which amount shall be deposited promptly in the Commission Payments Fund;

(c) On or before the first Business Day of each calendar month commencing on the first Business Day of the twelfth month prior to the next succeeding mandatory sinking fund installment date, an amount which equals one-twelfth (1/12) of the amount necessary to pay, and for the purpose of paying, 115% the principal amount of any mandatory sinking fund installment of Fixed Rate Bonds or Variable Rate Bonds issued as Revenue Bonds (including the 2010B Revenue Bonds) payable on the next succeeding mandatory sinking fund installment date, which amount shall be deposited promptly in the Commission Payments Fund;

(d) On or before the 10th calendar day of each calendar month commencing on the 10th calendar day of the sixth month prior to the next succeeding Interest Payment Date, but not before the payments required by clauses (a) through (c) above, an amount which equals the amount necessary to pay, and for the purpose of paying, one-sixth (1/6) of 100% of the interest due on any Fixed Rate Bonds or the monthly interest due on any Variable Rate Bonds, issued as Special Revenue Bonds (including the 2010A MLF Special Revenue Bonds), on the next succeeding Interest Payment Date, such amount to be calculated based on the applicable Assumed Variable Rate for such Variable Rate Bonds, including any amount due to the Bond Insurer in respect thereto (or, in the case of the period from the date of issuance of such Fixed Rate Bonds or Variable Rate Bonds to the first Interest Payment Date for the applicable Fixed Rate Bonds or Variable Rate Bonds, a monthly amount equal to 100% of the interest amount owed on such first Interest Payment Date (to be calculated at the applicable Assumed Variable Rate for such Variable Rate Bonds) divided by the number of months from the date of issuance of such Fixed Rate Bond or Variable Rate Bond to such first Interest Payment Date), which amount shall be deposited promptly in the Commission Payments Fund;

(e) On or before the 10th calendar day of each calendar month commencing on the 10th calendar day of the twelfth month prior to the next succeeding principal payment date, but not before the payments required by clauses (a) through (d) above, an amount which equals one-twelfth (1/12) of the amount necessary to pay, and for the purpose of paying, 100% of the principal amount of any Fixed Rate Bonds or Variable Rate Bonds issued as Special Revenue Bonds (including the 2010A MLF Special Revenue Bonds) maturing on the next succeeding maturity date (or, in the case of the period from the date of issuance of such Fixed Rate Bonds or Variable Rate Bonds to the first date on which principal is due on such Fixed Rate Bonds or Variable Rate Bonds, a monthly amount equal to 100% of the principal amount owed on such first principal maturity date divided by the number of months from the date of issuance of such Fixed Rate Bond or Variable Rate Bond to such first principal maturity date), which amount shall be deposited promptly in the Commission Payments Fund; and

(f) On or before the 10th calendar day of each calendar month commencing on the 10th calendar day of the twelfth month prior to the next succeeding mandatory sinking fund installment date, but not before the payments required by clauses (a) through (e) above, an amount which equals one-twelfth (1/12) of the amount necessary to pay, and for the purpose of paying, 100% of the principal amount of any mandatory sinking fund installment of Fixed Rate Bonds or Variable Rate Bonds issued as Special Revenue Bonds (including the 2010A MLF Special Revenue Bonds) payable on the next succeeding mandatory sinking fund installment date, which amount shall be deposited promptly in the Commission Payments Fund.

The Commission has not issued any Special Revenue Bonds prior to the issuance of the 2010A MLF Special Revenue Bonds.

**Commission Payments Fund**

All Commission Payments will be deposited with the Trustee or in the name of the Trustee with a depositary or depositaries designated by the Commission and approved by the Trustee, to the credit of the Commission Payments Fund created under the Subordinate Indenture (the "***Commission Payments Fund***"). The monies in the Commission Payments Fund are to be held by the Trustee in trust and applied in accordance with the Subordinate Indenture.

Except as otherwise provided in the Subordinate Indenture, transfers from the Commission Payments Fund shall be made to the following funds and in the following order of priority:

(a) Rebate Fund;

(b) Administrative Expenses Fund;

(c) Revenue Bonds Account of the Debt Service Fund;

(d) Special Revenue Bonds Account of the Debt Service Fund;

(e) Debt Service Reserve Fund, if applicable;

(f) Motor License Fund Repayment Fund; and

(g) Residual Fund.

**Administrative Expenses Fund**

An Administrative Expenses Fund is created pursuant to the Subordinate Indenture. The Trustee shall deposit into the Administrative Expenses Fund from the Commission Payments Fund such amounts as are needed for the payment of Administrative Expenses. In the event of a deficiency in the Rebate Fund, arbitrage rebate, yield reduction or similar payments may be made from amounts in the Administrative Expenses Fund with respect to Subordinate Indenture Bonds. Funds on deposit in the Administrative Expenses Fund may also be used for the payment of annual trustee fees, facility fees, remarketing fees and initial swap payments incurred in connection with the issuance, and performance, of Subordinate Indenture Bonds from time to time.

**Debt Service Fund**

A Debt Service Fund is created pursuant to the Subordinate Indenture, and within the Debt Service Fund there are established two separate accounts known as the "***Revenue Bonds Account***" and the "***Special Revenue Bonds Account***". Each such Account shall have an "***Interest Sub-Account***" and "***Principal Sub-Account***" for each Series or Sub-Series of tax-exempt and taxable Subordinate Indenture Bonds issued pursuant to the Subordinate Indenture. The Trustee shall make deposits, on the dates required for such deposits, from the Commission Payments Fund into the Revenue Bonds Account and the Special Revenue Bonds Account of the Debt Service Fund of such required amounts to the appropriate sub-accounts. There is also created under the Subordinate Indenture a Special Revenue Bonds Receipts Account. Any payments by the Commonwealth out of the Commonwealth's Motor License Fund pursuant to Act 44 with respect to any Special Revenue Bonds shall be deposited into the Special Revenue Bonds Receipts Account solely for payment by the Trustee of principal and interest on Special Revenue Bonds.

There is further created under the Subordinate Indenture a "***Special Revenue Bonds Funded Debt Service Sub-Account***" of the Special Revenue Bonds Account of the Debt Service Fund. In the event of any failure by PennDOT or the Treasurer of the Commonwealth to deposit funds transferred from the Motor License Fund into the Special Revenue Bonds Receipts Account for the payment of any interest or principal due on Special Revenue Bonds, then the Trustee shall withdraw such amounts from the Special Revenue Bonds Funded Debt Service Sub-Account and transfer the monies to the Special Revenue Bonds Interest Sub-Account or the Principal Sub-Account, as appropriate, on the applicable Interest Payment Date, principal payment date or mandatory sinking fund installment date. If monies are received from the Motor License Fund subsequent to payments being made from the Special Revenue Bonds Funded Debt Service Sub-Account, then such Motor License Fund monies shall be transferred from the Special Revenue Bonds Receipts Account to the Special Revenue Bonds Funded Debt Service Sub-Account to restore any deficiency thereunder.

The Special Revenue Bonds Funded Debt Service Sub-Account and the Special Revenue Bonds Receipts Account secure Special Revenue Bonds on a parity basis.

On the date of issuance of any Series or Sub-Series of Special Revenue Bonds, the Commission shall deposit, or cause to be deposited, into the Special Revenue Bonds Funded

Debt Service Sub-Account, an amount which, together with funds on deposit therein, shall be equal to one-half Maximum Annual Debt Service on all Outstanding Special Revenue Bonds, including those Special Revenue Bonds being issued at the time of the deposit. Such amount shall be the "***Special Revenue Bonds Funded Debt Service Sub-Account Requirement***." Funds on deposit in the Special Revenue Funded Debt Service Sub-Account shall only be used as described in the immediately preceding paragraph. The Commission has no obligation to maintain the balance in the Special Revenue Bonds Funded Debt Service Sub-Account equal to the Special Revenue Bonds Funded Debt Service Sub-Account Requirement nor to replenish any funds withdrawn from the Special Revenue Bonds Funded Debt Service Sub-Account from any funds of the Commission, including Commission Payments. Funds on deposit in the Special Revenue Bonds Receipts Account, to the extent not required to make a deposit to the debt service sub-accounts, shall be transferred to the Special Revenue Bonds Funded Debt Service Sub-Account to restore deficiencies therein.

The Trustee and the Commission may create such additional accounts and sub-accounts in the Debt Service Fund as they deem necessary or appropriate, including, but not limited to, (a) an account into which drawings on a Credit Facility are to be deposited and from which principal (including redemption price) and Purchase Price of and interest on the Series of Subordinate Indenture Bonds secured by such Credit Facility are to be paid (and upon such payment, amounts on deposit in the Principal and Interest Accounts for such Subordinate Indenture Bonds shall be used to repay the provider of the Credit Facility for such payments), and (b) an account into which payments by the Commission to any Parity Swap Counterparty are to be deposited and from which payments to such Parity Swap Counterparty are to be paid.

The moneys in the Interest and Principal Sub-Accounts shall be held by the Trustee in trust for the benefit of the applicable Series of Subordinate Indenture Bonds, to the extent the foregoing are payable from such accounts, and, to said extent and pending application, shall be subject to a lien and charge in favor of the Owners of the applicable Series of Subordinate Indenture Bonds until paid out or transferred as hereinafter provided. There shall be withdrawn from the Interest Account (and any available capitalized interest) and the Principal Account from time to time and set aside or deposited with the Trustee sufficient money for paying the interest on and the principal of (or Compounded Amount, if applicable) and premium on the Subordinate Indenture Bonds as the same shall become due, except to the extent such interest, principal (or Compounded Amount, if applicable) or other amounts are payable from a fund or account other than the Debt Service Fund as provided in any applicable supplemental indenture.

For any Debt Service Reserve Fund Bonds, if at the time the Trustee is required to make a withdrawal from the Debt Service Fund the moneys therein shall not be sufficient for such purpose, the Trustee shall withdraw the amount of such deficiency from the moneys on deposit in the Debt Service Reserve Fund and transfer the same to the appropriate account of the Debt Service Fund.

For the 2010A MLF Special Revenue Bonds and any Special Revenue Bonds which may be issued in the future, if at the time the Trustee is required to make a withdrawal from the Debt Service Fund the moneys therein shall not be sufficient for such purpose or if the Trustee does not have sufficient moneys to make the required deposits under the Subordinate Indenture into the Special Revenue Bonds Account of the Debt Service Fund, the Trustee shall notify the

Commonwealth through PennDOT of such deficiency and request the payment of funds necessary to cure such deficiency from funds available in the Motor License Fund. The Commonwealth has no obligation to appropriate or pay any funds other than funds on deposit in the Motor License Fund to the payment of the Special Revenue Bonds.

**Debt Service Reserve Fund**

A Debt Service Reserve Fund has been established under the Subordinate Indenture to provide additional security for Debt Service Reserve Fund Bonds. The Debt Service Reserve Fund secures Debt Service Reserve Fund Bonds on a parity basis. The 2010B Revenue Bonds are Debt Service Reserve Fund Bonds for the purpose of the Subordinate Indenture and, accordingly, are secured by moneys on deposit in the Debt Service Reserve Fund. On the date of the issuance of the 2010 Bonds an amount from the proceeds of the 2010B Revenue Bonds will be deposited to the Debt Service Reserve Fund. Such amount, together with the existing balance in the Debt Service Reserve Fund, will be sufficient to fulfill the Debt Service Reserve Fund Requirement of the Subordinate Indenture with respect to the 2010B Revenue Bonds and all other outstanding Debt Service Reserve Fund Bonds. Upon issuance of the 2010 Bonds, outstanding Debt Service Reserve Fund Bonds will consist of the Commission's 2008A Bonds, 2008B Bonds, the 2008C-1 Bonds, the 2009A Bonds, the 2009B Bonds, the 2009C Bonds, the 2009D Bonds, the 2009E Bonds and the 2010B Revenue Bonds. **The 2010A MLF Special Revenue Bonds are <u>not</u> Debt Service Reserve Fund Bonds under the Subordinate Indenture.**

The Subordinate Indenture requires that the balance in the Debt Service Reserve Fund be maintained at the "***Debt Service Reserve Requirement***," which is an amount equal to the lesser of (i) Maximum Annual Debt Service on account of all Debt Service Reserve Fund Bonds, (ii) ten percent (10%) of the aggregate Outstanding principal amount of all Debt Service Reserve Fund Bonds, or (iii) 125% of average Annual Debt Service for all Debt Service Reserve Fund Bonds for each Fiscal Year for the remaining life of such Bonds, provided in any case that such amount does not exceed what is permitted by the Code. Debt Service Reserve Fund Bonds include Long-Term Indebtedness specified by the Commission in the Subordinate Indenture or applicable supplemental indenture as being secured by the Debt Service Reserve Fund. See APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE – Debt Service Reserve Fund" for information with respect to the Debt Service Reserve Fund under the Subordinate Indenture.

In each Fiscal Year, after first having made the deposits required to the Debt Service Fund, the Commission shall pay out of the General Reserve Fund into the Commission Payments Fund and the Trustee shall transfer from the Commission Payments Fund on or before the last day of each month to the credit of the Debt Service Reserve Fund (a) the amount, if any, required to make the amount on deposit in the Debt Service Reserve Fund equal to the Debt Service Reserve Requirement, which restoration, as implied by the Rate Covenant, is intended to occur within eighteen (18) months; and (b) the amount set forth in the applicable supplemental indenture if an amount different from the Debt Service Reserve Requirement is required.

Subject to the preceding paragraph, to the extent accounts are created in the Debt Service Reserve Fund for Debt Service Reserve Fund Bonds, the funds and DSRF Security, as hereinafter defined, held therein shall be available to make payments required under the Subordinate Indenture for the benefit of all Debt Service Reserve Fund Bonds of the same Class.

Moneys held in the Debt Service Reserve Fund shall be used for the purpose of paying interest on, and maturing principal (or Compounded Amount, if applicable) and mandatory sinking fund redemption price of, Debt Service Reserve Fund Bonds whenever and to the extent that the moneys held for the credit of the Debt Service Fund shall be insufficient for such purpose. If at any time the moneys and the principal amount of any DSRF Security held in the Debt Service Reserve Fund shall exceed the Debt Service Reserve Requirement, the Commission shall direct whether such excess moneys shall be transferred by the Trustee to the credit of the Commission Payments Fund or used to reduce the principal amount of any DSRF Security.

In the event the Trustee shall be required to withdraw funds from the Debt Service Reserve Fund to restore a deficiency in the Debt Service Fund arising with respect to Debt Service Reserve Fund Bonds, the funds shall be allocated, subject to the provisions of the Subordinate Indenture, pro rata among such bonds.

In lieu of the deposit of moneys into the Debt Service Reserve Fund, the Commission may cause to be provided a surety bond, an insurance policy, a letter of credit or similar financial instrument satisfactory to the Rating Agency (as evidenced by a letter from the Rating Agency confirming that such surety bond, insurance policy, letter of credit or similar financial instrument will not result in the rating on any outstanding Debt Service Reserve Fund Bonds being downgraded) (each, a "***DSRF Security***") payable to the Trustee in an amount equal to the difference between the Debt Service Reserve Requirement and the amounts then on deposit in the Debt Service Reserve Fund. The DSRF Security shall be payable (upon the giving of notice as required thereunder) on any Interest Payment Date on which moneys will be required to be withdrawn from the Debt Service Reserve Fund and applied to the payment of the principal of (or Compounded Amount, if applicable) or interest on any Subordinate Indenture Bonds to the extent that such withdrawals cannot be made by amounts on deposit in the Debt Service Reserve Fund.

If a disbursement is made pursuant to a DSRF Security, the Commission shall be obligated either (a) to reinstate the maximum limits of such DSRF Security or (b) to deposit into the Debt Service Reserve Fund, funds in the amount of the disbursement made under such DSRF Security, or a combination of such alternatives, as shall provide that the amount credited to the Debt Service Reserve Fund equals the Debt Service Reserve Requirement within a time period of eighteen (18) months.

If the DSRF Security shall cease to have a rating described in the second preceding paragraph, the Commission shall use reasonable efforts to replace such DSRF Security with one having the required rating, but shall not be obligated to pay, or commit to pay, increased fees, expenses or interest in connection with such replacement or to deposit revenues in the Debt Service Reserve Fund in lieu of replacing such DSRF Security with another.

**Motor License Fund Repayment Fund**

Under the terms of the Subordinate Indenture, there is created a Motor License Fund Repayment Fund. Based on such time schedule as agreed to by the Commission and PennDOT and furnished to the Trustee, the Trustee shall deposit into the Motor License Fund Repayment Fund from the Commission Payments Fund and the Residual Fund such amounts as are necessary and available to repay to the Commonwealth's Motor License Fund any debt service payments with respect to any Special Revenue Bonds which are made out of such Motor License Fund.

**Residual Fund**

A Residual Fund is created under the Subordinate Indenture. After making all payments required under the Subordinate Indenture, the Trustee shall at least annually deposit into the Residual Fund out of the Commission Payments Fund such amounts from the Commission Payments Fund as are in excess of current debt service and other required payments and deposits pursuant to the Subordinate Indenture.

Moneys in the Residual Fund may be expended by the Commission to restore deficiencies in any funds or accounts created under the Subordinate Indenture (including without limitation the Revenue Bonds Principal and Interest Sub-Accounts) and, absent any such deficiency, for any of the following purposes, with no one item having priority over any of the others:

(a) To purchase or redeem Subordinate Indenture Bonds;

(b) To secure and pay the principal or redemption price of and interest on any Parity Obligations; or

(c) To further any corporate purpose.

Pursuant to the written request of the Commission, the Trustee shall transfer to the General Reserve Fund of the Senior Indenture any balance in the Residual Fund not required to restore any deficiency in a fund or account established thereunder.

## MOTOR LICENSE FUND

The Commonwealth's Motor License Fund is a constitutionally-established special revenue fund consisting of monies received from liquid fuels taxes, oil company franchise taxes, fuels tax, motor carriers road tax, licenses and fees on motor vehicles, aviation fuel tax revenues, federal aid for highway and aviation purposes, contributions from local subdivisions for highway projects, and other miscellaneous highway revenues.

The Motor License Fund provides for highway and bridge improvement, design, maintenance and purchase of rights-of-way, as well as aviation activities and PennDOT licensing and safety activities. It also finances State Police highway patrol operations and pays subsidies to local subdivisions for construction and maintenance of roads.

The Pennsylvania Constitution requires that "All proceeds from gasoline and other motor fuel excise taxes, motor registration fees and license taxes, operators' fees and other excise taxes imposed on products used in motor transportation after providing therefrom for (a) cost of administration and collection, (b) payment of obligations incurred in the construction and reconstruction of public highways and bridges shall be appropriated by the General Assembly to agencies of the state or political subdivisions thereof, and used solely for construction, reconstruction, maintenance and repair of and safety of public highways and bridges…" The Motor License Fund was created to accommodate this constitutional requirement. The major tax sources for the Motor License Fund are the liquid fuels taxes and the oil company franchise tax.

Act 44 provides a specific order of priority of three categories of revenue sources composed of taxes and fees that the State Treasurer is to use in making payments in respect of Special Revenue Bonds. The first category is the permanent state tax of 12 cents a gallon or fractional part thereof upon all liquid fuels and fuels used or sold by distributors with the Commonwealth. The second category includes the oil company franchise tax of 60 mills on all liquid fuels and fuels; 74% of an additional tax of 55 mills on all liquid fuels and fuels; and 88% of an additional tax of 38.5 mills on all liquid fuels and fuels. The third category includes funds deposited into the Motor License Fund from annual registration fees imposed on various types of vehicles operating in Pennsylvania, net of the $28,000,000 appropriated to the Commission from the proceeds of the annual vehicle registration fees.

In 2008, there were 11.3 million registered motor vehicles within the Commonwealth, and total Motor License Fund revenues available under Act 44 totalled over $2.281 billion.

See APPENDIX I hereto for additional financial information concerning the Motor License Fund.

## AUDITED FINANCIAL STATEMENTS

The financial statements of the Commission for the years ended May 31, 2009 and May 31, 2008 are set forth in APPENDIX B – "AUDITED FINANCIAL STATEMENTS: 2009 and 2008" certified by Ernst & Young, in its capacity as Independent Auditor. The Commission has not asked Ernst & Young to perform any additional review procedures in connection with this Official Statement.

## CERTAIN RISK FACTORS

Many factors could affect the sufficiency of the Trust Estate to meet debt service payments on the 2010 Bonds, and the sufficiency of the Motor License Fund to make payments required with respect to the 2010A MLF Special Revenue Bonds, some of which are discussed below. Potential investors must carefully consider the following factors in order to understand the structure and characteristics of the 2010 Bonds and the potential merits and risks of an investment in the 2010 Bonds. Potential investors must review and be familiar with variety of risk factors in deciding whether to purchase any 2010 Bond.

The following risk factors are among those which should be considered by a potential investor:

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| **Commission Revenues may decline** | The statistical information in this Official Statement regarding toll revenues collected by the Commission is historical. The actual amount of future toll revenues collected by the Commission depends upon a number of factors, including rates established by the Commission and the level and composition of traffic on the System. Many of these factors are beyond the control of the Commission. The Commission is obligated under the terms of the Funding Agreement, Act 44, the Senior Indenture and the Subordinate Indenture to fix and revise tolls at levels that will generate revenues (together with other available moneys) sufficient to pay all of its obligations under the Funding Agreement, to construct and maintain the System and to pay debt service obligations and other amounts payable to Penn DOT or the Commonwealth. However, the amount of traffic on the System cannot be predicted with certainty and may decline due to general economic conditions, diversion of some traffic to alternative non-toll routes (including I-80, if not tolled) because of the toll rate increases and other factors. There is insufficient data to assess these risk factors fully, but the Commission reasonably expects, based on historical variations in such factors and the recent toll increases, to have sufficient revenues to meet its payment obligations, including payment obligations with respect to the 2010 Bonds.<br><br>In addition, as set forth in the Traffic Study, there is considerable uncertainty inherent in future traffic and revenue forecasts for any toll facility, and differences between forecasted and actual results (which may be material) may occur due to events and circumstances beyond the control of the forecasters, including without limitation economic conditions and other factors. While future traffic volume and revenues cannot be predicted with certainty, the Commission believes that it will have sufficient revenue to meet the then existing debt and operational obligations of the Commission. See APPENDIX H – "TRAFFIC AND REVENUE STUDY." |
| **Investors in the 2010 Bonds bear greater risk of non-payment because the priority of payment of interest and principal on the 2010 Bonds is subordinate to the Senior Indenture Obligations under the Senior Indenture; the 2010A** | The 2010 Bonds are subordinate in right of payment to the payment of all Senior Indenture Obligations under the Senior Indenture. The 2010 Bonds are not secured by the General Reserve Fund established under the Senior Indenture. In addition, it is probable that Additional Senior Revenue Bonds and other senior obligations may be issued in the future by the Commission under the Senior Indenture, which would increase the amount of Senior Indenture Obligations to which the payment on the 2010 Bonds are subordinated, thus increasing the risk of nonpayment to the 2010 Bondholders. |

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| **MLF Special Revenue Bonds are subordinate to the 2010B Revenue Bonds** | In addition, as described herein, the payment of debt service on the 2010A MLF Special Revenue Bonds is junior in right of payment (except with respect to funds transferred from the Motor License Fund) to the payment of debt service on the 2010B Revenue Bonds and all other Revenue Bonds issued or to be issued under the Subordinate Indenture. |
| **The Trust Estate will have limited assets from which to make payments on the 2010 Bonds, which may result in losses** | The Trust Estate will not include significant assets. The Trust Estate consists primarily of an obligation of the Commission to make periodic payments from funds available in the General Reserve Fund after satisfaction of Senior Indenture Obligations and the maintenance of any reserve fund established under the Senior Indenture. Consequently, holders of the 2010 Bonds must rely upon the obligation of the Commission to make such payments from the General Reserve Fund and to set Tolls at sufficient levels to generate the necessary excess cash in the General Reserve Fund for such payments. |
| **If the Commission experiences financial problems, delays in payment or losses on the 2010 Bonds may result** | Adverse changes in the Commission's financial condition could result in a failure to make its payments, or a delay in payments, to the Trustee with respect to the 2010 Bonds. In addition to a potential decline in revenues, the Commission's financial condition could be adversely affected by a number of factors including, but not limited to:<br>• Increased and/or unanticipated costs of operation of the System;<br>• Decreased toll revenues due to declines in usage or otherwise;<br>• Work stoppage, slowdown or action by unionized employees;<br>• Complete or partial destruction or temporary closure of the System due to events beyond the control of the Commission;<br>• Increased unfunded healthcare and other non-pension post-employment benefits;<br>• Increased pension costs; and<br>• Increased fuel costs. |

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| **The Commission's financial condition may be adversely affected as a consequence of adverse changes in the financial condition of third-party financial institutions** | Adverse changes in the financial condition of certain third-party financial institutions may adversely affect the Commission's financial position. Different types of investment and contractual arrangements may create exposure for the Commission to such institutions including:<br><br>• Risk to the Commission's investment portfolio due to defaults or changes in market valuation of the debt securities of such institutions;<br><br>• Counterparty risk related to swaps used by the Commission to hedge its cost of funds; and<br><br>• Risk of rating changes of the Commission's credit enhancers or liquidity providers which may adversely affect the interest costs on the Commission's variable rate debt or which may render such variable rate debt unmarketable. |
| **The 2010 Bonds may be repaid early due to the exercise of the redemption option. If this happens, yield may be affected and Bondholders will bear reinvestment risk** | The 2010 Bonds may be redeemed prior to their final maturity if the Commission exercises its option to redeem the 2010 Bonds. Bondholders bear the risk that monies received upon such redemption cannot be reinvested in comparable securities or at comparable yields. |
| **Certain legislative actions may result in adverse changes to the Commission or Act 44** | From time to time legislation is introduced in the Pennsylvania General Assembly which may affect the Commission and therefore may affect certain of the assumptions made in this Official Statement. See APPENDIX A – "THE PENNSYLVANIA TURNPIKE" -- "Recent Developments and Future Legislation". The Commission cannot predict if any of such bills or other legislation will be enacted into law, or how any such legislation may affect the Commission's ability to timely pay the 2010 Bonds. |

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| **Certain actions can be taken without Bondholder approval** | The transaction documents provide that certain actions may be taken based upon receipt by the Trustee of confirmation from each of the Rating Agencies then rating the 2010 Bonds that the then current ratings assigned by such Rating Agencies will not be impaired by those actions. To the extent those actions are taken after issuance of the 2010 Bonds, investors in the 2010 Bonds will be depending on the evaluation by the Rating Agencies of those actions and the impact of those actions on credit quality. |
| **Bankruptcy risk; Lien position** | The rights and remedies of Bondholders could be limited by the provisions of the Federal Bankruptcy Code, as now or hereafter enacted (the "***Bankruptcy Code***"), or by other laws or legal or equitable principles which may affect the enforcement of creditors' rights. Chapter 9 of the Bankruptcy Code permits, under prescribed circumstances, a political subdivision or public agency or instrumentality of a state, such as the Commission, to commence a voluntary bankruptcy proceeding and to file a plan of adjustment in the repayment of its debts, if such entity is generally not paying its debts as they become due (unless such debts are the subject of a bona fide dispute), or is unable to pay its debts as they become due. Under the Bankruptcy Code, an involuntary petition cannot be filed against a political subdivision, public agency or instrumentality of a state.<br><br>In order to proceed under Chapter 9 of the Bankruptcy Code, state law must authorize the political subdivision, public agency or instrumentality to file a petition under the Bankruptcy Code. THE ENABLING ACTS DO NOT AUTHORIZE THE COMMISSION TO FILE A PETITION UNDER THE BANKRUPTCY CODE.<br><br>Payment of the 2010 Bonds is not secured by a lien on any funds on deposit in the General Reserve Fund established under the Senior Indenture or on any toll revenues collected by the Commission. The 2010 Bonds are secured solely by the Commission Payments and funds held under the Subordinate Indenture (excluding the Rebate Fund). Only the Special Revenue Bonds are entitled to payments from the Motor License Fund. In the event of insolvency of the Commission, any claim of the Bondholders, to the extent not satisfied from Commission Payments, would be a general unsecured claim. |

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| **Uncertainty as to available remedies** | The remedies available to owners of the 2010 Bonds upon an Event of Default under the Subordinate Indenture or other documents described herein are in many respects dependent upon regulatory and judicial actions which often are subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by the Subordinate Indenture and such other documents may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the issuance of the 2010 Bonds will be qualified, as to the enforceability of the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally. Payment of principal of and interest on the 2010 Bonds may not be accelerated upon the occurrence of an Event of Default under the Subordinate Indenture. |
| **The Motor License Fund may be used for other purposes** | The obligation of the Commonwealth to make payments from the Motor License Fund in respect of the 2010A MLF Special Revenue Bonds is limited to the available amounts in the Motor License Fund. Amounts in the Motor License Fund are not pledged to the holders of the 2010A MLF Special Revenue Bonds and may be expended by the Commonwealth for other purposes or loaned to the Commonwealth's General Fund. Accordingly, the availability of funds in the Motor License Fund to make payments with respect to the 2010A MLF Special Revenue Bonds is not guaranteed by the Commonwealth. |

## CONTINUING DISCLOSURE

The Commission will enter into a Continuing Disclosure Agreement for the benefit of the registered owners from time to time of the 2010 Bonds (the "***Disclosure Undertaking***").

Pursuant to the Disclosure Undertaking, the Commission will provide to the Municipal Securities Rulemaking Board (the "***MSRB***") Electronic Municipal Market Access System ("***EMMA***") within 180 days of the end of each fiscal year of the Commission commencing with the fiscal year ended May 31, 2010, annual financial information, consisting of financial and operating data of the type set forth in this Official Statement in Tables I, II and III of APPENDIX A — "THE PENNSYLVANIA TURNPIKE" and in APPENDIX B – "AUDITED FINANCIAL STATEMENTS: 2009 AND 2008," as well as a summary of any material legislative or regulatory developments affecting Act 44. In the event that audited financial statements are not available within 180 days of the close of the applicable fiscal year, the Annual Financial Information will contain unaudited financial statements and the audited financial statements will be provided for filing when available. The financial statements of the Commission shall be prepared in accordance with generally accepted accounting principles (GAAP). The Office of the Budget, on behalf of the Commonwealth, will also agree to provide to EMMA, within 240 days after the end of each fiscal year of the Commonwealth, an update of the information contained in APPENDIX I concerning the Motor License Fund.

The Disclosure Undertaking will also provide that the Commission will file in a timely manner with EMMA notice of the occurrence of any of the following events with respect to the 2010 Bonds, if material: (i) principal and interest payment delinquencies; (ii) non-payment related defaults; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions or events affecting the tax-exempt status of any of the 2010 Bonds; (vii) modifications to rights of holders of the applicable sub-series of 2010 Bonds; (viii) bond calls; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the 2010 Bonds; and (xi) rating changes. The foregoing events are quoted from Rule 15c2-12.

In addition, the Commission shall give notice in a timely manner to EMMA of any failure to provide such annual financial information on or before the date specified for such filing.

The Commission may amend the Disclosure Undertaking and waive any of the provisions thereof, but no such amendment or waiver shall be executed and effective unless (i) the amendment or waiver is made in connection with a change in legal requirements, change in law or change in the identity, nature or status of the Commission or the governmental operations conducted by the Commission; (ii) the Disclosure Undertaking, as modified by the amendment or waiver, would have been the written undertaking contemplated by Rule 15c2-12 at the time of original issuance of the 2010 Bonds, taking into account any amendments or interpretations of Rule 15c2-12; and (iii) the amendment or waiver does not materially impair the interests of the registered owners of the 2010 Bonds. Evidence of compliance with the foregoing conditions shall be satisfied by delivery to the Commission of an opinion of counsel having recognized skill and experience in the issuance of municipal securities and federal securities law to the effect that the amendment or waiver satisfies the conditions set forth in the preceding sentence. Notice of any amendment or waiver shall be filed by the Commission with EMMA and shall be sent to the registered owners of the 2010 Bonds.

The Disclosure Undertaking will recite that it is entered into for the benefit of the registered owners from time to time of the 2010 Bonds. For the purposes of the Disclosure Undertaking, for so long as the 2010 Bonds are registered in the name of DTC or its nominee, "***registered owner***" shall mean and include the holder of a book-entry credit evidencing an interest in the 2010 Bonds. Holders of book-entry credits may file their names and addresses with the Commission for the purposes of receiving notices or giving direction under the Disclosure Undertaking.

A default under the Disclosure Undertaking shall not be deemed to be a default under the 2010 Bonds or the Subordinate Indenture, and the sole remedy to enforce the provisions of the Disclosure Undertaking shall be the right of any registered owner, by mandamus, suit, action or proceeding at law or in equity, to compel the Commission to perform the provisions and covenants contained in the Disclosure Undertaking.

The Disclosure Undertaking will terminate (1) upon payment or provision for payment in full of the 2010 Bonds, (2) upon repeal or rescission of Section (b)(5) of Rule 15c2-12, or (3) upon a final determination that Section (b)(5) of Rule 15c2-12 is invalid or unenforceable. A copy of the Disclosure Undertaking is on file at the principal office of the Commission.

The Commission has complied with all of its continuing disclosure requirements pursuant to Rule 15c2-12 with respect to its other series of bonds.

## RELATIONSHIPS OF CERTAIN PARTIES

Dilworth Paxson LLP, which is serving as Co-Bond Counsel in this transaction, also provides other legal services to the Commission. Bowman Kavulich Ltd., which is serving as co-counsel to the Underwriters in this transaction, also provides legal services to the Commission.

## UNDERWRITING

The 2010 Bonds are being purchased by the Underwriters listed on the cover page (the "***Underwriters***") for whom J.P. Morgan Securities Inc. is acting as the Representative. The Underwriters have agreed to purchase the 2010 Bonds at an underwriting discount of $3,159,689.81.

The Underwriters will be obligated to purchase all of the 2010 Bonds if any of such 2010 Bonds are purchased. The 2010 Bonds may be offered and sold to certain dealers (including the Underwriters and other dealers depositing such 2010 Bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters. The Commission has agreed to be liable to the Underwriters to the extent of all losses, claims, damages and liabilities arising out of incorrect statements or information contained in this Official Statement or material omissions therein, except for information furnished by the Underwriters, and with respect to certain other matters.

J.P.Morgan Securities Inc. ("***JPMSI***"), one of the Underwriters of the 2010 Bonds, has entered into negotiated dealer agreements (each, a "***Dealer Agreement***") with each of UBS Financial Services Inc. ("***UBSFS***") and Charles Schwab & Co., Inc. ("***CS&Co.***") for the retail distribution of certain securities offerings, including the 2010 Bonds, at the original issue prices. Pursuant to each Dealer Agreement, each of UBSFS and CS&Co. will purchase 2010 Bonds from JPMSI at the original issue price less a negotiated portion of the selling concession applicable to any 2010 Bonds that such firm sells.

## RATINGS

Moody's Investors Service, Inc. ("***Moody's***"), and Standard & Poor's Ratings Group, a division of The McGraw Hill Companies, Inc., have assigned underlying long-term ratings for the Commission's Subordinate Revenue Bonds, including the 2010B Revenue Bonds, of "A3" (negative outlook) and "A-" (stable outlook), respectively. The 2010A MLF Special Revenue Bonds have been assigned a rating of "Aa3" (stable outlook) by Moody's and a rating of "AA" (stable outlook) by Fitch Ratings.

An explanation of the significance of each of such ratings may be obtained from the rating agency furnishing the same at the following addresses: Standard & Poor's Rating Group, 25 Broadway, New York, NY 10004, Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, NY 10007; and Fitch Ratings, One State Street Plaza, New York, NY 10004. A rating is not a recommendation to buy, sell or hold securities. There is no assurance that such ratings will continue for any given period of time or that they may not be lowered or withdrawn entirely by the rating agencies, or either of them, if, in their or its judgment, circumstances so warrant. Any such downward change in or withdrawal of such ratings, or any of them, may have an adverse effect on the market price of the 2010 Bonds.

## LITIGATION

There is no controversy or litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the 2010 Bonds, or in any way contesting or affecting the validity of the 2010 Bonds or any proceedings of the Commission taken with respect to the offer or sale thereof, or the pledge or application of any monies or security provided for the payment of the 2010 Bonds, the existence or powers of the Commission or the construction of the Commission's Capital Improvement Program.

The Commission is covered by Act No. 152, approved September 28, 1978, which provides for a limited waiver of sovereign immunity by the Commonwealth. Damages for any loss are limited to $250,000 for each person or $1,000,000 in the aggregate.

There are currently approximately 89 open claims for personal injury and/or property damage pending against the Commission, none of which individually or in the aggregate are deemed to expose the Commission to a material risk of loss.

## LEGAL MATTERS

Certain legal matters incident to the issuance of the 2010 Bonds and with regard to the tax status of the interest thereon will be passed upon by Dilworth Paxson LLP and Gonzalez, Saggio & Harlan LLP, Co-Bond Counsel. A copy of the form of opinion of Co-Bond Counsel which will be delivered with the 2010 Bonds is set forth in APPENDIX E – "FORM OF OPINION OF CO-BOND COUNSEL." Certain legal matters will be passed upon for the Underwriters by their Co-Counsel, Reed Smith LLP and Bowman Kavulich Ltd., and for the Commission by its Chief Counsel, Doreen A. McCall, Esquire.

The various legal opinions to be delivered concurrently with the delivery of the 2010 Bonds express the professional judgment of the attorneys rendering the opinion as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or the future performance of the parties to the transaction. In addition, the rendering of an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

## TAX MATTERS

### 2010 Bonds

In the opinion of Co-Bond Counsel, under existing statutes, regulations, rulings and court decisions, interest on the 2010 Bonds will not be includable in the gross income of the holders thereof for federal income tax purposes and will not be a specific preference item for purposes of computing the federal alternative minimum tax imposed on individuals and corporations. Interest on the 2010 Bonds is excluded from the adjusted current earnings of corporations for purposes of computing the alternative minimum tax imposed on corporations. However, interest on the 2010 Bonds may be included in effectively connected earnings and profits for the purpose of computing the branch profits tax imposed on certain foreign corporations doing business in the United States, received or accrued in any taxable year by certain foreign corporations may be included in computing the "dividend equivalent amount" of such corporations subject to the branch profits tax imposed on such corporations under Section 884 of the Internal Revenue Code of 1986, as amended (the "***Code***"). Further, interest on the 2010 Bonds may be subject to federal income taxation under Section 1375 of the Code for S corporations which have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of such S corporations is passive investment income.

Ownership of the 2010 Bonds may result in collateral federal income tax consequences to certain taxpayers including, without limitation, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit and taxpayers, including banks, thrift institutions and other financial institutions subject to Section 265 of the Code, who may be deemed to have incurred or continued indebtedness to purchase or to carry the 2010 Bonds. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j) of the Code. Interest on the 2010 Bonds will constitute disqualified income for this purpose. The Code also provides that for years beginning after December 31, 2010, the earned income credit is phased out if the modified adjusted gross income of the taxpayer exceeds certain amounts. Interest on the 2010 Bonds will be included in determining the modified gross income of the taxpayer. Co-Bond Counsel express no opinion as to any such consequences, and prospective purchasers of the 2010 Bonds who may be subject to such collateral consequences should consult their tax advisors.

The Commission will make certain representations and undertake certain agreements and covenants in the Subordinate Indenture and in a Tax Regulatory Agreement to be delivered concurrently with the original issuance of the 2010 Bonds, designed to ensure compliance with the applicable provisions of the Code. The inaccuracy of these representations or the failure on the part of the Commission to comply with such covenants and agreements could result in the interest on the 2010 Bonds being included in the gross income of the holder for federal income tax purposes, in certain cases retroactive to the date of original issue of the 2010 Bonds.

The opinion of Co-Bond Counsel assumes the accuracy of these representations and the future compliance by the Commission with its covenants and agreements. Moreover, Co-Bond Counsel have not undertaken to evaluate, determine or inform any person, including any holder of the 2010 Bonds, whether any actions taken or not taken, events occurring or not occurring, or other matters that might come to attention of Co-Bond Counsel, would adversely affect the value of, or tax status of the interest on, the 2010 Bonds.

The opinion of Co-Bond Counsel represents their legal judgment based upon their review of existing statutes, regulations, published rulings and court decisions and the facts that they deem relevant to render such opinions. However, such opinion is not a guarantee of any result and is not binding on the Internal Revenue Service or the courts. Neither the Underwriters nor Co-Bond Counsel are obligated to defend the tax-exempt status of the 2010 Bonds. None of the Commission, the Underwriters or Co-Bond Counsel is responsible to pay or reimburse the costs of any holder or beneficial owner with respect to any audit or litigation relating to the 2010 Bonds.

The Internal Revenue Service has an ongoing program of examining tax-exempt obligations to determine whether, in the view of the IRS, interest on such obligations is properly excluded from gross income for federal income tax purposes, and it is possible that the 2010 Bonds may be selected for examination under such program. Under current procedures, parties other than the Commission, and their appointed counsel, including the holders of the 2010 Bonds, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Commission may legitimately disagree, may not be practicable. Any action of the IRS, including but not limited to, selection of the 2010 Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues, may affect the market price for, the liquidity of or the marketability of, the 2010 Bonds, and may cause the Commission or the holders of the 2010 Bonds to incur significant expense.

There can be no assurance that currently existing or future legislative proposals by the United States Congress limiting or further qualifying the excludability of interest on 2010 Bonds from gross income for federal tax purposes, or changes in federal tax policy generally, will not adversely affect the market for the 2010 Bonds.

**Premium Bonds**. 2010 Bonds purchased, whether at original issuance or otherwise, for an amount greater than their principal amount payable at maturity ("***Premium Bonds***"), will be treated as having amortizable premium. No deduction is allowable for the amortizable premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, a purchaser's basis in a Premium Bond and the amount of tax exempt interest received will be reduced by the amount of amortizable premium properly allocable to such purchaser. Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable premium in their particular circumstances.

**Original Issue Discount**. The initial public offering of certain 2010 Bonds may be less than the stated redemption price thereof at maturity. The difference between the initial public offering price for any such 2010 Bond and the stated redemption price at maturity is "original issue discount." For federal income tax purposes, original issue discount on a 2010 Bond accrues to original holders of the 2010 Bond over the period of its maturity based on the constant yield method compounded annually as interest with the same tax exemption and alternative minimum tax status as regular interest. The accrual of original issue discount increases the holder's tax basis in the 2010 Bond for determining taxable gain or loss on the maturity, redemption, prior sale or other disposition of the 2010 Bond. Purchasers of the 2010 Bonds should consult their tax advisors for an explanation of the accrual rules for original issue discount and any other federal, state or local tax consequences of the purchase of 2010 Bonds with original issue discount.

THE FOREGOING SUMMARY AS TO 2010 BONDS IS NOT INTENDED AS AN EXHAUSTIVE RECITAL OF THE POTENTIAL TAX CONSEQUENCES OF HOLDING THE 2010 BONDS. PROSPECTIVE PURCHASERS OF THE 2010 BONDS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF THE OWNERSHIP OF THE 2010 BONDS. CO-BOND COUNSEL WILL NOT RENDER ANY OPINION AS TO STATE OR LOCAL TAX CONSEQUENCES EXCEPT FOR THE MATTERS SET FORTH UNDER THE CAPTION "STATE TAX MATTERS" BELOW.

**State Tax Matters**

Under the laws of the Commonwealth as presently enacted and construed, the 2010 Bonds are exempt from personal property taxes in the Commonwealth and the interest on the 2010 Bonds is exempt from Pennsylvania personal income tax and Pennsylvania corporate net income tax. However, under the laws of the Commonwealth as presently enacted and construed, any profits, gains or income derived from the sale, exchange or other disposition of obligations of the Commission, such as the 2010 Bonds, will be subject to Pennsylvania taxes within the Commonwealth.

The 2010 Bonds and the interest thereon may be subject to state or local taxes in jurisdictions other than the Commonwealth under applicable state or local tax laws.

PROSPECTIVE PURCHASERS OF THE 2010 BONDS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE FEDERAL, STATE AND LOCAL INCOME TAX CONSEQUENCES OF OWNERSHIP OF THE 2010 BONDS AND ANY CHANGES IN THE STATUS OF PENDING OR PROPOSED TAX LEGISLATION.

## FINANCIAL ADVISORS

The Commission has retained Phoenix Capital Partners, Philadelphia, Pennsylvania and NW Financial Group, LLC, Jersey City, New Jersey, as Co-Financial Advisors with respect to the authorization and issuance of the 2010 Bonds. The Co-Financial Advisors are not obligated to undertake or assume responsibility for, nor has either undertaken or assumed responsibility for, an independent verification of the accuracy, completeness or fairness of the information contained in this Official Statement. Phoenix Capital Partners and NW Financial Group, LLC are independent advisory firms and are not engaged in the business of underwriting, holding or distributing municipal or other public securities.

## TRUSTEE AND PAYING AGENT

TD Bank, National Association, Philadelphia, Pennsylvania, is the Trustee and Paying Agent under the Subordinate Indenture. The obligations and duties of the Trustee are as described in the Subordinate Indenture. The Trustee has not evaluated the risks, benefits or propriety of any investment in the 2010 Bonds, and makes no representation, and has reached no conclusions, regarding the validity of the 2010 Bonds, the security therefor, the adequacy of the provisions for payment thereof or the tax-exempt status, as applicable, of the interest on the 2010 Bonds. The Trustee has relied upon the opinion of Co-Bond Counsel for the validity of the 2010 Bonds and status of the interest on the 2010 Bonds as well as other matters set out in that opinion. Furthermore, the Trustee has no oversight responsibility, and is not accountable, for the use or application by the Commission of any of the 2010 Bonds authenticated or delivered pursuant to the Subordinate Indenture or for the use or application of the proceeds of such 2010 Bonds by the Commission.

Under the terms of the Subordinate Indenture, the Trustee shall not be responsible for any loss or damage resulting from any action or inaction taken in good faith in reliance upon an opinion of counsel and the Trustee is liable only for those damages caused by its gross negligence or willful misconduct. Under the Subordinate Indenture, the Trustee is not required to take notice, and is not deemed to have notice, of any default under the Subordinate Indenture, unless the Trustee has been specifically notified in writing of such default by the owners of at least 10% in aggregate principal amount of the Outstanding 2010 Bonds affected by such default. All notices or other instruments required by the Subordinate Indenture to be delivered to the Trustee must be delivered at the designated office of the Trustee. In the absence of any such notice, the Trustee may conclusively assume no Event of Default under the Subordinate Indenture exists, except as expressly stated in the Subordinate Indenture. The summary of the Trustee's rights, duties, obligations and immunities is not intended to be a complete summary and reference must be made to the Subordinate Indenture for a complete statement of the Trustee's rights, duties, obligations and immunities.

## MISCELLANEOUS

The financial data and other information contained herein have been obtained from the Commission's records, audited financial statements and other sources which are believed to be reliable. However, no guarantee is given that any of the assumptions, forecasts or estimates contained herein will be realized.

The references herein to the Enabling Acts, Act 44, the 2010 Bonds, the Subordinate Indenture, the Supplemental Subordinate Indenture No. 8, the Memorandum of Agreement, the Disclosure Undertaking, and the Senior Indenture are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and, accordingly, are qualified by reference and are subject to the full texts thereof.

Neither this Official Statement nor any other disclosure in connection with the 2010 Bonds is to be construed as a contract with the holders of the 2010 Bonds. Any statements made in this Official Statement involving matters of opinion or estimates, whether or not expressly so identified, are intended merely as such and not as representations of fact. No representation is made that any of such statements will be realized.

The execution and delivery of this Official Statement by its Chief Financial Officer have been duly authorized by the Commission.

PENNSYLVANIA TURNPIKE COMMISSION

By: /s/ Nickolaus Grieshaber
Chief Financial Officer

# APPENDIX A

## THE PENNSYLVANIA TURNPIKE COMMISSION

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# APPENDIX A

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APPENDIX A[*]

THE PENNSYLVANIA TURNPIKE COMMISSION

# THE COMMISSION

## General

The Commission is an instrumentality of the Commonwealth existing pursuant to an Act of the General Assembly of Pennsylvania approved July 18, 2007, P. L. 169, No. 44 ("***Act 44***") and various Acts of the General Assembly approved on several dates, including the Act of May 21, 1937, P. L. 774, Act 211, the Act of May 24, 1945, P. L. 972; the Act of February 26, 1947, P. L. 17; the Act of May 23, 1951, P. L. 335; the Act of August 14, 1951, P. L. 1232; and the Act of September 30, 1985, P. L. 240, No. 61 ("***Act 61***"), (collectively, the "***Enabling Acts***"). Pursuant to the Enabling Acts, the Commission has the power to construct, operate and maintain the System (as defined herein). Its composition, powers, duties, functions, duration and all other attributes are derived from the Enabling Acts as amended and supplemented by subsequent legislation. The Enabling Acts may be modified, suspended, extended or terminated at any time by further legislation.

The Commission is composed of five members, including one ex officio member, the Secretary of the Department of Transportation of the Commonwealth of Pennsylvania ("***PennDOT***"). Mr. Allen D. Biehler is the current Chairman of the Commission and Secretary of PennDOT. Any vacancy in the membership of the Commission (other than the Secretary of Transportation) must be filled by appointment of the Governor, with the advice and consent of two thirds of the members of the Pennsylvania Senate.

The present members of the Commission and the dates on which their respective terms expire are as follows:

| Name | Position | Expiration of Term[†] |
|---|---|---|
| Allen D. Biehler | Chairman | Ex-Officio |
| J. William Lincoln | Secretary/Treasurer | June 24, 2013 |
| Pasquale T. Deon, Sr. | Commissioner | June 30, 2010 |
| A. Michael Pratt | Commissioner | June 24, 2013 |
| William K. Lieberman | Commissioner | July 1, 2014 |

Act 44 extensively revised and modified earlier legislation, added new authorities and responsibilities and required adoption of a code of conduct for executive level employees, as well as members of the Commission. As more fully discussed herein, pursuant to Act 44, the Commission and PennDOT, entered into a Lease and Funding Agreement dated as of October 14, 2007 (the "***Funding Agreement***") providing for substantial payments to PennDOT to provide funds for various transportation needs in the Commonwealth. See particularly "*The*

[*] Capitalized terms used in this Appendix A and not otherwise defined have the meanings ascribed in the forepart, Appendix C or Appendix F of this Official Statement.

[†] Or until their successors are appointed and qualified.

*Pennsylvania Turnpike – Act 44 – Funding Agreement Between PennDOT and the Commission*" and "*– Act 44 Payments to PennDOT for Roads, Bridges and Transit*." Act 44 granted the Commission the right to lease that portion of I-80 within the Commonwealth and the option to convert such portion of I-80 to a toll road subject to certain federal approvals from the Federal Highway Administration ("FHWA"), which, as further discussed below, were not obtained. See "*The Pennsylvania Turnpike – Act 44 – Funding Agreement Between PennDOT and the Commission*" and " *– Tolling of I-80*" herein.

The Enabling Acts provide that the Commission shall not be required to pay any taxes or assessments on any property acquired or used by it. It also provides that turnpike revenue bonds issued by the Commission shall not be deemed to be a debt of the Commonwealth or a pledge of the faith and credit of the Commonwealth and that the Commonwealth is not obligated to levy or pledge any form of taxation or make any appropriation for the payment of such bonds. The Commission has no taxing power.

**Executive Personnel**

Joseph G. Brimmeier has been the Chief Executive Officer since February 2003. Prior to that time, he served as Chief of Staff to former U.S. Representative Ron Klink.

George M. Hatalowich was named the Chief Operating Officer in February 2007. Prior to that time, he was Contracts Administration Manager from 2003 to 2007, Engineering Contracts Supervisor and Agreement Supervisor from 1993 to 2003, and Bridge Design Engineer from 1990 to 1993.

Nikolaus H. Grieshaber was named Chief Financial Officer in June 2008. Prior to that time, he held positions of Director of Treasury Management and Treasury Manager with the Commission. Before joining the Commission in 2000, he was a finance manager and portfolio manager for ADP Capital Management, assistant treasurer for BTR Dunlop Finance, cash manager for Silo, Inc. and investment analyst for American Life Insurance Company.

Frank J. Kempf, Jr. was named Chief Engineer in July 2007. Prior to that time, he held positions of Assistant Chief Engineer Design and Chief Bridge Engineer with the Commission. Before joining the Commission in 1986, he worked as a Bridge Design Engineer for a consulting engineering firm and with PennDOT.

Doreen A. McCall, Esq., has been the Chief Counsel since July 2005. Prior to that time, she served as Chief Counsel to the Pennsylvania Historical and Museum Commission from February 2003 to July 2005 and as Deputy General Counsel in the Governor's Office of General Counsel from April 2000 to January 2003. From September 1996 to April 2000, she was an Assistant General Counsel and from November 1993 to August 1996, she was a staff attorney in the Office of Inspector General.

## THE PENNSYLVANIA TURNPIKE

### General

The present Pennsylvania Turnpike System (the "***System***") is composed of:

- the 359 mile Turnpike Mainline traversing the southern portion of Pennsylvania from east to west;
- the 110 mile north south section identified as the Northeast Extension;
- the approximately 16 mile north south connection, known as the Beaver Valley Expressway, which intersects the Turnpike Mainline in the southwestern portion of the Commonwealth;
- the approximately 13 mile Amos K. Hutchinson Bypass which adjoins the Turnpike Mainline near the New Stanton Interchange;
- the 23 mile section of the Mon/Fayette Project and the 8 mile section from the Pennsylvania/West Virginia border to Fairchance, which is located just south of Uniontown; and
- the 6 mile Southern Beltway project from PA 60 to US 22.

The Turnpike Mainline connects with the Ohio Turnpike at its western terminus and with the New Jersey Turnpike at its eastern terminus. The Turnpike Mainline commences on the eastern boundary of Pennsylvania at the Delaware River Bridge which connects the System to the New Jersey Turnpike. The Turnpike Mainline traverses the state in a westerly direction generally paralleling the southern border of the state immediately north of Philadelphia and south of Harrisburg to the vicinity of Somerset. West of Somerset, the highway follows a northwesterly direction to the northeast of Pittsburgh and to the Ohio state line, south of Youngstown, Ohio.

The System was constructed prior to development of the National Interstate Highway System but portions have been designated as Interstate Routes. However, no Federal Highway Trust Fund monies have been utilized in the construction of the Turnpike Mainline, Northeast Extension, Beaver Valley Expressway or Amos K. Hutchinson Bypass section of the Turnpike. The Turnpike Mainline has been designated as Interstate Route 276 between the area where Interstate Route 95 crosses the Pennsylvania Turnpike System and the Valley Forge Interchange. The portion of the Turnpike Mainline west of the Valley Forge Interchange to the western terminus at the Ohio state line has been designated as Interstate Route 76. In addition, the Turnpike Mainline between the New Stanton and Breezewood Interchanges has been designated as Interstate Route 70. The Northeast Extension has been designated as Interstate Route 476.

The System was constructed and opened to traffic in sections. The original Turnpike Mainline segment between Irwin and Carlisle was opened in 1940. Ten years later, in 1950 the 100 mile section between Carlisle and King of Prussia, was completed and opened. After 1950, construction of new segments of the System occurred at more frequent intervals with the Turnpike Mainline segment in service as of May, 1956. The initial segment of the Northeast

Extension between the Turnpike Mainline and the temporary interchange just south of the Lehigh Tunnel was opened in 1955. The final segment, from such interchange to Scranton, was completed and opened for traffic in November, 1957.

The Delaware River Bridge, which connects the Turnpike Mainline with the New Jersey Turnpike System, is owned jointly by the Commission and the New Jersey Turnpike Authority.

**Revenue Sources of the Commission**

***Tolls***. All rates, rents, fees, charges, fines and other income derived by the Commission from the vehicular usage of the System and all rights to receive the same (the "***Tolls***", as defined in the attached APPENDIX C) constitute one of the Commission's three principal streams of revenues. The Tolls are presently pledged to secure the Commission's outstanding turnpike senior revenue bonds (collectively, the "***Senior Revenue Bonds***") and the Senior Indenture Parity Obligations (the Senior Revenue Bonds and the Senior Indenture Parity Obligations, together with any Senior Indenture Subordinated Indebtedness issued under the Senior Indenture, herein collectively the "***Senior Indenture Obligations***") which will be subject to or may be issued under the terms of the Senior Indenture. Currently, $2,262,455,000 aggregate principal amount of Senior Revenue Bonds are Outstanding under the Senior Indenture. Other Senior Parity Obligations include, among other things, interest rate swaps and reimbursement and standby bond purchase agreements. No Senior Indenture Subordinated Indebtedness is currently outstanding.

The Tolls are not pledged to secure the Oil Franchise Tax Revenue Bonds (as defined below), the Registration Fee Revenue Bonds (as defined below) or the bonds and other obligations issued under the Subordinate Indenture. All Subordinate Indenture Bonds, and all other parity obligations issued by the Commission under the Subordinate Indenture, are subordinated to the payment of the Senior Indenture Obligations issued under the Senior Indenture. See "*Issuance of Bonds; Commission Payments"*.

The Commission may in the future, under the terms of the Senior Indenture, identify in writing certain roads, other than the Mainline Section and the Northeast Extension, as not being part of the System for the purposes of the Senior Indenture which would eliminate toll revenues from these portions from the definition of Tolls under the Senior Indenture. However, the Commission currently has no plans to remove any roads from the System.

***Oil Franchise Tax Revenues***. The Commission's second principal stream of revenues consists of that portion of the Commonwealth's oil franchise tax revenues (the "***Oil Franchise Tax Revenues***") allocated by statute to the Commission or the holders of the Commission's Oil Franchise Tax Revenue Bonds (the "***Oil Franchise Tax Revenue Bonds***"), a total of $814,041,246 of which are issued and outstanding. The Oil Franchise Tax Revenue Bonds, the proceeds of which were spent on portions of the Mon/Fayette Expressway and the Southern Beltway, are secured solely by Oil Franchise Tax Revenues. The Oil Franchise Tax Revenues are not pledged to secure any Senior Indenture Obligations, any Subordinate Indenture Bonds or any Registration Fee Revenue Bonds.

***Registration Fee Revenues***. The Commission's third principal stream of revenues consists of that portion of the Commonwealth's vehicle registration fee revenues (the "***Registration Fee Revenues***") allocated by statute to the Commission or the holders of any of the Commission's Registration Fee Revenue Bonds (the "***Registration Fee Revenue Bonds***"), a total of $442,020,000 of which are issued and outstanding. The Registration Fee Revenue Bonds, the proceeds of which were spent on portions of the Mon/Fayette Expressway and the Southern Beltway, are secured by Registration Fee Revenues. Registration Fee Revenue Bonds are to be paid solely from the Registration Fee Revenues. The Registration Fee Revenues are not pledged to secure any Senior Indenture Obligations, the Subordinate Indenture Bonds or the Oil Franchise Tax Revenue Bonds.

Neither the Indebtedness under the Subordinate Indenture, the Oil Franchise Tax Revenue Bonds nor the Registration Fee Revenue Bonds are secured by or have any interest in the Senior Trust Estate.

***Future Financing Considerations***. In addition to Additional Subordinate Indenture Bonds, the Commission may, from time to time, issue other notes and bonds payable from such sources as may be available so long as the Tolls, the Oil Franchise Tax Revenues securing the Oil Franchise Tax Revenue Bonds or the Registration Fee Revenues securing the Registration Fee Revenue Bonds are not pledged to such other notes and bonds or, if pledged, are pledged on a subordinate basis. The most recent toll increase in the amount of 3% was effective January 3, 2010. At its meeting on July 13, 2010, the Commission adopted several revenue enhancement measures to take effect in January 2011. See "*Toll Schedule and Rates*" for further information. For the foreseeable future, the Commission anticipates that it will borrow substantial additional funds for purposes of funding capital expenditures for the System and payments under Act 44 and the Funding Agreement. Such borrowings are expected to be undertaken principally under the Senior Indenture and the Subordinate Indenture. Any projected toll increases may be revised by the Commission if necessary to meet the then existing debt and operational obligations of the Commission.

The ability of the Commission to repay such borrowings could be adversely affected by many factors, some of which are beyond the control of the Commission. For example, economic circumstances which result in significant declines in motor vehicle acquisition or operating cost increases could adversely affect the number of motor vehicles in use. The cost of fuel could increase which could adversely affect both the number of motor vehicles using the System and the mileage that such vehicles travel. Government regulations, such as Clean Air Act requirements, might also significantly restrict motor vehicle use and therefore diminish Tolls. See "*Toll Schedule and Rates*" and "*Five Year Financial History*" for further information, including information on recent declines in traffic volume and gross fare revenues. See "CERTAIN RISK FACTORS" in the forepart of this Official Statement.

In addition, from time to time, legislation is introduced in the Pennsylvania General Assembly, with respect to Act 44 and otherwise, which may affect the Commission and, therefore, may affect certain of the assumptions made in the Official Statement. The Commission cannot predict if any such bills or other legislation will be enacted into law, or how any such legislation may affect the Commission's ability to pay debt service on its Subordinate Indenture Bonds. See "*Recent Developments and Future Legislation*."

**Act 44**

On July 18, 2007, Pennsylvania Governor Rendell signed Act 44 into law, creating a "public public partnership" between the Commission and PennDOT to provide funding for roads, bridges and transit throughout the Commonwealth. Under Act 44, the Funding Agreement was entered into by the Commission and PennDOT. Many of the terms of Act 44 are incorporated in the Funding Agreement. The term of the Funding Agreement is fifty years. See "*Funding Agreement Between PennDOT and the Commission*."

***Funding Agreement Between PennDOT and the Commission***. The Funding Agreement (i) requires the Commission to make scheduled annual payments to PennDOT, payable in equal quarterly installments, and (ii) grants the Commission the option to lease the portion of I-80 located in the Commonwealth from PennDOT, assuming approval by the FHWA of the conversion of I-80 into a toll road (the "***Conversion***"). The Funding Agreement grants the unilateral option to the Commission to effectuate the Conversion at any time before the third anniversary of the Funding Agreement, which is October 14, 2010 (the "***Conversion Period***"). Under the Funding Agreement, the Commission may extend the Conversion Period for up to three one-year periods. FHWA's approval of the tolling of I-80 is required in order for the Conversion to occur.

On April 6, 2010, the FHWA denied the Commission's application to toll I-80. Barring any unforeseen circumstances, the Commission does not expect to appeal the FHWA's decision or pursue the tolling of I-80 further. The Commission did not extend the Conversion Period during the notice period provided under the Funding Agreement. The Conversion Period will terminate on October 14, 2010. Barring any unforeseen circumstances, including new statutory authority, all legal, financial and operational responsibility for I-80 will remain with PennDOT. Act 44 funding of highways and transit will drop from $900 million in Fiscal Year 2009-10 to $450 million annually for the remaining term of the Funding Agreement. The Commission believes that the payment required to be made to PennDOT under Act 44 for the 2010-11 Fiscal Year is $450,000,000. The Commission intends to pay this amount on a quarterly basis as provided in Act 44. In addition, the Commission's obligation under Act 44 to make annual surplus payments of the General Reserve Fund Surplus (as defined in Act 44) at the end of each Fiscal Year is also expected to terminate. However, the Commission has been advised that the Office of the Budget of the Commonwealth may assert that the reduced annual payment obligation is not effective until Fiscal Year 2011-12 and that a higher amount, a maximum of $922,500,000, is payable in Fiscal Year 2010-11. Furthermore, legislation has been proposed and may be introduced to amend Act 44 to require that the Commission make payments in excess of $450,000,000 to PennDOT for one or more years.

Consequently, the Commission may be required to make payments in amounts greater than $450,000,000 for one or more Fiscal Years, but the likelihood of such higher payments cannot be determined at this time.

Should the Office of the Budget claim that the Commission must pay the higher payment for Fiscal Year 2010-11, and the Commission disputes that claim, the Funding Agreement requires that the parties must enter an informal dispute resolution process before pursuing other remedies. Further, Act 44 provides that if the Secretary of the Budget notifies the Commission of a failure to make a payment to PennDOT under the Act and Funding Agreement, all actions of the Commission taken by a vote of the Commissioners shall be passed by a unanimous vote until such time as the payment is made. However, a unanimous vote shall not be required if it would prevent the Commission from complying with covenants with current bondholders, debt holders or creditors.

The Commission is required by the terms of the Funding Agreement and Act 44 to fix and adjust tolls at levels that will generate revenues (together with other available moneys) sufficient to pay, among other things, amounts to PennDOT pursuant to the Funding Agreement when due and other obligations of the Commission, and the Commission has covenanted in the Subordinate Indenture to set tolls at a level sufficient to meet its coverage obligations taking into account any additional debt incurred in order to make such payments.

***Act 44 Payments to PennDOT for Roads, Bridges and Transit***. Act 44 provides that all required payments under the Funding Agreement or as required by Act 44 shall be subordinate obligations of the Commission payable solely from the General Reserve Fund after meeting all other Commission requirements pursuant to any financial documents, financial covenants, liquidity policies or agreements in effect at the Commission. Pursuant to the Funding Agreement, the Commission's payments to PennDOT in prior Fiscal Years have been allocated as follows: deposits to the Motor License Fund to be available for road and bridge work in the amounts of \$450 million in Fiscal Year 2007-08, \$500 million in Fiscal Year 2008-09 and \$500 million in Fiscal Year 2009-10; and deposits into the Public Transportation Trust Fund for distribution to Pennsylvania's local and regional public transportation agencies for operating and capital purposes in the amounts of \$300 million in Fiscal Year 2007-08, \$350 million in Fiscal Year 2008-09 and \$400 million in Fiscal Year 2009-10. Notwithstanding the foregoing, no portion of the payments of the Commission to be deposited into the Public Transportation Trust Fund may be made with proceeds of Special Revenue Bonds. As a result of the FHWA's rejection of the I-80 tolling application, the Commission believes its payment obligation is \$450 million annually over the remaining term of the Funding Agreement, with \$200 million to be deposited annually in the Motor License Fund to be available for roads and bridges and \$250 million to be deposited annually in the Public Transportation Trust Fund to be available for transit. However, although the Commission intends to make payments totaling \$450,000,000 for Fiscal Year 2010-11, as discussed in "*Funding Agreement Between PennDOT and the Commission*," the Commonwealth may assert that a higher amount, up to a maximum of \$922,500,000, is payable in Fiscal Year 2010-11.

The first twelve payments under the Funding Agreement, in the aggregate amount of \$2,500,000,000, were all timely made as required under Act 44. The \$225 million dollar payment due on April 29, 2010 was financed with a portion of the proceeds of the Commission's \$225,095,000 Turnpike Subordinate Revenue Bond Anticipation Notes, Sub-Series A-1 of 2010 issued in April of 2010. There are currently \$2,790,237,762.70 Subordinate Indenture Bonds and bond anticipation notes outstanding under the Subordinate Indenture.

***Issuance of Bonds; Commission Payments***. Under the Enabling Acts, including Act 44, the Commission is authorized and empowered, among other things, to issue turnpike revenue bonds, notes or other obligations (either senior on a parity basis or subordinate) to pay (i) pursuant to the Funding Agreement, if applicable, the costs of construction, reconstructing, widening, expanding or extending I-80 or any other costs of I-80 and the System, (ii) certain amounts to PennDOT pursuant to the Funding Agreement for purposes of funding PennDOT highway, road and bridge construction and maintenance programs in the Commonwealth, (iii) costs of improvements to the System, and (iv) certain amounts into a Public Transportation Trust Fund pursuant to the Funding Agreement, to be used exclusively for mass transit programs (provided that, pursuant to the terms of the Funding Agreement, the proceeds of any Special Revenue Bonds may not be applied for payments to mass transit programs).

The bonds authorized to be issued by the Commission under Act 44, after execution of the Funding Agreement, include up to $5 billion of Special Revenue Bonds, as described below. Proceeds of such bonds may be applied toward the satisfaction of the Commission's scheduled annual payment obligations under the Funding Agreement and Act 44, except, pursuant to the terms of the Funding Agreement, that portion of the annual payment obligations to be deposited in the Public Transportation Trust Fund. See "*Statutory Limitations on the Incurrence of Special Revenue Bonds*" below. The Funding Agreement provides that the Commission is obligated to pay all debt service due with respect to the Special Revenue Bonds.

Pursuant to the terms of the Subordinate Indenture, the Commission covenanted, after payment of all required debt service on all Senior Indenture Obligations and subject to the provisions of the Senior Indenture, to pay to the Trustee under the Subordinate Indenture (the "Subordinate Indenture Trustee"), and it instructed the Senior Indenture Trustee to pay to the Subordinate Indenture Trustee, out of the General Reserve Fund established under the Senior Indenture, such amounts as are required by the Subordinate Indenture, by a supplemental indenture to the Subordinate Indenture or by a parity swap agreement to pay, at the times specified, debt service on all outstanding Subordinate Indenture Bonds and the parity obligations under the Subordinate Indenture.

Accordingly, the Commission shall instruct and furnish a debt service schedule to the Senior Indenture Trustee providing for the payment to the Subordinate Indenture Trustee out of available funds held in the General Reserve Fund the amount from time to time necessary to satisfy all required deposits under the Subordinate Indenture to the Commission Payments Fund and to pay debt service on the outstanding Subordinate Indenture Bonds, the parity obligations and all other payments required from time to time under the Subordinate Indenture and in a supplemental indenture to the Subordinate Indenture.

Under the Subordinate Indenture, the Commission may, from time to time, issue additional bonds, including Revenue Bonds and Special Revenue Bonds, to help satisfy its payment obligations under Act 44. The Commission presently intends any Long-Term Indebtedness to be issued under the Subordinate Indenture to be paid solely from Commission Payments. Such obligations, if issued, are subordinate to the Senior Revenue Bonds issued under the Senior Indenture. The Revenue Bonds will be parity obligations with the outstanding Revenue Bonds under the Subordinate Indenture. The Special Revenue Bonds will have a subordinate right to payment from Commission Payments to the rights of payment in favor of the holders of the Revenue Bonds issued under the Subordinate Indenture. **APPENDIX G sets forth**

**the existing debt service schedule for the Senior Indenture Bonds and Subordinate Indenture Bonds.**

***Statutory Limitations on the Incurrence of Special Revenue Bonds***. Under Act 44, the Commission is authorized to issue, by resolution, Special Revenue Bonds (as defined in §9511.2 of Act 44) up to an aggregate principal amount of $5 billion, exclusive of original issue discount, for the purpose of paying bond related expenses and costs of PennDOT, including the costs of highway, road, tunnel and bridge construction, renovation and expansion, including acquisition of land, rights, machinery and equipment and certain finance charges relating thereto, public transportation systems, planning, engineering, administrative and other expenses, and debt service. In addition, no more than $600 million in aggregate principal amount of such Special Revenue Bonds, exclusive of original issue discount, may be issued in any calendar year. No such bond may be issued unless the Funding Agreement is in effect, and no such bond may be outstanding beyond the stated term of the Funding Agreement at the time of issuance. Special Revenue Refunding Bonds (as defined in §9511.2 Act 44) shall not be deemed to count against the total or annual maximum issuance volume under Act 44.

Should the Commission fail to timely make required debt service deposits for Special Revenue Bonds, the Subordinate Indenture Trustee shall proceed under the terms of Act 44 and a Memorandum of Agreement between PennDOT, the Office of the Budget of the Commonwealth and the Pennsylvania State Treasurer, dated July 16, 2010 to notify PennDOT of such default, and PennDOT shall give notice to the Treasurer of the Commonwealth of such deficiency and request the payment of funds necessary to cure such deficiency only from funds available for such purpose in the Motor License Fund. The appropriation of money in the Commonwealth's Motor License Fund in respect of Special Revenue Bonds issued by the Commission under Act 44 is continuing and non-lapsing. The Commonwealth has no obligation to appropriate any funds, other than available funds on deposit in the Motor License Fund, for the payment of any such Special Revenue Bonds. Certain funds equal to maximum annual debt service on outstanding Special Revenue Bonds will be set aside (but not pledged) in the Motor License Fund for this purpose upon the issuance of Special Revenue Bonds. The Commission is obligated pursuant to the Funding Agreement to reimburse the Treasurer of the Commonwealth for any amounts withdrawn from the Motor License Fund in order to cure a default in the payment by the Commission with respect to the annual debt service on any such Special Revenue Bonds. This reimbursement obligation is subject and junior to the payment obligations of the Commission under the Special Revenue Bonds.

***Tolling of I-80***. Pursuant to Act 44, the Commission, in consultation with PennDOT, applied to the FHWA for permission to convert the portion of I-80 which is in Pennsylvania to a toll road. As discussed below, the application was rejected by the FHWA and the Commission, barring unforeseen circumstances, does not expect to re-apply or appeal such denial.

Act 44 granted the Commission the option, at any time before the third anniversary of the Funding Agreement, to effect the conversion of I-80 to a toll road (subject to federal approval), and thereafter to assume legal, financial and operational responsibility for I-80. Act 44 also granted the Commission the right to extend the Conversion Period unilaterally for three one year periods.

The Commission and PennDOT submitted a joint application for the Conversion to FHWA on October 13, 2007. On various dates, the FHWA asked for and the Commission and PennDOT provided the FHWA with additional information. On September 11, 2008, FHWA sent the Commission and PennDOT a letter stating that it could not approve the I-80 application at that time, primarily because of insufficient information concerning how rental payments for I-80 were determined and whether they are related to the true costs of the leasehold interest. The Commission and PennDOT submitted additional supplemental information to the FHWA in support of its I-80 application on October 29, 2009. The FHWA denied the amended application on April 6, 2010, finding that the proposed lease payment to PennDOT would have the effect of diverting toll revenues collected from the operation of I-80 to projects on other facilities, which it stated was contrary to the permitted uses of toll revenue under the Transportation Equity Act for the 21st Century.

Barring any unforeseen circumstances, the Commission does not expect to appeal the FHWA's decision or pursue the tolling of I-80 further. The Commission did not extend the Conversion Period during the notice period under the Funding Agreement. Therefore, the Conversion Period will lapse on October 14, 2010 and it is unlikely that the Commission will issue a Conversion notice prior to that date. Although the Commission could appeal the FHWA's decision should circumstances change, in its current form Act 44 does not allow the Conversion Period to be revived once it has lapsed. Act 44 would require amendment for the Conversion Period to be extended and no legislation to effectuate a change of this nature has been introduced.

Act 44 funding of highways and transit dropped from $900 million in Fiscal Year 2009-10 (escalating 2.5% in each subsequent Fiscal Year) to $450 million annually for the remaining term of the Funding Agreement. Although the Commission believes that this reduction commences in Fiscal Year 2010-11, as discussed in "*Funding Agreement Between PennDOT and the Commission*," the Commonwealth may assert that a maximum of $922,500,000 is payable in Fiscal Year 2010-11.

The Commission believes that System revenues should enable it to satisfy its reduced payment obligations as set forth in Act 44 without reliance on any I-80 toll revenues. However, if the Commission is required to make increased payments in Fiscal Year 2010-11, it does not anticipate any difficulty in meeting the higher amount. See *"Future Financing Considerations"* and *"Funding Agreement Between PennDOT and the Commission"*.

***Rules Relating to Governance and Accountability Under Act 44***. Act 44 sets forth certain rules relating to governance and accountability of the Commission, including, but not limited to, the filing of an annual financial plan of the Commission with the Pennsylvania Secretary of the Budget no later than June 1 of each year (the "***Financial Plan***"), providing updates to the Chairman and Minority Chairman of the Pennsylvania House and Senate Transportation Committees regarding the status of the I-80 conversion and conducting an audit by the Auditor General every four years to be paid for by the Commission. Under Act 44 the Commission is also required to adopt a comprehensive code of conduct for Commissioners and executive level employees, which was adopted with an effective date of October 31, 2007. The Commission completed its Financial Plan for the 2010-11 Fiscal Year and delivered it to the Secretary of the Budget by the June 1 deadline. A complete copy of the Financial Plan can be obtained by contacting the Commission. See discussion in the forepart of the Official Statement under “Introduction – Act 44 Financial Plan.”

**Recent Developments and Future Legislation**

From time to time, legislation is introduced in the Pennsylvania General Assembly and Congress which may affect the Commission and, therefore, may affect certain of the assumptions made in the Official Statement. The Commission cannot predict if any such bills or other legislation will be enacted into law, or how any such legislation may affect the Commission’s ability to pay the Subordinate Indenture Bonds.

***State Legislation***. At the state level, Representative Scott E. Hutchinson has announced his intention to introduce legislation in the Pennsylvania General Assembly which will require the Commission to maintain its scheduled annual payments to PennDOT pursuant to Act 44 through Fiscal Year 2013-14 with an annual cost of living increase of 2.5%. He has also introduced a bill which would have PennDOT assume all powers and duties of the Commission that relate to the operation, maintenance, construction and reconstruction of the Pennsylvania Turnpike and related highways and receive all tolls and other money otherwise payable to the Commission, transfer all of the Commission's property to PennDOT, dissolve the Commission, and have the State Treasurer assume the Commission’s bonds; such bill has been referred to the Transportation Committee. Representative Mike Vereb introduced a similar bill which was also referred to the Transportation Committee.

Representative Richard Geist, Minority Chair of the House Transportation Committee, has indicated that he will re-introduce legislation to the Pennsylvania General Assembly that would allow the Commonwealth to enter public-private partnerships as a mechanism for raising funds for transportation projects. He has also proposed to introduce legislation which will, among other things, require the Commission to make payments to PennDOT at the higher level ($922,500,000) for three additional years beyond the present requirements of Act 44 and would include an annual increase of 2.5%.

On July 3, 2010, a bill was introduced in the Special Session on Transportation of the Pennsylvania legislature (HB 6) which would, among other things, raise a number of taxes and surcharges and reallocate the portion of the Commission's payment currently allocable to Motor License Fund projects to the Public Transportation Trust Fund for distribution to local and regional transportation agencies. This reallocation would be retroactive to the Commission’s July, 2010 payment under the Funding Agreement. If this legislation, which has been referred to the House Transportation Committee, is enacted, the reallocation may require the Commission to issue taxable Subordinate Revenue Bonds to fund its future payments under the Funding Agreement resulting in significantly higher borrowing costs. Further, the retroactive nature of this reallocation may require the Commission to defease all or a portion of the 2010 Bonds or take other action to preserve their tax-exempt status. The Special Session on Transportation expires on November 30, 2010, and all bills pending in the session expire on that date. Although there can be no assurance that the legislature will not enact HB 6, the Commission believes that it is unlikely to be enacted by the expiration date.

Governor Rendell has called for the Special Session on Transportation to reconvene on August 23, 2010. At this time, the legislature has not scheduled any additional meetings of the Special Session on Transportation. However, the Senate Committee on Transportation met on July 21, 2010 to discuss transportation funding. Governor Rendell spoke at this meeting and presented various proposals for meeting the $472.5 million transportation funding shortfall for Fiscal Year 2010-11 created when the FHWA rejected the application to toll I-80, removing this anticipated source of toll revenue. Among the potential revenue sources identified by Governor Rendell were an excess-profits tax on oil companies, increasing vehicle registration and licensing fees and the state gas tax, and entering a long-term public/private lease agreement for the operation of the Turnpike. The Transportation Committee is scheduled to meet again on July 28, 2010 to discuss Turnpike finance and reconstruction issues. The Commission cannot predict what proposals may be presented at meetings of the Transportation Committee or Special Session on Transportation or if any proposals may lead to the adoption of legislation that may affect the Commission's ability to pay the Subordinate Revenue Bonds. However, no legislation has been introduced during the current legislative session to implement a privatization or lease of the Turnpike. Further, the sources of funding suggested by Governor Rendell, if enacted as presented, may increase the sources of revenue that are deposited into the Motor License Fund.

In addition, various bills have been introduced during the 2009-10 legislative session on a range of proposals that would impact the Commission including: authorizing the Commission to toll all or portions of other Pennsylvania interstates; prohibiting the Commission from having the authority to toll I-80; and authorizing public-private ventures and containing restrictions on the ability to enter into a lease that would transfer operational oversight of the System without additional legislative authorization.

**Interchanges and Service Areas**

The Pennsylvania Turnpike System has a total of 57 interchanges which connect it with major arteries and population centers in its 531 mile traffic corridor. Thirty of the interchanges are located on the Turnpike Mainline, including Turnpike Mainline barriers at the New Jersey and Ohio state lines, and 10 interchanges are situated on the Northeast Extension. The additional 17 interchanges are located on the 3 extensions previously noted. There are currently 16 service plazas along the Pennsylvania Turnpike System providing gasoline and diesel fuel, other automotive supplies and services and restaurant services. An additional service plaza is currently being rebuilt. The Commission has negotiated long term leases with HMSHost Restaurants, LLC and Sunoco, Inc. to design, reconstruct, finance, operate and maintain the Commission's Service Plazas. The two companies are expected to invest approximately $190 million in the project, at no cost to the Commission.

**Toll Schedule and Rates**

The current System generally employs a closed or ticket system method for toll collection. Tolls are determined on the basis of the length of the trip and vehicle class. There are 9 vehicle classes determined either by axles or, in the case of commercial vehicles, by axles and weight. Historically, all drivers were issued a ticket upon entering the System and were required to surrender the ticket and pay the appropriate toll upon exiting. Electronic toll collection methods, however, have been implemented throughout the System. See "*THE PENNSYLVANIA TURNPIKE – E-ZPass Lanes*."

Between 1957 and 2008, the Commission implemented only 5 revisions in its toll schedule, effective on September 1, 1969, August 1, 1978, January 2, 1987, June 1, 1991 and August 1, 2004. On August 1, 2004, Turnpike tolls increased by 1.8 cents per mile for passenger vehicles from 4.1 to 5.9 cents per mile. Commercial vehicles had an average increase of 5.3 cents per mile. Such toll increase was consistent with the rate of inflation over the 13 years since the Commission's prior toll increase in 1991. All revenue generated by such toll increase have been used to fund capital improvements to the Turnpike's roads, tunnels and other system upgrades. On July 22, 2008, the Commission approved a toll increase in the amount of 25% which became effective on January 4, 2009, with the expectation that it would implement annual increases thereafter. The Commission approved a toll increase in the amount of 3% which became effective on January 3, 2010. At its meeting on July 13, 2010, the Commission adopted several revenue enhancement measures to take effect in January 2011. For EZPass users, tolls will increase by 3%. For cash customers, tolls will increase by 10% (rounded to the nearest $0.05). Annual fees for use of E-ZPass transponders will increase from $3 per transponder to $6 per transponder. Finally, the existing commercial discount program, which currently provides for tiered discounts of 10%, 15% and 20% off published toll rates depending on total monthly fares, will be adjusted to have tiered discounts of 5%, 10% and 15%. These revenue enhancements will be used to provide funds for payments under the Funding Agreement and other Act 44 purposes, including funding of the Commission's capital expenditure program and normal operating expenditures.

The following Table I illustrates the current tolls and per mile rates applicable to each vehicle class for a trip on the Mainline Section from Interchange 1 through Interchange 359.

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**TABLE I**
**Current Tolls and Per Mile Rates for a Mainline**
**Roadway East – West Complete Trip**
**(Delaware River Bridge – Warrendale (Ticket System))**

| Vehicle Toll Class | Gross Vehicle Weight (Thousand Pound) | New Toll Rate Effective 1/2010 | Per Mile Rate |
|---|---|---|---|
| 1 | 1-7 | $ 25.45 | $ 0.077 |
| 2 | 7-15 | 37.35 | 0.114 |
| 3 | 15-19 | 46.35 | 0.141 |
| 4 | 19-30 | 54.10 | 0.164 |
| 5 | 30-45 | 76.00 | 0.231 |
| 6 | 45-62 | 96.60 | 0.294 |
| 7 | 62-80 | 137.80 | 0.419 |
| 8 | 80-100 | 180.25 | 0.548 |
| 9 | Over 100 | 1,022.30 | 3.107 |

Note: The above rates represent an “East West” trip for the ticket system toll rate between Warrendale (#30) and the Delaware River Bridge (#359) interchanges. The Gateway Barrier toll rate is based on five axle classes and is computed separately from the ticket system. The 2010 toll rate is $ 3.90 for the first two axles and $ 3.85 for each additional axle. The rates do not increase above six axles.
Act 44 requires the Commission to fix toll rates such that revenues from tolls and other sources to the Commission are sufficient to pay the cost of the System’s operation, construction, expansion and maintenance, all Commission obligations and interest thereon, sinking fund requirements of the Commission, other requirements in any trust indentures, notes or resolutions and payments to PennDOT under the Funding Agreement.

## Five Year Financial History

The following Tables II and III summarize the financial history of the System for the five Fiscal Years from 2005 to 2010 and 2005 to 2009, respectively. The financial statements are a combination of cash basis financial statements with certain accruals included. Tables II and III should be read in conjunction with the financial statements prepared in accordance with generally accepted accounting principles and related notes included in “APPENDIX B – AUDITED FINANCIAL STATEMENTS: 2009 AND 2008.” Table IV provides unaudited financial information for the first nine months of Fiscal Year 2008-09, audited financial information for the year ending May 31, 2009 and unaudited financial information for the first nine months of Fiscal Year 2009-10. This unaudited information is preliminary and subject to change.

**TABLE II**
**Number of Vehicles and Fare Revenues – Summarized by Fare Classification**
**(000's Omitted)**

| | Number of Vehicles | | | Fare Revenues | | | | |
|---|---|---|---|---|---|---|---|---|
| Year Ended May 31: | Passenger | Commercial | Total | Passenger | Commercial | Total | Discount | Net Fare Revenues |
| 2005 | 163,316 | 25,109 | 188,425 | $309,032 | $252,097 | $561,129 | $15,971 | $545,158 |
| 2006 | 160,421 | 25,403 | 185,824 | $321,268 | $286,140 | $607,408 | $18,771 | $588,637 |
| 2007 | 160,107 | 25,316 | 185,423 | $322,781 | $294,836 | $617,617 | $24,975 | $592,642 |
| 2008 | 164,097 | 25,455 | 189,552 | $327,761 | $291,389 | $619,150 | $20,224 | $598,926 |
| 2009 | 162,637 | 23,582 | 186,219 | $354,642 | $283,603 | $638,245 | $22,640 | $615,605 |
| 2010* | 163,599 | 22,933 | 186,532 | $415,981 | $302,057 | $718,038 | $24,211 | $693,827 |

* Preliminary, unaudited figures.

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**TABLE III**
**Summary of System Revenues and Operating Expenditures**
**Before Interest and Other Charges**[‡]
**(000's Omitted)**
Years Ended May 31

| | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Net Toll Revenues | $545,158 | $588,637 | $592,642 | $598,926 | $615,605 |
| Concession Revenues | 10,923 | 8,486 | 3,877 | 3,212 | 3,087 |
| Interest Income (non-bond proceeds) | 7,139 | 8,400 | 13,142 | 13,566 | 9,903 |
| Miscellaneous | 15,393 | 12,484 | 11,925 | 17,699 | 14,855 |
| **Total Revenues** | $578,613 | $618,007 | $621,586 | $633,403 | $643,450 |
| **Operating Expenditures** | | | | | |
| Turnpike Patrol | $ 25,278 | $ 28,965 | $ 30,735 | $ 31,977 | $ 34,127 |
| General & Administrative | 15,247 | 15,438 | 16,670 | 19,870 | 18,492 |
| Normal Maintenance | 51,226 | 53,095 | 57,110 | 63,653 | 61,327 |
| Employee Benefits & Other Misc. Items | 38,940 | 41,833 | 46,112 | 65,865 | 79,563 |
| Fare Collection | 54,681 | 55,149 | 55,007 | 60,348 | 60,317 |
| Traffic Services, Safety & Communications | 33,396 | 37,339 | 37,872 | 37,295 | 39,008 |
| **Total Operating Expenditures** | $218,768 | $231,819 | $243,506 | $279,008 | $292,834 |
| Revenues less Operating Expenditures | $359,845 | $386,188 | $378,080 | $354,395 | $350,616 |
| Annual Senior Debt Service Requirement | $ 88,112 | $ 97,654 | $111,543 | $126,058 | $159,756 |
| Coverage Ratio | 4.08 | 3.95 | 3.39 | 2.81 | 2.19 |

‡ This summary of revenues and operating expenditures is not intended to present results of operations in conformity with generally accepted accounting principles.

## TABLE IV
## Summary of System Revenues and Operating Expenditures
## Before Interest and Other Charges
## (000's Omitted)

| | ***Unaudited - Internal Financial Reports***[§] | | | |
|---|---|---|---|---|
| | **FY 2009 3 Months June - Aug.** | **FY 2009 6 Months June - Nov.** | **FY 2009 9 Months June - Feb.** | **FY 2009 Total Year** |
| **Revenues** | | | | |
| Net Toll Revenues | $160,494 | $303,232 | $444,595 | $615,605 |
| Concession Revenues | 1,003 | 1,900 | 2,482 | 3,087 |
| Interest Income (non-bond proceeds) | 3,416 | 6,393 | 9,160 | 9,903 |
| Miscellaneous | 4,491 | 8,938 | 12,606 | 14,855 |
| **Total Revenues** | $169,404 | $320,463 | $468,843 | $643,450 |
| **Operating Expenditures** | | | | |
| Turnpike Patrol | 8,606 | 16,463 | 25,755 | 34,127 |
| General & Administrative | 4,904 | 10,221 | 14,163 | 18,492 |
| Normal Maintenance | 13,520 | 27,337 | 48,101 | 61,327 |
| Employee Benefits & Other Misc. Items | 18,776 | 36,788 | 58,263 | 79,563 |
| Fare Collection | 14,391 | 29,718 | 45,152 | 60,317 |
| Traffic Services, Safety & Communications | 8,012 | 20,429 | 29,778 | 39,008 |
| **Total Operating Expenditures** | $ 68,209 | $140,956 | $221,212 | $292,834 |
| **Revenues less Operating Expenditures** | $101,195 | $179,507 | $247,631 | $350,616 |

[§] This summary of revenues and operating expenditures is not intended to present results of operations in conformity with generally accepted accounting principles. The unaudited data contained in Table IV is preliminary and subject to change.

**TABLE IV (continued)**
**Summary of System Revenues and Operating Expenditures**
**Before Interest and Other Charges**
**(000's Omitted)**

| | *Unaudited - Internal Financial Reports*[**] | | |
|---|---|---|---|
| | **FY 2010 3 Months June - Aug.** | **FY 2010 6 Months June - Nov.** | **FY 2010 9 Months June - Feb.** |
| **Revenues** | | | |
| Net Toll Revenues | $191,738 | $365,504 | $512,971 |
| Concession Revenues | 882 | 1,547 | 2,211 |
| Interest Income (non-bond proceeds) | 2,799 | 4,847 | 7,834 |
| Miscellaneous | 3,608 | 6,815 | 9,739 |
| **Total Revenues** | $199,027 | $378,713 | $532,755 |
| | | | |
| **Operating Expenditures** | | | |
| Turnpike Patrol | 9,373 | 17,511 | 26,762 |
| General & Administrative | 4,064 | 9,311 | 13,117 |
| Normal Maintenance | 12,282 | 24,445 | 50,949 |
| Employee Benefits & Other Misc. Items | 20,285 | 39,173 | 58,681 |
| Fare Collection | 14,261 | 31,343 | 47,117 |
| Traffic Services, Safety & Communications | 9,785 | 20,956 | 30,450 |
| **Total Operating Expenditures** | $ 70,050 | $142,739 | $227,076 |
| | | | |
| **Revenues less Operating Expenditures** | $128,977 | $235,974 | $305,679 |

[**] This summary of revenues and operating expenditures is not intended to present results of operations in conformity with generally accepted accounting principles. The unaudited data contained in Table IV is preliminary and subject to change.

## Budget Process

The Commission's Finance Department develops preliminary budget information for all Commission departments. This information is provided to each of the respective departments for their review and to enable them to make any proposed revisions for their budget requests. The information is then returned to the Finance Department and a Commission wide preliminary budget is prepared. This budget is reviewed by senior management and, in cooperation with the respective departments, revisions are made when necessary to conform to the annual financial plan. The final recommended budget is then presented to the Board of Commissioners for formal approval.

In addition, Act 44 requires the Auditor General of the Commonwealth to conduct an audit of the accounts of the Commission and to review its performance, procedures, operating budget, capital budget and debt every four years. Act 44 also requires the Commission to prepare and submit to the Secretary of the Budget a financial plan no later than June 1 of each year for the ensuing Fiscal Year, describing its proposed operating and capital expenditures, borrowings, liquidity and other financial management covenants and policies, estimated toll rates and all other revenues and expenses. The purpose of the financial plan is to demonstrate that the Commission's operation in accordance with the plan can be reasonably anticipated to have unencumbered funds sufficient to make all payments due to PennDOT under Act 44 and the Funding Agreement in the upcoming year after all other Commission Obligations have been met. Any deviations and the causes therefor in prior year plans must be explained.

## Financial Policies and Guidelines

The Commission originally adopted its first Investment Policy and Guideline for the investment of cash assets on June 6, 1997. The Commission approved an amendment to the Investment Policy effective November 7, 2002 that permitted the use of additional types of eligible securities consistent with the Amended and Restated Trust Indenture entered into in 2001. The policy statements set forth the purpose, objectives, and guidelines for eligible securities, performance benchmarks, periodic reviews and amendments with respect to investments. (See Note 4, "*Cash and Investments – Concentration of Credit Risk*" in the Notes to Financial Statements (Years Ended May 31, 2009 and 2008) in APPENDIX B for a discussion of the Commission's concentration of credit risk to particular issuers.)

The Commission adopted three Financial Policies on April 20, 2004: a Debt Management Policy, an Interest Rate Swap Management Policy and a Liquidity Standard Policy. These financial management policies were developed in recognition of the increasing financial sophistication of the Commission with respect to its debt structure and to provide guidance governing the issuance, management, ongoing evaluation and reporting of all debt obligations.

The Commission's Interest Rate Swap Management Policy ("***Swap Policy***") establishes guidelines for the use and management of all interest rate management agreements, including, but not limited to, interest rate swaps, swap options, caps, collars and floors (collectively "***Swaps***" or "***Agreements***") incurred in connection with the incurrence of debt. The Commission may change the Swap Policy in its sole discretion.

The Swap Policy authorizes the Commission to use Swaps to hedge interest rate movement, basis risk and other risks, to lock in a fixed rate or, alternatively, to create synthetic variable rate debt. Swaps may also be used to produce interest rate savings, limit or hedge variable rate payments, alter the pattern of debt service payments, manage exposure to changing market conditions in advance of anticipated bond issues (through the use of anticipatory hedging instruments) or for asset/liability matching purposes. Key elements of the Swap Policy include the following:

***Swap Counterparties – Credit Criteria***. The Commission will make its best efforts to work with qualified Swap counterparties that have a general credit rating of: (i) at least "A3" or "A " by two of the nationally recognized rating agencies and not rated lower than "A3" or "A" by any nationally recognized rating agency, or (ii) have a "non terminating" "AAA" subsidiary as rated by at least one nationally recognized credit rating agency.

***Term and Notional Amount***. For Swaps tied to an issued series of bonds, the term of the Swap agreement shall not extend beyond the final maturity date of the related bonds. The total net notional amount of all Swaps related to a bond issue should not exceed the amount of outstanding bonds. In calculating the net notional amount, netting credit shall be given to any Swaps that offset each other for a specific bond transaction.

***Security and Source of Repayment***. The Commission may use the same security and source of repayment (pledged revenues) for Swaps as is used for the bonds that are hedged by the Swap, if any, but shall consider the economic costs and benefits of subordinating the Commission's payments and/or termination payment under the Swap. The Commission shall consult with Bond Counsel regarding the legal requirements associated with making the payments under the Swap on a parity or non parity basis with outstanding Commission debt.

***Prohibited Agreements***. The Commission will not use Agreements that:

- Are speculative or create extraordinary leverage as risk;
- Lack adequate liquidity to terminate without incurring a significant bid/ask spread; or
- Provide insufficient price transparency to allow reasonable valuation.

***Annual Swap Report***. The Commission's Chief Financial Officer, in consultation with the Commission's Financial Consultant, Swap advisor and Bond Counsel, will evaluate the risks associated with outstanding Swaps at least annually and provide to the senior executives and the Commissioners a written report of the findings based upon criteria set forth in the Swap Policy.

***Disclosure and Financial Reporting***. The Commission will ensure that there is full and complete disclosure of all Swaps to rating agencies and in disclosure documents. Disclosure in marketing documents, including bond offering documents, shall provide a clear summary of the special risks involved with Swaps and any potential exposure to interest rate volatility or unusually large and rapid changes in market value. With respect to its financial statements, the

Commission will adhere to the guidelines for the financial reporting of Swaps, as set forth by the Governmental Accounting Standards Board ("***GASB***") or other applicable regulatory agencies.

The Commission has a number of interest rate exchange agreements with respect to certain series of the Senior Revenue Bonds as well as with respect to certain series of its Registration Fee Revenue Bonds and Oil Franchise Tax Revenue Bonds. See "APPENDIX B – AUDITED FINANCIAL STATEMENTS: 2009 AND 2008." As of June 24, 2010, the aggregate market value of such Swaps to the counterparties thereto from the Commission was calculated to be approximately $109 million.

There are a number of risks associated with Swaps that could affect the value of the Swaps, the ability of the Commission to accomplish its objectives in entering into the Swaps and the ability of the Commission to meet its obligations under the Swaps. These risks include, among others, the following: counterparty risk – the failure of the counterparty to make required payments; credit risk – the occurrence of an event modifying the credit rating of the Commission or its counterparty; termination risk – the need to terminate the transaction in a market that dictates a termination payment by the Commission; tax risk – the risk created by potential tax events that could affect Swap payments; and basis risk – the mismatch between actual variable rate debt service and variable rate indices used to determine Swap payments. The Commission actively monitors the degree of risk and exposure associated with the Swaps to which it is a party but can offer no assurances that compliance with its Swap Policy will prevent the Commission from suffering adverse financial consequences as a result of these transactions.

**E-ZPass Lanes**

The Commission has installed E-ZPass, a form of electronic toll collection, throughout the System. Not only has E-ZPass enhanced safety and convenience for users of the System, but the technology has improved traffic flow and reduced congestion at the System's busiest interchanges, especially in southeastern Pennsylvania. Express E-ZPass lanes have been constructed at three interchanges and permit E-ZPass customers to travel through the toll plaza at highway speeds. In addition, E-ZPass customers traveling in fourteen other states that have implemented E-ZPass technology are able to use E-ZPass. Currently, E-ZPass is available on the entire Turnpike system, including the western extensions. The Commission has not experienced any material problems in connection with the installation or operation of the E-ZPass system.

To help ensure, protect and preserve the collection of toll revenue due to the Commission, a violation enforcement system (VES) has been installed at all interchanges where E-ZPass has been installed to identify violators (customers who travel through E-ZPass lanes and do not have E-ZPass) and motorists with problem tags that result in no reads. VES enables the Commission to collect appropriate tolls and other additional fees relating to violations. Legislation passed in 2000 included enforcement provisions for E-ZPass, including, among other things, certain evidentiary presumptions with respect to whether the registered vehicle owner was the operator of the vehicle, procedures for notifying the vehicle owner of the violation charged and civil liability amounts of the vehicle owner for violations.

The Commission's annual revenues from E-ZPass drivers have increased to $389,462,401 during the Fiscal Year ending May 31, 2009 from $346,993,675 for the Fiscal

Year ending May 31, 2008. The Commission's annual revenue from ticketed drivers (i.e. those not using E-ZPass) decreased to $248,782,278 from $254,436,050 during the same period. The Commission expects that E-ZPass usage will continue to increase.

The Commission is a member of the E-ZPass Interagency Group (IAG), a coalition of toll authorities throughout the United States. The Interagency Group includes the following agencies: Peace Bridge Authority; Burlington County Bridge Commission; Skyway Concession Company LLC (Chicago Skyway); Delaware Department of Transportation; Delaware River and Bay Authority; Delaware River Joint Toll Bridge Commission; Delaware River Port Authority; Illinois State Toll Highway Authority; ITR Concession Company (Indiana Turnpike); Maine Turnpike Authority; Maryland Transportation Authority; Massachusetts Turnpike Authority; Massachusetts Port Authority; Metropolitan Transportation Authority Bridges & Tunnels; New Hampshire Department of Transportation, Bureau of Turnpikes; New Jersey Turnpike Authority; New York State Bridge Authority; New York State Thruway Authority; Port Authority of New York and New Jersey; Rhode Island Turnpike and Bridge Authority; South Jersey Transportation Authority; Virginia Department of Transportation; and West Virginia Parkways Authority. The Ohio Turnpike Commission recently joined and implemented its E-ZPass system on October 1, 2009.

New highway construction projects, such as the Mon/Fayette Expressway and Southern Beltway, are being designed and built to be compatible with the introduction of the E-ZPass system. The installation of the E-ZPass system has required the incorporation of innovative technologies into a single toll system that uses hardware and software adaptable to future technologies. The Commission has a contract, extending through 2019, with TransCore Company for the design, installation and maintenance of the E-ZPass system software and hardware and the operation of the E-ZPass Customer Service and Violations Processing Centers. The E-ZPass system implementation is a major component of the Commission's Ten Year Capital Plan. Plans call for enhancements to E-ZPass lane signage and design of additional Express E-ZPass lanes.

**Slip Ramps**

The Commission has constructed an alternative interchange near the Fort Washington Interchange. Such unmanned ramps, designed for the exclusive use of E-ZPass customers, are expected to reduce congestion at the Turnpike's busier interchanges and similarly are expected to provide better access to industrial parks and job centers. The Commission is considering the construction of slip ramps in other growing areas as well. Slip ramp locations currently in design include Route 29 in Chester County, near the Great Valley Corporate Center; Route 903 in Carbon County; Philadelphia Park in Bucks County; and the Lansdale Interchange in Montgomery County.

**E-ZPass Plus**

In November 2009, the Commission began offering E-ZPass customers who meet specific criteria the ability to participate in E-ZPass Plus. E-ZPass Plus allows E-ZPass customers to use their transponder to pay for parking fees at participating facilities displaying the E-ZPass Plus logo.

**Personnel and Labor Relations**

As of June 1, 2010, the Commission employed 2141 persons, consisting of 446 management employees, 1557 union members, and 138 temporary employees. Seventy-seven and four-tenths percent (77.4%) of all employees are engaged in maintenance operations and fare collection. The civil service requirements applicable to the state government do not apply to employees of the Commission.

The Commission is a party to three collective bargaining agreements and one memorandum of understanding with Teamsters' Local Unions covering central office, field, and first level supervisory personnel. The three collective bargaining agreements became effective on October 1, 2007 and expire on September 30, 2011. The memorandum of understanding has no termination date. Since union representation began, the Commission has experienced one work stoppage which occurred on November 24, 2004 and lasted for 7 days.

**Retirement Plan**

Substantially all employees of the Commission are covered by the State Employee's Retirement System of the Commonwealth ("SERS"). The costs of the contributory plan are paid by the Commission quarterly based upon a stipulated contribution rate. Participating agency contributions, including those for the Commission, are mandated by statute and are based upon an actuarially determined percentage of gross pay that is necessary to provide the SERS with assets sufficient to meet the benefits to be paid to the SERS members.

The Commission's retirement contribution, as a percentage of covered payroll, for all Class A and Class AA member whose normal retirement age is any age upon accumulation of 35 years of eligibility points or age 60, with three years of service are as follows:

| Year Ended June 30 (Commonwealth's Fiscal Year) | Class A | Class AA |
|---|---|---|
| 2010 | 2.52% | 3.15% |
| 2009 | 2.64% | 3.29% |
| 2008 | 2.63% | 3.28% |
| 2007 | 2.59% | 3.23% |

The Commission's required contributions and percentage contributed are as follows:

| Year Ended May 31 | Commission Required Contribution (in millions) | Percent Contributed |
|---|---|---|
| 2010 | $4.0 | 100% |
| 2009 | $3.8 | 100% |
| 2008 | $3.7 | 100% |
| 2007 | $3.3 | 100% |

A copy of the System's annual financial statements may be obtained by writing to: State Employees' Retirement System, 30 North Third Street, P.O. Box 1147, Harrisburg, Pennsylvania, 17108-1147.

The SERS has recently advised the Commission that, based on the assumptions and forecasts of SERS, the employer contribution rates, including those of the Commission, are projected to increase to 29.2% of payroll in Fiscal Year 2013-14. Based on these projections, which assume an 8% investment return, the Commission's annual contribution would increase from approximately $4 million in Fiscal Year 2010 to approximately $39 million in Fiscal Year 2013-14, which represents approximately 4% of estimated revenues in that Fiscal Year. SERS projects that composite contribution rates will gradually decrease thereafter to approximately 17.5% of payroll in Fiscal Year 2035-36. The Commission will continue to monitor these projected increases and to evaluate its options to minimize their impact.

On June 16, 2010, the Pennsylvania House of Representatives passed legislation that attempts to alleviate the spike in employer contribution rates by extending the costs over several years. This would be accomplished by making changes to SERS' funding methodologies by gradually increasing funding through the use of limits that cap employer contribution rate increases, reamortizing existing liabilities over thirty years and changing the amortization method. The bill also reduces benefits for future state and school district employees to allow for greater financial stability in the system. The bill is now before the Senate Finance Committee.

However, on July 6, 2010, the Governor signed into law Act 2010-46 which reduced the employer contribution rates for Fiscal Year 2010-11, thus reducing the Commission's contribution rates for the upcoming Fiscal Year from 3.80% for Class A employees and 4.75% for Class AA employees to 3.29% for Class A employees and 4.11% for Class AA employees. This rate reduction is only for one year. Therefore, it is unclear what overall impact this revision will have on the Commission's future contribution rates discussed above.

**Other Post Employment Benefit Liabilities**

Historically, the Commission has funded its post employment benefit liabilities on a pay as you go basis. In accordance with the pronouncements of the GASB applicable to the Commission, the Commission began reporting its unfunded actuarial accrued liabilities for health care and other non pension post employment benefits ("***OPEB***") and its annual OPEB cost each year commencing with its audited financial statements for the Fiscal Year ending May 31, 2008. The Commission's unfunded actuarial accrued OPEB liability as of March 1, 2010 was $196,962,000, using an 8% discount rate and assuming that the annual required contribution would be invested in an irrevocable separate trust account. The Commission's annual required contribution for Fiscal Year 2010-11 is estimated to be $26.7 million. The annual required contribution for Fiscal Year 2009-10 was $29.1 million. The Commission is required, pursuant to GASB rules, to have biennial actuarial valuations of its OPEB obligations.

# CAPITAL IMPROVEMENTS

## Act 61 Projects

In 1985, the General Assembly of the Commonwealth enacted Act 61 that, among other things, authorized and empowered the Commission to undertake the construction of new projects and to operate them as part of the System. Although Act 44 repeals Act 61, it further provides that all activities initiated under Act 61 shall continue and remain in full force and effect and may be completed under Act 44.

## Ten Year Capital Plan

The Commission has a Ten Year Capital Plan for its facilities and equipment exclusive of the Mon/Fayette and Southern Beltway projects), consisting of Highway, Technology, Fleet and Facilities Programs, which it updates each year. The current Ten Year Capital Plan for Fiscal Year 2010-2011 is discussed below. The Highway Program consists of roadway, bridge, tunnel and toll plaza/interchange projects. The Technology Program consists of toll collection, communication, and other electronic information management projects. The Fleet Program funds rolling stock that is required to maintain the system. The Facilities Program consists of buildings and large, heavy or high value equipment needs.

The highest priority highway project is the ongoing full depth roadway total reconstruction of the east/west Mainline and Northeast Extension. This work includes the reconstruction of the roadway, the widening of the median, and the replacement of both mainline and overhead bridges. To date, approximately 72 miles of total reconstruction has been completed and approximately 14 miles are currently in construction. Reconstruction from Gateway Interchange (Milepost 1.5) the New Castle/Beaver Falls Interchange (Milepost 10) as well as 5 miles in the Carlisle area (milepost 210-215) was completed in 2009. Total reconstruction projects from Irwin Interchange (Milepost 67.0) to New Stanton Interchange (Milepost 75.0) and from Milepost 31 to Milepost 38 are currently under construction. The Commission currently plans to spend approximately $1.8 billion on total reconstruction projects and about $1 billion on various bridge and tunnel projects over the next ten years.

The replacement of the Lehigh River and Pohopoco River Bridges on the Northeast Extension and the replacement of the Allegheny River Bridge are both major bridge projects currently under construction. The replacement of the Gettysburg, Lebanon/Lancaster and Harrisburg East Toll Plazas were all completed in 2008.

The Technology Program includes funding of $190 million over the next ten years to address the Commission's technology needs including toll collection projects, communication, application development and technical operational needs. One of the primary initiatives of the Technology Program is a project to replace the Commission's core financial and administrative systems with an Enterprise Resource Planning (ERP) system software package. The Commission is in the process of implementing SAP to provide a set of integrated business process supported by multi module application software with a centralized data repository.

The Fleet Program includes funding of $77 million to purchase rolling stock to insure adequate maintenance of the roadway system.

The Facilities and Energy Management Program includes funding of $178 million to repair and replace the aging facilities of the Commission. This commitment will ensure that major equipment and facilities are in good repair to support ongoing Turnpike operations.

**Mon/Fayette Expressway and Southern Beltway**

Four projects constructed as part of the Mon/Fayette Expressway are in operation. One is a six mile toll road between Interstate Route 70 and U.S. Route 40 in Washington County. This project was built by PennDOT and turned over to the Commission upon its opening in 1990. The second is an eight mile section of toll road from the Pennsylvania/West Virginia border to Fairchance, which is located just south of Uniontown. The third project is a 17 mile section of the Mon/Fayette Expressway from Interstate Route 70 in Washington County to Pennsylvania Route 51 in Allegheny County. In 2008, approximately 8 miles of the Uniontown to Brownsville Mon/Fayette Project opened in Fayette County, north of Uniontown. These are now part of the System.

The remaining 7 miles of the Uniontown to Brownsville Project of the Mon/Fayette Expressway is now under construction and is scheduled to open in 2013. A 26 mile section of the Mon/Fayette Expressway, extending from Pennsylvania Route 51 to Interstate Route 376 in Pittsburgh, received environmental clearance in December 2004. Final design through design field view has been completed. Additional design, right-of-way acquisition and construction cannot progress until additional funding is identified.

When completed, the Mon/Fayette Expressway will extend from Interstate Route 68 in West Virginia to Interstate Route 376 near Pittsburgh, a distance of approximately 65 miles.

The proposed Southern Beltway is to be constructed from the Mon/Fayette Expressway, near Finleyville, extending as part of a beltway south of Pittsburgh to Pennsylvania Route 60 at the Pittsburgh International Airport. It is composed of three distinct projects. The project from PA 60 to U.S. 22 (also known as the Findlay Connector) opened to traffic in late 2006. The project from U.S. 22 to I-79 received environmental clearance for its 13.3 miles in September, 2008 and is in final design; right of way acquisition began in late 2008. The remaining Southern Beltway project, from I-79 to the Mon/Fayette Expressway, received environmental clearance in May 2009. Further advancement of the US 22 to I-79 project cannot proceed until additional funding is identified.

The proceeds of the Commission’s Oil Franchise Tax Bonds, Series A and B of 1998 and Series A, B and C of 2003 and the Registration Fee Revenues Bonds, Series of 2001 were applied to fund construction of the Mon/Fayette and Southern Beltway projects. It is anticipated that the remaining costs to complete the Mon/Fayette Expressway and the Southern Beltway will be financed with Oil Franchise Tax Revenues and Registration Fee Revenues along with other funding sources. Although the open sections of the Mon/Fayette Expressway and the Southern Beltway are toll roads, Mainline System Revenues will not be pledged for the financing of their construction which will be done solely through the issuance of Oil Franchise and Registration Fee Bonds.

The Commission has no legal obligation to complete the unfinished portions of the Mon/Fayette Expressway and Southern Beltway projects at this time. However, the Commission recently has begun to consider other approaches to completing such projects, due in large part to an estimated cost of $5.2 billion to complete them. On September 17, 2008, the Commission issued a Request for Concepts/Solutions (the "Request") to complete such projects, noting that it was "seeking innovative public private partnership Concepts/Solutions for financing, designing, constructing, operating, and maintaining the un-built 52 miles of the Mon/Fayette Expressway and Southern Beltway." The purpose of the Request was "to receive submissions that include Concepts/Solutions from teams that can demonstrate the necessary financial capacity and technical expertise to complete all or part of such major projects." The existing completed portions of the Mon Fayette Expressway and Southern Beltway accounted for 1.3% of the Commission's gross System revenue in fiscal 2008 and revenue on the completed portions has been sufficient to cover annual operating expenses.

The Request noted that "There are limited state and federal resources to complete three un-built projects of this program. The two un-built Southern Beltway projects are each approximately thirteen miles in length and the un-built Mon/Fayette Expressway project from PA Route 51 to I-376 is approximately 26 miles in length." The Commission noted that it welcomed "all innovative ideas for completing all or part of the Mon Fayette Expressway and Southern Beltway projects."

The Commission held an informational meeting on September 17, 2008 at which it was reported the Commission requested that interested parties submit their ideas for completing one or more of the unfinished projects by January 15, 2009. The Commission received and evaluated three responses and conducted oral interviews with all respondents in March 2009.

Since that time, a number of significant events have occurred. World financial markets have become more uncertain resulting in less credit available to fund public-private partnership ("PPP") projects, proposed federal regulations for transportation PPP projects are more stringent, proposed federal taxation schedules for amortization and depreciation have been lengthened, new transportation legislation at the federal and state level may not be addressed this year, a number of transportation PPPs nationwide have received no responses or have not been consummated and all three respondents indicated that Commission financial participation would be required for any of the construction scenarios.

As a result of the evaluation of the three responses and the significant events listed above, the Commission will not move forward with a Request for Proposals at this time.

**Pennsylvania Turnpike Commission**
**Fiscal Year 2010-2011Ten Year Capital Plan - Annual Program Detail**
**(In Millions of $)**

| Program | Category | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | TOTALS | % of Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Highway | Roadway/Safety | 63.7 | 62.4 | 41.4 | 40.9 | 53.5 | 51.3 | 50.3 | 50.9 | 52.7 | 54.5 | 521.5 | 11.5% |
| Highway | Bridge,Tunnels & Misc Structure | 92.5 | 48.8 | 84.9 | 113.2 | 82.7 | 79.2 | 137.7 | 164.8 | 149.5 | 108.4 | 1,061.7 | 23.4% |
| Highway | Total Reconstruction | 152.3 | 201.1 | 171.2 | 200.7 | 214.8 | 212.7 | 158.2 | 129.8 | 158.8 | 224.6 | 1,824.1 | 40.2% |
| Highway | Interchange | 27.4 | 29.7 | 44.5 | 28.2 | 21.6 | 29.2 | 30.8 | 31.2 | 15.8 | 9.5 | 267.9 | 5.9% |
| Highway | Highway Miscellaneous | 26.4 | 17.4 | 14.9 | 15.5 | 16.3 | 17.2 | 18.3 | 19.3 | 20.1 | 21.0 | 186.4 | 4.1% |
| Highway | Facilities - Design | 12.6 | 40.9 | 43.4 | 15.1 | 24.7 | 24.0 | 22.7 | 21.9 | 21.2 | - | 226.6 | 5.0% |
| **Highway** | **Total Highway** | **374.8** | **400.2** | **400.2** | **413.6** | **413.6** | **413.6** | **418.0** | **418.0** | **418.0** | **418.0** | **4,088.1** | 90.2% |
| Facilities Energy Management Operations | Re-capitalization | 1.6 | 3.4 | 0.4 | - | - | - | - | - | - | - | 5.4 | 0.1% |
| Facilities Energy Management Operations | Sustainment | 10.9 | 10.6 | 11.7 | 12.2 | 12.6 | 13.1 | 13.5 | 14.0 | 14.5 | 15.0 | 128.0 | 2.8% |
| Facilities Energy Management Operations | Compliance | 4.7 | 4.6 | 4.2 | 4.4 | 4.6 | 2.4 | 2.5 | 2.5 | 2.6 | 2.7 | 35.3 | 0.8% |
| Facilities Energy Management Operations | New Energy Initiative | 1.6 | 0.3 | 3.5 | 3.5 | - | - | - | - | - | - | 8.9 | 0.2% |
| **Facilities Energy Management Operations** | **Total FEMO** | **18.8** | **18.9** | **19.8** | **20.1** | **17.2** | **15.4** | **16.0** | **16.5** | **17.1** | **17.7** | **177.6** | 3.9% |
| Fleet Equipment | Fleet Equipment | 8.6 | 9.2 | 9.1 | 6.9 | 8.7 | 8.7 | 8.6 | 8.7 | 8.6 | - | 77.0 | 1.7% |
| **Fleet Equipment** | **Total Fleet Equipment** | **8.6** | **9.2** | **9.1** | **6.9** | **8.7** | **8.7** | **8.6** | **8.7** | **8.6** | - | **77.0** | 1.7% |
| Technology | Functional Business Software | 5.0 | 8.1 | 12.8 | 13.4 | 23.6 | 11.5 | 12.1 | 12.9 | 13.8 | 11.6 | 124.7 | 2.8% |
| Technology | Infrastructure HW / SW | 6.3 | 6.4 | 4.2 | 4.2 | 4.6 | 4.7 | 5.1 | 5.0 | 5.5 | 2.8 | 48.8 | 1.1% |
| Technology | Toll Collect / Operations | 6.5 | 4.6 | 1.4 | 1.4 | 0.6 | 0.6 | 0.6 | 0.6 | 0.7 | - | 17.0 | 0.4% |
| **Technology** | **Total Technology** | **17.8** | **19.1** | **18.4** | **19.1** | **28.7** | **16.8** | **17.8** | **18.5** | **19.9** | **14.4** | **190.6** | 4.2% |
| **Total Capital Plan** | | **420.0** | **447.5** | **447.6** | **459.6** | **468.3** | **454.5** | **460.4** | **461.7** | **463.6** | **450.1** | **4,533.3** | 100.0% |

# APPENDIX B

## AUDITED FINANCIAL STATEMENTS: 2009 AND 2008

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# Basic Financial Statements

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania
Years Ended May 31, 2009 and 2008
With Report of Independent Auditors

# Pennsylvania Turnpike Commission
# A Component Unit of the Commonwealth of Pennsylvania

## Basic Financial Statements

Years Ended May 31, 2009 and 2008

## Contents

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# Report of Independent Auditors

The Commissioners
Pennsylvania Turnpike Commission

We have audited the accompanying basic financial statements of the Pennsylvania Turnpike Commission, a component unit of the Commonwealth of Pennsylvania, as of May 31, 2009 and 2008, and for the years then ended as listed in the table of contents. These financial statements are the responsibility of the Pennsylvania Turnpike Commission's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Commission's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Pennsylvania Turnpike Commission as of May 31, 2009 and 2008, and the changes in its financial position and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Management's Discussion and Analysis and the required schedule of funding progress for postemployment healthcare benefits are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Ernst + Young LLP

September 20, 2009

0907-1072283-PH

# Pennsylvania Turnpike Commission
# A Component Unit of the Commonwealth of Pennsylvania

## Management's Discussion and Analysis

May 31, 2009

The management of the Pennsylvania Turnpike Commission (hereinafter referred to as the Commission) offers this narrative overview and analysis of the Commission's financial activities for the year ended May 31, 2009, which should be read in conjunction with the Commission's basic financial statements.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. While the Commission is considered a component unit of the Commonwealth of Pennsylvania, it is also an enterprise fund. Therefore, the Commission's financial statements are presented in a manner similar to a private-sector business and have been prepared according to accounting principles generally accepted in the United States (GAAP). All of the current year's revenues are recorded when earned and expenses are recorded as they are incurred, regardless of when the cash is received or disbursed.

The balance sheet presents information on all of the Commission's assets and liabilities, with the difference being reported as net assets. Over time, increases or decreases in net assets serve as a relative indicator of the change in financial position of the Commission.

The statement of revenues, expenses, and changes in net assets shows the result of the Commission's total operations during the fiscal year and reflects both operating and nonoperating activities. Changes in net assets (increases or decreases) reflect the current fiscal period's operating impact upon the overall financial position of the Commission.

The statement of cash flows provides a detailed analysis of all sources and uses of cash. The direct method of cash flows is presented, ending with a reconciliation of operating income to net cash provided by operating activities. The statement of cash flows is divided into the following activities sections—operating, investing, capital financing, and noncapital financing.

Notes to the basic financial statements contain supplemental information and offer explanations to the basic financial statements. The notes are intended to assist the reader in understanding the Commission's basic financial statements.

## Financial Analysis

### Comparative Condensed Balance Sheets

| | May 31 | | |
|---|---|---|---|
| | **2009** | **2008** | **2007** |
| | | *(In Thousands)* | |
| **Assets** | | | |
| Current assets | **$ 745,690** | $ 909,211 | $ 654,864 |
| Long-term investments | **311,219** | 362,065 | 544,855 |
| Capital assets, net of accumulated depreciation | **4,091,440** | 3,766,829 | 3,430,937 |
| Other assets | **50,512** | 38,819 | 26,290 |
| Total assets | **$ 5,198,861** | $ 5,076,924 | $ 4,656,946 |
| | | | |
| **Liabilities and net assets** | | | |
| Current liabilities | **$ 955,938** | $ 214,790 | $ 230,368 |
| Debt net of unamortized premium and unamortized refunding losses | **4,047,102** | 3,755,287 | 2,631,488 |
| Other noncurrent liabilities | **39,851** | 37,880 | 34,942 |
| Total liabilities | **5,042,891** | 4,007,957 | 2,896,798 |
| | | | |
| Net assets: | | | |
| Invested in capital assets, net of related debt | **1,263,878** | 1,327,020 | 772,709 |
| Restricted | **49,926** | 57,681 | 731,995 |
| Unrestricted | **(1,157,834)** | (315,734) | 255,444 |
| Total net assets | **155,970** | 1,068,967 | 1,760,148 |
| Total liabilities and net assets | **$ 5,198,861** | $ 5,076,924 | $ 4,656,946 |

As noted earlier, net assets serve as an indicator of the Commission's overall financial position. Restricted net assets are restricted for projects defined in Trust Indentures and applicable bond issue official statements. The Commission's total net assets were $0.156 billion, $1.069 billion, and $1.760 billion as of May 31, 2009, 2008, and 2007, respectively. The large decreases in net assets in the fiscal years 2009 and 2008 were the result of $850 million and $750 million paid to the Pennsylvania Department of Transportation (PennDOT) as required by Act 44 and the lease and funding agreement between the Commission and PennDOT. These payments were recorded as nonoperating expenses. Please refer to Note 8 (Commitments and Contingencies) of the financial statements and to the Events That Will Impact Financial Position section of this MD&A for additional information regarding Act 44 and the lease and funding agreement between the Commission and PennDOT.

**Financial Analysis (continued)**

Total assets increased by $121.9 million and $420.0 million in fiscal 2009 and fiscal 2008, respectively. The 2009 increase is mostly related to an increase of $324.6 million in capital assets which was partially offset by a decrease in cash and investments of $216.2 million. The increase in capital assets was due mainly to the completion of phase 1 of the Uniontown to Brownsville section of the Mon-Fayette project which is included in infrastructure.

The 2008 increase was mainly the result of increases of $77.1 million and $335.9 million in cash and investments and capital assets, respectively. The increase in cash and investments was the result of new debt issuances while the increase in capital assets was the result of an increase of $152.0 million in assets under construction and a $251.0 million increase in infrastructure which was primarily due to the completion of the new Susquehanna River Bridge.

Total liabilities increased by $1,034.9 million in fiscal 2009 and by $1,111.2 million in fiscal 2008. The fiscal 2009 increase is due mainly to the issuance of new bonds. The new issuances include: Series 2008 B Subordinate, 2008 C, 2008 C Subordinate and 2009 A Subordinate. The subordinate bonds were issued to fund Act 44 payments.

The fiscal 2008 increase was due mainly to the issuance of new bonds and bond anticipation notes. The new issuances include: Series A&B 2007 Turnpike Bond Anticipation Notes; Series 2008 A Turnpike Subordinate Revenue bonds; Series A 2008 Turnpike Multi-Modal Revenue Refunding bonds; and Series B 2008 Turnpike Multi-Modal Revenue bonds. The 2007 A&B Bond Anticipation Notes and the 2008 A Subordinate bonds were issued primarily to make payments to the Pennsylvania Department of Transportation in accordance with Act 44; the 2008 A Refunding Series were issued to refund Series 2006 B&C bonds; and the 2008 B bonds were issued to finance various projects in the Commission's Ten-Year Capital Plan.

**Financial Analysis (continued)**

**Comparative Statements of Revenues and Expenses**

| | Year Ended May 31 | | |
|---|---|---|---|
| | **2009** | **2008** | **2007** |
| | *(In Thousands)* | | |
| Operating: | | | |
| Operating revenues | **$ 633,547** | $ 620,205 | $ 608,444 |
| Cost of services | **(393,364)** | (372,959) | (369,855) |
| Depreciation | **(237,108)** | (193,696) | (198,414) |
| Operating income | **3,075** | 53,550 | 40,175 |
| Nonoperating revenues (expenses): | | | |
| Oil company franchise tax revenues | **57,379** | 60,592 | 67,071 |
| Motor license registration fee revenue | **28,000** | 28,000 | 28,000 |
| Investment earnings | **27,672** | 50,488 | 67,689 |
| Other nonoperating revenues (expenses) | **660** | (135) | 1,405 |
| Act 44 payments to PennDOT | **(850,000)** | (750,000) | – |
| Interest and bond expense | **(191,553)** | (146,250) | (135,415) |
| Nonoperating income (loss) | **(927,842)** | (757,305) | 28,750 |
| Change in net assets before capital contributions | **(924,767)** | (703,755) | 68,925 |
| Capital contributions | **11,770** | 12,574 | 24,306 |
| Change in net assets | **$(912,997)** | $(691,181) | $ 93,231 |

For fiscal years ended May 31, 2009, 2008, and 2007, operating and nonoperating revenues totaled $747.3 million, $759.3 million, and $772.6 million, respectively, while expenses totaled $1,672.0 million, $1,463.0 million, and $703.7 million, respectively.

Total revenues for fiscal 2009 were $12.0 million or 1.6% lower than 2008. The decrease in total revenues was the result of decreases in nonoperating revenues. Investment earnings were down $22.8 million resulting from a decline in market interest rates and lower balances throughout the year and Oil Company Franchise Tax revenues were down $3.2 million. These decreases were partially offset by an increase of $19.1 million in gross toll revenue resulting from a toll rate increase of 25% in January 2009.

**Financial Analysis (continued)**

Total expenses for fiscal 2009 were $209.0 million higher than 2008 primarily due to increases in Act 44 payments, interest and bond expenses, cost of services and depreciation expense. The Commission paid an additional $100.0 million to PennDOT in fiscal 2009 as required by Act 44. In addition, interest and bond expenses increased by $45.3 million, which was mainly the result of fiscal 2009 and 2008 bond issuances. The $20.4 million increase in cost of services is mostly attributable to an $8.4 million increase in annual OPEB costs and a $7.9 million increase in I-80 related expenses. An increase in depreciation expense of $43.4 million resulting from completion of phase 1 of the Uniontown to Brownsville (Mon/Fayette) and total reconstruction projects and a full year of depreciation expense for the new Enterprise Resource Planning (ERP) system also added to the overall increase in expenses.

Total revenues for fiscal 2008 were $13.3 million or 1.7% lower than 2007. The decrease in total revenues was the result of decreases in nonoperating revenues. Investment earnings were down $17.2 million resulting from a decline in market interest rates and lower balances throughout the year and Oil Company Franchise Tax revenues which were down $6.5 million. Net fares increased $6.3 million or 1.1% from fiscal 2007; the increase was the result of a 1.9% increase in traffic volumes.

Total expenses for fiscal 2008 were $759.3 million higher than 2007. The increase was the result of $750.0 million paid to PennDOT as required by Act 44. Cost of services increased $3.1 million or 0.8% and depreciation expense decreased $4.7 million or 2.4%. Although $361.8 million of capital assets were added to the depreciable base during the fiscal year ended May 31, 2008, other assets were fully depreciated, which caused the decrease in the depreciation expense.

***Capital Assets and Debt Administration***

*Capital Assets*

The Commission's investment in capital assets as of May 31, 2009 amounted to $7.8 billion of gross asset value with accumulated depreciation of $3.7 billion, leaving a net book value of $4.1 billion. This investment represents 78.7% of the Commission's total assets compared with 74.2% in 2008. Capital assets consist of land, buildings, improvements, equipment, infrastructure, and assets under construction. Infrastructure assets are typically items that are immovable such as highways, bridges, and tunnels. The net book value of capital assets at May 31, 2008 was $3.8 billion.

## Financial Analysis (continued)

### *Capital Assets and Debt Administration (continued)*

*Capital Assets (continued)*

Assets under construction at the end of fiscal 2009 were $1,229.8 million, which was $116.5 million less than fiscal 2008. This decrease is mainly the result of the completion of phase 1 of the Uniontown to Brownsville (Mon/Fayette) project.

In fiscal 2009, $642.7 million of constructed capital assets were completed which was $280.9 million more than the $361.8 million of constructed capital assets completed in fiscal 2008. In addition to constructed capital assets, the Commission made capital asset acquisitions totaling more than $29.7 million and $17.0 million in fiscal 2009 and 2008, respectively.

The Commission spent $419.3 million on capital improvements to the existing mainline system and $207 million on the Mon/Fayette Expressway and Southern Beltway roadway expansion (Act 61) projects during fiscal year 2009.

Roadway reconstruction totaling 67.5 miles has been completed. An additional 18.5 miles of roadway reconstruction has been initiated, and another 26 miles of reconstruction is currently in design. The Commission also completed 20.6 miles of roadway resurfacing, helping to maintain a quality-riding surface with a system-wide median IRI (International Roughness Index) of 87.

The Commission completely replaced 18 aging original bridges with new bridges, and rehabilitated another 18 bridges in fiscal 2009 and fiscal 2008. Construction of the new Allegheny River Bridge is continuing with the new westbound bridge nearly complete, and with an overall project completion date of October 2010. Demolition of the old Susquehanna River Bridge was completed in 2008 marking the completion of that project.

Facility projects continue to focus on environmental and safety compliance, and on the maintenance and repair of existing buildings including HVAC, electrical and plumbing systems. Equipment purchases and regular maintenance of existing equipment is ongoing to ensure the Turnpike fleet of dump trucks, plows, and other equipment is of sufficient number and functioning properly so that maintenance staff will be adequately equipped to maintain the roadway.

Construction of phase 1 of the Uniontown to Brownsville project, an 8.4 mile section from Pittsburgh Road to US 40, opened to traffic in October 2008 and is now incorporated into the Turnpike System.

**Financial Analysis (continued)**

***Capital Assets and Debt Administration (continued)***

*Capital Assets (continued)*

Phase 2 of the Uniontown to Brownsville, a 7 mile section, will complete the Mon/Fayette Expressway from the West Virginia Line in Fayette County to PA 51 in Washington County, a distance of 54 miles. Phase 2 major construction projects have been bid and this segment is currently under construction. As of July 1, 2009, 29% of the construction work has been completed and the Pennsylvania Turnpike Commission anticipates completion for phase 2 in late 2011 or early 2012.

The Mon/Fayette Expressway project, extending from PA Route 51 to Interstate Route 376 in Pittsburgh, has completed the preliminary design phase and is waiting for additional funding.

The proposed Southern Beltway is planned to be constructed from the Mon/Fayette Expressway, near Finleyville, extending as part of a beltway south of Pittsburgh to Pennsylvania Route 60 at the Pittsburgh International Airport. It is presently planned for construction in three sections. I-79 to Mon/Fayette Expressway has completed the environmental phase and is inactive until additional resources are found. The section from US 22 to I-79 is in final design and acquisition of right-of-way for 71 total take parcels is underway. Additional funding is needed to continue the US 22 to I-79 project to complete the design and for all of its construction. The Findlay Connector (PA 60 to US 22), a six mile section of the Southern Beltway from the Pittsburgh International Airport to US 22, was opened to traffic in October of 2006.

A federal Environmental Impact Statement Record of Decision was issued for the I-95 Turnpike interchange project in late 2004 and preliminary design for the project has been completed. Final design has been initiated for the proposed Stage 1 construction which would include the tolling modifications (new mainline toll plaza near Milepost 352, open road tolling, westbound at Delaware River Bridge and elimination of tolls at Delaware Valley Interchange) and the I-95 ramps which will bring the I-95 designation on to the PA & NJ Turnpikes. There are also several early action overhead bridge replacements required prior to mainline construction. Two of the early action bridges are scheduled to be bid in 2010 and will be paid for by 100% Turnpike funds. Additional funding is needed for the construction of the remainder of the project.

**Financial Analysis (continued)**

***Capital Assets and Debt Administration (continued)***

*Capital Assets (continued)*

The above paragraphs describe the changes in capital assets occurring during the fiscal years ended May 31, 2009 and 2008. Please refer to the capital assets section in the notes to the financial statements (Note 5) for more detailed capital asset schedules.

*Debt Administration*

In January 2009, the Commission issued $308,035,000 Turnpike Subordinate Revenue Bonds Series A of 2009. The 2009 A Subordinate Bonds were issued primarily to make payments to the Pennsylvania Department of Transportation (PennDOT) in accordance with Act 44.

On December 18, 2008 the Commission entered into two forward starting swap agreements with two counterparties (Deutsche Bank and Goldman Sachs). Each swap agreement had a notional amount of $150,000,000 with an effective date of June 1, 2010 and a termination date of June 1, 2039. The Commission entered into these forward starting interest rate swaps to hedge its exposure to interest rate variations and interest rate costs with respect to the Series 2009 A and Series 2010 A Mainline Revenue Bonds. The Commission issued its Series 2009 A revenue bonds in June 2009 and expects to issue its Series 2010 A revenue bonds in June 2010.

In October 2008, the Commission issued $411,110,000 Turnpike Subordinate Revenue Bonds, Series C of 2008. The bonds consist of Subseries C-1 Subordinate Revenue Bonds issued for $231,335,000, Subseries C-3 Subordinate Revenue Bond Anticipation Notes issued for $102,060,000 and Subseries C-4 Subordinate Revenue Bond Anticipation Notes (federally taxable) issued for $77,715,000. These bonds were issued to make payments to the Pennsylvania Department of Transportation (PennDOT) in accordance with Act 44.

On August 19, 2008, the Commission issued $50,000,000 Turnpike Multi-Modal Revenue Bonds, Series C of 2008 maturing June 1, 2038. These bonds bear interest at a variable rate and were issued primarily to finance the costs of various Mainline capital expenditures to fund the reconstruction of roadbed and roadway and the widening, replacing and redecking of certain bridges and/or the rehabilitation of certain interchanges.

**Financial Analysis (continued)**

***Capital Assets and Debt Administration (continued)***

*Debt Administration (continued)*

In July 2008, the Commission issued $233,905,000 Turnpike Subordinate Revenue Bonds, Series B of 2008. Subseries B-1 of 2008 bonds total $164,915,000 and Subseries B-2 of 2008 bonds total $68,990,000 (federally taxable). These bonds were issued to make payment to PennDOT in accordance with Act 44.

In May 2008, the Commission issued Series 2008 B Multi-Modal Revenue Bonds in the amount of $402,000,000. The 2008 B Series Bonds were issued primarily to provide funds to finance the costs of various Mainline capital expenditures for the Pennsylvania Turnpike system as set forth in the Commission's current Ten-Year Capital Plan.

In May 2008, the Commission issued Series 2008 A Multi-Modal Refunding Bonds in the amount of $233,455,000. The primary purpose of this variable to variable refunding was to replace the Ambac insured 2006 B&C bonds with the 2008 A bonds which are uninsured, supported by a JP Morgan Standby Bond Purchase Agreement.

In April 2008, the Commission issued Series 2008 A (Subseries A-1) Subordinate Bonds in the amount of $176,565,000 and (Subseries A-2) which are federally taxable for $68,290,000. The 2008 A Subordinate Bonds were issued primarily to make payments to PennDOT in accordance with Act 44. Also in April 2008, the Oil Company Franchise Tax Revenue Bonds Series 2003 C were converted to a fixed interest rate of 5.0% from the auction rate.

In October 2007, the Commission issued 2007 Series A&B Turnpike Bond Anticipation Notes in the amounts of $280,830,000 and $251,025,000, respectively. The 2007 Series Anticipation Notes were issued primarily to make payments to PennDOT in accordance with Act 44 to fund certain grants to mass transit agencies and various road, highway, bridge and capital projects of PennDOT. Both Series have a final maturity of October 15, 2009. Additionally, the Series B Anticipation Notes are federally taxable.

The above paragraphs describe debt and swap activity occurring during the fiscal year. Please refer to the bonds payable and commitments and contingencies sections in the notes to the financial statements (Notes 6 and 8) for more detailed schedules and descriptions of long-term debt and swap activity.

## Financial Analysis (continued)

### Events That Will Impact Financial Position

In December 2006, Governor Edward G. Rendell announced his intention to seek expressions of interest for a possible sale or lease of the Pennsylvania Turnpike system in order to obtain funds for highway, bridge and transit programs throughout the Commonwealth of Pennsylvania. The Commonwealth hired several firms to perform work related to a possible sale or lease of the Pennsylvania Turnpike; however, the state legislature did not support the plan and alternative proposals were considered. In July 2007, House Bill 1590, titled Act 44 of 2007, was passed by the state legislature and signed by Governor Rendell. The provisions of Act 44 required the Turnpike Commission to enter into a 50-year lease of the Pennsylvania portion of Interstate 80 with PennDOT and to make substantial lease payments to PennDOT to provide funds for various transportation needs of the Commonwealth. In addition, Act 44 granted the Commission the option to convert such portion of Interstate 80 to a toll road subject to certain federal approvals. As required under Act 44, the Commission and PennDOT entered into a 50-year Lease and Funding Agreement on October 14, 2007. The Commission's payments to PennDOT for the fiscal years ended May 31, 2009 and 2008 were $850 million and $750 million, respectively. Please refer to Note 8 (Commitments and Contingencies) for additional information regarding required annual payments for the remainder of the term of the lease.

The Commission submitted its Preliminary Expression of Interest to the Federal Highway Administration (FHWA) in August 2007, requesting tolling authority for that portion of Interstate 80 traversing the Commonwealth of Pennsylvania. By a letter dated September 26, 2007, FHWA replied to the Commission stating that the Interstate System Reconstruction and Rehabilitation Pilot Program (the Pilot Program) is the appropriate tolling pilot program under which the Commission should apply. The Commission submitted to FHWA a joint application with PennDOT on October 31, 2007. FHWA responded to the application with a request for additional information on December 31, 2007. Among FHWA's requests were a clearer identification of the rehabilitation, reconstruction, and improvement projects currently being planned for Interstate 80 by the Commission after the Conversion Date, and further information of PennDOT's historic funding strategy for Interstate 80. The Commission and PennDOT replied to FHWA on December 20, 2007, and they jointly acknowledged this request for additional information and confirmed their intent to continue seeking federal approval for the Conversion. Representatives of the Commission and PennDOT met with FHWA staff on two occasions during the first half of 2008 to discuss the additional information to be included in the updated application.

**Financial Analysis (continued)**

**Events That Will Impact Financial Position (continued)**

The Commission and PennDOT submitted an amended application to FHWA to toll Interstate 80 in July 2008 and supplemented such application in August 2008. By letter dated September 11, 2008, FHWA advised the Commission and PennDOT that it was unable to move the application forward at that time primarily because the proposed lease payments (from the Commission to PennDOT), as presented to FHWA, did not meet federal statutory requirements. The Commission and PennDOT are evaluating strategies for the submittal of a new application.

The Commission continued to meet its funding commitments in full and on time during fiscal 2009, the second year of Act 44. As the Commission carries out its new Act 44 responsibilities, it also continues its efforts to maintain and improve the Turnpike. Meeting Act 44 and Turnpike funding commitments in a constrained financial environment requires carefully managing financial obligations while maintaining financial flexibility.

The Commission has met these significant challenges over the past fiscal year despite the unprecedented economic environment of rising fuel prices in the first half of the fiscal year and the worsening recession during the second half of the year by adjusting its financing and budget strategies which include cost-containment measures. As part of the Act 44 financial planning process, the Commission evaluates alternative tolling, operating cost, capital program and debt financing strategies to meet its obligations in a cost-effective and prudent manner. The ability to continually review and, as appropriate, adjust strategies throughout the term of the Lease provides the Commission with the necessary flexibility to adapt to changing market conditions.

The above paragraphs provide a brief overview of Act 44 and its requirements. Please refer to the commitments and contingencies section in the notes to the financial statements (Note 8) for additional information regarding the Commission's commitments under the Lease and Funding Agreement.

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

# Balance Sheets

*(In Thousands)*

| | May 31 2009 | May 31 2008 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents | $ **147,740** | $ 143,276 |
| Short-term investments | **8,164** | 27,478 |
| Accounts receivable | **595** | 1,038 |
| Accrued interest receivable | **2,029** | 1,902 |
| Inventories | **19,144** | 15,372 |
| Restricted current assets: | | |
| Cash and cash equivalents | **444,395** | 552,298 |
| Short-term investments | **85,984** | 128,552 |
| Accounts receivable | **36,471** | 36,514 |
| Accrued interest receivable | **1,168** | 2,781 |
| Total current assets | **745,690** | 909,211 |
| Noncurrent assets: | | |
| Long-term investments: | | |
| Long-term investments unrestricted | **200,078** | 181,446 |
| Long-term investments restricted | **111,141** | 180,619 |
| Total long-term investments | **311,219** | 362,065 |
| Capital assets not being depreciated: | | |
| Land | **204,665** | 181,846 |
| Assets under construction | **1,229,835** | 1,346,351 |
| Capital assets being depreciated: | | |
| Buildings | **742,815** | 697,816 |
| Improvements other than buildings | **60,322** | 59,482 |
| Equipment | **401,944** | 397,477 |
| Infrastructure | **5,199,598** | 4,613,052 |
| | **7,839,179** | 7,296,024 |
| Less accumulated depreciation | **3,747,739** | 3,529,195 |
| | **4,091,440** | 3,766,829 |
| Other assets: | | |
| Other assets | **2,332** | 1,433 |
| Deferred issuance costs | **48,180** | 37,386 |
| Total other assets | **50,512** | 38,819 |
| Total noncurrent assets | **4,453,171** | 4,167,713 |
| Total assets | $ **5,198,861** | $ 5,076,924 |

| | May 31 | |
|---|---|---|
| | **2009** | **2008** |
| **Liabilities and net assets** | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | **$ 217,668** | $ 121,272 |
| Current portion of debt | **709,715** | 67,555 |
| Unearned income | **28,555** | 25,963 |
| Total current liabilities | **955,938** | 214,790 |
| | | |
| Noncurrent liabilities: | | |
| Debt, less current portion, net of unamortized premium of $50,337 and $56,906 in 2009 and 2008, respectively, and net of unamortized refunding loss of $65,855 and $70,904 in 2009 and 2008, respectively | **4,047,102** | 3,755,287 |
| Other noncurrent liabilities | **39,851** | 37,880 |
| Total noncurrent liabilities | **4,086,953** | 3,793,167 |
| Total liabilities | **5,042,891** | 4,007,957 |
| | | |
| Net assets: | | |
| Invested in capital assets, net of related debt | **1,263,878** | 1,327,020 |
| Restricted for certain construction and maintenance purposes | **49,926** | 57,681 |
| Unrestricted | **(1,157,834)** | (315,734) |
| Total net assets | **155,970** | 1,068,967 |
| | | |
| Total liabilities and net assets | **$ 5,198,861** | $ 5,076,924 |

*See accompanying notes.*

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

## Statements of Revenues, Expenses, and Changes in Net Assets

*(In Thousands)*

| | Year Ended May 31 2009 | 2008 |
|---|---|---|
| Operating revenues: | | |
| Fares – net of discounts of \$22,640 and \$20,224 for the years ended May 31, 2009 and 2008, respectively | **\$ 615,604** | \$ 598,926 |
| Other | **17,943** | 21,279 |
| | **633,547** | 620,205 |
| Operating expenses: | | |
| Cost of services | **393,364** | 372,959 |
| Depreciation | **237,108** | 193,696 |
| | **630,472** | 566,655 |
| Operating income | **3,075** | 53,550 |
| Nonoperating revenues (expenses): | | |
| Oil company franchise tax revenues | **57,379** | 60,592 |
| Motor license registration fee revenue | **28,000** | 28,000 |
| Investment earnings | **27,672** | 50,488 |
| Other nonoperating revenues (expenses) | **660** | (135) |
| Act 44 payments to PennDOT | **(850,000)** | (750,000) |
| Interest and bond expenses | **(191,553)** | (146,250) |
| | **(927,842)** | (757,305) |
| Change in net assets before capital contributions | **(924,767)** | (703,755) |
| Capital contributions | **11,770** | 12,574 |
| Change in net assets | **(912,997)** | (691,181) |
| Net assets at beginning of year | **1,068,967** | 1,760,148 |
| Net assets at end of year | **\$ 155,970** | \$ 1,068,967 |

*See accompanying notes.*

# Pennsylvania Turnpike Commission
# A Component Unit of the Commonwealth of Pennsylvania

## Statements of Cash Flows

| | Year Ended May 31 | |
|---|---|---|
| | **2009** | **2008** |
| | *(In Thousands)* | |
| **Operating activities** | | |
| Cash received from customer tolls and deposits | **$ 629,760** | $ 667,795 |
| Cash payments for goods and services | **(252,946)** | (309,323) |
| Cash payments to employees | **(135,476)** | (156,602) |
| Cash received from other operating activities | **12,939** | 14,503 |
| Net cash provided by operating activities | **254,277** | 216,373 |
| | | |
| **Investing activities** | | |
| Proceeds from sales and maturities of investments | **780,732** | 1,259,581 |
| Interest received on investments | **26,343** | 46,675 |
| Purchases of investments | **(665,189)** | (864,777) |
| Net cash provided by investing activities | **141,886** | 441,479 |
| | | |
| **Capital and related financing activities** | | |
| Capital grants received | **12,584** | 16,694 |
| Construction and acquisition of capital assets | **(528,560)** | (531,828) |
| Proceeds from sale of capital assets | **1,225** | 29 |
| Payments for bond expenses | **(2,282)** | (3,322) |
| Payments for redemption of debt | **(67,555)** | (52,645) |
| Interest paid on debt | **(153,443)** | (140,368) |
| Proceeds from new debt | **1,003,050** | 1,179,835 |
| Net cash provided by capital and related financing activities | **265,019** | 468,395 |
| | | |
| **Noncapital financing activities** | | |
| Cash payments to PennDOT | **(850,000)** | (750,000) |
| Cash proceeds from motor license grant | **28,000** | 28,000 |
| Cash proceeds from oil company franchise tax | **57,379** | 58,709 |
| Net cash used in noncapital financing activities | **(764,621)** | (663,291) |
| (Decrease) increase in cash and cash equivalents | **(103,439)** | 462,956 |
| | | |
| Cash and cash equivalents at beginning of year | **695,574** | 232,618 |
| Cash and cash equivalents at end of year | **$ 592,135** | $ 695,574 |

*Continued on the following page – see accompanying schedule of reconciliation.*

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

Statements of Cash Flows (continued)

| | Year Ended May 31 | |
|---|---|---|
| | **2009** | **2008** |
| | *(In Thousands)* | |
| **Reconciliation of operating income to net cash provided by operating activities** | | |
| Operating income | **$ 3,075** | $ 53,550 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | |
| Depreciation | **237,108** | 193,696 |
| Change in operating assets and liabilities: | | |
| Accounts receivable | **(641)** | (3,121) |
| Inventories | **(3,772)** | 1,033 |
| Other assets | **(939)** | (1,047) |
| Accounts payable and accrued liabilities | **17,475** | (29,849) |
| Other noncurrent liabilities | **1,971** | 2,111 |
| Net cash provided by operating activities | **$ 254,277** | $ 216,373 |

**Noncash Activities**

The Commission recorded an increase of $3.4 million and $9.7 million in the fair value of its investments for the years ended May 31, 2009 and 2008, respectively.

The Commission recognized $4.4 million and $3.2 million in income for bond premium amortization for the years ended May 31, 2009 and 2008, respectively.

The Commission recorded $5.0 million and $4.9 million in expenses for amortization of deferred refunding losses for the years ended May 31, 2009 and 2008, respectively.

*See accompanying notes.*

## 1. Financial Reporting Entity

The Pennsylvania Turnpike Commission (the Commission) was created as an instrumentality of the Commonwealth of Pennsylvania on May 21, 1937, with powers to construct, operate, and maintain the Turnpike System and to issue Turnpike revenue bonds, repayable solely from tolls and other Commission revenues. The Commission is considered a component unit of the Commonwealth of Pennsylvania (Commonwealth).

In evaluating how to define the Commission for financial reporting purposes, management has considered all potential component units in accordance with Governmental Accounting Standards Board (GASB) Statements No. 14, *The Reporting Entity*, and No. 39, *Determining Whether Certain Organizations Are Component Units—an amendment of GASB Statement No. 14*. GASB Statement No. 14 defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. GASB Statement No. 39 provides additional guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationship with the primary government. The Commission believes it has no component units based on its review of GASB Statements No. 14 and No. 39.

The Commission consists of five members, one of whom is the Secretary of Transportation. The others are appointed by the Governor with the approval of a majority of the Senate.

## 2. Summary of Significant Accounting Policies

The financial statements of the Pennsylvania Turnpike Commission have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Commission's accounting policies are described below:

### Application of FASB Pronouncements

The Commission has elected not to apply any FASB statements or interpretations issued after November 30, 1989.

### Basis of Accounting

The Commission's basic financial statements are presented on the accrual basis of accounting.

## 2. Summary of Significant Accounting Policies (continued)

### Cash Equivalents

For purposes of the statements of cash flows, the Commission considers all highly liquid debt investment securities that mature within three months of acquisition to be cash equivalents.

### Investments

Investments are stated at fair value with the exception of certain nonparticipating contracts such as repurchase agreements that are reported at cost, which does not materially differ from fair value. Fair values are based on published market rates.

### Capital Assets

Capital assets are stated at cost. Donated capital assets are valued at their estimated fair value on the date received. Interest is capitalized based on average construction cost and the average bond interest rate, less interest earned on invested construction funds. Acquisitions of capital assets valued at $15,000 or greater are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The following lives are used:

| | |
|---|---|
| Buildings | 10 – 45 years |
| Improvements other than buildings | 15 – 20 years |
| Equipment | 3 – 40 years |
| Infrastructure | 10 – 50 years |

### Inventories

Inventories are valued at the lower of average cost (determined on a first-in, first-out method) or market.

### Debt Premium/Discount and Issuance Costs

Debt premium/discount and issuance costs are being amortized using the effective interest rate method over the varying terms of the bonds issued.

## 2. Summary of Significant Accounting Policies (continued)

### Unearned Income

E-ZPass customers of the Turnpike Commission are required to deposit funds in advance of anticipated travel. Since this money is collected prior to the customers' travel and revenue recognition, it is recorded as unearned income. Unearned income related to E-ZPass customers was $28.4 million and $25.9 million for the years ended May 31, 2009 and 2008, respectively.

### Operating Revenues

Revenues associated with operations of the toll road are considered operating revenues. The principal operating revenues of the Commission are fare revenues from customers. Other operating revenues include: service station, restaurant, property and other rental income as well as electronic toll collection and violation enforcement fees related to the E-ZPass program. Also included is revenue from various sponsorship agreements.

### Fare Revenues

Fare revenues are recognized when vehicles exit the Turnpike System. As of May 31, 2009 and 2008, approximately 61.0% and 58.9%, respectively, of the fare revenues were realized through electronic toll collection; the remainder was realized through cash collection or a credit card program for military and class 9 vehicles.

### Operating Expenses

Operating expenses relate directly to operating and maintaining the toll road. The principal operating expenses of the Commission are cost of services and depreciation. Other expenses are considered nonoperating expenses.

### Cost of Services

Cost of services includes: wages and salaries, benefits, utilities, fuels, professional fees and services, PA State Police services, and purchased goods, including materials and supplies.

### Utilization of Resources

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first and then unrestricted resources as needed.

## 2. Summary of Significant Accounting Policies (continued)

### Nonoperating Revenues (Expenses)

Nonoperating revenues include: Oil Company Franchise Tax revenues, Motor License Registration Fee revenues, investment earnings, and other miscellaneous revenues not associated with the operations of the toll road. Nonoperating expenses include: Act 44 payments to PennDOT, interest and bond expenses, and other miscellaneous expenses not associated with the operations of the toll road.

### Oil Company Franchise Tax Revenues

The Commission receives 14% of the additional 55 mills of the Commonwealth's Oil Company Franchise Tax revenues pursuant to Act 26 established in 1991. The revenues are recorded as nonoperating revenue and totaled \$57.4 million and \$60.6 million for the fiscal years ended May 31, 2009 and 2008, respectively. These revenues are kept in a separate fund as required by the applicable bond indenture. This fund's assets equaled \$277.3 million and \$667.9 million as of May 31, 2009 and 2008, respectively, and consisted essentially of cash, investments, and assets under construction.

### Motor License Registration Fee Revenues

The Commission received \$28.0 million in grants during each of the fiscal years ended May 31, 2009 and 2008 from the Commonwealth's Motor License Fund. The revenue from these grants has been recorded as nonoperating revenue. The Commission has elected to account for this grant in a separate fund. This fund's assets totaled \$87.1 million and \$253.8 million as of May 31, 2009 and 2008, respectively, and consisted essentially of cash, investments, and assets under construction.

### Act 44 Payments to PennDOT

The Commission and PennDOT entered into a Lease and Funding Agreement as required under the terms of Act 44. See Note 8 for more information regarding this Lease and Funding Agreement.

## 2. Summary of Significant Accounting Policies (continued)

### Capital Contributions

The Commission receives grants from other governments for reimbursement of costs for various highway construction projects. During the years ended May 31, 2009 and 2008, the Commission received $11.8 million and $12.6 million, respectively, in reimbursements from the Federal government.

### Derivatives

The Commission enters into various interest rate swaps in order to manage risks associated with interest on its bond portfolio. As currently allowed under accounting principles generally accepted in the United States, the Commission does not record the fair value or changes in the fair value of interest rate swaps in its financial statements. See Note 8 for relevant disclosures.

### Reclassifications

Certain prior year amounts were reclassified to conform to the current year presentation.

### Adoption of New Accounting Pronouncements

In June 2008, the Government Accounting Standards Board issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. This statement is effective for periods beginning after June 15, 2009. Early adoption is allowed.

## 3. Indenture Requirements and Restrictions

The Commission's debt has been issued under the provisions of a Trust Indenture, dated July 1, 1986, which was amended and restated as of March 1, 2001; a Trust Indenture dated August 1, 1998 (1998 Indenture); and a Trust Indenture dated July 1, 2005 (collectively referred to as the Indentures) between the Commission and the Trustee (U.S. Bank Corp., successor to Wachovia Bank); and a Subordinate Trust Indenture dated April 1, 2008 between the Commission and TD Bank, N.A. as Trustee. Accordingly, certain activities of the Commission are restricted by the Indentures.

The Commission is required to maintain certain accounts with the Trustees as specified by the Indentures. Funds maintained in such accounts are restricted to use for construction, Turnpike System maintenance and operation, Act 44 payments and debt service.

## 4. Cash and Investments

Cash deposits are in various financial institutions. The Indentures require that cash deposits be either insured or collateralized by a pledge of direct obligations of the United States Government or the Commonwealth of Pennsylvania or otherwise in accordance with the laws of the Commonwealth of Pennsylvania governing trust funds of public bodies.

The following summary presents the amount of Commission deposits all of which are fully insured or collateralized with securities held by the Commission or its agent in the Commission's name.

| | Total Bank Balance | Total Book Balance |
|---|---|---|
| | *(In Thousands)* | |
| **May 31, 2009** | | |
| Demand deposits | **$ 588,223** | **$ 592,135** |
| **May 31, 2008** | | |
| Demand deposits | $ 83,544 | $ 65,374 |

The Indentures permit investments in obligations of, or guaranteed by, the United States of America, its agencies, and its instrumentalities (United States Government obligations); certificates of deposit issued by institutions insured by the FDIC or fully collateralized with United States Government obligations; investment agreements with certain financial institutions; commercial paper and asset-backed securities rated in the highest category by applicable rating agencies; money market funds and auction rate certificates rated in one of the two highest categories by applicable rating agencies; corporate bonds and medium term notes with a minimum rating of AA-; investments in long-term debt obligations of any state or political subdivision but only to the extent that the applicable rating agency has assigned a rating to such obligations, which at the time of purchase is not lower than the highest underlying rating assigned to any series of Commission bonds then outstanding; and repurchase agreements with banks or primary government dealers reporting to the Federal Reserve Bank of New York collateralized with obligations of, or guaranteed by, the United States of America.

Debt insurers have placed additional restrictions on construction funds. For these funds, corporate bonds, auction rate certificates, asset-backed securities, and medium term notes are not allowed.

## 4. Cash and Investments (continued)

The Commission has an investment policy that defines guidelines and operational factors governing the investment of cash assets. The policy is consistent with the Indentures regarding permitted investments; however, it imposes the following additional limitations:

- Investments in government agencies are limited to 35% of the portfolio.
- Investments in certificates of deposit and investment agreements are limited to 30% of the portfolio.
- Investments in commercial paper, corporate bonds, and asset-backed securities, in aggregate, are limited to 35% of the portfolio.
- Investments in any single issuer, excluding U.S. Treasury and Federal Agencies, are limited to 5% of the portfolio.

The Commission's investment policy also limits investments to those issues expected to mature within five years, taking into consideration call, prepayment, or other features that may impact maturity.

### Credit Risk

The Commission's exposure to credit risk as of May 31, 2009 is as follows:

| | Quality Rating | | | | |
|---|---|---|---|---|---|
| **Debt Investments** | **AAA** | **AA** | **A** | **A-1** | ***Unrated** |
| | | | *(In Thousands)* | | |
| Government agency securities | $ 154,235 | $ – | $ – | $ – | $ 41,967 |
| Corporate obligations | 30,293 | 38,137 | – | 62,536 | – |
| Municipal bonds | 17,262 | 2,599 | – | – | – |
| Guaranteed investment contracts | – | – | – | – | 16,449 |

* Unrated debt investments are securities that are not rated by the NRSROs.

Investments guaranteed by the full faith of the U.S. Government, such as U.S. Treasuries, GNMA mortgages, and related repurchase agreements, are not considered to have credit risk and do not require disclosure of credit quality.

## 4. Cash and Investments (continued)

### Concentration of Credit Risk

As of May 31, 2009, the Commission had investments of more than 5% of its consolidated portfolio with the following issuers:

| Issuer | Total Investments | Percent of Total |
|---|---|---|
| | *(In Thousands)* | |
| Federal Home Loan Bank | $ 64,867 | 6.50% |
| Federal National Mortgage Association | 50,350 | 5.05 |

### Interest Rate Risk

On May 31, 2009, the effective duration of the Commission's investments, by type, was as follows:

| Investment Type | Fair Value | Effective Duration (Years) |
|---|---|---|
| | *(In Thousands)* | |
| U.S. Treasuries | $ 34,212 | 2.58 |
| GNMA mortgages | 7,677 | 1.99 |
| Government agency securities | 196,202 | 1.97 |
| Municipal bonds | 19,861 | 9.26 |
| Guaranteed investment contracts | 16,449 | 0.48 |
| Corporate obligations | 130,966 | 1.78 |
| Total investment securities and cash equivalents | $ 405,367 | |

## 4. Cash and Investments (continued)

The following is a summary of cash and cash equivalents and investments by type:

| | May 31 2009 | May 31 2008 |
|---|---|---|
| | *(In Thousands)* | |
| U.S. Treasuries | **$ 34,212** | $ 46,230 |
| GNMA Mortgages | **7,677** | 5,005 |
| Government agency securities | **196,202** | 326,540 |
| Municipal bonds | **19,861** | 20,006 |
| Corporate obligations | **130,966** | 103,855 |
| Repurchase agreements | **–** | 630,201 |
| Guaranteed investment contracts | **16,449** | 16,458 |
| Total investment securities and cash equivalents | **405,367** | 1,148,295 |
| Demand deposits | **592,135** | 65,374 |
| Total cash and cash equivalents and investments | **$ 997,502** | $ 1,213,669 |

## 5. Capital Assets

A summary of changes to capital assets for the years ended May 31, 2009 and 2008 is as follows:

| | Balance June 1, 2008 | Additions | Transfers | Retirements | Balance May 31, 2009 |
|---|---|---|---|---|---|
| | | | *(In Thousands)* | | |
| **Capital assets not being depreciated (cost)** | | | | | |
| Land | $ 181,846 | $ 23,209 | $ – | $ 390 | $ 204,665 |
| Assets under construction | 1,346,351 | 526,137 | (642,653) | – | 1,229,835 |
| Total capital assets not being depreciated | 1,528,197 | 549,346 | (642,653) | 390 | 1,434,500 |
| **Capital assets being depreciated (cost)** | | | | | |
| Buildings | 697,816 | 29 | 49,917 | 4,947 | 742,815 |
| Improvements other than buildings | 59,482 | 751 | 89 | – | 60,322 |
| Equipment | 397,477 | 5,664 | 14,006 | 15,203 | 401,944 |
| Infrastructure | 4,613,052 | 7,905 | 578,641 | – | 5,199,598 |
| Total capital assets being depreciated | 5,767,827 | 14,349 | 642,653 | 20,150 | 6,404,679 |
| Less accumulated depreciation for: | | | | | |
| Buildings | 233,844 | 19,981 | – | 3,583 | 250,242 |
| Improvements other than buildings | 43,563 | 1,865 | – | – | 45,428 |
| Equipment | 269,566 | 40,677 | – | 14,981 | 295,262 |
| Infrastructure | 2,982,222 | 174,585 | – | – | 3,156,807 |
| Total accumulated depreciation | 3,529,195 | 237,108 | – | 18,564 | 3,747,739 |
| Total capital assets being depreciated, net | 2,238,632 | (222,759) | 642,653 | 1,586 | 2,656,940 |
| Total capital assets | $ 3,766,829 | $ 326,587 | $ – | $ 1,976 | $ 4,091,440 |

## 5. Capital Assets (continued)

| | Balance June 1, 2007 | Additions | Transfers | Retirements | Balance May 31, 2008 |
|---|---|---|---|---|---|
| | | | *(In Thousands)* | | |
| **Capital assets not being depreciated (cost)** | | | | | |
| Land | $ 174,661 | $ 7,276 | $ – | $ 91 | $ 181,846 |
| Assets under construction | 1,194,364 | 513,780 | (361,793) | – | 1,346,351 |
| Total capital assets not being depreciated | 1,369,025 | 521,056 | (361,793) | 91 | 1,528,197 |
| **Capital assets being depreciated (cost)** | | | | | |
| Buildings | 666,087 | 4,356 | 28,240 | 867 | 697,816 |
| Improvements other than buildings | 58,831 | – | 867 | 216 | 59,482 |
| Equipment | 319,524 | 5,390 | 76,967 | 4,404 | 397,477 |
| Infrastructure | 4,362,098 | – | 255,719 | 4,765 | 4,613,052 |
| Total capital assets being depreciated | 5,406,540 | 9,746 | 361,793 | 10,252 | 5,767,827 |
| Less accumulated depreciation for: | | | | | |
| Buildings | 215,367 | 19,113 | – | 636 | 233,844 |
| Improvements other than buildings | 41,643 | 2,136 | – | 216 | 43,563 |
| Equipment | 251,389 | 21,689 | – | 3,512 | 269,566 |
| Infrastructure | 2,836,229 | 150,758 | – | 4,765 | 2,982,222 |
| Total accumulated depreciation | 3,344,628 | 193,696 | – | 9,129 | 3,529,195 |
| Total capital assets being depreciated, net | 2,061,912 | (183,950) | 361,793 | 1,123 | 2,238,632 |
| Total capital assets | $ 3,430,937 | $ 337,106 | $ – | $ 1,214 | $ 3,766,829 |

For the fiscal years ended May 31, 2009 and 2008, the Commission incurred interest costs of $17.1 million and $26.2 million, respectively, which qualified for capitalization. For 2009, the interest expense was offset by $9.2 million of interest income resulting in a net capitalization of $7.9 million. For 2008, the interest expense was offset by an approximately equal amount of interest income resulting in a net capitalization of zero.

## 6. Debt

Debt consists of the following:

| | May 31 2009 | May 31 2008 |
|---|---|---|
| | *(In Thousands)* | |
| **Mainline Debt** | | |
| 1998 Series Q: Issued $53,000 in July 1998 at a variable rate (based on SIFMA, reset daily, paid the 1st of each month) due in varying installments through June 1, 2028. | **$ 53,000** | $ 53,000 |
| 2001 Series R: Issued $186,025 in March 2001 at 5.00% to 5.125%, due in varying installments through December 1, 2030. Interest paid each June 1 and December 1. | **186,025** | 186,025 |
| 2001 Series S: Issued $244,925 in May 2001 at 3.40% to 5.60%, due in varying installments through June 1, 2015. Interest paid each June 1 and December 1. | **143,530** | 160,205 |
| 2001 Series T: Issued $86,660 in September 2001 at 4.13% to 5.50%, due in varying installments through December 1, 2013. Interest paid each June 1 and December 1. | **72,755** | 75,355 |
| 2001 Series U: Issued $169,820 in September 2001 at a variable rate (based on SIFMA, reset weekly, paid the 1st of each month) due in varying installments through December 1, 2019. | **169,820** | 169,820 |
| 2002 Series A: Issued $288,265 in September 2002 at a variable rate (based on SIFMA, reset weekly, paid the 1st of each month) due in varying installments through December 1, 2030. | **288,265** | 288,265 |
| 2002 Series B: Issued $160,880 in September 2002 at a variable rate (based on SIFMA, reset weekly, paid the 1st of each month) due in varying installments through December 1, 2012. | **49,470** | 67,940 |
| 2004 Series A: Issued $269,245 in June 2004 at 5.00% to 5.50%, due in varying installments through December 1, 2034. Interest paid each June 1 and December 1. | **269,245** | 269,245 |
| 2006 Series A: Issued $118,015 in June 2006 at 5.00%, due in varying installments through December 1, 2026. Interest paid each June 1 and December 1. | **118,015** | 118,015 |
| 2007 Series A: Issued $280,830 in October 2007 at 4.00%, due in varying installments through October 15, 2009. Interest paid each April 15 and October 15. | **280,830** | 280,830 |
| 2007 Series B (Federally Taxable): Issued $251,025 in October 2007 at 5.29% due in varying installments through October 15, 2009. Interest paid each April 15 and October 15. | **251,025** | 251,025 |

## 6. Debt

| | May 31 2009 | May 31 2008 |
|---|---|---|
| | *(In Thousands)* | |
| **Mainline Debt (continued)** | | |
| 2008 Series A Subordinate (Subseries A-1): Issued $176,565 in April 2008 at 4.125% to 5.00%, due in varying installments through June 1, 2038. Interest paid each June 1 and December 1. | **$ 176,565** | $ 176,565 |
| 2008 Series A Subordinate (Subseries A-2 Federally Taxable): Issued $68,290 in April 2008 at 3.74% to 6.41%, due in varying installments through June 1, 2022. Interest paid each June 1 and December 1. | **68,290** | 68,290 |
| 2008 Series B Multi-Modal: Issued $402,000 in May 2008 at a variable rate (based on SIFMA, reset weekly, paid the 1st of each month) due in varying installments through December 1, 2038. | **402,000** | 402,000 |
| 2008 Series A Multi-Modal Refunding: Issued $233,455 in May 2008 at a variable rate (based on SIFMA, reset weekly, paid the 1st of each month) due in varying installments through December 1, 2022. | **221,705** | 233,455 |
| 2008 Series B Subordinate (Subseries B-2 Federally Taxable): Issued $233,905 in July 2008 at 5.00% to 7.47% due in varying installments through June 1, 2036. Interest paid each June 1 and December 1. | **233,905** | – |
| 2008 Series C Multi-Modal Revenue: Issued $50,000 in August 2008 at a variable rate (based on SIFMA, reset weekly, paid the 1st of each month) due in varying installments through June 1, 2038. | **50,000** | – |
| 2008 Series C Subordinate (Subseries C-4 Federally Taxable): Issued $411,110 in October 2008 at 4.00% to 6.25% due in varying installments through June 1, 2038. Interest paid each June 1 and December 1 (Subseries C-3 interest due on July 31, 2009). | **411,110** | – |
| 2009 A Subordinate: Issued $308,035 in January 2009 at 3.00% to 5.00% due in varying installments through June 1, 2039. Interest paid each June 1 and December 1. | **308,035** | – |
| Total Mainline debt payable | **3,753,590** | 2,800,035 |

## 6. Debt (continued)

| | May 31 2009 | May 31 2008 |
|---|---|---|
| | *(In Thousands)* | |
| **Oil Company Franchise Tax Debt** | | |
| 1998 Series A Oil Company Franchise Tax Revenue: Issued $310,475 in August 1998 at 3.85% to 5.50%, partially defeased in July 2003 and November 2006, due in varying installments through December 1, 2023. Interest paid each June 1 and December 1. | **$ 18,505** | $ 21,665 |
| 1998 Series B Oil Company Franchise Tax Revenue: Issued $228,405 in August 1998 at 3.85% to 5.25%, partially defeased in July 2003 and November 2006, due in varying installments through December 1, 2027. Interest paid each June 1 and December 1. | **28,845** | 30,600 |
| 2003 Series A Oil Company Franchise Tax Revenue: Issued $124,730 in August 2003 at 2.50% to 5.25%, partially defeased in November 2006, due in varying installments through December 1, 2024. Interest paid each June 1 and December 1. | **53,405** | 57,355 |
| 2003 Series B Oil Company Franchise Tax Revenue: Issued $197,955 in August 2003 at 2.38% to 5.50%, partially defeased in November 2006, due in varying installments through December 1, 2032. Interest paid each June 1 and December 1. | **69,910** | 73,305 |
| 2003 Series C Oil Company Franchise Tax Multi-Modal Revenue: Issued $160,000 in August 2003 at a variable rate, were converted to a fixed rate of 5.00% in May 2008, due in varying installments through December 1, 2032. Interest paid each June 1 and December 1. | **160,000** | 160,000 |
| 2006 Series A Oil Company Franchise Tax Revenue Refunding: Issued $98,705 in November 2006 at 5.00%, due in varying installments through December 1, 2023. Interest paid each June 1 and December 1. | **98,705** | 98,705 |
| 2006 Series B Oil Company Franchise Tax Revenue Refunding: Issued $141,970 in November 2006 at 3.75% to 5.00%, due in varying installments through December 1, 2031. Interest paid each June 1 and December 1. | **141,670** | 141,970 |
| Total Oil Company Franchise Tax debt payable | **571,040** | 583,600 |

## 6. Debt (continued)

| | May 31 | |
|---|---|---|
| | **2009** | **2008** |
| | *(In Thousands)* | |
| **Motor License Registration Fee Debt** | | |
| 2005 Series A: Issued $234,135 in August 2005 at 3.25% to 5.25%, due in varying installments through July 15, 2030. Interest paid each January 15 and July 15. | **$ 216,280** | $ 221,780 |
| 2005 Series B, C, and D: Issued $231,425 in August 2005 at a variable rate (based on SIFMA, reset weekly, paid the 15th of each month) due in varying installments through July 15, 2041. | **231,425** | 231,425 |
| Total Motor License Registration Fee debt payable | **447,705** | 453,205 |
| Total debt payable | **4,772,335** | 3,836,840 |
| Unamortized premium | **50,337** | 56,906 |
| Unamortized deferred loss on refundings | **(65,855)** | (70,904) |
| Total debt, net of unamortized premium and deferred loss on refundings | **4,756,817** | 3,822,842 |
| Less current portion | **709,715** | 67,555 |
| Debt, noncurrent portion | **$ 4,047,102** | $ 3,755,287 |

As disclosed in Note 3, the Commission's Trust Indentures impose certain restrictions and requirements. The Commission's Trust Indenture for the Series 2008 A Turnpike Subordinate Revenue Bonds imposes that the Commission establish and maintain schedules of tolls for traffic over the System as required by the Senior Indenture, and in addition, the amount paid into the General Reserve Fund of the Senior Indenture in each fiscal year and for each Commission Payment, will be at least sufficient to provide funds in an amount not less than: (1) 115% of the Annual Debt Service for each fiscal year on account of all outstanding Revenue Bonds and Revenue Bonds Parity Obligations; (2) 100% of the Annual Debt Service for such fiscal year on account of all Outstanding Guaranteed Bonds, Guaranteed Bonds Parity Obligations and Subordinated Indebtedness; and (3) any payment by the Commission required by the Subordinate Indenture for restoring deficiency in the Debt Service Fund within an eighteen (18) month period.

The Amended and Restated Trust Indenture of 2001 requires that tolls be adequate to provide funds to cover current expenses and (1) provide funds in an amount not less than the greater of 130% of the maximum principal and interest requirements for the succeeding year, or (2) 100% of the maximum principal and interest payments for the next fiscal year plus the amount required for maintenance of the Turnpike System as determined by the Commission's Consulting Engineer. If any deficiencies occur, the Commission is authorized to raise tolls accordingly.

## 6. Debt (continued)

The Oil Company Franchise Tax Revenue Bonds are secured by a pledge and assignment by the Commission to the Trustee of: (1) all proceeds from the Commission's allocation of the Commonwealth of Pennsylvania's Oil Company Franchise Tax; (2) the Commission's right to receive its allocation of the Oil Company Franchise Tax and any portion of the allocation actually received by the Commission; (3) all monies deposited into accounts or funds created by the 1998 Indenture, as supplemented; and, (4) all investment earnings on all monies held in accounts and funds established by the 1998 Indenture.

The 1998 Indenture requires the Commission to petition the General Assembly of the Commonwealth of Pennsylvania for additional funds in the event that the Commission's allocation of the Oil Company Franchise Tax is inadequate to pay maximum principal and interest payments for the succeeding year.

Pursuant to Section 20 of Act 3, the Commonwealth appropriates $28,000,000 of Act 3 revenues to the Commission annually. The $28,000,000 is payable to the Commission in the amount of $2,333,333 per month. The Registration Fee Revenue Bonds are secured by a pledge and assignment by the Commission to the Trustee of any receipts, revenues and other moneys received by the Trustee on or after the date of the Indenture from the Commission's allocation of Act 3 revenues and any income earned on any fund or account established pursuant to the Indenture.

Changes in debt are as follows:

| | Balance at June 1, 2008 | Additions | Reductions | Balance at May 31, 2009 | Due Within One Year |
|---|---|---|---|---|---|
| | | | *(In Thousands)* | | |
| Mainline debt | $ 2,800,035 | $ 1,003,050 | $ 49,495 | $ 3,753,590 | $ 690,955 |
| Oil Company Franchise Tax debt | 583,600 | – | 12,560 | 571,040 | 13,075 |
| Motor License Registration Fee debt | 453,205 | – | 5,500 | 447,705 | 5,685 |
| | 3,836,840 | 1,003,050 | 67,555 | 4,772,335 | 709,715 |
| Premium (discount) | 56,906 | (2,151) | 4,418 | 50,337 | – |
| Less: deferred loss on refundings | 70,904 | – | 5,049 | 65,855 | – |
| | $ 3,822,842 | $ 1,000,899 | $ 66,924 | $ 4,756,817 | $ 709,715 |

## 6. Debt (continued)

| | Balance at June 1, 2007 | Additions | Reductions | Balance at May 31, 2008 | Due Within One Year |
|---|---|---|---|---|---|
| | | | (In Thousands) | | |
| Mainline debt | $ 1,655,270 | $ 1,412,165 | $ 267,400 | $ 2,800,035 | $ 49,495 |
| Oil Company Franchise Tax debt | 594,945 | – | 11,345 | 583,600 | 12,560 |
| Motor License Registration Fee debt | 458,535 | – | 5,330 | 453,205 | 5,500 |
| | 2,708,750 | 1,412,165 | 284,075 | 3,836,840 | 67,555 |
| Premium (discount) | 49,005 | 11,068 | 3,167 | 56,906 | – |
| Less: deferred loss on refundings | 73,622 | 2,187 | 4,905 | 70,904 | – |
| | $ 2,684,133 | $ 1,421,046 | $ 282,337 | $ 3,822,842 | $ 67,555 |

The issuance of new debt is conducted in accordance with the terms of the applicable Trust Indenture and approval of the Commissioners.

In October 2007, the Commission issued Series A&B Bond Anticipation Notes in the amounts of $280,830,000 and $251,025,000, respectively. The 2007 Series Anticipation Notes were issued primarily to make payments to the Pennsylvania Department of Transportation (PennDOT) in accordance with Act 44 to fund certain grants to mass transit agencies and various road, highway, bridge and capital projects of PennDOT. The Series A Anticipation Notes have a 4.00% fixed rate. The Series B Anticipation Notes are federally taxable and were issued at 5.29%.

In April 2008, the Commission issued Series 2008 A (Subseries A-1) Subordinate Bonds in the amount of $176,565,000 at fixed rates from 4.125% to 5.00% and (Subseries A-2) which are federally taxable for $68,290,000 at fixed rates from 3.74% to 6.41%. The 2008 A Subordinate Bonds were issued primarily to make payments to PennDOT in accordance with Act 44 to fund certain grants to mass transit agencies and various road, highway, bridge and capital projects of PennDOT. Also in April 2008, the Oil Company Franchise Tax Revenue Bonds Series 2003 C were converted from auction rate to 5.00% fixed.

In May 2008, the Commission issued Series 2008 A Multi-Modal Refunding Bonds in the amount of $233,455,000. The primary purpose of this variable to variable refunding was to replace the Ambac insured 2006 B&C bonds with the 2008 A bonds which are uninsured, supported by a JP Morgan Standby Bond Purchase Agreement. The refunding of these bonds resulted in a deferred loss of $2.2 million that will be amortized over the life of the bonds.

**6. Debt (continued)**

In May 2008, the Commission also issued Series 2008 B Multi-Modal Bonds in the amount of $402,000,000. The 2008 B Series Bonds were issued primarily to provide funds to finance the costs of various capital expenditures for the Pennsylvania Turnpike System as set forth in the Commission's current Ten-Year Capital Plan. The bonds were issued at a variable rate.

In July 2008, the Commission issued $233,905,000 Turnpike Subordinate Revenue Bonds, Series B of 2008 which bear interest at fixed interest rates. Subseries B-1 of 2008 bonds total $164,915,000 and consist of: $65,420,000 Serial Bonds maturing June 1, 2030, $48,830,000 5.50% Term Bonds maturing June 1, 2033 and $50,665,000 5.25% Term Bonds maturing June 1, 2036. Subseries B-2 of 2008 bonds total $68,990,000 (federally taxable) and consist of: $6,565,000 Serial Bonds maturing June 1, 2018 and $62,425,000 7.47% Term Bonds maturing June 1, 2025. These bonds were issued primarily to finance the costs of making payments to fund certain grants to mass transit agencies and to fund various road, highway and bridge capital projects of PennDOT.

In August 2008, the Commission issued $50,000,000 Turnpike Multi-Modal Revenue Bonds, Series C of 2008 maturing June 1, 2038. These bonds bear interest at a variable rate and were issued primarily to finance the costs of various capital expenditures to fund the reconstruction of roadbed and roadway and the widening, replacing and redecking of certain bridges and/or the rehabilitation of certain interchanges.

In October 2008, the Commission issued $411,110,000 Turnpike Subordinate Revenue Bonds, Series C of 2008. The bonds consist of Subseries C-1 Subordinate Revenue Bonds issued for $231,335,000, Subseries C-3 Subordinate Revenue Bond Anticipation Notes issued for $102,060,000 and Subseries C-4 Subordinate Revenue Bond Anticipation Notes (federally taxable) issued for $77,715,000. These bonds were issued primarily to make payments to PennDOT in accordance with Act 44 to fund certain grants to mass transit agencies and various road, highway, bridge and capital projects of PennDOT.

In January 2009, the Commission issued $308,035,000 Turnpike Subordinate Revenue Bonds, Series A of 2009. The 2009 A Subordinate Bonds were issued primarily to make payments to PennDOT in accordance with Act 44 to fund certain grants to mass transit agencies and various road, highway, bridge and capital projects of PennDOT.

## 6. Debt (continued)

In prior years, the Commission defeased certain revenue bonds by placing funds in irrevocable trusts to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds were not included in the Commission's financial statements. At May 31, 2009 and 2008, the Commission had $895.5 million and $993.0 million, respectively, of defeased bonds outstanding.

Total debt service requirements subsequent to May 31, 2009 are as follows:

| Year Ending May 31 | Principal Maturities | Interest | Total |
|---|---|---|---|
| | | *(In Thousands)* | |
| 2010 | $ 709,715 | $ 160,606 | $ 870,321 |
| 2011 | 166,150 | 141,066 | 307,216 |
| 2012 | 92,320 | 135,863 | 228,183 |
| 2013 | 96,855 | 132,494 | 229,349 |
| 2014 | 101,640 | 128,920 | 230,560 |
| 2015 – 2019 | 569,340 | 590,078 | 1,159,418 |
| 2020 – 2024 | 609,525 | 502,775 | 1,112,300 |
| 2025 – 2029 | 763,250 | 359,917 | 1,123,167 |
| 2030 – 2034 | 900,565 | 206,701 | 1,107,266 |
| 2035 – 2039 | 669,265 | 50,732 | 719,997 |
| 2040 – 2044 | 93,710 | 1,282 | 94,992 |
| | $ 4,772,335 | $ 2,410,434 | $ 7,182,769 |

## 6. Debt (continued)

Debt service requirements subsequent to May 31, 2009 related to the Mainline debt are as follows:

| Year Ending May 31 | Principal Maturities | Interest | Total |
|---|---|---|---|
| | | *(In Thousands)* | |
| 2010 | $ 690,955 | $ 119,702 | $ 810,657 |
| 2011 | 146,585 | 100,909 | 247,494 |
| 2012 | 71,885 | 96,594 | 168,479 |
| 2013 | 75,440 | 94,190 | 169,630 |
| 2014 | 79,185 | 91,644 | 170,829 |
| 2015 – 2019 | 439,290 | 421,232 | 860,522 |
| 2020 – 2024 | 442,755 | 370,291 | 813,046 |
| 2025 – 2029 | 550,435 | 274,416 | 824,851 |
| 2030 – 2034 | 672,960 | 176,839 | 849,799 |
| 2035 – 2039 | 564,870 | 44,942 | 609,812 |
| 2040 – 2044 | 19,230 | 481 | 19,711 |
| | $ 3,753,590 | $ 1,791,240 | $ 5,544,830 |

Debt service requirements subsequent to May 31, 2009 related to Oil Company Franchise Tax debt are as follows:

| Year Ending May 31 | Principal Maturities | Interest | Total |
|---|---|---|---|
| | | *(In Thousands)* | |
| 2010 | $ 13,075 | $ 27,691 | $ 40,766 |
| 2011 | 13,685 | 27,150 | 40,835 |
| 2012 | 14,340 | 26,521 | 40,861 |
| 2013 | 15,020 | 25,868 | 40,888 |
| 2014 | 15,735 | 25,168 | 40,903 |
| 2015 – 2019 | 91,015 | 113,920 | 204,935 |
| 2020 – 2024 | 116,410 | 89,190 | 205,600 |
| 2025 – 2029 | 147,760 | 57,276 | 205,036 |
| 2030 – 2034 | 144,000 | 17,984 | 161,984 |
| | $ 571,040 | $ 410,768 | $ 981,808 |

## 6. Debt (continued)

Debt service requirements subsequent to May 31, 2009 related to Motor License Registration Fee debt are as follows:

| Year Ending May 31 | Principal Maturities | Interest | Total |
|---|---|---|---|
| | | *(In Thousands)* | |
| 2010 | $ 5,685 | $ 13,213 | $ 18,898 |
| 2011 | 5,880 | 13,007 | 18,887 |
| 2012 | 6,095 | 12,748 | 18,843 |
| 2013 | 6,395 | 12,436 | 18,831 |
| 2014 | 6,720 | 12,108 | 18,828 |
| 2015 – 2019 | 39,035 | 54,926 | 93,961 |
| 2020 – 2024 | 50,360 | 43,294 | 93,654 |
| 2025 – 2029 | 65,055 | 28,225 | 93,280 |
| 2030 – 2034 | 83,605 | 11,878 | 95,483 |
| 2035 – 2039 | 104,395 | 5,790 | 110,185 |
| 2040 – 2044 | 74,480 | 801 | 75,281 |
| | $ 447,705 | $ 208,426 | $ 656,131 |

## 6. Debt (continued)

### Swap Payments and Associated Debt

Net swap payments and related debt service requirements subsequent to May 31, 2009, assuming current interest rates remain the same for the term of the agreements are as follows:

| | Variable-Rate Bonds | | Fixed | |
|---|---|---|---|---|
| Year Ending May 31 | Principal Maturities | Interest | Interest Rate Swaps, Net | Total |
| | | *(In Thousands)* | | |
| 2010 | $ 15,540 | $ 6,717 | $ 33,516 | $ 55,773 |
| 2011 | 13,385 | 6,535 | 32,992 | 52,912 |
| 2012 | 13,785 | 6,366 | 32,508 | 52,659 |
| 2013 | 14,405 | 6,190 | 32,005 | 52,600 |
| 2014 | 2,110 | 6,098 | 31,749 | 39,957 |
| 2015 – 2019 | 213,360 | 26,176 | 149,287 | 388,823 |
| 2020 – 2024 | 117,080 | 20,240 | 132,916 | 270,236 |
| 2025 – 2029 | 160,305 | 18,108 | 120,781 | 299,194 |
| 2030 – 2034 | 238,195 | 13,990 | 87,938 | 340,123 |
| 2035 – 2039 | 278,335 | 7,116 | 40,090 | 325,541 |
| 2040 – 2044 | 74,480 | 801 | 3,158 | 78,439 |
| | $ 1,140,980 | $ 118,337 | $ 696,940 | $ 1,956,257 |

| | Fixed-Rate Bonds | | Variable | |
|---|---|---|---|---|
| Year Ending May 31 | Principal Maturities | Interest | Interest Rate Swaps, Net | Total |
| | | *(In Thousands)* | | |
| 2010 | $ – | $ 13,901 | $ (7,796) | $ 6,105 |
| 2011 | – | 13,901 | (8,590) | 5,311 |
| 2012 | – | 13,901 | (8,577) | 5,324 |
| 2013 | – | 13,901 | (8,564) | 5,337 |
| 2014 | – | 13,901 | (8,550) | 5,351 |
| 2015 – 2019 | – | 69,504 | (42,514) | 26,990 |
| 2020 – 2024 | 42,855 | 68,500 | (40,466) | 70,889 |
| 2025 – 2029 | 151,360 | 41,441 | (20,051) | 172,750 |
| 2030 – 2034 | 83,800 | 10,694 | (5,250) | 89,244 |
| 2035 – 2039 | – | – | (703) | (703) |
| | $ 278,015 | $ 259,644 | $(151,061) | $ 386,598 |

## 6. Debt (continued)

### Swap Payments and Associated Debt (continued)

As rates vary, variable rate bond interest payments and net swap payments will vary. Please refer to Note 8 Commitments and Contingencies – Interest Rate Swaps for additional information pertaining to the individual swaps.

## 7. Retirement Benefits

Substantially all employees of the Commission participate in the Commonwealth of Pennsylvania State Employees' Retirement System (System), a cost-sharing multiple-employer public employee retirement system that was established under the provisions of Public Law 858, No. 331.

Membership in the System is mandatory for most Commission employees. The System provides retirement, death, and disability benefits, which were established by and can be amended according to statute. Retirement benefits vest after 5 years of credited service. Employees who retire at age 60 with three years of service or with 35 years of service if under age 60 are entitled to an unreduced annual retirement benefit.

Article II of the Pennsylvania Constitution provides the General Assembly the authority to establish or amend benefit provisions. Act 2001-9, signed into law on May 17, 2001, established Class AA membership whereby, generally, annual full retirement benefits for electing active members is 2.5% of the member's highest three-year average salary (final average salary) multiplied by years of service. Commission employees hired after June 30, 2001 are Class AA members. Members hired on or before June 30, 2001 had the option, but were not required, to elect Class AA membership. Those members not electing Class AA membership are considered Class A. The general annual benefit for full retirement for Class A members is 2% of the member's final average salary multiplied by years of service.

Covered Class A and Class AA employees are required by statute to contribute to the System at a rate of 5% and 6.25%, respectively, of their gross pay. Employees' contributions are recorded in individually identified accounts, which are also credited with interest, calculated quarterly to yield 4% per annum, as mandated by statute. Accumulated employee contributions and credited interest vest immediately and are returned to the employee upon termination of service if the employee is not eligible for other benefits.

## 7. Retirement Benefits (continued)

Participating agency contributions, including those for the Commission, are also mandated by statute and are based upon an actuarially determined percentage of gross pay that is necessary to provide the System with assets sufficient to meet the benefits to be paid to System members.

The Commission's retirement contribution, as a percentage of covered payroll, for all Class A and Class AA members whose normal retirement age is any age upon accumulation of 35 years of eligibility points or age 60, with three years of service is as follows:

| Year Ended June 30 | Class A | Class AA |
|---|---|---|
| 2009 | **2.64%** | **3.29%** |
| 2008 | 2.63% | 3.28% |
| 2007 | 2.59% | 3.23% |

The Commission's required contributions and percentage contributed are as follows:

| Year Ended May 31 | Commission Required Contribution | % Contributed |
|---|---|---|
| | *(In millions)* | |
| 2009 | **$ 3.8** | **100%** |
| 2008 | $ 3.7 | 100% |
| 2007 | $ 3.3 | 100% |

A copy of the System's annual financial statements can be obtained by writing to: State Employees' Retirement System, 30 North Third Street, P.O. Box 1147, Harrisburg, Pennsylvania 17108-1147.

## 8. Commitments and Contingencies

### Litigation

The Commission is a defendant in a number of legal proceedings pertaining to matters normally incidental to routine operations. Such litigation includes, but is not limited to, claims asserted against the Commission arising from alleged torts, alleged breaches of contracts, and condemnation proceedings. Tort claims against the Commission are generally barred by sovereign immunity, except as waived by statute. Further, to the extent waived, damages for any loss are limited by sovereign immunity to $250,000 for each person and $1,000,000 for each accident. Based on the current status of all of the Commission's legal proceedings, it is the opinion of Commission management and counsel that they will not have a material effect on the Commission's financial position.

### Open Purchase Order Commitments

The Commission had open purchase order commitments of $1,166,707,132 and $1,133,215,453 at May 31, 2009 and 2008, respectively.

### Lease and Funding Agreement Between the Commission and PennDOT

On October 14, 2007, the Commission and PennDOT entered into a Lease and Funding Agreement (the Agreement) as required under the terms of Act 44. The Agreement provides for an option to the Commission to lease the portion of Interstate 80 located in the Commonwealth from PennDOT. In addition, the Agreement contains certain provisions set forth in Act 44, including provisions dealing with the terms and conditions of the conversion of Interstate 80 into a toll road (the Conversion), subject to the requisite approval of the Federal Highway Administration (FHWA), and the operation, maintenance, repair and improvement of Interstate 80. The term of the Agreement is 50 years.

The Agreement grants the unilateral option to the Commission to effectuate the Conversion at any time before the third anniversary of the Agreement (the Conversion Period), provided that the Commission may elect to extend such Conversion Period for three additional one-year periods.

Also, the Agreement commits the Commission to make certain payments to PennDOT. The Commission made payments of $850 million and $750 million (recorded as nonoperating expense) in fiscal 2009 and fiscal 2008, respectively. The Commission will make the scheduled payment of $900 million in fiscal year 2010. Thereafter, the scheduled annual payments

## 8. Commitments and Contingencies (continued)

### Lease and Funding Agreement Between the Commission and PennDOT (continued)

increase by 2.50% for each fiscal year for the remainder of the 50-year term, with certain credits for Interstate 80 Cost Savings once Conversion has occurred. All such cash payments are due in equal quarterly installments.

Upon Conversion, the cash component of the scheduled annual payment obligation will be offset by an amount equal to $116,985,856 per fiscal year, reflecting cost-savings to the Commonwealth's Motor License Fund if Interstate 80 becomes a tolled facility (Interstate 80 Cost Savings). Under Act 44, the Interstate 80 Cost Savings credit (which will be prorated for the fiscal year during which Conversion occurs), increases by 4.00% for each fiscal year thereafter.

If the Conversion does not occur by October 14, 2010 (such date may be extended at the option of the Commission for up to three (3) one-year extension periods), Act 44 provides that the scheduled annual payment obligation will be reduced to $450 million per fiscal year beginning in fiscal 2011.

The payment obligations of the Commission under the Agreement are subordinate obligations of the Commission, payable from amounts in the General Reserve Fund only as permitted by any financing documents, financial covenants, liquidity policies, or other agreements in effect of the Commission. However, the Commission is required by the terms of the Lease to fix and adjust tolls at levels that will generate revenues (together with other available moneys) sufficient to pay, among other things, amounts to PennDOT pursuant to the Agreement when due and other obligations of the Commission.

### Interest Rate Swaps

On December 18, 2008, the Commission entered into two forward starting swap agreements with two counterparties (Deutsche Bank and Goldman Sachs). Each swap agreement had a notional amount of $150,000,000 with an effective date of June 1, 2010 and a termination date of June 1, 2039. The Commission entered into these forward starting interest rate swaps to hedge its exposure to interest rate variations and interest rate costs with respect to the Series 2009 A and Series 2010 A Mainline Revenue Bonds. The Commission issued its Series 2009 A revenue bonds in June 2009 and expects to issue its Series 2010 A revenue bonds in June 2010.

## 8. Commitments and Contingencies (continued)

### Interest Rate Swaps (continued)

Following is a summary of the swaps in place as of May 31, 2009. These swap agreements contain certain risks as described below.

| Associated Debt | Notional Value | Final Maturity | Receivable Floating Rate Index(1) | Receivable Fixed Rate | Payable Floating Rate Index(1) | Payable Fixed Rate | Fair Value (to) from Counterparty |
|---|---|---|---|---|---|---|---|
| Series U 2001 | $ 127,365,000 | 12/01/2019 | 67.00% of 1-month LIBOR | | | 4.21% | $ (18,317,424) |
| | 42,455,000 | 12/01/2019 | | | | | (6,106,133) |
| Series A 2002 | 72,066,250 | 12/01/2030 | 67.00% of 1-month LIBOR | | | 4.40% | (15,710,166) |
| | 144,070,000 | 12/01/2030 | | | | | (31,405,159) |
| | 72,066,250 | 12/01/2030 | | | | | (15,710,327) |
| Series U 2001 and A 2002 Constant maturity | 107,784,000 | 12/01/2030 | 60.08% of 10-year LIBOR | | 67.00% of 1-month LIBOR | | 4,726,937 |
| | 107,784,000 | 12/01/2030 | | | | | 4,726,937 |
| | 107,784,000 | 12/01/2030 | | | | | 4,726,937 |
| | 134,733,000 | 12/01/2030 | | | | | 5,909,336 |
| Series B 2002 | 12,367,500 | 12/01/2012 | SIFMA | | | 4.54% | (794,720) |
| | 24,735,000 | 12/01/2012 | | | | | (1,589,232) |
| | 12,367,500 | 12/01/2012 | | | | | (794,840) |
| Series C 2003 | 48,000,000 | 12/01/2032 | 63.00% of 1-month LIBOR plus 20 basis points | | SIFMA | | (5,550,614) |
| | 112,000,000 | 12/01/2032 | | | | | (12,951,456) |
| Series C 2003 Constant maturity | 80,000,000 | 11/15/2032 | 60.15% of 10-year LIBOR | | 67.00% of 1-month LIBOR | | 2,433,721 |
| | 80,000,000 | 11/15/2032 | | | | | 2,433,721 |
| Series 2005 | 57,860,000 | 07/15/2041 | SIFMA | | | 4.20% | (6,526,302) |
| | 57,845,000 | 07/15/2041 | | | | | (6,524,842) |
| | 57,860,000 | 07/15/2041 | | | | | (6,521,494) |
| | 57,860,000 | 07/15/2041 | | | | | (6,521,494) |
| Series A 2006 | 118,015,000 | 12/01/2026 | | 4.19% | SIFMA | | 11,529,106 |
| Series 2008 | 100,000,000 | 12/01/2038 | SIFMA | | | 4.89% | (22,102,083) |
| | 100,000,000 | 12/01/2038 | | | | | (22,100,571) |
| | 100,000,000 | 12/01/2038 | | | | | (22,102,073) |
| Series A 2009 forward starting | 150,000,000 | 06/01/2039 | 99.80% of 3-month LIBOR | | SIFMA | | 9,695,003 |
| Series A 2009 forward starting | 150,000,000 | 06/01/2039 | 99.68% of 3-month LIBOR | | SIFMA | | 9,593,384 |

(1) 1-month LIBOR was 0.32% at May 31, 2009.
3-month LIBOR was 0.66% at May 31, 2009.
10-year LIBOR was 3.78% at May 31, 2009.
SIFMA was 0.39% at May 31, 2009.

## 8. Commitments and Contingencies (continued)

### Interest Rate Swaps (continued)

- ***Credit Risk*** – The Commission is exposed to credit risk for swaps that have positive fair values. The Commission was exposed to credit risk with respect to the Series U of 2001 and A of 2002 constant maturity, the Series C of 2003 constant maturity, the Series A of 2006 and Series A of 2009 forward starting swaps at May 31, 2009. However, should interest rates change and the fair values of the other swaps become positive, the Commission would have additional credit risk exposure.

  The Commission had eleven counterparties at May 31, 2009. The credit ratings of the swap providers as of May 31, 2009 were AAA to A and Aaa to A2 by Standard & Poor's and Moody's, respectively. To mitigate the exposure to credit risk, the swap agreements include collateral provisions in the event of downgrades to the swap counterparties' credit ratings. Collateral would be posted with a third-party custodian and would be in the form of cash, U.S. Treasury Obligations, or U.S. Government Agency Securities.

- ***Interest Rate Risk*** – The Commission is exposed to variable interest rates with respect to the fixed-to-variable swap agreement associated with the Series A of 2006 Revenue Bonds. Additionally, the Commission will be exposed to variable interest rates if the swap provider for the variable-to-fixed swap agreement defaults or if a variable-to-fixed swap is terminated.

- ***Basis Risk*** – The underlying variable rates for the Commission's Series U of 2001 and Series A of 2002 bonds are based on Securities Industry and Financial Markets Association (SIFMA) while the Series U of 2001 and Series A 2002 swaps are based on a percentage of LIBOR. Therefore, the Commission is exposed to basis risk to the extent SIFMA exceeds 67% of one-month LIBOR.

  The Commission is also exposed to basis risk related to Series C of 2003 and the constant maturity swap agreements. The exposure for the agreement associated with the Series C 2003 is to the extent that SIFMA exceeds 63% of one-month LIBOR plus 20 basis points. The exposure for the Series C 2003 constant maturity swap is to the extent 67% of one-month LIBOR exceeds 60.15% of 10-year LIBOR. The exposure for Series U of 2001 and Series A of 2002 Revenue Bonds constant maturity swap is to the extent 67% of one-month LIBOR exceeds 60.08% of 10-year LIBOR. The risk for the Series A

## 8. Commitments and Contingencies (continued)

### Interest Rate Swaps (continued)

of 2009 (Deutsche Bank) is to the extent SIFMA exceeds 99.80% of 3-month LIBOR and the Series A (Goldman Sachs) of 2009 is to the extent SIFMA exceeds 99.68% of 3-month LIBOR.

- ***Termination Risk*** – The swap agreements may be terminated due to a number of circumstances and the Commission retains the option to terminate the swaps at any time. If a swap agreement is terminated (by either party), the respective variable-rate bond would no longer carry a synthetic fixed interest rate. Also, if at the time of termination, the swap had a negative fair value, the Commission would be liable to the swap counterparty for a liability equal to the swap's fair value. It is the Commission's intent to maintain the swap transactions for the life of the financing.

## 9. Related Party Transactions

The Commission incurred costs of $36.4 million and $35.5 million related to its use of the Commonwealth's State Police in patrolling the Turnpike System in 2009 and 2008, respectively.

## 10. Postemployment Benefits

### Plan Description

The Commission maintains a welfare plan program (the Plan), one purpose of which is to provide benefits to eligible retirees and their dependents. The Plan is a single employer, defined benefit plan. The Plan's financial statements are not included in the financial statements of a public employee retirement system. The Plan issues a stand-alone financial report, which can be obtained by contacting the Commission's Accounting Department.

Plan benefit provisions and employee contribution rates are established and may be amended by the Commission. The Plan provides certain postemployment medical, prescription drug, dental and vision benefits to management employees who have reached 20 years of service and are under age 60; benefit eligibility changes from 20 to 10 years for retirees 60 years of age or older. The Plan provides certain postemployment medical and prescription drug benefits to union employees who have reached 20 years of service and are under age 60; benefit eligibility changes from 20 to 10 years for retirees 60 years of age or older.

## 10. Postemployment Benefits (continued)

### Plan Description (continued)

The Commission established The Pennsylvania Turnpike Commission Retiree Medical Trust to provide these postemployment benefits other than pensions (OPEB). The Trust is administered by PNC Bank, which acts as a third-party administrator and administers the Trust under an administrative agreement with the Commission.

### Funding Policy

The Commission approved a Retiree Medical Trust Funding Policy whereby the Commission anticipates approving an annual contribution to the Trust in the amount of the Annual Required Contribution as determined by the Commission's actuary during the approval of each Operating Budget.

### Annual OPEB Cost and Net OPEB Asset

The Commission implemented Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, prospectively during fiscal 2008 and no net OPEB obligation or asset was carried forward from prior accounting periods. Therefore, the Commission's annual OPEB cost (expense) for fiscal 2008 was equal to its annual required contribution (ARC) of $19,455,000. The ARC is actuarially calculated in accordance with the parameters of GASB Statement No. 45 and represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and the amortization of the actuarial accrued liabilities over a period not to exceed thirty years.

The Commission made contributions towards the ARC totaling $20,549,297 in fiscal 2008 which resulted in a net OPEB asset of $1,094,297, which was recorded as an other asset on the balance sheet at year end. The contributions towards the ARC consisted of $14,000,000 transferred to the Retiree Medical Trust plus $7,612,262 paid to retiree medical benefit providers for current premiums offset by $1,062,965 in contributions from retirees. The effect of adopting GASB Statement No. 45 was a $12.9 million increase in OPEB cost (expense) for fiscal 2008.

The ARC for fiscal 2009 was $27,835,000. The Commission made contributions towards the ARC totaling $29,033,699. The contributions towards the ARC consisted of $28,000,000 transferred to the Retiree Medical Trust plus $2,167,629 paid to retiree medical benefit providers for current premiums offset by $1,133,930 in contributions from retirees. The contributions were

## 10. Postemployment Benefits (continued)

### Annual OPEB Cost and Net OPEB Asset (continued)

offset by a $16,675 ARC adjustment which resulted in an ending OPEB asset of $2,276,321, which was recorded as an other asset on the balance sheet at year end and a net OPEB cost of $27,851,675 for fiscal 2009. The following chart summarizes the components of the Commission's annual OPEB cost for the year ended May 31, 2009 and 2008 and the amount contributed to the Plan.

| Fiscal Year Ended May 31, | Normal Cost | 30-Year Level Dollar Amortization of the Unfunded Actuarial Accrued Liability (UAAL) | Mid-Year Contribution Interest | ARC Adjustment | Annual OPEB Cost | Actual Contributions | Percentage Contributed | Ending Net OPEB Asset |
|---|---|---|---|---|---|---|---|---|
| | | | *(Dollar Amounts in Thousands)* | | | | | |
| 2009 | $ 6,373 | $ 20,391 | $1,071 | $ 17 | $ 27,852 | $ 29,034 | 104.2% | $ 2,276 |
| 2008 – transition year | $ 4,920 | $ 13,800 | $ 735 | $ – | $ 19,455 | $ 20,549 | 105.6% | $ 1,094 |

The ARC and its components (normal cost, UAAL, and mid-year contribution interest) were obtained from an actuarial valuation, prepared by an independent actuary, as of February 28, 2006 using census data collected as of February 28, 2006 and health care claims for the period ended February 28, 2006.

Retiree and spouse contribution rates at May 31, 2009 are as follows:

- Management employees and union employees who retired prior to July 1, 1998 and October 1, 1997, respectively—the retiree/spouse contributes the full cost of coverage less the Commission's monthly subsidy of $19.28 once the retiree turns 65.
- Union employees who retired on October 1, 1997 or later—the retiree/spouse contributes the full cost of coverage less the Commission's monthly subsidy of $73.50 when the retiree or spouse reach age 65.
- Surviving spouses are paying 100% of the premiums, except for surviving spouses of Management employees who retired after March 1, 2001.

**10. Postemployment Benefits (continued)**

**Funding Status and Funding Progress**

| Fiscal Year Ended May 31 | Actuarial Value of Assets | Actuarial Accrued Liability (AAL) | Unfunded Actuarial Accrued Liability (UAAL) | Funded Ratio | Covered Payroll | UAAL as a Percentage of Covered Payroll |
|---|---|---|---|---|---|---|
| | | *(Dollar Amounts in Thousands)* | | | | |
| 2008 – transition year | $ 14,000 | $228,067 | $214,067 | 6.1% | $118,559 | 180.6% |
| 2006 | $ – | $167,785 | $167,785 | –% | $109,022 | 153.9% |

The actuarial value of assets, AAL, and UAAL amounts for the fiscal years ended May 31, 2008 and 2006 in the above chart were obtained from actuarial valuations, prepared by an independent actuary, as of March 1, 2008 and February 28, 2006, respectively.

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, is to present multiyear trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Actuarial Methods and Assumptions**

The valuation measurements in the above charts result, in part, from estimates of the value of reported amounts and assumptions about the probability of events far into the future and such actuarially determined estimates are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Also, the valuation measurements are based, in part, on the types of benefits provided under the terms of the substantive plan at the time of the valuation and on the pattern of sharing of costs between the Commission and the plan members through the respective valuation dates. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Following is a summary of the actuarial methods and assumptions used in the February 28, 2006 and March 1, 2008 valuations.

## 10. Postemployment Benefits (continued)

### Actuarial Methods and Assumptions (continued)

| | |
|---|---|
| Actuarial cost method | Projected Unit Credit |
| Discount rate | 8% |
| Rate of return on assets | 8% |
| Amortization method | Level dollar |
| Amortization period | 30 years (closed) |
| Asset valuation method | Fair value |

| Health Care Trend | Medical | Prescription Drugs | Dental | Vision |
|---|---|---|---|---|
| Initial Rate | 10% | 12% | 5% | 4% |
| Ultimate Rate | 5% in 2012 | 5% in 2014 | 5% | 4% |
| Annual Change | 1% decrease | 1% decrease | NA | NA |
| Cost | Incurred costs | Incurred costs | Incurred costs | Incurred costs |

Salary increases were not considered as OPEB benefits are not based upon pay.

## 11. Self-Insurance

The Commission is exposed to various risks of losses such as theft of, damage to, and destruction of assets, errors and omissions, third-party torts, injuries to employees, injuries to third parties due to accidents caused by Commission automobiles, and natural disasters. The Commission has purchased commercial insurance for all risks of losses, including employee medical benefits, except for torts, injuries to employees and injuries to third parties due to accidents caused by Commission automobiles. No settlements exceeded insurance coverage for each of the past three years.

The Commission recorded a liability of $26.8 million and $22.3 million for loss and loss adjustment expenses on claims relating to self-insurance that have been incurred but not reported as of May 31, 2009 and 2008, respectively. This liability is based on GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, which requires that a liability for claims be recorded if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liability is calculated based on the Commission's past loss experience. The liability was discounted using

## 11. Self-Insurance (continued)

a rate of 4.05% and 3.59% for May 31, 2009 and 2008, respectively. The liability includes amounts for claims adjustment expense and is net of any salvage and subrogation. Salvage and subrogation were not material for the years ended May 31, 2009 and 2008. The Commission believes the liability established is reasonable and appropriate to provide for settlement of losses and related loss adjustment expenses.

Management believes that its reserve for claims incurred but not reported is determined in accordance with generally accepted actuarial principles and practices. However, estimating the ultimate liability is a complex and judgmental process inasmuch as the amounts are based on management's informed estimates and judgments using data currently available. As additional experience and data become available regarding claim payments and reporting patterns, legislative developments and economic conditions, the estimates are revised accordingly and the impact is reflected currently in the Commission's financial statements.

The following summary provides aggregated information on self-insurance liabilities:

| | June 1, 2008 Liability | Effects of Discount as of June 1, 2008 | Incurred Claims | | Paid Claims | | Effects of Discount as of May 31, 2009 | May 31, 2009 Liability |
|---|---|---|---|---|---|---|---|---|
| | | | Current Year | Prior Years | Current Year | Prior Years | | |
| | *(In Thousands)* | | | | | | | |
| **Year ended May 31, 2009** | | | | | | | | |
| Workers' compensation | **$ 7,070** | **$ 1,732** | **$ 1,622** | **$ 2,403** | **$ 623** | **$ 2,381** | **$ 2,099** | **$ 7,724** |
| Automobile/general tort | **15,200** | **–** | **96** | **4,118** | **24** | **329** | **–** | **19,061** |
| | **$ 22,270** | **$ 1,732** | **$ 1,718** | **$ 6,521** | **$ 647** | **$ 2,710** | **$ 2,099** | **$ 26,785** |

| | June 1, 2007 Liability | Effects of Discount as of June 1, 2007 | Incurred Claims | | Paid Claims | | Effects of Discount as of May 31, 2008 | May 31, 2008 Liability |
|---|---|---|---|---|---|---|---|---|
| | | | Current Year | Prior Years | Current Year | Prior Years | | |
| | *(In Thousands)* | | | | | | | |
| **Year ended May 31, 2008** | | | | | | | | |
| Workers' compensation | $ 7,541 | $ 2,023 | $ 1,218 | $ 589 | $ 706 | $ 1,863 | $ 1,732 | $ 7,070 |
| Automobile/general tort | 11,029 | – | 40 | 4,497 | 20 | 346 | – | 15,200 |
| | $ 18,570 | $ 2,023 | $ 1,258 | $ 5,086 | $ 726 | $ 2,209 | $ 1,732 | $ 22,270 |

The foregoing reflects an adjustment for a deficiency of $6.5 million and $5.1 million for the fiscal years ended May 31, 2009 and 2008, respectively, for prior years' incurred claims that resulted from a change in estimate as more information became available.

## 12. Compensated Absences

Sick leave is earned at a rate of 3.08 hours every two weeks, or ten days per year. Unused sick leave may be carried over from year to year up to a maximum of 18 days. In November of each year, employees are reimbursed for all accumulated unused sick leave above the maximum. Sick leave payouts were $2.0 million and $1.9 million in November 2008 and 2007, respectively.

Vacation leave is earned at varying rates, depending on years of service. Management employees earn between 4.62 and 8.93 hours every two weeks. Union employees earn between 3.08 and 8.93 hours every two weeks.

Upon termination of employment, all unused sick and vacation leave is paid to the employee. A summary of changes to compensated absences for the years ended May 31, 2009 and 2008 is as follows:

| Fiscal Year Ended May 31 | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| | | | *(In Thousands)* | | |
| **2009** | **$ 16,847** | **$ 12,713** | **$ 12,652** | **$ 16,908** | **$10,108** |
| 2008 | $ 16,347 | $ 12,075 | $ 11,575 | $ 16,847 | $ 9,808 |

## 13. Segment Information

The Pennsylvania Turnpike Commission consists of three segment types. These segments are based on the types of revenues and the associated bond issues. The Mainline consists of income and expenses directly associated with the operations of the toll road. In addition, all bonds pledged against this revenue source are included in this segment.

The Oil Company Franchise segment consists of revenues received from the Commission's allocation of the Commonwealth's Oil Company Franchise Tax. This revenue is pledged against the associated 1998 Series A and B Oil Company Franchise Tax Revenue Bonds, the 2003 Series A, B, and C Oil Company Franchise Tax Revenue Bonds and the 2006 Series A and B Oil Company Franchise Tax Revenue Bonds.

The Motor License segment consists of an annual income of $28 million which has been provided to the Commission pursuant to Section 20 of Act 3 of the Commonwealth of Pennsylvania. This income is pledged against the Registration Fee Revenue Bonds 2005 Series.

## 13. Segment Information (continued)

### Balance Sheet

| | May 31, 2009 | | | |
|---|---|---|---|---|
| | Mainline | Oil Franchise | Motor License | Total |
| | *(In Thousands)* | | | |
| **Assets** | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | $ 118,623 | $ 28,425 | $ 692 | $ 147,740 |
| Short-term investments | 2,031 | 5,230 | 903 | 8,164 |
| Accounts receivable | 595 | – | – | 595 |
| Accrued interest receivable | 152 | 1,676 | 201 | 2,029 |
| Inventories | 19,144 | – | – | 19,144 |
| Restricted current assets: | | | | |
| Cash and cash equivalents | 378,475 | 25,864 | 40,056 | 444,395 |
| Short-term investments | 69,535 | 16,449 | – | 85,984 |
| Accounts receivable | 30,100 | 5,635 | 736 | 36,471 |
| Accrued interest receivable | 602 | 438 | 128 | 1,168 |
| Total current assets | 619,257 | 83,717 | 42,716 | 745,690 |
| Noncurrent assets: | | | | |
| Long-term investments: | | | | |
| Long-term investments unrestricted | 14,546 | 163,350 | 22,182 | 200,078 |
| Long-term investments restricted | 75,238 | 18,356 | 17,547 | 111,141 |
| Total long-term investments | 89,784 | 181,706 | 39,729 | 311,219 |
| Capital assets not being depreciated: | | | | |
| Land | 204,665 | – | – | 204,665 |
| Assets under construction | 1,229,835 | – | – | 1,229,835 |
| Capital assets being depreciated: | | | | |
| Buildings | 742,815 | – | – | 742,815 |
| Improvements other than buildings | 60,322 | – | – | 60,322 |
| Equipment | 401,944 | – | – | 401,944 |
| Infrastructure | 5,199,598 | – | – | 5,199,598 |
| | 7,839,179 | – | – | 7,839,179 |
| Less accumulated depreciation | 3,747,739 | – | – | 3,747,739 |
| | 4,091,440 | – | – | 4,091,440 |
| Other assets: | | | | |
| Other assets | 2,332 | – | – | 2,332 |
| Deferred issuance costs | 31,690 | 11,884 | 4,606 | 48,180 |
| Total other assets | 34,022 | 11,884 | 4,606 | 50,512 |
| Total noncurrent assets | 4,215,246 | 193,590 | 44,335 | 4,453,171 |
| Total assets | $ 4,834,503 | $ 277,307 | $ 87,051 | $ 5,198,861 |

*Continued on the following page.*

## 13. Segment Information (continued)

### Balance Sheet (continued)

| | May 31, 2009 | | | |
|---|---|---|---|---|
| | Mainline | Oil Franchise | Motor License | Total |
| | *(In Thousands)* | | | |
| **Liabilities and net assets** | | | | |
| Current liabilities: | | | | |
| Accounts payable and accrued liabilities | $ 179,763 | $ 24,106 | $ 13,799 | $ 217,668 |
| Current portion of debt | 690,955 | 13,075 | 5,685 | 709,715 |
| Unearned income | 28,555 | – | – | 28,555 |
| Total current liabilities | 899,273 | 37,181 | 19,484 | 955,938 |
| Noncurrent liabilities: | | | | |
| Debt, less current portion, net of unamortized premium/discount | 3,047,807 | 564,091 | 435,204 | 4,047,102 |
| Other noncurrent liabilities | 39,660 | 191 | – | 39,851 |
| Total noncurrent liabilities | 3,087,467 | 564,282 | 435,204 | 4,086,953 |
| Total liabilities | 3,986,740 | 601,463 | 454,688 | 5,042,891 |
| Net assets: | | | | |
| Invested in capital assets, net of related debt | 2,228,250 | (553,001) | (411,371) | 1,263,878 |
| Restricted for certain construction and maintenance purposes | – | 30,170 | 19,756 | 49,926 |
| Unrestricted | (1,380,487) | 198,675 | 23,978 | (1,157,834) |
| Total net assets | 847,763 | (324,156) | (367,637) | 155,970 |
| Total liabilities and net assets | $ 4,834,503 | $ 277,307 | $ 87,051 | $ 5,198,861 |

## 13. Segment Information (continued)

### Statement of Revenues, Expenses, and Changes in Net Assets

| | Year Ended May 31, 2009 | | | |
|---|---|---|---|---|
| | Mainline | Oil Franchise | Motor License | Total |
| | *(In Thousands)* | | | |
| Operating revenues: | | | | |
| Net fares | $ 615,604 | $ – | $ – | $ 615,604 |
| Other | 17,904 | 38 | 1 | 17,943 |
| | 633,508 | 38 | 1 | 633,547 |
| Operating expenses: | | | | |
| Cost of services | 384,261 | 7,874 | 1,229 | 393,364 |
| Depreciation | 237,108 | – | – | 237,108 |
| | 621,369 | 7,874 | 1,229 | 630,472 |
| Operating income (loss) | 12,139 | (7,836) | (1,228) | 3,075 |
| Nonoperating revenues (expenses): | | | | |
| Oil company franchise tax revenues | – | 57,379 | – | 57,379 |
| Motor license registration fee revenue | – | – | 28,000 | 28,000 |
| Investment earnings | 12,869 | 11,481 | 3,322 | 27,672 |
| Other nonoperating revenues | 660 | – | – | 660 |
| Act 44 payments to PennDOT | (850,000) | – | – | (850,000) |
| Interest and bond expenses | (144,457) | (24,952) | (22,144) | (191,553) |
| | (980,928) | 43,908 | 9,178 | (927,842) |
| Change in net assets before capital contributions | (968,789) | 36,072 | 7,950 | (924,767) |
| Capital contributions | 10,869 | 901 | – | 11,770 |
| Change in net assets | (957,920) | 36,973 | 7,950 | (912,997) |
| Net assets at beginning of year | 1,207,136 | 59,084 | (197,253) | 1,068,967 |
| Asset transfers | 598,547 | (420,213) | (178,334) | – |
| Net assets at end of year | $ 847,763 | $(324,156) | $ (367,637) | $ 155,970 |

## 13. Segment Information (continued)

### Statement of Cash Flows

| | Year Ended May 31, 2009 | | | |
|---|---|---|---|---|
| | Mainline | Oil Franchise | Motor License | Total |
| | (In Thousands) | | | |
| **Operating activities** | | | | |
| Cash received from customer tolls and deposits | $ 629,760 | $ – | $ – | $ 629,760 |
| Cash payments for goods and services | (245,187) | (6,858) | (901) | (252,946) |
| Cash payments to employees | (134,415) | (852) | (209) | (135,476) |
| Cash received from other operating activities | 12,900 | 38 | 1 | 12,939 |
| Net cash provided by (used in) operating activities | 263,058 | (7,672) | (1,109) | 254,277 |
| **Investing activities** | | | | |
| Proceeds from sales and maturities of investments | 328,198 | 326,934 | 125,600 | 780,732 |
| Interest received on investments | 9,737 | 12,550 | 4,056 | 26,343 |
| Purchases of investments | (367,403) | (219,041) | (78,745) | (665,189) |
| Net cash (used in) provided by investing activities | (29,468) | 120,443 | 50,911 | 141,886 |
| **Capital and related financing activities** | | | | |
| Capital grants received | 11,312 | 1,272 | – | 12,584 |
| Construction and acquisition of capital assets | (333,204) | (153,349) | (42,007) | (528,560) |
| Proceeds from sale of capital assets | 1,225 | – | – | 1,225 |
| Payments for bond expenses | (1,773) | (135) | (374) | (2,282) |
| Payments for redemption of debt | (49,495) | (12,560) | (5,500) | (67,555) |
| Interest paid on debt | (110,261) | (21,658) | (21,524) | (153,443) |
| Proceeds from new debt | 1,003,050 | – | – | 1,003,050 |
| Net cash provided by (used in) capital and related financing activities | 520,854 | (186,430) | (69,405) | 265,019 |

*Continued on the following page.*

## 13. Segment Information (continued)

### Statement of Cash Flows (continued)

| | Year Ended May 31, 2009 | | | |
|---|---|---|---|---|
| | Mainline | Oil Franchise | Motor License | Total |
| | *(In Thousands)* | | | |
| **Noncapital financing activities** | | | | |
| Cash payments to PennDOT | $(850,000) | $ – | $ – | $(850,000) |
| Cash proceeds from motor license grant | – | – | 28,000 | 28,000 |
| Cash proceeds from oil company franchise tax | – | 57,379 | – | 57,379 |
| Net cash (used in) provided by noncapital financing activities | (850,000) | 57,379 | 28,000 | (764,621) |
| (Decrease) increase in cash and cash equivalents | (95,556) | (16,280) | 8,397 | (103,439) |
| Cash and cash equivalents at beginning of year | 592,654 | 70,569 | 32,351 | 695,574 |
| Cash and cash equivalents at end of year | $ 497,098 | $ 54,289 | $ 40,748 | $ 592,135 |

*Continued on the following page – see accompanying schedule of reconciliation.*

## 13. Segment Information (continued)

### Statement of Cash Flows (continued)

| | Year Ended May 31, 2009 | | | |
|---|---|---|---|---|
| | Mainline | Oil Franchise | Motor License | Total |
| | | *(In Thousands)* | | |
| **Reconciliation of operating income (loss) to net cash provided by (used in) operating activities** | | | | |
| Operating income (loss) | $ 12,139 | $ (7,836) | $ (1,228) | $ 3,075 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | |
| Depreciation | 237,108 | – | – | 237,108 |
| Change in operating assets and liabilities: | | | | |
| Accounts receivable | (641) | – | – | (641) |
| Inventories | (3,772) | – | – | (3,772) |
| Other assets | (939) | – | – | (939) |
| Accounts payable and accrued liabilities | 17,185 | 171 | 119 | 17,475 |
| Other noncurrent liabilities | 1,978 | (7) | – | 1,971 |
| Net cash provided by (used in) operating activities | $ 263,058 | $ (7,672) | $ (1,109) | $ 254,277 |
| **Noncash activities** | | | | |
| Increase in fair value of investments | $ 3,096 | $ 141 | $ 155 | $ 3,392 |
| Amortization of bond premium | $ 2,759 | $ 940 | $ 719 | $ 4,418 |
| Amortization of deferred refunding loss | $ (3,555) | $ (563) | $ (931) | $ (5,049) |

## 13. Segment Information (continued)

### Balance Sheet

| | May 31, 2008 | | | |
|---|---|---|---|---|
| | Mainline | Oil Franchise | Motor License | Total |
| | *(In Thousands)* | | | |
| **Assets** | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | $ 121,032 | $ 18,452 | $ 3,792 | $ 143,276 |
| Short-term investments | 8,624 | 18,854 | – | 27,478 |
| Accounts receivable | 1,038 | – | – | 1,038 |
| Accrued interest receivable | 285 | 1,434 | 183 | 1,902 |
| Inventories | 15,372 | – | – | 15,372 |
| Restricted current assets: | | | | |
| Cash and cash equivalents | 471,622 | 52,117 | 28,559 | 552,298 |
| Short-term investments | 63,282 | 65,270 | – | 128,552 |
| Accounts receivable | 30,509 | 6,005 | – | 36,514 |
| Accrued interest receivable | 304 | 1,563 | 914 | 2,781 |
| Total current assets | 712,068 | 163,695 | 33,448 | 909,211 |
| | | | | |
| Noncurrent assets: | | | | |
| Long-term investments unrestricted | 24,149 | 139,265 | 18,032 | 181,446 |
| Long-term investments restricted | 23,123 | 88,076 | 69,420 | 180,619 |
| Total long-term investments | 47,272 | 227,341 | 87,452 | 362,065 |
| | | | | |
| Capital assets not being depreciated: | | | | |
| Land | 181,846 | – | – | 181,846 |
| Assets under construction | 953,763 | 264,462 | 128,126 | 1,346,351 |
| Capital assets being depreciated: | | | | |
| Buildings | 697,816 | – | – | 697,816 |
| Improvements other than buildings | 59,482 | – | – | 59,482 |
| Equipment | 397,477 | – | – | 397,477 |
| Infrastructure | 4,613,052 | – | – | 4,613,052 |
| | 6,903,436 | 264,462 | 128,126 | 7,296,024 |
| Less accumulated depreciation | 3,529,195 | – | – | 3,529,195 |
| | 3,374,241 | 264,462 | 128,126 | 3,766,829 |
| Other assets: | | | | |
| Other assets | 1,433 | – | – | 1,433 |
| Deferred issuance costs | 20,196 | 12,441 | 4,749 | 37,386 |
| Total other assets | 21,629 | 12,441 | 4,749 | 38,819 |
| Total noncurrent assets | 3,443,142 | 504,244 | 220,327 | 4,167,713 |
| Total assets | $ 4,155,210 | $ 667,939 | $ 253,775 | $ 5,076,924 |

*Continued on the following page.*

## 13. Segment Information (continued)

### Balance Sheet (continued)

| | May 31, 2008 | | | |
|---|---|---|---|---|
| | Mainline | Oil Franchise | Motor License | Total |
| | *(In Thousands)* | | | |
| **Liabilities and net assets** | | | | |
| Current liabilities: | | | | |
| Accounts payable and accrued liabilities | $ 97,867 | $ 18,554 | $ 4,851 | $ 121,272 |
| Current portion of debt | 49,495 | 12,560 | 5,500 | 67,555 |
| Unearned income | 25,963 | – | – | 25,963 |
| Total current liabilities | 173,325 | 31,114 | 10,351 | 214,790 |
| | | | | |
| Noncurrent liabilities: | | | | |
| Debt, less current portion, net of unamortized premium/discount | 2,737,067 | 577,543 | 440,677 | 3,755,287 |
| Other noncurrent liabilities | 37,682 | 198 | – | 37,880 |
| Total noncurrent liabilities | 2,774,749 | 577,741 | 440,677 | 3,793,167 |
| Total liabilities | 2,948,074 | 608,855 | 451,028 | 4,007,957 |
| | | | | |
| Net assets: | | | | |
| Invested in capital assets, net of related debt | 1,722,882 | (145,876) | (249,986) | 1,327,020 |
| Restricted for certain construction and maintenance purposes | – | 26,955 | 30,726 | 57,681 |
| Unrestricted | (515,746) | 178,005 | 22,007 | (315,734) |
| Total net assets | 1,207,136 | 59,084 | (197,253) | 1,068,967 |
| Total liabilities and net assets | $ 4,155,210 | $ 667,939 | $ 253,775 | $ 5,076,924 |

## 13. Segment Information (continued)

### Statement of Revenues, Expenses, and Changes in Net Assets

| | Year Ended May 31, 2008 | | | |
|---|---|---|---|---|
| | Mainline | Oil Franchise | Motor License | Total |
| | *(In Thousands)* | | | |
| Operating revenues: | | | | |
| Net fares | $ 598,926 | $ – | $ – | $ 598,926 |
| Other | 21,279 | – | – | 21,279 |
| | 620,205 | – | – | 620,205 |
| Operating expenses: | | | | |
| Cost of services | 337,352 | 35,340 | 267 | 372,959 |
| Depreciation | 193,696 | – | – | 193,696 |
| | 531,048 | 35,340 | 267 | 566,655 |
| Operating income (loss) | 89,157 | (35,340) | (267) | 53,550 |
| Nonoperating revenues (expenses): | | | | |
| Oil company franchise tax revenues | – | 60,592 | – | 60,592 |
| Motor license registration fee revenue | – | – | 28,000 | 28,000 |
| Investment earnings | 22,495 | 22,329 | 5,664 | 50,488 |
| Other nonoperating expenses | (135) | – | – | (135) |
| Act 44 payments to PennDOT | (750,000) | – | – | (750,000) |
| Interest and bond expenses | (96,550) | (28,903) | (20,797) | (146,250) |
| | (824,190) | 54,018 | 12,867 | (757,305) |
| Change in net assets before capital contributions | (735,033) | 18,678 | 12,600 | (703,755) |
| Capital contributions | 10,258 | 2,316 | – | 12,574 |
| Change in net assets | (724,775) | 20,994 | 12,600 | (691,181) |
| Net assets at beginning of year | 1,925,643 | 44,374 | (209,869) | 1,760,148 |
| Asset transfers | 6,268 | (6,284) | 16 | – |
| Net assets at end of year | $ 1,207,136 | $ 59,084 | $(197,253) | $ 1,068,967 |

## 13. Segment Information (continued)

### Statement of Cash Flows

| | Year Ended May 31, 2008 | | | |
|---|---|---|---|---|
| | Mainline | Oil Franchise | Motor License | Total |
| | (In Thousands) | | | |
| **Operating activities** | | | | |
| Cash received from customer tolls and deposits | $ 667,795 | $ – | $ – | $ 667,795 |
| Cash payments for goods and services | (267,199) | (41,857) | (267) | (309,323) |
| Cash payments to employees | (156,402) | (200) | – | (156,602) |
| Cash received from other operating activities | 14,281 | 222 | – | 14,503 |
| Net cash provided by (used in) operating activities | 258,475 | (41,835) | (267) | 216,373 |
| **Investing activities** | | | | |
| Proceeds from sales and maturities of investments | 787,898 | 351,291 | 120,392 | 1,259,581 |
| Interest received on investments | 21,748 | 19,480 | 5,447 | 46,675 |
| Purchases of investments | (505,246) | (245,542) | (113,989) | (864,777) |
| Net cash provided by investing activities | 304,400 | 125,229 | 11,850 | 441,479 |
| **Capital and related financing activities** | | | | |
| Capital grants received | 12,939 | 3,755 | – | 16,694 |
| Construction and acquisition of capital assets | (449,323) | (82,520) | 15 | (531,828) |
| Proceeds from sale of capital assets | 29 | – | – | 29 |
| Payments for bond expenses | (2,495) | (1,058) | 231 | (3,322) |
| Payments for redemption of debt | (35,970) | (11,345) | (5,330) | (52,645) |
| Interest paid on debt | (90,088) | (28,866) | (21,414) | (140,368) |
| Proceeds from new debt | 1,179,835 | – | – | 1,179,835 |
| Net cash provided by (used in) capital and related financing activities | 614,927 | (120,034) | (26,498) | 468,395 |

*Continued on the following page.*

## 13. Segment Information (continued)

### Statement of Cash Flows (continued)

| | Year Ended May 31, 2008 | | | |
|---|---|---|---|---|
| | Mainline | Oil Franchise | Motor License | Total |
| | *(In Thousands)* | | | |
| **Noncapital financing activities** | | | | |
| Cash payments to PennDOT | $(750,000) | $ – | $ – | $(750,000) |
| Cash proceeds from motor license grant | – | – | 28,000 | 28,000 |
| Cash proceeds from oil company franchise tax | – | 58,709 | – | 58,709 |
| Net cash (used in) provided by noncapital financing activities | (750,000) | 58,709 | 28,000 | (663,291) |
| Increase in cash and cash equivalents | 427,802 | 22,069 | 13,085 | 462,956 |
| Cash and cash equivalents at beginning of year | 164,852 | 48,500 | 19,266 | 232,618 |
| Cash and cash equivalents at end of year | $ 592,654 | $ 70,569 | $ 32,351 | $ 695,574 |

*Continued on the following page – see accompanying schedule of reconciliation.*

## 13. Segment Information (continued)

### Statement of Cash Flows (continued)

| | Year Ended May 31, 2008 | | | |
|---|---|---|---|---|
| | Mainline | Oil Franchise | Motor License | Total |
| | *(In Thousands)* | | | |
| **Reconciliation of operating income (loss) to net cash provided by (used in) operating activities** | | | | |
| Operating income (loss) | $ 89,157 | $ (35,340) | $ (267) | $ 53,550 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | |
| Depreciation | 193,696 | – | – | 193,696 |
| Change in operating assets and liabilities: | | | | |
| Accounts receivable | (3,121) | – | – | (3,121) |
| Inventories | 1,033 | – | – | 1,033 |
| Other assets | (1,047) | – | – | (1,047) |
| Accounts payable and accrued liabilities | (23,354) | (6,495) | – | (29,849) |
| Other noncurrent liabilities | 2,111 | – | – | 2,111 |
| Net cash provided by (used in) operating activities | $ 258,475 | $ (41,835) | $ (267) | $ 216,373 |
| | | | | |
| **Noncash activities** | | | | |
| Increase in fair value of investments | $ 5,215 | $ 4,282 | $ 200 | $ 9,697 |
| Amortization of bond premium | $ 1,691 | $ 756 | $ 719 | $ 3,166 |
| Amortization of deferred refunding loss | $ (3,410) | $ (563) | $ (931) | $ (4,904) |

**14. Subsequent Events**

On June 22, 2009, the Commission issued Series 2009 A Revenue Bonds, Federally Taxable Build America Bonds, in the amount of $275,000,000 at 6.105% and maturing December 1, 2039. The Commission has designated the 2009 A bonds as "Build America Bonds" for purposes of the American Recovery and Reinvestment Act of 2009 and has elected to receive a cash subsidy from the United States Treasury equal to 35% of the interest payable on the 2009 A bonds for an effective yield of 3.96%. The 2009 A bonds are being issued to: (a) finance the costs of various capital expenditures for the Pennsylvania Turnpike System set forth in the Commission's current ten-year capital plan, including, but not limited to, the reconstruction of roadbed and roadway, the widening, replacing and redecking of certain bridges and/or the rehabilitation of certain interchanges, (b) fund capitalized interest with respect to the 2009 A bonds, (c) fund a debt service reserve fund with respect to the 2009 A bonds, and (d) pay the cost of issuance of the 2009 A bonds.

On July 22, 2009, the Commission issued Series 2009 B&C Subordinate Revenue Bonds for $956,733,204. The Series B bonds consist of serial and term bonds. The serial bonds were issued for $247,650,000, bear interest at 3.00% to 5.25% and mature in varying installments through June 1, 2022. The term bonds were issued for $609,085,000, bear interest at 4.75% to 5.75% and mature in varying installments through June 1, 2039. The Series C bonds are considered Convertible Capital Appreciation Term Bonds maturing on June 1, 2033 at a 6.25% interest rate. The interest on the 2009 C Bonds will not be payable on a current basis prior to June 1, 2016, but will compound from the date of delivery on a semiannual basis, beginning December 1, 2009, to and including June 1, 2016. After June 1, 2016, the interest will be payable semiannually on December 1, 2016 and on each June 1 and December 1 thereafter. The compounded amount will be payable at maturity or earlier redemption. The 2009 B&C Bonds will be used to (a) make payments in accordance with Act 44 to fund certain transportation grants to mass transit agencies and to local governments and various road, highway and bridge projects, (b) refund the Commission's outstanding Turnpike Bond Anticipation Notes Series B of 2007 and C-3 of 2008, (c) fund the debt service reserve for the 2009 bonds, (d) obtain a credit facility for a portion of the 2009 bonds, (e) pay capitalized interest on a portion of the 2009 bonds, and (f) pay the cost of issuing the 2009 bonds.

# Required Supplementary Information

Pennsylvania Turnpike Commission
A Component Unit of the Commonwealth of Pennsylvania

## Schedule of Funding Progress –
## Postemployment Healthcare Benefits

*(Dollar Amounts in Thousands)*

| Actuarial Valuation Date | Actuarial Value of Assets | Actuarial Accrued Liability (AAL) | Unfunded AAL (UAAL) | Funded Ratio | Covered Payroll | UAAL as a Percentage of Covered Payroll |
|---|---|---|---|---|---|---|
| March 1, 2008 | $ 14,000 | $228,067 | $214,067 | 6.54% | $118,559 | 180.6% |
| February 28, 2006 | $ – | $167,785 | $167,785 | –% | $109,022 | 153.9% |

Because 2008 was the year of transition for GASB Statement No. 45, requirements of GASB Statement No. 45 have been implemented prospectively; therefore, the above schedule does not reflect information for three years as typically required.

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# APPENDIX C

## <u>SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE</u>

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## APPENDIX C

## SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE

### DEFINITIONS OF CERTAIN TERMS

In addition to words and terms elsewhere defined in this Official Statement, the following words and terms as used in this Official Statement, including this Appendix C, and the Subordinate Indenture shall have the following meanings unless the context clearly indicates otherwise:

"Act 44" -- an Act of the General Assembly of Pennsylvania approved July 18, 2007, No. 2007-44, including all amendments and any successor act, as amended.

"Additional Subordinate Indenture Bonds" -- Subordinate Indenture Bonds of any Series, other than the Original Subordinate Indenture Bonds, authorized to be issued under the Subordinate Indenture.

"Administrative Expenses" -- costs and fees in connection with the Subordinate Indenture Bonds and Parity Obligations including, without limitation, costs and fees of the Trustee, Consultants, Counsel, Bond Counsel and the Commission.

"Administrative Expenses Fund" -- the fund created under the section "Creation of Funds."

"Annual Debt Service" -- (a) the amount of principal and interest paid or payable with respect to Subordinate Indenture Bonds in a Fiscal Year plus (b) Reimbursement Obligations paid or payable by the Commission in such Fiscal Year (but only to the extent they are not duplicative of such principal and interest), plus (c) Approved Swap Agreement payments paid or payable by the Commission in such Fiscal Year, minus (d) the amounts, if any, paid or payable to the Commission in such Fiscal Year with respect to Approved Swap Agreements, provided that the difference between the amounts described in clauses (c) and (d) shall be included only to the extent that such difference would not be recognized as a result of the application of the assumptions set forth below. The following assumptions shall be used to determine the Annual Debt Service becoming due in any Fiscal Year:

(a) in determining the principal amount paid or payable with respect to Subordinate Indenture Bonds or Reimbursement Obligations in each Fiscal Year, payment shall be assumed to be made in accordance with any amortization schedule established for such Indebtedness, including amounts paid or payable pursuant to any mandatory redemption schedule for such Indebtedness;

(b) if any of the Indebtedness or proposed Indebtedness constitutes Balloon Indebtedness, then such amounts thereof as constitute Balloon Indebtedness shall be treated as if such Indebtedness is to be amortized in substantially equal annual installments of principal and interest over a term of 25 years from the date of issuance of such Indebtedness. Anything to the contrary in the Subordinate Indenture notwithstanding, during the year preceding the final maturity date of such Indebtedness, all of the principal thereof shall be considered to be due on such maturity date unless the Commission provides to the Trustee a certificate of a Financial Consultant certifying that, in its judgment, the Commission will be able to refinance such Balloon Indebtedness, in which event the Balloon Indebtedness shall be amortized over the term of the Indebtedness expected to refinance such Balloon Indebtedness and shall bear the interest rate specified in the certificate of the Financial Consultant;

(c) if any of the Indebtedness or proposed Indebtedness constitutes Variable Rate Indebtedness, then interest in future periods shall be based on the Assumed Variable Rate.

(d) Termination or similar payments under an Approved Swap Agreement shall not be taken into account in any calculation of Annual Debt Service.

"Applicable Long-Term Indebtedness" -- includes Subordinate Indenture Bonds, Additional Subordinate Indenture Bonds and Parity Obligations.

"Approved Swap Agreement" -- shall have the meaning set under "Approved and Parity Swap Obligations."

"Assumed Variable Rate" -- in the case of (a) Outstanding Variable Rate Indebtedness, the average interest rate on such Indebtedness for the most recently completed 12-month period; and (b) proposed Variable Rate Indebtedness, (1) which will, in the opinion of Bond Counsel delivered at the time of the issuance thereof be excluded from gross income for federal income tax purposes, the average of the Security Industry and Financial Markets Association Municipal Swap Index as the successor to the Bond Market Association Swap Index ("SIFMA Index") for the 12 months ending 7 days preceding the date of calculation plus 100 basis points, or (2) in the case of Subordinate Indenture Bonds not described in clause (1), the London Interbank Offered Rate ("LIBOR") most closely resembling the reset period for the Variable Rate Indebtedness plus 100 basis points; provided that if the SIFMA Index or LIBOR shall cease to be published, the index to be used in its place shall be that index which the Commission in consultation with the Financial Consultant determines most closely replicates such index, as set forth in a certificate of a Commission Official filed with the Trustee.

"Authenticating Agent" -- that Person designated and authorized to authenticate any series of Subordinate Indenture Bonds or such Person designated by the Authenticating Agent to serve such function, and shall initially be the Trustee.

"Authorized Denominations" -- with respect to any Additional Subordinate Indenture Bonds issued under a Supplemental Indenture, those denominations specified in such Supplemental Indenture.

"Balloon Indebtedness" -- Long-Term Indebtedness of which 25% or more of the principal matures in the same Fiscal Year and is not required by the documents pursuant to which such Indebtedness was issued to be amortized by payment or redemption prior to that Fiscal Year, provided that such Indebtedness will not constitute Balloon Indebtedness if the Trustee is provided a certificate of a Commission Official certifying that such Indebtedness is not to be treated as Balloon Indebtedness (because, by way of example, such Indebtedness is intended to serve as "wrap around" Indebtedness).

"Bank" -- as to any particular Series of Subordinate Indenture Bonds, each Person (other than a Bond Insurer or PennDOT) providing a letter of credit, a line of credit, a guaranty or another credit or liquidity enhancement facility as designated in the Supplemental Indenture providing for the issuance of such Subordinate Indenture Bonds.

"Bank Fee" -- any commission, fee or expense payable to a Bank pursuant to a Reimbursement Agreement (but not amounts payable as reimbursement for amounts drawn under a Credit Facility or interest on such amounts).

"Bankruptcy Law" -- Title 9 of the United States Code, as amended from time to time, and any successor to or replacement of such Title and any other applicable federal or state bankruptcy, insolvency or similar law.

"Beneficial Owner" -- the beneficial owner of any Subordinate Indenture Bond which is held by a nominee.

"Bond Buyer Index" -- shall mean the Bond Buyer 20 Bond Index as published weekly in "The Bond Buyer". If such Index shall cease to be published, the Financial Consultant shall select another index which shall be reflective of the Commission's fixed borrowing cost.

"Bond Counsel" -- any attorney or firm of attorneys whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized.

"Bond Insurer" -- as to any particular maturity or any particular Series of Subordinate Indenture Bonds, the Person undertaking to insure such Subordinate Indenture Bonds as designated in a Supplemental Indenture providing for the issuance of such Subordinate Indenture Bonds.

"Book-Entry-Only System" -- a system similar to the system described in the Subordinate Indenture pursuant to which bonds are registered in book-entry form.

"Business Day" -- any day other than a Saturday or a Sunday or a day on which banking institutions are required or authorized by law or executive order to remain closed in the city in which the designated office of the Trustee or any Bank is located, in the Commonwealth or in the City of New York.

"Capital Appreciation Bonds" -- any Additional Subordinate Indenture Bonds of any Series so designated in a Supplemental Indenture; provided, however, that the term "Capital Appreciation Bonds" shall only be used with respect to such Additional Subordinate Indenture Bonds of any Series the interest on which is payable only at maturity or earlier redemption in amounts determined by reference to the Compounded Amount of such Subordinate Indenture Bond.

"Chief Engineer" -- the employee of the Commission designated its "Chief Engineer" or any successor title.

"Class" -- the Revenue Bonds or their Holders, collectively, or the Special Revenue Bonds or their Holders, collectively, or any future type of Subordinate Indenture Bond, unique in its security or purposes in relation to other Subordinate Indenture Bonds, or its Holders, collectively.

"Code" -- the Internal Revenue Code of 1986, as amended, and the regulations proposed or in effect with respect thereto.

"Commonwealth" -- the Commonwealth of Pennsylvania.

"Commission Official" -- any commissioner, director, officer or employee of the Commission authorized to perform specific acts or duties by resolution duly adopted by the Commission.

"Commission Payments" -- the covenant by the Commission and the payments made by the Commission, all as set forth in the section "Commission Payments," with respect to payments to be made to the Trustee.

"Commission Payments Fund" -- the fund created under the section "Creation of Funds."

"Compounded Amount" -- any date and with respect to any particular Capital Appreciation Bond or Convertible Capital Appreciation Bond, the Original Principal Amount of such Capital Appreciation Bond or Convertible Capital Appreciation Bond plus accretion of principal, based on compounding on each Compounding Date to the date of maturity thereof (with respect to a Capital Appreciation Bond) or the Current Interest Commencement Date (with respect to a Convertible Capital Appreciation Bond) at the same interest rate as shall produce a compound amount on such date of maturity or Current Interest Commencement Date, as applicable, equal to the principal amount thereof on such date; provided that Compounded Amount on any day which is not a Compounding Date shall be determined on the assumption that the Compounded Amount accrues in equal daily amounts between Compounding Dates.

"Compounding Date" -- the date on which interest on a Capital Appreciation Bond or Convertible Capital Appreciation Bond (prior to the Current Interest Commencement Date) is compounded and added to principal.

"Conditional Redemption" -- shall have the meaning set forth in the section "Notice of Redemption."

"Consultant" -- a Person who shall be independent, appointed by the Commission as needed, qualified and having a nationwide and favorable reputation for skill and experience in such work for which the Consultant was appointed. In those situations in which a Consultant is appointed to survey risks and to recommend insurance coverage, such Consultant may be a broker or agent with whom the Commission transacts business.

"Convertible Capital Appreciation Bond" -- any Additional Subordinate Indenture Bonds of any Series so designated in a Supplemental Indenture as to which prior to the Current Interest Commencement Date with respect thereto, interest will not be paid on a current basis, but will be added to the principal on each Compounding Date, and after the Current Interest Commencement Date interest will be paid on a current basis on the Compounded Amount as of the Current Interest Commencement Date.

"Counsel" -- an attorney or law firm (who may, without limitation, be counsel for the Commission, the Commonwealth or other governmental entity or agency of the Commonwealth) not unsatisfactory to the Trustee.

"Credit Facility" -- any letter of credit, line of credit, standby letter of credit, DSRF Security, indemnity or surety insurance policy or agreement to purchase a debt obligation or any similar extension of credit, credit enhancement or liquidity support obtained by the Commission from a responsible financial or insurance institution, to provide for or to secure payment of principal and purchase price of, and/or interest on Subordinate Indenture Bonds pursuant to the provisions of a Supplemental Indenture under which such Subordinate Indenture Bonds are issued. The use of such definition is not intended to preclude the Commission from providing the credit or liquidity support with respect to one or more series of Subordinate Indenture Bonds directly rather than through a financial or insurance institution.

"Current Interest Commencement Date" -- the date established prior to the issuance of each series of Convertible Capital Appreciation Bonds, as set forth in a Supplemental Indenture, at which time the semiannual compounding of interest ceases and after such date interest is payable currently on the Compounded Amount on the ensuing interest payment dates.

"Debt Service Fund" -- the fund created under the section "Creation of Funds."

"Debt Service Reserve Fund" -- the fund created under the section "Creation of Funds."

"Debt Service Reserve Fund Bonds" -- shall mean the Long-Term Indebtedness specified by the Commission in the Subordinate Indenture or any Supplemental Indenture that is secured by the Debt Service Reserve Fund as described in the section "Debt Service Reserve Fund."

"Debt Service Reserve Requirement" -- the amount equal to the lesser of (1) Maximum Annual Debt Service on account of all the Debt Service Reserve Fund Bonds, (2) 10% of the aggregate Outstanding principal amount of all the Debt Service Reserve Fund Bonds, and (3) 125% of average Annual Debt Service for all Debt Service Reserve Fund Bonds for each Fiscal Year for the remaining life of such Bonds, provided in any such case that such amount does not exceed what is permitted by the Code.

"Defeasance Securities" --

(a) Cash,

(b) Government Obligations,

(c) Government Obligations which have been stripped by the U.S. Treasury and CATS, TIGRS and similar securities,

(d) Resolution Funding Corp. strips which have been stripped by the Federal Reserve Bank of New York,

(e) Pre-refunded obligations of a state or municipality rated in the highest rating category by the Rating Agency, and

(f) Obligations issued by the following agencies which are backed by the full faith and credit of the U.S.:

1) Farmers Home Administration
Certificates of beneficial ownership

2) Federal Financing Bank

3) General Services Administration
Participation certificates

4) U.S. Maritime Administration
Guaranteed Title XI financing

5) U.S. Department of Housing and Urban Development
Project Notes Local Authority Bonds New Communities
Debentures - U.S. government guaranteed debentures

6) U.S. Public Housing Notes and Bonds
U.S. government guaranteed public housing notes and Bonds

"Depositary" -- a bank or trust company designated as such by the Commission to receive moneys under the provisions of the Subordinate Indenture and approved by the Trustee, and shall include the Trustee.

"Depository Participants" -- any Person for which the Securities Depository holds Subordinate Indenture Bonds as securities depository.

"DSRF Security" -- shall have the meaning set forth in the section "Debt Service Reserve Fund."

"DTC" -- shall mean The Depository Trust Company.

"Enabling Acts" -- shall mean the Act approved May 21, 1937, P.L. 774, as amended by Acts approved on various dates, including May 24, 1945 P.L. 972, February 26, 1947, P.L. 17, May 23, 1951, P.L. 335, August 14, 1951, P.L. 1232 and September 30, 1985, P.L. 240 and Act 44, as amended, and any successor acts, as amended.

"Event of Bankruptcy" -- the filing of a petition in bankruptcy (or other commencement of a bankruptcy or similar proceedings) by or against the Commission as debtor, under Bankruptcy Law.

"Event of Default" -- those events specified in the section "Events of Default" in the Subordinate Indenture and such other events specified in any Supplemental Indentures.

"Financial Consultant" -- any financial advisor or firm of financial advisors of favorable national reputation for skill and experience in performing the duties for which a Financial Consultant is required to be employed pursuant to the provisions in the Subordinate Indenture and who is retained by the Commission as a Financial Consultant for the purposes of the Subordinate Indenture.

"Fiscal Year" -- the period commencing on the first day of June and ending on the last day of May of the following year.

"Fitch" -- Fitch, Inc., its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized rating agency designated by the Commission.

"Fixed Rate Bonds" -- Subordinate Indenture Bonds issued at a fixed interest rate.

"Funded Debt Service Sub-Account" -- the account authorized in the section "Debt Service Fund."

"Funding Agreement" -- the Lease and Funding Agreement dated as of October 14, 2007, as it may be amended, between the Commission and PennDOT.

"Funding Agreement Rental Payments" -- rental payments required by the Funding Agreement.

"General Reserve Fund" -- the General Reserve Fund created under the Senior Indenture.

"Government Obligations" --

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed as to full and timely payment by, the U.S.,

(b) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the U.S., the payment of the principal of and interest on which is fully and unconditionally guaranteed as a full faith and credit obligation of the U.S. (including any securities described in clause (a) above issued or held in book entry form in the name of the Trustee only on the books of the Department of Treasury of the U.S.),

(c) any certificates or any other evidences of an ownership interest in obligations or specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in clause (a) or (b) above, which obligations are held by a bank or trust company organized and existing under the laws of the U.S. or any state thereof in the capacity of custodian,

(d) stripped obligations of interest issued by the Resolution Funding Corporation pursuant to the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA"), the interest on which, to the extent not paid from other specified sources, is payable when due by the Secretary of the Treasury pursuant to FIRREA, and

(e) obligations of any state or political subdivision thereof or any agency or instrumentality of such a state or political subdivision, provided that cash, obligations described in clause (a), (b), (c) or (d) above, or a combination thereof have been irrevocably pledged to and deposited into a segregated escrow account for the payment when due of the principal or redemption price of and interest on such obligations, and provided further that, at the time of purchase, such obligations are rated by the Rating Agency in its highest rating category.

"Immediate Notice" -- notice transmitted by electronic means, in writing, by telecopier or other electronic means or by telephone (promptly confirmed in writing) and received by the Person to whom it was addressed.

"Indebtedness" -- any obligation or debt incurred for money borrowed.

"Interest Payment Date" -- with respect to each series of Subordinate Indenture Bonds, the dates which are defined as such in the Supplemental Indenture under which such Subordinate Indenture Bonds are issued. However, in each case, if the date specified above is not a Business Day then the Interest Payment Date shall be the Business Day next succeeding the date specified above.

"Interest Sub-Account" -- the account created by the section "Debt Service Fund."

"Issuance Cost" -- costs incurred by or on behalf of the Commission in connection with the issuance of Subordinate Indenture Bonds including, without limitation, the following: payment of financial, legal, accounting and appraisal fees and expenses, the Commission's fees and expenses attributable to the issuance of the Subordinate Indenture Bonds, the cost of printing, engraving and reproduction services, fees and expenses incurred in connection with any Credit Facility and any Approved Swap Obligation, legal fees and expenses for Bond Counsel, Commission's counsel, Trustee's counsel and Underwriter's counsel relating to the issuance of the Subordinate Indenture Bonds, the initial or acceptance fee of the Trustee, and all other fees, charges and expenses incurred in connection with the issuance of the Subordinate Indenture Bonds and the preparation of the Subordinate Indenture.

"Letter of Representations" -- the letter of representations or similar document executed by the Commission and delivered to the Securities Depository (and any amendments thereto or successor agreements) for one or more Series of Book Entry Bonds.

"Long-Term Indebtedness" -- all Indebtedness, which is not (a) Short-Term Indebtedness or (b) Subordinated Indebtedness.

"Maximum Annual Debt Service" -- at any point in time, the maximum amount of annual Debt Service on all applicable Long-Term Indebtedness paid or payable in the then current or any future Fiscal Year.

"Moody's" -- Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized rating agency designated by the Commission.

"Motor License Fund" -- the Commonwealth Motor License Fund.

"Motor License Fund Repayment Fund" -- the fund created under the section "Creation of Funds."

"Original Principal Amount" -- the Compounded Amount of any Capital Appreciation Bond or Convertible Capital Appreciation Bond as of the date of original issuance.

"Original Subordinate Indenture Bonds" -- the Commission's Subordinated Turnpike Revenue Bonds, Series 2008A, in an aggregate principal amount of $244,855,000.

"Outstanding" or "outstanding" in connection with Subordinate Indenture Bonds -- all Subordinate Indenture Bonds which have been authenticated and delivered under the Subordinate Indenture, except:

(a) Subordinate Indenture Bonds theretofore cancelled or delivered to the Trustee for cancellation under the Subordinate Indenture;

(b) Subordinate Indenture Bonds which are deemed to be no longer Outstanding in accordance with the section "Defeasance; Deposit of Funds for Payment of Subordinate Indenture Bonds"; and

(c) Subordinate Indenture Bonds in substitution for which other Subordinate Indenture Bonds have been authenticated and delivered pursuant to the Subordinate Indenture.

In determining whether the owners of a requisite aggregate principal amount of Subordinate Indenture Bonds Outstanding have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions in the Subordinate Indenture, Subordinate Indenture Bonds which are held by or on behalf of the Commission (unless all of the Outstanding Subordinate Indenture Bonds are then owned by the Commission) shall be disregarded for the purpose of any such determination.

"Parity Obligations" -- Revenue Bonds Parity Obligations and Special Revenue Bonds Parity Obligations as separately secured in accordance with the Subordinate Indenture.

"Parity Swap Agreement" -- shall have the meaning set forth in the section "Approved and Parity Swap Obligations."

"Parity Swap Agreement Counterparty" -- the counterparty to a Parity Swap Agreement with the Commission or with the Trustee.

"Paying Agent" -- with respect to any series of Subordinate Indenture Bonds, that Person appointed pursuant to the Subordinate Indenture to make payments to Subordinate Indenture Bondholders of interest and/or principal pursuant to the terms of the Subordinate Indenture, which initially shall be the Trustee.

"Payments" -- Funding Agreement, grant or other payments to PennDOT pursuant to the provisions of Act 44 or the Funding Agreement.

"PennDOT" -- Pennsylvania Department of Transportation.

"Permitted Investments" -- (to the extent permitted by law)

(a) Government Obligations;

(b) obligations issued or guaranteed as to full and timely payment of principal and interest by any agency or Person controlled or supervised by and acting as an instrumentality of the U.S., pursuant to authority granted by the U.S. Congress;

(c) obligations of the Governmental National Mortgage Association, Farmers Home Administration, Federal Financing Bank, Federal Housing Administration, Maritime Administration and Public Housing Authorities, provided that the full and timely payment of the principal and interest on such obligations shall be unconditionally guaranteed by the U.S.;

(d) obligations of the Federal Intermediate Credit Corporation and of the Federal National Mortgage Association;

(e) obligations of the Federal Banks for Cooperation;

(f) obligations of Federal Land Banks;

(g) obligations of Federal Home Loan Banks; provided that the obligations described in clauses (c) through (f) above shall constitute Permitted Investments only to the extent that the Rating Agency has assigned a rating to such obligations which is not lower than the highest rating assigned by such Rating Agency to any series of Subordinate Indenture Bonds then Outstanding;

(h) certificates of deposit of any bank, savings and loan or trust company organized under the laws of the U.S. or any state thereof, including the Trustee or any holder of the Subordinate Indenture Bonds, provided that such certificates of deposit shall be fully collateralized (with a prior perfected security interest), to the extent they are not insured by the Federal Deposit Insurance Corporation, by Permitted Investments described in (a), (b), (c), (d), (e), (f) or (g) above having a market value at all times equal to the uninsured amount of such deposit;

(i) Money market funds registered under the Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933, including funds for which the Trustee, its parent, its affiliates or its subsidiaries provide investment advisory or other management services, and which are rated by S&P, Moody's and Fitch in one of their two highest rating categories;

(j) investment agreements (which term, for purposes of this clause, shall not include repurchase agreements) with a Qualified Financial Institution;

(k) repurchase agreements with banks or primary government dealers reporting to the Federal Reserve Bank of New York ("Repurchasers"), including but not limited to the Trustee and any of its affiliates, provided that each such repurchase agreement results in transfer to the Trustee of legal and equitable title to, or the granting to the Trustee of a prior perfected security interest in, identified Permitted Investments described in (a), (b), (c), (d), (e), (f) or (g) above which are free and clear of any claims by third parties and are segregated in a custodial or trust account held either by the Trustee or by a third party (other than the Repurchaser) as the agent solely of, or in trust solely for the benefit of, the Trustee, provided that Government Obligations acquired pursuant to such repurchase agreements shall be valued at the lower of the then current market value of such Government Obligations or the repurchase price thereof set forth in the applicable repurchase agreement;

(l) Bonds or notes issued by any state or municipality which are rated by S&P, Moody's and Fitch in one of their two highest rating categories;

(m) Commercial paper rated in the highest short term, note or commercial paper Rating Category by S&P, Moody's and Fitch;

(n) Any auction rate certificates which are rated by S&P, Moody's and Fitch in one of their two highest rating categories;

(o) Corporate bonds and medium term notes rated at least "AA-" by Moody's and S&P;

(p) Asset-backed securities rated in the highest rating category by Moody's and S&P; or

(q) Any other investment approved by the Commission for which confirmation is received from the Rating Agency that such investment will not adversely affect such Rating Agency's rating on such Subordinate Indenture Bonds.

"Person" -- an individual, public body, a public instrumentality, a corporation, a limited liability company, a partnership, limited liability partnership, an association, a joint stock company, a trust and any unincorporated organization.

"Policy Costs" -- a periodic fee or charge required to be paid to maintain a DSRF Security.

"Principal Sub-Account"-- the account created under the section "Debt Service Fund."

"Project" or "Cost"-- any financing which is authorized by the Enabling Acts or which may be hereafter authorized by law.

"Projected Annual Debt Service" -- for any future period of time, shall equal the amount of Maximum Annual Debt Service on all Long-Term Indebtedness then Outstanding and on any Long-Term Indebtedness proposed to be issued.

"Projected Debt Service Coverage Ratio" -- for the immediately two following Fiscal Years, the ratio determined by dividing the projected amounts to be paid into the General Reserve Fund for each of such years by the Projected Annual Debt Service for each of such years.

“Qualified Financial Institution” -- (a) any U.S. domestic institution which is a bank, trust company, national banking association or a corporation, including the Trustee and any of its affiliates, subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956, or a member of the National Association of Securities Dealers, Inc. whose unsecured obligations or uncollateralized long-term debt obligations have been assigned a rating within the two highest rating categories by the Rating Agency or which has issued a letter of credit, contract, agreement or surety bond in support of debt obligations which have been so rated; (b) an insurance company with a claims-paying ability or a corporation whose obligations are guaranteed by an insurance company (in the form of an insurance policy) or by an insurance holding company rated in the highest rating category by the Rating Agency or whose unsecured obligations or uncollateralized long-term debt obligations have been assigned a rating within the highest rating category by the Rating Agency; or (c) any banking institution whose unsecured obligations or uncollateralized long-term debt obligations have been assigned a rating within one of the two highest rating categories by the Rating Agency.

“Rate Covenant” -- the requirement to establish and maintain a schedule of Tolls sufficient to provide the funds required pursuant to the section “Rate Covenant.”

“Rating Agency” -- Fitch, Moody’s, S&P and such other nationally recognized securities rating agency as may be so designated in writing to the Trustee by a Commission Official.

“Rating Category” -- each major rating classification established by the Rating Agency, determined without regard to gradations such as “ l,” “2” and “3” or “plus” and “minus.”

“Rebate Fund” -- the fund created under the section “Creation of Funds.”

“Rebate Regulations” -- the Treasury Regulations issued under Section 148(f) of the Code.

“Record Date” -- unless otherwise provided with respect to any series of Subordinate Indenture Bonds in a Supplemental Indenture: (a) for Subordinate Indenture Bonds on which interest is payable on the first day of a month, the fifteenth day of the immediately preceding month; or (b) for Subordinate Indenture Bonds on which interest is payable on the fifteenth day of a month, the last day of the immediately preceding month. However, in each case, if the date specified above is not a Business Day, then the Record Date shall be the Business Day next preceding the date specified above.

“Reimbursement Agreement” -- an agreement between the Commission and one or more Banks pursuant to which, among other things, such Bank or Banks issue a Credit Facility with respect to Subordinate Indenture Bonds of one or more Series and the Commission agrees to reimburse such Bank or Banks for any drawings made thereunder.

“Reimbursement Obligation” -- an obligation of the Commission pursuant to a Reimbursement Agreement to repay any amounts drawn under a Credit Facility and to pay interest on such drawn amounts pursuant to such Reimbursement Agreement.

“Residual Fund” -- the fund created under the section “Creation of Funds.”

“Responsible Officer” -- when used with respect to the Trustee, any officer in the corporate trust department (or any successor thereto) of the Trustee, or any other officer or representative of the Trustee customarily performing functions similar to those performed by any of such officers and also means, with respect to a particular corporate trust matter, any other officer of the Trustee to whom such matter is referred because of that officer’s knowledge of and familiarity with the particular subject.

“Revenue Bonds Account” -- the account created under the section “Debt Service Fund.”

“Revenue Bonds” -- bonds issued pursuant to, and defined in, the section “Subordinate Turnpike Revenue Bonds” and which are not secured by Commonwealth Motor License Fund Payments but have a senior claim on Commission Payments.

“Revenue Bonds Parity Obligations” -- Revenue Bonds and all other obligations agreed by the Commission to be on a parity therewith.

“S&P” -- Standard & Poor’s, a division of McGraw-Hill, Inc., a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Commission.

“Secured Owner” -- each Person who is an Subordinate Indenture Bondholder of any Subordinate Indenture Bonds, each Parity Swap Agreement Counterparty providing a Parity Swap Agreement, each Bank providing a Credit Facility, each Bond Insurer providing a Bond insurance policy with respect to a Parity Obligation, each provider of a DSRF Security and holders of other Parity Obligations.

“Securities Depository” -- a Person that is registered as a clearing agency under Section 17A of the Securities Exchange Act of 1934 or whose business is confined to the performance of the functions of a clearing agency with respect to exempted securities, as defined in Section 3(a)(12) of such Act for the purposes of Section 17A thereof.

“Senior Indenture” -- the Amended and Restated Trust Indenture originally dated as of July 1, 1986 and amended and restated as of March 1, 2001 between the Commission and U.S. Bank National Association, as successor trustee, as it may be amended, supplemented or replaced, in connection with the Commission’s main line toll revenue bonds.

“Senior Indenture Trustee” -- the legal person that is the trustee under the Senior Indenture whether by contract or operation of law.

“Series” or “Sub-Series” means any series or sub-series of bonds issued pursuant to the Subordinate Indenture or any Supplemental Indenture.

“Short-Term Indebtedness” -- all Indebtedness which matures in less than 365 days and is designated as Short-Term Indebtedness pursuant to the Subordinate Indenture. In the event a Bank has extended a line of credit or the Commission has undertaken a commercial paper or similar program, only amounts actually borrowed under such line of credit or program and repayable in less than 365 days shall be considered Short-Term Indebtedness and the full amount of such commitment or program shall not be treated as Short-Term Indebtedness to the extent that such facility remains undrawn.

“Special Record Date” -- the date or dates specified in a Supplemental Indenture with respect to Additional Subordinate Indenture Bonds issued under such Supplemental Indenture.

“Special Revenue Bonds ” -- Bonds issued pursuant to the Subordinate Indenture and authorized pursuant to Section 9511.4 of Act 44 which are secured by Commonwealth Motor License Fund payments but are subordinate to Revenue Bonds with respect to their claim on Commission Payments.

“Special Revenue Bonds Account” -- the account created under the section “Debt Service Fund.”

“Special Revenue Bonds Funded Debt Service Sub-Account” -- the account created under the section “Debt Service Fund.”

“Special Revenue Bonds Funded Debt Service Sub-Account Requirement” -- the funds to be deposited in the Special Revenue Bonds Funded Debt Service Sub-Account in the amounts and at the times as described in the section “Debt Service Fund.”

“Special Revenue Bonds Parity Obligations” -- Special Revenue Bonds and all other obligations agreed by the Commission to be on a parity therewith with respect to their claim on Commission Payments.

“Special Revenue Bonds Payments” -- payments received from the Commonwealth’s Motor License Fund pursuant to Act 44 for the purpose of paying debt service on Special Revenue Bonds.

“Special Revenue Bonds Receipts Account” -- the account created under the section “Debt Service Fund.”

“Subordinate Indenture” -- the Subordinate Trust Indenture dated as of April 1, 2008 by and between the Commission and the Trustee as supplemented and amended from time to time.

“Subordinate Indenture Bond” or “Subordinate Indenture Bonds” -- Original Subordinate Indenture Bonds and all other indebtedness of any kind or class, including bonds, notes, bond anticipation notes, commercial paper and other obligations, issued as Additional Subordinate Indenture Bonds under the Subordinate Indenture, other than Additional Subordinate Indenture Bonds issued as Subordinated Indebtedness.

"Subordinate Indenture Bond Owner," "Subordinate Indenture Bondholder," "Holder," "Owner" or "Registered Owner" (or the lower case version of the same) -- the Person in whose name any Subordinate Indenture Bond or Subordinate Indenture Bonds are registered on the books maintained by the Subordinate Indenture Registrar.

"Subordinate Indenture Bond Register" -- the register maintained pursuant to the Subordinate Indenture.

"Subordinate Indenture Bond Registrar" -- with respect to any series of Subordinate Indenture Bonds, that Person which maintains the Subordinate Indenture Bond Register or such other entity designated by the Subordinate Indenture Bond Registrar to serve such function and initially shall be the Trustee.

"Subordinated Indebtedness" -- Indebtedness incurred pursuant to the Subordinate Indenture.

"Supplemental Indenture" -- any supplemental indenture to the Subordinate Indenture, now or hereafter duly authorized and entered into in accordance with the provisions of the Subordinate Indenture.

"Swap Agreement" -- shall have the meaning set forth in the section "Approved and Parity Swap Obligations."

"System" -- what are commonly referred to as the "Main Line" and the "Northeast Extension" of the Commission and any other roads for which the Commission has operational responsibility and is collecting Tolls, unless the Commission identifies such roads in a writing addressed to the Trustee (other than the "Main Line" and the "Northeast Extension") as not being part of the System for the purposes of the Subordinate Indenture. Notwithstanding the foregoing, no portion of Interstate 80 shall be deemed to be a portion of the "System" unless the Commission affirmatively makes such election in a writing to the Trustee.

"Tender Indebtedness" -- any Indebtedness or portion thereof:

(a) the terms of which include (1) an option or an obligation on the part of the Secured Owner to tender all or a portion of such Indebtedness to the Commission, the Trustee, the Paying Agent or another fiduciary or agent for payment or purchase and (2) a requirement on the part of the Commission to purchase or cause to be purchased such Indebtedness or portion thereof if properly presented; and

(b) which is rated in either (1) one of the two highest long-term Rating Categories by the Rating Agency or (2) the highest short-term, note or commercial paper Rating Category by the Rating Agency.

"Tolls" -- all rates, rents, fees, charges, fines or other income derived by the Commission from vehicular usage of the System, and all rights to receive the same.

"Trustee" – TD Bank, National Association, and any bank or trust company appointed as successor trustee under the Subordinate Indenture.

"Trust Estate" -- shall mean, collectively, (i) the Commission Payments, (ii) all monies deposited into accounts or funds (other than the Rebate Fund) created by this Subordinate Indenture and held by or on behalf of the Trustee, (iii) any insurance proceeds and other moneys required to be deposited herein, (iv) all payments received by the Commission pursuant to Parity Swap Agreements, and (v) all investment earnings on all moneys held in accounts and funds established by this Subordinate Indenture, other than the Rebate Fund.

"U.S." -- United States of America.

"Variable Rate Bonds" – Subordinate Indenture Bonds issued as Variable Rate Indebtedness.

"Variable Rate Indebtedness" -- any Indebtedness the interest rate on which fluctuates from time to time subsequent to the time of incurrence. Variable Rate Indebtedness may include, without limitation, (a) "auction rate" Indebtedness, that is, Variable Rate Indebtedness (1) the interest rate applicable to which (after an initial period following the issuance thereof or the conversion thereof to such an interest rate mode) is reset from time to time through an auction or bidding system and (2) which the Commission has no obligation to repurchase in connection with the resetting of the interest rate applicable thereto except to the extent proceeds are available for such purpose either from the remarketing of such Variable Rate Indebtedness or from such other sources as identified in the Supplemental Indenture pursuant to which such Variable Rate Indebtedness was issued, (b) Tender Indebtedness, (c) commercial paper Indebtedness which is intended to be reissued and refinanced periodically, or (d) other forms of Indebtedness on which the interest fluctuates or is subject to being set or reset from time to time.

## SUBORDINATE INDENTURE

### SUBORDINATE TURNPIKE REVENUE BONDS

Revenue Bonds shall be issued under the Subordinate Indenture for the purpose of making Payments to PennDOT to finance transit programs, highway and bridge construction and other purposes pursuant to Act 44. The Revenue Bonds shall be senior in right of payment to the Special Revenue Bonds.

### SUBORDINATE SPECIAL REVENUE TURNPIKE REVENUE BONDS

Subordinate Special Revenue Turnpike Revenue Bonds ("Special Revenue Bonds") shall be issued under the Subordinate Indenture for the purpose of making Funding Agreement Rental Payments to PennDOT for the purposes of financing highway and bridge construction and paying other Costs of the Department (as defined in Act 44). The payment of debt service on the Special Revenue Bonds shall be junior in right of payment to the payment of debt service on the Revenue Bonds and the restoration of any deficiency in the Debt Service Reserve Fund for the Revenue Bonds pursuant to the Subordinate Indenture.

### LIMITED OBLIGATIONS

The Subordinate Indenture Bonds shall be limited obligations of the Commission, payable solely from the Trust Estate. The Subordinate Indenture Bonds shall constitute a valid claim of the respective owners thereof against the Trust Estate to the extent provided in the Subordinate Indenture, which is pledged to secure the payment of the principal of, redemption premium, if any, and interest on the Subordinate Indenture Bonds as provided in the Subordinate Indenture, and which shall be utilized for no other purpose, except as expressly authorized in the Subordinate Indenture. The Subordinate Indenture Bonds shall not constitute general obligations of the Commission and under no circumstances shall the Subordinate Indenture Bonds be payable from, nor shall the holders thereof have any rightful claim to, any income, revenues, funds or assets of the Commission other than those pledged in the Subordinate Indenture as security for the payment of the Subordinate Indenture Bonds.

### PAYMENT ON BONDS

The principal of, premium, if any, and interest on the Bonds shall be payable in any currency of the U.S. which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. The principal of all Bonds shall be payable at the designated trust office of the Trustee, and payment of the interest on each Bond shall be made on each Interest Payment Date to the Person appearing on the registration books of the Bond Registrar as of the Record Date as the registered owner thereof, by check or draft mailed to such registered owner at his address as it appears on such registration books. However, if and to the extent that the Commission defaults on the payment of interest due on an Interest Payment Date, such defaulted interest shall be paid to those Persons who are the registered owners as of the Special Record Date on a payment date established by the Trustee, notice of which shall have been mailed to those Persons who are the registered owners as of the Special Record Date on such date or dates established in the Supplemental Indenture under which such Bonds are issued.

### REGISTRATION OF TRANSFER AND EXCHANGE OF SUBORDINATE INDENTURE BONDS; PERSONS TREATED AS SUBORDINATE INDENTURE BONDHOLDERS

The Trustee shall act as initial Subordinate Indenture Bond registrar (the "Subordinate Indenture Bond Registrar") and in such capacity shall maintain an Subordinate Indenture Bond register (the "Subordinate Indenture Bond Register") for the registration and transfer of Subordinate Indenture Bonds. Upon surrender of any Subordinate Indenture Bonds at the designated office of the Trustee, as the Subordinate Indenture Bond Registrar, together with an assignment duly executed by the current Subordinate Indenture Bondholder of such Subordinate Indenture Bonds or such Subordinate Indenture Bondholder's duly authorized attorney or legal representative in such form as shall be satisfactory to the Trustee, such Subordinate Indenture Bonds may, at the option of the Subordinate Indenture Bondholder, be exchanged for an equal aggregate principal amount of Subordinate Indenture Bonds of the same Series and maturity, of Authorized Denominations and bearing interest at the same rate and in the same form as the Subordinate Indenture Bonds surrendered for exchange, registered in the name or names designated on the assignment; provided the Trustee is not required to exchange or register the transfer of Subordinate Indenture Bonds after the giving of notice calling such Subordinate Indenture Bond for redemption, in whole or in part. The Commission shall execute and the Trustee shall authenticate any Subordinate Indenture Bonds whose execution and authentication is necessary to provide for exchange of Subordinate Indenture Bonds pursuant to this Section and the Commission may rely on a representation from the Trustee that such execution is required.

The Trustee may make a charge to any Subordinate Indenture Bondholder requesting such exchange or registration in the amount of any tax or other governmental charge required to be paid with respect thereto and the Commission may charge such amount as it deems appropriate for each new Subordinate Indenture Bond delivered upon such exchange or transfer, which charge or charges shall be paid before any new Subordinate Indenture Bond shall be delivered.

Prior to due presentment for registration of transfer of any Subordinate Indenture Bond, the Trustee shall treat the Person shown on the Subordinate Indenture Bond Register as owning an Subordinate Indenture Bond as the Subordinate Indenture Bondholder and the Person exclusively entitled to payment of principal thereof, redemption premium, if any, and interest thereon and, except as otherwise expressly provided in the Subordinate Indenture, the exercise of all other rights and powers of the owner thereof, and neither the Commission, the Trustee nor any agent of the Commission or the Trustee shall be affected by notice to the contrary.

**SECURITIES DEPOSITORY PROVISIONS**

Unless otherwise provided in a Supplemental Indenture, all Bonds shall be Book Entry Bonds. All Book Entry Bonds shall be registered in the name of Cede & Co., as nominee of DTC or any successor Securities Depository.

**ADDITIONAL SUBORDINATE INDENTURE BONDS**

The Commission will not issue or incur any other Indebtedness having a parity lien on the Trust Estate except for Additional Subordinate Indenture Bonds issued pursuant to this Section and other Parity Obligations. Additional Subordinate Indenture Bonds may be issued and the Trustee shall authenticate and deliver such Additional Subordinate Indenture Bonds when there have been filed with the Trustee the following:

(a) A copy certified by a Commission Official of the resolution or resolutions of the Commission authorizing (1) the execution and delivery of a Supplemental Indenture providing for, among other things, the date, rate or rates of interest on, interest payment dates, maturity dates and redemption provisions of such Additional Subordinate Indenture Bonds, and (2) the issuance, sale, execution and delivery of the Additional Subordinate Indenture Bonds;

(b) An original executed counterpart of the Supplemental Indenture;

(c) An opinion or opinions of Bond Counsel, addressed to the Commission and the Trustee, to the effect that (1) issuance of the Additional Subordinate Indenture Bonds is permitted under Subordinate Indenture and the Subordinate Indenture, (2) each of the Supplemental Indenture and the Additional Subordinate Indenture Bonds has been duly authorized, executed and delivered and is a valid, binding and enforceable obligation of the Commission, subject to bankruptcy, equitable principles and other standard legal opinion exceptions and (3) subject to the last paragraph of this Section, interest on the Additional Subordinate Indenture Bonds is not included in gross income for federal income tax purposes under the Code;

(d) A request and authorization of the Commission, signed by a Commission Official, to the Trustee to authenticate and deliver the Additional Subordinate Indenture Bonds to such Person or persons named therein after confirmation of payment to the Trustee for the account of the Commission of a specified sum (which may include directions as to the disposition of such of such sum);

(e) A certificate of the Commission, signed by a Commission Official, that the Commission is not in default under the Subordinate Indenture and evidence satisfactory to the Trustee that, upon issuance of the Additional Subordinate Indenture Bonds, amounts will be deposited in the Funds under the Subordinate Indenture adequate for the necessary balances therein after issuance of the Additional Subordinate Indenture Bonds (including an amount sufficient to satisfy the Debt Service Reserve Requirement if the Additional Subordinate Indenture Bonds constitute Debt Service Reserve Fund Bonds);

(f) A certificate of the Commission, signed by a Commission Official, specifying the amount of each Class of Subordinate Indenture Bonds Outstanding after issuance of the Additional Subordinate Indenture Bonds, identifying the Additional Subordinate Indenture Bonds as Revenue Bonds or Special Revenue Bonds, Short-Term Indebtedness, Long-Term Indebtedness or Subordinated Indebtedness and demonstrating with reasonable detail that the provisions of Section 703 of the Senior Indenture and of Section 6.02(a) or (b) of the Subordinate Indenture, have been met for the issuance of such Additional Subordinate Indenture Bonds; and

(g) Such further documents, moneys and securities as are required by the provisions of the Supplemental Indenture.

Anything in the Subordinate Indenture to the contrary notwithstanding, Additional Subordinate Indenture Bonds may bear interest which is included in gross income for federal income tax purposes under the Code, in which event provisions in the Subordinate Indenture requiring or referencing the exclusion of interest on Subordinate Indenture Bonds from gross income for federal income tax purposes may be ignored or modified, as appropriate, as set forth in an opinion of Bond Counsel.

**APPROVED AND PARITY SWAP OBLIGATIONS**

The Commission may enter into one or more contracts having an interest rate, currency, cash-flow, or other basis desired by the Commission (a "Swap Agreement"), including, without limitation, interest rate swap agreements, currency swap agreements, forward payment conversion agreements, futures contracts, contracts providing for payments based on levels of or changes in interest rates, currency exchange rates, stock or other indices, or contracts to exchange cash flows or a series of payments, and contracts including, without limitation, interest rate floors or caps, options, puts or calls to hedge payment, currency rate, spread or similar exposure. In the event the Commission wishes the payments to be made and received by the Commission under the Swap Agreement to be taken into account in any calculation of Annual Debt Service under the Subordinate Indenture, the Commission shall file with the Trustee the following on or before entering into the Swap Agreement (in which event, such Swap Agreement shall constitute an "Approved Swap Agreement"):

(a) A copy certified by a Commission Official of the resolution or resolutions of the Commission authorizing the execution and delivery of the Swap Agreement (no Supplemental Indenture being required unless the Commission determines it to be necessary or appropriate);

(b) An original executed counterpart of the Swap Agreement;

(c) An opinion of Bond Counsel addressed to the Commission and to the Trustee, to the effect that execution of the Swap Agreement is permitted under the laws of the Commonwealth and will not adversely affect the exclusion from gross income from interest on any Subordinate Indenture Bonds (or any other Commission bonds to which such Swap Agreement relates) for federal income tax purposes; provided that if the Swap Agreement relates to Subordinate Indenture Bonds being issued and the Swap Agreement is entered into prior to the issuance of such Subordinate Indenture Bonds, the portion of the opinion of Bond Counsel referring to tax-exempt status of the Subordinate Indenture Bonds need not be delivered until such Subordinate Indenture Bonds are issued;

(d) A certificate of the Commission, signed by a Commission Official, that the Commission is not under default under the Subordinate Indenture;

(e) Evidence that the execution of the Swap Agreement will not result in a reduction or withdrawal of the rating then assigned to any Subordinate Indenture Bonds by the Rating Agency;

(f) Evidence that the relevant provisions of the Subordinate Indenture have been met; and

(g) Such further documents as are required by the Swap Agreement or Bond Counsel.

In the event the Commission wishes to enter into an Approved Swap Agreement and to have any or all of its obligations thereunder be on parity with certain other Subordinate Indenture Bonds and certain other Parity Obligations, it shall file with the Trustee the items set forth above, together with a supplemental indenture granting such parity position (in which event, such Swap Agreement shall constitute a "Parity Swap Agreement"). Upon entering into a Parity Swap Agreement, unless otherwise provided in the supplemental indenture, the Commission shall pay to the Trustee for deposit into the Interest Account the net amount payable, if any, to the Parity Swap Agreement Counterparty as if such amounts were additional amounts of interest due; and the Trustee shall pay on behalf of the Commission to the Parity Swap Agreement Counterparty, to the extent required under the Parity Swap Agreement, amounts deposited in the Interest Account. Net amounts received by the Commission or the Trustee from the counterparty pursuant to a Parity Swap Agreement shall be deposited to the credit of the Interest Account for the related Series of Subordinate Indenture Bonds or to such other account as designated by a Commission Official.

Amounts paid by or to the Commission pursuant to Approved Swap Agreements which do not constitute Parity Swap Agreements shall not be required to be made through the Trustee as described in the preceding paragraph (but shall be taken into account in calculation of Annual Debt Service as provided in the definition of such term).

**CONVERSIONS OF VARIABLE RATE INDEBTEDNESS TO FIXED RATE INDEBTEDNESS**

The Commission may convert Variable Rate Indebtedness to a fixed rate if permitted pursuant to the terms thereof and if the Commission was in compliance with the Rate Covenant for the most recently completed Fiscal Year. If the Commission did not meet the Rate Covenant for such Fiscal Year, the Commission must treat the proposed conversion as if it constituted the issuance of Additional Subordinate Indenture Bonds by meeting the requirements set forth in the Subordinate Indenture (computing the Annual Debt Service with respect to such Variable Rate Indebtedness proposed to be converted as bearing interest at the Bond Buyer Index or such other rate as identified by a Financial Consultant as being more appropriate under the circumstances).

**REDEMPTION OF SUBORDINATE INDENTURE BONDS**

The Subordinate Indenture Bonds of any Series or Sub-Series issued under the provisions of the Subordinate Indenture shall be subject to redemption, in whole or in part, and at such times and prices as may be provided in the Supplemental Indenture pursuant to which such Subordinate Indenture Bonds are issued.

If less than all of the Subordinate Indenture Bonds of a Series or Sub-Series are called for redemption, they shall be redeemed in such order of maturity as provided in the Supplemental Indenture, and by lot within any maturity (provided, however, that if an Event of Default has occurred and is continuing, any Subordinate Indenture Bonds called for redemption shall be redeemed in proportion by maturity and within maturities by lot), subject to selection by the Trustee as provided below. The portion of any Subordinate Indenture Bond to be redeemed shall be an Authorized Denomination or any multiple thereof and in selecting Subordinate Indenture Bonds for redemption, each Subordinate Indenture Bond shall be considered as representing that number of Subordinate Indenture Bonds which is obtained by dividing the principal amount of such Subordinate Indenture Bond by the minimum Authorized Denomination. If a portion of a Subordinate Indenture Bond shall be called for redemption, a new Subordinate Indenture Bond in principal amount equal to the unredeemed portion thereof shall be issued to the Subordinate Indenture Bondholder upon the surrender thereof. If for any reason the principal amount of Subordinate Indenture Bonds called for redemption would result in a redemption of Subordinate Indenture Bonds less than the Authorized Denomination, the Trustee, to the extent possible within the principal amount of Subordinate Indenture Bonds to be redeemed, is hereby authorized to adjust the selection of Subordinate Indenture Bonds for such purpose in order to minimize any such redemption. Notwithstanding the foregoing, the Securities Depository for Book Entry Bonds shall select the Subordinate Indenture Bonds for redemption within particular maturities according to its stated procedures.

**NOTICE OF REDEMPTION**

(a) When Subordinate Indenture Bonds (or portions thereof) are to be redeemed, the Commission shall give or cause to be given notice of the redemption of the Subordinate Indenture Bonds to the Trustee no later than 15 days prior to the last date on which notice of such redemption can be given or such shorter time as may be acceptable to the Trustee. In the case of an optional redemption, the notice may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the redemption date or (2) that the Commission retains the right to rescind such notice at any time prior to the scheduled redemption date if the Commission delivers a certificate of a Commission Official to the Trustee instructing the Trustee to rescind the redemption notice (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in subsection (d) of this Section.

The Trustee, at the expense of the Commission, shall send notice of any redemption, identifying the Subordinate Indenture Bonds to be redeemed, the redemption date and the method and place of payment and the information required by subsection (b) of this Section, by first class mail to each holder of a Subordinate Indenture Bond called for redemption to the holder's address listed on the Subordinate Indenture Bond Register. Such notice shall be sent by the Trustee by first class mail between 30 and 60 days prior to the scheduled redemption date unless a different time period is provided in the

Supplemental Indenture for such Subordinate Indenture Bonds. With respect to Book Entry Bonds, if the Trustee sends notice of redemption to the Securities Depository pursuant to the Letter of Representations, the Trustee shall not be required to give the notice set forth in the immediately preceding sentence. If notice is given as stated in this paragraph (a), failure of any Subordinate Indenture Bondholder to receive such notice, or any defect in the notice, shall not affect the redemption or the validity of the proceedings for the redemption of the Subordinate Indenture Bonds.

(b) In addition to the foregoing, the redemption notice shall contain with respect to each Subordinate Indenture Bond being redeemed, (1) the CUSIP number, (2) the date of issue, (3) the interest rate, (4) the maturity date, and (5) any other descriptive information determined by the Trustee to be needed to identify the Subordinate Indenture Bonds. If a redemption is a Conditional Redemption, the notice shall so state. The Trustee also shall send each notice of redemption to (i) any Rating Service then rating the Subordinate Indenture Bonds to be redeemed; (ii) all of the registered clearing agencies known to the Trustee to be in the business of holding substantial amounts of bonds of a type similar to the Subordinate Indenture Bonds; (iii) all Nationally Recognized Municipal Securities Information Repositories, a Pennsylvania State Information Depository and any similar entities which are required recipients by reason of continuing disclosure undertakings or regulatory requirements, such services to be identified by the Trustee, and (iv) one or more other national information services that disseminate notices of redemption of bonds such as the Subordinate Indenture Bonds, such services to be identified by the Trustee.

(c) On or before the date fixed for redemption, subject to the provisions of subsections (a) and (d) of this Section, moneys shall be deposited with the Trustee to pay the principal of, redemption premium, if any, and interest accrued to the redemption date on the Subordinate Indenture Bonds called for redemption. Upon the deposit of such moneys, unless the Commission has given notice of rescission as described in subsection (d) of this Section, the Subordinate Indenture Bonds shall cease to bear interest on the redemption date and shall no longer be entitled to the benefits of the Subordinate Indenture (other than for payment and transfer and exchange) and shall no longer be considered Outstanding.

(d) Any Conditional Redemption may be rescinded in whole or in part at any time prior to the redemption date if the Commission delivers a certificate of a Commission Official to the Trustee instructing the Trustee to rescind the redemption notice. The Trustee shall give prompt notice of such rescission to the affected Subordinate Indenture Bondholders. Any Subordinate Indenture Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a Conditional Redemption, the failure of the Commission to make funds available in part or in whole on or before the redemption date shall not constitute an Event of Default.

**PURCHASE OF SUBORDINATE INDENTURE BONDS AT ANY TIME**

The Trustee, upon the written request of the Commission, shall purchase Subordinate Indenture Bonds as specified by the Commission in the open market at a price not exceeding the price specified by the Commission. Such purchase of Subordinate Indenture Bonds shall be made with funds available under the Subordinate Indenture or provided by the Commission in such written request. Upon purchase by the Trustee, such Subordinate Indenture Bonds shall be treated as delivered for cancellation pursuant to the Subordinate Indenture. Nothing in the Subordinate Indenture shall prevent the Commission from purchasing Subordinate Indenture Bonds on the open market without the involvement of the Trustee and delivering such Subordinate Indenture Bonds to the Trustee for cancellation pursuant to the Subordinate Indenture. Subordinate Indenture Bonds purchased pursuant to this Section which are subject to a mandatory sinking fund redemption schedule may be credited against future mandatory sinking fund redemption payments. The principal amount of Subordinate Indenture Bonds to be redeemed by optional redemption under the Subordinate Indenture may be reduced by the principal amount of Subordinate Indenture Bonds purchased by the Commission and delivered to the Trustee for cancellation at least fifteen (15) days prior to the last date on which the notice of Redemption can be mailed.

**COSTS OF REDEMPTIONS**

The payment of the necessary costs and expenses of such redemptions, including, without limiting the generality of the foregoing, all reasonable legal fees, costs of advertisements, printing costs, brokerage charges and charges of the Trustee, if any, incident to such redemption, shall be payable by the Commission from moneys in the General Reserve Fund or from such other source as is identified in a certificate of a Commission Official.

**COMMISSION PAYMENTS**

(a) The Commission covenants, after payment of all required debt service on all Parity Obligations and Subordinated Indebtedness (each as defined in the Senior Indenture) issued under the Senior Indenture and subject to the provisions of the Senior Indenture, to pay to the Trustee, and to instruct the Senior Trustee to pay to the Trustee, out of the General Reserve Fund such amounts as are required the Subordinate Indenture or by a Supplemental Indenture thereto to pay, at the times specified, required payments with respect to all bonds issued under the Subordinate Indenture, Supplemental Indentures thereto and Parity Obligations under the Subordinate Indenture. Accordingly, the Commission shall instruct, or furnish a debt service schedule to, the Senior Trustee providing for the payment to the Subordinate Trustee out of funds held in the General Reserve Fund monies to pay such amounts as are required by the Subordinate Indenture with respect to the outstanding bonds issued under the Subordinate Indenture, a Supplement thereto, Parity Obligations thereunder and all other payments required thereunder at such times on such terms as are set forth in the Subordinate Indenture or in a Supplemental Indenture (collectively, the "Commission Payments"). The Trustee shall make the Commission Payments to the Subordinate Trustee in accordance with such instructions and provisions.

(b) In addition to other payments and General Reserve Fund withdrawals required under the Subordinate Indenture, by a Supplemental Indenture or pursuant to Revenue Bonds Parity Obligations or Special Revenue Bonds Parity Obligations, the Commission, as more specifically set forth in the Subordinate Indenture, shall withdraw, or arrange for the withdrawal, from the General Reserve Fund and deposit to the Commission Payments Fund the amounts hereinafter specified which shall be applied by the Trustee for the purposes for which the same shall be deposited:

(1) On or before the first Business Day of each calendar month commencing on the first Business Day of the sixth month prior to the next succeeding Interest Payment Date, an amount which equals the amount necessary to pay, and for the purpose of paying, one-sixth (1/6) of 115% of the interest due on any Fixed Rate Bonds or the monthly interest due on any Variable Rate Bonds, issued as Revenue Bonds, on the next succeeding Interest Payment Date, such amount to be calculated based on the applicable Assumed Variable Rate for such Variable Rate Bonds, including any amount due to the Bond Insurer in respect thereto (or, in the case of the period from the date of issuance of such Fixed Rate Bonds or Variable Rate Bonds to the first Interest Payment Date for the applicable Fixed Rate Bonds or Variable Rate Bonds, a monthly amount equal to 115% of the interest amount owed on such first Interest Payment Date (to be calculated based on the applicable Assumed Variable Rate for such Variable Rate Bonds) divided by the number of months from the date of issuance of such Fixed Rate Bond or Variable Rate Bond to such first Interest Payment Date), which amount shall be deposited promptly in the Commission Payments Fund.

(2) (i) On or before the first Business Day of each calendar month commencing on the first Business Day of the twelfth month prior to the next succeeding principal payment date, an amount which equals one-twelfth (1/12) of the amount necessary to pay and for the purpose of paying, 115% the principal amount (or Compounded Amount, if applicable) of any Fixed Rate Bonds or Variable Rate Bonds issued as Revenue Bonds maturing on the next succeeding maturity date (or, in the case of the period from the date of issuance of such Fixed Rate Bonds or Variable Rate Bonds to the first date on which principal (or Compounded Amount, if applicable) is due on such Fixed Rate Bonds or Variable Rate Bonds, a monthly amount equal to 115% of the principal amount (or Compounded Amount, if applicable) owed on such first principal maturity date divided by the number of months from the date of issuance of such Fixed Rate Bond or Variable Rate Bond to such first principal maturity date), which amount shall be deposited promptly in the Commission Payments Fund.

(ii) On or before the first Business Day of each calendar month commencing on the first Business Day of the twelfth month prior to the next succeeding mandatory sinking fund installment date, an amount which equals one-twelfth (1/12) of the amount necessary to pay, and for the purpose of paying, 115% the principal amount of any mandatory sinking fund installment of Fixed Rate Bonds or Variable Rate Bonds issued as Revenue Bonds payable on the next succeeding mandatory sinking fund installment date, which amount shall be deposited promptly in the Commission Payments Fund.

(3) On or before the 10th calendar day of each calendar month commencing on the 10th calendar day of the sixth month prior to the next succeeding Interest Payment Date, but not before the payments required by Sections 4.01(b)(1) and (2) above, an amount which equals the amount necessary to pay, and for the purpose of paying, one-sixth (1/6) of 100% of the interest due on any Fixed Rate Bonds or the monthly interest due on any Variable Rate Bonds, issued as Special Revenue Bonds, on the next succeeding Interest Payment Date, such amount to be calculated based on the applicable Assumed Variable Rate for such Variable Rate Bonds, including any amount due to the Bond Insurer in respect thereto (or, in the case of the period from the date of issuance of such Fixed Rate Bonds or Variable Rate Bonds to the first Interest Payment Date for the applicable Fixed Rate Bonds or Variable Rate Bonds, a monthly amount equal to 100% of the interest amount owed on such first Interest Payment Date (to be calculated at the applicable Assumed Variable Rate for such Variable Rate Bonds) divided by the number of months from the date of issuance of such Fixed Rate Bond or Variable Rate Bond to such first Interest Payment Date), which amount shall be deposited promptly in the Commission Payments Fund.

(4) (i) On or before the 10th calendar day of each calendar month commencing on the 10th calendar day of the twelfth month prior to the next succeeding principal payment date, but not before the payments required by Sections 4.01(b)(1) and (2) above, an amount which equals one-twelfth (1/12) of the amount necessary to pay, and for the purpose of paying, 100% of the principal amount of any Fixed Rate Bonds or Variable Rate Bonds issued as Special Revenue Bonds maturing on the next succeeding maturity date (or, in the case of the period from the date of issuance of such Fixed Rate Bonds or Variable Rate Bonds to the first date on which principal is due on such Fixed Rate Bonds or Variable Rate Bonds, a monthly amount equal to 100% of the principal amount owed on such first principal maturity date divided by the number of months from the date of issuance of such Fixed Rate Bond or Variable Rate Bond to such first principal maturity date), which amount shall be deposited promptly in the Commission Payments Fund.

(ii) On or before the 10th calendar day of each calendar month commencing on the 10th calendar day of the twelfth month prior to the next succeeding mandatory sinking fund installment date, but not before the payments required by Sections 4.01(b)(1) and (2) above, an amount which equals one-twelfth (1/12) of the amount necessary to pay, and for the purpose of paying, 100% of the principal amount of any mandatory sinking fund installment of Fixed Rate Bonds or Variable Rate Bonds issued as Special Revenue Bonds payable on the next succeeding mandatory sinking fund installment date, which amount shall be deposited promptly in the Commission Payments Fund.

(c) In the event of any failure by the Commission to make any of the payments required by Sections (b)(1) or (2) above to be deposited in the Interest Sub-Account or Principal Sub-Account for the Revenue Bonds, in addition to other remedies hereunder, the Trustee shall promptly, after utilizing any available funds in the Residual Fund or the applicable Account of the Debt Service Reserve Fund, transfer to such Sub-Accounts from any balances in the Interest Sub-Account or Principal Sub-Account for the Subordinated Special Revenue Bonds such amounts as are necessary to correct such deficiencies. Notwithstanding the foregoing, any funds on deposit in the Special Revenue Bonds Receipts Account or the Special Revenue Bonds Funded Debt Service Sub-Account, or transferred from either account to the Special Revenue Bonds Interest Sub-Account or Principal Sub-Account for the payment of debt service on Special Revenue Bonds pursuant to Sections (d) and (e) below, may only be used for the payment of debt service on Special Revenue Bonds and may not be used for the payment of debt service on Revenue Bonds or for any other purpose.

(d) In the event of any failure by the Commission to make any of the payments required by Section (b) (3) or (4) above required to be deposited in the Interest Sub-Account or Principal Sub-Account for the Special Revenue Bonds, the Trustee shall immediately send notice, by electronic format or otherwise, to PennDOT, with a copy to the Commission and the Treasurer of the Commonwealth, in the form attached to the Subordinate Indenture as Exhibit A, to make payment out of the Motor License Fund pursuant to Subordinate Indenture for payment to the Special Revenue Bonds Receipts Account in the amount of any such failure by the Commission to make payment for such time until the Commission resumes full payment.

(e) In the event of any failure by PennDOT or the Treasurer of the Commonwealth to deposit funds transferred from the Motor License Fund into the Special Revenue Bonds Receipts Account as required by Section (d) above for the payment of any interest or principal due on Special Revenue Bonds, then the Trustee shall withdraw such amounts from the Special Revenue Bonds Funded Debt Service Sub-Account and transfer the monies to the Special Revenue Bonds Interest Sub-Account or the Principal Sub-Account, as appropriate, on the applicable Interest Payment Date, principal payment date or mandatory sinking fund installment date. If monies are received from the Motor License Fund subsequent to payments being made pursuant to this Section, then such Motor License Fund monies shall be transferred from the Special Revenue Bonds Receipts Account to the Special Revenue Bonds Funded Debt Service Sub-Account, as set forth in the section "Debt Service Fund," to restore any deficiency thereunder.

**RATE COVENANT**

(a) The Commission covenants that it will establish and maintain schedules of Tolls for traffic over the System as required by the Senior Indenture and, in addition, so that the amount paid into the General Reserve Fund of the Senior Indenture in each Fiscal Year and for each Commission Payment, will be at least sufficient to provide funds in an amount not less than

(1) 115% of the Annual Debt Service for such Fiscal Year on account of all Outstanding Revenue Bonds and Revenue Bonds Parity Obligations;

plus

(2) 100% of the Annual Debt Service for such Fiscal Year on account of all Outstanding Special Revenue Bonds, Special Revenue Bonds Parity Obligations and Subordinated Indebtedness.

plus

(3) any payment by the Commission required by the Subordinate Indenture for restoring any deficiency in the Debt Service Reserve Fund within an eighteen (18) month period.

The foregoing covenant is referred to in the Subordinate Indenture as the "Rate Covenant".

(b) The Commission's failure to meet the Rate Covenant shall not constitute an Event of Default under the Subordinate Indenture if (1) no Event of Default occurred under "Events of Default" sections (a) or (b) as a result of such failure and (2) the Commission promptly after determining that the Rate Covenant was not met retains a Consultant at the expense of the Commission to make written recommendations as to appropriate revisions to the schedules of Tolls necessary or appropriate to meet the Rate Covenant and advises the Trustee in writing of such retention. Anything in the Subordinate Indenture to the contrary notwithstanding, if the Commission shall comply with the recommendations of the Consultant in respect of Tolls to the extent permitted by law, it will not constitute an Event of Default under the provisions of the Subordinate Indenture if the Commission fails to meet the Rate Covenant during the succeeding Fiscal Year as long as no Event of Default has occurred under "Events of Default" sections (a) or (b). If the Commission does not comply with the recommendations of the Consultant in respect of Tolls, the Trustee may, and upon the request of the holders of not less than twenty-five per centum (25%) in principal amount of the Subordinate Indenture Bonds of any Class then outstanding and upon being indemnified to its satisfaction shall, institute and prosecute in a court of competent jurisdiction any appropriate action to compel the Commission to revise the schedules of Tolls. The Commission covenants that it will adopt and charge Tolls in compliance with any final order or decree entered in any such proceeding.

In the event that the Consultant shall fail to file with the Commission such recommendations in writing within sixty (60) days after its retention by the Commission, the Trustee may designate and appoint a different Consultant at the expense of the Commission to make recommendations as to an adjustment of the schedules of Tolls, which recommendations shall be reported in writing to the Commission and to the Trustee within sixty (60) days after such retention. Such written report shall for all purposes be considered to be the equivalent of and substitute for the recommendations of the Consultant retained by the Commission.

In preparing its recommendations, the Consultant may rely upon written estimates of Revenues prepared by the other Consultants of the Commission. Copies of such written estimates signed by such Consultants shall be attached to such recommendations. The Commission covenants that promptly after receipt of such recommendations and the adoption of any revised schedules of Tolls, certified copies thereof will be filed with the Trustee.

Any Consultant retained or designated in accordance with the Senior Indenture shall be deemed acceptable as a Consultant for purposes of the Subordinate Indenture.

**CREATION OF FUNDS**

In addition to any funds created by Supplemental Indentures, the Subordinate Indenture creates the following funds and amounts deposited therein shall be held in trust by the Trustee until applied as directed under the Subordinate Indenture: Commission Payments Fund; Administrative Expenses Fund; Debt Service Fund; Debt Service Reserve Fund; Motor License Fund Repayment Fund; Rebate Fund; and Residual Fund.

**COMMISSION PAYMENTS FUND**

The Subordinate Indenture creates a Commission Payments Fund. The Commission covenants that all Commission Payments will be deposited with the Trustee or in the name of the Trustee with a depositary or depositaries to the credit of the Commission Payments Fund.

Except as otherwise provided in the Subordinate Indenture, transfers from the Commission Payments Fund shall be made to the following funds and in the following order of priority:

(1) Rebate Fund;

(2) Administrative Expenses Fund;

(3) Revenue Bonds Account of the Debt Service Fund;

(4) Special Revenue Bonds Account of the Debt Service Fund;

(5) Debt Service Reserve Fund;

(6) Motor License Fund Repayment Fund; and

(7) Residual Fund.

**ADMINISTRATIVE EXPENSES FUND**

The Subordinate Indenture creates an Administrative Expenses Fund. Under the Subordinate Indenture the Trustee is directed to deposit into the Administrative Expenses Fund from the Commission Payments Fund such amounts as are needed for the payment of Administrative Expenses.

In the event of a deficiency in the Rebate Fund, arbitrage rebate, yield reduction or similar payments may be made from amounts n the Administrative Expenses Fund with respect to Subordinate Indenture Bonds.

**DEBT SERVICE FUND**

(a) The Subordinate Indenture creates separate accounts in the Debt Service Fund to be known as the "Revenue Bonds Account" and the "Special Revenue Bonds Account." Each such Account shall have an "Interest Sub-Account" and "Principal Sub-Account" for each Series or Sub-Series of tax exempt and taxable Subordinate Indenture Bonds issued pursuant to Supplemental Indentures.

(b) The Subordinate Indenture also creates a Special Revenue Bonds Receipts Account. Any payments by the Commonwealth from the Commonwealth's Motor License Fund pursuant to the Subordinate Indenture with respect to the Special Revenue Bonds, shall be deposited into the Special Revenue Bonds Receipts Account and transferred to the Special Revenue Bonds Interest Sub-Account or Principal Sub-Account as required for payment by the Trustee of principal and interest on the Special Revenue Bonds pursuant to the Subordinate Indenture.

(c) The Subordinate Indenture also creates a Special Revenue Funded Debt Service Sub-Account of the Special Revenue Bonds Interest Sub-Account for payment by the Trustee of interest and principal on Special Revenue Bonds as set forth in the Subordinate Indenture. Where such payment is made and funds are subsequently deposited in the Special Revenue Bonds Receipts Account, then such funds shall be transferred to the Special Revenue Bonds Funded Debt Service Sub-Account, as set forth in the Subordinate Indenture.

On the date of issuance of any Series or Sub-Series of Special Revenue Bonds, the Commission shall deposit, or cause to be deposited, into the Special Revenue Bonds Funded Debt Service Sub-Account, an amount which, together with funds on deposit therein, shall be equal to one-half Maximum Annual Debt Service on all Outstanding Special Revenue Bonds, including those Special Revenue Bonds being issued at the time of the deposit. Such amount shall be the "Special Revenue Bonds Funded Debt Service Sub-Account Requirement." Funds on deposit in the Special Revenue Funded Debt Service Sub-Account shall only be used as described in the section "Commission Payments." The Commission has no obligation to maintain the balance in the Special Revenue Bonds Funded Debt Service Sub-Account equal to the Special Revenue Bonds Funded Debt Service Sub-Account Requirement nor to replenish any funds withdrawn from the Special Revenue Bonds Funded Debt Service Sub-Account from any funds of the Commission, including Commission Payments. Funds on deposit in the Special Revenue Bonds Receipts Account, to the extent not required to make a deposit to the debt service sub-accounts described in under "Commission Payments," shall be transferred to the Special Revenue Bonds Funded Debt Service Sub-Account to restore deficiencies therein.

Interest or income received on investments credited to the Special Revenue Bonds Funded Debt Service Sub-Account shall be transferred pro-rata to the Special Revenue Bonds Interest Sub-Account for each Series of Outstanding Special Revenue Bonds, and shall be taken into consideration when calculating the amount required for interest payments under the section "Commission Payments."

In connection with any redemption or final maturity of a Series of Special Revenue Bonds, excess funds on deposit in the Special Revenue Bonds Funded Debt Service Sub-Account may be applied to such redemption or final maturity.

To the extent required for payments under the section "Commission Payments," the Trustee shall make payment, on the dates required for such payments, from the Commission Payments Fund into the Revenue Bonds Account and the Special Revenue Bonds Account of the Debt Service Fund of such required amounts.

The Trustee and the Commission may create such additional accounts and sub-accounts in the Debt Service Fund pursuant to a Supplemental Indenture as they deem necessary or appropriate, including, but not limited to, (a) an account into which drawings on a Credit Facility are to be deposited and from which principal (including redemption price) and Purchase Price of and interest on the Series of Subordinate Indenture Bonds secured by such Credit Facility are to be paid (and upon such payment, amounts on deposit in the Principal and Interest Accounts for such Subordinate Indenture Bonds shall be used to repay the provider of the Credit Facility for such payments), and (b) an account into which payments by the Commission to any Parity Swap Counterparty are to be deposited and from which payments to such Parity Swap Counterparty are to be paid.

The moneys in the Interest and Principal Accounts shall be held by the Trustee in trust for the benefit of the applicable Series of Subordinate Indenture Bonds, to the extent the foregoing are payable from such accounts, and, to said extent and pending application, shall be subject to a lien and charge in favor of the Owners of the applicable Series of Subordinate Indenture Bonds until paid out or transferred as hereinafter provided. There shall be withdrawn from the Interest Account (and any available capitalized interest) and the Principal Account from time to time and set aside or deposited with the Trustee sufficient money for paying the interest on and the principal of and premium on the Subordinate Indenture Bonds as the same shall become due, except to the extent such interest, principal or other amounts are payable from a fund or account other than the Debt Service Fund as provided in any Supplemental Indenture.

If at the time the Trustee is required to make a withdrawal from the Debt Service Fund for Debt Service Reserve Fund Bonds the moneys therein shall not be sufficient for such purpose, the Trustee shall withdraw the amount of such deficiency from the moneys on deposit in the Debt Service Reserve Fund and transfer the same to the Debt Service Fund.

**DEBT SERVICE RESERVE FUND**

A special account within the Debt Service Reserve Fund may be created with respect to each Series or Sub-Series of Debt Service Reserve Fund Bonds issued under the Subordinate Indenture and any Supplemental Indenture.

In each Fiscal Year, after first having made the deposits provided in the section "Debt Service Fund", the Commission shall pay out of the General Reserve Fund into the Commission Payments fund and the Trustee shall transfer from the Commission Payments Fund on or before the last day of each month to the credit of the Debt Service Reserve Fund (a) the amount, if any, required to make the amount on deposit in the Debt Service Reserve Fund equal to the Debt Service Reserve Requirement which restoration, as implied by the Rate Covenant contained in the section "Rate Covenants," is intended to occur within eighteen (18) months; and (b) the amount set forth in a Supplemental Indenture if an amount different from the Debt Service Reserve Requirement is required.

Subject to the preceding paragraph, to the extent accounts are created in the Debt Service Reserve Fund for Debt Service Reserve Fund Bonds, the funds and DSRF Security, as hereinafter defined, held therein shall be available to make payments required under the Subordinate Indenture for the benefit of all Debt Service Reserve Fund Bonds of the same Class.

Moneys held in the Debt Service Reserve Fund shall be used for the purpose of paying interest on, maturing principal and mandatory sinking fund redemption price of Debt Service Reserve Fund Bonds whenever and to the extent that the moneys held for the credit of the Debt Service Fund shall be insufficient for such purpose. If at any time the moneys and the principal amount of any DSRF Security held in the Debt Service Reserve Fund shall exceed the Debt Service Reserve Requirement, the Commission shall direct whether such excess moneys shall be transferred by the Trustee to the credit of the Commission Payments Fund or used to reduce the principal amount of any DSRF Security.

In the event the Trustee shall be required to withdraw funds from the Debt Service Reserve Fund to restore a deficiency in the Debt Service Fund arising with respect to Debt Service Reserve Fund Bonds, the funds shall be allocated, subject to the provisions of the Subordinate Indenture, pro rata among such Bonds.

In lieu of the deposit of moneys into the Debt Service Reserve Fund, the Commission may cause to be provided a surety bond, an insurance policy, a letter of credit or similar financial instrument satisfactory to the Rating Agency (as evidenced by a letter from the Rating Agency confirming that the DSRF Security will not result in the rating on any outstanding Debt Service Reserve Fund Bonds being downgraded) (each, a "DSRF Security") payable to the Trustee in an amount equal to the difference between the Debt Service Reserve Requirement and the amounts then on deposit in the Debt Service Reserve Fund. The DSRF Security shall be payable (upon the giving of notice as required thereunder) on any Interest Payment Date on which moneys will be required to be withdrawn from the Debt Service Reserve Fund and applied to the payment of the principal of or interest on any Debt Service Reserve Fund Bonds to the extent that such withdrawals cannot be made by amounts on deposit in the Debt Service Reserve Fund.

If a disbursement is made pursuant to a DSRF Security, the Commission shall be obligated either (a) to reinstate the maximum limits of such DSRF Security or (b) to deposit into the Debt Service Reserve Fund, funds in the amount of the disbursement made under such DSRF Security, or a combination of such alternatives, as shall provide that the amount credited to the Debt Service Reserve Fund equals the Debt Service Reserve Requirement within a time period of eighteen (18) months.

If the DSRF Security shall cease to have a rating described in the second preceding paragraph, the Commission shall use reasonable efforts to replace such DSRF Security with one having the required rating, but shall not be obligated to pay, or commit to pay, increased fees, expenses or interest in connection with such replacement or to deposit revenues in the Debt Service Reserve Fund in lieu of replacing such DSRF Security with another.

**REBATE FUND**

The Commission covenants to calculate and to pay directly to the government of the U.S. all amounts due for payment of "arbitrage rebate" under Section 148(f) of the Code with respect to any Subordinate Indenture Bonds. Nevertheless, the Commission in the future may deposit with the Trustee or direct the Trustee to deposit in the Rebate Fund amounts held in any Fund hereunder for any or all Series of Subordinate Indenture Bonds (which direction shall specify the procedures for collection and payment of amounts due in respect of arbitrage rebate) if (a) required under any amendments to Section 148(f) of the Code or (b) the Commission otherwise determines that the funding of the Rebate Fund is necessary or appropriate. The Rebate Fund is a trust fund but the amounts therein do not constitute part of the Trust Estate. Amounts on deposit in the Rebate Fund may be used solely to make payments to the U.S. under Section 148 of the Code and to pay costs related to the calculation of the amounts due. Upon satisfaction of the Commission's covenants described above, any amounts remaining in the Rebate Fund shall be deposited in the Commission Payments Fund.

**MOTOR LICENSE FUND REPAYMENT FUND**

The Subordinate Indenture creates a Motor License Fund Repayment Fund. Based on such time schedule as is agreed to by the Commission and PennDOT and furnished to the Trustee, the Trustee shall deposit into the Motor License Fund Repayment Fund out of the Commission Payments Fund and the Residual Fund such amounts as are necessary and available to repay, and the Trustee is instructed to repay out of the Motor License Fund Repayment Fund, to the Commonwealth's Motor License Fund any debt service payments which are made out of the Motor License Fund. The failure to make any payment pursuant to the Subordinate Indenture shall not be an Event of Default under the Subordinate Indenture.

**RESIDUAL FUND**

The Subordinate Indenture creates a Residual Fund. After making all payments required under the Subordinate Indenture or under a Supplemental Indenture, the Trustee shall at least annually deposit into the Residual Fund out of the Commission Payments Fund such amounts from the Commission Payments Fund as are in excess of current debt service and other required payments and deposits pursuant to the Subordinate Indenture.

(a) Moneys in the Residual Fund may be expended by the Commission to restore deficiencies in any funds or accounts created under the Subordinate Indenture (including without limitation the Revenue Bonds Principal and Interest Sub-Accounts) and, absent any such deficiency, for any of the following purposes, with no one item having priority over any of the others:

(1) To purchase or redeem Bonds;

(2) To secure and pay the principal or redemption price of and interest on any Parity Obligations; or

(3) To further any corporate purpose.

(b) The Trustee is authorized to apply monies on deposit in the Residual Fund for any of such purposes upon receipt of a requisition signed by a Commission Official, stating in respect of each payment to be made:

(1) the name of the Person, firm or corporation, to whom payment is to be made or, if the payment is to be made to a fund or account held by the Trustee under the Subordinate Indenture or to a fund or account held by the Commission and not subject to the Subordinate Indenture, the name of such fund or account,

(2) the amount to be paid, and

(3) the purpose for which the payment is to be made.

(c) Pursuant to the written request of the Commission, the Trustee shall transfer to the General Reserve Fund of the Senior Indenture at any time any balance in the Residual Fund not required to restore any deficiency in a fund or account established under the Subordinate Indenture.

**MONEYS SET ASIDE FOR PRINCIPAL AND INTEREST HELD IN TRUST**

All moneys which the Trustee shall have set aside (or deposited with any paying agent) for the purpose of paying any of the Subordinate Indenture Bonds hereby secured, either at the maturity thereof or upon call for redemption, shall be held in trust for the respective holders of the applicable Series of such Subordinate Indenture Bonds. However, any moneys which shall be so held or deposited by the Trustee, and which shall remain unclaimed by the holders of such Subordinate Indenture Bonds for the period of five years after the date on which such Subordinate Indenture Bonds shall have become payable, shall be paid to the Commission upon its written request or to such officer, board or body as may then be entitled by law to receive the same; thereafter the holders of such Subordinate Indenture Bonds shall look only to the Commission or to such officer, board or body, as the case may be, for payment and then only to the extent of the amounts so received without any interest thereon, and the Trustee shall have no responsibility with respect to such moneys.

**ADDITIONAL SECURITY**

Except as otherwise provided or permitted in the Subordinate Indenture, the Trust Estate securing Subordinate Indenture Bonds issued under the terms of the Subordinate Indenture shall be shared on a parity with other Parity Obligations as provided in the Subordinate Indenture. The Commission may, however, in its discretion, provide additional security or credit enhancement for specified Parity Obligations with no obligation to provide such additional security or credit enhancement to other Parity Obligations, except that no additional security or credit enhancement shall be provided unless there shall have been first delivered to the Trustee an opinion of Bond Counsel that the exclusion from gross income of interest on any Subordinate Indenture Bonds for federal income tax purposes will not be adversely affected thereby. Moreover, the Commission may provide in a Supplemental Indenture that Subordinate Indenture Bonds issued thereunder are not secured, or are secured only in part or only under certain circumstances, by the Trust Estate.

**DEPOSITARY**

Except as otherwise provided under the Subordinate Indenture, all moneys received by the Commission under the provisions of the Subordinate Indenture shall be deposited with the Trustee or with one or more Depositaries. All moneys deposited under the provisions of the Subordinate Indenture with the Trustee or any other Depositary shall be held in trust, credited to the particular fund or account to which such moneys belong and applied only in accordance with the provisions of the Subordinate Indenture.

No moneys shall be deposited with any Depositary, other than the Trustee, in an amount exceeding fifty per centum (50%) of the amount which an officer of such Depositary shall certify to the Commission as the combined capital and surplus of such Depositary.

All moneys deposited with the Trustee or any other Depositary under the Subordinate Indenture shall, to the extent not insured, be secured in the manner required or permitted by applicable law.

## INVESTMENT OF MONEYS

Moneys held in any of the funds or accounts under the Subordinate Indenture may be retained uninvested, if deemed necessary by the Commission, as trust funds and secured as provided in the Subordinate Indenture or may be invested in Permitted Investments. All investments shall be made by the Trustee upon the oral request of the Commission, which is confirmed in writing by a Commission Official specifying the account or fund from which moneys are to be invested and designating the specific Permitted Investments to be acquired.

All investments made pursuant to this Section shall be subject to withdrawal or shall mature or be subject to repurchase or redemption by the holder, not later than the earlier of (a) the date or dates set forth for similar investments in the applicable Supplemental Indenture or (b) the date on which the moneys may reasonably be expected to be needed for the purpose of the Subordinate Indenture.

Investments acquired with the moneys in any fund or account shall be a part of such fund or account and, for the purposes of determining the amount in such fund or account, shall be valued at their then fair market value. The interest or income received on an investment shall remain in the fund or account to which the investment is credited except to the extent otherwise provided in the applicable Supplemental Indenture.

The Trustee shall withdraw, redeem or sell all or a portion of any investment upon receipt of the written direction from the Commission or upon a determination by the Trustee that moneys in such fund or account are to be applied or paid by the Trustee pursuant to the provisions of the Subordinate Indenture, and the proceeds thereof shall be deposited by the Trustee in the appropriate fund or account. Neither the Trustee nor the Commission shall be liable or responsible for any depreciation in the value of the Permitted Investments or for any losses incurred upon any unauthorized disposition thereof.

Each fund and account held under the Subordinate Indenture shall be valued by the Trustee at least once annually within thirty days after the end of each Fiscal Year.

## PAYMENT OF PRINCIPAL, INTEREST AND PREMIUM

The Commission covenants that it will promptly pay, by disbursement to the Trustee which is authorized to make the required payments, the principal of, premium, if any, and the interest on every Subordinate Indenture Bond and other Parity Obligations issued or agreed by the Commission to be parity under the provisions of the Subordinate Indenture at the places, on the dates and in the manner provided in the Subordinate Indenture and in said Subordinate Indenture Bonds and other Parity Obligations and will promptly pay all Administrative Expenses and any payments required to be made by the Commission to the Commonwealth's Motor License Fund. Except as otherwise provided in the Subordinate Indenture, all such monies are payable solely from Commission Payments, which Commission Payments are hereby pledged to the payment thereof in the manner and to the extent provided in the Subordinate Indenture. Neither the general credit of the Commission nor the general credit nor the taxing power of the Commonwealth or any political subdivision, agency or instrumentality thereof is pledged for the payment of the obligations described in the Subordinate Indenture.

## LIMITATIONS ON ISSUANCE OF ADDITIONAL SUBORDINATE INDENTURE BONDS AND EXECUTION OF APPROVED SWAP

(a) Long-Term Indebtedness.

(1) The Commission agrees that it will not issue any Additional Subordinate Indenture Bonds constituting Long-Term Indebtedness unless prior to or contemporaneously with the incurrence thereof, the relevant provisions of the Senior Indenture and the Subordinate Indenture are met after taking into account as part of the calculations the issuance of such Additional Subordinate Indenture Bonds under the Subordinate Indenture and there are delivered to the Trustee:

(i) a certificate of a Commission Official certifying that the amount paid into the General Reserve Fund under the Senior Indenture for the most recent Fiscal Year preceding the delivery of such certificate for which audited financial statements are available divided by the Annual Debt Service on Outstanding Revenue Bonds including any Revenue Bonds to be issued at that time, and on Outstanding Revenue Bonds Parity Obligations, including Revenue Bonds Parity Obligations to be issued at that time, was not less than 1.15; and

(i) a certificate of a Commission Official certifying that the amount paid into the General Reserve Fund under the Senior Indenture for the most recent Fiscal Year preceding the delivery of such certificate for which audited financial statements are available divided by the Annual Debt Service on Outstanding Special Revenue Bonds including any Special Revenue Bonds to be issued at that time, and on Outstanding Special Revenue Bonds Parity Obligations, including Special Revenue Bonds to be issued at that time, was not less than 1.00; or

(ii) a report of a Consultant to the effect that the Projected Debt Service Coverage Ratio is not less than 1.10 for the Outstanding Bonds, including any Bonds to be issued at that time, and Parity Obligations.

(2) If the Long-Term Indebtedness is being incurred solely for the purposes of refunding, repurchasing or refinancing (whether in advance or otherwise) any outstanding Long-Term Indebtedness, a certificate of a Commission Official certifying the Maximum Annual Debt Service on all Applicable Long-Term Indebtedness prior to the issuance of the proposed Long-Term Indebtedness is greater than the Maximum Annual Debt Service on all Applicable Long-Term Indebtedness after the issuance of such proposed Long-Term Indebtedness.

(3) If the Long-Term Indebtedness being incurred consists of Special Revenue Bonds, a certificate provided by or on behalf the Commission certifying that the balance in the Motor License Fund at the end of the fiscal year immediately preceding the issuance of the Special Revenue Bonds is equal to at least three times the Maximum Annual Debt Service on all Outstanding Special Revenue Bonds after the issuance of the proposed Special Revenue Bonds.

(4) If the additional Series of Subordinate Indenture Bonds are refunding Subordinate Indenture Bonds issued to refund other Subordinate Indenture Bonds, the following shall be delivered:

(i) Evidence satisfactory to the Trustee that the Commission has made provision as required by the Subordinate Indenture for the payment or redemption of all Subordinate Indenture Bonds to be refunded;

(ii) A written determination by the Trustee or by a firm of certified independent public accountants or other qualified firm acceptable to the Commission and the Trustee that the proceeds (excluding accrued interest) of the refunding Subordinate Indenture Bonds, together with any other money to be deposited for such purpose with the Trustee, or in escrow for the benefit of the Trustee, upon the issuance of the refunding Bonds and the investment income to be earned on funds held by, or in escrow for the benefit of, the Trustee for the payment or redemption of other Subordinate Indenture Bonds will be sufficient without reinvestment to pay, whether upon redemption or at maturity, the principal of and premium, if any, and interest on the Subordinate Indenture Bonds to be refunded and the estimated expenses incident to the refunding; and

(iii) Either a written determination by the Trustee or by a firm of certified independent public accountants or other qualified firm acceptable to the Commission and the Trustee that after the issuance of the refunding Subordinate Indenture Bonds and the provision for payment or redemption of all Subordinate Indenture Bonds to be refunded, Debt Service for each Fiscal Year in which there will be Outstanding Subordinate Indenture Bonds (not including Subordinate Indebtedness) of any Series not to be refunded will not be more than Debt Service for the Fiscal Year would have been respectively in each case on all Outstanding Revenue Bonds and on all Outstanding Special Revenue Bonds (in each case not including Subordinate Indebtedness) immediately before the issuance of the refunding Bonds, including the Subordinate Indenture Bonds, to be refunded.

(b) Subordinated Indebtedness. The Commission may incur Indebtedness (hereinafter referred to as "Subordinated Indebtedness") without limit which is subordinated and junior in all respects to payment of all or any Series of Subordinate Indenture Bonds and other Parity Obligations incurred under the Subordinate Indenture so that the same is payable as to principal and interest once all other payments have been made under the Subordinate Indenture from the amounts on deposit to the credit of the Commission Payments Fund as long as prior to or contemporaneously with the incurrence thereof, there is delivered to the Trustee:

(1) a certificate of a Commission Official certifying that the Rate Covenant would have been met during the preceding Fiscal Year taking into account the Maximum Annual Debt Service on such Subordinated Indebtedness, and

(2) the other items listed in the Subordinate Indenture (as the same may be modified to reflect the fact that such Indebtedness is Subordinated Indebtedness).

Such Subordinated Indebtedness and the payment thereof may be secured by a lien and pledge (a) subordinate to that of the Subordinate Indenture Bonds or any Series thereof on the Commission Payments or (b) prior to, on a parity with or subordinate to, the Subordinate Indenture Bonds or any Series thereof on Other Revenues, in which event the Commission and the Trustee may establish such other accounts under the Subordinate Indenture as they deem necessary or appropriate.

(c) Approved Swap Agreements. The Commission agrees that it will not enter into any Approved Swap Agreement unless prior to or contemporaneously with the incurrence thereof, the provisions of the Subordinate Indenture are met and there is delivered to the Trustee one of the certificates or reports required in subsection (b) above, which takes into account the expected payments by and to the Commission pursuant to such Approved Swap Agreement in calculating Annual Debt Service.

**COVENANT AS TO FUNDING AGREEMENT**

The Commission covenants it will not agree to any amendments or supplements to the Funding Agreement or waivers thereunder which adversely affect the holders of the Subordinate Indenture Bonds. The Commission covenants, as set forth in the Funding Agreement, that its obligations to pay Funding Agreement Rental Payments shall be subordinate obligations of the Commission, payable from amount in the General Reserve Fund only as permitted by any financing documents, financial covenants, liquidity policies or agreements in effect of the Commission. The Commission agrees that Funding Agreement Rental Payments will not be made when there is an outstanding uncured Event of Default under the Senior Indenture or this Subordinate Indenture.

**COVENANTS AS TO ACT 44 – SPECIAL REVENUE BONDS**

The Commission covenants, as required by Act 44, that (i) it will not issue Special Revenue Bonds in an aggregate amount exceeding $5,000,000,000, including unless otherwise authorized by Act of the Pennsylvania General Assembly; and (ii) it will not issue Special Revenue Bonds in an amount exceeding $600,000,000 in any calendar year unless otherwise authorized by Act of the Pennsylvania General Assembly.

In the event an amendment to Act 44 or enactment of other legislation providing that the Motor License Fund will become the primary payment source for debt service on the Special Revenue Bonds, the Commission may elect to substitute the Motor License Fund for the Commission Payments as the primary source of payment of debt service on the Special Revenue Bonds; provided, however, the Commission may make such election only if it (i) obtains conformation from the Rating Agencies that such change will not adversely affect the ratings on the Special Revenue Bonds and on the Revenue Bonds that remain outstanding after such change, and (ii) causes to be delivered an opinion of Bond Counsel that such change will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Special Revenue Bonds.

The Commission covenants that it will seek to enforce the covenants of the Commonwealth in Act 44 with respect to the Special Revenue Bonds and the Commonwealth’s Motor License Fund. The Commission also covenants that it will seek to enforce to the extent possible and as permitted by applicable law, and that it will not take any action in violation of, Sections 8915.3(7) and 9511.11(C) of Act 44. The Trustee may, and the Trustee, upon receipt of written direction from the holders of not less than twenty-five percent (25%) in principal amount of the Special Revenue Bonds then outstanding and upon being indemnified to its satisfaction shall, institute and prosecute in a court of competent jurisdiction any appropriate action to enforce the covenants of the Commonwealth in Act 44.

The Commission covenants that it will seek to continue the Commonwealth’s Motor License Fund in full force and effect without change which would materially adversely affect the Special Revenue Bonds. The Commission shall take such action as may be desirable or necessary to prevent or remedy the occurrence of any such change by petitioning the Governor and the General Assembly and taking appropriate legal action.

**EVENTS OF DEFAULT**

Each of the following is an "Event of Default" with respect to a particular Series under the Subordinate Indenture:

(a) Default in the payment of any installment of principal, redemption premium, if any, interest or other amount due on that particular Class of Subordinate Indenture Bonds when the same becomes due and payable;

(b) Default in the payment by the Commission of any other Parity Obligation of that particular Class;

(c) With respect only to Special Revenue Bonds and subject to the provisions of the Subordinate Indenture, default in the performance or breach of the covenants contained in the Subordinate Indenture;

(d) Subject to the provisions of the Subordinate Indenture, default in the performance or breach of any other covenant, warranty or representation of the Commission contained in the Subordinate Indenture (other than a default under subsections (a) and (b) of this Section);

(e) The occurrence of any Event of Default under any Supplemental Indenture with respect to that particular Class; or

(f) (1) The occurrence of an Event of Bankruptcy of the Commission; (2) the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or other similar official of the Commission or of any substantial portion of its property, which appointment shall not have been rescinded or stayed within ninety (90) days after taking effect; or (3) the ordering of the winding up or liquidation of the affairs of the Commission.

**TAX COVENANTS**

(a) The Commission covenants that it will neither make nor direct the Trustee to make any investment or other use of the proceeds of any Series of tax exempt Subordinate Indenture Bonds issued under the Subordinate Indenture that would cause such Series of tax exempt Subordinate Indenture Bonds to be "arbitrage bonds", as that term is defined in Section 148(a) of the Code, and that it will comply with the requirements of the Code throughout the term of such Series of tax exempt Subordinate Indenture Bonds. The Trustee covenants that in those instances where it exercises discretion over the investment of funds, it shall not knowingly make any investment inconsistent with the foregoing covenants.

(b) Notwithstanding the foregoing, the Commission hereby reserves the right to elect to issue one or more Series of Additional Subordinate Indenture Bonds, the interest on which is not exempt from federal income taxation. If such election is made prior to the issuance of such Additional Subordinate Indenture Bonds, then the covenants contained in this Section shall not apply to such Series of Subordinate Indenture Bonds.

(c) The Commission covenants that it (1) will take, or use its best efforts to require to be taken, all actions that may be required of the Commission for the interest on the Subordinate Indenture Bonds to be and remain not included in gross income for federal income tax purposes and (2) will not take or authorize to be taken any actions within its control that would adversely affect that status under the provisions of the Code.

**SECURITY AGREEMENT; FINANCING STATEMENT**

In addition to the assignment by the Commission of its rights in the Trust Estate to the Trustee, the Commission hereby acknowledges that in order to more fully protect, perfect and preserve the rights of the Trustee, the Subordinate Indenture Bondholders and owners of Parity Obligations in the Trust Estate, the Commission grants to the Trustee a security interest in the Trust Estate and the proceeds thereof. The Commission agrees to cooperate with the Trustee in filing financing statements, and continuations thereof, in such manner and in such places as may be required by law in order to perfect such security interest. In the event that the Trustee becomes aware of a change in law which might affect such filing, the Trustee, at the expense of the Commission, may obtain an opinion of Counsel setting forth what actions, if any, the Commission or the Trustee should take in order to protect, perfect and preserve such security interest. The Commission shall cooperate with the Trustee in taking such actions, including the execution of any necessary financing statements and continuations thereof.

**FURTHER INSTRUMENTS AND ACTION**

The Commission covenants that it will, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the purposes of the Subordinate Indenture.

**REMEDIES**

(a) The Trustee, upon the occurrence of an Event of Default may, and upon the written request of the holders of not less than a majority in aggregate principal amount of the Revenue Bonds Outstanding and subject, to the requirements of the Subordinate Indenture, shall proceed to protect and enforce its rights and the rights of the holders of the applicable Series of Subordinate Indenture Bonds under the Subordinate Indenture by a suit or suits in equity or at law, either for the specific performance of any covenant or agreement contained in the Subordinate Indenture or in aid of the execution of any power granted in the Subordinate Indenture, or for the enforcement of any other appropriate legal or equitable remedy, and the Trustee in reliance upon the advice of Counsel may deem most effective to protect and enforce any of the rights or interests of the applicable Series of Subordinate Indenture Bondholders under the applicable Series of Subordinate Indenture Bonds or the Subordinate Indenture.

(b) Without limiting the generality of the foregoing, the Trustee shall at all times have the power to institute and maintain such proceedings as it may deem expedient: (1) to prevent any impairment of the Trust Estate by any acts which may be unlawful or in violation of the Subordinate Indenture, and (2) to protect its interests and the interests of the Subordinate Indenture Bondholders in the Trust Estate and in the issues, profits, revenues and other income arising therefrom, including the power to maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order which may be unconstitutional or otherwise invalid, if the enforcement of, or compliance with, such enactment, rule or order would impair the Trust Estate or be prejudicial to the interests of the Subordinate Indenture Bondholders or the Trustee.

(c) The Trustee, upon the occurrence of an Event of Default may, and upon the written request of the Holders of not less than a majority in aggregate principal amount of the Special Revenue Bonds Outstanding, appoint a co-trustee to represent the holders of the Special Revenue Bonds in all proceedings to enforce certain sections (d) and (e) under "Commission Payments," except as to any enforcement relating to the covenants of Act 44, which shall require the written direction of the Holders of not less than twenty-five (25%) of the principal amount of the Special Revenue Bonds then Outstanding, as set forth under the section "Covenants as to Act 44 – Special Revenue Bonds" in the Subordinate Indenture.

(d) Notwithstanding anything to the contrary contained in the Subordinate Indenture, the Trustee shall proceed to protect and enforce its rights under the section "Commission Payments" and the rights of the holders of the applicable Series of Subordinate Indenture Bonds under the section "Commission Payments" by a suit or suits in equity or at law, either for the specific performance or mandamus of any covenant or agreement contained in the Subordinate Indenture in a manner that the Trustee in reliance, upon the advice of Counsel, may deem most effective to protect and enforce any of its rights under the section "Commission Payments" or the interests or of the applicable Series of Subordinate Indenture Bondholders under the section "Commission Payments."

**MARSHALING OF ASSETS**

Upon the occurrence of an Event of Default, all moneys in all Funds (other than moneys in the Rebate Fund and the Motor License Fund Repayment Fund) shall be available to be utilized by the Trustee in accordance with the Subordinate Indenture. The rights of the Trustee under the Subordinate Indenture shall be applicable. During the continuance of any such Event of Default, all provisions of the Subordinate Indenture relating to the utilization of Funds shall be superseded by the right of the Trustee to marshal assets under the Subordinate Indenture. Subsequent to the curing or waiver of any such Event of Default, the provisions of the Subordinate Indenture relating to utilization of Funds shall be reinstated.

**TRUSTEE MAY FILE PROOFS OF CLAIM**

(a) In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding under the Bankruptcy Law relating to the Commission, any other obligor upon the Subordinate Indenture Bonds or any property of the Commission, the Trustee (whether or not the principal of the Subordinate Indenture Bonds shall then be due and payable by acceleration or otherwise, and whether or not the Trustee shall have made any demand upon the Commission for the payment of overdue principal, redemption premium, if any, and interest) shall be entitled and empowered, by intervention in such proceeding or other means:

(1) to file and prove a claim for the whole amount of the principal, redemption premium, if any, and interest owing and unpaid in respect of the Subordinate Indenture Bonds then Outstanding or for breach of the Subordinate Indenture and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and Counsel) and of the holders allowed in such proceeding; and

(2) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any receiver, assignee, trustee, liquidator, sequestrator or similar official in any such judicial proceeding is hereby authorized by each holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and Counsel, and any other amounts due the Trustee under the Subordinate Indenture.

(b) No provision of the Subordinate Indenture empowers the Trustee to authorize or consent to or accept or adopt on behalf of any Subordinate Indenture Bondholders any plan of reorganization, arrangement, adjustment or composition affecting any of the Subordinate Indenture Bonds or the rights of any holder thereof, or to authorize the Trustee to vote in respect of the claim of any holder in any proceeding described in subsection (a) of this Section.

**NOTICE AND OPPORTUNITY TO CURE CERTAIN DEFAULTS**

No default under the relevant sections of the Subordinate Indenture shall constitute an Event of Default until written notice of such default shall have been given to the Commission by the Trustee or by the holders of at least 25% in aggregate principal amount of the applicable Series of Subordinate Indenture Bonds Outstanding, and the Commission shall have had thirty (30) days after receipt of such notice to correct such default or cause such default to be corrected, and shall have failed to do so. In the event, however, that the default is such that it cannot be corrected within such thirty (30) day period, it shall not constitute an Event of Default if corrective action is instituted by the Commission within such period and diligently pursued (as determined by the Trustee) until the default is corrected.

**PRIORITY OF PAYMENT FOLLOWING EVENT OF DEFAULT**

Any portion of the Trust Estate held or received by the Trustee, by any receiver or by any Subordinate Indenture Bond Owner pursuant to any right given or action taken under the provisions of the Subordinate Indenture, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses and liabilities incurred by the Trustee and the transfer to Secured Owners (other than Owners of the Subordinate Indenture Bonds) of amounts to which they are entitled by virtue of their parity position, shall be deposited and applied as follows:

(a) first, to the payment to the persons entitled thereto of all installments of interest then due on the applicable Series of Revenue Bonds, with interest on overdue installments, if lawful, at their respective rates from the respective dates upon which they became due, in the order of maturity and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment;

(b) second, to the payment to the persons entitled thereto of the unpaid principal of any of the applicable Series of Revenue Bonds which shall have become due with interest on such Revenue Bonds at their respective rates from the respective dates upon which they became due and, if the amount available shall not be sufficient to pay in full the Revenue Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal (or Compounded Amount) and interest due on such date, in each case to the persons entitled thereto, without any discrimination or privilege;

(c) third, to the payment to the persons entitled thereto of all installments of interest then due on the applicable Series of Special Revenue Bonds, with interest on overdue installments, if lawful, at their respective rates from the respective dates upon which they became due, in the order of maturity and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment;

(d) fourth, to the payment to the persons entitled thereto of the unpaid principal of any of the applicable Series of Special Revenue Bonds which shall have become due with interest on such Special Revenue Bonds at their respective rates from the respective dates upon which they became due and, if the amount available shall not be sufficient to pay in full the Special Revenue Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal (or Compounded Amount) and interest due on such date, in each case to the persons entitled thereto, without any discrimination or privilege; and

(e) fifth, to the payment of any other amounts then owing under the Subordinate Indenture, and, after said deposit into the Debt Service Fund, there shall be paid the Subordinated Indebtedness issued or incurred by the Commission pursuant to the Subordinate Indenture.

(f) Notwithstanding anything in the foregoing to the contrary, any funds on deposit in the Special Revenue Bonds Receipt Account or a Funded Debt Service Sub-Account may only be used for the payment of debt service on Special Revenue Bonds and may not be used for the payment of debt service on Revenue Bonds or for any other purpose and shall be applied to the payment ratably of interest and principal, according to the amount of principal (or Compounded Amount) and interest due on such date, in each case to the persons entitled thereto, without any discrimination or privilege.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal and interest to be paid on such date shall cease to accrue. The Trustee shall give notice of the deposit with it of any such moneys and of the fixing of any such date by mail to all Owners of Subordinate Indenture Bonds with respect to which the Event of Default occurred and shall not be required to make payment to any Subordinate Indenture Bond Owner until such Subordinate Indenture Bonds shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

**REVENUE BONDHOLDERS MAY DIRECT PROCEEDINGS**

The owners of a majority in aggregate principal amount of the Revenue Bonds Outstanding shall, subject to the requirements of the Subordinate Indenture, have the right, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings by the Trustee under the Subordinate Indenture, provided that such direction shall not be in conflict with any rule of law or the Subordinate Indenture and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unduly prejudicial to the rights of Subordinate Indenture Bondholders not parties to such direction or would subject the Trustee to personal liability or expense. If no Revenue Bonds are Outstanding, the owners of a majority in aggregate principal amount of Special Revenue Bonds Outstanding shall have the right to direct all actions as set forth in this Section, except as to any enforcement relating to the covenants of Act 44, which shall require the written direction of the Holders of not less than twenty-five (25%) of the principal amount of the Special Revenue Bonds then Outstanding, as set forth in the Subordinate Indenture. Notwithstanding the foregoing, the Trustee shall have the right to select and retain Counsel of its choosing to represent it in any such proceedings. The Trustee may take any other action which is not inconsistent with any direction under this Section.

**LIMITATIONS ON RIGHTS OF SUBORDINATE INDENTURE BONDHOLDERS**

(a) No Subordinate Indenture Bondholder shall have any right to pursue any other remedy under the Subordinate Indenture or the Subordinate Indenture Bonds unless: (1) an Event of Default shall have occurred and is continuing; (2) the owners of not less than a majority in aggregate principal amount of the applicable Series of Subordinate Indenture Bonds then Outstanding have requested the Trustee, in writing, to exercise the powers hereinabove granted or to pursue such remedy in its or their name or names; (3) the Trustee has been offered indemnity satisfactory to it against costs, expenses and liabilities reasonably anticipated to be incurred; (4) the Trustee has declined to comply with such request, or has failed to do so, within sixty (60) days after its receipt of such written request and offer of indemnity; and (5) no direction inconsistent with such request has been given to the Trustee during such 60 day period by the holders of a majority in aggregate principal amount of the Subordinate Indenture Bonds Outstanding.

(b) The provisions of subsection (a) of this Section are conditions precedent to the exercise by any Subordinate Indenture Bondholder of any remedy under the Subordinate Indenture. The exercise of such rights is further subject to the provisions of the Subordinate Indenture. No one or more Subordinate Indenture Bondholders shall have any right in any manner whatever to enforce any right under the Subordinate Indenture, except in the manner provided in the Subordinate Indenture. All proceedings at law or in equity with respect to an Event of Default shall be instituted and maintained in the manner provided in the Subordinate Indenture for the equal and ratable benefit of the Subordinate Indenture Bondholders of all Subordinate Indenture Bonds Outstanding.

**UNCONDITIONAL RIGHT OF SUBORDINATE INDENTURE BONDHOLDER TO RECEIVE PAYMENT**

Notwithstanding any other provision of the Subordinate Indenture, any Subordinate Indenture Bondholder shall have the absolute and unconditional right to receive payment of principal of, redemption premium, if any, and interest on the Subordinate Indenture Bonds on and after the due date thereof, and to institute suit for the enforcement of any such payment.

**RESTORATION OF RIGHTS AND REMEDIES**

If the Trustee or any Subordinate Indenture Bondholder has instituted any proceeding to enforce any right or remedy under the Subordinate Indenture, and any such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or such Subordinate Indenture Bondholder, then the Commission, the Trustee and the Subordinate Indenture Bondholders, subject to any determination in such proceeding, shall be restored to their former positions under the Subordinate Indenture, and all rights and remedies of the Trustee and the Subordinate Indenture Bondholders shall continue as though no such proceeding had been instituted.

**RIGHTS AND REMEDIES CUMULATIVE**

No right or remedy conferred under the Subordinate Indenture upon or reserved to the Trustee is intended to be exclusive of any other right or remedy, but each such right or remedy shall, to the extent permitted by law, be cumulative of and in addition to every other right or remedy given under the Subordinate Indenture or now or hereafter existing at law, in equity or otherwise. The assertion or employment of any right or remedy under the Subordinate Indenture shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

**DELAY OR OMISSION NOT WAIVER**

No delay or omission by the Trustee or any Subordinate Indenture Bondholder to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of such Event of Default. Every right and remedy given by the Subordinate Indenture or by law to the Trustee or the Subordinate Indenture Bondholders may be exercised from time to time, and as often as may as deemed expedient, by the Trustee or the Subordinate Indenture Bondholders, as the case may be.

**WAIVER OF DEFAULTS**

(a) The holders of a majority in aggregate principal amount of each Series of Outstanding Subordinate Indenture Bonds may, by written notice to the Trustee and subject to the requirements of the Subordinate Indenture, waive any existing default or Event of Default with respect to that particular Series and its consequences, except an Event of Default under the relevant sections of the Subordinate Indenture. Upon any such waiver, the default or Event of Default shall be deemed cured and shall cease to exist for all purposes. No waiver of any default or Event of Default shall extend to or effect any subsequent default or Event of Default or shall impair any right or remedy consequent thereto.

(b) Notwithstanding any provision of the Subordinate Indenture, in no event shall any Person, other than all of the affected Subordinate Indenture Bondholders, have the ability to waive any Event of Default under the Subordinate Indenture if such event results or may result, in the opinion of Bond Counsel, in interest on any of the Subordinate Indenture Bonds becoming includable in gross income for federal income tax purposes if the interest on such Subordinate Indenture Bonds was not includable in gross income for federal income tax purposes prior to such event.

**NOTICE OF EVENTS OF DEFAULT**

If an Event of Default occurs of which the Trustee has or is deemed to have notice under the Subordinate Indenture the Trustee shall give Immediate Notice thereof to the Commission. Within 90 days thereafter (unless such Event of Default has been cured or waived), the Trustee shall give notice of such Event of Default to each Subordinate Indenture Bondholder then Outstanding, provided, however, that except in the instance of an Event of Default under "Events of Default" sections (a) or (b), the Trustee may withhold such notice if and so long as the Trustee in good faith determines that the withholding of such notice does not materially adversely affect the interests of any Class of Subordinate Indenture Bondholders, and provided, further, that notice to Subordinate Indenture Bondholders of any Event of Default under "Events of Default" sections (c) and (d) shall be subject to the provisions of the section "Priority of Payment Following Event of Default" and shall not be given until the grace period has expired.

**THE TRUSTEE; QUALIFICATIONS OF TRUSTEE**

The Subordinate Indenture contains provisions relating to the appointment and duties of the Trustee. The Trustee under the Subordinate Indenture shall at all times be a trustee under the Subordinate Indenture which shall be a corporation or banking association organized and doing business under the laws of the U.S. or of any state, authorized under such laws to exercise corporate trust powers, which has a combined capital and surplus of at least $50,000,000, or is an affiliate of, or has a contractual relationship with, a corporation or banking association meeting such capital and surplus requirement which guarantees the obligations and liabilities of the proposed trustee, and which is subject to supervision or examination by federal or state banking authority. If such corporation or banking association publishes reports of condition at least annually, pursuant to law or the requirements of such banking authority, then for purposes of this Section, the combined capital and surplus of such corporation or banking association shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign promptly in the manner and with the effect specified in the Subordinate Indenture.

**RESIGNATION OR REMOVAL OF TRUSTEE; APPOINTMENT OF SUCCESSOR TRUSTEE**

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to the Subordinate Indenture shall become effective until the acceptance of appointment by the successor Trustee under the Subordinate Indenture.

(b) The Trustee may resign at any time by giving written notice to the Commission. Upon receiving such notice of resignation, the Commission shall promptly appoint a successor Trustee by an instrument in writing. If an instrument of acceptance has not been delivered to the resigning Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee or any Subordinate Indenture Bondholder may petition a court of competent jurisdiction for the appointment of a successor Trustee.

(c) Prior to the occurrence and continuance of an Event of Default under the Subordinate Indenture, or after the curing or waiver of any such Event of Default, the Commission or the holders of a majority in aggregate principal amount of the Outstanding Subordinate Indenture Bonds of each Class, may remove the Trustee and shall appoint a successor Trustee. In the event there shall have occurred and be continuing an Event of Default under the Subordinate Indenture, the holders of a majority in aggregate principal amount of each Class of Outstanding Subordinate Indenture Bonds may remove the Trustee and shall appoint a successor Trustee. In each instance, such removal and appointment shall be accomplished by an instrument or concurrent instruments in writing signed by the Commission or such holders, as the case may be, and delivered to the Trustee, the Commission, the holders of the Outstanding Subordinate Indenture Bonds and the successor Trustee.

(d) If at any time: (1) the Trustee shall cease to be eligible and qualified under the Subordinate Indenture and shall fail or refuse to resign after written request to do so by the Commission or the holder of any Subordinate Indenture Bond, or (2) the Trustee shall become incapable of acting or shall be adjudged insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take charge or control of the Trustee, its property or affairs for the purpose of rehabilitation, conservation or liquidation, then in either such case (i) the Commission may remove the Trustee and appoint a successor Trustee in accordance with the provisions of subsection (c) of this Section; or (ii) any holder of a Subordinate Indenture Bond then Outstanding may, on behalf of the holders of all Outstanding Subordinate Indenture Bonds, petition a court of competent jurisdiction for removal of the Trustee and appointment of a successor Trustee.

(e) The Commission shall give written notice of each resignation or removal of the Trustee and each appointment of a successor Trustee to each holder of Subordinate Indenture Bonds then Outstanding as listed in the Subordinate Indenture Bond Register. Each such notice shall include the name and address of the applicable corporate trust office of the successor Trustee.

**NOTICES TO SUBORDINATE INDENTURE BONDHOLDERS; WAIVER**

Where the Subordinate Indenture provides for notice to Subordinate Indenture Bondholders of any event, such notice shall be sufficiently given (unless otherwise expressly provided in the Subordinate Indenture) if in writing and mailed, first class postage prepaid, to each Subordinate Indenture Bondholder affected by each event, at his or her address as it appears on the Subordinate Indenture Bond Register, not later than the latest date, and not earlier than the earliest date, prescribed for the first giving of such notice. In any case where notice to Subordinate Indenture Bondholders is given by mail, neither the failure to mail such notice, nor any default in any notice so mailed to any particular Subordinate Indenture

Bondholder shall affect the sufficiency of such notice with respect to other Subordinate Indenture Bondholders. Where the Subordinate Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Subordinate Indenture Bondholders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

For so long as the Subordinate Indenture Bonds are registered solely in the name of the Securities Depository or its nominee, where the Subordinate Indenture provides for notice to the Subordinate Indenture Bondholders of the existence of, or during the continuance of, any Event of Default, the Trustee, at the expense of the Commission, shall: (a) establish a record date (the "Record Date") for determination of the Persons entitled to receive such notice; (b) request a securities position listing from the Securities Depository showing the Depository Participants holding positions in the Subordinate Indenture Bonds affected by such notice as of the Record Date for such notice; (c) mail, first class postage prepaid, copies of the notice as provided above to each Depository Participant identified in the securities position listing as holding a position in the Subordinate Indenture Bonds as of the Record Date for the notice, to each nationally recognized municipal securities information repository (within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934), and to any Person identified to the Trustee as a nonobjecting beneficial owner pursuant to the immediately following clause; (d) request that the Depository Participant retransmit the notice to all Persons for which it served as nominee on the Record Date, including nonobjecting beneficial owners, or retransmit the notice to objecting beneficial owners and provide a listing of nonobjecting beneficial owners for whom the Depository Participant served as nominee on the Record Date to the Trustee, (e) provide on behalf of the Commission and not as its agent, an undertaking to pay to any Depository Participant or other nominee (other than the Securities Depository) the reasonable costs of transmitting the notice to Persons for whom the Depository Participant acts as nominee; and (f) provide as many copies of the notice as may be requested by any nominee owner of the Subordinate Indenture Bonds. Any default in performance of the duties required by this paragraph shall not affect the sufficiency of notice to the Subordinate Indenture Bondholders given in accordance with the first paragraph of this Section, nor the validity of any action taken under the Subordinate Indenture in reliance on such notice to Subordinate Indenture Bondholders.

Where the Subordinate Indenture provides for notice to the Subordinate Indenture Bondholders of any event, the form of the notice shall prominently include a title block, separate from the body of the notice, which shall include the following information: (a) the complete title of the Subordinate Indenture Bonds; (b) the complete name of the Commission; (c) the entire nine digit CUSIP number of each affected maturity of the Subordinate Indenture Bonds (which may be appended to such notice); (d) the Record Date, and (e) a summary that is no more than the maximum number of characters permitted by the Securities Depository.

Any notice required or permitted by the Subordinate Indenture to be given to the Securities Depository shall be given to it in the manner provided by this Section for giving notice to Subordinate Indenture Bondholders, and also shall be given in such electronic format as reasonably requested by the Securities Depository and shall be sent to: The Depository Trust Company, Proxy Department, 55 Water Street, 25th Floor, New York, New York 10041 0099, (telecopy: (212) 855 5181), or such other address as may be specified by the Securities Depository in writing to the Trustee.

**SUPPLEMENTAL INDENTURES WITHOUT SUBORDINATE INDENTURE BONDHOLDERS' CONSENT**

The Commission and the Trustee may from time to time and at any time enter into Supplemental Indentures, without the consent of or notice to any Subordinate Indenture Bondholder, to effect any one or more of the following:

(a) cure any ambiguity, defect or omission or correct or supplement any provision in the Subordinate Indenture or in any Supplemental Indenture;

(b) provide for earlier or larger deposits to the Revenue Bonds Account or Special Revenue Bonds Account of the Debt Service Fund;

(c) grant to or confer upon the Trustee for the benefit of the Subordinate Indenture Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Subordinate Indenture Bondholders or the Trustee which are not contrary to or inconsistent with the Subordinate Indenture as then in effect or to subject to the pledge and lien of the Subordinate Indenture additional revenues, properties or collateral including Defeasance Obligations;

(d) add to the covenants and agreements of the Commission in the Subordinate Indenture other covenants and agreements thereafter to be observed by the Commission or to surrender any right or power reserved in the

Subordinate Indenture to or conferred upon the Commission which are not contrary to or inconsistent with the Subordinate Indenture as then in effect;

(e) by action taken on or before the issuance by the Commission of the first Series or Sub-Series of Special Revenue Bonds, modify, alter, supplement or amend the section "Covenants as to Act 44 – Special Revenue Bonds";

(f) permit the appointment of a co trustee under the Subordinate Indenture;

(g) modify, alter, supplement or amend the Subordinate Indenture in such manner as shall permit the qualification of the Subordinate Indenture, if required, under the Trust Indenture Act of 1939, the Securities Act of 1933, state securities laws or any similar statute;

(h) cure formal defects or omissions that, if not cured, would cause interest on Subordinate Indenture Bonds to be includible in gross income for federal income tax purposes;

(i) make any other change in the Subordinate Indenture that is determined by the Trustee not to be materially adverse to the interests of the Subordinate Indenture Bondholders;

(j) identify particular characteristics of Subordinate Indenture Bonds for purposes not inconsistent with the Subordinate Indenture including, without limitation, credit or liquidity support, remarketing, serialization, mandatory tender for purchase and defeasance;

(k) implement the issuance of Additional Subordinate Indenture Bonds, or the incurrence of other Parity Obligations or of Subordinated Indebtedness permitted under the Subordinate Indenture; or

(l) if all Subordinate Indenture Bonds in a Series are Book Entry Bonds, amend, modify, alter or replace any Letter of Representations as provided in the Subordinate Indenture or other provisions relating to Book Entry Bonds.

The Trustee shall not be obligated to enter into any such Supplemental Indenture which adversely affects the Trustee's own rights, duties or immunities under the Subordinate Indenture.

**SUPPLEMENTAL INDENTURES REQUIRING SUBORDINATE INDENTURE BONDHOLDERS' CONSENT**

The Commission and the Trustee, at any time and from time to time, may execute and deliver a Supplemental Indenture for the purpose of making any modification or amendment to the Subordinate Indenture, but only with the written consent, given as provided in the section "Consents of Subordinate Indenture Bondholders and Opinions," of the holders of at least a majority in aggregate principal amount of the Revenue Bonds Outstanding at the time such consent is given, and in case such modification adversely affects the holders of the Special Revenue Bonds, of PennDOT; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Subordinate Indenture Bonds so affected remain Outstanding, the consent of the holders of such Subordinate Indenture Bonds shall not be required and such Subordinate Indenture Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Subordinate Indenture Bonds under this Section. Notwithstanding the foregoing, no modification or amendment contained in any such Supplemental Indenture shall permit any of the following, without the consent of each Subordinate Indenture Bondholder whose rights are affected thereby:

(a) a change in the terms of stated maturity or redemption of any Subordinate Indenture Bond or of any installment of interest thereon;

(b) a reduction in the principal amount of or redemption premium on any Subordinate Indenture Bond or in the rate of interest thereon or a change in the coin or currency in which such Subordinate Indenture Bond is payable;

(c) the creation of a lien on or a pledge of any part of the Trust Estate which has priority over or parity with (to the extent not permitted under the Subordinate Indenture) the lien or pledge granted to the Subordinate Indenture Bondholders under the Subordinate Indenture (but this provision shall not apply to the Funding Agreement of any part of the Trust Estate as opposed to the creation of a prior or parity lien or pledge);

(d) the granting of a preference or priority of any Subordinate Indenture Bond or Subordinate Indenture Bonds over any other Subordinate Indenture Bond or Subordinate Indenture Bonds, except to the extent permitted under the Subordinate Indenture;

(e) a reduction in the aggregate principal amount of Subordinate Indenture Bonds of which the consent of the Subordinate Indenture Bondholders is required to effect any such modification or amendment; or

(f) a change in the provisions of this Section.

Notwithstanding the foregoing, the holder of any Subordinate Indenture Bond may extend the time for payment of the principal of or interest on such Subordinate Indenture Bond; provided, however, that upon the occurrence of an Event of Default, funds available under the Subordinate Indenture for the payment of the principal of and interest on the Subordinate Indenture Bonds shall not be applied to any payment so extended until all principal and interest payments which have not been extended have first been paid in full. Notice of any Supplemental Indenture executed pursuant to this Section shall be given to the Subordinate Indenture Bondholders promptly following the execution thereof.

**CONSENTS OF SUBORDINATE INDENTURE BONDHOLDERS AND OPINIONS**

Each Supplemental Indenture executed and delivered pursuant to the provisions of the section "Supplemental Indentures Requiring Subordinate Indenture Bondholders' Consent" shall take effect only when and as provided in this Section. A copy of such Supplemental Indenture (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to Subordinate Indenture Bondholders for their consent thereto in form satisfactory to the Trustee, shall be sent by the Trustee to Subordinate Indenture Bondholders, at the expense of the Commission, by first class mail, postage prepaid, provided that a failure to mail such request shall not affect the validity of the Supplemental Indenture when consented to as provided hereinafter. Such Supplemental Indenture shall not be effective unless and until there shall have been filed with the Trustee (a) the written consents of Subordinate Indenture Bondholders of the percentage of Subordinate Indenture Bonds specified in the section "Supplemental Indentures Requiring Subordinate Indenture Bondholders' Consent" given as provided in the Subordinate Indenture, and (b) the opinion of Counsel described in the Subordinate Indenture. Any such consent shall be binding upon the Subordinate Indenture Bondholder giving such consent and upon any subsequent holder of such Subordinate Indenture Bonds and of any Subordinate Indenture Bonds issued in exchange therefor or in lieu thereof (whether or not such subsequent Subordinate Indenture Bondholder has notice thereof), unless such consent is revoked in writing by the Subordinate Indenture Bondholder giving such consent or a subsequent holder of such Subordinate Indenture Bonds by filing such revocation with the Trustee prior to the date the Trustee receives the material required in subsections (a) and (b) of this Section.

Notwithstanding anything else in the Subordinate Indenture, if a Supplemental Indenture is to become effective under the section "Supplemental Indentures Requiring Subordinate Indenture Bondholders' Consent" on the same date as the date of issuance of Additional Subordinate Indenture Bonds, the consents of the underwriters or purchasers of such Additional Subordinate Indenture Bonds shall be counted for purposes of the section "Supplemental Indentures Requiring Subordinate Indenture Bondholders' Consent" and this Section.

**DISCHARGE**

If (a) the principal of any Subordinate Indenture Bonds and the interest due or to become due thereon, together with any redemption premium required by redemption of any of the Subordinate Indenture Bonds prior to maturity, shall be paid, or is caused to be paid, or is provided for under the Subordinate Indenture, at the times and in the manner to which reference is made in the Subordinate Indenture Bonds, according to the true intent and meaning thereof, or the outstanding Subordinate Indenture Bonds shall have been paid and discharged in accordance with the Subordinate Indenture, and (b) all of the covenants, agreements, obligations, terms and conditions of the Commission under the Subordinate Indenture shall have been kept, performed and observed and there shall have been paid to the Trustee, the Subordinate Indenture Bond Registrar and the Paying Agents all sums of money due or to become due to them in accordance with the terms and provisions of the Subordinate Indenture, then the right, title and interest of the Trustee in the Trust Estate shall thereupon cease and the Trustee, on request of the Commission and at the expense of the Commission, shall Funding Agreement the Subordinate Indenture and the Trust Estate and shall execute such documents to evidence such Funding Agreement as may be reasonably required by the Commission and shall turn over to the Commission, or to such other Person as may be entitled to receive the same, all balances remaining in any Funds under the Subordinate Indenture except for amounts required to pay such Subordinate Indenture Bonds or held pursuant to the section "Rebate Fund."

**DEFEASANCE; DEPOSIT OF FUNDS FOR PAYMENT OF SUBORDINATE INDENTURE BONDS**

If the Commission deposits with the Trustee moneys or Defeasance Obligations which, together with the earnings thereon, are sufficient to pay the principal amount of and redemption premium on any particular Subordinate Indenture Bond or Subordinate Indenture Bonds becoming due, either at maturity, by means of mandatory sinking fund redemption or by call for optional redemption or otherwise, together with all interest accruing thereon to the due date or Redemption Date, and pays or makes provision for payment of all fees, costs and expenses of the Commission and the Trustee due or to become due with respect to such Subordinate Indenture Bonds, all liability of the Commission with respect to such Subordinate Indenture Bond or Subordinate Indenture Bonds shall cease, such Subordinate Indenture Bond or Subordinate Indenture Bonds shall be deemed not to be Outstanding under the Subordinate Indenture and the holder or holders of such Subordinate Indenture Bond or Subordinate Indenture Bonds shall be restricted exclusively to the moneys or Defeasance Obligations so deposited, together with any earnings thereon, for any claim of whatsoever nature with respect to such Subordinate Indenture Bond or Subordinate Indenture Bonds, and the Trustee shall hold such moneys, Defeasance Obligations and earnings in trust for such holder or holders. In determining the sufficiency of the moneys and Defeasance Obligations deposited pursuant to this Section, the Trustee shall receive, at the expense of the Commission, and may rely upon: (a) a verification report of a firm of nationally recognized independent certified public accountants or other qualified firm acceptable to the Commission and the Trustee; provided, however, that the Trustee may waive the requirement for the provision of such verification report if the Subordinate Indenture Bonds which are being defeased will be paid and cancelled within 90 days and the Trustee can calculate the interest to be paid on such Subordinate Indenture Bonds to and including such payment or redemption date; and (b) an opinion of Bond Counsel to the effect that (1) all conditions set forth in the Subordinate Indenture have been satisfied and (2) that defeasance of any Subordinate Indenture Bonds will not cause interest on the Subordinate Indenture Bonds to be includable in gross income for federal income tax purposes. Upon such defeasance, all rights of the Commission, including its right to provide for optional redemption or prepayment of any Subordinate Indenture Bonds on dates other than planned pursuant to such defeasance shall cease unless specifically retained by filing a written notification thereof with the Trustee at the time the Defeasance Obligations are deposited with the Trustee.

At such times as any Subordinate Indenture Bonds shall be deemed to be paid under the Subordinate Indenture, as aforesaid, it shall no longer be secured by or entitled to the benefits of the Subordinate Indenture, except for the purposes of any such payment from such money or Defeasance Obligations.

**NOTICE OF DEFEASANCE**

(a) In case any of the Subordinate Indenture Bonds, for the payment of which moneys or Defeasance Obligations have been deposited with the Trustee pursuant to the Subordinate Indenture, are to be redeemed on any date prior to their maturity, the Commission shall give to the Trustee in form satisfactory to it irrevocable instructions to give notice of redemption of such Subordinate Indenture Bonds on the redemption date for such Subordinate Indenture Bonds.

(b) In addition to the foregoing notice, in the event such Subordinate Indenture Bonds to be redeemed are not by their terms subject to redemption within the next succeeding 60 days, the Trustee shall give further notice to the Subordinate Indenture Bondholders that the deposit required by the Subordinate Indenture has been made with the Trustee and that said Subordinate Indenture Bonds are deemed to have been paid in accordance the Subordinate Indenture and stating the maturity or redemption date or dates upon which moneys are to be available for the payment of the principal of and redemption premium, if any, on said Subordinate Indenture Bonds; such further notice shall be given promptly following the making of the deposit required by the Subordinate Indenture; and such further notice also shall be given in the manner set forth in the Subordinate Indenture; but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of the deposit.

(c) If the Commission has retained any rights pursuant to the Subordinate Indenture, notice thereof shall be sent to Subordinate Indenture Bondholders of such Subordinate Indenture Bonds as soon as practicable and not later than any notice required by subsections (a) or (b) of this Section.

**LIMITATION OF LIABILITY OF OFFICIALS OF THE COMMISSION**

No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the Commission in his individual capacity, and neither the members of the Commission nor any official executing the Subordinate Indenture Bonds shall be liable personally on the Subordinate Indenture Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. Notwithstanding anything to the contrary contained herein, the Trustee, the Subordinate Indenture Bondholders and any other party entitled to seek payment from the Commission under or to enforce the Subordinate

Indenture and the Subordinate Indenture Bonds will be entitled to look solely to the Trust Estate, and such collateral, if any, as may now or hereafter be given to secure the payment of the obligations of the Commission under the Subordinate Indenture and the Subordinate Indenture Bonds, and no other property or assets of the Commission or any officer or director of the Commission shall be subject to levy, execution or other enforcement procedure for the satisfaction of the remedies hereunder, or for any payment required to be made under the Subordinate Indenture and the Subordinate Indenture Bonds, or for the performance of any of the covenants or warranties contained herein.

**VOTING RIGHTS OF CAPITAL APPRECIATION BOND HOLDERS AND CONVERTIBLE CAPITAL APPRECIATION BOND HOLDERS**

For purposes of any consent, request, direction, approval, objection or other instrument requiring the action of the Holders of Subordinate Indenture Bonds, or any Class thereof, the principal amount of Capital Appreciation Bonds or Convertible Capital Appreciation Bonds attributed to a Holder thereof shall be based on the accreted value of such Capital Appreciation Bonds or Convertible Capital Appreciation Bonds as of the most recent Compounding Date.

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# APPENDIX D

## <u>SECURITIES DEPOSITORY</u>

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## APPENDIX D
## SECURITIES DEPOSITORY

**Securities Depository**

Portions of the following information concerning DTC and DTC's book-entry only system have been obtained from DTC. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Commission and the Underwriters believe to be reliable; however, the Commission and the Underwriters take no responsibility for the accuracy thereof and make no representation as to the accuracy of such information.

The Depository Trust Company ("***DTC***"), New York, NY, will act as securities depository for the 2010 Bonds. The 2010 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity and Sub-Series of the 2010 Bonds in the aggregate principal amount of such maturity and Sub-Series, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC's participants ("***Direct Participants***") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("***DTCC***"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("***Indirect Participants***"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of 2010 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2010 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2010 Bond (the "***Beneficial Owner***") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2010 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2010 Bonds, except in the event that use of the book-entry system for the 2010 Bonds is discontinued.

To facilitate subsequent transfers, all 2010 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2010 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2010 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2010 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2010 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2010 Bonds, such as redemptions, defaults, and proposed amendments to the Subordinate Indenture. For example, Beneficial Owners of 2010 Bonds may wish to ascertain that the nominee holding the 2010 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them. Redemption notices shall be sent to DTC. If less than all of the 2009B Bonds or 20089C Bonds, as applicable, within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2010 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Commission as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2010 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal or redemption price of and interest on the 2010 Bonds will be paid to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Commission or the Trustee, as applicable, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, or the Commission, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal or redemption price and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

The Commission may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered.

So long as Cede & Co. is the registered owner of the 2010 Bonds, as nominee of DTC, references herein to the bondholders or registered owners of the 2010 Bonds means Cede & Co., not the Beneficial Owners of the 2010 Bonds.

**Discontinuation of Book-Entry-Only System**

DTC may determine to discontinue providing its service with respect to the 2010 Bonds at any time by giving reasonable notice to the Commission and the Trustee. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

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## APPENDIX E

## FORM OF OPINION OF CO-BOND COUNSEL

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(Form of Co-Bond Counsel Opinion)

July 28, 2010

Pennsylvania Turnpike Commission
Harrisburg, PA

RE: $273,526,107.95 Pennsylvania Turnpike Commission Turnpike Subordinate Revenue Bonds, Series B of 2010 and $187,816,151.30 Pennsylvania Turnpike Commission Motor License Fund-Enhanced Turnpike Subordinate Special Revenue Bonds, Series A of 2010

Ladies and Gentlemen:

We have acted as Co-Bond Counsel in connection with the issuance and sale by the Pennsylvania Turnpike Commission (the "Commission") of its 2010 Bonds, consisting of its Turnpike Subordinate Revenue Bonds, Sub-Series B-1 of 2010 issued in the aggregate principal amount of $104,485,000.00, Turnpike Subordinate Revenue Bonds, Sub-Series B-2 of 2010 (Convertible Capital Appreciation Bonds) issued in the aggregate Original Principal Amount of $169,041,107.95, Motor License Fund-Enhanced Turnpike Subordinate Special Revenue Bonds, Sub-Series A-1 of 2010 issued in the aggregate principal amount of $92,855,000.00, Motor License Fund-Enhanced Turnpike Subordinate Special Revenue Bonds, Sub-Series A-2 of 2010 (Convertible Capital Appreciation Bonds) issued in the aggregate Original Principal Amount of $68,994,074.10, and Motor License Fund-Enhanced Turnpike Subordinate Special Revenue Bonds, Sub-Series A-3 of 2010 (Capital Appreciation Bonds) issued in the aggregate Original Principal Amount of $25,967,077.20 (collectively, the "2010 Bonds"). The 2010 Bonds are being issued pursuant to the Subordinate Trust Indenture dated as of April 1, 2008 (the "Original Indenture"), as amended and supplemented, and as further amended and supplemented by Supplemental Trust Indenture No. 8 dated as of July 1, 2010 ("Supplemental Indenture No. 8", and, together with the Original Indenture, the "Subordinate Indenture"), between the Commission and TD Bank, National Association, as successor trustee (the "Trustee"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Subordinate Indenture.

We have examined (i) an executed copy of Supplemental Indenture No. 8, (ii) the Original Indenture, (iii) the form of the 2010 Bonds, and (iv) such constitutional and statutory provisions and such other resolutions, certificates, instruments and documents as we have deemed necessary or appropriate in order to enable us to render an informed opinion as to matters set forth herein.

In rendering the opinions set forth below, we have relied upon the genuineness, authenticity, truthfulness, completeness and due authorization of all documents, records and other instruments which we have examined and of the authenticity of all the signatures thereon. We have not undertaken to verify the factual matters set forth in any documents, records or other instruments by independent investigation. In addition, we have assumed that all documents submitted to us as copies conform to the originals thereof. We have also assumed that the documents referred to herein have been duly authorized by all parties thereto other than the Commission and are, where appropriate, legally binding obligations of, and enforceable in accordance with their terms against all parties, except the Commission, and that the actions required to be taken and consent required to be obtained by such parties, have or will be taken or obtained.

The Commission covenants in the Original Indenture and Supplemental Indenture No. 8 to maintain the exclusion of interest on the 2010 Bonds from gross income for federal income tax purposes and, among other things, comply with the requirements of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder or applicable with respect thereto (the "Code"). The Commission further covenants in the Subordinate Indenture that it will not make any investment or other use of the proceeds of the 2010 Bonds which would cause the 2010 Bonds to be "arbitrage bonds" under Section 148 of the Code.

Based upon the foregoing, it is our opinion subject to the qualifications and limitations set forth herein, that:

1. The Commission is a validly existing instrumentality of the Commonwealth of Pennsylvania and has the power to enter into the transactions contemplated by Supplemental Indenture No. 8 and to carry out its obligations thereunder.

2. Supplemental Indenture No. 8 has been duly authorized, executed and delivered by the Commission and constitutes the valid, binding and enforceable obligation of the Commission enforceable against it in accordance with its terms.

3. The 2010 Bonds have been duly and validly authorized and issued by the Commission and constitute the valid and binding limited obligations of the Commission enforceable against it in accordance with their terms, payable from the Commission Payments and other sources provided therefor in the Subordinate Indenture.

4. The 2010 Bonds are exempt from personal property taxes in Pennsylvania and the interest on the 2010 Bonds is exempt from Pennsylvania personal income tax and Pennsylvania corporate net income tax.

5. Under existing statutes, regulations, rulings and court decisions, interest on the 2010 Bonds (including any original issue discount properly allocable to a holder and treated as interest on the 2010 Bonds) will not be includible in gross income of the holders thereof for federal income tax purposes and will not be a specific preference item for purposes of computing the federal alternative minimum tax imposed on individuals and corporations. Interest on the 2010 Bonds is excluded from the adjusted current earnings of corporations for purposes of computing their alternative minimum tax liability. In addition, interest on the 2010 Bonds is included in effectively connected earnings and profits for the purpose of computing the branch profits tax imposed on certain foreign corporations doing business in the United States. Further, interest on the 2010 Bonds may be subject to federal income taxation under Section 1375 of the Code for S corporations that have Subchapter C earnings and profits at the close of the taxable year if more than 25% of the gross receipts of such S corporations is passive investment income.

Attention is invited to the fact that ownership of the 2010 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers, including financial institutions subject to Section 265 of the Code, who may be deemed to have incurred or continued indebtedness to purchase or to carry the 2010 Bonds, and we express no opinion as to any of such consequences.

In rendering this opinion, we have assumed compliance by the Commission with the covenants contained in the 2010 Bonds, the representations contained in the Original Indenture and Supplemental Indenture No. 8 and the representations of the Commission and the Pennsylvania Department of Transportation ("PennDOT") provided in the Tax Regulatory Agreement that are intended to comply with the provisions of the Code relating to actions to be taken by the Commission and PennDOT in respect of the 2010 Bonds after the issuance thereof to the extent necessary to effect or maintain the federal tax-exempt status of the interest on the 2010 Bonds. These covenants and representations relate to, inter alia, the use of proceeds of the 2010 Bonds and the rebating to the United States Treasury of specified arbitrage earnings, if required.

Our opinions set forth above as to the enforceability of the 2010 Bonds and Supplemental Indenture No. 8 are subject to applicable bankruptcy, reorganization, moratorium, insolvency or other laws affecting creditors' rights or remedies generally (including, without limitation, laws relating to fraudulent conveyances or transfers) and are subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

These opinions are rendered on the basis of federal law and the laws of the Commonwealth of Pennsylvania as enacted and construed on the date hereof. We express no opinion as to any matter not set forth in the numbered paragraphs above.

The opinions set forth herein are given solely for your benefit and may not be relied on by any other person or entity without our express prior written consent. The opinions set forth herein are given solely as of the date hereof, and we do not undertake to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

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# APPENDIX F

## DEFINED TERMS CONCERNING
## THE SENIOR INDENTURE AND THE SENIOR REVENUE BONDS

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# APPENDIX F

## DEFINED TERMS CONCERNING THE SENIOR INDENTURE AND THE SENIOR REVENUE BONDS

*The following is a list of definitions derived from the Senior Indenture concerning the Senior Revenue Bonds and the operation of the Senior Indenture. This summary of such terms does not purport to be complete or definitive and is subject to all of the terms and provisions of the Senior Indenture, a copy of which will be available at the corporate trust office of the U.S. Bank National Association as the trustee (the "Senior Trustee"). In addition to words and terms defined elsewhere in this Official Statement, the following words and terms used in this Official Statement and this APPENDIX F shall have the following meanings unless the context clearly indicates otherwise.*

"Additional Senior Revenue Bonds" means Senior Revenue Bonds of any series of bonds authorized to be issued under the Senior Indenture.

"Credit Facility" means any letter of credit, line of credit, standby letter of credit, indemnity or surety insurance policy or agreement to purchase a debt obligation or any similar extension of credit, credit enhancement or liquidity support obtained by the Commission from a responsible financial or insurance institution, to provide for or to secure payment of principal and purchase price of, and/or interest on Senior Revenue Bonds pursuant to the provisions of a Supplemental Indenture under which such Senior Revenue Bonds are issued. The use of such definition is not intended to preclude the Commission from providing the credit or liquidity support with respect to one or more series of Senior Revenue Bonds directly rather than through a financial or insurance institution.

"Current Expenses" means the Commission's reasonable and necessary current expenses of maintenance, repair and operation of the System, including, without limiting the generality of the foregoing, all premiums for insurance and payments into any self-insurance reserve fund, all administrative and engineering expenses relating to maintenance, repair and operation of the System, fees and expenses of Senior Trustee and of the Senior Indenture Paying Agents, Senior Indenture Policy Costs, legal expenses and any other expenses required to be paid by the Commission as shown in the Senior Indenture Annual Operating Budget for the System.

"General Reserve Fund" means the " General Reserve Fund" created by Section 503 of the Senior Indenture.

"Indebtedness" means any obligation or debt incurred for money borrowed.

"Net Revenues" means the amount by which total Revenues exceed Current Expenses for any particular period.

"Other Revenues" means any funds received or payable to the Commission, other than Revenues, which the Commission chooses to include as security for Senior Indenture Parity Obligations and/or Senior Indenture Subordinated Indebtedness pursuant to a Senior Supplemental Indenture.

"Outstanding" or "outstanding" in connection with Senior Revenue Bonds means all Senior Revenue Bonds which have been authenticated and delivered under the Senior Indenture, except:

(a) Senior Revenue Bonds theretofore cancelled or delivered to the Senior Trustee for cancellation under the Senior Indenture;

(b) Senior Revenue Bonds which are deemed to be no longer Outstanding in accordance with the Senior Indenture; and

(c) Senior Revenue Bonds in substitution for which other Senior Revenue Bonds have been authenticated and delivered pursuant to the Senior Indenture.

In determining whether the owners of a requisite aggregate principal amount of Senior Revenue Bonds Outstanding have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions hereof, Senior Revenue Bonds which are held by or on behalf of the Commission (unless all of the Outstanding Senior Revenue Bonds are then owned by the Commission) shall be disregarded for the purpose of any such determination.

"Prior Senior Indenture" means that certain Indenture of Trust dated as of July 1, 1986 between the Commission and the Trustee, as heretofore supplemented and amended.

"Revenues" means (a) all Tolls received by or on behalf of the Commission from the System, (b) any other sources of revenues or funds of the Commission which the Commission chooses to include in the Senior Trust Estate pursuant to a Senior Supplemental Indenture, and (c) the interest and income earned on any fund or account where said interest or income is required to be credited to the Senior Indenture Revenue Fund pursuant to the Senior Indenture. As more fully provided in the Senior Indenture, in the event the Commission receives advances or prepayments or otherwise operates or participates in a system in which funds are collected prior to the actual usage of the System, such funds shall not be deemed to be Revenues until the usage occurs or the funds are earned pursuant to the agreement under which the Commission receives such funds.

"Senior Indenture Annual Operating Budget" means the budget adopted by the Commission pursuant to the Senior Indenture.

"Senior Indenture Debt Service Fund" means the "Debt Service Fund" created by Section 503 of the Senior Indenture.

"Senior Indenture Debt Service Reserve Fund" means the "Debt Service Reserve Fund" created by Section 503 of the Senior Indenture.

"Senior Indenture Operating Account" means the "Operating Account" created by Section 503 of the Senior Indenture.

"Senior Indenture Parity Obligations" means includes Senior Revenue Bonds and other obligations of the Commission owed to Senior Indenture Secured Owners, but excludes Senior Indenture Subordinated Indebtedness.

"Senior Indenture Paying Agent" means with respect to any series of Senior Revenue Bonds that Person appointed pursuant to the Senior Indenture to make payments to Senior Bondholders of interest and/or principal pursuant to the terms of the Indenture, which initially shall be the Senior Trustee.

"Senior Indenture Policy Costs" means a periodic fee or charge required to be paid to maintain a Senior Indenture DSRF Security.

"Senior Indenture Rebate Fund" means the "Rebate Fund" created by Section 503 of the Senior Indenture.

"Senior Indenture Reserve Maintenance Fund" means the "Revenue Maintenance Fund" created by Section 503 of the Senior Indenture.

"Senior Indenture Revenue Fund" means the "Revenue Fund" created by Section 503 of the Senior Indenture.

"Senior Indenture Secured Owner" means each Person who is a Senior Bondholder of any Senior Revenue Bonds, each counterparty providing a Senior Indenture Parity Swap Agreement, each bank providing a Credit Facility and each bond insurer providing a bond insurance policy with respect to a Senior Indenture Parity Obligation.

"Senior Indenture Subordinated Indebtedness" means Indebtedness which is subordinated and junior in all respects to payment of all Senior Revenue Bonds and other Senior Indenture Parity Obligations incurred pursuant to or in compliance with the Senior Indenture.

"Senior Revenue Bond" or "Senior Revenue Bonds" means any bonds outstanding under the Senior Indenture or the Prior Senior Indenture and indebtedness of any kind or class, including bonds, notes, bond anticipation notes, commercial paper and other obligations, issued as Additional Senior Revenue Bonds under Section 210 of the Senior Indenture, other than Additional Senior Revenue Bonds issued as Senior Indenture Subordinated Indebtedness.

"Senior Supplemental Indenture" means any supplemental indenture to (a) the Senior Indenture, now or hereafter duly authorized and entered into in accordance with the provisions of the Senior Indenture and (b) the Prior Senior Indenture, including any supplemental indenture pursuant to which (and only for so long as) bonds are outstanding thereunder.

"Senior Trust Estate" means all right, title and interest of the Commission in and to (i) all Revenues, (ii) all monies deposited into accounts or funds created by the Senior Indenture and held by or on behalf of the Trustee (other than the Senior Indenture Rebate Fund), (iii) any insurance proceeds and other moneys required to be deposited under the Senior Indenture, (iv) all payments received by the Commission pursuant to Senior Parity Swap Agreements, and (v) all investment earnings on all moneys held in accounts and funds established by the Senior Indenture, other than the Senior Indenture Rebate Fund.

"Tolls" means all rates, rents, fees, charges, fines or other income derived by the Commission from vehicular usage of the System, and all rights to receive the same.

# APPENDIX G

## DEBT SERVICE REQUIREMENTS OF THE SENIOR INDENTURE BONDS AND SUBORDINATE INDENTURE BONDS

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## Appendix G
## Estimated Debt Service Requirements of the Turnpike Senior and Subordinate Bonds

| Fiscal Year | Existing Debt Service Under Senior Indenture (1)(2)(3) | Existing Debt Service Under Subordinate Indenture (4) | Subordinate Revenue Bonds Series 2010B | | | MLF Enhanced Special Revenue Bonds Series 2010A | | | Debt Service Under Senior Indenture | Debt Service Under Subordinate Indenture | Aggregate Debt Service |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Principal | Interest | Total | Principal | Interest | Total | | | |
| 2011 | $157,575,313 | $124,589,923 | - | $1,784,952 | $1,784,952 | - | $1,541,241 | $1,541,241 | $157,575,313 | $127,916,116 | $285,491,429 |
| 2012 | $209,818,367 | $127,077,773 | - | $5,224,250 | $5,224,250 | - | $4,510,950 | $4,510,950 | $209,818,367 | $136,812,973 | $346,631,340 |
| 2013 | $207,391,118 | $127,115,074 | - | $5,224,250 | $5,224,250 | - | $4,510,950 | $4,510,950 | $207,391,118 | $136,850,274 | $344,241,392 |
| 2014 | $217,830,410 | $152,322,102 | - | $5,224,250 | $5,224,250 | - | $4,510,950 | $4,510,950 | $217,830,410 | $162,057,302 | $379,887,712 |
| 2015 | $198,997,333 | $152,312,616 | - | $5,224,250 | $5,224,250 | - | $4,510,950 | $4,510,950 | $198,997,333 | $162,047,816 | $361,045,149 |
| 2016 | $145,296,970 | $154,069,670 | - | $5,224,250 | $5,224,250 | - | $4,510,950 | $4,510,950 | $145,296,970 | $163,804,870 | $309,101,840 |
| 2017 | $144,923,633 | $154,031,846 | - | $18,588,055 | $18,588,055 | - | $9,581,400 | $9,581,400 | $144,923,633 | $182,201,301 | $327,124,934 |
| 2018 | $144,899,567 | $153,993,638 | - | $18,588,055 | $18,588,055 | - | $9,581,400 | $9,581,400 | $144,899,567 | $182,163,093 | $327,062,660 |
| 2019 | $145,100,701 | $183,836,687 | - | $18,588,055 | $18,588,055 | - | $9,581,400 | $9,581,400 | $145,100,701 | $212,006,142 | $357,106,843 |
| 2020 | $145,093,456 | $183,690,310 | - | $18,588,055 | $18,588,055 | - | $9,581,400 | $9,581,400 | $145,093,456 | $211,859,765 | $356,953,221 |
| 2021 | $144,989,339 | $183,561,590 | $11,285,000 | $18,588,055 | $29,873,055 | - | $9,581,400 | $9,581,400 | $144,989,339 | $223,016,045 | $368,005,384 |
| 2022 | $144,977,699 | $183,450,026 | $11,850,000 | $18,023,805 | $29,873,805 | - | $9,581,400 | $9,581,400 | $144,977,699 | $222,905,231 | $367,882,930 |
| 2023 | $144,962,647 | $184,271,317 | $9,382,870 | $20,488,435 | $29,871,305 | - | $9,581,400 | $9,581,400 | $144,962,647 | $223,724,022 | $368,686,669 |
| 2024 | $144,944,586 | $183,660,000 | $9,884,446 | $19,986,319 | $29,870,765 | - | $9,581,400 | $9,581,400 | $144,944,586 | $223,112,165 | $368,056,751 |
| 2025 | $144,929,898 | $183,616,319 | $10,416,193 | $19,458,455 | $29,874,648 | - | $9,581,400 | $9,581,400 | $144,929,898 | $223,072,367 | $368,002,265 |
| 2026 | $144,915,520 | $183,549,174 | $10,744,828 | $19,125,985 | $29,870,813 | - | $9,581,400 | $9,581,400 | $144,915,520 | $223,001,387 | $367,916,907 |
| 2027 | $107,558,601 | $183,487,316 | $11,365,361 | $18,509,114 | $29,874,475 | $7,173,810 | $18,927,590 | $26,101,400 | $107,558,601 | $239,463,191 | $347,021,792 |
| 2028 | $75,268,272 | $192,659,835 | $12,015,443 | $17,854,394 | $29,869,838 | $6,702,494 | $19,398,906 | $26,101,400 | $75,268,272 | $248,631,073 | $323,899,345 |
| 2029 | $75,396,311 | $192,472,623 | $12,706,156 | $17,163,444 | $29,869,600 | $6,250,177 | $19,851,223 | $26,101,400 | $75,396,311 | $248,443,623 | $323,839,934 |
| 2030 | $101,195,572 | $192,316,747 | $13,264,330 | $16,606,270 | $29,870,600 | $5,840,596 | $20,265,804 | $26,106,400 | $101,195,572 | $248,293,747 | $349,489,319 |
| 2031 | $101,246,624 | $192,193,287 | $14,059,169 | $15,810,031 | $29,869,200 | $12,363,403 | $13,737,997 | $26,101,400 | $101,246,624 | $248,163,887 | $349,410,511 |
| 2032 | $127,908,294 | $192,061,528 | $14,905,052 | $14,967,348 | $29,872,400 | $13,040,696 | $13,057,104 | $26,097,800 | $127,908,294 | $248,031,728 | $375,940,022 |
| 2033 | $127,951,038 | $192,016,597 | $15,798,335 | $14,072,665 | $29,871,000 | $13,759,150 | $12,340,275 | $26,099,425 | $127,951,038 | $247,987,022 | $375,938,060 |
| 2034 | $128,015,771 | $191,951,628 | $16,746,308 | $13,124,792 | $29,871,100 | $14,515,024 | $11,583,226 | $26,098,250 | $128,015,771 | $247,920,978 | $375,936,749 |
| 2035 | $128,075,836 | $191,893,112 | $17,752,617 | $12,120,583 | $29,873,200 | $15,315,801 | $10,785,724 | $26,101,525 | $128,075,836 | $247,867,837 | $375,943,673 |
| 2036 | $125,193,447 | $194,775,636 | $25,805,000 | $4,067,500 | $29,872,500 | $21,590,000 | $4,510,950 | $26,100,950 | $125,193,447 | $250,749,086 | $375,942,533 |
| 2037 | $123,771,675 | $194,225,002 | $27,095,000 | $2,777,250 | $29,872,250 | $22,640,000 | $3,462,075 | $26,102,075 | $123,771,675 | $250,199,327 | $373,971,002 |
| 2038 | $122,428,161 | $193,569,451 | $28,450,000 | $1,422,500 | $29,872,500 | $23,735,000 | $2,362,200 | $26,097,200 | $122,428,161 | $249,539,151 | $371,967,312 |
| 2039 | $121,328,833 | $194,670,087 | - | - | - | $24,890,000 | $1,209,150 | $26,099,150 | $121,328,833 | $220,769,237 | $342,098,070 |
| 2040 | $40,319,900 | $109,677,781 | - | - | - | - | - | - | $40,319,900 | $109,677,781 | $149,997,681 |
| 2041 | - | $149,997,981 | - | - | - | - | - | - | - | $149,997,981 | $149,997,981 |
| 2042 | - | $149,999,610 | - | - | - | - | - | - | - | $149,999,610 | $149,999,610 |
| 2043 | - | - | - | - | - | - | - | - | - | - | - |
| 2044 | - | - | - | - | - | - | - | - | - | - | - |
| 2045 | - | - | - | - | - | - | - | - | - | - | - |
| | $4,092,304,892 | $5,523,116,286 | $273,526,108 | $366,425,367 | $639,951,475 | $187,816,151 | $271,402,215 | $459,218,366 | $4,092,304,892 | $6,622,286,127 | $10,714,591,019 |

(1) All variable rate series Bonds shown at assumed rate of 4.0%, unless subject to a swap agreement. Swapped variable rate debt is shown at the applicable fixed swap rate.
(2) Interest on 2009A Turnpike Revenue Bonds (Federally Taxable Build America Bonds) does not reflect anticipated receipt of Federal Subsidy
(3) Does not reflect any likely refunding of 2009C Turnpike Revenue Bonds (SIFMA Index Notes) at their maturity.
(4) Interest net of capitalized interest; does not reflect any expected earnings credited against debt service.

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## APPENDIX H

## <u>TRAFFIC AND REVENUE STUDY</u>

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ENGINEERS
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January 6, 2009

Mr. Tim Scanlon, P.E.
Project Director
Pennsylvania Turnpike Commission
P.O. Box 67676
Harrisburg, PA 17106-7676

**Re: Pennsylvania Turnpike 2009 Traffic and Revenue Update Study**

Dear Mr. Scanlon:

This letter report summarizes Wilbur Smith Associates' (WSA) work related to updated traffic and revenue projections for the various toll facilities that make up the Pennsylvania Turnpike System (the Turnpike). In addition to considering normal growth forecasts for the Turnpike, this study also analyzes the estimated impacts of various future toll rate increases proposed, or recently implemented, by the Pennsylvania Turnpike Commission (PTC). A 25 percent rate increase was implemented on January 4, 2009; beyond this, three percent annual inflationary adjustments are to be assumed thereafter on or about each January 1st. All of these have been incorporated into the forecasts developed in this report.

The last study conducted by WSA for the PTC was in May 2004. That study was in anticipation of the toll increase which took place on August 1, 2004. Updated traffic modeling and actual experience from the 2004 toll increase were used to estimate likely impacts resulting from the upcoming rate adjustments. Though the 25 percent increase took effect on January 4, 2009, not enough information is available yet to estimate its impact on traffic and toll revenue. In addition, this analysis has taken into account a detailed review of Turnpike traffic trends, trends and forecasts of socioeconomic data, as well as an assessment of the near term impacts of the current economic recession. Traffic and revenue forecasts were developed through 2030. Estimates were developed for cars and trucks separately and for the ticket system and the various barrier toll systems that make up the entire Pennsylvania Turnpike System. Actual Turnpike experience through November 2008 has been incorporated into this study.

Only currently funded Turnpike capital projects are assumed in this study. Several major potential improvements are under study, but not included here. No revenue forecasts have been included in this analysis regarding conversion of the east end of the Turnpike to a barrier system or the potential future direct connection between the Turnpike and Interstate 95 in Philadelphia. Both of these would likely have significant positive revenue impacts should they be implemented. Likewise, full build-out of the

Southern Beltway is not assumed in this study. Only the existing portion and that currently under construction are considered for revenue purposes here. Finally, no additional sections of the Mon Fayette Expressway (PA 43), beyond that already under construction, is assumed in the traffic and revenue projections.

## TURNPIKE TRAFFIC AND REVENUE TRENDS

Figure 1 provides an overview of the Turnpike. By far, the greatest proportion of traffic and toll revenue is generated on the I-76/276 East-West section (from Interchange 2 near the Ohio border to Interchange 359 near the New Jersey border) and the Northeastern Extension (from Interchange 20 to Interchange 131). Toll collection on the majority of these two sections is based on a ticket system. The exceptions to this are for Gateway barrier plaza at Interchange 2 and the two northernmost tolling locations on the Northeastern Extension, which are also barrier plazas (Interchanges 122 and 131, in Figure 1).

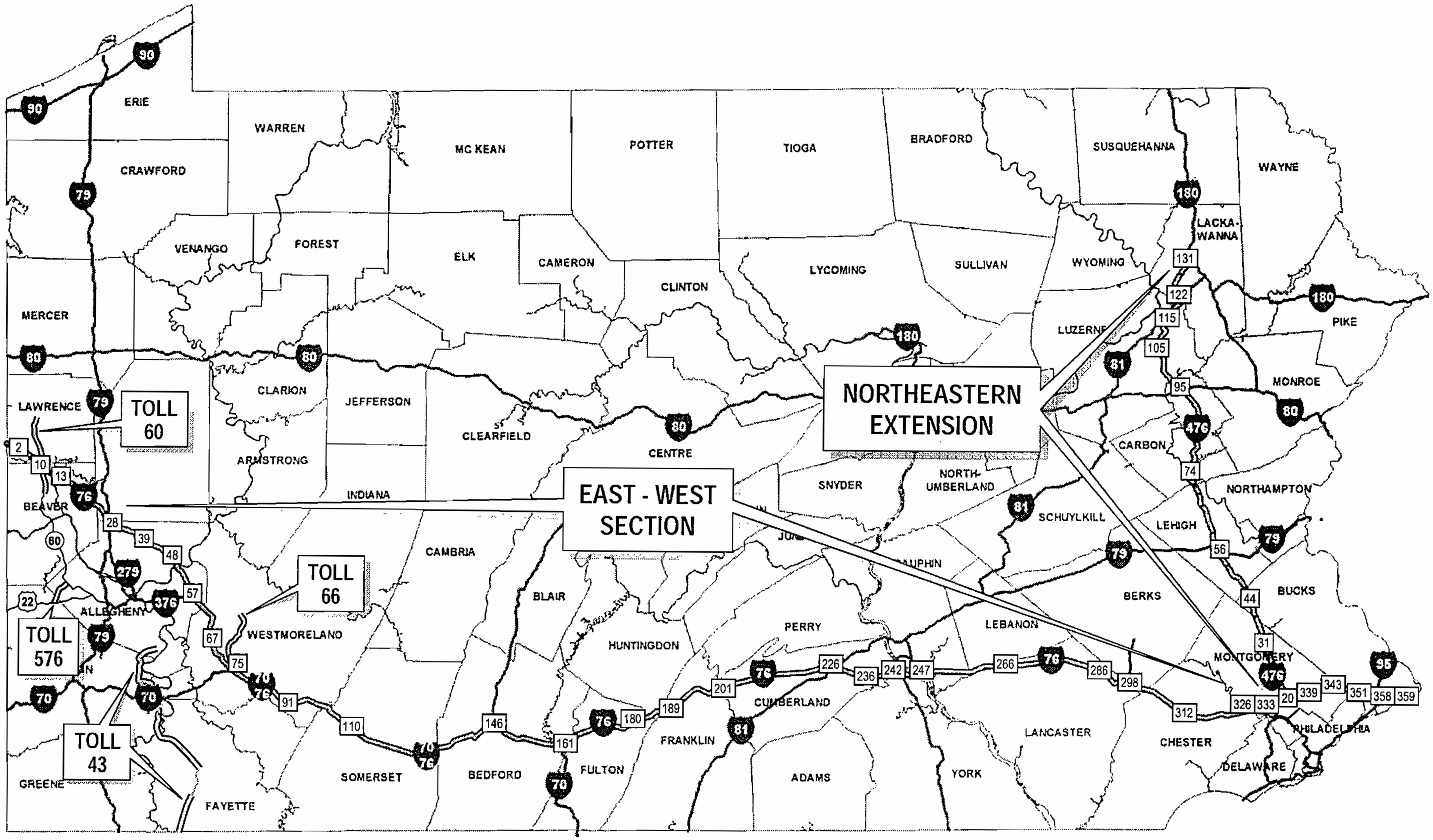
All remaining tolls are collected at fixed barrier locations, though these account for less than 5 percent of total Systemwide toll revenue. In addition to the three barrier locations mentioned above, additional barrier systems include the PA 43, PA 60, PA 66 and PA 576 systems. These are identified in Figure 1.

### TICKET SYSTEM TRAFFIC TRENDS BETWEEN 1987 AND 2007

Table 1 identifies average annual daily traffic trends for each of the ticket system locations between 1987 and 2007. Gateway barrier plaza (Interchange 2) is also shown in this table. More recent trends will be discussed in Table 3. Please note that in 2003 the west end of the system converted from a ticket system to a barrier system. Thus, volumes shown at Gateway are not comparable between 2002 and 2003. Also at this time, exit toll plazas were removed from Interchanges 10, 13 and 28 as the new endpoint of the ticket system (identified in this table as Interchange 30) was shifted to between Interchanges 28 and 39. Also as footnoted in Table 1, two-way toll collection was replaced by one-way toll collection at Gateway in 2006. Traffic values in Table 1 were doubled from that point forward to simulate total two-way traffic volumes in order to be comparable to historical trends.

Passenger car trends are shown in the upper portion of Table 1. Average annual percent changes (AAPC) are shown for various periods. Relatively strong growth was exhibited for the 1987-1993 and 1994-2002 periods (3.7 and 3.4 AAPC, respectively). Growth between 2003 and 2007 averaged only 0.7 percent per year for passenger cars. Low to negative growth was experienced over much of the western half of the tickets system, and low, positive growth was experienced on the eastern section and Northeastern Extension. Average annual passenger car growth on the ticket system has been 3.3 percent over the 20 years of historical trends shown in Table 1.

The second portion of Table 1 shows commercial vehicle historical traffic trends on the ticket system. Over the entire 20 year period, commercial vehicles have grown at an average annual rate very similar to that for passenger cars (3.5 percent for commercial vehicles versus 3.3 percent for passenger cars). But it is interesting to note that commercial vehicle growth was quite low (1.5 percent per annum) during the earliest period shown between 1987 and 1993. On the other hand, commercial vehicle growth was considerably higher than that for passenger cars for the more recent period between 2003 and 2007 (3.4 AAPC for commercial vehicles versus 0.7 AAPC for passenger cars).




WilburSmith ASSOCIATES

STUDY AREA LOCATION MAP

FIGURE 1

# Table 1
## Summary of Annual Ticket System and Gateway Average Daily Toll Transaction Trends
### Pennsylvania Turnpike System

**Passenger Cars**

| Calendar Year | 2[4] | 10[5] | 13[5] | 28[5] | 30[5] | 39 | 48 | 57 | 67 | 75 | 91 | 110 | 146 | 161 | 180 | 169 | 201 | 226 | 236 | 242 | 247 | 266 | 286 | 298 | 312 | 326 | 333 | 20 | 339 | 343 | 351 | 358 | 359 | 31 | 44 | 56 | 74 | 95 | 105 | 115 | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1987[1] | 5,757 | | 1,383 | 6,189 | | 4,098 | 6,567 | 14,302 | 6,944 | 7,447 | 2,022 | 1,574 | 1,717 | 4,956 | 475 | 306 | 343 | 3,580 | 1,980 | 3,195 | 5,848 | 1,798 | 3,773 | 3,650 | 4,731 | 20,404 | 4,939 | | 11,220 | 13,356 | 16,229 | 4,478 | 12,371 | 3,874 | 3,573 | 6,366 | 2,178 | 2,982 | 1,787 | 1,689 | 198,099 |
| 1988 | 6,092 | | 1,540 | 6,551 | | 4,143 | 6,782 | 14,732 | 7,100 | 7,664 | 2,172 | 1,641 | 1,793 | 5,239 | 517 | 325 | 369 | 3,832 | 2,177 | 3,480 | 6,210 | 1,944 | 4,120 | 3,767 | 5,302 | 21,516 | 10,329 | | 12,265 | 14,719 | 17,893 | 4,762 | 13,408 | 4,127 | 3,907 | 8,498 | 2,316 | 3,016 | 1,828 | 1,752 | 215,854 |
| 1989 | 6,480 | | 1,759 | 7,088 | | 4,211 | 7,080 | 15,519 | 7,441 | 7,726 | 2,242 | 1,682 | 1,869 | 5,535 | 545 | 347 | 395 | 4,082 | 2,317 | 3,708 | 6,579 | 2,055 | 4,471 | 3,846 | 5,956 | 23,044 | 12,747 | | 13,306 | 16,015 | 20,211 | 5,160 | 14,669 | 4,362 | 4,232 | 6,617 | 2,417 | 2,954 | 1,816 | 1,787 | 232,270 |
| 1990 | 6,812 | | 1,825 | 7,363 | | 4,015 | 7,162 | 15,577 | 7,756 | 7,922 | 2,099 | 1,933 | 1,955 | 5,593 | 573 | 354 | 420 | 4,328 | 2,612 | 4,035 | 7,129 | 2,179 | 4,607 | 3,958 | 6,279 | 23,948 | 13,551 | | 13,691 | 16,874 | 21,292 | 5,068 | 14,168 | 4,528 | 3,927 | 7,290 | 2,433 | 2,931 | 1,887 | 1,776 | 239,674 |
| 1991[2] | 6,673 | | 1,740 | 7,414 | | 4,019 | 7,198 | 15,621 | 7,674 | 7,765 | 2,126 | 1,944 | 1,943 | 5,407 | 570 | 356 | 430 | 4,333 | 2,672 | 3,974 | 7,164 | 2,212 | 4,750 | 4,001 | 6,439 | 22,920 | 12,073 | | 14,473 | 17,576 | 21,666 | 5,065 | 14,113 | 5,191 | 4,141 | 7,764 | 2,551 | 3,020 | 1,970 | 2,018 | 241,388 |
| 1992 | 6,916 | | 1,654 | 7,445 | | 4,013 | 7,196 | 15,624 | 7,971 | 7,629 | 2,149 | 1,949 | 1,927 | 5,214 | 566 | 362 | 439 | 4,327 | 2,726 | 3,905 | 7,182 | 2,241 | 4,887 | 4,035 | 6,567 | 21,681 | 10,730 | | 15,262 | 18,267 | 21,995 | 5,050 | 14,026 | 5,936 | 4,358 | 8,248 | 2,689 | 3,105 | 2,053 | 2,266 | 242,810 |
| 1993 | 6,999 | | 1,581 | 7,519 | | 4,029 | 7,235 | 15,714 | 6,113 | 7,519 | 2,185 | 1,966 | 1,922 | 5,057 | 566 | 368 | 451 | 4,346 | 2,797 | 3,858 | 7,241 | 2,262 | 5,056 | 4,092 | 6,775 | 21,009 | 9,592 | | 18,186 | 19,100 | 22,458 | 5,065 | 14,019 | 6,826 | 4,615 | 8,811 | 2,609 | 3,211 | 2,152 | 2,806 | 248,130 |
| 1994 | 7,064 | 1,556 | 1,507 | 7,574 | | 4,035 | 7,257 | 15,763 | 6,236 | 7,391 | 2,216 | 1,978 | 1,912 | 4,893 | 564 | 373 | 462 | 4,354 | 2,862 | 3,802 | 7,282 | 2,319 | 5,220 | 4,139 | 6,950 | 20,122 | 8,553 | 22,910 | 17,125 | 19,926 | 22,876 | 5,068 | 13,979 | 7,830 | 4,877 | 9,367 | 2,949 | 3,313 | 2,250 | 2,965 | 273,839 |
| 1995 | 7,288 | 1,691 | 1,468 | 7,819 | | 4,053 | 7,045 | 15,887 | 8,226 | 7,651 | 2,311 | 2,024 | 2,038 | 5,109 | 569 | 381 | 477 | 4,675 | 3,499 | 4,186 | 7,608 | 2,363 | 5,453 | 4,224 | 7,070 | 20,707 | 6,975 | 25,569 | 18,179 | 21,963 | 24,361 | 5,024 | 14,248 | 8,256 | 5,087 | 9,007 | 3,059 | 3,397 | 2,305 | 3,170 | 267,342 |
| 1996 | 7,292 | 1,636 | 1,516 | 8,232 | | 4,279 | 7,602 | 16,101 | 6,398 | 8,046 | 2,212 | 2,025 | 2,135 | 5,214 | 586 | 407 | 500 | 4,665 | 3,665 | 4,146 | 7,969 | 2,500 | 5,490 | 4,330 | 6,723 | 21,092 | 9,296 | 26,959 | 16,335 | 22,370 | 24,750 | 5,215 | 14,595 | 8,760 | 5,344 | 10,534 | 3,281 | 3,803 | 2,329 | 3,232 | 295,564 |
| 1997 | 7,496 | 1,911 | 1,604 | 8,569 | | 4,463 | 6,084 | 16,700 | 8,586 | 8,331 | 2,253 | 2,030 | 2,222 | 5,438 | 617 | 428 | 521 | 4,281 | 3,495 | 4,080 | 7,991 | 2,643 | 5,729 | 4,844 | 7,311 | 21,337 | 9,912 | 28,430 | 18,812 | 22,902 | 25,685 | 5,291 | 14,829 | 9,960 | 5,595 | 11,218 | 3,452 | 3,832 | 2,442 | 3,401 | 306,765 |
| 1998 | 7,615 | 2,010 | 1,743 | 9,211 | | 4,827 | 7,962 | 17,291 | 9,082 | 8,706 | 2,352 | 2,059 | 2,479 | 5,697 | 643 | 462 | 549 | 4,626 | 3,641 | 4,295 | 8,409 | 2,867 | 6,041 | 5,253 | 7,838 | 22,360 | 10,337 | 29,605 | 20,165 | 23,207 | 26,256 | 5,422 | 15,312 | 10,594 | 6,250 | 11,290 | 3,709 | 4,003 | 2,550 | 3,548 | 320,468 |
| 1999 | 7,850 | 2,064 | 1,759 | 9,369 | | 5,003 | 6,886 | 17,626 | 9,481 | 9,664 | 2,381 | 1,916 | 2,728 | 5,838 | 673 | 480 | 567 | 4,886 | 3,889 | 4,699 | 8,818 | 2,987 | 6,096 | 5,513 | 8,361 | 21,643 | 10,665 | 29,628 | 20,031 | 22,397 | 26,089 | 5,476 | 15,450 | 11,187 | 6,526 | 11,843 | 3,685 | 4,150 | 2,593 | 3,587 | 328,504 |
| 2000 | 7,333 | 2,164 | 1,771 | 9,399 | | 4,939 | 9,251 | 17,762 | 9,533 | 8,594 | 2,142 | 1,848 | 2,760 | 5,826 | 630 | 453 | 574 | 4,792 | 4,039 | 5,103 | 9,004 | 3,037 | 6,242 | 5,661 | 8,824 | 21,531 | 10,565 | 30,770 | 19,967 | 23,085 | 26,665 | 5,373 | 15,565 | 11,381 | 6,690 | 12,558 | 3,897 | 4,144 | 2,811 | 3,592 | 330,117 |
| 2001 | 8,056 | 2,302 | 1,824 | 9,940 | | 5,160 | 6,998 | 18,337 | 9,593 | 8,868 | 2,236 | 1,911 | 2,960 | 6,331 | 661 | 436 | 591 | 5,304 | 4,172 | 5,061 | 9,125 | 3,214 | 6,472 | 6,187 | 9,437 | 24,784 | 11,335 | 31,945 | 21,056 | 23,753 | 27,653 | 5,317 | 16,349 | 11,430 | 6,893 | 13,363 | 4,137 | 4,151 | 2,718 | 3,697 | 345,595 |
| 2002 | 9,082 | 2,344 | 1,860 | 10,183 | | 5,186 | 9,366 | 18,436 | 9,769 | 9,366 | 2,204 | 2,031 | 3,225 | 6,599 | 700 | 477 | 661 | 5,180 | 4,580 | 5,400 | 9,739 | 3,361 | 6,655 | 6,682 | 10,008 | 25,264 | 11,901 | 33,406 | 21,380 | 24,197 | 28,556 | 5,476 | 16,765 | 12,411 | 6,981 | 13,805 | 4,323 | 4,413 | 2,859 | 4,042 | 358,918 |
| 2003 | 13,828 | | | | 7,374 | 5,448 | 9,505 | 18,770 | 10,303 | 9,394 | 2,253 | 2,061 | 3,290 | 6,820 | 715 | 488 | 670 | 5,365 | 4,604 | 5,781 | 10,217 | 3,663 | 6,954 | 7,201 | 10,421 | 26,928 | 12,297 | 34,130 | 22,140 | 24,850 | 29,503 | 5,755 | 17,532 | 12,939 | 7,376 | 14,528 | 4,442 | 4,599 | 2,946 | 4,013 | 369,305 |
| 2004[3] | 16,379 | | | | 11,585 | 5,417 | 9,377 | 18,598 | 10,054 | 9,191 | 2,239 | 1,948 | 3,370 | 6,713 | 761 | 483 | 679 | 5,262 | 4,796 | 5,734 | 10,256 | 3,695 | 7,207 | 7,359 | 10,455 | 28,231 | 12,586 | 35,753 | 22,015 | 25,716 | 30,084 | 6,011 | 18,086 | 13,166 | 7,026 | 15,392 | 4,691 | 5,020 | 3,243 | 4,256 | 383,734 |
| 2005 | 15,873 | | | | 11,269 | 5,154 | 9,101 | 18,087 | 9,437 | 8,660 | 2,257 | 1,892 | 3,163 | 6,517 | 691 | 448 | 649 | 4,939 | 4,567 | 5,352 | 9,917 | 3,643 | 6,969 | 7,335 | 10,291 | 28,201 | 11,861 | 35,452 | 21,709 | 25,152 | 29,563 | 5,856 | 17,844 | 12,941 | 7,950 | 15,064 | 4,562 | 4,722 | 3,033 | 4,051 | 374,397 |
| 2006 | 16,388 | | | | 11,419 | 5,181 | 9,129 | 18,290 | 9,582 | 8,779 | 2,237 | 1,927 | 3,037 | 6,356 | 676 | 443 | 658 | 4,959 | 4,562 | 5,196 | 9,553 | 3,602 | 7,185 | 7,457 | 10,558 | 28,173 | 11,455 | 36,060 | 21,561 | 24,609 | 29,433 | 5,854 | 17,635 | 13,034 | 8,149 | 15,318 | 4,657 | 4,750 | 3,080 | 4,047 | 374,969 |
| 2007 | 16,365 | | | | 11,940 | 5,613 | 9,406 | 18,198 | 9,614 | 8,806 | 2,476 | 2,067 | 3,059 | 6,216 | 711 | 440 | 662 | 4,973 | 4,661 | 5,265 | 9,902 | 3,740 | 7,397 | 7,446 | 11,011 | 27,069 | 11,312 | 36,659 | 21,203 | 26,054 | 29,917 | 5,917 | 17,727 | 13,304 | 8,235 | 15,581 | 4,798 | 4,781 | 3,188 | 4,043 | 379,734 |
| Average Annual Percent Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1987-93 | 3.3 | NA | 2.3 | 3.3 | NA | (0.3) | 1.6 | 1.6 | 2.6 | 0.2 | 1.3 | 3.8 | 1.9 | 0.3 | 3.0 | 3.1 | 4.7 | 3.3 | 5.9 | 3.2 | 3.6 | 4.1 | 5.0 | 1.9 | 6.2 | 0.5 | 11.7 | NA | 6.3 | 6.1 | 5.6 | 2.1 | 2.1 | 9.9 | 4.4 | 5.5 | 4.3 | 1.2 | 3.1 | 7.5 | 3.7 |
| 1994-02 | 3.2 | 5.3 | 2.7 | 3.8 | NA | 3.2 | 3.2 | 2.0 | 2.2 | 3.0 | (0.1) | 0.3 | 6.8 | 3.8 | 2.7 | 3.1 | 4.6 | 2.2 | 6.1 | 4.5 | 3.7 | 4.8 | 3.1 | 6.2 | 4.7 | 2.9 | 4.2 | 4.8 | 2.6 | 2.5 | 2.8 | 1.0 | 2.3 | 5.9 | 4.6 | 4.9 | 4.9 | 3.6 | 3.0 | 3.9 | 3.4 |
| 2003-07 | 4.3 | NA | NA | NA | 12.6 | 0.8 | (0.3) | (0.8) | (1.7) | (1.6) | 2.4 | 0.1 | (1.6) | (2.3) | (0.1) | (2.5) | (0.3) | (1.9) | (0.7) | (2.3) | (0.8) | 0.5 | 1.6 | 0.6 | 1.4 | 0.1 | (2.1) | 1.8 | (1.1) | 1.2 | 0.3 | 0.7 | 0.3 | 0.7 | 2.8 | 1.8 | 1.9 | 0.9 | 2.0 | 0.2 | 0.7 |
| 1967-07 | 5.4 | NA | NA | NA | NA | 1.6 | 1.6 | 1.2 | 1.6 | 0.8 | 1.0 | 1.4 | 2.9 | 1.1 | 2.0 | 1.8 | 3.3 | 1.7 | 4.4 | 2.5 | 2.7 | 3.7 | 3.4 | 3.6 | 4.3 | 1.4 | 4.2 | NA | 3.2 | 3.4 | 3.1 | 1.4 | 1.8 | 6.4 | 4.3 | 4.6 | 4.0 | 2.4 | 2.9 | 4.5 | 3.3 |

**Commercial Vehicles**

| Calendar Year | 2[4] | 10[5] | 13[5] | 28[5] | 30[5] | 39 | 48 | 57 | 67 | 75 | 91 | 110 | 146 | 161 | 160 | 189 | 201 | 226 | 236 | 242 | 247 | 266 | 286 | 298 | 312 | 326 | 333 | 20 | 339 | 343 | 351 | 358 | 359 | 31 | 44 | 56 | 74 | 95 | 105 | 115 | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1987[1] | 2,322 | | 377 | 1,291 | | 392 | 767 | 1,161 | 541 | 3,006 | 166 | 606 | 609 | 1,821 | 110 | 89 | 97 | 2,083 | 286 | 401 | 969 | 208 | 601 | 517 | 616 | 2,227 | 1,020 | | 768 | 1,101 | 2,024 | 932 | 2,283 | 547 | 397 | 1,103 | 206 | 396 | 85 | 441 | 32,808 |
| 1988 | 2,422 | | 411 | 1,347 | | 411 | 629 | 1,246 | 572 | 3,215 | 205 | 656 | 630 | 1,928 | 113 | 100 | 104 | 2,248 | 317 | 459 | 1,062 | 225 | 895 | 531 | 692 | 2,391 | 1,101 | | 835 | 1,187 | 2,174 | 996 | 2,519 | 588 | 444 | 1,131 | 233 | 413 | 92 | 445 | 35,167 |
| 1989 | 2,491 | | 438 | 1,400 | | 432 | 681 | 1,334 | 619 | 3,307 | 219 | 683 | 612 | 2,019 | 110 | 111 | 107 | 2,328 | 347 | 508 | 1,129 | 241 | 945 | 537 | 765 | 2,535 | 1,097 | | 877 | 1,262 | 2,326 | 1,022 | 2,664 | 630 | 463 | 1,163 | 255 | 467 | 94 | 432 | 38,872 |
| 1990 | 2,379 | | 404 | 1,385 | | 390 | 880 | 1,314 | 664 | 3,337 | 207 | 676 | 636 | 1,694 | 107 | 105 | 112 | 2,340 | 349 | 520 | 1,143 | 305 | 904 | 520 | 740 | 2,530 | 1,144 | | 871 | 1,258 | 2,392 | 991 | 2,561 | 604 | 382 | 1,185 | 241 | 438 | 94 | 465 | 38,474 |
| 1991[4] | 2,370 | | 371 | 1,372 | | 389 | 869 | 1,321 | 664 | 3,292 | 205 | 658 | 641 | 1,908 | 111 | 99 | 111 | 2,318 | 365 | 529 | 1,164 | 285 | 921 | 548 | 732 | 2,437 | 867 | | 699 | 1,278 | 2,369 | 1,010 | 2,436 | 663 | 399 | 1,255 | 250 | 478 | 97 | 543 | 36,220 |
| 1992 | 2,356 | | 345 | 1,355 | | 388 | 856 | 1,206 | 662 | 3,239 | 203 | 639 | 644 | 1,918 | 114 | 93 | 110 | 2,286 | 381 | 536 | 1,183 | 271 | 937 | 576 | 714 | 2,341 | 656 | | 927 | 1,296 | 2,342 | 1,027 | 2,312 | 726 | 416 | 1,328 | 258 | 517 | 100 | 632 | 35,888 |
| 1993 | 2,355 | | 322 | 1,346 | | 390 | 848 | 1,216 | 665 | 3,206 | 202 | 624 | 651 | 1,939 | 119 | 88 | 110 | 2,269 | 399 | 546 | 1,208 | 285 | 959 | 610 | 700 | 2,085 | 499 | | 980 | 1,323 | 2,326 | 1,051 | 2,206 | 800 | 438 | 1,409 | 266 | 568 | 104 | 739 | 35,813 |
| 1994 | 2,348 | 225 | 304 | 1,334 | | 391 | 839 | 1,344 | 665 | 3,164 | 201 | 608 | 657 | 1,955 | 123 | 83 | 109 | 2,247 | 417 | 555 | 1,231 | 261 | 978 | 645 | 684 | 2,162 | 378 | 2,435 | 992 | 1,347 | 2,306 | 1,073 | 2,099 | 880 | 459 | 1,493 | 278 | 816 | 106 | 863 | 38,881 |
| 1995 | 2,404 | 241 | 274 | 1,392 | | 412 | 820 | 1,361 | 655 | 3,300 | 199 | 651 | 694 | 2,041 | 120 | 81 | 113 | 2,560 | 517 | 638 | 1,293 | 268 | 978 | 679 | 679 | 2,269 | 415 | 2,619 | 1,005 | 1,404 | 2,355 | 1,112 | 2,125 | 924 | 460 | 1,582 | 311 | 874 | 107 | 901 | 40,673 |
| 1996 | 2,374 | 261 | 285 | 1,433 | | 413 | 860 | 1,419 | 665 | 3,400 | 195 | 674 | 695 | 2,115 | 124 | 69 | 109 | 2,619 | 478 | 629 | 1,273 | 282 | 913 | 690 | 616 | 2,375 | 427 | 2,830 | 1,035 | 1,471 | 2,371 | 1,162 | 2,179 | 1,005 | 495 | 1,713 | 342 | 775 | 114 | 944 | 41,869 |
| 1997 | 2,446 | 302 | 303 | 1,502 | | 437 | 849 | 1,471 | 706 | 3,548 | 202 | 691 | 721 | 2,208 | 130 | 90 | 113 | 2,454 | 479 | 656 | 1,378 | 316 | 1,059 | 829 | 670 | 2,495 | 452 | 3,052 | 1,062 | 1,541 | 2,569 | 1,199 | 2,240 | 1,097 | 541 | 1,911 | 357 | 837 | 122 | 1,038 | 44,073 |
| 1998 | 2,605 | 314 | 295 | 1,576 | | 472 | 983 | 1,534 | 745 | 3,789 | 211 | 725 | 825 | 2,390 | 138 | 95 | 117 | 2,799 | 470 | 695 | 1,479 | 358 | 1,035 | 861 | 740 | 2,670 | 473 | 3,258 | 1,152 | 1,628 | 2,691 | 1,242 | 2,364 | 1,143 | 615 | 2,081 | 398 | 899 | 125 | 1,113 | 47,121 |
| 1999 | 2,848 | 363 | 324 | 1,690 | | 519 | 1,042 | 1,635 | 810 | 4,059 | 238 | 606 | 1,062 | 2,711 | 157 | 102 | 124 | 3,030 | 516 | 771 | 1,574 | 400 | 1,123 | 966 | 798 | 2,706 | 514 | 3,408 | 1,200 | 1,627 | 2,814 | 1,383 | 2,510 | 1,216 | 646 | 2,250 | 408 | 1,039 | 131 | 1,160 | 50,682 |
| 2000 | 2,649 | 384 | 324 | 1,708 | | 526 | 1,057 | 1,662 | 609 | 4,138 | 228 | 750 | 1,145 | 2,729 | 151 | 104 | 135 | 3,072 | 536 | 802 | 1,556 | 399 | 1,305 | 997 | 839 | 2,727 | 532 | 3,573 | 1,198 | 1,680 | 2,881 | 1,552 | 2,716 | 1,242 | 678 | 2,380 | 429 | 1,113 | 141 | 1,182 | 52,009 |
| 2001 | 2,709 | 394 | 315 | 1,693 | | 521 | 1,032 | 1,663 | 809 | 4,066 | 226 | 712 | 1,196 | 2,672 | 148 | 98 | 143 | 3,121 | 544 | 813 | 1,517 | 418 | 1,325 | 985 | 844 | 2,688 | 504 | 3,470 | 1,227 | 1,623 | 2,880 | 1,332 | 2,722 | 1,202 | 633 | 2,336 | 418 | 1,076 | 142 | 1,140 | 51,539 |
| 2002 | 2,937 | 402 | 303 | 1,670 | | 523 | 1,027 | 1,604 | 626 | 4,161 | 253 | 734 | 1,312 | 2,753 | 160 | 100 | 151 | 3,196 | 569 | 856 | 1,567 | 452 | 1,338 | 1,034 | 901 | 2,894 | 572 | 3,707 | 1,323 | 1,749 | 3,071 | 1,420 | 2,971 | 1,249 | 689 | 2,443 | 461 | 1,139 | 165 | 1,241 | 53,920 |
| 2003 | 4,259 | | | | 1,865 | 513 | 1,046 | 1,591 | 637 | 4,255 | 267 | 729 | 1,375 | 2,640 | 173 | 108 | 161 | 3,359 | 619 | 995 | 1,718 | 499 | 1,437 | 1,146 | 935 | 3,137 | 598 | 3,839 | 1,373 | 1,877 | 3,204 | 1,624 | 3,296 | 1,319 | 642 | 2,592 | 465 | 1,169 | 178 | 1,250 | 57,489 |
| 2004[3] | 5,447 | | | | 3,196 | 536 | 1,075 | 1,653 | 649 | 4,345 | 316 | 729 | 1,454 | 2,888 | 198 | 106 | 186 | 3,471 | 632 | 1,070 | 1,812 | 501 | 1,492 | 1,194 | 971 | 3,360 | 618 | 4,124 | 1,408 | 2,040 | 3,268 | 1,737 | 3,613 | 1,367 | 869 | 2,833 | 496 | 1,235 | 205 | 1,338 | 82,649 |
| 2005 | 5,760 | | | | 3,340 | 552 | 1,072 | 1,660 | 657 | 4,348 | 262 | 710 | 1,350 | 2,902 | 205 | 106 | 215 | 3,430 | 668 | 1,119 | 1,895 | 518 | 1,461 | 1,160 | 967 | 3,408 | 626 | 4,167 | 1,453 | 2,102 | 3,338 | 1,807 | 3,754 | 1,409 | 697 | 2,909 | 526 | 1,227 | 209 | 1,340 | 63,770 |
| 2006 | 5,288 | | | | 3,371 | 527 | 1,081 | 1,706 | 653 | 4,369 | 286 | 715 | 1,332 | 2,835 | 218 | 107 | 214 | 3,483 | 723 | 1,154 | 1,854 | 538 | 1,507 | 1,187 | 996 | 3,466 | 811 | 4,320 | 1,424 | 2,119 | 3,374 | 1,810 | 3,790 | 1,429 | 951 | 3,051 | 548 | 1,292 | 210 | 1,329 | 64,106 |
| 2007 | 5,403 | | | | 3,505 | 575 | 1,177 | 1,735 | 694 | 4,478 | 306 | 743 | 1,327 | 2,910 | 230 | 106 | 229 | 3,548 | 774 | 1,194 | 1,663 | 549 | 1,572 | 1,188 | 1,058 | 3,446 | 636 | 4,433 | 1,403 | 2,210 | 3,397 | 1,812 | 3,949 | 1,505 | 990 | 3,139 | 596 | 1,338 | 218 | 1,358 | 85,796 |
| Average Annual Percent Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1987-93 | 0.2 | NA | (2.6) | 0.7 | NA | (0.1) | 1.7 | 0.5 | 3.5 | 1.1 | 1.4 | 0.5 | 1.1 | 1.1 | 1.3 | (0.2) | 2.1 | 1.4 | 5.7 | 5.3 | 3.7 | 4.1 | 3.0 | 2.6 | 2.2 | (1.1) | (11.2) | NA | 3.8 | 3.1 | 2.4 | 2.0 | (0.6) | 6.5 | 1.7 | 4.2 | 4.5 | 8.1 | 3.4 | 9.0 | 1.5 |
| 1994-02 | 2.8 | 7.5 | (0.1) | 2.8 | NA | 3.7 | 2.6 | 2.2 | 2.7 | 3.5 | 2.9 | 2.4 | 9.0 | 4.4 | 3.4 | 2.3 | 4.2 | 4.5 | 4.0 | 5.8 | 3.1 | 7.1 | 4.0 | 6.1 | 3.5 | 3.6 | 5.3 | 5.4 | 3.7 | 3.3 | 3.6 | 3.6 | 4.4 | 4.5 | 5.2 | 6.3 | 6.5 | 7.9 | 5.4 | 4.7 | 4.2 |
| 2003-07 | 6.1 | NA | NA | NA | 17.1 | 2.9 | 2.9 | 2.2 | 1.7 | 1.3 | 3.4 | 0.5 | (0.9) | 0.6 | 7.4 | (0.2) | 9.3 | 1.4 | 5.7 | 4.6 | 2.0 | 2.4 | 2.3 | 0.9 | 3.1 | 2.4 | 1.6 | 3.7 | 0.5 | 4.2 | 1.5 | 2.8 | 4.6 | 3.4 | 4.1 | 4.9 | 8.4 | 3.4 | 5.6 | 2.1 | 3.4 |
| 1987-07 | 4.3 | NA | NA | NA | NA | 1.9 | 2.2 | 1.9 | 2.5 | 2.0 | 2.5 | 1.0 | 4.0 | 2.4 | 3.8 | 1.0 | 4.4 | 2.7 | 5.1 | 5.8 | 3.3 | 5.0 | 3.4 | 4.2 | 2.7 | 2.2 | (2.3) | NA | 3.1 | 3.5 | 2.6 | 3.4 | 2.8 | 5.2 | 4.7 | 5.4 | 5.5 | 6.3 | 4.6 | 5.8 | 3.5 |

**Total Vehicles**

| Calendar Year | 2[4] | 10[5] | 13[5] | 28[5] | 30[5] | 39 | 48 | 57 | 67 | 75 | 91 | 110 | 146 | 161 | 160 | 189 | 201 | 226 | 236 | 242 | 247 | 266 | 286 | 298 | 312 | 326 | 333 | 20 | 339 | 343 | 351 | 358 | 359 | 31 | 44 | 56 | 74 | 95 | 105 | 115 | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1987[1] | 8,079 | | 1,760 | 7,480 | | 4,490 | 7,334 | 15,463 | 7,485 | 10,455 | 2,208 | 2,160 | 2,326 | 6,777 | 585 | 395 | 440 | 5,663 | 2,266 | 3,596 | 6,817 | 2,006 | 4,574 | 4,167 | 5,347 | 22,631 | 5,959 | | 11,988 | 14,457 | 18,253 | 5,410 | 14,654 | 4,421 | 3,970 | 7,469 | 2,382 | 3,378 | 1,872 | 2,130 | 230,907 |
| 1988 | 8,514 | | 1,951 | 7,898 | | 4,554 | 7,611 | 15,978 | 7,672 | 10,899 | 2,377 | 2,299 | 2,423 | 7,167 | 630 | 425 | 473 | 6,078 | 2,494 | 3,939 | 7,272 | 2,169 | 5,015 | 4,298 | 5,994 | 23,009 | 11,430 | | 13,100 | 15,906 | 20,067 | 5,758 | 15,927 | 4,715 | 4,351 | 7,629 | 2,551 | 3,431 | 1,920 | 2,197 | 251,021 |
| 1989 | 8,971 | | 2,197 | 8,488 | | 4,643 | 7,961 | 16,853 | 8,060 | 11,033 | 2,461 | 2,365 | 2,481 | 7,554 | 655 | 458 | 502 | 6,410 | 2,664 | 4,216 | 7,708 | 2,296 | 5,416 | 4,383 | 6,721 | 25,579 | 13,844 | | 14,183 | 17,277 | 22,539 | 6,182 | 17,333 | 4,992 | 4,715 | 7,780 | 2,672 | 3,421 | 1,910 | 2,219 | 269,142 |
| 1990 | 9,191 | | 2,229 | 8,748 | | 4,405 | 8,062 | 16,891 | 8,422 | 11,259 | 2,306 | 2,609 | 2,591 | 7,487 | 680 | 459 | 532 | 6,688 | 2,961 | 4,555 | 8,272 | 2,484 | 5,511 | 4,478 | 7,028 | 26,478 | 14,695 | | 14,562 | 18,132 | 23,684 | 6,059 | 16,729 | 5,132 | 4,309 | 8,475 | 2,674 | 3,367 | 1,981 | 2,243 | 278,348 |
| 1991[4] | 9,243 | | 2,111 | 8,786 | | 4,408 | 8,067 | 16,942 | 8,538 | 11,077 | 2,331 | 2,602 | 2,584 | 7,315 | 681 | 457 | 541 | 6,649 | 3,037 | 4,503 | 8,328 | 2,497 | 5,671 | 4,549 | 7,171 | 25,357 | 12,940 | | 15,372 | 18,854 | 24,035 | 6,075 | 16,549 | 5,854 | 4,540 | 9,019 | 2,801 | 3,498 | 2,067 | 2,561 | 277,608 |
| 1992 | 9,272 | | 1,999 | 8,800 | | 4,401 | 8,052 | 16,830 | 8,633 | 10,868 | 2,352 | 2,588 | 2,571 | 7,132 | 680 | 455 | 549 | 6,613 | 3,107 | 4,441 | 8,365 | 2,512 | 5,824 | 4,611 | 7,301 | 24,222 | 11,386 | | 16,189 | 19,563 | 24,337 | 6,077 | 16,338 | 6,662 | 4,774 | 9,574 | 2,927 | 3,622 | 2,153 | 2,916 | 278,898 |
| 1993 | 9,354 | | 1,903 | 8,865 | | 4,419 | 8,083 | 16,930 | 6,778 | 10,725 | 2,387 | 2,590 | 2,573 | 6,996 | 685 | 456 | 561 | 6,615 | 3,196 | 4,404 | 8,449 | 2,547 | 6,015 | 4,702 | 7,475 | 23,094 | 10,091 | | 17,146 | 20,423 | 24,786 | 6,116 | 16,225 | 7,626 | 5,053 | 10,220 | 3,077 | 3,777 | 2,256 | 3,345 | 281,943 |
| 1994 | 9,412 | 1,781 | 1,811 | 8,908 | | 4,426 | 8,096 | 17,107 | 6,901 | 10,555 | 2,417 | 2,586 | 2,569 | 6,848 | 687 | 456 | 571 | 6,601 | 3,279 | 4,357 | 8,513 | 2,580 | 6,198 | 4,784 | 7,634 | 22,284 | 8,931 | 25,345 | 18,117 | 21,273 | 25,184 | 6,141 | 16,078 | 8,710 | 5,336 | 10,860 | 3,227 | 3,931 | 2,358 | 3,828 | 312,720 |
| 1995 | 9,692 | 1,932 | 1,742 | 9,211 | | 4,465 | 7,865 | 17,268 | 8,881 | 10,951 | 2,510 | 2,675 | 2,732 | 7,150 | 689 | 462 | 590 | 7,235 | 4,016 | 4,824 | 8,901 | 2,631 | 6,431 | 4,903 | 7,749 | 22,976 | 9,390 | 28,188 | 19,184 | 23,367 | 26,716 | 6,136 | 16,373 | 9,180 | 5,567 | 11,489 | 3,370 | 4,071 | 2,412 | 4,071 | 328,015 |
| 1996 | 9,666 | 2,117 | 1,801 | 9,665 | | 4,692 | 8,462 | 17,520 | 7,063 | 11,446 | 2,407 | 2,699 | 2,830 | 7,329 | 710 | 496 | 609 | 7,284 | 4,143 | 4,775 | 9,262 | 2,782 | 6,403 | 5,020 | 7,339 | 23,467 | 9,723 | 29,789 | 19,370 | 23,841 | 27,121 | 6,377 | 16,774 | 9,765 | 5,839 | 12,247 | 3,603 | 4,378 | 2,443 | 4,176 | 337,433 |
| 1997 | 9,942 | 2,213 | 1,907 | 10,071 | | 4,920 | 6,933 | 18,171 | 9,292 | 11,879 | 2,455 | 2,721 | 2,943 | 7,646 | 747 | 518 | 634 | 6,735 | 3,974 | 4,736 | 9,369 | 2,959 | 6,788 | 5,673 | 7,981 | 23,832 | 10,364 | 31,482 | 19,874 | 24,443 | 28,254 | 6,490 | 17,069 | 11,077 | 6,136 | 13,129 | 3,809 | 4,669 | 2,564 | 4,439 | 350,838 |
| 1998 | 10,420 | 2,324 | 2,038 | 10,787 | | 5,299 | 8,945 | 18,825 | 9,827 | 12,495 | 2,563 | 2,784 | 3,304 | 8,087 | 781 | 557 | 666 | 7,425 | 4,111 | 4,990 | 9,888 | 3,225 | 7,076 | 6,114 | 8,578 | 25,030 | 10,810 | 32,863 | 21,337 | 24,835 | 28,947 | 6,664 | 17,676 | 11,737 | 6,865 | 13,371 | 4,105 | 4,902 | 2,675 | 4,661 | 367,607 |
| 1999 | 10,698 | 2,427 | 2,083 | 11,059 | | 5,522 | 7,928 | 19,261 | 10,291 | 13,743 | 2,619 | 2,724 | 3,790 | 8,549 | 830 | 582 | 691 | 7,916 | 4,405 | 5,470 | 10,392 | 3,387 | 7,219 | 6,479 | 9,159 | 24,351 | 11,179 | 33,036 | 21,231 | 24,024 | 28,903 | 6,859 | 17,960 | 12,403 | 7,172 | 14,093 | 4,291 | 5,189 | 2,724 | 4,747 | 377,186 |
| 2000 | 9,982 | 2,548 | 2,095 | 11,107 | | 5,465 | 10,308 | 19,444 | 10,342 | 12,732 | 2,370 | 2,598 | 3,905 | 8,557 | 781 | 557 | 709 | 7,864 | 4,575 | 5,905 | 10,560 | 3,436 | 7,547 | 6,658 | 9,663 | 24,258 | 11,117 | 34,343 | 21,165 | 24,765 | 29,546 | 6,925 | 18,281 | 12,623 | 7,368 | 14,938 | 4,326 | 5,257 | 2,752 | 4,754 | 382,126 |
| 2001 | 10,765 | 2,696 | 2,139 | 11,633 | | 5,701 | 10,030 | 20,000 | 10,402 | 12,934 | 2,462 | 2,623 | 4,158 | 9,003 | 809 | 534 | 734 | 8,425 | 4,716 | 5,894 | 10,642 | 3,632 | 7,797 | 7,172 | 10,281 | 27,852 | 11,839 | 35,415 | 22,283 | 25,376 | 30,533 | 6,649 | 19,071 | 12,632 | 7,326 | 15,699 | 4,555 | 5,227 | 2,858 | 4,837 | 397,134 |
| 2002 | 12,019 | 2,746 | 2,163 | 11,853 | | 5,709 | 10,393 | 20,040 | 10,615 | 13,527 | 2,457 | 2,766 | 4,538 | 9,352 | 860 | 577 | 812 | 8,376 | 5,149 | 6,256 | 11,306 | 3,833 | 7,992 | 7,715 | 10,909 | 26,158 | 12,473 | 37,113 | 22,703 | 25,945 | 31,627 | 6,898 | 19,736 | 13,660 | 7,669 | 16,247 | 4,784 | 5,552 | 3,024 | 5,263 | 412,636 |
| 2003 | 18,087 | | | | 9,239 | 5,961 | 10,553 | 20,361 | 11,140 | 13,650 | 2,520 | 2,789 | 4,665 | 9,861 | 888 | 596 | 831 | 8,724 | 5,422 | 6,777 | 11,936 | 4,163 | 8,391 | 8,347 | 11,355 | 30,064 | 12,695 | 37,969 | 23,513 | 26,727 | 32,707 | 7,380 | 20,828 | 14,258 | 8,220 | 17,120 | 4,907 | 5,788 | 3,122 | 5,263 | 428,794 |
| 2004[3] | 21,826 | | | | 14,781 | 5,953 | 10,452 | 20,251 | 10,902 | 13,537 | 2,556 | 2,676 | 4,824 | 9,601 | 959 | 589 | 865 | 8,733 | 5,428 | 6,803 | 12,068 | 4,196 | 8,699 | 8,552 | 11,426 | 31,591 | 13,204 | 39,877 | 23,422 | 27,756 | 33,352 | 7,748 | 21,699 | 14,553 | 8,796 | 18,225 | 5,188 | 6,255 | 3,448 | 5,592 | 448,383 |
| 2005 | 21,633 | | | | 14,609 | 5,706 | 10,173 | 19,767 | 10,094 | 13,228 | 2,520 | 2,602 | 4,514 | 9,419 | 896 | 555 | 863 | 8,369 | 5,235 | 6,471 | 11,812 | 4,161 | 8,430 | 8,495 | 11,259 | 31,609 | 12,487 | 39,640 | 23,162 | 27,254 | 32,900 | 7,663 | 21,598 | 14,350 | 8,848 | 17,973 | 5,088 | 5,949 | 3,242 | 5,391 | 438,166 |
| 2006 | 21,676 | | | | 14,791 | 5,709 | 10,210 | 19,996 | 10,435 | 13,168 | 2,523 | 2,642 | 4,369 | 9,191 | 894 | 550 | 872 | 8,442 | 5,285 | 6,350 | 11,407 | 4,140 | 8,691 | 8,644 | 11,554 | 31,659 | 12,066 | 40,361 | 22,984 | 26,728 | 32,807 | 7,664 | 21,425 | 14,463 | 9,099 | 18,369 | 5,204 | 6,042 | 3,269 | 5,377 | 439,075 |
| 2007 | 21,768 | | | | 15,445 | 6,188 | 10,583 | 19,933 | 10,507 | 13,264 | 2,764 | 2,810 | 4,386 | 9,126 | 941 | 548 | 891 | 8,521 | 5,435 | 6,459 | 11,765 | 4,269 | 8,969 | 8,634 | 12,069 | 30,515 | 11,946 | 41,091 | 22,606 | 28,264 | 33,315 | 7,728 | 21,676 | 14,809 | 9,225 | 18,720 | 5,393 | 6,097 | 3,406 | 5,401 | 445,530 |
| Average Annual Percent Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1987-93 | 2.5 | NA | 1.3 | 2.9 | NA | (0.3) | 1.6 | 1.5 | 2.7 | 0.4 | 1.3 | 2.9 | 1.7 | 0.5 | 2.7 | 2.4 | 4.1 | 2.6 | 5.9 | 3.4 | 3.6 | 4.1 | 4.7 | 2.0 | 5.7 | 0.3 | 9.2 | NA | 6.1 | 5.9 | 5.2 | 2.1 | 1.7 | 9.5 | 4.1 | 5.3 | 4.4 | 1.9 | 3.2 | 7.8 | 3.4 |
| 1994-02 | 3.1 | 5.6 | 2.2 | 3.6 | NA | 3.2 | 3.2 | 2.0 | 2.2 | 3.1 | 0.2 | 0.8 | 7.4 | 4.0 | 2.8 | 3.0 | 4.5 | 3.0 | 5.8 | 4.6 | 3.6 | 5.1 | 3.2 | 6.2 | 4.6 | 3.0 | 4.3 | 4.9 | 2.9 | 2.5 | 2.9 | 1.5 | 2.6 | 5.8 | 4.6 | 5.1 | 5.0 | 4.4 | 3.2 | 4.1 | 3.5 |
| 2003-07 | 4.7 | NA | NA | NA | 13.7 | 0.9 | 0.1 | (0.5) | (1.4) | (0.7) | 2.5 | 0.2 | (1.5) | (1.4) | 1.5 | (2.1) | 1.8 | (0.6) | 0.1 | (1.2) | (0.4) | 0.8 | 1.7 | 0.8 | 1.5 | 0.4 | (1.9) | 2.0 | (1.0) | 1.4 | 0.5 | 1.2 | 1.0 | 1.0 | 2.9 | 2.3 | 2.4 | 1.4 | 2.2 | 0.8 | 1.1 |
| 1987-07 | 5.1 | NA | NA | NA | NA | 1.6 | 1.9 | 1.3 | 1.7 | 1.2 | 1.2 | 1.3 | 3.2 | 1.5 | 2.4 | 1.6 | 3.6 | 2.1 | 4.5 | 3.0 | 2.8 | 3.9 | 3.4 | 3.7 | 4.2 | 1.5 | 3.5 | NA | 3.2 | 3.4 | 3.1 | 1.8 | 2.0 | 6.2 | 4.3 | 4.7 | 4.2 | 3.0 | 3.0 | 4.8 | 3.3 |

(1) A toll increase of 40% was implemented on January 2, 1987.
(2) A toll increase of 32% was implemented on June 1, 1991.
(3) A toll increase of 42.5% was implemented on August 1, 2004.
(4) Several changes have occurred at Gateway Plaza during this time period. It was converted from the western terminus of the ticket system to a barrier plaza on June 1, 2003; at this time toll classifications were switched from weight based to axle based. On January 2, 2006, toll collection at the barrier location was converted from two-way to one-way collection.
(5) Once Gateway was converted to a barrier plaza, Interchange 30, Warrendale, became the new start of the Turnpike ticket system in 2004. Toll collection was removed from Interchanges 10, 13 and 28 at this time.

Total vehicle traffic trends are shown in the lower portion of Table 1. Because passenger cars make up about 85 percent of total ticket system toll transactions, the trends and growth rates for total vehicles closely mirror those for passenger cars. It should also be noted that three toll increases have occurred over the time frame shown in Table 1. Rate increases were implemented in 1987, 1991 and 2004. These would have had some negative impact on traffic levels and this will be discussed in more detail below.

### BARRIER SYSTEM TRAFFIC TRENDS BETWEEN 1994 AND 2007

Table 2 identifies average annual daily traffic trends for each of the Turnpike barrier systems. As mentioned above, these contribute relatively little to overall traffic and revenue (about 15 percent of traffic and 5 percent of revenue), but, as shown in Table 2, they have been growing at a slightly greater level than the ticket system. The higher growth in these corridors is likely related to the fact that they are newer facilities than the ticket system, and that the potential for "induced" and "ramp-up" growth is greater. These facilities tend to be on the fringe of urban areas and are benefiting from the increasing spread of development into their corridors.

**Table 2**
**Barrier System: Average Daily Transactions by Interchange**
**Pennsylvania Turnpike**

**Passenger Cars**

| Calendar Year | Northeastern Facilities: Keiser Ave. | Clarks Summit | Subtotal | Toll 60(3): South Toll 60 | Beaver Falls Rte 551 | Moravia Rte 168 | North Toll 60 | Mt Jackson Rte 108 | Subtotal | Toll 66(4): Rte 136 | AKH Mainline | Route 30 | Route 130 | Route 66 | Subtotal | Mon Fayette: Ramp M4 | M5 | California | Ramp M39 | Ramp M44 | Ramp M48 | M52 | Subtotal | Southern Beltway: Route 30 | Bald Knob Rd | Route 22 | Subtotal | Total Barrier Facilities |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1994 | 0 | 2,831 | 2,831 | 6,965 | 271 | 481 | 3,915 | 720 | 12,352 | 295 | 5,754 | 1,641 | 822 | 413 | 8,925 | | | 5,436 | | | | | 5,436 | | | | | 29,544 |
| 1995 | 4,803 | 5,177 | 9,980 | 7,268 | 319 | 520 | 4,130 | 826 | 13,063 | 303 | 6,411 | 1,977 | 873 | 459 | 10,023 | | | 5,942 | | | | | 5,942 | | | | | 39,008 |
| 1996 | 6,491 | 6,814 | 13,305 | 7,897 | 334 | 546 | 4,614 | 1,097 | 14,488 | 366 | 7,259 | 2,191 | 1,017 | 501 | 11,334 | | | 6,714 | | | | | 6,714 | | | | | 45,841 |
| 1997 | 6,941 | 7,281 | 14,222 | 8,407 | 336 | 579 | 4,984 | 1,211 | 15,497 | 413 | 8,081 | 2,471 | 1,190 | 523 | 12,678 | | | 7,314 | | | | | 7,314 | | | | | 49,711 |
| 1998 | 6,461 | 6,769 | 13,230 | 8,724 | 359 | 613 | 5,192 | 1,313 | 16,201 | 437 | 8,911 | 3,020 | 1,123 | 527 | 14,018 | | | 6,643 | | | | | 6,643 | | | | | 50,092 |
| 1999 | 5,686 | 5,844 | 11,530 | 8,798 | 370 | 610 | 5,298 | 1,385 | 16,461 | 469 | 8,850 | 3,105 | 966 | 456 | 13,848 | | | 7,312 | | | | | 7,312 | | | | | 49,151 |
| 2000 | 5,527 | 5,842 | 11,169 | 9,008 | 382 | 619 | 5,481 | 1,454 | 16,944 | 478 | 9,283 | 3,390 | 893 | 455 | 14,499 | | | 8,274 | | | | | 8,274 | | | | | 50,886 |
| 2001 | 5,622 | 5,847 | 11,469 | 9,390 | 399 | 682 | 5,866 | 1,606 | 17,943 | 518 | 9,613 | 3,751 | 1,001 | 516 | 15,399 | 29 | 1,659 | 8,437 | 954 | | | | 11,050 | | | | | 55,861 |
| 2002(1) | 5,948 | 6,169 | 12,117 | 9,586 | | | 6,021 | | 15,607 | | 10,044 | | | | 10,044 | 29 | 1,726 | 5,582 | 1,360 | | | | 8,669 | | | | | 46,437 |
| 2003 | 6,274 | 6,492 | 12,766 | 9,782 | | | 6,176 | | 15,958 | | 10,476 | | | | 10,476 | 30 | 1,794 | 2,728 | 1,766 | | | 5,689 | 12,006 | | | | | 51,205 |
| 2004(2) | 6,719 | 6,747 | 13,466 | 9,821 | | | 6,385 | | 16,206 | | 10,858 | | | | 10,858 | 29 | 1,884 | 9,365 | 906 | 736 | 2,543 | 6,326 | 21,789 | | | | | 62,320 |
| 2005 | 6,489 | 6,519 | 13,008 | 9,896 | | | 6,812 | | 16,708 | | 11,123 | | | | 11,123 | 26 | 1,973 | 9,366 | 868 | 720 | 2,790 | 6,746 | 22,489 | | | | | 63,328 |
| 2006 | 6,573 | 6,545 | 13,117 | 9,854 | | | 7,047 | | 16,901 | 217 | 12,053 | 861 | 226 | 117 | 13,473 | 32 | 2,060 | 9,754 | 963 | 758 | 2,936 | 7,099 | 23,602 | 80 | 59 | 533 | 671 | 67,765 |
| 2007 | 6,736 | 6,740 | 13,476 | 10,334 | 434 | 756 | 7,524 | 1,277 | 20,326 | 597 | 12,308 | 2,889 | 1,260 | 580 | 17,633 | 39 | 2,151 | 10,224 | 1,030 | 745 | 3,213 | 7,179 | 24,581 | 166 | 283 | 2,914 | 3,363 | 79,379 |
| Average Annual Percent Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1994(5) - 00 | 2.8 | 1.7 | 2.3 | 4.4 | 5.9 | 4.3 | 5.8 | 12.4 | 5.4 | 8.4 | 8.3 | 12.9 | 1.4 | 1.6 | 8.4 | NA | NA | 7.3 | NA | NA | NA | NA | 7.3 | NA | NA | NA | NA | 9.5 |
| 2000 - 07 | 2.9 | 2.6 | 2.7 | 2.0 | 1.9 | 2.9 | 4.6 | (1.8) | 2.6 | 3.2 | 4.1 | (2.3) | 5.0 | 3.5 | 2.8 | NA | NA | 3.1 | NA | NA | NA | NA | 16.8 | NA | NA | NA | NA | 6.6 |
| 1994(5) - 07 | 2.9 | 2.2 | 2.5 | 3.1 | 3.7 | 3.5 | 5.2 | 4.5 | 3.9 | 5.6 | 6.0 | 4.4 | 3.3 | 2.6 | 5.4 | NA | NA | 5.0 | NA | NA | NA | NA | 12.3 | NA | NA | NA | NA | 7.9 |

**Commercial Vehicles**

| Calendar Year | Northeastern Facilities: Keiser Ave. | Clarks Summit | Subtotal | Toll 60(3): South Toll 60 | Beaver Falls Rte 551 | Moravia Rte 168 | North Toll 60 | Mt Jackson Rte 108 | Subtotal | Toll 66(4): Rte 136 | AKH Mainline | Route 30 | Route 130 | Route 66 | Subtotal | Mon Fayette: Ramp M4 | M5 | California | Ramp M39 | Ramp M44 | Ramp M48 | M52 | Subtotal | Southern Beltway: Route 30 | Bald Knob Rd | Route 22 | Subtotal | Total Barrier Facilities |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1994 | 0 | 480 | 480 | 719 | 35 | 36 | 409 | 53 | 1,252 | 134 | 908 | 141 | 56 | 66 | 1,305 | 0 | 0 | 227 | 0 | | | | 227 | | | | | 3,264 |
| 1995 | 782 | 941 | 1,723 | 819 | 34 | 60 | 491 | 50 | 1,454 | 159 | 1,024 | 157 | 29 | 27 | 1,396 | 0 | 0 | 248 | 0 | | | | 248 | | | | | 4,821 |
| 1996 | 1,113 | 1,272 | 2,385 | 986 | 39 | 72 | 614 | 85 | 1,796 | 169 | 1,215 | 172 | 30 | 30 | 1,616 | 0 | 0 | 280 | 0 | | | | 280 | | | | | 6,077 |
| 1997 | 1,163 | 1,349 | 2,512 | 1,110 | 44 | 93 | 681 | 101 | 2,029 | 222 | 1,457 | 225 | 35 | 35 | 1,974 | 0 | 0 | 305 | 0 | | | | 305 | | | | | 6,820 |
| 1998 | 1,038 | 1,255 | 2,293 | 1,147 | 45 | 91 | 725 | 109 | 2,117 | 196 | 1,518 | 256 | 38 | 32 | 2,040 | 0 | 0 | 277 | 0 | | | | 277 | | | | | 6,727 |
| 1999 | 936 | 1,125 | 2,061 | 1,263 | 52 | 85 | 793 | 118 | 2,311 | 230 | 1,552 | 268 | 50 | 29 | 2,129 | 0 | 0 | 305 | 0 | | | | 305 | | | | | 6,806 |
| 2000 | 919 | 1,118 | 2,037 | 1,301 | 51 | 93 | 863 | 138 | 2,446 | 241 | 1,729 | 296 | 67 | 27 | 2,360 | 0 | 0 | 345 | 0 | | | | 345 | | | | | 7,188 |
| 2001 | 892 | 1,142 | 2,034 | 1,359 | 65 | 144 | 874 | 141 | 2,583 | 232 | 1,673 | 345 | 75 | 28 | 2,353 | 2 | 119 | 352 | 30 | | | | 501 | | | | | 7,471 |
| 2002(1) | 905 | 1,049 | 1,954 | 1,332 | | | 872 | | 2,204 | | 1,743 | | | | 1,743 | 2 | 135 | 218 | 41 | | | | 395 | | | | | 6,296 |
| 2003 | 918 | 957 | 1,875 | 1,304 | | | 870 | | 2,174 | | 1,813 | | | | 1,813 | 1 | 151 | 84 | 52 | | | 92 | 382 | | | | | 6,244 |
| 2004(2) | 938 | 931 | 1,869 | 1,328 | | | 911 | | 2,239 | | 1,818 | | | | 1,818 | 1 | 135 | 314 | 23 | 37 | 107 | 107 | 724 | | | | | 6,650 |
| 2005 | 1,092 | 1,038 | 2,130 | 1,353 | | | 915 | | 2,268 | | 1,872 | | | | 1,872 | 1 | 136 | 303 | 23 | 34 | 82 | 118 | 697 | | | | | 6,967 |
| 2006 | 1,227 | 1,112 | 2,339 | 1,311 | | | 998 | | 2,309 | 126 | 1,935 | 142 | 17 | 5 | 2,226 | 1 | 150 | 321 | 26 | 42 | 59 | 108 | 707 | 2 | 1 | 24 | 28 | 7,608 |
| 2007 | 1,408 | 1,162 | 2,570 | 1,490 | 36 | 96 | 1,133 | 98 | 2,854 | 211 | 2,070 | 290 | 38 | 15 | 2,623 | 1 | 140 | 384 | 32 | 46 | 65 | 111 | 779 | 18 | 20 | 210 | 248 | 9,074 |
| Average Annual Percent Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1994(5) - 00 | 3.3 | 3.5 | 3.4 | 10.4 | 6.5 | 17.1 | 13.3 | 17.3 | 11.8 | 10.3 | 11.3 | 13.2 | 3.0 | (13.8) | 10.4 | NA | NA | 7.2 | NA | NA | NA | NA | 7.2 | NA | NA | NA | NA | 14.1 |
| 2000 - 07 | 6.3 | 0.6 | 3.4 | 2.0 | (4.7) | 0.5 | 4.0 | (4.8) | 2.2 | (1.9) | 2.6 | (0.3) | (7.9) | (7.7) | 1.5 | NA | NA | 1.5 | NA | NA | NA | NA | 12.3 | NA | NA | NA | NA | 3.4 |
| 1994(5) - 07 | 5.0 | 1.8 | 3.4 | 5.8 | 0.3 | 7.9 | 8.2 | 4.8 | 6.5 | 3.5 | 6.5 | 5.7 | (3.0) | (10.6) | 5.5 | NA | NA | 4.1 | NA | NA | NA | NA | 10.0 | NA | NA | NA | NA | 8.2 |

**Total Vehicles**

| Calendar Year | Northeastern Facilities: Keiser Ave. | Clarks Summit | Subtotal | Toll 60(3): South Toll 60 | Beaver Falls Rte 551 | Moravia Rte 168 | North Toll 60 | Mt Jackson Rte 108 | Subtotal | Toll 66(4): Rte 136 | AKH Mainline | Route 30 | Route 130 | Route 66 | Subtotal | Mon Fayette: Ramp M4 | M5 | California | Ramp M39 | Ramp M44 | Ramp M48 | M52 | Subtotal | Southern Beltway: Route 30 | Bald Knob Rd | Route 22 | Subtotal | Total Barrier Facilities |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1994 | 0 | 3,311 | 3,311 | 7,684 | 306 | 517 | 4,324 | 773 | 13,604 | 429 | 6,662 | 1,782 | 878 | 479 | 10,230 | 0 | 0 | 5,663 | 0 | 0 | 0 | 0 | 5,663 | 0 | 0 | 0 | 0 | 32,808 |
| 1995 | 5,585 | 6,118 | 11,703 | 8,087 | 353 | 580 | 4,621 | 876 | 14,517 | 462 | 7,435 | 2,134 | 902 | 486 | 11,419 | 0 | 0 | 6,190 | 0 | 0 | 0 | 0 | 6,190 | 0 | 0 | 0 | 0 | 43,829 |
| 1996 | 7,604 | 8,086 | 15,690 | 8,883 | 373 | 618 | 5,228 | 1,182 | 16,284 | 535 | 8,474 | 2,363 | 1,047 | 531 | 12,950 | 0 | 0 | 6,994 | 0 | 0 | 0 | 0 | 6,994 | 0 | 0 | 0 | 0 | 51,918 |
| 1997 | 8,104 | 8,630 | 16,734 | 9,517 | 380 | 672 | 5,845 | 1,312 | 17,526 | 635 | 9,538 | 2,696 | 1,225 | 558 | 14,652 | 0 | 0 | 7,619 | 0 | 0 | 0 | 0 | 7,619 | 0 | 0 | 0 | 0 | 56,531 |
| 1998 | 7,499 | 8,024 | 15,523 | 9,871 | 404 | 704 | 5,917 | 1,422 | 18,318 | 633 | 10,429 | 3,276 | 1,161 | 559 | 16,058 | 0 | 0 | 6,920 | 0 | 0 | 0 | 0 | 6,920 | 0 | 0 | 0 | 0 | 56,819 |
| 1999 | 6,622 | 6,969 | 13,591 | 10,061 | 422 | 695 | 6,091 | 1,503 | 18,772 | 699 | 10,402 | 3,373 | 1,016 | 487 | 15,977 | 0 | 0 | 7,617 | 0 | 0 | 0 | 0 | 7,617 | 0 | 0 | 0 | 0 | 55,957 |
| 2000 | 6,446 | 6,760 | 13,206 | 10,309 | 433 | 712 | 6,344 | 1,592 | 19,390 | 719 | 11,012 | 3,686 | 960 | 482 | 16,859 | 0 | 0 | 8,619 | 0 | 0 | 0 | 0 | 8,619 | 0 | 0 | 0 | 0 | 58,074 |
| 2001 | 6,514 | 6,989 | 13,503 | 10,749 | 464 | 826 | 6,740 | 1,747 | 20,526 | 750 | 11,286 | 4,096 | 1,076 | 544 | 17,752 | 31 | 1,778 | 8,789 | 984 | 0 | 0 | 0 | 11,582 | 0 | 0 | 0 | 0 | 63,363 |
| 2002(1) | 6,853 | 7,219 | 14,072 | 10,917 | 0 | 0 | 6,893 | 0 | 17,811 | 0 | 11,787 | 0 | 0 | 0 | 11,787 | 31 | 1,862 | 5,800 | 1,401 | 0 | 0 | 0 | 9,063 | 0 | 0 | 0 | 0 | 52,733 |
| 2003 | 7,192 | 7,449 | 14,641 | 11,086 | 0 | 0 | 7,046 | 0 | 18,132 | 0 | 12,288 | 0 | 0 | 0 | 12,288 | 31 | 1,945 | 2,812 | 1,819 | 0 | 0 | 5,781 | 12,387 | 0 | 0 | 0 | 0 | 57,448 |
| 2004(2) | 7,657 | 7,678 | 15,335 | 11,149 | 0 | 0 | 7,296 | 0 | 18,445 | 0 | 12,676 | 0 | 0 | 0 | 12,676 | 30 | 2,020 | 9,679 | 929 | 773 | 2,849 | 6,433 | 22,513 | 0 | 0 | 0 | 0 | 68,970 |
| 2005 | 7,581 | 7,557 | 15,138 | 11,249 | 0 | 0 | 7,727 | 0 | 18,976 | 0 | 12,995 | 0 | 0 | 0 | 12,995 | 28 | 2,110 | 9,669 | 891 | 753 | 2,872 | 6,863 | 23,186 | 0 | 0 | 0 | 0 | 70,295 |
| 2006 | 7,800 | 7,656 | 15,456 | 11,165 | 0 | 0 | 8,044 | 0 | 19,210 | 343 | 13,988 | 1,003 | 243 | 122 | 15,699 | 33 | 2,210 | 10,075 | 989 | 799 | 2,995 | 7,208 | 24,309 | 82 | 60 | 557 | 699 | 75,373 |
| 2007 | 8,144 | 7,903 | 16,047 | 11,824 | 471 | 853 | 8,658 | 1,375 | 23,180 | 808 | 14,378 | 3,178 | 1,298 | 595 | 20,256 | 40 | 2,292 | 10,608 | 1,062 | 792 | 3,277 | 7,289 | 25,360 | 184 | 303 | 3,124 | 3,611 | 88,453 |
| Average Annual Percent Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1994(5) - 00 | 2.9 | 2.0 | 2.4 | 5.0 | 6.0 | 5.5 | 6.6 | 12.8 | 6.1 | 9.0 | 8.7 | 12.9 | 1.5 | 0.1 | 8.7 | NA | NA | 7.3 | NA | NA | NA | NA | 7.3 | NA | NA | NA | NA | 10.0 |
| 2000 - 07 | 3.4 | 2.3 | 2.8 | 2.0 | 1.2 | 2.6 | 4.5 | (2.1) | 2.6 | 1.7 | 3.9 | (2.1) | 4.4 | 3.1 | 2.7 | NA | NA | 3.0 | NA | NA | NA | NA | 16.7 | NA | NA | NA | NA | 6.2 |
| 1994(5) - 07 | 3.2 | 2.2 | 2.7 | 3.4 | 3.4 | 3.9 | 5.5 | 4.5 | 4.2 | 5.0 | 6.1 | 4.6 | 3.1 | 1.7 | 5.4 | NA | NA | 4.9 | NA | NA | NA | NA | 12.2 | NA | NA | NA | NA | 7.9 |

(1) 2002 traffic data is not available. It is estimated by averaging 2001 and 2003 traffic data.
(2) New rates became effective Sunday, August 1, 2004. Rates were increased by 42.5%.
(3) Toll 60 ramp counts are not available from 2002 to 2006.
(4) Toll 66 ramp counts are not available from 2002 to 2006.
(5) Average annual growth rate of Northeastern Facilities began in 1995.

## Recent Monthly Traffic and Revenue Trends

Table 3 provides monthly traffic volumes on all facilities for FY 2005-06 through mid FY 2008-09. Information is also provided for passenger cars and commercial vehicles separately. Similar to the longer term historical trends shown in Tables 1 and 2, the ticket system has exhibited much lower growth compared to the barrier locations. The effect of the current negative economic climate is evident in the most current monthly traffic trends. As shown, total ticket system transactions have been trending negative for some time and are currently lower by 2.7 percent for the first half of FY 2008-09. Though more positive, the contribution of the barrier locations still results in a total Turnpike traffic loss of 1.8 percent for the first half of FY 2008-09. A review of other toll facilities in the area has shown the same trends.

It should be pointed out that the impact on commercial vehicles was especially negative in November 2008. Total commercial traffic declined by 12.3 percent in November 2008 compared to November 2007. Part of this decline is real and part due to the fact that November 2008 had two more weekend days than November 2007. Commercial traffic is typically much lower on weekend days and this likely contributed to the especially large negative growth in the most recent month.

Monthly gross toll revenue trends over the same time period are shown in Table 4 for each toll facility. The same general trends are seen here as exhibited in the transaction trends. Because of the higher average commercial vehicle toll rates, however, the effect of larger negative commercial vehicle growth has a bigger impact on total revenue growth. Thus, while total ticket system transactions were down by 2.7 percent in the first half of FY 2008-09, revenue growth is down by 5.2 percent over the same period.

On a total Systemwide basis, gross toll revenue grew by 1.7 percent between FY 2005-06 and FY 2006-07. Growth amounted to only 0.2 percent between FY 2006-07 and FY 2007-08. In the most recent six month period (June through November) revenue growth has continued to decrease and amounted to a decrease of 4.8 percent over the same period in the last fiscal year.

## Table 3
## Pennsylvania Turnpike Monthly Traffic Volume Trends By Facility and Vehicle Class
### Volumes in Thousands

#### Ticket System (Including Gateway Barrier Plaza)

| Month | Passenger Cars | | | | | | | Commercial Vehicles | | | | | | | Total Vehicles | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
| June | 12,486 | (5.7) | 11,769 | 1.9 | 11,992 | (3.6) | 11,561 | 2,103 | (4.5) | 2,009 | (0.9) | 1,991 | (4.8) | 1,895 | 14,589 | (5.6) | 13,778 | 1.5 | 13,983 | (3.8) | 13,456 |
| July | 12,805 | (6.5) | 11,979 | 1.8 | 12,197 | (0.8) | 12,100 | 1,969 | (4.9) | 1,872 | 3.4 | 1,936 | 0.6 | 1,947 | 14,774 | (6.2) | 13,851 | 2.0 | 14,133 | (0.6) | 14,047 |
| August | 12,868 | (4.1) | 12,345 | 3.1 | 12,731 | (1.8) | 12,502 | 2,133 | (2.4) | 2,081 | (0.1) | 2,079 | (8.5) | 1,902 | 15,001 | (3.8) | 14,426 | 2.7 | 14,810 | (2.7) | 14,404 |
| September | 11,401 | (1.3) | 11,253 | 1.6 | 11,431 | (3.6) | 11,014 | 2,004 | (5.9) | 1,886 | (2.1) | 1,847 | (0.6) | 1,835 | 13,405 | (2.0) | 13,139 | 1.1 | 13,278 | (3.2) | 12,849 |
| October | 11,702 | 0.5 | 11,762 | 2.0 | 12,002 | (1.3) | 11,843 | 2,005 | (1.2) | 1,980 | 3.3 | 2,045 | (6.5) | 1,912 | 13,707 | 0.3 | 13,742 | 2.2 | 14,047 | (2.1) | 13,755 |
| November | 11,418 | (1.4) | 11,262 | (0.2) | 11,236 | (2.8) | 10,927 | 1,887 | (3.8) | 1,816 | (0.7) | 1,803 | (13.4) | 1,562 | 13,305 | (1.7) | 13,078 | (0.3) | 13,039 | (4.2) | 12,489 |
| December | 11,073 | 0.2 | 11,096 | (4.6) | 10,585 | | | 1,786 | (5.8) | 1,683 | (3.4) | 1,626 | | | 12,859 | (0.6) | 12,779 | (4.4) | 12,211 | | |
| January | 10,348 | (0.1) | 10,336 | 0.1 | 10,347 | | | 1,670 | 5.3 | 1,759 | (0.8) | 1,745 | | | 12,018 | 0.6 | 12,095 | (0.0) | 12,092 | | |
| February | 9,559 | (3.8) | 9,200 | 5.6 | 9,718 | | | 1,572 | 2.4 | 1,609 | 0.9 | 1,624 | | | 11,131 | (2.9) | 10,809 | 4.9 | 11,342 | | |
| March | 11,226 | (2.7) | 10,925 | 1.4 | 11,077 | | | 1,885 | (2.2) | 1,843 | (5.2) | 1,747 | | | 13,111 | (2.6) | 12,768 | 0.4 | 12,824 | | |
| April | 11,063 | (0.4) | 11,022 | 0.5 | 11,078 | | | 1,783 | 2.0 | 1,818 | 4.3 | 1,897 | | | 12,846 | (0.0) | 12,840 | 1.1 | 12,975 | | |
| May | 11,625 | 1.6 | 11,816 | (1.6) | 11,625 | | | 1,989 | 2.5 | 2,038 | (6.1) | 1,913 | | | 13,614 | 1.8 | 13,854 | (2.3) | 13,538 | | |
| Total Year | 137,574 | (2.0) | 134,765 | 0.9 | 136,019 | | | 22,786 | (1.7) | 22,394 | (0.6) | 22,253 | | | 160,360 | (2.0) | 157,159 | 0.7 | 158,272 | | |
| June-Nov | 72,680 | (3.2) | 70,370 | 1.7 | 71,589 | (2.3) | 69,947 | 12,101 | (3.8) | 11,644 | 0.5 | 11,701 | (5.5) | 11,053 | 84,781 | (3.3) | 82,014 | 1.6 | 83,290 | (2.7) | 81,000 |

#### PA 43 (Mon Fayette Expressway)

| Month | Passenger Cars | | | | | | | Commercial Vehicles | | | | | | | Total Vehicles | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
| June | 666 | 1.2 | 674 | 5.6 | 712 | 1.5 | 723 | 23 | 4.3 | 24 | 12.5 | 27 | 22.2 | 33 | 689 | 1.3 | 698 | 5.9 | 739 | 2.3 | 756 |
| July | 671 | 3.3 | 693 | 4.2 | 722 | 4.6 | 755 | 22 | 4.5 | 23 | 21.7 | 28 | 28.6 | 36 | 693 | 3.3 | 716 | 4.7 | 750 | 5.5 | 791 |
| August | 710 | 6.1 | 753 | 4.5 | 787 | 3.7 | 816 | 24 | 0.0 | 24 | 20.8 | 29 | 24.1 | 36 | 734 | 5.9 | 777 | 5.0 | 816 | 4.4 | 852 |
| September | 717 | 6.1 | 761 | 2.5 | 780 | 4.0 | 811 | 21 | 4.8 | 22 | 9.1 | 24 | 37.5 | 33 | 738 | 6.1 | 783 | 2.7 | 804 | 5.0 | 844 |
| October | 736 | 7.6 | 792 | 3.4 | 819 | 7.4 | 880 | 20 | 20.0 | 24 | 12.5 | 27 | 29.6 | 35 | 756 | 7.9 | 816 | 3.7 | 846 | 8.2 | 915 |
| November | 681 | 6.0 | 722 | 1.8 | 735 | 11.8 | 822 | 18 | 11.1 | 20 | 10.0 | 22 | 45.5 | 32 | 699 | 6.2 | 742 | 2.0 | 757 | 12.8 | 854 |
| December | 664 | 6.8 | 709 | (2.4) | 692 | | | 16 | 6.3 | 17 | 0.0 | 17 | | | 680 | 6.8 | 726 | (2.3) | 709 | | |
| January | 628 | 4.6 | 657 | 3.3 | 679 | | | 15 | 6.7 | 16 | 18.8 | 19 | | | 643 | 4.7 | 673 | 3.7 | 698 | | |
| February | 613 | 0.7 | 617 | 9.6 | 676 | | | 14 | 21.4 | 17 | 17.6 | 20 | | | 627 | 1.1 | 634 | 9.8 | 696 | | |
| March | 692 | 4.9 | 726 | (1.5) | 715 | | | 19 | 5.3 | 20 | 5.0 | 21 | | | 711 | 4.9 | 746 | (1.3) | 736 | | |
| April | 695 | 3.7 | 721 | 5.1 | 758 | | | 20 | 0.0 | 20 | 25.0 | 25 | | | 715 | 3.6 | 741 | 5.7 | 783 | | |
| May | 696 | 7.8 | 750 | (0.1) | 749 | | | 22 | 9.1 | 24 | 20.8 | 29 | | | 718 | 7.8 | 774 | 0.5 | 778 | | |
| Total Year | 8,169 | 5.0 | 8,575 | 2.9 | 8,824 | | | 234 | 7.3 | 251 | 14.7 | 288 | | | 8,403 | 5.0 | 8,826 | 3.2 | 9,112 | | |
| June-Nov | 4,181 | 5.1 | 4,395 | 3.6 | 4,555 | 5.5 | 4,807 | 128 | 7.0 | 137 | 14.6 | 157 | 30.6 | 205 | 4,309 | 5.2 | 4,532 | 4.0 | 4,712 | 6.4 | 5,012 |

#### PA 66

| Month | Passenger Cars | | | | | | | Commercial Vehicles | | | | | | | Total Vehicles | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
| June | 358 | 8.1 | 387 | 39.0 | 538 | 10.8 | 596 | 64 | 15.6 | 74 | 17.6 | 87 | (1.1) | 86 | 422 | 9.2 | 461 | 35.6 | 625 | 9.1 | 682 |
| July | 358 | 23.7 | 443 | 23.5 | 547 | 12.8 | 617 | 61 | 29.5 | 79 | 10.1 | 87 | 3.4 | 90 | 419 | 24.6 | 522 | 21.5 | 634 | 11.5 | 707 |
| August | 364 | 33.5 | 486 | 18.7 | 577 | 11.3 | 642 | 65 | 36.9 | 89 | 2.2 | 91 | (3.3) | 88 | 429 | 34.0 | 575 | 16.2 | 668 | 9.3 | 730 |
| September | 340 | 37.9 | 469 | 20.5 | 565 | 7.4 | 607 | 64 | 21.9 | 78 | 6.4 | 83 | 6.0 | 88 | 404 | 35.4 | 547 | 18.5 | 648 | 7.3 | 695 |
| October | 345 | 42.6 | 492 | 30.1 | 640 | 0.0 | 640 | 60 | 40.0 | 84 | 14.3 | 96 | (7.3) | 89 | 405 | 42.2 | 576 | 27.8 | 736 | (1.0) | 729 |
| November | 326 | 41.4 | 461 | 27.3 | 587 | (0.7) | 583 | 52 | 38.5 | 72 | 6.9 | 77 | (9.1) | 70 | 378 | 41.0 | 533 | 24.6 | 664 | (1.7) | 653 |
| December | 320 | 43.1 | 458 | 26.4 | 579 | | | 45 | 35.6 | 61 | 3.3 | 63 | | | 365 | 42.2 | 519 | 23.7 | 642 | | |
| January | 303 | 38.0 | 418 | 29.7 | 542 | | | 46 | 39.1 | 64 | 9.4 | 70 | | | 349 | 38.1 | 482 | 27.0 | 612 | | |
| February | 288 | 28.8 | 371 | 39.1 | 516 | | | 43 | 27.9 | 55 | 21.8 | 67 | | | 331 | 28.7 | 426 | 36.9 | 583 | | |
| March | 341 | 35.8 | 463 | 23.8 | 573 | | | 55 | 29.1 | 71 | 1.4 | 72 | | | 396 | 34.8 | 534 | 20.8 | 645 | | |
| April | 352 | 35.8 | 478 | 24.3 | 594 | | | 56 | 32.1 | 74 | 12.2 | 83 | | | 408 | 35.3 | 552 | 22.6 | 677 | | |
| May | 361 | 51.5 | 547 | 11.7 | 611 | | | 61 | 45.9 | 89 | (5.6) | 84 | | | 422 | 50.7 | 636 | 9.3 | 695 | | |
| Total Year | 4,056 | 34.9 | 5,473 | 25.5 | 6,869 | | | 672 | 32.4 | 890 | 7.9 | 960 | | | 4,728 | 34.6 | 6,363 | 23.0 | 7,829 | | |
| June-Nov | 2,091 | 30.9 | 2,738 | 26.2 | 3,454 | 6.7 | 3,685 | 366 | 30.1 | 476 | 9.5 | 521 | (1.9) | 511 | 2,457 | 30.8 | 3,214 | 23.7 | 3,975 | 5.6 | 4,196 |

#### Northeast Extension Barrier Plazas Only

| Month | Passenger Cars | | | | | | | Commercial Vehicles | | | | | | | Total Vehicles | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
| June | 430 | (3.7) | 414 | 3.6 | 429 | 1.4 | 435 | 71 | 7.0 | 76 | 5.3 | 80 | (2.5) | 78 | 501 | (2.2) | 490 | 3.9 | 509 | 0.8 | 513 |
| July | 524 | (3.8) | 504 | 1.4 | 511 | 1.2 | 517 | 71 | 8.5 | 77 | 3.9 | 80 | 3.8 | 83 | 595 | (2.4) | 581 | 1.7 | 591 | 1.5 | 600 |
| August | 507 | 0.2 | 508 | 8.7 | 552 | 3.3 | 570 | 76 | 7.9 | 82 | 7.3 | 88 | (6.8) | 82 | 583 | 1.2 | 590 | 8.5 | 640 | 1.9 | 652 |
| September | 390 | 6.4 | 415 | 2.9 | 427 | (6.1) | 401 | 70 | 10.0 | 77 | 2.6 | 79 | 1.3 | 80 | 460 | 7.0 | 492 | 2.8 | 506 | (4.9) | 481 |
| October | 392 | 11.0 | 435 | (3.4) | 420 | 2.6 | 431 | 68 | 16.2 | 79 | 1.3 | 80 | (2.5) | 78 | 460 | 11.7 | 514 | (2.7) | 500 | 1.8 | 509 |
| November | 380 | 7.6 | 409 | (4.4) | 391 | 0.8 | 394 | 64 | 9.4 | 70 | (5.7) | 66 | (7.6) | 61 | 444 | 7.9 | 479 | (4.6) | 457 | (0.4) | 455 |
| December | 337 | 8.9 | 367 | (9.5) | 332 | | | 58 | 6.9 | 62 | (3.2) | 60 | | | 395 | 8.6 | 429 | (8.6) | 392 | | |
| January | 290 | 4.8 | 304 | (2.3) | 297 | | | 58 | 13.8 | 66 | (1.5) | 65 | | | 348 | 6.3 | 370 | (2.2) | 362 | | |
| February | 283 | (5.3) | 268 | 6.7 | 286 | | | 56 | 16.1 | 65 | (3.1) | 63 | | | 339 | (1.8) | 333 | 4.8 | 349 | | |
| March | 336 | 6.5 | 358 | (0.8) | 355 | | | 65 | 12.3 | 73 | (11.0) | 65 | | | 401 | 7.5 | 431 | (2.6) | 420 | | |
| April | 383 | 5.5 | 404 | (1.7) | 397 | | | 64 | 17.2 | 75 | 4.0 | 78 | | | 447 | 7.2 | 479 | (0.8) | 475 | | |
| May | 411 | 9.2 | 449 | 1.3 | 455 | | | 74 | 16.2 | 86 | (3.5) | 83 | | | 485 | 10.3 | 535 | 0.6 | 538 | | |
| Total Year | 4,663 | 3.7 | 4,835 | 0.4 | 4,852 | | | 795 | 11.7 | 888 | (0.1) | 887 | | | 5,458 | 4.9 | 5,723 | 0.3 | 5,739 | | |
| June-Nov | 2,623 | 2.4 | 2,685 | 1.7 | 2,730 | 0.7 | 2,748 | 420 | 9.8 | 461 | 2.6 | 473 | (2.3) | 462 | 3,043 | 3.4 | 3,146 | 1.8 | 3,203 | 0.2 | 3,210 |

#### PA 60

| Month | Passenger Cars | | | | | | | Commercial Vehicles | | | | | | | Total Vehicles | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
| June | 553 | (2.2) | 541 | 22.9 | 665 | (2.4) | 649 | 78 | 2.6 | 80 | 25.0 | 100 | (2.0) | 98 | 631 | (1.6) | 621 | 23.2 | 765 | (2.4) | 747 |
| July | 587 | (4.4) | 561 | 23.7 | 694 | 0.3 | 696 | 75 | (2.7) | 73 | 26.0 | 92 | 12.0 | 103 | 662 | (4.2) | 634 | 24.0 | 786 | 1.7 | 799 |
| August | 575 | (2.1) | 563 | 26.5 | 712 | (1.1) | 704 | 79 | 3.8 | 82 | 20.7 | 99 | 3.0 | 102 | 654 | (1.4) | 645 | 25.7 | 811 | (0.6) | 806 |
| September | 507 | 2.0 | 517 | 25.7 | 650 | (2.9) | 631 | 74 | (2.7) | 72 | 23.6 | 89 | 10.1 | 98 | 581 | 1.4 | 589 | 25.5 | 739 | (1.4) | 729 |
| October | 519 | 2.9 | 534 | 25.1 | 668 | (1.8) | 656 | 71 | 4.2 | 74 | 33.8 | 99 | (2.0) | 97 | 590 | 3.1 | 608 | 26.2 | 767 | (1.8) | 753 |
| November | 501 | 1.2 | 507 | 21.5 | 616 | (3.7) | 593 | 64 | 3.1 | 66 | 28.8 | 85 | (11.8) | 75 | 565 | 1.4 | 573 | 22.3 | 701 | (4.7) | 668 |
| December | 492 | 3.9 | 511 | 15.3 | 589 | | | 57 | 7.0 | 61 | 14.8 | 70 | | | 549 | 4.2 | 572 | 15.2 | 659 | | |
| January | 449 | 0.9 | 453 | 20.3 | 545 | | | 58 | 10.3 | 64 | 26.6 | 81 | | | 507 | 2.0 | 517 | 21.1 | 626 | | |
| February | 428 | 2.8 | 440 | 18.0 | 519 | | | 54 | 11.1 | 60 | 26.7 | 76 | | | 482 | 3.7 | 500 | 19.0 | 595 | | |
| March | 499 | 17.8 | 588 | 1.4 | 596 | | | 67 | 14.9 | 77 | 5.2 | 81 | | | 566 | 17.5 | 665 | 1.8 | 677 | | |
| April | 498 | 19.7 | 596 | 4.7 | 624 | | | 68 | 20.6 | 82 | 17.1 | 96 | | | 566 | 19.8 | 678 | 6.2 | 720 | | |
| May | 521 | 24.6 | 649 | 0.9 | 655 | | | 78 | 29.5 | 101 | (2.0) | 99 | | | 599 | 25.2 | 750 | 0.5 | 754 | | |
| Total Year | 6,129 | 5.4 | 6,460 | 16.6 | 7,533 | | | 823 | 8.4 | 892 | 19.6 | 1,067 | | | 6,952 | 5.8 | 7,352 | 17.0 | 8,600 | | |
| June-Nov | 3,242 | (0.6) | 3,223 | 24.3 | 4,005 | (1.9) | 3,929 | 441 | 1.4 | 447 | 26.2 | 564 | 1.6 | 573 | 3,683 | (0.4) | 3,670 | 24.5 | 4,569 | (1.5) | 4,502 |

#### Total Transactions

| Month | Passenger Cars | | | | | | | Commercial Vehicles | | | | | | | Total Vehicles | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
| June | 14,493 | (4.9) | 13,785 | 4.0 | 14,336 | (2.6) | 13,964 | 2,339 | (3.2) | 2,263 | 1.0 | 2,285 | (4.2) | 2,190 | 16,832 | (4.7) | 16,048 | 3.6 | 16,621 | (2.8) | 16,154 |
| July | 14,945 | (5.1) | 14,180 | 3.5 | 14,671 | 0.1 | 14,685 | 2,198 | (3.4) | 2,124 | 4.7 | 2,223 | 1.6 | 2,259 | 17,143 | (4.9) | 16,304 | 3.6 | 16,894 | 0.3 | 16,944 |
| August | 15,024 | (2.5) | 14,655 | 4.8 | 15,359 | (0.8) | 15,234 | 2,377 | (0.8) | 2,358 | 1.2 | 2,386 | (7.4) | 2,210 | 17,401 | (2.2) | 17,013 | 4.3 | 17,745 | (1.7) | 17,444 |
| September | 13,355 | 0.4 | 13,415 | 3.3 | 13,853 | (2.8) | 13,464 | 2,233 | (4.4) | 2,135 | (0.6) | 2,122 | 0.6 | 2,134 | 15,588 | (0.2) | 15,550 | 2.7 | 15,975 | (2.4) | 15,598 |
| October | 13,694 | 2.3 | 14,015 | 3.8 | 14,549 | (0.7) | 14,450 | 2,224 | 0.8 | 2,241 | 4.7 | 2,347 | (5.8) | 2,211 | 15,918 | 2.1 | 16,256 | 3.9 | 16,896 | (1.4) | 16,661 |
| November | 13,306 | 0.4 | 13,361 | 1.5 | 13,565 | (1.8) | 13,319 | 2,085 | (2.0) | 2,044 | 0.4 | 2,053 | (12.3) | 1,800 | 15,391 | 0.1 | 15,405 | 1.4 | 15,618 | (3.2) | 15,119 |
| December | 12,886 | 2.0 | 13,141 | (2.8) | 12,777 | | | 1,962 | (4.0) | 1,884 | (2.5) | 1,836 | | | 14,848 | 1.2 | 15,025 | (2.7) | 14,613 | | |
| January | 12,018 | 1.2 | 12,168 | 2.0 | 12,410 | | | 1,847 | 6.6 | 1,969 | 0.6 | 1,980 | | | 13,865 | 2.0 | 14,137 | 1.8 | 14,390 | | |
| February | 11,171 | (2.5) | 10,896 | 7.5 | 11,715 | | | 1,739 | 3.9 | 1,806 | 2.4 | 1,850 | | | 12,910 | (1.6) | 12,702 | 6.8 | 13,565 | | |
| March | 13,094 | (0.3) | 13,060 | 2.0 | 13,316 | | | 2,091 | (0.3) | 2,084 | (4.7) | 1,986 | | | 15,185 | (0.3) | 15,144 | 1.0 | 15,302 | | |
| April | 12,991 | 1.8 | 13,221 | 1.7 | 13,451 | | | 1,991 | 3.9 | 2,069 | 5.3 | 2,179 | | | 14,982 | 2.1 | 15,290 | 2.2 | 15,630 | | |
| May | 13,614 | 4.4 | 14,211 | (0.8) | 14,095 | | | 2,224 | 5.1 | 2,338 | (5.6) | 2,208 | | | 15,838 | 4.5 | 16,549 | (1.5) | 16,303 | | |
| Total Year | 160,591 | (0.3) | 160,108 | 2.5 | 164,097 | | | 25,310 | 0.0 | 25,315 | 0.6 | 25,455 | | | 185,901 | (0.3) | 185,423 | 2.2 | 189,552 | | |
| June-Nov | 84,817 | (1.7) | 83,411 | 3.5 | 86,333 | (1.4) | 85,116 | 13,456 | (2.2) | 13,165 | 1.9 | 13,416 | (4.6) | 12,804 | 98,273 | (1.7) | 96,576 | 3.3 | 99,749 | (1.8) | 97,920 |

## Table 4
## Pennsylvania Turnpike Monthly Gross Toll Revenue Trends By Facility and Vehicle Class
### Revenue in Thousands

### Ticket System (Including Gateway Barrier Plaza)

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $28,374 | (2.6) | $27,631 | 3.7 | $28,665 | (5.4) | $27,110 |
| July | 30,961 | (3.6) | 29,860 | 0.3 | 29,935 | (2.3) | 29,244 |
| August | 30,410 | (1.2) | 30,032 | 5.4 | 31,655 | (2.2) | 30,972 |
| September | 25,146 | 3.2 | 25,960 | 1.0 | 26,218 | (5.9) | 24,682 |
| October | 26,278 | 1.3 | 26,628 | (0.8) | 26,410 | 0.3 | 26,482 |
| November | 25,590 | 1.8 | 26,055 | (1.5) | 25,673 | (2.8) | 24,958 |
| December | 24,088 | 4.5 | 25,160 | (6.3) | 23,564 | | |
| January | 21,621 | (0.9) | 21,434 | (1.2) | 21,182 | | |
| February | 19,904 | (8.6) | 18,197 | 8.2 | 19,687 | | |
| March | 23,902 | (1.6) | 23,511 | 0.5 | 23,622 | | |
| April | 21,726 | 3.4 | 22,466 | 6.7 | 23,981 | | |
| May | 26,202 | 3.5 | 27,118 | (1.5) | 26,706 | | |
| Total Year | $304,202 | (0.0) | $304,052 | 1.1 | $307,298 | | |
| June-Nov | $166,759 | (0.4) | $166,166 | 1.4 | $168,556 | (3.0) | $163,446 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $24,105 | 3.5 | $24,945 | (0.9) | $24,714 | (5.6) | $23,324 |
| July | 22,468 | 1.6 | 22,823 | 6.1 | 24,208 | (1.6) | 23,824 |
| August | 24,617 | 4.2 | 25,642 | 1.6 | 26,055 | (10.0) | 23,439 |
| September | 23,181 | 2.0 | 23,655 | 0.3 | 23,716 | (3.9) | 22,787 |
| October | 24,005 | 3.9 | 24,930 | 3.6 | 25,828 | (9.1) | 23,477 |
| November | 22,450 | 1.8 | 22,847 | 0.1 | 22,885 | (16.0) | 19,202 |
| December | 21,840 | (2.1) | 21,378 | (0.9) | 21,193 | | |
| January | 21,618 | 4.7 | 22,636 | 1.3 | 22,929 | | |
| February | 20,479 | 9.9 | 22,507 | (4.5) | 21,504 | | |
| March | 24,279 | 0.9 | 24,497 | (4.7) | 23,336 | | |
| April | 26,057 | (0.3) | 25,983 | (9.3) | 23,568 | | |
| May | 24,536 | 4.2 | 25,559 | (7.7) | 23,597 | | |
| Total Year | $279,635 | 2.8 | $287,402 | (1.4) | $283,513 | | |
| June-Nov | $140,826 | 2.9 | $144,842 | 1.8 | $147,386 | (7.7) | $136,053 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $52,479 | 0.2 | $52,576 | 1.5 | $53,379 | (5.5) | $50,434 |
| July | 53,429 | (1.4) | 52,683 | 2.8 | 54,143 | (2.0) | 53,068 |
| August | 55,027 | 1.2 | 55,674 | 3.7 | 57,710 | (5.7) | 54,411 |
| September | 48,327 | 2.7 | 49,615 | 0.6 | 49,934 | (4.9) | 47,469 |
| October | 50,283 | 2.5 | 51,558 | 1.3 | 52,238 | (4.4) | 49,959 |
| November | 48,040 | 1.8 | 48,902 | (0.7) | 48,538 | (9.0) | 44,158 |
| December | 45,928 | 1.3 | 46,538 | (3.8) | 44,757 | | |
| January | 43,239 | 1.9 | 44,070 | 0.1 | 44,111 | | |
| February | 40,383 | 0.8 | 40,704 | 1.2 | 41,191 | | |
| March | 48,181 | (0.4) | 48,008 | (2.2) | 46,958 | | |
| April | 47,783 | 1.4 | 48,449 | (1.9) | 47,549 | | |
| May | 50,738 | 3.8 | 52,677 | (4.5) | 50,303 | | |
| Total Year | $583,837 | 1.3 | $591,454 | (0.1) | $590,811 | | |
| June-Nov | $307,585 | 1.1 | $311,008 | 1.6 | $315,942 | (5.2) | $299,499 |

### PA 43 (Mon Fayette Expressway)

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $518 | 1.0 | $523 | 5.0 | $549 | 1.8 | $559 |
| July | 523 | 2.9 | 538 | 3.7 | 558 | 4.5 | 563 |
| August | 554 | 5.6 | 585 | 3.9 | 608 | 3.5 | 629 |
| September | 556 | 6.5 | 592 | 1.4 | 600 | 4.2 | 625 |
| October | 573 | 7.5 | 616 | 2.6 | 632 | 7.8 | 681 |
| November | 532 | 5.6 | 562 | 1.2 | 569 | 13.9 | 648 |
| December | 520 | 6.7 | 555 | (3.2) | 537 | | |
| January | 490 | 4.3 | 511 | 2.7 | 525 | | |
| February | 478 | 0.2 | 479 | 9.0 | 522 | | |
| March | 538 | 4.5 | 562 | (1.4) | 554 | | |
| April | 539 | 3.3 | 557 | 5.2 | 586 | | |
| May | 541 | 6.8 | 578 | 0.3 | 580 | | |
| Total Year | $6,362 | 4.7 | $6,658 | 2.4 | $6,820 | | |
| June-Nov | $3,256 | 4.9 | $3,416 | 2.9 | $3,516 | 5.9 | $3,725 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $54 | 1.9 | $55 | 9.1 | $60 | 25.0 | $75 |
| July | 51 | 2.0 | 52 | 19.2 | 62 | 29.0 | 80 |
| August | 55 | 1.8 | 56 | 12.5 | 63 | 25.4 | 79 |
| September | 49 | 2.0 | 50 | 10.0 | 55 | 36.4 | 75 |
| October | 48 | 14.6 | 55 | 12.7 | 62 | 27.4 | 79 |
| November | 42 | 14.3 | 48 | 4.2 | 50 | 44.0 | 72 |
| December | 37 | 10.8 | 41 | (2.4) | 40 | | |
| January | 36 | 8.3 | 39 | 15.4 | 45 | | |
| February | 35 | 8.6 | 38 | 26.3 | 48 | | |
| March | 46 | 0.0 | 46 | 4.3 | 48 | | |
| April | 47 | 2.1 | 48 | 20.8 | 58 | | |
| May | 52 | 7.7 | 56 | 17.9 | 66 | | |
| Total Year | $552 | 5.8 | $584 | 12.5 | $657 | | |
| June-Nov | $299 | 5.7 | $316 | 11.4 | $352 | 30.7 | $460 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $572 | 1.0 | $578 | 5.4 | $609 | 4.1 | $634 |
| July | 574 | 2.8 | 590 | 5.1 | 620 | 6.9 | 663 |
| August | 609 | 5.3 | 641 | 4.7 | 671 | 5.5 | 708 |
| September | 605 | 6.1 | 642 | 2.0 | 655 | 6.9 | 700 |
| October | 621 | 8.1 | 671 | 3.4 | 694 | 9.5 | 760 |
| November | 574 | 6.3 | 610 | 1.5 | 619 | 16.3 | 720 |
| December | 557 | 7.0 | 596 | (3.2) | 577 | | |
| January | 526 | 4.6 | 550 | 3.6 | 570 | | |
| February | 513 | 0.8 | 517 | 10.3 | 570 | | |
| March | 584 | 4.1 | 608 | (1.0) | 602 | | |
| April | 586 | 3.2 | 605 | 6.4 | 644 | | |
| May | 593 | 6.9 | 634 | 1.9 | 646 | | |
| Total Year | $6,914 | 4.7 | $7,242 | 3.2 | $7,477 | | |
| June-Nov | $3,555 | 5.0 | $3,732 | 3.6 | $3,868 | 8.2 | $4,185 |

### PA 66

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $357 | 7.0 | $382 | 26.7 | $484 | 8.5 | $525 |
| July | 358 | 18.7 | 425 | 15.8 | 492 | 10.4 | 543 |
| August | 364 | 26.1 | 459 | 12.0 | 514 | 10.3 | 567 |
| September | 340 | 30.9 | 445 | 12.8 | 502 | 6.6 | 535 |
| October | 345 | 34.5 | 464 | 21.3 | 563 | 0.0 | 563 |
| November | 326 | 33.1 | 434 | 18.9 | 516 | (0.6) | 513 |
| December | 319 | 34.5 | 429 | 18.2 | 507 | | |
| January | 302 | 29.5 | 391 | 21.5 | 475 | | |
| February | 287 | 20.2 | 345 | 30.7 | 451 | | |
| March | 341 | 26.1 | 430 | 17.0 | 503 | | |
| April | 352 | 25.0 | 440 | 18.6 | 522 | | |
| May | 360 | 35.8 | 489 | 9.8 | 537 | | |
| Total Year | $4,051 | 26.7 | $5,133 | 18.2 | $6,066 | | |
| June-Nov | $2,090 | 24.8 | $2,609 | 17.7 | $3,071 | 5.7 | $3,246 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $182 | 13.2 | $206 | 12.6 | $232 | (0.9) | $230 |
| July | 171 | 22.8 | 210 | 9.5 | 230 | 3.0 | 237 |
| August | 184 | 28.8 | 237 | 0.0 | 237 | (2.5) | 231 |
| September | 183 | 12.6 | 206 | 3.4 | 213 | 9.4 | 233 |
| October | 174 | 28.2 | 223 | 15.2 | 257 | (7.4) | 238 |
| November | 148 | 29.1 | 191 | 7.3 | 205 | (9.8) | 185 |
| December | 130 | 26.9 | 165 | 3.0 | 170 | | |
| January | 135 | 28.1 | 173 | 12.1 | 194 | | |
| February | 126 | 16.7 | 147 | 25.2 | 184 | | |
| March | 157 | 21.0 | 190 | 3.2 | 196 | | |
| April | 159 | 23.3 | 196 | 13.3 | 222 | | |
| May | 173 | 36.4 | 236 | (4.2) | 226 | | |
| Total Year | $1,922 | 23.8 | $2,380 | 7.8 | $2,566 | | |
| June-Nov | $1,042 | 22.2 | $1,273 | 7.9 | $1,374 | (1.5) | $1,354 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $539 | 9.1 | $588 | 21.8 | $716 | 5.4 | $755 |
| July | 529 | 20.0 | 635 | 13.7 | 722 | 8.0 | 780 |
| August | 548 | 27.0 | 696 | 7.9 | 751 | 6.3 | 798 |
| September | 523 | 24.5 | 651 | 9.8 | 715 | 7.4 | 768 |
| October | 519 | 32.4 | 687 | 19.4 | 820 | (2.3) | 801 |
| November | 474 | 31.9 | 625 | 15.4 | 721 | (3.2) | 698 |
| December | 449 | 32.3 | 594 | 14.0 | 677 | | |
| January | 437 | 29.1 | 564 | 18.6 | 669 | | |
| February | 413 | 19.1 | 492 | 29.1 | 635 | | |
| March | 498 | 24.5 | 620 | 12.7 | 699 | | |
| April | 511 | 24.5 | 636 | 17.0 | 744 | | |
| May | 533 | 36.0 | 725 | 5.2 | 763 | | |
| Total Year | $5,973 | 25.8 | $7,513 | 14.9 | $8,632 | | |
| June-Nov | $3,132 | 23.9 | $3,882 | 14.5 | $4,445 | 3.5 | $4,600 |

### Northeast Extension Barrier Plazas Only

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $215 | (3.7) | $207 | 3.9 | $215 | 1.4 | $218 |
| July | 263 | (4.2) | 252 | 1.6 | 256 | 1.2 | 259 |
| August | 255 | 0.0 | 255 | 8.6 | 277 | 2.9 | 285 |
| September | 196 | 6.1 | 208 | 2.9 | 214 | (6.1) | 201 |
| October | 196 | 11.2 | 218 | (3.7) | 210 | 2.4 | 215 |
| November | 190 | 7.9 | 205 | (4.4) | 196 | 0.5 | 197 |
| December | 169 | 8.9 | 184 | (9.8) | 166 | | |
| January | 145 | 4.8 | 152 | (2.0) | 149 | | |
| February | 142 | (9.9) | 128 | 11.7 | 143 | | |
| March | 168 | 6.5 | 179 | (1.1) | 177 | | |
| April | 192 | 5.2 | 202 | (1.5) | 199 | | |
| May | 206 | 8.7 | 224 | 1.8 | 228 | | |
| Total Year | $2,337 | 3.3 | $2,414 | 0.7 | $2,430 | | |
| June-Nov | $1,315 | 2.3 | $1,345 | 1.7 | $1,368 | 0.5 | $1,375 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $198 | 8.6 | $215 | 4.7 | $225 | (2.2) | $220 |
| July | 186 | 11.8 | 208 | 5.8 | 220 | 5.0 | 231 |
| August | 207 | 11.1 | 230 | 5.2 | 242 | (6.6) | 226 |
| September | 194 | 11.9 | 217 | 1.8 | 221 | 3.6 | 229 |
| October | 197 | 16.2 | 229 | 2.6 | 235 | (3.0) | 228 |
| November | 190 | 8.9 | 207 | (5.3) | 196 | (6.1) | 184 |
| December | 172 | 7.6 | 185 | (2.7) | 180 | | |
| January | 174 | 13.2 | 197 | (2.0) | 193 | | |
| February | 165 | 6.7 | 176 | 5.7 | 186 | | |
| March | 195 | 11.8 | 218 | (10.6) | 195 | | |
| April | 191 | 16.2 | 222 | 5.4 | 234 | | |
| May | 214 | 15.4 | 247 | (4.5) | 236 | | |
| Total Year | $2,283 | 11.7 | $2,551 | 0.5 | $2,563 | | |
| June-Nov | $1,172 | 11.4 | $1,306 | 2.5 | $1,339 | (1.6) | $1,318 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $413 | 2.2 | $422 | 4.3 | $440 | (0.5) | $438 |
| July | 449 | 2.4 | 460 | 3.5 | 476 | 2.9 | 490 |
| August | 462 | 5.0 | 485 | 7.0 | 519 | (1.5) | 511 |
| September | 390 | 9.0 | 425 | 2.4 | 435 | (1.1) | 430 |
| October | 393 | 13.7 | 447 | (0.4) | 445 | (0.4) | 443 |
| November | 380 | 8.4 | 412 | (4.9) | 392 | (2.8) | 381 |
| December | 341 | 8.2 | 369 | (6.2) | 346 | | |
| January | 319 | 9.4 | 349 | (2.0) | 342 | | |
| February | 307 | (1.0) | 304 | 8.2 | 329 | | |
| March | 363 | 9.4 | 397 | (6.3) | 372 | | |
| April | 383 | 10.7 | 424 | 2.1 | 433 | | |
| May | 420 | 12.1 | 471 | (1.5) | 464 | | |
| Total Year | $4,620 | 7.5 | $4,965 | 0.6 | $4,993 | | |
| June-Nov | $2,487 | 6.6 | $2,651 | 2.1 | $2,707 | (0.5) | $2,693 |

### PA 60

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $389 | (1.5) | $383 | 18.8 | $455 | (2.6) | $443 |
| July | 414 | (3.9) | 398 | 19.3 | 475 | 0.4 | 477 |
| August | 405 | (1.7) | 398 | 22.4 | 487 | (0.8) | 483 |
| September | 357 | 2.8 | 367 | 21.3 | 445 | (2.9) | 432 |
| October | 366 | 3.0 | 377 | 21.2 | 457 | (1.5) | 450 |
| November | 352 | 2.3 | 360 | 17.2 | 422 | (3.8) | 406 |
| December | 346 | 5.2 | 364 | 10.2 | 401 | | |
| January | 316 | 1.9 | 322 | 15.8 | 373 | | |
| February | 300 | 1.0 | 303 | 16.5 | 353 | | |
| March | 351 | 14.5 | 402 | 1.0 | 406 | | |
| April | 352 | 15.3 | 406 | 4.9 | 426 | | |
| May | 369 | 20.3 | 444 | 0.9 | 448 | | |
| Total Year | $4,317 | 4.8 | $4,524 | 13.8 | $5,148 | | |
| June-Nov | $2,283 | 0.0 | $2,283 | 20.1 | $2,741 | (1.8) | $2,691 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $161 | 5.6 | $170 | 22.9 | $209 | (11.0) | $186 |
| July | 152 | 1.3 | 154 | 14.9 | 177 | 11.9 | 198 |
| August | 163 | 6.1 | 173 | 9.8 | 190 | 3.2 | 196 |
| September | 156 | (2.6) | 152 | 12.5 | 171 | 10.5 | 189 |
| October | 150 | 6.0 | 159 | 20.1 | 191 | (2.1) | 187 |
| November | 136 | 4.4 | 142 | 16.9 | 166 | (12.7) | 145 |
| December | 123 | 9.8 | 135 | 0.7 | 136 | | |
| January | 128 | 11.7 | 143 | 12.6 | 161 | | |
| February | 119 | 10.9 | 132 | 14.4 | 151 | | |
| March | 149 | 12.8 | 168 | (3.6) | 162 | | |
| April | 142 | 24.6 | 177 | 7.3 | 190 | | |
| May | 165 | 29.1 | 213 | (11.3) | 189 | | |
| Total Year | $1,744 | 10.0 | $1,918 | 9.1 | $2,093 | | |
| June-Nov | $918 | 3.5 | $950 | 16.2 | $1,104 | (0.3) | $1,101 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $550 | 0.5 | $553 | 20.1 | $664 | (5.3) | $629 |
| July | 566 | (2.5) | 552 | 18.1 | 652 | 3.5 | 675 |
| August | 568 | 0.5 | 571 | 18.6 | 677 | 0.3 | 679 |
| September | 513 | 1.2 | 519 | 18.7 | 616 | 0.8 | 621 |
| October | 516 | 3.9 | 536 | 20.9 | 648 | (1.7) | 637 |
| November | 488 | 2.9 | 502 | 17.1 | 588 | (6.3) | 551 |
| December | 469 | 6.4 | 499 | 7.6 | 537 | | |
| January | 444 | 4.7 | 465 | 14.8 | 534 | | |
| February | 419 | 3.8 | 435 | 15.9 | 504 | | |
| March | 500 | 14.0 | 570 | (0.4) | 568 | | |
| April | 494 | 18.0 | 583 | 5.7 | 616 | | |
| May | 534 | 23.0 | 657 | (3.0) | 637 | | |
| Total Year | $6,061 | 6.3 | $6,442 | 12.4 | $7,241 | | |
| June-Nov | $3,201 | 1.0 | $3,233 | 18.9 | $3,845 | (1.4) | $3,792 |

### Total Revenues

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $29,853 | (2.4) | $29,126 | 4.3 | $30,368 | (5.0) | $28,855 |
| July | 32,519 | (3.2) | 31,473 | 0.8 | 31,716 | (1.9) | 31,106 |
| August | 31,988 | (0.8) | 31,729 | 5.7 | 33,541 | (1.8) | 32,936 |
| September | 26,595 | 3.7 | 27,572 | 1.5 | 27,979 | (5.4) | 26,475 |
| October | 27,758 | 2.0 | 28,303 | (0.1) | 28,272 | 0.4 | 28,391 |
| November | 26,990 | 2.3 | 27,616 | (0.9) | 27,376 | (2.4) | 26,720 |
| December | 25,442 | 4.9 | 26,692 | (5.7) | 25,175 | | |
| January | 22,874 | (0.3) | 22,810 | (0.5) | 22,704 | | |
| February | 21,111 | (7.9) | 19,452 | 8.8 | 21,156 | | |
| March | 25,300 | (0.9) | 25,084 | 0.7 | 25,262 | | |
| April | 23,161 | 3.9 | 24,071 | 6.8 | 25,714 | | |
| May | 27,678 | 4.2 | 28,853 | (1.2) | 28,499 | | |
| Total Year | $321,269 | 0.5 | $322,781 | 1.5 | $327,762 | | |
| June-Nov | $175,703 | 0.1 | $175,819 | 2.0 | $179,252 | (2.7) | $174,483 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $24,700 | 3.6 | $25,591 | (0.6) | $25,440 | (5.5) | $24,035 |
| July | 23,028 | 1.8 | 23,447 | 6.2 | 24,897 | (1.3) | 24,570 |
| August | 25,226 | 4.4 | 26,338 | 1.7 | 26,787 | (9.8) | 24,171 |
| September | 23,763 | 2.2 | 24,280 | 0.4 | 24,376 | (3.5) | 23,513 |
| October | 24,574 | 4.2 | 25,596 | 3.8 | 26,573 | (8.9) | 24,209 |
| November | 22,966 | 2.0 | 23,435 | 0.2 | 23,482 | (15.7) | 19,788 |
| December | 22,302 | (1.8) | 21,904 | (0.8) | 21,719 | | |
| January | 22,091 | 5.0 | 23,188 | 1.4 | 23,522 | | |
| February | 20,924 | 9.9 | 23,000 | (4.0) | 22,073 | | |
| March | 24,826 | 1.2 | 25,119 | (4.7) | 23,937 | | |
| April | 26,596 | 0.1 | 26,626 | (8.8) | 24,272 | | |
| May | 25,140 | 4.7 | 26,311 | (7.6) | 24,314 | | |
| Total Year | $286,136 | 3.0 | $294,835 | (1.2) | $291,392 | | |
| June-Nov | $144,257 | 3.1 | $148,687 | 1.9 | $151,555 | (7.4) | $140,286 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 |
|---|---|---|---|---|---|---|---|
| June | $54,553 | 0.3 | $54,717 | 2.0 | $55,808 | (5.2) | $52,890 |
| July | 55,547 | (1.1) | 54,920 | 3.1 | 56,613 | (1.7) | 55,676 |
| August | 57,214 | 1.5 | 58,067 | 3.9 | 60,328 | (5.3) | 57,107 |
| September | 50,358 | 3.0 | 51,852 | 1.0 | 52,355 | (4.5) | 49,988 |
| October | 52,332 | 3.0 | 53,899 | 1.8 | 54,845 | (4.1) | 52,600 |
| November | 49,956 | 2.2 | 51,051 | (0.4) | 50,856 | (8.6) | 46,508 |
| December | 47,744 | 1.8 | 48,596 | (3.5) | 46,894 | | |
| January | 44,965 | 2.3 | 45,998 | 0.5 | 46,226 | | |
| February | 42,035 | 1.0 | 42,452 | 1.8 | 43,229 | | |
| March | 50,126 | 0.2 | 50,203 | (2.0) | 49,199 | | |
| April | 49,757 | 1.9 | 50,697 | (1.4) | 49,986 | | |
| May | 52,818 | 4.4 | 55,164 | (4.3) | 52,813 | | |
| Total Year | $607,405 | 1.7 | $617,616 | 0.2 | $619,154 | | |
| June-Nov | $319,960 | 1.4 | $324,506 | 1.9 | $330,807 | (4.8) | $314,769 |

## SOCIOECONOMIC TRENDS AND FORECASTS

A detailed analysis of longer term economic trends and forecasts in the corridor was conducted as part of this analysis. These were used as input to the corridor growth analysis. Tables 5-8 provide a summary of various economic measures reviewed for this study, including population, employment, retail sales and gross state product. Additional detailed information is provided regarding monthly unemployment levels in the Turnpike corridor as well as weekly gasoline price trends.

The nation is now, according to most economists, in a recession. Traffic and revenue trends on the Pennsylvania Turnpike, and on most other toll facilities, clearly show the effect of the current economic downturn. Actual long term traffic and revenue trends along with the information provided in Tables 5-8 provide a good indication of the longer term growth potential for the Pennsylvania Turnpike, but short term (one to two year) adjustments are required to reflect the likely continued negative effects of the recession.

While there is no "crystal ball", it is widely expected that, on a national level, negative GDP growth will continue for the next one to two quarters, with low to flat GDP growth for another one to two quarters before an economic recovery begins to take effect. For purposes of developing the current forecasts, WSA has assumed continued negative growth through the middle of FY 2009-10. And then flat to no growth through the middle of FY 2010-11. Thereafter, we expect some recovery and then a continuation of more "normal" growth patterns as would be expected by the longer term economic growth forecasts shown in Tables 5-8.

### POPULATION TRENDS AND FORECASTS

Historic population data were obtained from the U.S. Census, and future rates of growth were obtained from an economic research firm, Woods and Poole, for counties and states that significantly contribute to Pennsylvania Turnpike traffic demand. The historic and forecast rates of growth in total population are presented in Table 5, from 1980 through 2030. Historic data were available up to 2007. The rates of growth are summarized as the AAPC between the following time periods:

- 1980 through 1990;
- 1990 through 2000;
- 2000 through 2007;
- 2007 through 2010;
- 2010 through 2020;
- 2020 through 2030; and
- 2007 through 2030.

The rates of growth are presented for the following five states: New Jersey, New York, Ohio, Pennsylvania, and West Virginia. Information for the United States is provided as well. The county level data were summarized into the following four groups:

- **Pittsburgh Area Counties**: Allegheny, Armstrong, Beaver, Butler, Indiana, Lawrence, Washington and Westmoreland,
- **Interurban Area Counties**: Adams, Bedford, Blair, Cambria, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Lancaster, Lebanon, Mifflin, Perry, Somerset and York,
- **Philadelphia Area Counties:** Berks, Bucks, Chester, Delaware, Montgomery and Philadelphia, and
- **Northeastern Corridor Counties**: Carbon, Lackawanna, Lehigh, Luzerne, Northampton and Wyoming.

**Table 5**

**Population Trends and Forecast**

| Area | | Average Annual Percent Change | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | 1980 - 90 | 1990 - 00 | 2000 - 07 | 2007 - 10 | 2010 - 20 | 2020 - 30 | 2007 - 30 |
| Pittsburgh Area | (1) | (0.7) | (0.2) | (0.3) | 0.3 | 0.4 | 0.5 | 0.4 |
| Interurban Area | (2) | 0.6 | 0.7 | 0.7 | 0.7 | 0.8 | 0.8 | 0.8 |
| Philadelphia Area | (3) | 0.2 | 0.4 | 0.3 | 0.3 | 0.4 | 0.5 | 0.4 |
| Northeastern Corridor | (4) | 0.2 | 0.2 | 0.6 | 0.3 | 0.4 | 0.5 | 0.4 |
| **Subtotal** | | **0.0** | **0.3** | **0.3** | **0.4** | **0.5** | **0.6** | **0.5** |
| New Jersey | | 0.5 | 0.8 | 0.6 | 0.8 | 0.8 | 0.9 | 0.8 |
| New York | | 0.3 | 0.5 | 0.3 | 0.3 | 0.4 | 0.4 | 0.4 |
| Ohio | | 0.1 | 0.5 | 0.2 | 0.2 | 0.3 | 0.4 | 0.3 |
| Pennsylvania | | 0.0 | 0.3 | 0.3 | 0.4 | 0.5 | 0.6 | 0.5 |
| West Virginia | | (0.9) | 0.1 | 0.1 | 0.2 | 0.2 | 0.4 | 0.3 |
| **Subtotal** | | **0.2** | **0.5** | **0.3** | **0.4** | **0.4** | **0.5** | **0.5** |
| United States | | 0.9 | 1.2 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |

(1) Pittsburgh Area Counties: Allegheny, Armstrong, Beaver, Butler, Indiana, Lawrence, Washington, and Westmoreland.
(2) Interurban Counties: Adams, Bedford, Blair, Cambria, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Lancaster, Lebanon, Mifflin, Perry, Somerset, and York.
(3) Philadelphia Area Counties: Berks, Bucks, Chester, Delaware, Montgomery, and Philadelphia.
(4) Northeastern Corridor Counties: Carbon, Lackawana, Lehigh, Luzerne, Northhampton, and Wyoming.

Note: Years 1980 to 2000 represents U.S. Census data. Forecast year growth rates were obtained from Woods & Poole CEDDS, 2007 edition.

These groups of counties were used to describe areas of the Turnpike centered on the Pittsburgh metropolitan area, mid-state Pennsylvania, the Philadelphia metropolitan area, and the Northeastern Extension corridor. The data helped WSA to analyze the longer term growth potential of traffic demand on the Turnpike through 2030.

As can be seen in Table 5, population growth is very moderate in the Turnpike subregion, the states and the United States. Historically, Pennsylvania population has increased by between 0.0 and 0.3 percent per year between 1980 and 2007; this is about the same as population growth in the Turnpike corridor as well. For comparative purposes, population growth in the Unites States has averaged about 1.0 percent growth per year over the same period.

It is interesting to note that, as shown in Table 1, traffic growth on the Turnpike grew at 3.3 percent between 1987 and 2007; a much greater level than population growth, even in spite of multiple toll increases over this period. This demonstrates the ability of the Turnpike to attract a greater and greater share of travel in the corridor. It is also indicative of the nature of a facility of this type to both attract and generate its own traffic as motorists and businesses choose to locate along the Turnpike corridor to take advantage of the high level of service it offers.

Future population growth in the Turnpike corridor is forecast to increase slightly compared to historical levels. As shown, estimates average about 0.5 percent per year through 2030. This is more or less comparable to that for the states in the region, but only about half of the longer term population forecasts for the U.S.

### EMPLOYMENT AND UNEMPLOYMENT TRENDS AND FORECASTS

Rates of growth in employment are shown in Table 6. Historical data are from the U.S. Department of Commerce, and the future growth rates are based on data from Woods & Poole.

**Table 6**
**Employment Trends and Forecast**

| Area | | Average Annual Percent Change | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | 1980 - 90 | 1990 - 00 | 2000 - 07 | 2007 - 10 | 2010 - 20 | 2020 - 30 | 2007 - 30 |
| Pittsburgh Area | (1) | 0.4 | 0.9 | 0.5 | 1.4 | 1.3 | 1.1 | 1.2 |
| Interurban Area | (2) | 1.9 | 1.2 | 1.0 | 1.3 | 1.2 | 1.1 | 1.2 |
| Philadelphia Area | (3) | 1.3 | 0.8 | 0.6 | 1.1 | 1.0 | 0.9 | 1.0 |
| Northeastern Corridor | (4) | 1.1 | 0.9 | 0.8 | 1.2 | 1.1 | 1.0 | 1.1 |
| **Subtotal** | | **1.2** | **0.9** | **0.7** | **1.2** | **1.1** | **1.0** | **1.1** |
| New Jersey | | 1.9 | 0.9 | 1.1 | 1.3 | 1.2 | 1.0 | 1.1 |
| New York | | 1.3 | 0.6 | 0.7 | 0.8 | 0.8 | 0.7 | 0.8 |
| Ohio | | 1.2 | 1.5 | 0.3 | 1.3 | 1.2 | 1.1 | 1.2 |
| Pennsylvania | | 1.2 | 1.0 | 0.7 | 1.2 | 1.1 | 1.0 | 1.1 |
| West Virginia | | (0.0) | 1.3 | 0.8 | 1.4 | 1.3 | 1.1 | 1.2 |
| **Subtotal** | | **1.3** | **1.0** | **0.7** | **1.1** | **1.1** | **1.0** | **1.0** |
| United States | | 2.0 | 1.8 | 1.1 | 1.6 | 1.4 | 1.3 | 1.4 |

(1) Pittsburgh Area Counties: Allegheny, Armstrong, Beaver, Butler, Indiana, Lawrence, Washington, and Westmoreland.
(2) Interurban Counties: Adams, Bedford, Blair, Cambria, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Lancaster, Lebanon, Mifflin, Perry, Somerset, and York.
(3) Philadelphia Area Counties: Berks, Bucks, Chester, Delaware, Montgomery, and Philadelphia.
(4) Northeastern Corridor Counties: Carbon, Lackawana, Lehigh, Luzerne, Northhampton, and Wyoming.

Note: Historical data through 2000 are based on the U.S. Department of Commerce. Forecast data are based on growth rates obtained from Woods & Poole CEDDS, 2007 edition.

Historically, employment growth has averaged between 0.7 and 1.2 percent per year in Pennsylvania and the Turnpike corridor from 1980 through 2007. Employment growth in the United States increased at a faster rate, averaging between 1.1 and 2.0 percent per year during this time period. As with historical population growth, the 3.3 percent annual growth in traffic on Turnpike toll facilities is more than triple the average annual rate of growth in employment.

From 2000 through 2030, employment growth is estimated to increase by 1.4 percent per year in the Unites States, 1.1 percent in Pennsylvania, and 1.1 percent in the Turnpike corridors. Within the Turnpike corridor, employment growth rates are fairly consistent, estimated to average between 1.0 percent and 1.2 percent per year through 2030.

Figure 2 provides a detailed monthly trend in unemployment levels for various segments of the Turnpike, for the state and the U.S. Data are shown from January 1998 through November 2008 for the state and the U.S., and through October 2008 for the state sub-regions. This graph shows both the seasonal variations in unemployment levels during each year as well as the longer, multi-year, cyclical patterns.

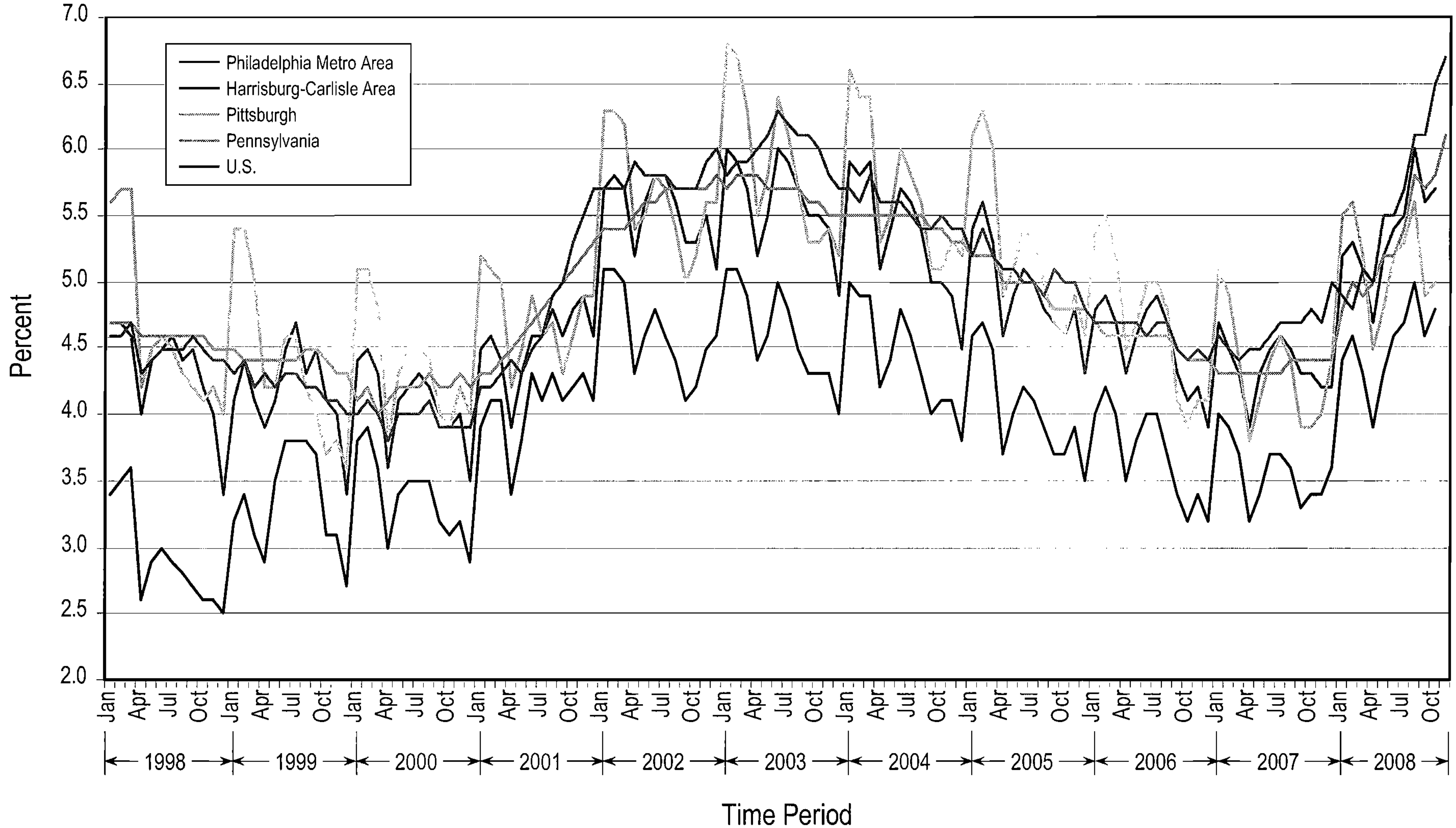
Historically, the Harrisburg-Carlisle area has exhibited the lowest unemployment rates. This is probably a result of state government employment in the state capitol. Unemployment levels for the state, Philadelphia metro area and Pittsburgh have generally tended to vary at, or near, levels for the U.S. Only in the last few months has there been a divergence where unemployment levels for the U.S. have begun to exceed those for the state and corridor areas. Estimated November 2008 unemployment for the US reached 6.7 percent while that for Pennsylvania was 6.1 percent. October 2008 unemployment estimates totaled 5.7 percent for the Philadelphia metro area, 4.8 percent for Harrisburg-Carlisle, and 5.0 percent for Pittsburgh.

Economists are estimating continued short term increases in unemployment levels for the U.S. before a recovery to pre-recession levels. Various estimates for national unemployment levels reach the 9 to 10 percent level. This would put unemployment rates at levels not seen since 1982 when they averaged 9.7 percent. However, based on recent historical trends, it would appear that unemployment levels for Pennsylvania, and particularly for the Turnpike corridor itself, will be lower than those at the national level.

### RETAIL SALES TRENDS AND FORECASTS

Retail sales trend and forecast information is shown in Table 7. Trends for Pennsylvania and the Turnpike corridor are very similar with the surrounding states, though lower than those for the U.S. as a whole.

Growth rates in retail sales are estimated to be slightly lower in the future, averaging 2.0 percent per year in the United States, 1.6 percent in Pennsylvania, and 1.6 percent in the Turnpike corridor between 2007 and 2030. The strongest growth in retail sales within the Turnpike corridor is forecast to occur in the Interurban Area (1.9 percent per year), followed by the Philadelphia Area (1.7 percent per year). The Northeastern Corridor is forecast to experience growth in retail sales averaging 1.4 percent per year from




WilburSmith ASSOCIATES

## SUMMARY OF HISTORICAL MONTHLY UNEMPLOYMENT RATES

FIGURE 2

2007 through 2030, and retail sales in the Pittsburgh Area are forecast to average 1.4 percent per year through the same time period.

**Table 7**
**Retail Sales Trends and Forecast**

| Area | | Average Annual Percent Change | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | 1980 - 90 | 1990 - 00 | 2000 - 07 | 2007 - 10 | 2010 - 20 | 2020 - 30 | 2007 - 30 |
| Pittsburgh Area | (1) | 0.3 | 2.2 | 0.8 | 1.3 | 1.4 | 1.5 | 1.4 |
| Interurban Area | (2) | 2.1 | 2.7 | 1.8 | 1.8 | 1.8 | 1.9 | 1.9 |
| Philadelphia Area | (3) | 2.0 | 2.5 | 1.6 | 1.6 | 1.6 | 1.7 | 1.7 |
| Northeastern Corridor | (4) | 1.5 | 2.3 | 1.7 | 1.3 | 1.4 | 1.5 | 1.4 |
| **Subtotal** | | **1.5** | **2.4** | **1.5** | **1.5** | **1.6** | **1.7** | **1.6** |
| New Jersey | | 2.1 | 2.4 | 1.8 | 1.9 | 2.0 | 2.0 | 2.0 |
| New York | | 1.4 | 2.0 | 1.5 | 1.4 | 1.5 | 1.6 | 1.5 |
| Ohio | | 1.1 | 3.1 | 1.4 | 1.3 | 1.4 | 1.5 | 1.4 |
| Pennsylvania | | 1.5 | 2.4 | 1.5 | 1.5 | 1.6 | 1.7 | 1.6 |
| West Virginia | | (0.3) | 2.7 | 1.3 | 1.3 | 1.4 | 1.5 | 1.4 |
| **Subtotal** | | **1.4** | **2.4** | **1.5** | **1.5** | **1.6** | **1.7** | **1.6** |
| United States | | 1.8 | 3.3 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |

(1) Pittsburgh Area Counties: Allegheny, Armstrong, Beaver, Butler, Indiana, Lawrence, Washington, and Westmoreland.
(2) Interurban Counties: Adams, Bedford, Blair, Cambria, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Lancaster, Lebanon, Mifflin, Perry, Somerset, and York.
(3) Philadelphia Area Counties: Berks, Bucks, Chester, Delaware, Montgomery, and Philadelphia.
(4) Northeastern Corridor Counties: Carbon, Lackawana, Lehigh, Luzerne, Northhampton, and Wyoming.

Note: Data is based on Woods & Poole, CEDDS, 2007 Edition.

### Gross State Product Trends and Forecasts

Another economic indicator that can reflect changing traffic demand is gross state product (GSP) and the gross domestic product (GDP) of the United States. The historic and forecast rates of growth for these variables are shown in Table 8. U.S. GDP increased by an average of about 3.0 percent per year between 1980 through 2007. Pennsylvania's GSP increased by an average 2.4 percent during the same time period. The growth rate of the combined five states averaged 2.6 percent per year, though much of this average growth was fueled by the high 4.5 percent growth exhibited by New Jersey between 1980 and 1990.

Future growth rates are estimated to decrease somewhat, averaging 2.3 percent for the US GDP from 2007 through 2030. Pennsylvania is estimated to experience an average increase in GSP of about 2.0 percent per year, while the combined five states are forecast to average an increase in GSP of 1.9 percent during that time period. Increasing GSP and GDP are positive indicators reflecting the potential for increasing traffic demand on the Turnpike.

**Table 8**
**Gross State Product Trends and Forecast**

| State | Average Annual Percent Change 1980 - 90 | 1990 - 00 | 2000 - 07 | 2007 - 10 | 2010 - 20 | 2020 - 30 | 2007 - 30 |
|---|---|---|---|---|---|---|---|
| New Jersey | 4.5 | 2.4 | 2.5 | 2.0 | 2.1 | 2.2 | 2.2 |
| New York | 3.3 | 2.4 | 2.0 | 1.5 | 1.6 | 1.8 | 1.7 |
| Ohio | 1.9 | 2.5 | 2.2 | 1.9 | 2.0 | 2.1 | 2.0 |
| Pennsylvania | 2.2 | 2.3 | 2.6 | 1.9 | 2.0 | 2.1 | 2.0 |
| West Virginia | (0.4) | 1.6 | 3.1 | 2.1 | 2.1 | 2.2 | 2.1 |
| **Subtotal** | **2.9** | **2.4** | **2.3** | **1.8** | **1.9** | **2.0** | **1.9** |
| United States | 3.1 | 3.2 | 2.5 | 2.3 | 2.3 | 2.4 | 2.3 |

Note: Data was obtained from Woods & Poole, CEDDS, 2007 Edition.

It should be pointed out that these longer term forecasts are about one year old at this time. Current short term GDP forecasts are much more pessimistic than those shown in Table 8 for the 2007 to 2010 period. In their December 10, 2008 report, the Wachovia Economic Group is estimating negative US GDP growth of 2.0 percent in 2009 and positive 1.4 percent growth in 2010.

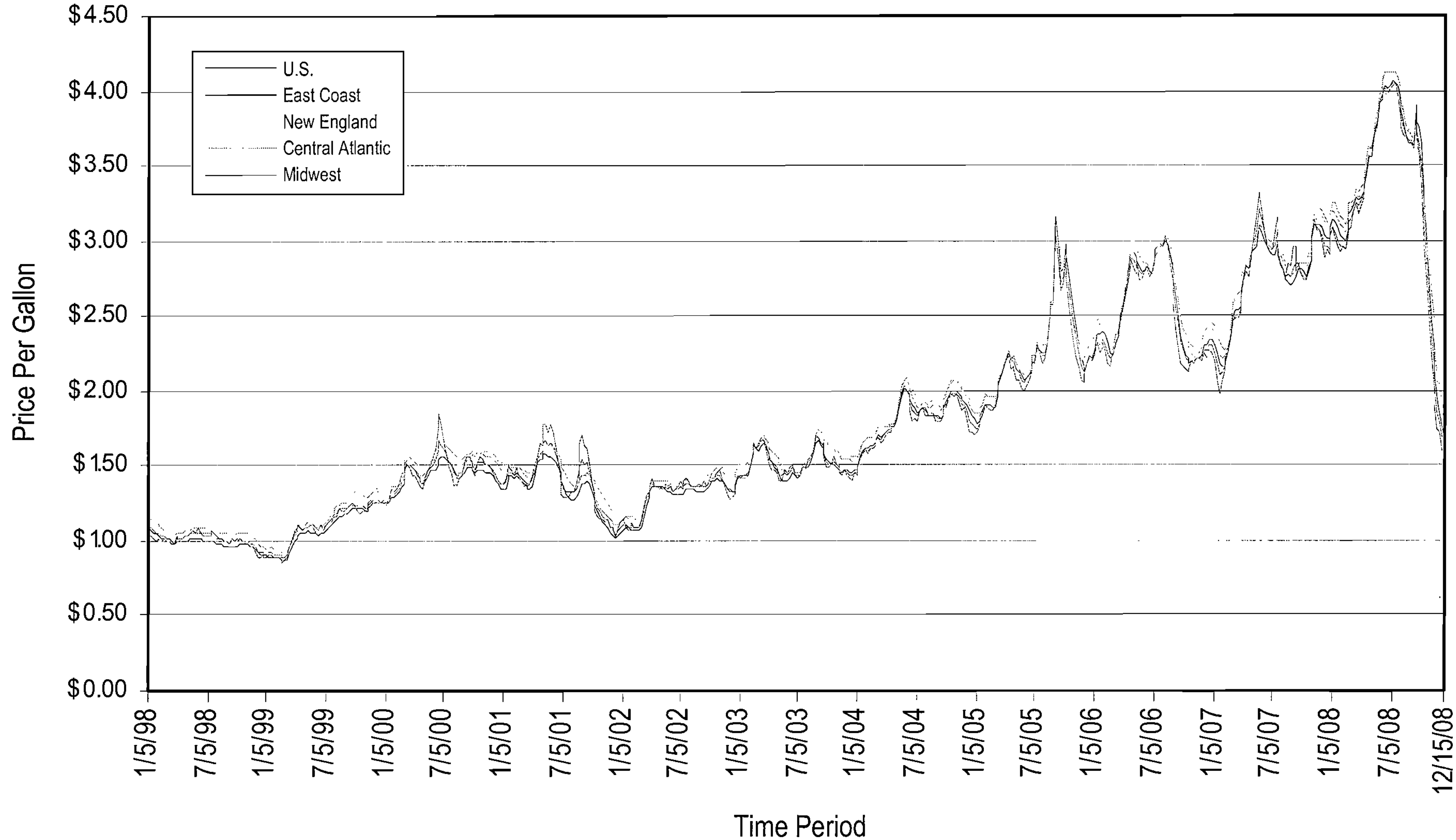
As discussed at the beginning of this section (Socioeconomic Trends and Forecasts), WSA has assumed continued short term negative growth for purposes of developing traffic and revenue forecasts for the Pennsylvania Turnpike. As discussed above, we assume continued negative growth through the middle of FY 2009-10 and then flat to no growth through the middle of FY 2010-11. Thereafter, we expect some recovery and then a continuation of more “normal” growth patterns as would be expected by the longer term economic growth forecasts shown for the economic indicators in Tables 5 through 8.

### HISTORICAL GASOLINE PRICES

Another variable that can influence driver behavior is the price of gasoline. Figure 3 shows the weekly price per gallon of regular unleaded gasoline from January 5, 1998 through December 15, 2008. Data are shown for the U.S., the East Coast, New England, Central Atlantic (including Pennsylvania) and Midwest states. The most obvious characteristic is how consistent prices are for all of these regions. Prices tend not to vary more than about $0.10 to $0.20 between the five regions shown.

Prices peaked in June and July 2008 at just over $4.00 per gallon. This price increase was accompanied by decreasing traffic volumes on the Pennsylvania Turnpike and other toll and non-toll roads around the country. Many attributed this decline in trip making to high gas prices. Since July 2008, gas prices have dropped dramatically to a U.S. average of $1.65 per gallon by December 15, 2008. Averages for the Central Atlantic region are slightly higher at about $1.80 per gallon.

Trip making has continued to decline, however, even as gasoline prices have declined to levels not seen in the last five years. Thus, it is clear that the primary cause of declining traffic volumes was, and is, the underlying economic conditions of the region (and the US as a whole) and not simply gasoline prices. That said, however, low fuel costs do result in real savings to the consumer, and longer term that can only be positive in terms of future trip making.






## WEEKLY REGULAR UNLEADED GASOLINE PRICES

FIGURE 3

### DEVELOPMENT OF NORMAL GROWTH ASSUMPTIONS

All of the socioeconomic data described above was used in the development of estimated growth rates on the Turnpike. Regression analyses were used to develop a relationship between these various measures and historical Turnpike traffic growth. While the data shown in Tables 5-8 are summarized into the four county groupings, WSA actually analyzed each interchange and barrier location based on the market area it serves. Using data collected as part of the 1999 origin and destination survey, WSA developed an interchange level profile (for both cars and commercial vehicles) identifying the Pennsylvania counties and states that contribute traffic to each Turnpike interchange.

As these types of data were not available for the barrier locations, county data were used based on the surrounding counties at each barrier location. Based on the analysis of the ticket system market share, this probably reflects an accurate reflection of actual barrier usage.

It should be emphasized again, however, that the regression analysis was used to develop longer term normal growth estimates beyond FY 2011-12. Shorter term estimates were developed recognizing the current economic recession and assumed continued negative growth through the middle of FY 2009-10 and zero to very low growth through the end of FY 2010-11.

## ESTIMATED TRAFFIC AND TOLL REVENUE

This section of the report summarizes the study findings. Estimates of toll transaction and gross and net toll revenue are presented through FY 2030-31. These forecasts take into account the recent 25 percent toll rate increase on January 4, 2009 as well as the 3.0 percent annual toll rate adjustments on or about each subsequent January 1. A brief discussion is also provided of historical toll rate increases on the Pennsylvania Turnpike and the estimated effect they have had on traffic. Lastly, the currently proposed future rate structure will be discussed.

### HISTORICAL AND PROPOSED PENNSYLVANIA TURNPIKE TOLL RATES

Table 9 provides a historical summary of all past rate increases on the Turnpike, up to and including the one implemented on January 4, 2009. Since 1940, when the Turnpike's first section opened to traffic, there have only been five rate increases. The one on January 4, 2009 was the sixth. Table 9 also shows the average annual percent rate of growth in the per mile rate charged to use the Turnpike. Since 1940 the rate of growth has averaged 2.9 percent per year.

To keep up with inflation and to improve funding capability for proposed capital projects, the Turnpike will now implement a 3.0 percent toll adjustment that occurs each year (beginning on or about January 1, 2010) instead of a toll increase once every 10 years, at a compounded rate of 3.0 percent per year. Table 10 shows an example of how rates will increase through 2030 for various rates, including a current $1.00, $2.50 and $10.00 toll. This table begins with hypothetical rates just prior to the January 4, 2009 rate increase. As shown, the rounding convention will be different for cash and E-ZPass transactions. Today, there is no difference between these two payment types. E-ZPass tolls will be rounded to the nearest $0.01 while cash rates will be rounded up to the nearest $0.05.

**Table 9**
## Historical and Future Per Mile Toll Rates
Pennsylvania Turnpike System

| Year | Car Per Mile Toll | Total Percent Increase | Average Annual Increase |
|---|---|---|---|
| 1940 (1) | $0.010 | --- | --- |
| 1969 | 0.020 | 100.0% | 2.4% |
| 1978 | 0.022 | 10.0 | 1.1 |
| 1987 | 0.031 | 40.9 | 3.9 |
| 1991 | 0.041 | 32.3 | 7.2 |
| 2004 | 0.059 | 43.9 | 2.8 |
| 2009 (2) | 0.074 | 25.4 | 4.6 |
| 1940 - 2009 | | | 2.9 |

(1) The first section of the Turnpike opened in October 1940.
(2) This is the most recent rate increase which took place on January 4, 2009. Annual 3.0 percent rate increases will occur on or about January 1 of each succeeding year.

**Table 10**
## Sample of Future Cash and E-ZPass Toll Rates
**Pennsylvania Turnpike System**

| Calendar Year (1) | Percent Toll Rate Increase (2) | Growth in Rates from Levels Prior to January 4, 2009 Rate Increase: $1.00 Toll Cash (3) | $1.00 Toll E-ZPass (3) | $2.50 Toll Cash (3) | $2.50 Toll E-ZPass (3) | $10.00 Toll Cash (3) | $10.00 Toll E-ZPass (3) |
|---|---|---|---|---|---|---|---|
| 2008 (4) | --- | $1.00 | $1.00 | $2.50 | $2.50 | $10.00 | $10.00 |
| 2009 (5) | 25.0% | 1.25 | 1.25 | 3.15 | 3.13 | 12.50 | 12.50 |
| 2010 | 3.0 | 1.30 | 1.29 | 3.25 | 3.22 | 12.90 | 12.88 |
| 2011 | 3.0 | 1.35 | 1.33 | 3.35 | 3.32 | 13.30 | 13.27 |
| 2012 | 3.0 | 1.40 | 1.37 | 3.45 | 3.42 | 13.70 | 13.67 |
| 2013 | 3.0 | 1.45 | 1.41 | 3.55 | 3.52 | 14.10 | 14.08 |
| 2014 | 3.0 | 1.45 | 1.45 | 3.65 | 3.63 | 14.50 | 14.50 |
| 2015 | 3.0 | 1.50 | 1.49 | 3.75 | 3.74 | 14.95 | 14.94 |
| 2016 | 3.0 | 1.55 | 1.53 | 3.85 | 3.85 | 15.40 | 15.39 |
| 2017 | 3.0 | 1.60 | 1.58 | 4.00 | 3.97 | 15.85 | 15.85 |
| 2018 | 3.0 | 1.65 | 1.63 | 4.10 | 4.09 | 16.35 | 16.33 |
| 2019 | 3.0 | 1.70 | 1.68 | 4.25 | 4.21 | 16.85 | 16.82 |
| 2020 | 3.0 | 1.75 | 1.73 | 4.35 | 4.34 | 17.35 | 17.32 |
| 2021 | 3.0 | 1.80 | 1.78 | 4.50 | 4.47 | 17.85 | 17.84 |
| 2022 | 3.0 | 1.85 | 1.83 | 4.60 | 4.60 | 18.40 | 18.38 |
| 2023 | 3.0 | 1.90 | 1.88 | 4.75 | 4.74 | 18.95 | 18.93 |
| 2024 | 3.0 | 1.95 | 1.94 | 4.90 | 4.88 | 19.50 | 19.50 |
| 2025 | 3.0 | 2.00 | 2.00 | 5.05 | 5.03 | 20.10 | 20.09 |
| 2026 | 3.0 | 2.10 | 2.06 | 5.20 | 5.18 | 20.70 | 20.69 |
| 2027 | 3.0 | 2.15 | 2.12 | 5.35 | 5.34 | 21.35 | 21.31 |
| 2028 | 3.0 | 2.20 | 2.18 | 5.50 | 5.50 | 21.95 | 21.95 |
| 2029 | 3.0 | 2.25 | 2.25 | 5.70 | 5.67 | 22.65 | 22.61 |
| 2030 | 3.0 | 2.35 | 2.32 | 5.85 | 5.84 | 23.30 | 23.29 |

(1) The 25 percent rate increase occurred on January 4, 2009; all other rate increases are assumed to occur on or about January 1 of the indicated year.
(2) These rate increases apply to all Turnpike toll facilities except for tolls on the Findlay Connector. Passenger Car toll rates on the Findlay Connector are currently $0.50 (with higher rates for commercial vehicles) and are assumed to remain unchanged over the forecast period.
(3) Cash rates are rounded up to the nearest $0.05 and E-ZPass rates are rounded to the nearest $0.01.
(4) These rates reflect those that would have been in effect prior to January 4, 2009.
(5) These are the rates that would currently be in effect subsequent to the January 4, 2009 rate increase.

Table 11 shows the historical growth in E-ZPass transactions. Over the last five years, passenger car E-ZPass market share has increased from almost 32 percent to nearly 47 percent of toll transactions. Commercial vehicle market share growth has been even greater, growing from about 40 percent in FY 2003-04 to over 70 percent by FY 2007-08. The actual rate of growth has been declining each year and we would expect that trend to continue. Some toll facilities offer toll discounts to those who pay electronically, that is not the case on the Pennsylvania Turnpike. Though the new rate schedules will introduce a very small toll savings for some E-ZPass users, that difference will never be greater than $0.04 and is not, therefore, expected to create an inducement to join the E-ZPass program. All of the other benefits of E-ZPass (no need for cash, faster toll transactions, payment accountability, etc.) will be the driving factors behind continued growth in the E-ZPass program.

**Table 11**
**E-ZPass Transaction**
**Market Share Trends**
**Pennsylvania Turnpike System**

| Fiscal Year | Passenger Car | Commercial Vehicle | Total |
|---|---|---|---|
| 2003-04 | 31.9% | 40.1% | 33.0% |
| 2004-05 | 36.4 | 49.1 | 38.1 |
| 2005-06 | 40.4 | 60.2 | 43.2 |
| 2006-07 | 44.3 | 67.9 | 47.6 |
| 2007-08 | 46.8 | 71.1 | 50.1 |

As shown in Table 9, the most recent toll increase for which data are available on the Pennsylvania Turnpike occurred in 2004 (August 1$^{st}$). Impact information is not yet available for the January 4, 2009 increase. Table 12 provides a summary of the estimated impact the 42.5 percent rate increase had on toll transactions. Traffic volumes for the June and July period just before the toll increase (2004) were compared to the June and July period following the toll increase (2005). The impact between these two periods would include both normal growth between 2004 and 2005 and the impact of the toll increase.

As shown in Table 12, passenger car traffic decreased by 1.2 percent and commercial vehicle transactions dropped by 0.6 percent. Based on general growth trends after the toll increase, we estimate normal growth between 2004 and 2005 to have been 0.5 percent for passenger cars and about 3.0 percent for commercial vehicles. The difference between observed growth and estimated normal growth reflects the impact of the toll rate increase. In this case, the passenger car toll rate increase impact is estimated at negative 1.7 percent and a loss of about 3.6 percent for commercial vehicles. The elasticity measure is a way to benchmark these impacts. Thus, for each 100 percent increase in rates, passenger car traffic would be expected to decrease by about 4.0 percent and commercial vehicle trips by about 8.5 percent.

**Table 12**
## Estimated Impact of 2004 Toll Rate Increase (1)
**Pennsylvania Turnpike System**

| Time Period/Impact Estimates | Passenger Car | Commercial Vehicle | Total |
|---|---|---|---|
| Toll Increase plus Normal Growth Impact (2) | -1.2% | -0.6% | -1.1% |
| Estimated Normal Growth Only | 0.5% | 3.0% | 0.8% |
| Estimated Toll Increase Impact (3) | -1.7% | -3.6% | -1.9% |
| Percent Toll Increase | 42.5% | 42.5% | 42.5% |
| Elasticity of Demand (4) | -4.0% | -8.5% | -4.5% |

(1) A rate increase of 42.5 percent was implemented for all vehicle classes on August 1, 2004.
(2) This reflects growth between June/July 2005 compared to June/July 2004. The June/July 2004 period excludes the toll increase impact while the June/July 2005 period does include the toll increase impact. Thus, the percent impacts shown in this row reflect the impact of the toll increase plus normal growth. between 2004 and 2005
(3) The estimated toll impact is calculated by subtracting normal growth (row two) from the toll increase plus normal growth estimates in row one.
(4) Elasticity of demand is calculated by dividing the estimated toll increase impact by the percent toll rate increase.

### ESTIMATED TRAFFIC AND TOLL REVENUE

Tables 13 through 15 show the resulting estimates of annual traffic and gross toll revenue. Table 13 provides information for the ticket system only (including Gateway barrier plaza information as well) while Table 14 shows estimated traffic and gross toll revenue for the barrier systems (excluding Gateway). Table 15 provides a summary of total Turnpike traffic and toll revenue. All data for FY 2007-08 are actual and FY 2008-09 includes actual data for the first six months of the year (June through November 2008).

As shown in Table 13, total ticket transactions are expected to increase from about 158 million in FY 2007-08 to 233.1 million by FY 2030-31, an average annual growth rate of 1.7 percent. Estimated annual toll revenue increases from $571.5 million (after accounting for discounts and adjustments) to approximately $2,004.3 million over the same period. This represents an average annual growth rate of 5.6 percent and reflects the impact of both normal growth and the effects of annual toll rate increases.

Barrier system toll traffic (Table 14) is expected to increase from almost 31.3 million in FY 2007-08 to 61.4 million by the last forecast year, reflecting an average growth rate of about 3.0 percent per year. Growth rates on these facilities are higher than those on the ticket system due to the new market areas these facilities tend to serve. They are located on the fringes of urban areas where new suburban growth rates exceed those of the more developed areas served by the ticket system. Annual barrier toll revenue is shown to grow from about $27.4 million to $125.1 million over the forecast period; this represents an annualized growth of 6.8 percent.

Table 15 shows total Turnpike traffic and toll revenue. Total toll transactions are estimated to increase from 189.6 million in FY 2007-08 to almost 294.5 million by FY 2030-31. This represents annual growth of 1.9 percent. Total adjusted gross toll revenue is estimated to increase from $598.9 million to $2,129.5 million over the same period, representing 5.7 percent annualized growth.

**Table 13**

## Estimated Annual Traffic and Gross Toll Revenue

**Ticket System Only**

| Fiscal Year | Annual Traffic (1,000s) Passenger Cars | Commercial Vehicles | Total Vehicles | Annual Gross Revenue (1,000s) Passenger Cars | Commercial Vehicles | Total Vehicles | Revenue Discounts and Adjustments (1,000s) (4) | Adjusted Annual Gross Revenue (1,000s) |
|---|---|---|---|---|---|---|---|---|
| 2007-08 (1) | 136,018 | 22,253 | 158,272 | $307,299 | $283,511 | $590,810 | ($19,296) | $571,514 |
| 2008-09 (2) | 132,241 | 20,788 | 153,029 | 323,715 | 285,714 | 609,430 | (19,904) | 589,526 |
| 2009-10 (3) | 129,996 | 19,887 | 149,883 | 366,066 | 314,577 | 680,643 | (22,230) | 658,413 |
| 2010-11 (3) | 130,618 | 19,984 | 150,601 | 378,797 | 325,641 | 704,438 | (23,007) | 681,431 |
| 2011-12 (3) | 135,189 | 20,883 | 156,072 | 403,817 | 350,503 | 754,320 | (24,636) | 729,684 |
| 2012-13 (3) | 139,245 | 21,718 | 160,963 | 428,409 | 375,459 | 803,869 | (26,254) | 777,614 |
| 2013-14 (3) | 142,726 | 22,479 | 165,205 | 452,293 | 400,258 | 852,551 | (27,844) | 824,707 |
| 2014-15 (3) | 146,009 | 23,153 | 169,162 | 476,577 | 424,634 | 901,211 | (29,434) | 871,777 |
| 2015-16 (3) | 149,075 | 23,824 | 172,899 | 501,183 | 450,057 | 951,239 | (31,067) | 920,172 |
| 2016-17 (3) | 152,205 | 24,515 | 176,721 | 527,059 | 477,002 | 1,004,060 | (32,793) | 971,268 |
| 2017-18 (3) | 155,402 | 25,202 | 180,604 | 554,271 | 505,068 | 1,059,339 | (34,598) | 1,024,741 |
| 2018-19 (3) | 158,510 | 25,907 | 184,417 | 582,317 | 534,787 | 1,117,103 | (36,485) | 1,080,619 |
| 2019-20 (3) | 161,680 | 26,607 | 188,287 | 611,782 | 565,703 | 1,177,485 | (38,457) | 1,139,028 |
| 2020-21 (3) | 164,914 | 27,325 | 192,239 | 642,738 | 598,406 | 1,241,144 | (40,536) | 1,200,608 |
| 2021-22 (3) | 168,047 | 28,063 | 196,110 | 674,599 | 633,000 | 1,307,598 | (42,706) | 1,264,892 |
| 2022-23 (3) | 171,240 | 28,793 | 200,033 | 708,039 | 668,941 | 1,376,980 | (44,972) | 1,332,008 |
| 2023-24 (3) | 174,493 | 29,541 | 204,035 | 743,136 | 706,924 | 1,450,060 | (47,359) | 1,402,701 |
| 2024-25 (3) | 177,809 | 30,309 | 208,118 | 779,973 | 747,063 | 1,527,036 | (49,873) | 1,477,163 |
| 2025-26 (3) | 181,009 | 31,097 | 212,107 | 817,833 | 789,481 | 1,607,315 | (52,495) | 1,554,820 |
| 2026-27 (3) | 184,268 | 31,875 | 216,142 | 857,531 | 833,495 | 1,691,026 | (55,229) | 1,635,797 |
| 2027-28 (3) | 187,584 | 32,672 | 220,256 | 899,155 | 879,962 | 1,779,118 | (58,106) | 1,721,012 |
| 2028-29 (3) | 190,961 | 33,488 | 224,449 | 942,800 | 929,020 | 1,871,821 | (61,134) | 1,810,687 |
| 2029-30 (3) | 194,398 | 34,326 | 228,724 | 988,564 | 980,813 | 1,969,377 | (64,320) | 1,905,057 |
| 2030-31 (3) | 197,897 | 35,184 | 233,081 | 1,036,549 | 1,035,493 | 2,072,042 | (67,673) | 2,004,369 |

(1) Reflects actual traffic and revenue experience.
(2) Assumes implementation of the 25 percent rate increase on January 4, 2009. FY 2008-09 contains six months of actual experience.
(3) Assumes implementation of a 3 percent rate increase on or about January 1 of the indicated year.
(4) Discounts and adjustments are based on actual experience in FY 2007-08 and reflect approximately 3.3 percent of gross toll revenue.

**Table 14**
## Estimated Annual Traffic and Gross Toll Revenue
**Barrier System Only**

| Fiscal Year | Annual Traffic (1,000s) Passenger Cars | Commercial Vehicles | Total Vehicles | Annual Revenue (1,000s) Passenger Cars | Commercial Vehicles | Total Vehicles | Discounts and Adjustments (1,000s) (4) | Adjusted Annual Gross Revenue (1,000s) |
|---|---|---|---|---|---|---|---|---|
| 2007-08 (1) | 28,078 | 3,201 | 31,280 | $20,462 | $7,878 | $28,340 | ($926) | $27,415 |
| 2008-09 (2) | 28,438 | 3,200 | 31,639 | 22,811 | 8,590 | 31,402 | (1,026) | 30,376 |
| 2009-10 (3) | 28,316 | 3,135 | 31,451 | 26,157 | 9,690 | 35,847 | (1,171) | 34,676 |
| 2010-11 (3) | 28,557 | 3,159 | 31,717 | 27,175 | 10,057 | 37,232 | (1,216) | 36,016 |
| 2011-12 (3) | 29,912 | 3,297 | 33,210 | 29,340 | 10,809 | 40,149 | (1,311) | 38,838 |
| 2012-13 (3) | 31,182 | 3,425 | 34,607 | 31,528 | 11,561 | 43,089 | (1,407) | 41,682 |
| 2013-14 (3) | 32,352 | 3,550 | 35,901 | 33,717 | 12,338 | 46,055 | (1,504) | 44,551 |
| 2014-15 (3) | 33,539 | 3,669 | 37,209 | 36,040 | 13,133 | 49,173 | (1,606) | 47,567 |
| 2015-16 (3) | 34,733 | 3,783 | 38,516 | 38,483 | 13,943 | 52,426 | (1,712) | 50,714 |
| 2016-17 (3) | 35,971 | 3,891 | 39,863 | 41,093 | 14,770 | 55,863 | (1,824) | 54,038 |
| 2017-18 (3) | 37,220 | 3,997 | 41,217 | 43,839 | 15,622 | 59,460 | (1,942) | 57,519 |
| 2018-19 (3) | 38,514 | 4,105 | 42,619 | 46,771 | 16,517 | 63,288 | (2,067) | 61,221 |
| 2019-20 (3) | 39,855 | 4,212 | 44,068 | 49,900 | 17,453 | 67,353 | (2,200) | 65,153 |
| 2020-21 (3) | 41,205 | 4,322 | 45,527 | 53,190 | 18,436 | 71,626 | (2,339) | 69,287 |
| 2021-22 (3) | 42,604 | 4,434 | 47,038 | 56,699 | 19,475 | 76,174 | (2,488) | 73,686 |
| 2022-23 (3) | 44,009 | 4,546 | 48,555 | 60,383 | 20,559 | 80,942 | (2,644) | 78,298 |
| 2023-24 (3) | 45,425 | 4,661 | 50,086 | 64,253 | 21,703 | 85,955 | (2,807) | 83,148 |
| 2024-25 (3) | 46,889 | 4,778 | 51,667 | 68,372 | 22,911 | 91,283 | (2,981) | 88,302 |
| 2025-26 (3) | 48,362 | 4,899 | 53,261 | 72,694 | 24,186 | 96,881 | (3,164) | 93,717 |
| 2026-27 (3) | 49,841 | 5,019 | 54,860 | 77,224 | 25,516 | 102,740 | (3,355) | 99,384 |
| 2027-28 (3) | 51,317 | 5,142 | 56,459 | 81,958 | 26,918 | 108,876 | (3,556) | 105,321 |
| 2028-29 (3) | 52,839 | 5,268 | 58,107 | 86,985 | 28,398 | 115,383 | (3,768) | 111,615 |
| 2029-30 (3) | 54,362 | 5,398 | 59,759 | 92,241 | 29,959 | 122,200 | (3,991) | 118,209 |
| 2030-31 (3) | 55,882 | 5,530 | 61,413 | 97,729 | 31,607 | 129,335 | (4,224) | 125,111 |

(1) Reflects actual traffic and revenue experience.
(2) Assumes implementation of the 25 percent rate increase on January 4, 2009. FY 2008-09 contains six months of actual experience.
(3) Assumes implementation of a 3 percent rate increase on or about January 1 of the indicated year.
(4) Discounts and adjustments are based on actual experience in FY 2007-08 and reflect approximately 3.3 percent of gross toll revenue.

**Table 15**

## Estimated Annual Traffic and Gross Toll Revenue

**Total Turnpike System**

| Fiscal Year | Annual Traffic (1,000s) | | | Annual Revenue (1,000s) | | | Discounts and Adjustments (1,000s) (4) | Adjusted Annual Gross Revenue (1,000s) |
|---|---|---|---|---|---|---|---|---|
| | Passenger Cars | Commercial Vehicles | Total Vehicles | Passenger Cars | Commercial Vehicles | Total Vehicles | | |
| 2007-08 (1) | 164,097 | 25,455 | 189,552 | $327,761 | $291,389 | $619,150 | ($20,221) | $598,929 |
| 2008-09 (2) | 160,679 | 23,988 | 184,667 | 346,527 | 294,305 | 640,831 | (20,930) | 619,902 |
| 2009-10 (3) | 158,312 | 23,022 | 181,334 | 392,223 | 324,266 | 716,489 | (23,401) | 693,089 |
| 2010-11 (3) | 159,175 | 23,143 | 182,318 | 405,972 | 335,698 | 741,670 | (24,223) | 717,447 |
| 2011-12 (3) | 165,101 | 24,181 | 189,282 | 433,157 | 361,312 | 794,469 | (25,947) | 768,522 |
| 2012-13 (3) | 170,427 | 25,143 | 195,571 | 459,938 | 387,020 | 846,958 | (27,662) | 819,296 |
| 2013-14 (3) | 175,078 | 26,028 | 201,106 | 486,011 | 412,596 | 898,607 | (29,348) | 869,258 |
| 2014-15 (3) | 179,548 | 26,822 | 206,370 | 512,617 | 437,767 | 950,384 | (31,040) | 919,344 |
| 2015-16 (3) | 183,808 | 27,607 | 211,415 | 539,665 | 464,000 | 1,003,665 | (32,780) | 970,885 |
| 2016-17 (3) | 188,177 | 28,407 | 216,584 | 568,151 | 491,772 | 1,059,923 | (34,617) | 1,025,306 |
| 2017-18 (3) | 192,622 | 29,199 | 221,821 | 598,110 | 520,690 | 1,118,800 | (36,540) | 1,082,260 |
| 2018-19 (3) | 197,024 | 30,012 | 227,036 | 629,087 | 551,304 | 1,180,391 | (38,552) | 1,141,840 |
| 2019-20 (3) | 201,535 | 30,819 | 232,355 | 661,682 | 583,156 | 1,244,838 | (40,656) | 1,204,181 |
| 2020-21 (3) | 206,119 | 31,647 | 237,766 | 695,928 | 616,842 | 1,312,770 | (42,875) | 1,269,895 |
| 2021-22 (3) | 210,651 | 32,497 | 243,148 | 731,298 | 652,475 | 1,383,772 | (45,194) | 1,338,578 |
| 2022-23 (3) | 215,249 | 33,339 | 248,587 | 768,422 | 689,500 | 1,457,922 | (47,616) | 1,410,306 |
| 2023-24 (3) | 219,918 | 34,202 | 254,120 | 807,389 | 728,627 | 1,536,015 | (50,166) | 1,485,849 |
| 2024-25 (3) | 224,698 | 35,088 | 259,785 | 848,346 | 769,974 | 1,618,319 | (52,854) | 1,565,465 |
| 2025-26 (3) | 229,371 | 35,996 | 265,367 | 890,528 | 813,668 | 1,704,195 | (55,659) | 1,648,536 |
| 2026-27 (3) | 234,108 | 36,894 | 271,002 | 934,755 | 859,011 | 1,793,765 | (58,584) | 1,735,181 |
| 2027-28 (3) | 238,901 | 37,814 | 276,715 | 981,114 | 906,880 | 1,887,994 | (61,662) | 1,826,332 |
| 2028-29 (3) | 243,800 | 38,757 | 282,556 | 1,029,785 | 957,418 | 1,987,203 | (64,902) | 1,922,301 |
| 2029-30 (3) | 248,760 | 39,723 | 288,483 | 1,080,804 | 1,010,772 | 2,091,577 | (68,311) | 2,023,266 |
| 2030-31 (3) | 253,780 | 40,714 | 294,494 | 1,134,277 | 1,067,100 | 2,201,377 | (71,897) | 2,129,480 |

(1) Reflects actual traffic and revenue experience.
(2) Assumes implementation of the 25 percent rate increase on January 4, 2009. FY 2008-09 contains six months of actual experience.
(3) Assumes implementation of a 3 percent rate increase on or about January 1 of the indicated year.
(4) Discounts and adjustments are based on actual experience in FY 2007-08 and reflect approximately 3.3 percent of gross toll revenue.

*     *     *

## DISCLAIMER

Current professional practices and procedures were used in the development of these findings. However, there is considerable uncertainty inherent in future traffic and revenue forecasts for any toll facility. There may sometimes be differences between forecasted and actual results caused by events and circumstances beyond the control of the forecasters. These differences could be material. Also, it should be recognized that traffic and revenue forecasts in this document are intended to reflect the overall estimated long-term trend. Actual experience in any given year may vary due to economic conditions and other factors.

Respectfully submitted,

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March 30, 2010

Mr. Nikolaus Grieshaber
Chief Financial Officer
Pennsylvania Turnpike Commission
700 South Eisenhower Boulevard
Middletown, PA 17057

**Re: Pennsylvania Turnpike 2010 Traffic and Toll Revenue Bring Down Letter**

Dear Mr. Grieshaber:

It is our understanding that the Pennsylvania Turnpike Commission (PTC) will be going to the bond market in the next few months in order to support the Turnpike's ongoing capital improvement program and other funding requirements. Wilbur Smith Associates (WSA) developed a detailed Traffic and Toll Revenue Update Study for PTC dated January 6, 2009. Several significant events have occurred since the development of WSA's prior forecasts. Toll rate increases of 25 percent in January 2009 and three percent in January 2010, as well as the continuing effects of the recent economic recession, have all occurred in the period since WSA's last update. The purpose of this Bring Down Letter is to provide an update of Turnpike System traffic and toll revenue trends since the January 2009 study, review actual versus estimated traffic and revenue over that period, and to provide updated forecasts of Turnpike traffic and toll revenue.

The forecast period in this update is extended to FY 2034-35 (the forecast period in the January 2009 study ended in FY 2030-31). Consistent with the January 2009 analysis, and the actual January 2010 increase, it is assumed that an annual three percent toll rate increase would be implemented on or around January 1 of each year. It should also be pointed out that while tolling I-80 was once considered, for purposes this traffic and toll revenue study for the existing Turnpike System, I-80 is not assumed to be tolled.

While this Bring Down Letter provides details on the Turnpike System, the original January 2009 report should be consulted for a detailed summary and review of socioeconomic trends and forecasts for the state, region and country. Additional information regarding the Turnpike, such as historical toll rate increases, sample toll rates, E-ZPass market share, and more, are also provided in the January 2009 report. The underlying economic assumptions in that report remain unchanged from this point forward regarding the assumed length and severity of the economic downturn. The purpose of this analysis is to update the forecast to reflect the most current actual traffic and toll revenue experience and to make any necessary short term adjustments to the forecasts based on that experience.

### TICKET SYSTEM TRAFFIC TRENDS BETWEEN 1990 AND 2009

Table 1 identifies average annual daily traffic trends for each of the ticket system locations between 1990 and 2009. Gateway barrier plaza (Interchange 2) is also shown in this table. More recent trends will be discussed in Table 3. Please note that in 2003 the west end of the system converted from a ticket system to a barrier system. Thus, volumes shown at Gateway are not comparable between 2002 and 2003. Also at this time, exit toll plazas were removed from Interchanges 10, 13 and 28 as the new endpoint of the ticket system (identified in this table as Interchange 30) was shifted to between Interchanges 28 and 39. Also as footnoted in Table 1, two-way toll collection was replaced by one-way toll collection at Gateway in 2006. Traffic values in Table 1 were doubled from that point forward to simulate total two-way traffic volumes in order to be comparable to historical trends.

Passenger car trends are shown in the upper portion of Table 1. Average annual percent changes are shown for various periods. Relatively strong growth was experienced during the first decade (1990-2000) where total passenger car traffic grew at an annual rate of 3.2 percent. The second decade of this trend period has shown much more moderate annual growth at 1.4 percent. This is particularly affected by the most recent four year period (2005-2009) when annual growth averaged just 0.1 percent. This is clearly the result of the recent economic downturn that has affected Pennsylvania as well as the rest of the country. Overall passenger car growth between 1990 and 2009 has averaged 2.4 percent, including the impacts of the most recent downturn. It should also be noted that three toll increases have occurred over the time frame shown in Table 1. Rate increases were implemented in 1991 (32 percent), 2004 (43 percent) and 2009 (25 percent). These have had some negative impact on traffic levels over time, though as will be discussed in more detail below, the more recent impacts of the economic recession have been greater than impacts associated with the most recent toll increases.

The second portion of Table 1 shows commercial vehicle historical traffic trends on the ticket system. As with passenger cars, the strongest period of growth for commercial vehicles has been between 1990 and 2000. Commercial traffic increased at a 3.6 percent annual rate over that period. Over the most recent nine year period (2000-2009) traffic grew at an annual rate of 1.1 percent. This is heavily influenced by the negative 2.6 percent annual growth between 2005 and 2009 when commercial activity was particularly hard hit by the economic recession plus toll increase related impacts. Still, over the entire historical period shown, commercial traffic has increased at an average annual rate of 2.4 percent.

Total vehicle traffic trends are shown in the lower portion of Table 1. Because passenger cars make up about 85 percent of total ticket system toll transactions, the trends and growth rates for total vehicles closely mirror those for passenger cars.

### BARRIER SYSTEM TRAFFIC TRENDS BETWEEN 1994 AND 2009

Table 2 identifies average annual daily traffic trends for each of the Turnpike barrier systems. These contribute relatively little to overall traffic and revenue (about 15 percent of traffic and 5 percent of revenue), but, as shown in Table 2, they have been growing at a slightly greater level than the ticket system. The higher growth in these corridors is likely related to the fact that they are newer facilities than the ticket system, and that the potential for "induced" and "ramp-up" growth is greater. These facilities tend to be on the fringe of urban areas and are benefiting from the increasing spread of development into their corridors.

## RECENT MONTHLY TRAFFIC AND REVENUE TRENDS

Table 3 provides monthly traffic volumes on all facilities for FY 2005-06 through February FY 2009-10. Information is also provided for passenger cars and commercial vehicles separately. Similar to the longer term historical trends shown in Tables 1 and 2, the ticket system has exhibited generally lower growth compared to the barrier locations. The effects of the current negative economic climate are clearly shown in this data. What is especially clear, however, is that the biggest decline was between FY 2007-08 and FY 2008-09. During that period, total passenger car transactions declined by 0.9 percent and commercial vehicle traffic declined by 7.4 percent. It should be pointed out that the January 2009 twenty-five percent toll increase most likely negatively impacted traffic during this period, but the biggest impact was due to the general economic climate.

Transaction data for the most recent period, FY 2009-10, is shown for the period June through February. Subtotals for this period are also shown for each fiscal year. Traffic trends for the most recent period (FY 2009-10 over FY 2008-09) show a clear improvement in Turnpike activity. Total passenger car transactions are essentially unchanged over this period and commercial vehicle activity is down by a more modest 5.5 percent. Even more encouraging is that the last four months of data for commercial vehicles have shown much improved activity. Over this period (November-February) commercial activity is negative by an average of only 2.4 percent. It should be pointed out that car and truck travel demand was negatively impacted by two particularly severe winter storms in February 2010. Normal, unimpacted, traffic volumes in February 2010 would have been much higher than those shown absent the effects of February's inclement weather.

Figure 1 provides another perspective to recent traffic trends on the Pennsylvania Turnpike by comparing its experience with those of other toll facilities around the country. Monthly passenger car and commercial vehicle traffic trends are shown for the last three full calendar years for the Pennsylvania Turnpike, Oklahoma Turnpike, New Jersey Turnpike, and Illinois Tollway.

Two features are especially prominent in this figure. First are the nearly identical patterns exhibited by commercial vehicles over the last two years. Most show a peaking in negative impact by late 2008 or early 2009, with peak declines approaching 15 percent. Since then, the negative impacts have been in decline, such that during the last quarter of 2009, most facilities show negative growth as less than three percent, or even slightly positive as in the case of the Illinois Tollway. As shown in Table 3, the positive growth trend in passenger-car volumes and the smaller reductions in commercial vehicle trips are continuing on the Pennsylvania Turnpike in the current fiscal year. As recently as January 2010, passenger traffic was up by 2.4 percent and commercial traffic down by only 1.8 percent over the same month in 2009. February data does show relatively large negative growth, but, as explained above, this was heavily influenced by multiple snow storms during that period.

The second interesting feature of these graphs is that two of the facilities had toll increases near the beginning of the economic downturn (Pennsylvania Turnpike and New Jersey Turnpike) and two did not (Oklahoma Turnpike and Illinois Tollway). Yet, the overall patterns of growth are nearly identical (especially for commercial vehicles) among all four facilities. This would indicate that the impact of the rate increases have been minimal and totally eclipsed by the impact of the economic downturn.

Monthly gross toll revenue trends over the same time period are shown in Table 4 for each toll facility. The effects of the January 2009 twenty-five percent toll increase are clearly evident in this data. Passenger car revenue growth generally ranges between 20 percent and 30 percent in calendar year 2009 over calendar year 2008. Though positive, commercial vehicle toll revenue growth over the same period was much lower due to the larger negative traffic impacts resulting from the economic downturn. The improving picture for commercial vehicles, however, is evident by the increasingly large revenue growth throughout calendar year 2009. January 2009 commercial vehicle toll revenue was only 0.6 percent greater than January 2008 revenue. Those percents progressively increase through December, when commercial revenue growth in 2009 was 17.6 percent greater than in 2008. On a Systemwide basis, total toll revenue increased by 3.1 percent in FY 2008-09 over FY 2007-08, including a five month impact of the January 2009 toll increase. Thus far in FY 2009-10 (through February) total toll revenue has increased by 15.0 percent over the previous fiscal year. This includes seven month's impact of the 25 percent toll increase and two months (January and February) of the three percent toll increase that was implemented in January 2010.

### ACTUAL VERSUS ESTIMATED TRAFFIC AND TOLL REVENUE

Table 5 provides a comparison of actual traffic and toll revenue versus estimated traffic and toll revenue from WSA's January 2009 Study. The analysis period in this table is from December 2008 through February 2010. This 15 month period corresponds to the period for which actual data currently exists, but was estimated at the time of the last study.

In general, the effect of the economic downturn has not affected passenger car traffic as much as originally estimated. Total actual passenger car traffic was about 2.6 percent greater than estimated, while actual toll revenue outpaced WSA estimates by 5.3 percent. Most of the differences fall within a relatively narrow range, with the exception being for PA 43. Here, actual experience was 6.7 percent greater than WSA estimates. This is because a significant capital improvement was completed during this period. A four-lane, limited access extension over ten miles in length was constructed at the southern terminus of this corridor. While not tolled, it significantly improves access to PA 43. WSA underestimated the positive impact of this improvement in the January 2009 Study.

As shown in Table 5, actual passenger car toll revenue exceeded WSA estimates by 5.3 percent. Again, the impact of the limited access extension at PA 43 resulted in the largest difference between actual and forecasted revenue, with actual experience outperforming WSA estimates by 6.4 percent.

With the exception of PA 43 (for reasons explained above) actual commercial vehicle experience underperformed WSA estimates on all sections of the Turnpike. On a traffic basis, the worst performer was PA 60, which was nearly 10 percent under WSA estimates. Overall, however, commercial traffic was just 2.1 percent below WSA estimates. The fact that commercial vehicle revenue was down by 7.8 percent on the ticket system, versus only 2.1 percent on a traffic basis, indicates that the effect of the economic downturn affected longer distance (higher paying) trips much more than shorter distance (lower paying) trips. In addition, the average weight classification (and thus toll rate) has shifted downward slightly in calendar year 2009 compared to 2008. Class 2 and 3 vehicles now make up a slightly greater proportion of commercial vehicles and Classes 4-8 make up a slightly lower proportion.

This has resulted in slightly less toll revenue per vehicle being collected. Total commercial vehicle toll revenue underperformed WSA estimates by 7.6 percent.

The over performance of passenger car activity and the underperformance of commercial vehicle activity nearly cancel each other out on a total Systemwide basis. For all vehicles combined, actual traffic experience outperformed WSA estimates by 2.0 percent, with actual toll revenue experience underperforming WSA estimates by 0.6 percent.

### Updated Near and Long Term Growth Estimates

The comparison of WSA's recent estimates with actual experience (shown in the previous section) helped to fine tune the near term forecasts for passenger cars and commercial vehicles. Compared to the January 2009 forecast, passenger vehicle growth was increased slightly and commercial vehicle growth was decreased slightly. It must be remembered that while the impact of the economic downturn has been especially severe for commercial vehicles, the last four months of actual data have shown dramatic improvement and are essentially back to growth levels that were previously assumed. Longer term growth estimates, beyond 2012, remain unchanged from the assumptions in WSA's January 2009 Study.

Table 6 provides a comparison of actual (2008 and 2009) and estimated (2010 through 2014) growth in gross domestic product (GDP) and updated traffic growth forecasts. As shown, GDP is projected to spike in 2012 to 5.0 percent. It is important to note (as footnoted in this table) that the Turnpike traffic growth estimates are on a fiscal year basis, such that 2008 reflects the growth in traffic in FY 2007-08. The first WSA estimate year is for FY 2009-10; as shown traffic is still estimated to show a decline of 0.5 percent compared to the previous year. A slight improvement to positive 1.3 percent traffic growth is forecast for FY 2010-11. The 3.8 percent growth in FY 2011-12 reflects both normal growth plus a "bump" in growth due to recovery from the several years of low to negative growth. Beyond FY 2013-14, average Turnpike traffic growth is estimated to average about 2 percent growth; again, this is consistent with assumptions in the January 2009 study.

### Estimated Traffic and Gross Toll Revenue

Traffic and toll revenue forecasts for the Pennsylvania Turnpike were refined and extended through FY 2034-35. Consistent with WSA's January 2009 Study, annual rates adjustments of 3 percent were assumed to be implemented on, or about, January 1st of each year.

Table 7 shows the traffic and toll revenue for only the ticket system, assuming 3 percent annual toll increases. FY 2007-08 and FY 2008-09 reflect actual data and FY 2009-10 includes actual data through February 2010. Total toll transactions increase from 158.3 million to 256.2 million over the forecast period, an average annual increase of 1.8 percent. Gross toll revenue increases from $590.8 million to nearly $2.5 billion by FY 2034-35. This amounts to an average annual increase of 5.4 percent, reflecting the impact of normal growth plus the annual rates adjustments and the 25 percent toll increase in January 2009.

The same information is shown for the barrier toll systems in Table 8. Compared to the ticket system, total annual toll transactions are estimated to grow at a slightly higher average annual rate, averaging 3.0 percent over the period shown. Total barrier revenue increases at an annual rate of 6.7 percent. In FY

2007-08 barrier revenue amounts to about 4.6 percent of total Systemwide toll revenue. By FY 2034-35 that percent has increased slightly to about 6.2 percent due to the higher growth rates.

Table 9 identifies total combined gross toll revenue and also factors in estimated toll discounts and adjustments. The vast majority of the discounts and adjustments results from commercial account toll adjustments due to the Turnpike's volume discount program. The final column in Table 9 shows total adjusted annual gross toll revenue. As shown, total adjusted gross toll revenue is estimated to grow from approximately $598.9 million in FY 2007-08 to nearly $2.6 billion by FY 2034-35. This reflects an average annual growth rate in gross toll revenue of 5.5 percent. Again, this includes the impact of normal growth, annual three percent toll adjustments and the January 2009 twenty-five percent toll increase. The net impact of including the most recent traffic and revenue experience and short term growth adjustments is that total estimated toll revenue is about 1 percent lower than the estimates developed as part of the January 2009 Study.

* * *

## DISCLAIMER

Current professional practices and procedures were used in the development of these findings. However, there is considerable uncertainty inherent in future traffic and revenue forecasts for any toll facility. There may sometimes be differences between forecasted and actual results caused by events and circumstances beyond the control of the forecasters. These differences could be material. Also, it should be recognized that traffic and revenue forecasts in this document are intended to reflect the overall estimated long-term trend. Actual experience in any given year may vary due to economic conditions and other factors.

Respectfully submitted,

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Table 1

# Summary of Annual Ticket System and Gateway Average Daily Transaction Trends

## Pennsylvania Turnpike System

**Passenger Cars By Interchange (Milepost)**

| Calendar Year | 2[4] | 10[5] | 13[5] | 28[5] | 30[5] | 39 | 48 | 57 | 67 | 75 | 91 | 110 | 146 | 161 | 180 | 189 | 201 | 226 | 236 | 242 | 247 | 266 | 286 | 298 | 312 | 326 | 333 | 20 | 339 | 340 | 343 | 351 | 356 | 359 | 31 | 44 | 56 | 74 | 95 | 105 | 115 | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1990 | 6,812 | | 1,825 | 7,363 | | 4,015 | 7,182 | 15,577 | 7,756 | 7,922 | 2,099 | 1,933 | 1,955 | 5,593 | 573 | 354 | 420 | 4,328 | 2,612 | 4,035 | 7,129 | 2,179 | 4,607 | 3,958 | 6,279 | 23,948 | 13,551 | | 13,691 | | 16,674 | 21,292 | 5,066 | 14,166 | 4,528 | 3,927 | 7,290 | 2,433 | 2,931 | 1,887 | 1,778 | 239,874 |
| 1991[1] | 6,873 | | 1,740 | 7,414 | | 4,019 | 7,198 | 15,621 | 7,674 | 7,785 | 2,126 | 1,944 | 1,943 | 5,407 | 570 | 358 | 430 | 4,333 | 2,672 | 3,974 | 7,164 | 2,212 | 4,750 | 4,001 | 6,439 | 22,920 | 12,073 | | 14,473 | | 17,576 | 21,666 | 5,065 | 14,113 | 5,191 | 4,141 | 7,764 | 2,551 | 3,020 | 1,970 | 2,018 | 241,388 |
| 1992 | 6,916 | | 1,654 | 7,445 | | 4,013 | 7,196 | 15,624 | 7,971 | 7,629 | 2,149 | 1,949 | 1,927 | 5,214 | 566 | 362 | 439 | 4,327 | 2,726 | 3,905 | 7,162 | 2,241 | 4,867 | 4,035 | 6,567 | 21,681 | 10,730 | | 15,262 | | 18,267 | 21,995 | 5,050 | 14,026 | 5,936 | 4,358 | 8,248 | 2,669 | 3,105 | 2,053 | 2,286 | 242,610 |
| 1993 | 6,999 | | 1,581 | 7,519 | | 4,029 | 7,235 | 15,714 | 6,113 | 7,519 | 2,185 | 1,966 | 1,922 | 5,057 | 566 | 368 | 451 | 4,346 | 2,797 | 3,858 | 7,241 | 2,282 | 5,056 | 4,092 | 6,775 | 21,009 | 9,592 | | 16,166 | | 19,100 | 22,456 | 5,065 | 14,019 | 6,826 | 4,615 | 8,811 | 2,809 | 3,211 | 2,152 | 2,606 | 246,130 |
| 1994 | 7,064 | 1,556 | 1,507 | 7,574 | | 4,035 | 7,257 | 15,763 | 6,236 | 7,391 | 2,216 | 1,976 | 1,912 | 4,693 | 564 | 373 | 462 | 4,354 | 2,862 | 3,802 | 7,282 | 2,319 | 5,220 | 4,139 | 6,950 | 20,122 | 6,553 | 22,910 | 17,125 | | 19,926 | 22,676 | 5,068 | 13,979 | 7,830 | 4,877 | 9,387 | 2,949 | 3,313 | 2,250 | 2,965 | 273,839 |
| 1995 | 7,288 | 1,691 | 1,488 | 7,819 | | 4,053 | 7,045 | 15,887 | 8,226 | 7,651 | 2,311 | 2,024 | 2,036 | 5,109 | 569 | 381 | 477 | 4,675 | 3,499 | 4,186 | 7,608 | 2,363 | 5,453 | 4,224 | 7,070 | 20,707 | 6,975 | 25,569 | 18,179 | | 21,963 | 24,361 | 5,024 | 14,248 | 8,256 | 5,087 | 9,907 | 3,059 | 3,397 | 2,305 | 3,170 | 287,342 |
| 1996 | 7,292 | 1,636 | 1,516 | 8,232 | | 4,279 | 7,602 | 16,101 | 6,398 | 6,046 | 2,212 | 2,025 | 2,135 | 5,214 | 586 | 407 | 500 | 4,665 | 3,665 | 4,146 | 7,989 | 2,500 | 5,490 | 4,330 | 6,723 | 21,092 | 9,296 | 26,959 | 18,335 | | 22,370 | 24,750 | 5,215 | 14,595 | 8,760 | 5,344 | 10,534 | 3,261 | 3,603 | 2,329 | 3,232 | 295,564 |
| 1997 | 7,496 | 1,911 | 1,604 | 8,569 | | 4,463 | 8,084 | 16,700 | 8,586 | 8,331 | 2,253 | 2,030 | 2,222 | 5,436 | 617 | 428 | 521 | 4,281 | 3,495 | 4,080 | 7,991 | 2,643 | 5,729 | 4,844 | 7,311 | 21,337 | 9,912 | 26,430 | 18,812 | | 22,902 | 25,685 | 5,291 | 14,829 | 9,980 | 5,595 | 11,218 | 3,452 | 3,832 | 2,442 | 3,401 | 306,765 |
| 1998 | 7,815 | 2,010 | 1,743 | 9,211 | | 4,827 | 7,962 | 17,291 | 9,082 | 8,706 | 2,352 | 2,059 | 2,479 | 5,697 | 643 | 462 | 849 | 4,626 | 3,641 | 4,295 | 8,409 | 2,867 | 6,041 | 5,253 | 7,838 | 22,360 | 10,337 | 29,605 | 20,185 | | 23,207 | 26,256 | 5,422 | 15,312 | 10,594 | 6,250 | 11,290 | 3,709 | 4,003 | 2,550 | 3,548 | 320,486 |
| 1999 | 7,850 | 2,064 | 1,759 | 9,369 | | 5,003 | 6,686 | 17,626 | 9,481 | 9,684 | 2,381 | 1,916 | 2,728 | 5,838 | 673 | 480 | 567 | 4,886 | 3,889 | 4,699 | 8,818 | 2,967 | 6,096 | 5,513 | 6,361 | 21,643 | 10,665 | 29,628 | 20,031 | | 22,397 | 26,089 | 5,476 | 15,450 | 11,187 | 6,526 | 11,843 | 3,665 | 4,150 | 2,593 | 3,587 | 326,504 |
| 2000 | 7,333 | 2,164 | 1,771 | 9,399 | | 4,939 | 9,251 | 17,762 | 9,533 | 8,594 | 2,142 | 1,648 | 2,760 | 5,828 | 830 | 453 | 574 | 4,792 | 4,039 | 5,103 | 9,004 | 3,037 | 6,242 | 5,661 | 6,624 | 21,531 | 10,585 | 30,770 | 19,967 | | 23,085 | 26,665 | 5,373 | 15,565 | 11,381 | 6,690 | 12,558 | 3,897 | 4,144 | 2,611 | 3,592 | 330,117 |
| 2001 | 8,056 | 2,302 | 1,624 | 9,940 | | 5,180 | 6,998 | 18,337 | 9,593 | 8,868 | 2,236 | 1,911 | 2,960 | 6,331 | 661 | 436 | 591 | 5,304 | 4,172 | 5,081 | 9,125 | 3,214 | 6,472 | 6,167 | 9,437 | 24,784 | 11,335 | 31,945 | 21,056 | | 23,753 | 27,653 | 5,317 | 16,349 | 11,430 | 6,693 | 13,363 | 4,137 | 4,151 | 2,716 | 3,697 | 345,595 |
| 2002 | 9,082 | 2,344 | 1,860 | 10,163 | | 5,186 | 9,366 | 18,436 | 9,769 | 9,366 | 2,204 | 2,031 | 3,225 | 6,599 | 700 | 477 | 661 | 5,160 | 4,560 | 5,400 | 9,739 | 3,381 | 6,655 | 6,662 | 10,006 | 25,284 | 11,901 | 33,406 | 21,360 | 998 | 24,197 | 28,556 | 5,476 | 16,765 | 12,411 | 6,981 | 13,805 | 4,323 | 4,413 | 2,859 | 4,042 | 356,916 |
| 2003 | 13,628 | | | | 7,374 | 5,448 | 9,505 | 18,770 | 10,303 | 9,394 | 2,253 | 2,061 | 3,290 | 6,820 | 715 | 488 | 670 | 5,365 | 4,604 | 5,761 | 10,217 | 3,663 | 6,954 | 7,201 | 10,421 | 26,926 | 12,297 | 34,130 | 22,140 | 1,316 | 24,850 | 29,503 | 5,755 | 17,532 | 12,939 | 7,378 | 14,528 | 4,442 | 4,599 | 2,946 | 4,013 | 369,305 |
| 2004[2] | 16,379 | | | | 11,565 | 5,417 | 9,377 | 18,598 | 10,054 | 9,191 | 2,239 | 1,948 | 3,370 | 6,713 | 761 | 483 | 679 | 5,262 | 4,796 | 5,734 | 10,256 | 3,695 | 7,207 | 7,359 | 10,455 | 26,231 | 12,586 | 35,753 | 22,015 | 1,541 | 25,716 | 30,084 | 6,011 | 18,086 | 13,166 | 7,928 | 15,392 | 4,691 | 5,020 | 3,243 | 4,256 | 383,734 |
| 2005 | 15,873 | | | | 11,269 | 5,164 | 9,101 | 18,087 | 9,437 | 8,660 | 2,257 | 1,692 | 3,163 | 6,517 | 691 | 448 | 649 | 4,939 | 4,567 | 5,352 | 9,917 | 3,843 | 6,969 | 7,336 | 10,291 | 28,201 | 11,861 | 35,452 | 21,709 | 1,570 | 25,152 | 29,563 | 5,856 | 17,844 | 12,941 | 7,950 | 15,064 | 4,582 | 4,722 | 3,033 | 4,051 | 374,397 |
| 2006 | 16,386 | | | | 11,419 | 5,181 | 9,129 | 16,290 | 9,562 | 6,779 | 2,237 | 1,927 | 3,037 | 6,356 | 678 | 443 | 658 | 4,959 | 4,562 | 5,196 | 9,553 | 3,602 | 7,185 | 7,457 | 10,556 | 26,173 | 11,455 | 36,060 | 21,561 | 1,561 | 24,609 | 29,433 | 5,854 | 17,635 | 13,034 | 8,149 | 15,318 | 4,657 | 4,750 | 3,060 | 4,047 | 374,969 |
| 2007 | 16,385 | | | | 11,940 | 5,613 | 9,406 | 18,198 | 9,614 | 8,806 | 2,478 | 2,067 | 3,059 | 6,216 | 711 | 440 | 662 | 4,973 | 4,881 | 5,265 | 9,902 | 3,740 | 7,397 | 7,446 | 11,011 | 27,069 | 11,312 | 36,659 | 21,203 | 1,537 | 26,054 | 29,917 | 5,917 | 17,727 | 13,304 | 6,235 | 15,581 | 4,796 | 4,761 | 3,188 | 4,043 | 379,734 |
| 2008 | 16,192 | | | | 12,056 | 5,627 | 9,226 | 18,305 | 9,068 | 8,522 | 2,395 | 2,119 | 2,994 | 6,005 | 675 | 426 | 614 | 4,736 | 4,507 | 6,068 | 10,073 | 3,577 | 7,060 | 7,448 | 10,635 | 26,975 | 11,848 | 35,518 | 20,312 | 1,521 | 25,277 | 29,315 | 5,964 | 17,274 | 13,389 | 6,313 | 14,950 | 4,811 | 4,709 | 3,062 | 4,128 | 375,695 |
| 2009[3] | 18,862 | | | | 12,232 | 5,495 | 9,087 | 18,083 | 8,674 | 8,433 | 2,351 | 2,104 | 2,972 | 6,356 | 655 | 409 | 603 | 4,628 | 4,470 | 5,894 | 9,952 | 3,484 | 8,910 | 7,176 | 10,234 | 27,783 | 11,904 | 34,961 | 20,989 | 1,370 | 25,165 | 29,196 | 5,767 | 16,943 | 13,431 | 8,399 | 15,339 | 4,723 | 5,021 | 3,232 | 4,289 | 375,594 |
| Average Annual Percent Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1990-00 | 0.7 | NA | (0.3) | 2.5 | NA | 2.1 | 2.6 | 1.3 | 2.1 | 0.8 | 0.2 | (0.4) | 3.5 | 0.4 | 1.0 | 2.5 | 3.2 | 1.0 | 4.5 | 2.4 | 2.4 | 3.4 | 3.1 | 3.6 | 3.5 | (1.1) | (2.4) | NA | 3.6 | NA | 3.2 | 2.3 | 0.6 | 0.9 | 9.7 | 5.5 | 5.6 | 4.8 | 3.5 | 3.3 | 7.3 | 3.2 |
| 2000-09 | 9.7 | NA | NA | NA | NA | 1.2 | (0.2) | 0.2 | (1.0) | (0.2) | 1.0 | 1.4 | 0.6 | 1.0 | 0.4 | (1.1) | 0.5 | (0.4) | 1.1 | 1.6 | 1.1 | 1.5 | 1.1 | 2.7 | 1.7 | 2.9 | 1.3 | 1.4 | 0.6 | NA | 1.0 | 1.0 | 0.8 | 0.9 | 1.9 | 2.6 | 2.2 | 2.2 | 2.2 | 2.4 | 2.0 | 1.4 |
| 2005-09 | 1.6 | NA | NA | NA | 2.1 | 1.6 | (0.0) | (0.0) | (2.1) | (1.3) | 1.0 | 2.7 | (1.5) | (0.6) | (1.3) | (2.3) | (1.8) | (1.6) | (0.5) | 2.4 | 0.1 | (1.1) | (0.2) | (0.5) | (0.1) | (0.4) | 0.1 | (0.3) | (0.8) | (3.3) | 0.0 | (0.3) | (0.4) | (1.3) | 0.9 | 1.4 | 0.5 | 0.9 | 1.5 | 1.6 | 1.4 | 0.1 |
| 1990-09 | 4.9 | NA | NA | NA | NA | 1.7 | 1.2 | 0.8 | 0.6 | 0.3 | 0.6 | 0.4 | 2.2 | 0.7 | 0.7 | 0.8 | 1.9 | 0.4 | 2.9 | 2.0 | 1.8 | 2.5 | 2.2 | 3.2 | 2.6 | 0.8 | (0.7) | NA | 2.3 | NA | 2.1 | 1.7 | 0.7 | 0.9 | 5.9 | 4.1 | 4.0 | 3.6 | 2.9 | 2.9 | 4.7 | 2.4 |

**Commercial Vehicles By Interchange (Milepost)**

| Calendar Year | 2[4] | 10[5] | 13[5] | 28[5] | 30[5] | 39 | 46 | 57 | 67 | 75 | 91 | 110 | 146 | 161 | 160 | 169 | 201 | 226 | 238 | 242 | 247 | 266 | 286 | 298 | 312 | 326 | 333 | 20 | 339 | 340 | 343 | 351 | 358 | 359 | 31 | 44 | 56 | 74 | 95 | 105 | 115 | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1990 | 2,379 | | 404 | 1,385 | | 390 | 880 | 1,314 | 664 | 3,337 | 207 | 676 | 638 | 1,894 | 107 | 105 | 112 | 2,340 | 349 | 520 | 1,143 | 305 | 904 | 520 | 749 | 2,530 | 1,144 | | 871 | | 1,258 | 2,392 | 991 | 2,561 | 604 | 382 | 1,185 | 241 | 438 | 94 | 465 | 36,474 |
| 1991[1] | 2,370 | | 371 | 1,372 | | 369 | 669 | 1,321 | 664 | 3,292 | 205 | 656 | 841 | 1,906 | 111 | 99 | 111 | 2,316 | 365 | 529 | 1,184 | 285 | 921 | 548 | 732 | 2,437 | 667 | | 899 | | 1,278 | 2,369 | 1,010 | 2,436 | 663 | 399 | 1,255 | 250 | 476 | 97 | 543 | 36,220 |
| 1992 | 2,356 | | 345 | 1,355 | | 388 | 856 | 1,206 | 662 | 3,239 | 203 | 639 | 644 | 1,916 | 114 | 93 | 110 | 2,288 | 361 | 536 | 1,183 | 271 | 937 | 576 | 714 | 2,341 | 656 | | 927 | | 1,296 | 2,342 | 1,027 | 2,312 | 726 | 416 | 1,326 | 258 | 517 | 100 | 832 | 35,888 |
| 1993 | 2,355 | | 322 | 1,346 | | 390 | 848 | 1,216 | 665 | 3,206 | 202 | 624 | 651 | 1,939 | 119 | 88 | 110 | 2,269 | 399 | 546 | 1,208 | 265 | 959 | 610 | 700 | 2,065 | 499 | | 960 | | 1,323 | 2,328 | 1,051 | 2,206 | 600 | 438 | 1,409 | 268 | 566 | 104 | 739 | 35,813 |
| 1994 | 2,348 | 225 | 304 | 1,334 | | 391 | 839 | 1,344 | 665 | 3,164 | 201 | 608 | 657 | 1,955 | 123 | 63 | 109 | 2,247 | 417 | 555 | 1,231 | 261 | 978 | 845 | 684 | 2,182 | 378 | 2,435 | 992 | | 1,347 | 2,308 | 1,073 | 2,099 | 880 | 459 | 1,493 | 276 | 618 | 108 | 863 | 38,861 |
| 1995 | 2,404 | 241 | 274 | 1,392 | | 412 | 820 | 1,381 | 655 | 3,300 | 199 | 651 | 694 | 2,041 | 120 | 81 | 113 | 2,560 | 517 | 638 | 1,293 | 268 | 978 | 679 | 679 | 2,269 | 415 | 2,619 | 1,005 | | 1,404 | 2,355 | 1,112 | 2,125 | 924 | 480 | 1,582 | 311 | 674 | 107 | 901 | 40,673 |
| 1996 | 2,374 | 281 | 285 | 1,433 | | 413 | 660 | 1,419 | 665 | 3,400 | 195 | 674 | 695 | 2,115 | 124 | 89 | 109 | 2,619 | 476 | 629 | 1,273 | 282 | 913 | 690 | 616 | 2,375 | 427 | 2,830 | 1,035 | | 1,471 | 2,371 | 1,162 | 2,179 | 1,005 | 495 | 1,713 | 342 | 775 | 114 | 944 | 41,869 |
| 1997 | 2,446 | 302 | 303 | 1,502 | | 437 | 849 | 1,471 | 706 | 3,548 | 202 | 691 | 721 | 2,208 | 130 | 90 | 113 | 2,454 | 479 | 656 | 1,376 | 316 | 1,059 | 629 | 670 | 2,495 | 452 | 3,052 | 1,062 | | 1,541 | 2,569 | 1,199 | 2,240 | 1,097 | 541 | 1,911 | 357 | 837 | 122 | 1,038 | 44,073 |
| 1998 | 2,605 | 314 | 295 | 1,576 | | 472 | 983 | 1,534 | 745 | 3,789 | 211 | 725 | 825 | 2,390 | 138 | 95 | 117 | 2,799 | 470 | 695 | 1,479 | 358 | 1,035 | 681 | 740 | 2,670 | 473 | 3,258 | 1,152 | | 1,628 | 2,691 | 1,242 | 2,364 | 1,143 | 615 | 2,081 | 396 | 699 | 125 | 1,113 | 47,121 |
| 1999 | 2,848 | 363 | 324 | 1,690 | | 519 | 1,042 | 1,635 | 810 | 4,059 | 238 | 808 | 1,062 | 2,711 | 157 | 102 | 124 | 3,030 | 516 | 771 | 1,574 | 400 | 1,123 | 966 | 798 | 2,706 | 514 | 3,408 | 1,200 | | 1,627 | 2,814 | 1,363 | 2,510 | 1,216 | 646 | 2,250 | 406 | 1,039 | 131 | 1,160 | 50,662 |
| 2000 | 2,649 | 384 | 324 | 1,708 | | 526 | 1,057 | 1,662 | 609 | 4,138 | 228 | 750 | 1,145 | 2,729 | 151 | 104 | 135 | 3,072 | 536 | 802 | 1,556 | 399 | 1,305 | 997 | 839 | 2,727 | 532 | 3,573 | 1,198 | | 1,680 | 2,881 | 1,552 | 2,716 | 1,242 | 678 | 2,380 | 429 | 1,113 | 141 | 1,162 | 52,009 |
| 2001 | 2,709 | 394 | 315 | 1,693 | | 521 | 1,032 | 1,663 | 809 | 4,066 | 226 | 712 | 1,196 | 2,672 | 146 | 98 | 143 | 3,121 | 544 | 813 | 1,517 | 418 | 1,325 | 985 | 844 | 2,868 | 504 | 3,470 | 1,227 | | 1,623 | 2,880 | 1,332 | 2,722 | 1,202 | 633 | 2,336 | 418 | 1,076 | 142 | 1,140 | 51,539 |
| 2002 | 2,937 | 402 | 303 | 1,670 | | 523 | 1,027 | 1,604 | 626 | 4,161 | 253 | 734 | 1,312 | 2,753 | 160 | 100 | 151 | 3,196 | 589 | 856 | 1,567 | 452 | 1,338 | 1,034 | 901 | 2,894 | 572 | 3,707 | 1,323 | 4 | 1,749 | 3,071 | 1,420 | 2,971 | 1,249 | 689 | 2,443 | 461 | 1,139 | 165 | 1,241 | 53,920 |
| 2003 | 4,259 | | | | 1,865 | 513 | 1,048 | 1,591 | 837 | 4,255 | 267 | 729 | 1,375 | 2,840 | 173 | 108 | 161 | 3,359 | 619 | 995 | 1,718 | 499 | 1,437 | 1,146 | 935 | 3,137 | 598 | 3,639 | 1,373 | 11 | 1,877 | 3,204 | 1,624 | 3,296 | 1,319 | 842 | 2,592 | 465 | 1,169 | 176 | 1,250 | 57,489 |
| 2004[2] | 5,447 | | | | 3,196 | 536 | 1,075 | 1,653 | 849 | 4,345 | 316 | 729 | 1,484 | 2,866 | 198 | 106 | 186 | 3,471 | 632 | 1,070 | 1,812 | 501 | 1,492 | 1,194 | 971 | 3,360 | 618 | 4,124 | 1,408 | 13 | 2,040 | 3,268 | 1,737 | 3,613 | 1,387 | 869 | 2,833 | 498 | 1,235 | 205 | 1,336 | 62,849 |
| 2005 | 5,760 | | | | 3,340 | 552 | 1,072 | 1,680 | 857 | 4,348 | 262 | 710 | 1,350 | 2,902 | 205 | 106 | 215 | 3,430 | 666 | 1,119 | 1,895 | 518 | 1,461 | 1,160 | 967 | 3,408 | 626 | 4,187 | 1,453 | 16 | 2,102 | 3,338 | 1,807 | 3,754 | 1,409 | 897 | 2,909 | 526 | 1,227 | 209 | 1,340 | 63,770 |
| 2006 | 5,288 | | | | 3,371 | 527 | 1,081 | 1,706 | 853 | 4,389 | 286 | 715 | 1,332 | 2,635 | 218 | 107 | 214 | 3,483 | 723 | 1,154 | 1,854 | 538 | 1,507 | 1,187 | 996 | 3,466 | 611 | 4,320 | 1,424 | 19 | 2,119 | 3,374 | 1,810 | 3,790 | 1,429 | 951 | 3,051 | 546 | 1,292 | 210 | 1,329 | 64,106 |
| 2007 | 5,403 | | | | 3,505 | 575 | 1,177 | 1,735 | 894 | 4,478 | 306 | 743 | 1,327 | 2,910 | 230 | 108 | 229 | 3,548 | 774 | 1,194 | 1,663 | 549 | 1,572 | 1,188 | 1,056 | 3,446 | 636 | 4,433 | 1,403 | 20 | 2,210 | 3,397 | 1,812 | 3,949 | 1,505 | 990 | 3,139 | 596 | 1,336 | 218 | 1,358 | 65,796 |
| 2008 | 5,243 | | | | 3,412 | 571 | 1,185 | 1,636 | 695 | 4,389 | 287 | 738 | 1,151 | 2,616 | 203 | 96 | 219 | 3,350 | 690 | 1,243 | 1,817 | 523 | 1,491 | 1,084 | 906 | 3,190 | 663 | 4,114 | 1,343 | 19 | 2,109 | 3,384 | 1,529 | 4,137 | 1,495 | 958 | 3,118 | 464 | 1,284 | 400 | 1,204 | 63,156 |
| 2009[3] | 4,517 | | | | 2,994 | 544 | 1,104 | 1,498 | 869 | 3,902 | 314 | 652 | 1,009 | 2,261 | 169 | 85 | 193 | 2,893 | 646 | 1,146 | 1,653 | 469 | 1,325 | 936 | 806 | 2,902 | 597 | 3,751 | 1,260 | 18 | 1,999 | 3,111 | 1,410 | 3,768 | 1,453 | 929 | 3,039 | 460 | 1,226 | 396 | 1,187 | 57,489 |
| Average Annual Percent Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1990-00 | 1.1 | NA | (2.2) | 2.1 | NA | 3.0 | 1.8 | 2.4 | 2.0 | 2.2 | 1.0 | 1.0 | 6.1 | 3.7 | 3.5 | (0.1) | 1.9 | 2.8 | 4.4 | 4.4 | 3.1 | 2.7 | 3.7 | 6.7 | 1.1 | 0.8 | (7.4) | NA | 3.2 | NA | 2.9 | 1.9 | 4.6 | 0.6 | 7.5 | 5.9 | 7.2 | 5.9 | 9.8 | 4.1 | 9.6 | 3.6 |
| 2000-09 | 8.1 | NA | NA | NA | NA | 0.4 | 0.5 | (1.1) | 0.8 | (0.7) | 3.6 | (1.5) | (1.4) | (2.1) | 1.2 | (2.2) | 4.0 | (0.7) | 2.1 | 4.0 | 0.7 | 1.8 | 0.2 | (0.7) | (0.5) | 0.7 | 1.3 | 0.5 | 0.6 | NA | 1.9 | 0.9 | (1.1) | 3.7 | 1.6 | 3.6 | 2.8 | 1.3 | 1.1 | 12.1 | 0.0 | 1.1 |
| 2005-09 | (5.9) | NA | NA | NA | (2.7) | (0.4) | 0.7 | (2.8) | 0.3 | (2.7) | 4.6 | (2.1) | (7.0) | (6.1) | (4.8) | (5.3) | (2.7) | (4.2) | (0.8) | 0.6 | (3.4) | (2.4) | (2.4) | (5.2) | (4.5) | (3.9) | (1.2) | (2.7) | (3.5) | 2.1 | (1.2) | (1.7) | (6.0) | 0.1 | 0.8 | 0.9 | 1.1 | (2.2) | (0.0) | 17.3 | (3.4) | (2.6) |
| 1990-09 | 3.4 | NA | NA | NA | NA | 1.8 | 1.2 | 0.7 | 1.4 | 0.8 | 2.2 | (0.2) | 2.5 | 0.9 | 2.4 | (1.1) | 2.9 | 1.1 | 3.3 | 4.2 | 2.0 | 2.3 | 2.0 | 3.1 | 0.4 | 0.7 | (3.4) | NA | 2.0 | NA | 2.5 | 1.4 | 1.9 | 2.1 | 4.7 | 4.8 | 5.1 | 3.7 | 5.6 | 7.9 | 5.0 | 2.4 |

**Total Vehicles By Interchange (Milepost)**

| Calendar Year | 2[4] | 10[5] | 13[5] | 26[5] | 30[5] | 39 | 46 | 57 | 67 | 75 | 91 | 110 | 146 | 161 | 160 | 169 | 201 | 226 | 236 | 242 | 247 | 266 | 286 | 298 | 312 | 326 | 333 | 20 | 339 | 340 | 343 | 351 | 358 | 359 | 31 | 44 | 56 | 74 | 95 | 105 | 115 | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1990 | 9,191 | | 2,229 | 8,748 | | 4,405 | 6,062 | 16,691 | 8,422 | 11,259 | 2,306 | 2,609 | 2,591 | 7,487 | 680 | 459 | 532 | 6,668 | 2,961 | 4,555 | 8,272 | 2,484 | 5,511 | 4,478 | 7,028 | 26,478 | 14,695 | | 14,562 | | 18,132 | 23,684 | 6,059 | 16,729 | 5,132 | 4,309 | 8,475 | 2,674 | 3,367 | 1,981 | 2,243 | 276,348 |
| 1991[1] | 9,243 | | 2,111 | 6,786 | | 4,408 | 8,067 | 16,942 | 8,536 | 11,077 | 2,331 | 2,602 | 2,584 | 7,315 | 681 | 457 | 541 | 6,649 | 3,037 | 4,503 | 8,328 | 2,497 | 5,671 | 4,549 | 7,171 | 25,357 | 12,940 | | 15,372 | | 18,854 | 24,035 | 6,075 | 16,549 | 5,654 | 4,540 | 9,019 | 2,801 | 3,496 | 2,067 | 2,561 | 277,606 |
| 1992 | 9,272 | | 1,999 | 8,800 | | 4,401 | 6,052 | 16,830 | 8,633 | 10,868 | 2,352 | 2,588 | 2,571 | 7,132 | 880 | 455 | 549 | 6,613 | 3,107 | 4,441 | 8,365 | 2,512 | 5,824 | 4,811 | 7,301 | 24,222 | 11,366 | | 16,189 | | 19,563 | 24,337 | 6,077 | 16,338 | 6,662 | 4,774 | 9,574 | 2,927 | 3,622 | 2,153 | 2,918 | 278,698 |
| 1993 | 9,354 | | 1,903 | 8,865 | | 4,419 | 6,063 | 16,930 | 8,778 | 10,725 | 2,387 | 2,590 | 2,573 | 6,996 | 685 | 456 | 561 | 6,615 | 3,196 | 4,404 | 8,449 | 2,547 | 6,015 | 4,702 | 7,475 | 23,094 | 10,091 | | 17,148 | | 20,423 | 24,786 | 6,116 | 16,225 | 7,626 | 5,053 | 10,220 | 3,077 | 3,777 | 2,256 | 3,345 | 281,943 |
| 1994 | 9,412 | 1,781 | 1,811 | 8,906 | | 4,426 | 8,096 | 17,107 | 8,001 | 10,555 | 2,417 | 2,586 | 2,589 | 6,848 | 667 | 456 | 571 | 6,601 | 3,279 | 4,357 | 6,513 | 2,560 | 6,198 | 4,784 | 7,634 | 22,304 | 6,931 | 25,345 | 18,117 | | 21,273 | 25,184 | 6,141 | 16,078 | 8,710 | 5,336 | 10,880 | 3,227 | 3,931 | 2,358 | 3,828 | 312,720 |
| 1995 | 9,692 | 1,932 | 1,762 | 9,211 | | 4,465 | 7,885 | 17,268 | 8,881 | 10,951 | 2,510 | 2,675 | 2,732 | 7,150 | 889 | 462 | 590 | 7,235 | 4,016 | 4,624 | 8,901 | 2,631 | 6,431 | 4,903 | 7,749 | 22,976 | 9,390 | 28,188 | 19,184 | | 23,367 | 26,716 | 6,136 | 16,373 | 9,180 | 5,567 | 11,489 | 3,370 | 4,071 | 2,412 | 4,071 | 328,015 |
| 1996 | 9,686 | 2,117 | 1,801 | 9,665 | | 4,692 | 8,482 | 17,520 | 9,063 | 11,446 | 2,407 | 2,699 | 2,830 | 7,329 | 710 | 496 | 609 | 7,284 | 4,143 | 4,775 | 9,262 | 2,782 | 6,403 | 5,020 | 7,339 | 23,467 | 9,723 | 29,769 | 19,370 | | 23,841 | 27,121 | 6,377 | 16,774 | 9,785 | 5,839 | 12,247 | 3,603 | 4,378 | 2,443 | 4,176 | 337,433 |
| 1997 | 9,942 | 2,213 | 1,907 | 10,071 | | 4,920 | 6,933 | 18,171 | 9,292 | 11,679 | 2,455 | 2,721 | 2,943 | 7,646 | 747 | 518 | 634 | 6,735 | 3,974 | 4,736 | 9,369 | 2,959 | 6,766 | 5,673 | 7,981 | 23,632 | 10,364 | 31,482 | 19,874 | | 24,443 | 26,254 | 6,490 | 17,069 | 11,077 | 8,136 | 13,129 | 3,609 | 4,669 | 2,564 | 4,439 | 350,838 |
| 1998 | 10,420 | 2,324 | 2,038 | 10,787 | | 5,299 | 8,945 | 18,825 | 9,827 | 12,495 | 2,563 | 2,784 | 3,304 | 8,087 | 781 | 557 | 666 | 7,425 | 4,111 | 4,990 | 9,888 | 3,225 | 7,076 | 6,134 | 8,578 | 25,030 | 10,810 | 32,863 | 21,337 | | 24,635 | 28,947 | 6,664 | 17,676 | 11,737 | 6,665 | 13,371 | 4,105 | 4,902 | 2,675 | 4,661 | 387,607 |
| 1999 | 10,698 | 2,427 | 2,083 | 11,059 | | 5,522 | 9,728 | 19,261 | 10,291 | 13,743 | 2,619 | 2,724 | 3,790 | 6,549 | 630 | 582 | 691 | 7,916 | 4,405 | 5,470 | 10,392 | 3,387 | 7,219 | 6,479 | 9,159 | 24,351 | 11,179 | 33,036 | 21,231 | | 24,024 | 28,903 | 6,659 | 17,960 | 12,403 | 7,172 | 14,093 | 4,291 | 5,189 | 2,724 | 4,747 | 377,186 |
| 2000 | 9,982 | 2,548 | 2,095 | 11,107 | | 5,465 | 10,308 | 19,444 | 10,342 | 12,732 | 2,370 | 2,596 | 3,905 | 8,557 | 781 | 557 | 709 | 7,664 | 4,575 | 5,905 | 10,560 | 3,436 | 7,547 | 6,658 | 9,663 | 24,258 | 11,117 | 34,343 | 21,165 | | 24,765 | 29,546 | 6,925 | 18,281 | 12,623 | 7,388 | 14,938 | 4,326 | 5,257 | 2,752 | 4,754 | 362,126 |
| 2001 | 10,785 | 2,696 | 2,139 | 11,633 | | 5,701 | 10,030 | 20,000 | 10,402 | 12,934 | 2,462 | 2,623 | 4,158 | 9,003 | 809 | 534 | 734 | 8,425 | 4,716 | 5,894 | 10,642 | 3,632 | 7,797 | 7,172 | 10,261 | 27,652 | 11,639 | 35,415 | 22,283 | | 25,376 | 30,533 | 6,649 | 19,071 | 12,632 | 7,326 | 15,699 | 4,555 | 5,227 | 2,858 | 4,637 | 397,134 |
| 2002 | 12,019 | 2,746 | 2,163 | 11,853 | | 5,709 | 10,393 | 20,040 | 10,615 | 13,527 | 2,457 | 2,766 | 4,536 | 9,352 | 860 | 577 | 812 | 6,376 | 5,149 | 6,258 | 11,306 | 3,833 | 7,992 | 7,715 | 10,909 | 28,158 | 12,473 | 37,113 | 22,703 | 1,002 | 25,945 | 31,627 | 6,898 | 19,736 | 13,660 | 7,669 | 16,247 | 4,784 | 5,552 | 3,024 | 5,283 | 412,836 |
| 2003 | 18,087 | | | | 9,239 | 5,961 | 10,553 | 20,361 | 11,140 | 13,650 | 2,520 | 2,789 | 4,665 | 9,661 | 888 | 596 | 631 | 8,724 | 5,422 | 6,777 | 11,936 | 4,163 | 8,391 | 8,347 | 11,355 | 30,064 | 12,895 | 37,969 | 23,513 | 1,329 | 28,727 | 32,707 | 7,380 | 20,828 | 14,258 | 8,220 | 17,120 | 4,907 | 5,768 | 3,122 | 5,283 | 428,794 |
| 2004[2] | 21,626 | | | | 14,761 | 5,953 | 10,452 | 20,251 | 10,902 | 13,537 | 2,556 | 2,676 | 4,824 | 9,601 | 959 | 569 | 665 | 8,733 | 5,428 | 6,603 | 12,066 | 4,196 | 8,699 | 8,552 | 11,426 | 31,591 | 13,204 | 39,877 | 23,422 | 1,564 | 27,756 | 33,352 | 7,748 | 21,699 | 14,553 | 6,796 | 18,225 | 5,186 | 6,255 | 3,448 | 5,592 | 446,383 |
| 2005 | 21,633 | | | | 14,609 | 5,706 | 10,173 | 19,767 | 10,294 | 13,228 | 2,520 | 2,602 | 4,514 | 9,419 | 896 | 555 | 863 | 8,369 | 5,235 | 6,471 | 11,812 | 4,161 | 8,430 | 8,495 | 11,259 | 31,609 | 12,487 | 39,640 | 23,162 | 1,587 | 27,254 | 32,900 | 7,663 | 21,598 | 14,350 | 8,848 | 17,973 | 5,088 | 5,949 | 3,242 | 5,391 | 438,166 |
| 2006 | 21,676 | | | | 14,791 | 5,709 | 10,210 | 19,996 | 10,435 | 13,168 | 2,523 | 2,842 | 4,389 | 9,191 | 894 | 550 | 672 | 8,442 | 5,265 | 6,350 | 11,407 | 4,140 | 6,691 | 6,644 | 11,554 | 31,659 | 12,066 | 40,381 | 22,984 | 1,599 | 26,728 | 32,807 | 7,664 | 21,425 | 14,463 | 9,099 | 18,369 | 5,204 | 6,042 | 3,269 | 5,377 | 439,075 |
| 2007 | 21,766 | | | | 15,445 | 6,188 | 10,583 | 19,933 | 10,507 | 13,284 | 2,784 | 2,810 | 4,386 | 9,126 | 941 | 546 | 891 | 8,521 | 5,435 | 6,459 | 11,765 | 4,289 | 8,969 | 8,634 | 12,069 | 30,515 | 11,948 | 41,091 | 22,606 | 1,558 | 28,264 | 33,315 | 7,726 | 21,676 | 14,609 | 9,225 | 18,720 | 5,393 | 6,097 | 3,406 | 5,401 | 447,087 |
| 2008 | 21,434 | | | | 15,468 | 6,198 | 10,411 | 19,941 | 9,963 | 12,912 | 2,661 | 2,857 | 4,146 | 8,621 | 878 | 522 | 832 | 8,085 | 5,197 | 7,311 | 11,690 | 4,100 | 6,551 | 6,532 | 11,543 | 30,165 | 12,511 | 39,631 | 21,655 | 1,540 | 27,365 | 32,700 | 7,494 | 21,411 | 14,885 | 9,271 | 18,068 | 5,295 | 5,973 | 3,463 | 5,332 | 438,851 |
| 2009[3] | 21,400 | | | | 15,226 | 6,039 | 10,191 | 19,581 | 9,543 | 12,334 | 2,665 | 2,755 | 3,961 | 6,617 | 624 | 494 | 796 | 7,521 | 5,116 | 7,040 | 11,604 | 3,954 | 8,235 | 8,112 | 11,039 | 30,685 | 12,501 | 38,712 | 22,249 | 1,386 | 27,163 | 32,307 | 7,177 | 20,712 | 14,664 | 9,328 | 16,378 | 5,204 | 6,247 | 3,627 | 5,458 | 433,083 |
| Average Annual Percent Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1990-00 | 0.8 | NA | (0.6) | 2.4 | NA | 2.2 | 2.5 | 1.4 | 2.1 | 1.2 | 0.3 | (0.0) | 4.2 | 1.3 | 1.4 | 2.0 | 2.9 | 1.7 | 4.4 | 2.6 | 2.5 | 3.3 | 3.2 | 4.0 | 3.2 | (0.9) | (2.6) | NA | 3.8 | NA | 3.2 | 2.2 | 1.3 | 0.9 | 9.4 | 5.5 | 5.8 | 4.9 | 4.6 | 3.3 | 7.8 | 3.3 |
| 2000-09 | 8.8 | NA | NA | NA | NA | 1.1 | (0.1) | 0.1 | (0.9) | (0.4) | 1.3 | 0.7 | 0.2 | 0.1 | 0.6 | (1.3) | 1.3 | (0.5) | 1.2 | 2.0 | 1.1 | 1.6 | 1.0 | 2.2 | 1.5 | 2.6 | 1.3 | 1.3 | 0.6 | NA | 1.0 | 1.0 | 0.4 | 1.4 | 1.8 | 2.7 | 2.3 | 2.1 | 1.9 | 3.1 | 1.5 | 1.4 |
| 2005-09 | (0.3) | NA | NA | NA | 1.0 | 1.4 | 0.0 | (0.2) | (1.9) | (1.7) | 1.4 | 1.4 | (3.1) | (2.2) | (2.1) | (2.8) | (2.0) | (2.6) | (0.6) | 2.1 | (0.4) | (1.3) | (0.6) | (1.1) | (0.5) | (0.7) | 0.0 | (0.6) | (1.0) | (3.3) | (0.1) | (0.5) | (1.6) | (1.0) | 0.9 | 1.3 | 0.6 | 0.6 | 1.2 | 2.8 | 0.3 | (0.3) |
| 1990-09 | 4.5 | NA | NA | NA | NA | 1.7 | 1.2 | 0.8 | 0.7 | 0.5 | 0.8 | 0.3 | 2.3 | 0.7 | 1.0 | 0.4 | 2.1 | 0.6 | 2.9 | 2.3 | 1.8 | 2.5 | 2.1 | 3.2 | 2.4 | 0.8 | (0.8) | NA | 2.3 | NA | 2.2 | 1.6 | 0.9 | 1.1 | 5.8 | 4.1 | 4.2 | 3.6 | 3.3 | 3.2 | 4.8 | 2.4 |

(1) A toll increase of 32% was implemented on June 1, 1991.
(2) A toll increase of 42.5% was implemented on August 1, 2004.
(3) A toll increase of 25% was implemented on January 4, 2009. Toll rates on Findlay Connector/PA-576 and the Mon-Fayette Expy/Tpke 43 Uniontown to Brownsville remained unchanged.
(4) Several changes have occurred at Gateway Plaza during this time period. It was converted from the western terminus of the ticket system to a barrier plaza on June 1, 2003; at this time toll classifications were switched from weight based to axle based. On January 2, 2006, toll collection at the barrier location was converted from two-way to one-way collection.
(5) Once Gateway was converted to a barrier plaza, Interchange 30, Warrendale, became the new start of the Turnpike ticket system in 2004. Toll collection was removed from Interchanges 10, 13 and 28 at this time.

## Table 2

# Barrier System: Average Daily Transactions by Interchange

### Pennsylvania Turnpike

**Passenger Cars**

| Calendar Year | Northeastern Facilities | | | Toll 60(4) | | | | | | Toll 66(5) | | | | | | Mon Fayette (Toll 43) | | | | | | | | Southern Beltway (Toll 576) | | | | Total Barrier Facilities |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Keiser Ave. | Clarks Summit | Subtotal | South Toll 60 | Beaver Falls Rte 551 | Moravia Rte 168 | North Toll 60 | Mt Jackson Rte 108 | Subtotal | Rte 136 | AKH Mainline | Ramp 30 | Route 130 | Route 66 | Subtotal | Ramp M4 | M5 | M35 California | Ramp M39 | Ramp M44 | Ramp M46 | M52 | Subtotal | SB Route 30 | SB Westport Rd | Route 22 | Subtotal | |
| 1994 | 0 | 2,831 | 2,631 | 6,965 | 271 | 461 | 3,915 | 720 | 12,352 | 295 | 5,754 | 1,641 | 622 | 413 | 6,925 | | | 5,436 | | | | | 5,436 | | | | | 29,544 |
| 1995 | 4,803 | 5,177 | 9,980 | 7,266 | 319 | 520 | 4,130 | 626 | 13,063 | 303 | 6,411 | 1,977 | 873 | 459 | 10,023 | | | 5,942 | | | | | 5,942 | | | | | 39,008 |
| 1996 | 6,491 | 6,814 | 13,305 | 7,697 | 334 | 546 | 4,614 | 1,097 | 14,468 | 366 | 7,259 | 2,191 | 1,017 | 501 | 11,334 | | | 6,714 | | | | | 6,714 | | | | | 45,841 |
| 1997 | 6,941 | 7,261 | 14,222 | 8,407 | 336 | 579 | 4,964 | 1,211 | 15,497 | 413 | 8,081 | 2,471 | 1,190 | 523 | 12,678 | | | 7,314 | | | | | 7,314 | | | | | 49,711 |
| 1998 | 6,461 | 6,769 | 13,230 | 8,724 | 359 | 613 | 5,192 | 1,313 | 16,201 | 437 | 6,911 | 3,020 | 1,123 | 527 | 14,018 | | | 6,643 | | | | | 6,643 | | | | | 50,092 |
| 1999 | 5,686 | 5,844 | 11,530 | 8,796 | 370 | 610 | 5,298 | 1,385 | 16,461 | 469 | 6,850 | 3,105 | 966 | 458 | 13,848 | | | 7,312 | | | | | 7,312 | | | | | 49,151 |
| 2000 | 5,527 | 5,642 | 11,169 | 9,006 | 382 | 619 | 5,461 | 1,454 | 16,944 | 478 | 9,263 | 3,390 | 693 | 455 | 14,499 | | | 8,274 | | | | | 8,274 | | | | | 50,888 |
| 2001 | 5,622 | 5,847 | 11,469 | 9,390 | 399 | 682 | 5,666 | 1,606 | 17,943 | 516 | 9,613 | 3,751 | 1,001 | 516 | 15,399 | 29 | 1,659 | 8,437 | 954 | | | | 11,079 | | | | | 55,890 |
| 2002(1) | 5,948 | 6,169 | 12,117 | 9,566 | | | 6,021 | | 15,607 | | 10,044 | | | | 10,044 | 29 | 1,726 | 5,582 | 1,360 | | | | 8,898 | | | | | 48,487 |
| 2003 | 6,274 | 6,492 | 12,766 | 9,762 | | | 6,176 | | 15,958 | | 10,476 | | | | 10,476 | 30 | 1,794 | 2,728 | 1,766 | | | 5,889 | 12,008 | | | | | 51,205 |
| 2004(2) | 6,719 | 6,747 | 13,466 | 9,821 | | | 6,385 | | 16,206 | | 10,858 | | | | 10,658 | 29 | 1,884 | 9,365 | 906 | 736 | 2,543 | 6,326 | 21,789 | | | | | 62,320 |
| 2005 | 6,489 | 6,519 | 13,008 | 9,896 | | | 6,812 | | 16,708 | | 11,123 | | | | 11,123 | 26 | 1,973 | 9,366 | 866 | 720 | 2,790 | 6,746 | 22,489 | | | | | 83,328 |
| 2006 | 6,573 | 6,545 | 13,117 | 9,854 | | | 7,047 | | 16,901 | 217 | 12,053 | 861 | 226 | 117 | 13,473 | 32 | 2,060 | 9,754 | 983 | 758 | 2,936 | 7,099 | 23,602 | 80 | 59 | 533 | 671 | 67,765 |
| 2007 | 6,736 | 6,740 | 13,476 | 10,334 | 434 | 756 | 7,524 | 1,277 | 20,326 | 597 | 12,308 | 2,889 | 1,260 | 580 | 17,633 | 39 | 2,151 | 10,224 | 1,030 | 745 | 3,213 | 7,179 | 24,581 | 166 | 125 | 2,914 | 3,204 | 79,221 |
| 2008 | 6,782 | 6,790 | 13,572 | 10,268 | 458 | 606 | 7,633 | 1,557 | 20,744 | 806 | 12,327 | 4,617 | 1,370 | 762 | 19,883 | 32 | 2,257 | 10,530 | 1,052 | 749 | 3,301 | 7,351 | 25,273 | 223 | 130 | 3,320 | 3,873 | 83,146 |
| 2009(3) | 7,012 | 6,650 | 13,662 | 9,897 | 430 | 706 | 7,617 | 1,390 | 20,040 | 727 | 12,114 | 4,645 | 1,370 | 738 | 19,594 | 22 | 2,301 | 10,316 | 1,050 | 703 | 3,356 | 7,181 | 24,931 | 262 | 153 | 3,727 | 4,142 | 82,569 |
| Average Annual Percent Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1994(6) - 00 | NA | 12.2 | 25.7 | 4.4 | 5.9 | 4.3 | 5.8 | 12.4 | 5.4 | 8.4 | 8.3 | 12.9 | 1.4 | 1.6 | 8.4 | NA | NA | 7.3 | NA | NA | NA | NA | 7.3 | NA | NA | NA | NA | 9.5 |
| 2000 - 09 | 2.7 | 2.2 | 2.4 | 1.1 | 1.3 | 1.5 | 3.7 | (0.5) | 1.9 | 4.6 | 3.0 | 3.6 | 4.9 | 5.5 | 3.4 | NA | NA | 2.5 | NA | NA | NA | NA | 13.0 | NA | NA | NA | NA | 5.5 |
| 2005 - 09 | 2.0 | 1 2 | 1 6 | 0.0 | NA | NA | 2.6 | NA | 4.7 | NA | 2.2 | NA | NA | NA | 15.2 | (4.3) | 3.9 | 2.4 | 4.9 | (0.6) | 4.7 | 1 6 | 2.6 | NA | NA | NA | NA | 6.9 |
| 1994(6) - 09 | NA | 6 1 | 11 2 | 2.4 | 3.1 | 2.6 | 4.5 | 4.5 | 3.3 | 6.2 | 5.1 | 7.2 | 3.5 | 3.9 | 5.4 | NA | NA | 4.4 | NA | NA | NA | NA | 10 7 | NA | NA | NA | NA | 7.1 |

**Commercial Vehicles**

| Calendar Year | Northeastern Facilities | | | Toll 60(4) | | | | | | Toll 66(5) | | | | | | Mon Fayette | | | | | | | | Southern Beltway | | | | Total Barrier Facilities |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Keiser Ave. | Clarks Summit | Subtotal | South Toll 60 | Beaver Falls Rte 551 | Moravia Rte 168 | North Toll 60 | Mt Jackson Rte 108 | Subtotal | Rte 136 | AKH Mainline | Ramp 30 | Route 130 | Route 66 | Subtotal | Ramp M4 | M5 | M35 California | Ramp M39 | Ramp M44 | Ramp M48 | M52 | Subtotal | SB Route 30 | Bald Knob Rd | Route 22 | Subtotal | |
| 1994 | 0 | 480 | 480 | 719 | 35 | 36 | 409 | 53 | 1,252 | 134 | 906 | 141 | 56 | 66 | 1,305 | 0 | 0 | 227 | 0 | | | | 227 | | | | | 3,264 |
| 1995 | 762 | 941 | 1,723 | 619 | 34 | 60 | 491 | 50 | 1,454 | 159 | 1,024 | 157 | 29 | 27 | 1,396 | 0 | 0 | 248 | 0 | | | | 248 | | | | | 4,821 |
| 1996 | 1,113 | 1,272 | 2,385 | 966 | 39 | 72 | 614 | 85 | 1,796 | 169 | 1,215 | 172 | 30 | 30 | 1,616 | 0 | 0 | 280 | 0 | | | | 280 | | | | | 8,077 |
| 1997 | 1,163 | 1,349 | 2,512 | 1,110 | 44 | 93 | 681 | 101 | 2,029 | 222 | 1,457 | 225 | 35 | 35 | 1,974 | 0 | 0 | 305 | 0 | | | | 305 | | | | | 6,620 |
| 1998 | 1,038 | 1,255 | 2,293 | 1,147 | 45 | 91 | 725 | 109 | 2,117 | 196 | 1,518 | 256 | 38 | 32 | 2,040 | 0 | 0 | 277 | 0 | | | | 277 | | | | | 6,727 |
| 1999 | 936 | 1,125 | 2,061 | 1,263 | 52 | 85 | 793 | 118 | 2,311 | 230 | 1,552 | 268 | 50 | 29 | 2,129 | 0 | 0 | 305 | 0 | | | | 305 | | | | | 6,606 |
| 2000 | 919 | 1,118 | 2,037 | 1,301 | 51 | 93 | 863 | 138 | 2,446 | 241 | 1,729 | 296 | 67 | 27 | 2,360 | 0 | 0 | 345 | 0 | | | | 345 | | | | | 7,188 |
| 2001 | 892 | 1,142 | 2,034 | 1,359 | 65 | 144 | 674 | 141 | 2,563 | 232 | 1,673 | 345 | 75 | 28 | 2,353 | 2 | 119 | 352 | 30 | | | | 503 | | | | | 7,473 |
| 2002(1) | 905 | 1,049 | 1,954 | 1,332 | | | 672 | | 2,204 | | 1,743 | | | | 1,743 | 2 | 135 | 216 | 41 | | | | 396 | | | | | 6,297 |
| 2003 | 918 | 957 | 1,875 | 1,304 | | | 670 | | 2,174 | | 1,813 | | | | 1,813 | 1 | 151 | 84 | 52 | | | 92 | 382 | | | | | 6,244 |
| 2004(4) | 938 | 931 | 1,869 | 1,326 | | | 911 | | 2,239 | | 1,818 | | | | 1,816 | 1 | 135 | 314 | 23 | 37 | 107 | 107 | 724 | | | | | 8,650 |
| 2005 | 1,092 | 1,038 | 2,130 | 1,353 | | | 915 | | 2,266 | | 1,872 | | | | 1,872 | 1 | 136 | 303 | 23 | 34 | 82 | 118 | 697 | | | | | 6,967 |
| 2006 | 1,227 | 1,112 | 2,339 | 1,311 | | | 998 | | 2,309 | 126 | 1,935 | 142 | 17 | 5 | 2,226 | 1 | 150 | 321 | 26 | 42 | 59 | 108 | 707 | 2 | 1 | 24 | 26 | 7,808 |
| 2007 | 1,406 | 1,162 | 2,570 | 1,490 | 36 | 96 | 1,133 | 98 | 2,854 | 211 | 2,070 | 290 | 36 | 15 | 2,623 | 1 | 140 | 384 | 32 | 46 | 65 | 111 | 779 | 18 | 6 | 210 | 234 | 9,060 |
| 2006 | 1,363 | 1,096 | 2,459 | 1,546 | 39 | 145 | 1,170 | 108 | 3,010 | 183 | 2,146 | 282 | 29 | 16 | 2,656 | 2 | 196 | 478 | 34 | 66 | 66 | 127 | 971 | 27 | 14 | 249 | 290 | 9,385 |
| 2009(3) | 1,306 | 1,047 | 2,353 | 1,342 | 31 | 60 | 1,034 | 113 | 2,560 | 146 | 2,010 | 265 | 30 | 17 | 2,468 | 1 | 240 | 532 | 35 | 33 | 60 | 125 | 1,025 | 31 | 56 | 287 | 375 | 8,601 |
| Average Annual Percent Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1994(6) - 00 | NA | 15.1 | 27.2 | 10.4 | 6.5 | 17.1 | 13.3 | 17.3 | 11.6 | 10.3 | 11.3 | 13.2 | 3.0 | (13.8) | 10.4 | NA | NA | 7.2 | NA | NA | NA | NA | 7.2 | NA | NA | NA | NA | 14.1 |
| 2000 - 09 | 4.0 | (0.7) | 1.6 | 0.3 | (5.5) | (4.8) | 2.0 | (2.2) | 0.6 | (5.4) | 1.7 | (1.2) | (8.4) | (5.1) | 0.5 | NA | NA | 4.9 | NA | NA | NA | NA | 12 9 | NA | NA | NA | NA | 2.3 |
| 2005 - 09 | 4.6 | 0.2 | 2.5 | (0.2) | NA | NA | 3.1 | NA | 3.3 | NA | 1.6 | NA | NA | NA | 7.2 | (0.2) | 15.2 | 15.1 | 10.9 | (0.7) | (7.4) | 1.5 | 10 1 | NA | NA | NA | NA | 8.0 |
| 1994(6) - 09 | NA | 5.3 | 11.2 | 4.2 | (0.9) | 3.4 | 6.4 | 5.2 | 4.9 | 0.8 | 5.4 | 4.3 | (4.0) | (8.7) | 4.3 | NA | NA | 5.8 | NA | NA | NA | NA | 10.6 | NA | NA | NA | NA | 8.8 |

**Total Vehicles**

| Calendar Year | Northeastern Facilities | | | Toll 60(4) | | | | | | Toll 66(5) | | | | | | Mon Fayette | | | | | | | | Southern Beltway | | | | Total Barrier Facilities |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Keiser Ave. | Clarks Summit | Subtotal | South Toll 60 | Beaver Falls Rte 551 | Moravia Rte 168 | North Toll 60 | Mt Jackson Rte 108 | Subtotal | Rte 136 | AKH Mainline | Ramp 30 | Route 130 | Route 60 | Subtotal | Ramp M4 | M5 | M35 California | Ramp M39 | Ramp M44 | Ramp M48 | M52 | Subtotal | SB Route 30 | Bald Knob Rd | Route 22 | Subtotal | |
| 1994 | 0 | 3,311 | 3,311 | 7,684 | 306 | 517 | 4,324 | 773 | 13,604 | 429 | 6,662 | 1,762 | 676 | 479 | 10,230 | 0 | 0 | 5,663 | 0 | 0 | 0 | 0 | 5,663 | 0 | 0 | 0 | 0 | 32,808 |
| 1995 | 5,585 | 6,118 | 11,703 | 6,087 | 353 | 580 | 4,621 | 676 | 14,517 | 462 | 7,435 | 2,134 | 902 | 486 | 11,419 | 0 | 0 | 6,190 | 0 | 0 | 0 | 0 | 6,190 | 0 | 0 | 0 | 0 | 43,829 |
| 1996 | 7,604 | 6,086 | 15,690 | 6,683 | 373 | 616 | 5,228 | 1,182 | 16,284 | 535 | 8,474 | 2,363 | 1,047 | 531 | 12,950 | 0 | 0 | 6,994 | 0 | 0 | 0 | 0 | 6,994 | 0 | 0 | 0 | 0 | 51,918 |
| 1997 | 6,104 | 8,630 | 16,734 | 9,517 | 360 | 672 | 5,645 | 1,312 | 17,526 | 635 | 9,538 | 2,696 | 1,225 | 558 | 14,652 | 0 | 0 | 7,619 | 0 | 0 | 0 | 0 | 7,819 | 0 | 0 | 0 | 0 | 56,531 |
| 1998 | 7,499 | 8,024 | 15,523 | 9,871 | 404 | 704 | 5,917 | 1,422 | 16,318 | 633 | 10,429 | 3,276 | 1,161 | 559 | 16,056 | 0 | 0 | 6,920 | 0 | 0 | 0 | 0 | 6,920 | 0 | 0 | 0 | 0 | 56,819 |
| 1999 | 6,622 | 6,969 | 13,591 | 10,061 | 422 | 695 | 6,091 | 1,503 | 18,772 | 699 | 10,402 | 3,373 | 1,016 | 487 | 15,977 | 0 | 0 | 7,617 | 0 | 0 | 0 | 0 | 7,817 | 0 | 0 | 0 | 0 | 55,957 |
| 2000 | 6,446 | 6,760 | 13,206 | 10,309 | 433 | 712 | 6,344 | 1,592 | 19,390 | 719 | 11,012 | 3,686 | 960 | 482 | 16,859 | 0 | 0 | 8,619 | 0 | 0 | 0 | 0 | 8,819 | 0 | 0 | 0 | 0 | 58,074 |
| 2001 | 6,514 | 6,969 | 13,503 | 10,749 | 464 | 826 | 6,740 | 1,747 | 20,526 | 750 | 11,266 | 4,096 | 1,076 | 544 | 17,752 | 31 | 1,778 | 8,789 | 984 | 0 | 0 | 0 | 11,582 | 0 | 0 | 0 | 0 | 63,363 |
| 2002(1) | 6,853 | 7,219 | 14,072 | 10,917 | 0 | 0 | 6,893 | 0 | 17,811 | 0 | 11,787 | 0 | 0 | 0 | 11,787 | 31 | 1,862 | 5,800 | 1,401 | 0 | 0 | 0 | 9,094 | 0 | 0 | 0 | 0 | 52,764 |
| 2003 | 7,192 | 7,449 | 14,641 | 11,066 | 0 | 0 | 7,046 | 0 | 18,132 | 0 | 12,288 | 0 | 0 | 0 | 12,288 | 31 | 1,945 | 2,812 | 1,819 | 0 | 0 | 5,761 | 12,387 | 0 | 0 | 0 | 0 | 57,448 |
| 2004(2) | 7,657 | 7,676 | 15,335 | 11,149 | 0 | 0 | 7,296 | 0 | 18,445 | 0 | 12,676 | 0 | 0 | 0 | 12,676 | 30 | 2,020 | 9,679 | 929 | 773 | 2,649 | 6,433 | 22,513 | 0 | 0 | 0 | 0 | 68,970 |
| 2005 | 7,581 | 7,557 | 15,138 | 11,249 | 0 | 0 | 7,727 | 0 | 18,976 | 0 | 12,995 | 0 | 0 | 0 | 12,995 | 28 | 2,110 | 9,669 | 891 | 753 | 2,872 | 6,863 | 23,188 | 0 | 0 | 0 | 0 | 70,295 |
| 2006 | 7,600 | 7,656 | 15,456 | 11,165 | 0 | 0 | 8,044 | 0 | 19,210 | 343 | 13,988 | 1,003 | 243 | 122 | 15,699 | 33 | 2,210 | 10,075 | 989 | 799 | 2,995 | 7,208 | 24,309 | 82 | 80 | 557 | 699 | 75,373 |
| 2007 | 8,144 | 7,903 | 16,047 | 11,824 | 471 | 653 | 6,656 | 1,375 | 23,180 | 808 | 14,378 | 3,178 | 1,298 | 595 | 20,256 | 40 | 2,292 | 10,608 | 1,062 | 792 | 3,277 | 7,269 | 25,360 | 184 | 131 | 3,124 | 3,438 | 88,281 |
| 2006 | 8,144 | 7,887 | 16,031 | 11,636 | 497 | 953 | 8,603 | 1,665 | 23,754 | 989 | 14,473 | 4,699 | 1,399 | 778 | 22,539 | 34 | 2,453 | 11,008 | 1,087 | 817 | 3,368 | 7,478 | 26,245 | 250 | 144 | 3,569 | 3,963 | 92,531 |
| 2009(3) | 8,318 | 7,897 | 16,215 | 11,239 | 461 | 766 | 8,651 | 1,503 | 22,620 | 873 | 14,124 | 4,910 | 1,400 | 754 | 22,062 | 23 | 2,541 | 10,849 | 1,085 | 736 | 3,416 | 7,306 | 25,958 | 293 | 209 | 4,014 | 4,517 | 91,371 |
| Average Annual Percent Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1994(6) - 00 | NA | 12.6 | 25.9 | 5.0 | 6.0 | 5.5 | 6.6 | 12.8 | 6.1 | 9.0 | 8.7 | 12.9 | 1.5 | 0.1 | 8.7 | NA | NA | 7.3 | NA | NA | NA | NA | 7.3 | NA | NA | NA | NA | 10.0 |
| 2000 - 09 | 2.9 | 1.7 | 2.3 | 1.0 | 0.7 | 0.8 | 3.5 | (0.6) | 1.7 | 2.2 | 2.8 | 3.2 | 4.3 | 5.1 | 3.0 | NA | NA | 2.6 | NA | NA | NA | NA | 13.0 | NA | NA | NA | NA | 5.2 |
| 2005 - 09 | 2.3 | 1.1 | 1.7 | (0.0) | NA | NA | 2.9 | NA | 4.5 | NA | 2.1 | NA | NA | NA | 14.1 | (4.1) | 4.8 | 2.9 | 5.0 | (0.6) | 4.4 | 1.6 | 2.9 | NA | NA | NA | NA | 8.8 |
| 1994(6) - 09 | NA | 6.0 | 11.2 | 2.6 | 2.6 | 2.7 | 4.7 | 4.5 | 3.4 | 4.6 | 5.1 | 7.0 | 3.2 | 3.1 | 5.3 | NA | NA | 4.4 | NA | NA | NA | NA | 10.7 | NA | NA | NA | NA | 7.1 |

(1) 2002 traffic data is not available. It is estimated by averaging 2001 and 2003 traffic data.
(2) New rates became effective Sunday, August 1, 2004. Rates were increased by 42.5%.
(3) A toll increase of 25 % was implemented on January 4, 2009. Toll rates on Findlay Connector/PA-576 and the Mon-Fayette Expy/Tpke 43 Unionville to Brownsville remained unchanged
(4) Toll 60 ramp counts were not available from 2002 to 2006.
(5) Toll 66 ramp counts were not available from 2002 to 2006.
(6) Average annual growth rate of Northeastern Facilities began in 1995.

# Table 3

## Pennsylvania Turnpike Monthly Traffic Volume Trends By Facility and Vehicle Class

### Volumes in Thousands

### Ticket System (Including Gateway Barrier Plaza)

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 12,486 | (5.7) | 11,769 | 1.9 | 11,992 | (3.6) | 11,561 | 2.4 | 11,836 |
| July | 12,805 | (6.5) | 11,979 | 1.8 | 12,197 | (0.8) | 12,100 | 2.7 | 12,422 |
| Aug. | 12,868 | (4.1) | 12,345 | 3.1 | 12,731 | (1.8) | 12,502 | (0.8) | 12,431 |
| Sept. | 11,401 | (1.3) | 11,253 | 1.6 | 11,431 | (3.6) | 11,014 | 3.3 | 11,378 |
| Oct. | 11,702 | 0.5 | 11,762 | 2.0 | 12,002 | (1.3) | 11,843 | (0.7) | 11,766 |
| Nov. | 11,418 | (1.4) | 11,262 | (0.2) | 11,236 | (2.8) | 10,927 | 1.8 | 11,129 |
| Dec. | 11,073 | 0.2 | 11,096 | (4.6) | 10,585 | 3.1 | 10,915 | (1.6) | 10,745 |
| Jan. | 10,348 | (0.1) | 10,336 | 0.1 | 10,347 | (5.1) | 9,818 | 2.9 | 10,104 |
| Feb. | 9,559 | (3.8) | 9,200 | 5.6 | 9,718 | (2.1) | 9,518 | (12.6) | 8,321 |
| March | 11,226 | (2.7) | 10,925 | 1.4 | 11,077 | (3.0) | 10,740 | | |
| April | 11,063 | (0.4) | 11,022 | 0.5 | 11,078 | 1.1 | 11,205 | | |
| May | 11,625 | 1.6 | 11,816 | (1.6) | 11,625 | 0.3 | 11,657 | | |
| Total Year | 137,574 | (2.0) | 134,765 | 0.9 | 136,019 | (1.6) | 133,796 | | |
| June-Feb | 103,660 | (2.6) | 101,002 | 1.2 | 102,239 | (2.0) | 100,194 | (0.1) | 100,132 |

**Commercial Vehicles**

| Month | 2005-08 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 2,103 | (4.5) | 2,009 | (0.9) | 1,991 | (4.8) | 1,895 | (7.1) | 1,760 |
| July | 1,969 | (4.9) | 1,872 | 3.4 | 1,936 | 0.6 | 1,947 | (8.9) | 1,774 |
| Aug. | 2,133 | (2.4) | 2,081 | (0.1) | 2,079 | (8.5) | 1,902 | (8.6) | 1,738 |
| Sept. | 2,004 | (5.9) | 1,886 | (2.1) | 1,847 | (0.6) | 1,835 | (6.6) | 1,713 |
| Oct. | 2,005 | (1.2) | 1,980 | 3.3 | 2,045 | (6.5) | 1,912 | (8.7) | 1,746 |
| Nov. | 1,887 | (3.8) | 1,816 | (0.7) | 1,803 | (13.4) | 1,562 | (1.9) | 1,532 |
| Dec. | 1,786 | (5.8) | 1,683 | (3.4) | 1,626 | (3.7) | 1,566 | (1.7) | 1,540 |
| Jan. | 1,670 | 5.3 | 1,759 | (0.8) | 1,745 | (14.7) | 1,488 | (2.5) | 1,451 |
| Feb. | 1,572 | 2.4 | 1,609 | 0.9 | 1,624 | (13.5) | 1,405 | (5.5) | 1,328 |
| March | 1,885 | (2.2) | 1,843 | (5.2) | 1,747 | (8.6) | 1,596 | | |
| April | 1,783 | 2.0 | 1,818 | 4.3 | 1,897 | (12.4) | 1,662 | | |
| May | 1,989 | 2.5 | 2,038 | (6.1) | 1,913 | (12.2) | 1,679 | | |
| Total Year | 22,786 | (1.7) | 22,394 | (0.6) | 22,253 | (8.1) | 20,449 | | |
| June-Feb | 17,129 | (2.5) | 16,695 | 0.0 | 16,696 | (7.1) | 15,512 | (6.0) | 14,582 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 14,589 | (5.6) | 13,778 | 1.5 | 13,983 | (3.8) | 13,456 | 1.0 | 13,596 |
| July | 14,774 | (6.2) | 13,851 | 2.0 | 14,133 | (0.6) | 14,047 | 1.1 | 14,196 |
| Aug. | 15,001 | (3.8) | 14,426 | 2.7 | 14,810 | (2.7) | 14,404 | (1.6) | 14,169 |
| Sept. | 13,405 | (2.0) | 13,139 | 1.1 | 13,278 | (3.2) | 12,849 | 1.9 | 13,091 |
| Oct. | 13,707 | 0.3 | 13,742 | 2.2 | 14,047 | (2.1) | 13,755 | (1.6) | 13,512 |
| Nov. | 13,305 | (1.7) | 13,078 | (0.3) | 13,039 | (4.2) | 12,489 | 1.4 | 12,661 |
| Dec. | 12,859 | (0.6) | 12,779 | (4.4) | 12,211 | 2.2 | 12,481 | (1.6) | 12,285 |
| Jan. | 12,018 | 0.6 | 12,095 | (0.0) | 12,092 | (6.5) | 11,304 | 2.2 | 11,555 |
| Feb. | 11,131 | (2.9) | 10,809 | 4.9 | 11,342 | (3.7) | 10,921 | (11.6) | 9,649 |
| March | 13,111 | (2.6) | 12,768 | 0.4 | 12,824 | (3.8) | 12,336 | | |
| April | 12,846 | (0.0) | 12,840 | 1.1 | 12,975 | (0.6) | 12,867 | | |
| May | 13,614 | 1.6 | 13,854 | (2.3) | 13,538 | (1.5) | 13,336 | | |
| Total Year | 160,360 | (2.0) | 157,159 | 0.7 | 158,272 | (2.5) | 154,245 | | |
| June-Feb | 120,789 | (2.6) | 117,697 | 1.1 | 118,935 | (2.7) | 115,706 | (0.9) | 114,714 |

### PA 43 (Mon Fayette Expressway)

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 666 | 1.2 | 674 | 5.6 | 712 | 1.5 | 723 | 11.5 | 806 |
| July | 671 | 3.3 | 693 | 4.2 | 722 | 4.6 | 755 | 11.5 | 842 |
| Aug. | 710 | 6.1 | 753 | 4.5 | 787 | 3.7 | 816 | 6.5 | 869 |
| Sept. | 717 | 6.1 | 761 | 2.5 | 780 | 4.0 | 811 | 8.4 | 879 |
| Oct. | 736 | 7.6 | 792 | 3.4 | 819 | 7.4 | 880 | 4.4 | 919 |
| Nov. | 681 | 6.0 | 722 | 1.8 | 735 | 11.8 | 822 | 0.2 | 824 |
| Dec. | 664 | 6.8 | 709 | (2.4) | 692 | 17.5 | 813 | (2.1) | 796 |
| Jan. | 628 | 4.6 | 657 | 3.3 | 679 | 7.4 | 729 | (1.0) | 722 |
| Feb. | 613 | 0.7 | 617 | 9.6 | 676 | 8.7 | 735 | (9.9) | 662 |
| March | 692 | 4.9 | 726 | (1.5) | 715 | 14.5 | 819 | | |
| April | 695 | 3.7 | 721 | 5.1 | 758 | 11.1 | 842 | | |
| May | 696 | 7.8 | 750 | (0.1) | 749 | 8.5 | 813 | | |
| Total Year | 8,169 | 5.0 | 8,575 | 2.9 | 8,824 | 8.3 | 9,558 | | |
| June-Feb | 6,086 | 4.8 | 6,378 | 3.5 | 6,602 | 7.3 | 7,084 | 3.3 | 7,319 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 23 | 4.3 | 24 | 12.5 | 27 | 22.2 | 33 | 9.1 | 36 |
| July | 22 | 4.5 | 23 | 21.7 | 28 | 28.6 | 36 | 13.9 | 41 |
| Aug. | 24 | 0.0 | 24 | 20.8 | 29 | 24.1 | 36 | 27.8 | 46 |
| Sept. | 21 | 4.8 | 22 | 9.1 | 24 | 37.5 | 33 | 33.3 | 44 |
| Oct. | 20 | 20.0 | 24 | 12.5 | 27 | 29.6 | 35 | 20.0 | 42 |
| Nov. | 18 | 11.1 | 20 | 10.0 | 22 | 45.5 | 32 | 15.6 | 37 |
| Dec. | 16 | 6.3 | 17 | 0.0 | 17 | 58.8 | 27 | 14.8 | 31 |
| Jan. | 15 | 6.7 | 16 | 18.8 | 19 | 31.6 | 25 | 12.0 | 26 |
| Feb. | 14 | 21.4 | 17 | 17.6 | 20 | 40.0 | 28 | (14.3) | 24 |
| March | 19 | 5.3 | 20 | 5.0 | 21 | 52.4 | 32 | | |
| April | 20 | 0.0 | 20 | 25.0 | 25 | 24.0 | 31 | | |
| May | 22 | 9.1 | 24 | 20.8 | 29 | 6.9 | 31 | | |
| Total Year | 234 | 7.3 | 251 | 14.7 | 288 | 31.6 | 379 | | |
| June-Feb | 173 | 8.1 | 187 | 13.9 | 213 | 33.8 | 285 | 15.4 | 329 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 689 | 1.3 | 698 | 5.9 | 739 | 2.3 | 756 | 11.4 | 842 |
| July | 693 | 3.3 | 716 | 4.7 | 750 | 5.5 | 791 | 11.6 | 883 |
| Aug. | 734 | 5.9 | 777 | 5.0 | 816 | 4.4 | 852 | 7.4 | 915 |
| Sept. | 738 | 6.1 | 783 | 2.7 | 804 | 5.0 | 844 | 9.4 | 923 |
| Oct. | 756 | 7.9 | 816 | 3.7 | 846 | 8.2 | 915 | 5.0 | 961 |
| Nov. | 699 | 6.2 | 742 | 2.0 | 757 | 12.8 | 854 | 0.8 | 861 |
| Dec. | 680 | 6.8 | 726 | (2.3) | 709 | 18.5 | 840 | (1.5) | 827 |
| Jan. | 643 | 4.7 | 673 | 3.7 | 698 | 8.0 | 754 | (0.5) | 750 |
| Feb. | 627 | 1.1 | 634 | 9.8 | 696 | 9.6 | 763 | (10.1) | 686 |
| March | 711 | 4.9 | 746 | (1.3) | 736 | 15.6 | 851 | | |
| April | 715 | 3.6 | 741 | 5.7 | 783 | 11.5 | 873 | | |
| May | 718 | 7.8 | 774 | 0.5 | 778 | 8.5 | 844 | | |
| Total Year | 8,403 | 5.0 | 8,826 | 3.2 | 9,112 | 9.1 | 9,937 | | |
| June-Feb | 6,259 | 4.9 | 6,565 | 3.8 | 6,815 | 8.1 | 7,369 | 3.8 | 7,648 |

### PA 66

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 358 | 8.1 | 387 | 39.0 | 538 | 10.8 | 596 | 2.0 | 608 |
| July | 358 | 23.7 | 443 | 23.5 | 547 | 12.8 | 617 | 0.8 | 622 |
| Aug. | 364 | 33.5 | 486 | 18.7 | 577 | 11.3 | 642 | (3.1) | 622 |
| Sept. | 340 | 37.9 | 469 | 20.5 | 565 | 7.4 | 607 | (0.3) | 605 |
| Oct. | 345 | 42.6 | 492 | 30.1 | 640 | 0.0 | 640 | (4.1) | 614 |
| Nov. | 326 | 41.4 | 461 | 27.3 | 587 | (0.7) | 583 | (1.2) | 576 |
| Dec. | 320 | 43.1 | 458 | 26.4 | 579 | 5.0 | 608 | (4.3) | 582 |
| Jan | 303 | 38.0 | 418 | 29.7 | 542 | (4.1) | 520 | (0.2) | 519 |
| Feb. | 288 | 28.8 | 371 | 39.1 | 516 | (2.9) | 501 | (8.6) | 458 |
| March | 341 | 35.8 | 463 | 23.8 | 573 | (0.9) | 568 | | |
| April | 352 | 35.8 | 478 | 24.3 | 594 | (2.7) | 578 | | |
| May | 361 | 51.5 | 547 | 11.7 | 611 | (0.3) | 609 | | |
| Total Year | 4,058 | 34.9 | 5,473 | 25.5 | 6,869 | 2.9 | 7,069 | | |
| June-Feb | 3,002 | 32.7 | 3,985 | 27.8 | 5,091 | 4.4 | 5,314 | (2.0) | 5,206 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 64 | 15.6 | 74 | 17.6 | 87 | (1.1) | 86 | (8.1) | 79 |
| July | 61 | 29.5 | 79 | 10.1 | 87 | 3.4 | 90 | (6.9) | 82 |
| Aug. | 65 | 36.9 | 89 | 1.1 | 90 | (2.2) | 88 | (11.4) | 78 |
| Sept. | 64 | 21.9 | 78 | 6.4 | 83 | 4.8 | 87 | (6.9) | 81 |
| Oct. | 60 | 40.0 | 84 | 14.3 | 96 | (7.3) | 89 | (5.6) | 84 |
| Nov. | 52 | 38.5 | 72 | 6.9 | 77 | (9.1) | 70 | 1.4 | 71 |
| Dec. | 45 | 35.6 | 61 | 3.3 | 63 | 3.2 | 65 | 6.2 | 69 |
| Jan | 46 | 39.1 | 64 | 9.4 | 70 | (11.4) | 62 | 4.8 | 65 |
| Feb. | 43 | 27.9 | 55 | 21.8 | 67 | (10.4) | 60 | (1.7) | 59 |
| March | 55 | 29.1 | 71 | 1.4 | 72 | (4.2) | 69 | | |
| April | 56 | 32.1 | 74 | 12.2 | 83 | (14.5) | 71 | | |
| May | 61 | 45.9 | 89 | (5.6) | 84 | (11.9) | 74 | | |
| Total Year | 672 | 32.4 | 890 | 7.8 | 959 | (5.0) | 911 | | |
| June-Feb | 500 | 31.2 | 656 | 9.8 | 720 | (3.2) | 697 | (4.2) | 668 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 422 | 9.2 | 461 | 35.6 | 625 | 9.1 | 682 | 0.7 | 687 |
| July | 419 | 24.6 | 522 | 21.5 | 634 | 11.5 | 707 | (0.4) | 704 |
| Aug. | 429 | 34.0 | 575 | 16.0 | 667 | 9.4 | 730 | (4.1) | 700 |
| Sept. | 404 | 35.4 | 547 | 18.5 | 648 | 7.1 | 694 | (1.2) | 686 |
| Oct. | 405 | 42.2 | 576 | 27.8 | 736 | (1.0) | 729 | (4.3) | 698 |
| Nov. | 378 | 41.0 | 533 | 24.6 | 664 | (1.7) | 653 | (0.9) | 647 |
| Dec. | 365 | 42.2 | 519 | 23.7 | 642 | 4.8 | 673 | (3.3) | 651 |
| Jan | 349 | 38.1 | 482 | 27.0 | 612 | (4.9) | 582 | 0.3 | 584 |
| Feb. | 331 | 28.7 | 426 | 36.9 | 583 | (3.8) | 561 | (7.8) | 517 |
| March | 396 | 34.8 | 534 | 20.8 | 645 | (1.2) | 637 | | |
| April | 408 | 35.3 | 552 | 22.6 | 677 | (4.1) | 649 | | |
| May | 422 | 50.7 | 636 | 9.3 | 695 | (1.7) | 683 | | |
| Total Year | 4,728 | 34.6 | 6,363 | 23.0 | 7,828 | 1.9 | 7,980 | | |
| June-Feb | 3,502 | 32.5 | 4,641 | 25.2 | 5,811 | 3.4 | 6,011 | (2.3) | 5,874 |

### Northeast Extension Barrier Plazas Only

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 430 | (3.7) | 414 | 3.6 | 429 | 1.4 | 435 | 1.1 | 440 |
| July | 524 | (3.6) | 504 | 1.4 | 511 | 1.2 | 517 | 11.4 | 576 |
| Aug. | 507 | 0.2 | 508 | 8.7 | 552 | 3.3 | 570 | 6.3 | 606 |
| Sept. | 390 | 8.4 | 415 | 2.9 | 427 | (6.1) | 401 | 10.0 | 441 |
| Oct. | 392 | 11.0 | 435 | (3.4) | 420 | 2.6 | 431 | (1.2) | 426 |
| Nov. | 380 | 7.6 | 409 | (4.4) | 391 | 0.8 | 394 | 1.5 | 400 |
| Dec. | 337 | 8.9 | 367 | (9.5) | 332 | 8.1 | 359 | (3.3) | 347 |
| Jan. | 290 | 4.8 | 304 | (2.3) | 297 | (3.7) | 286 | 0.0 | 286 |
| Feb. | 283 | (5.3) | 268 | 6.7 | 286 | 1.0 | 289 | (12.1) | 254 |
| March | 338 | 8.5 | 358 | (0.8) | 355 | (5.1) | 337 | | |
| April | 383 | 5.5 | 404 | (1.7) | 397 | 0.8 | 400 | | |
| May | 411 | 9.2 | 449 | 1.3 | 455 | 0.7 | 458 | | |
| Total Year | 4,663 | 3.7 | 4,835 | 0.4 | 4,852 | 0.5 | 4,877 | | |
| June-Feb | 3,533 | 2.6 | 3,624 | 0.6 | 3,645 | 1.0 | 3,682 | 2.6 | 3,778 |

**Commercial Vehicles**

| Month | 2005-08 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 71 | 7.0 | 76 | 5.3 | 80 | (2.5) | 78 | (1.3) | 77 |
| July | 71 | 8.5 | 77 | 3.9 | 80 | 3.8 | 83 | 3.6 | 86 |
| Aug. | 76 | 7.9 | 82 | 7.3 | 88 | (8.8) | 82 | 4.9 | 86 |
| Sept. | 70 | 10.0 | 77 | 2.6 | 79 | 1.3 | 80 | (1.3) | 79 |
| Oct. | 68 | 16.2 | 79 | 1.3 | 80 | (2.5) | 78 | (5.1) | 74 |
| Nov. | 64 | 9.4 | 70 | (5.7) | 66 | (7.6) | 61 | 0.0 | 61 |
| Dec. | 58 | 6.9 | 62 | (3.2) | 60 | 1.7 | 61 | (1.8) | 60 |
| Jan. | 58 | 13.8 | 66 | (1.5) | 65 | (13.8) | 56 | 1.8 | 57 |
| Feb. | 56 | 16.1 | 65 | (3.1) | 63 | (14.3) | 54 | (3.7) | 52 |
| March | 65 | 12.3 | 73 | (11.0) | 65 | (6.2) | 61 | | |
| April | 64 | 17.2 | 75 | 4.0 | 78 | (12.8) | 68 | | |
| May | 74 | 16.2 | 86 | (3.5) | 83 | (7.2) | 77 | | |
| Total Year | 795 | 11.7 | 888 | (0.1) | 887 | (5.4) | 839 | | |
| June-Feb | 592 | 10.5 | 652 | 1.1 | 661 | (4.2) | 633 | (0.2) | 632 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 501 | (2.2) | 490 | 3.9 | 509 | 0.8 | 513 | 0.8 | 517 |
| July | 595 | (2.4) | 581 | 1.7 | 591 | 1.5 | 600 | 10.3 | 662 |
| Aug. | 583 | 1.2 | 590 | 8.5 | 640 | 1.9 | 652 | 6.1 | 692 |
| Sept. | 460 | 7.0 | 492 | 2.8 | 506 | (4.9) | 481 | 8.1 | 520 |
| Oct. | 460 | 11.7 | 514 | (2.7) | 500 | 1.8 | 509 | (1.8) | 500 |
| Nov. | 444 | 7.9 | 479 | (4.6) | 457 | (0.4) | 455 | 1.3 | 461 |
| Dec. | 395 | 8.6 | 429 | (8.6) | 392 | 7.1 | 420 | (3.1) | 407 |
| Jan. | 348 | 6.3 | 370 | (2.2) | 362 | (5.5) | 342 | 0.3 | 343 |
| Feb. | 339 | (1.8) | 333 | 4.8 | 349 | (1.7) | 343 | (10.8) | 306 |
| March | 401 | 7.5 | 431 | (2.6) | 420 | (5.2) | 398 | | |
| April | 447 | 7.2 | 479 | (0.8) | 475 | (1.5) | 468 | | |
| May | 485 | 10.3 | 535 | 0.6 | 538 | (0.6) | 535 | | |
| Total Year | 5,458 | 4.9 | 5,723 | 0.3 | 5,739 | (0.4) | 5,716 | | |
| June-Feb | 4,125 | 3.7 | 4,276 | 0.7 | 4,306 | 0.2 | 4,315 | 2.2 | 4,408 |

### PA 60

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 553 | (2.2) | 541 | 22.9 | 665 | (2.4) | 649 | (1.4) | 640 |
| July | 587 | (4.4) | 561 | 23.7 | 694 | 0.3 | 696 | (3.3) | 673 |
| Aug. | 575 | (2.1) | 563 | 26.5 | 712 | (1.1) | 704 | (5.1) | 668 |
| Sept. | 507 | 2.0 | 517 | 25.7 | 650 | (2.9) | 631 | (1.4) | 622 |
| Oct. | 519 | 2.9 | 534 | 25.1 | 668 | (1.8) | 656 | (1.8) | 644 |
| Nov. | 501 | 1.2 | 507 | 21.5 | 616 | (3.7) | 593 | 0.3 | 595 |
| Dec. | 492 | 3.9 | 511 | 15.3 | 589 | 4.1 | 613 | (4.9) | 583 |
| Jan. | 449 | 0.9 | 453 | 20.3 | 545 | (8.4) | 499 | 0.2 | 500 |
| Feb. | 428 | 2.8 | 440 | 18.0 | 519 | (4.2) | 497 | (10.9) | 443 |
| March | 499 | 17.8 | 588 | 1.4 | 596 | (3.2) | 577 | | |
| April | 498 | 19.7 | 598 | 4.7 | 624 | (5.0) | 593 | | |
| May | 521 | 24.6 | 649 | 0.9 | 655 | (3.8) | 630 | | |
| Total Year | 6,129 | 5.4 | 6,460 | 16.6 | 7,533 | (2.6) | 7,338 | | |
| June-Feb | 4,611 | 0.3 | 4,627 | 22.3 | 5,658 | (2.1) | 5,538 | (3.1) | 5,368 |

**Commercial Vehicles**

| Month | 2005-08 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 78 | 2.6 | 80 | 25.0 | 100 | (2.0) | 98 | (14.3) | 84 |
| July | 75 | (2.7) | 73 | 28.0 | 92 | 12.0 | 103 | (15.5) | 87 |
| Aug. | 79 | 3.8 | 82 | 20.7 | 99 | 3.0 | 102 | (13.7) | 88 |
| Sept. | 74 | (2.7) | 72 | 23.6 | 89 | 10.1 | 98 | (14.3) | 84 |
| Oct. | 71 | 4.2 | 74 | 33.8 | 99 | (2.0) | 97 | (13.4) | 84 |
| Nov. | 64 | 3.1 | 66 | 28.8 | 85 | (11.8) | 75 | (5.3) | 71 |
| Dec. | 57 | 7.0 | 61 | 14.8 | 70 | 2.9 | 72 | (6.9) | 67 |
| Jan. | 58 | 10.3 | 64 | 26.6 | 81 | (18.5) | 66 | (1.5) | 65 |
| Feb. | 54 | 11.1 | 60 | 26.7 | 76 | (17.1) | 63 | 9.5 | 69 |
| March | 67 | 14.9 | 77 | 5.2 | 81 | (8.8) | 74 | | |
| April | 68 | 20.8 | 82 | 18.3 | 97 | (21.6) | 76 | | |
| May | 78 | 29.5 | 101 | (2.0) | 99 | (19.2) | 80 | | |
| Total Year | 823 | 8.4 | 892 | 19.7 | 1,068 | (6.0) | 1,004 | | |
| June-Feb | 610 | 3.8 | 632 | 25.2 | 791 | (2.1) | 774 | (9.7) | 699 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 631 | (1.6) | 621 | 23.2 | 765 | (2.4) | 747 | (3.1) | 724 |
| July | 662 | (4.2) | 634 | 24.0 | 786 | 1.7 | 799 | (4.9) | 760 |
| Aug. | 654 | (1.4) | 645 | 25.7 | 811 | (0.6) | 806 | (6.2) | 756 |
| Sept. | 581 | 1.4 | 589 | 25.5 | 739 | (1.4) | 729 | (3.2) | 706 |
| Oct. | 590 | 3.1 | 606 | 26.2 | 767 | (1.8) | 753 | (3.3) | 728 |
| Nov. | 565 | 1.4 | 573 | 22.3 | 701 | (4.7) | 668 | (0.3) | 666 |
| Dec. | 549 | 4.2 | 572 | 15.2 | 659 | 3.9 | 685 | (5.1) | 650 |
| Jan. | 507 | 2.0 | 517 | 21.1 | 626 | (9.7) | 565 | 0.0 | 565 |
| Feb. | 482 | 3.7 | 500 | 19.0 | 595 | (5.9) | 560 | (8.6) | 512 |
| March | 566 | 17.5 | 665 | 1.8 | 677 | (3.8) | 651 | | |
| April | 566 | 19.8 | 678 | 6.3 | 721 | (7.2) | 669 | | |
| May | 599 | 25.2 | 750 | 0.5 | 754 | (5.8) | 710 | | |
| Total Year | 6,952 | 5.8 | 7,352 | 17.0 | 8,601 | (3.0) | 8,342 | | |
| June-Feb | 5,221 | 0.7 | 5,259 | 22.6 | 6,449 | (2.1) | 6,312 | (3.9) | 6,067 |

### Total Transactions

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 14,493 | (4.9) | 13,785 | 4.0 | 14,336 | (2.6) | 13,964 | 2.6 | 14,330 |
| July | 14,945 | (5.1) | 14,180 | 3.5 | 14,671 | 0.1 | 14,685 | 3.1 | 15,135 |
| Aug. | 15,024 | (2.5) | 14,655 | 4.8 | 15,359 | (0.8) | 15,234 | (0.2) | 15,196 |
| Sept. | 13,355 | 0.4 | 13,415 | 3.3 | 13,853 | (2.8) | 13,464 | 3.4 | 13,925 |
| Oct. | 13,694 | 2.3 | 14,015 | 3.8 | 14,549 | (0.7) | 14,450 | (0.6) | 14,369 |
| Nov. | 13,306 | 0.4 | 13,381 | 1.5 | 13,565 | (1.8) | 13,319 | 1.5 | 13,524 |
| Dec. | 12,886 | 2.0 | 13,141 | (2.8) | 12,777 | 4.2 | 13,308 | (1.9) | 13,053 |
| Jan. | 12,018 | 1.2 | 12,166 | 2.0 | 12,410 | (4.5) | 11,850 | 2.4 | 12,131 |
| Feb. | 11,171 | (2.5) | 10,896 | 7.5 | 11,715 | (1.5) | 11,538 | (12.1) | 10,138 |
| March | 13,094 | (0.3) | 13,060 | 2.0 | 13,316 | (2.1) | 13,041 | | 0 |
| April | 12,991 | 1.8 | 13,221 | 1.7 | 13,451 | 1.2 | 13,618 | | 0 |
| May | 13,614 | 4.4 | 14,211 | (0.6) | 14,095 | 0.5 | 14,167 | | 0 |
| Total Year | 160,591 | (0.3) | 160,108 | 2.5 | 164,097 | (0.9) | 162,638 | | |
| June-Feb | 120,892 | (1.1) | 119,616 | 3.0 | 123,235 | (1.2) | 121,812 | (0.0) | 121,801 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 2,339 | (3.2) | 2,283 | 1.0 | 2,285 | (4.2) | 2,190 | (7.0) | 2,038 |
| July | 2,198 | (3.4) | 2,124 | 4.7 | 2,223 | 1.6 | 2,259 | (8.4) | 2,070 |
| Aug. | 2,377 | (0.8) | 2,358 | 1.1 | 2,385 | (7.3) | 2,210 | (7.9) | 2,038 |
| Sept. | 2,233 | (4.4) | 2,135 | (0.8) | 2,122 | 0.5 | 2,133 | (6.2) | 2,001 |
| Oct. | 2,224 | 0.8 | 2,241 | 4.7 | 2,347 | (5.8) | 2,211 | (8.2) | 2,030 |
| Nov. | 2,085 | (2.0) | 2,044 | 0.4 | 2,053 | (12.3) | 1,800 | (1.6) | 1,772 |
| Dec. | 1,962 | (4.0) | 1,884 | (2.5) | 1,836 | (2.5) | 1,791 | (1.3) | 1,767 |
| Jan. | 1,847 | 6.6 | 1,969 | 0.6 | 1,980 | (14.3) | 1,697 | (1.8) | 1,666 |
| Feb. | 1,739 | 3.9 | 1,806 | 2.4 | 1,850 | (13.0) | 1,610 | (4.8) | 1,532 |
| March | 2,091 | (0.3) | 2,084 | (4.7) | 1,986 | (7.8) | 1,832 | | 0 |
| April | 1,991 | 3.9 | 2,069 | 5.4 | 2,180 | (12.5) | 1,908 | | 0 |
| May | 2,224 | 5.1 | 2,338 | (5.6) | 2,208 | (12.1) | 1,941 | | 0 |
| Total Year | 25,310 | 0.0 | 25,315 | 0.6 | 25,455 | (7.4) | 23,582 | | |
| June-Feb | 19,004 | (0.9) | 18,824 | 1.4 | 19,081 | (6.2) | 17,901 | (5.5) | 16,910 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | 16,832 | (4.7) | 16,048 | 3.8 | 16,621 | (2.8) | 16,154 | 1.3 | 16,368 |
| July | 17,143 | (4.9) | 16,304 | 3.8 | 16,894 | 0.3 | 16,944 | 1.5 | 17,205 |
| Aug. | 17,401 | (2.2) | 17,013 | 4.3 | 17,744 | (1.7) | 17,444 | (1.2) | 17,232 |
| Sept. | 15,588 | (0.2) | 15,550 | 2.7 | 15,975 | (2.4) | 15,597 | 2.1 | 15,926 |
| Oct. | 15,918 | 2.1 | 16,256 | 3.9 | 16,896 | (1.4) | 16,661 | (1.6) | 16,399 |
| Nov. | 15,391 | 0.1 | 15,405 | 1.4 | 15,618 | (3.2) | 15,119 | 1.2 | 15,298 |
| Dec. | 14,848 | 1.2 | 15,025 | (2.7) | 14,613 | 3.3 | 15,099 | (1.8) | 14,820 |
| Jan. | 13,865 | 2.0 | 14,137 | 1.8 | 14,390 | (5.9) | 13,547 | 1.8 | 13,797 |
| Feb. | 12,910 | (1.6) | 12,702 | 6.8 | 13,565 | (3.1) | 13,148 | (11.2) | 11,670 |
| March | 15,185 | (0.3) | 15,144 | 1.0 | 15,302 | (2.8) | 14,873 | | |
| April | 14,982 | 2.1 | 15,290 | 2.2 | 15,631 | (0.7) | 15,526 | | |
| May | 15,838 | 4.5 | 16,549 | (1.5) | 16,303 | (1.2) | 16,108 | | |
| Total Year | 185,901 | (0.3) | 185,423 | 2.2 | 189,552 | (1.8) | 186,220 | | |
| June-Feb | 139,896 | (1.0) | 138,440 | 2.6 | 142,316 | (1.8) | 139,713 | (0.7) | 138,711 |

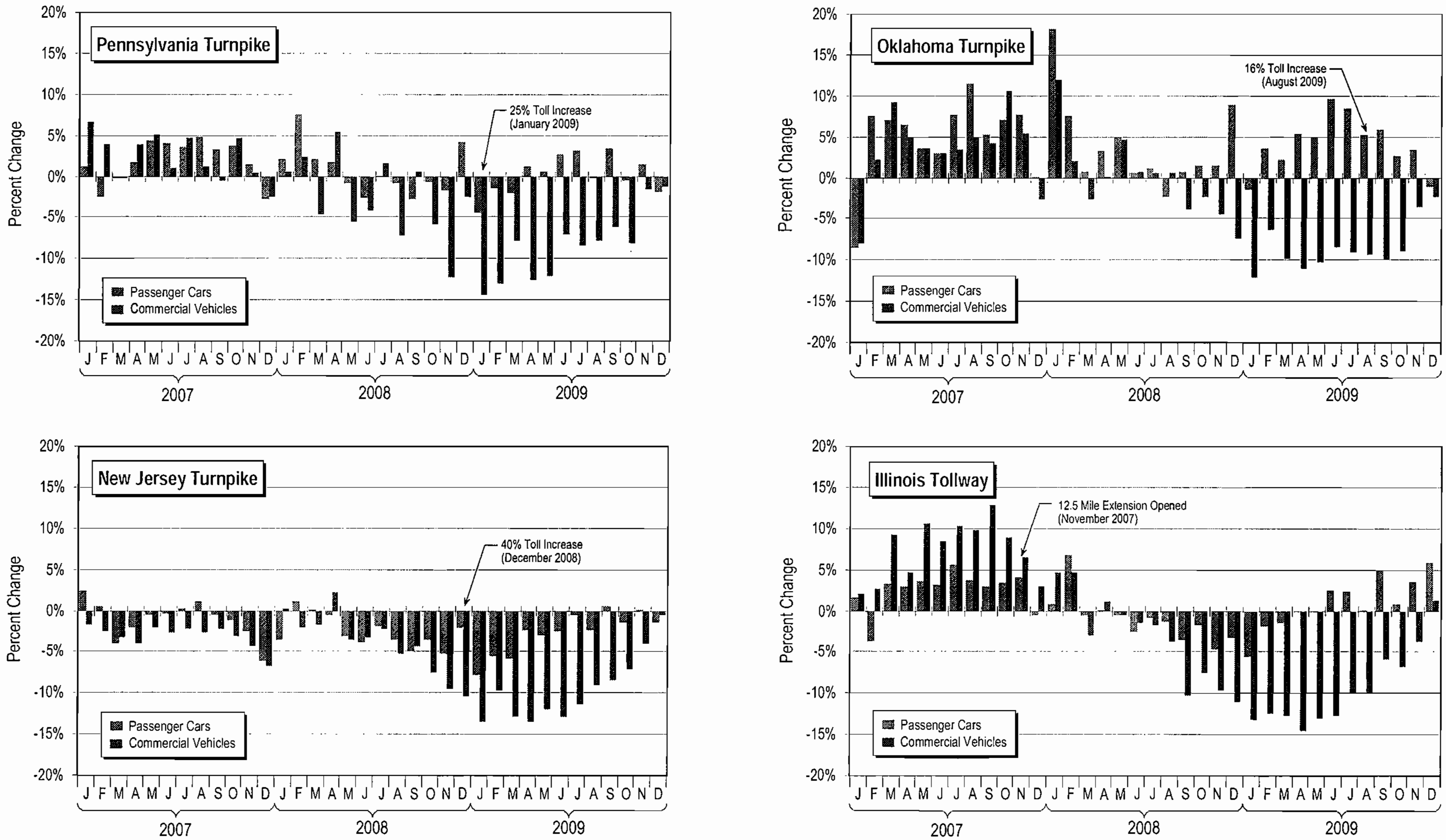
NOTES:

(1) A toll increase of 25% was implemented on January 4, 2009. Toll rates on Findlay Connector/PA-576 and the Mon-Fayette Expy/Tpke 43 Uniontown to Brownsville remained unchanged

(2) A toll increase of 3% was implemented on January 3, 2010. Toll rates on Findlay Connector/PA-576 remained unchanged

(3) February traffic was negatively impacted several times due to severe snowstorms.

(4) All six (6) Phase 1 projects of the Mon/Fayette Expressway, Uniontown to Brownsville Project were completed in the fall of 2008. Phase 1 was open to traffic on October 30, 2008. This had positive traffic impacts on the Mon/Fayette Expressway.




WilburSmith ASSOCIATES

**COMPARISON OF VARIOUS STATES' MONTHLY PASSENGER CAR AND COMMERCIAL VEHICLE TRANSACTION TRENDS**

FIGURE 1

# Table 4
## Pennsylvania Turnpike Monthly Gross Toll Revenue Trends By Facility and Vehicle Class
### Revenue in Thousands

### Ticket System (Including Gateway Barrier Plaza)

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $28,374 | (2.6) | $27,631 | 3.7 | $28,665 | (5.4) | $27,110 | 27.5 | $34,578 |
| July | 30,961 | (3.6) | 29,860 | 0.3 | 29,935 | (2.3) | 29,244 | 30.6 | 38,194 |
| Aug. | 30,410 | (1.2) | 30,032 | 5.4 | 31,655 | (2.2) | 30,972 | 25.1 | 38,760 |
| Sept. | 25,146 | 3.2 | 25,960 | 1.0 | 26,218 | (5.9) | 24,682 | 31.7 | 32,509 |
| Oct. | 26,278 | 1.3 | 26,628 | (0.8) | 26,410 | 0.3 | 26,482 | 25.3 | 33,193 |
| Nov. | 25,590 | 1.8 | 26,055 | (1.5) | 25,673 | (1.5) | 25,296 | 27.8 | 32,323 |
| Dec. | 24,086 | 4.5 | 25,160 | (6.3) | 23,564 | 4.4 | 24,612 | 22.8 | 30,228 |
| Jan. | 21,621 | (0.9) | 21,434 | (1.2) | 21,182 | 20.8 | 25,598 | 7.6 | 27,544 |
| Feb. | 19,904 | (8.6) | 18,197 | 6.2 | 19,687 | 26.4 | 24,894 | (11.8) | 21,950 |
| March | 23,902 | (1.6) | 23,511 | 0.5 | 23,622 | 22.4 | 28,925 | | |
| April | 21,726 | 3.4 | 22,466 | 6.7 | 23,981 | 31.4 | 31,511 | | |
| May | 26,202 | 3.5 | 27,118 | (1.5) | 26,706 | 26.5 | 33,794 | | |
| Total Year | $304,202 | (0.0) | $304,052 | 1.1 | $307,298 | 8.4 | $333,120 | | |
| June-Feb | $232,372 | (0.6) | $230,957 | 0.9 | $232,989 | 2.5 | $238,890 | 21.1 | $289,279 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $24,105 | 3.5 | $24,945 | (0.9) | $24,713 | (5.6) | $23,324 | 10.1 | $25,674 |
| July | 22,468 | 1.6 | 22,823 | 6.1 | 24,208 | (1.6) | 23,824 | 6.8 | 25,449 |
| Aug. | 24,617 | 4.2 | 25,642 | 1.6 | 26,055 | (10.0) | 23,439 | 7.8 | 25,276 |
| Sept. | 23,181 | 2.0 | 23,655 | 0.3 | 23,716 | (3.9) | 22,787 | 9.6 | 24,979 |
| Oct. | 24,005 | 3.9 | 24,930 | 3.6 | 25,828 | (9.1) | 23,477 | 8.1 | 25,385 |
| Nov. | 22,450 | 1.6 | 22,647 | 0.1 | 22,865 | (15.7) | 19,267 | 14.7 | 22,107 |
| Dec. | 21,840 | (2.1) | 21,378 | (0.9) | 21,193 | (9.2) | 19,244 | 17.3 | 22,568 |
| Jan. | 21,618 | 4.7 | 22,636 | 1.3 | 22,929 | 0.4 | 23,010 | (3.1) | 22,295 |
| Feb. | 20,479 | 9.9 | 22,507 | (4.5) | 21,504 | 1.0 | 21,716 | (5.0) | 20,628 |
| March | 24,279 | 0.9 | 24,497 | (4.7) | 23,336 | 3.6 | 24,179 | | |
| April | 26,057 | (0.3) | 25,983 | (9.3) | 23,568 | 4.4 | 24,604 | | |
| May | 24,536 | 4.2 | 25,559 | (7.7) | 23,597 | 4.5 | 24,657 | | |
| Total Year | $279,635 | 2.8 | $287,402 | (1.4) | $263,512 | (3.5) | $273,526 | | |
| June-Feb | $204,763 | 3.2 | $211,363 | 0.6 | $213,011 | (6.1) | $200,088 | 7.1 | $214,361 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $52,479 | 0.2 | $52,576 | 1.5 | $53,378 | (5.5) | $50,434 | 19.5 | $60,252 |
| July | 53,429 | (1.4) | 52,683 | 2.8 | 54,143 | (2.0) | 53,068 | 19.9 | 63,643 |
| Aug. | 55,027 | 1.2 | 55,674 | 3.7 | 57,710 | (5.7) | 54,411 | 17.7 | 64,036 |
| Sept. | 48,327 | 2.7 | 49,615 | 0.6 | 49,934 | (4.9) | 47,469 | 21.1 | 57,488 |
| Oct. | 50,283 | 2.5 | 51,558 | 1.3 | 52,238 | (4.4) | 49,959 | 17.3 | 58,578 |
| Nov. | 48,040 | 1.8 | 48,902 | (0.7) | 48,536 | (8.2) | 44,563 | 22.1 | 54,430 |
| Dec. | 45,926 | 1.3 | 46,538 | (3.8) | 44,757 | (2.0) | 43,856 | 20.4 | 52,796 |
| Jan. | 43,239 | 1.9 | 44,070 | 0.1 | 44,111 | 10.2 | 48,608 | 2.5 | 49,639 |
| Feb. | 40,383 | 0.8 | 40,704 | 1.2 | 41,191 | 13.2 | 46,610 | (8.7) | 42,578 |
| March | 48,181 | (0.4) | 48,008 | (2.2) | 46,958 | 13.1 | 53,104 | | |
| April | 47,783 | 1.4 | 48,449 | (1.9) | 47,549 | 18.0 | 56,115 | | |
| May | 50,738 | 3.8 | 52,677 | (4.5) | 50,303 | 16.2 | 58,451 | | |
| Total Year | $583,837 | 1.3 | $591,454 | (0.1) | $590,610 | 2.7 | $606,648 | | |
| June-Feb | $437,135 | 1.2 | $442,320 | 0.8 | $446,000 | (1.6) | $438,978 | 14.7 | $503,640 |

### PA 43 (Mon Fayette Expressway)

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $516 | 1.0 | $523 | 5.0 | $549 | 1.6 | $558 | 39.6 | $779 |
| July | 523 | 2.9 | 538 | 3.7 | 558 | 4.5 | 583 | 39.8 | 815 |
| Aug. | 554 | 5.6 | 585 | 3.9 | 608 | 3.5 | 629 | 33.7 | 841 |
| Sept | 556 | 6.5 | 592 | 1.4 | 600 | 4.2 | 625 | 35.8 | 849 |
| Oct. | 573 | 7.5 | 616 | 2.6 | 632 | 7.8 | 681 | 30.8 | 891 |
| Nov | 532 | 5.6 | 562 | 1.4 | 570 | 13.7 | 648 | 23.8 | 802 |
| Dec. | 520 | 6.7 | 555 | (3.2) | 537 | 19.7 | 643 | 20.5 | 775 |
| Jan | 490 | 4.3 | 511 | 2.7 | 525 | 32.8 | 697 | 4.7 | 730 |
| Feb. | 478 | 0.2 | 479 | 9.0 | 522 | 37.0 | 715 | (6.4) | 669 |
| March | 538 | 4.5 | 562 | (1.4) | 554 | 43.3 | 794 | | |
| April | 539 | 3.3 | 557 | 5.2 | 586 | 39.1 | 815 | | |
| May | 541 | 6.8 | 578 | 0.3 | 580 | 35.7 | 767 | | |
| Total Year | $6,362 | 4.7 | $6,658 | 2.4 | $6,821 | 19.9 | $8,175 | | |
| June-Feb | $4,744 | 4.6 | $4,961 | 2.8 | $5,101 | 13.3 | $5,779 | 23.7 | $7,151 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $54 | 1.9 | $55 | 9.1 | $60 | 25.0 | $75 | 34.7 | $101 |
| July | 51 | 2.0 | 52 | 19.2 | 62 | 29.0 | 80 | 45.0 | 118 |
| Aug. | 55 | 1.8 | 58 | 12.5 | 63 | 25.4 | 79 | 63.3 | 129 |
| Sept | 49 | 2.0 | 50 | 10.0 | 55 | 36.4 | 75 | 64.0 | 123 |
| Oct. | 48 | 14.6 | 55 | 12.7 | 62 | 27.4 | 79 | 51.9 | 120 |
| Nov | 42 | 14.3 | 48 | 4.2 | 50 | 44.0 | 72 | 45.8 | 105 |
| Dec. | 37 | 10.8 | 41 | (2.4) | 40 | 60.0 | 64 | 43.8 | 92 |
| Jan | 36 | 8.3 | 39 | 15.4 | 45 | 62.2 | 73 | 16.4 | 85 |
| Feb. | 35 | 8.6 | 38 | 26.3 | 48 | 70.8 | 82 | (9.8) | 74 |
| March | 46 | 0.0 | 46 | 4.3 | 48 | 89.6 | 91 | | |
| April | 47 | 2.1 | 48 | 20.8 | 58 | 55.2 | 90 | | |
| May | 52 | 7.7 | 56 | 17.9 | 66 | 36.4 | 90 | | |
| Total Year | $552 | 5.8 | $564 | 12.5 | $657 | 44.6 | $950 | | |
| June-Feb | $407 | 6.6 | $434 | 11.8 | $485 | 40.0 | $679 | 39.2 | $945 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $572 | 1.0 | $578 | 5.4 | $609 | 3.9 | $633 | 39.0 | $880 |
| July | 574 | 2.8 | 590 | 5.1 | 620 | 6.9 | 663 | 40.4 | 931 |
| Aug. | 609 | 5.3 | 641 | 4.7 | 671 | 5.5 | 708 | 37.0 | 970 |
| Sept | 605 | 6.1 | 642 | 2.0 | 655 | 6.9 | 700 | 38.9 | 972 |
| Oct. | 621 | 8.1 | 671 | 3.4 | 694 | 9.5 | 760 | 33.0 | 1,011 |
| Nov | 574 | 6.3 | 610 | 1.6 | 620 | 16.1 | 720 | 26.0 | 907 |
| Dec. | 557 | 7.0 | 596 | (3.2) | 577 | 22.5 | 707 | 22.6 | 867 |
| Jan | 526 | 4.6 | 550 | 3.6 | 570 | 35.1 | 770 | 5.6 | 815 |
| Feb. | 513 | 0.8 | 517 | 10.3 | 570 | 39.8 | 797 | (6.8) | 743 |
| March | 584 | 4.1 | 608 | (1.0) | 602 | 47.0 | 885 | | |
| April | 586 | 3.2 | 605 | 6.4 | 644 | 40.5 | 905 | | |
| May | 593 | 6.9 | 634 | 1.9 | 646 | 35.8 | 877 | | |
| Total Year | $6,914 | 4.7 | $7,242 | 3.3 | $7,478 | 22.0 | $9,125 | | |
| June-Feb | $5,151 | 4.7 | $5,395 | 3.5 | $5,586 | 15.6 | $6,458 | 25.4 | $8,096 |

### PA 66

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $357 | 7.0 | $362 | 26.7 | $484 | 8.5 | $525 | 27.4 | $669 |
| July | 358 | 18.7 | 425 | 15.8 | 492 | 10.4 | 543 | 26.5 | 687 |
| Aug. | 364 | 26.1 | 459 | 12.0 | 514 | 10.3 | 567 | 21.0 | 686 |
| Sept. | 340 | 30.9 | 445 | 12.8 | 502 | 6.6 | 535 | 25.0 | 669 |
| Oct. | 345 | 34.5 | 464 | 21.3 | 563 | 0.0 | 563 | 20.4 | 678 |
| Nov. | 326 | 33.1 | 434 | 18.9 | 516 | (0.6) | 513 | 23.6 | 635 |
| Dec. | 319 | 34.5 | 429 | 18.2 | 507 | 4.9 | 532 | 19.9 | 636 |
| Jan. | 302 | 29.5 | 391 | 21.5 | 475 | 17.7 | 559 | 5.4 | 589 |
| Feb. | 287 | 20.2 | 345 | 30.7 | 451 | 22.4 | 552 | (5.8) | 520 |
| March | 341 | 26.1 | 430 | 17.0 | 503 | 24.5 | 626 | | |
| April | 352 | 25.0 | 440 | 16.4 | 521 | 22.5 | 638 | | |
| May | 380 | 35.6 | 489 | 9.6 | 537 | 24.8 | 670 | | |
| Total Year | $4,051 | 26.7 | $5,133 | 18.2 | $6,065 | 12.5 | $6,823 | | |
| June-Feb | $2,996 | 25.9 | $3,774 | 19.3 | $4,504 | 8.5 | $4,889 | 18.0 | $5,771 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $182 | 13.2 | $206 | 12.6 | $232 | (0.9) | $230 | 12.6 | $259 |
| July | 171 | 22.8 | 210 | 9.5 | 230 | 3.0 | 237 | 13.1 | 268 |
| Aug. | 184 | 26.8 | 237 | 0.0 | 237 | (2.5) | 231 | 10.8 | 256 |
| Sept. | 183 | 12.6 | 206 | 3.4 | 213 | 9.4 | 233 | 13.3 | 264 |
| Oct. | 174 | 26.2 | 223 | 15.2 | 257 | (7.4) | 238 | 17.6 | 260 |
| Nov. | 148 | 29.1 | 191 | 7.3 | 205 | (9.8) | 185 | 27.0 | 235 |
| Dec. | 130 | 26.9 | 165 | 3.0 | 170 | 0.6 | 171 | 34.5 | 230 |
| Jan. | 135 | 26.1 | 173 | 12.1 | 194 | 2.6 | 199 | 12.6 | 224 |
| Feb. | 126 | 16.7 | 147 | 25.2 | 164 | 10.3 | 203 | (0.5) | 202 |
| March | 157 | 21.0 | 190 | 2.6 | 195 | 17.4 | 229 | | |
| April | 159 | 23.3 | 198 | 13.3 | 222 | 2.7 | 228 | | |
| May | 173 | 36.4 | 236 | (4.2) | 226 | 5.8 | 239 | | |
| Total Year | $1,922 | 23.8 | $2,380 | 7.8 | $2,565 | 2.3 | $2,623 | | |
| June-Feb | $1,433 | 22.7 | $1,758 | 9.3 | $1,922 | 0.3 | $1,927 | 15.1 | $2,218 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $539 | 9.1 | $588 | 21.8 | $716 | 5.4 | $755 | 22.9 | $928 |
| July | 529 | 20.0 | 635 | 13.7 | 722 | 8.0 | 780 | 22.4 | 955 |
| Aug. | 548 | 27.0 | 696 | 7.9 | 751 | 6.3 | 796 | 16.0 | 942 |
| Sept. | 523 | 24.5 | 651 | 9.8 | 715 | 7.4 | 768 | 21.5 | 933 |
| Oct. | 519 | 32.4 | 687 | 19.4 | 820 | (2.3) | 801 | 19.6 | 958 |
| Nov. | 474 | 31.9 | 625 | 15.4 | 721 | (3.2) | 698 | 24.6 | 870 |
| Dec. | 449 | 32.3 | 594 | 14.0 | 677 | 3.6 | 703 | 23.5 | 868 |
| Jan. | 437 | 29.1 | 584 | 18.6 | 669 | 13.3 | 758 | 7.3 | 813 |
| Feb. | 413 | 19.1 | 492 | 29.1 | 635 | 18.9 | 755 | (4.4) | 722 |
| March | 498 | 24.5 | 620 | 12.6 | 698 | 22.5 | 855 | | |
| April | 511 | 24.5 | 636 | 16.8 | 743 | 16.6 | 866 | | |
| May | 533 | 36.0 | 725 | 5.2 | 763 | 19.1 | 909 | | |
| Total Year | $5,973 | 25.8 | $7,513 | 14.9 | $8,630 | 9.5 | $9,446 | | |
| June-Feb | $4,431 | 24.8 | $5,532 | 16.2 | $6,426 | 6.1 | $6,816 | 17.2 | $7,989 |

### Northeast Extension Barrier Plazas Only

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $215 | (3.7) | $207 | 3.9 | $215 | 1.4 | $218 | 29.4 | $282 |
| July | 263 | (4.2) | 252 | 1.6 | 256 | 1.2 | 259 | 42.9 | 370 |
| Aug. | 255 | 0.0 | 255 | 8.6 | 277 | 2.9 | 285 | 36.5 | 389 |
| Sept. | 196 | 6.1 | 206 | 2.9 | 214 | (6.1) | 201 | 40.8 | 283 |
| Oct. | 196 | 11.2 | 218 | (3.7) | 210 | 2.9 | 216 | 26.4 | 273 |
| Nov. | 190 | 7.9 | 205 | (4.4) | 196 | 0.5 | 197 | 29.9 | 256 |
| Dec. | 169 | 8.9 | 184 | (9.8) | 166 | 7.8 | 179 | 24.0 | 222 |
| Jan. | 145 | 4.8 | 152 | (2.0) | 149 | 20.1 | 179 | 11.2 | 199 |
| Feb. | 142 | (9.9) | 128 | 11.7 | 143 | 29.4 | 185 | (7.6) | 171 |
| March | 166 | 6.5 | 179 | (1.1) | 177 | 22.0 | 216 | | |
| April | 192 | 5.2 | 202 | (2.0) | 198 | 29.8 | 257 | | |
| May | 206 | 8.7 | 224 | 1.8 | 228 | 26.5 | 293 | | |
| Total Year | $2,337 | 3.3 | $2,414 | 0.6 | $2,429 | 10.5 | $2,685 | | |
| June-Feb | $1,771 | 2.1 | $1,609 | 0.9 | $1,826 | 5.1 | $1,919 | 27.4 | $2,445 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $198 | 8.6 | $215 | 4.7 | $225 | (2.2) | $220 | 24.5 | $274 |
| July | 166 | 11.8 | 208 | 5.8 | 220 | 5.0 | 231 | 26.8 | 293 |
| Aug. | 207 | 11.1 | 230 | 5.2 | 242 | (6.6) | 228 | 30.5 | 295 |
| Sept. | 194 | 11.9 | 217 | 1.8 | 221 | 3.6 | 229 | 23.1 | 282 |
| Oct. | 197 | 16.2 | 229 | 2.6 | 235 | (3.0) | 228 | 18.9 | 271 |
| Nov. | 190 | 8.9 | 207 | (5.3) | 196 | (6.1) | 184 | 22.8 | 226 |
| Dec. | 172 | 7.6 | 185 | (2.7) | 180 | 1.7 | 183 | 25.1 | 229 |
| Jan. | 174 | 13.2 | 197 | (2.0) | 193 | 8.3 | 209 | 6.7 | 223 |
| Feb. | 165 | 6.7 | 176 | 5.7 | 166 | 9.1 | 203 | 0.0 | 203 |
| March | 195 | 11.8 | 218 | (10.6) | 195 | 17.9 | 230 | | |
| April | 191 | 16.2 | 222 | 5.4 | 234 | 6.8 | 250 | | |
| May | 214 | 15.4 | 247 | (4.5) | 236 | 16.1 | 274 | | |
| Total Year | $2,283 | 11.7 | $2,551 | 0.5 | $2,563 | 4.1 | $2,667 | | |
| June-Feb | $1,683 | 10.8 | $1,864 | 1.8 | $1,898 | 0.8 | $1,913 | 20.0 | $2,296 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $413 | 2.2 | $422 | 4.3 | $440 | (0.5) | $438 | 26.9 | $556 |
| July | 449 | 2.4 | 460 | 3.5 | 476 | 2.9 | 490 | 35.3 | 863 |
| Aug. | 462 | 5.0 | 485 | 7.0 | 519 | (1.5) | 511 | 33.9 | 684 |
| Sept. | 390 | 9.0 | 425 | 2.4 | 435 | (1.1) | 430 | 31.4 | 565 |
| Oct. | 393 | 13.7 | 447 | (0.4) | 445 | (0.2) | 444 | 22.5 | 544 |
| Nov. | 380 | 8.4 | 412 | (4.9) | 392 | (2.8) | 381 | 26.5 | 482 |
| Dec. | 341 | 8.2 | 369 | (6.2) | 346 | 4.6 | 362 | 24.6 | 451 |
| Jan. | 319 | 9.4 | 349 | (2.0) | 342 | 13.5 | 388 | 8.8 | 422 |
| Feb. | 307 | (1.0) | 304 | 6.2 | 329 | 17.9 | 386 | (3.6) | 374 |
| March | 363 | 9.4 | 397 | (6.3) | 372 | 19.9 | 446 | | |
| April | 383 | 10.7 | 424 | 1.9 | 432 | 17.4 | 507 | | |
| May | 420 | 12.1 | 471 | (1.5) | 464 | 22.2 | 567 | | |
| Total Year | $4,620 | 7.5 | $4,965 | 0.5 | $4,992 | 7.2 | $5,352 | | |
| June-Feb | $3,454 | 6.3 | $3,673 | 1.4 | $3,724 | 2.9 | $3,832 | 23.7 | $4,741 |

### PA 60

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $389 | (1.5) | $383 | 18.8 | $455 | (2.6) | $443 | 26.6 | $561 |
| July | 414 | (3.9) | 398 | 19.3 | 475 | 0.6 | 476 | 23.4 | 590 |
| Aug. | 405 | (1.7) | 398 | 22.4 | 487 | (0.6) | 484 | 21.1 | 566 |
| Sept. | 357 | 2.8 | 367 | 21.3 | 445 | (2.7) | 433 | 25.9 | 545 |
| Oct. | 366 | 3.0 | 377 | 21.2 | 457 | (1.5) | 450 | 25.1 | 563 |
| Nov. | 352 | 2.3 | 360 | 17.2 | 422 | (3.8) | 406 | 26.1 | 520 |
| Dec. | 346 | 5.2 | 364 | 10.2 | 401 | 4.7 | 420 | 21.2 | 509 |
| Jan. | 316 | 1.9 | 322 | 15.8 | 373 | 13.7 | 424 | 7.5 | 456 |
| Feb. | 300 | 1.0 | 303 | 16.5 | 353 | 22.7 | 433 | (6.7) | 404 |
| March | 351 | 14.5 | 402 | 1.0 | 406 | 24.4 | 505 | | |
| April | 352 | 15.3 | 408 | 4.9 | 426 | 21.8 | 519 | | |
| May | 369 | 20.3 | 444 | 0.9 | 448 | 22.3 | 546 | | |
| Total Year | $4,317 | 4.6 | $4,524 | 13.8 | $5,146 | 7.7 | $5,543 | | |
| June-Feb | $3,245 | 0.8 | $3,272 | 18.2 | $3,866 | 2.7 | $3,971 | 19.2 | $4,734 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-06 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $161 | 5.6 | $170 | 22.9 | $209 | (11.0) | $186 | 10.2 | $205 |
| July | 152 | 1.3 | 154 | 14.3 | 176 | 12.5 | 198 | 6.1 | 210 |
| Aug. | 163 | 6.1 | 173 | 9.8 | 190 | 2.6 | 195 | 10.8 | 216 |
| Sept. | 156 | (2.6) | 152 | 12.5 | 171 | 10.5 | 189 | 7.9 | 204 |
| Oct. | 150 | 6.0 | 159 | 20.1 | 191 | (2.1) | 187 | 8.6 | 203 |
| Nov. | 136 | 4.4 | 142 | 16.9 | 166 | (12.7) | 145 | 20.0 | 174 |
| Dec. | 123 | 9.8 | 135 | 0.7 | 136 | 4.4 | 142 | 19.0 | 169 |
| Jan. | 126 | 11.7 | 143 | 12.6 | 161 | 0.6 | 162 | 5.6 | 171 |
| Feb. | 119 | 10.9 | 132 | 14.4 | 151 | 7.3 | 162 | 11.1 | 180 |
| March | 149 | 12.6 | 168 | (3.6) | 162 | 14.8 | 186 | | |
| April | 142 | 24.6 | 177 | 7.3 | 190 | (1.6) | 187 | | |
| May | 165 | 29.1 | 213 | (11.3) | 189 | 1.6 | 192 | | |
| Total Year | $1,744 | 10.0 | $1,918 | 9.1 | $2,092 | 1.9 | $2,131 | | |
| June-Feb | $1,288 | 5.6 | $1,360 | 14.0 | $1,551 | 1.0 | $1,566 | 10.6 | $1,732 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $550 | 0.5 | $553 | 20.1 | $664 | (5.3) | $629 | 21.8 | $766 |
| July | 566 | (2.5) | 552 | 17.9 | 651 | 3.6 | 676 | 18.3 | 800 |
| Aug. | 568 | 0.5 | 571 | 18.6 | 677 | 0.3 | 679 | 18.1 | 802 |
| Sept. | 513 | 1.2 | 519 | 18.7 | 616 | 1.0 | 622 | 20.4 | 749 |
| Oct. | 516 | 3.9 | 536 | 20.9 | 648 | (1.7) | 637 | 20.3 | 766 |
| Nov. | 468 | 2.9 | 502 | 17.1 | 588 | (6.3) | 551 | 26.0 | 694 |
| Dec. | 469 | 6.4 | 499 | 7.6 | 537 | 4.7 | 562 | 20.6 | 676 |
| Jan. | 444 | 4.7 | 465 | 14.6 | 534 | 9.7 | 586 | 7.0 | 627 |
| Feb. | 419 | 3.8 | 435 | 15.9 | 504 | 18.1 | 595 | (1.8) | 584 |
| March | 500 | 14.0 | 570 | (0.4) | 568 | 21.7 | 691 | | |
| April | 494 | 18.0 | 583 | 5.7 | 616 | 14.6 | 706 | | |
| May | 534 | 23.0 | 657 | (3.0) | 637 | 16.2 | 740 | | |
| Total Year | $6,061 | 6.3 | $6,442 | 12.4 | $7,240 | 6.0 | $7,674 | | |
| June-Feb | $4,533 | 2.2 | $4,632 | 17.0 | $5,419 | 2.2 | $5,537 | 16.6 | $6,466 |

### Total Revenues

**Passenger Cars**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-06 | % Chg | 2006-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $29,653 | (2.4) | $29,126 | 4.3 | $30,368 | (5.0) | $28,854 | 27.8 | $36,869 |
| July | 32,519 | (3.2) | 31,473 | 0.8 | 31,716 | (1.9) | 31,107 | 30.7 | 40,656 |
| Aug. | 31,988 | (0.8) | 31,729 | 5.7 | 33,541 | (1.8) | 32,937 | 25.3 | 41,262 |
| Sept. | 26,595 | 3.7 | 27,572 | 1.5 | 27,979 | (5.4) | 26,476 | 31.6 | 34,855 |
| Oct. | 27,758 | 2.0 | 26,303 | (0.1) | 28,272 | 0.4 | 28,392 | 25.4 | 35,596 |
| Nov. | 26,990 | 2.3 | 27,616 | (0.9) | 27,377 | (1.2) | 27,060 | 27.6 | 34,536 |
| Dec. | 25,442 | 4.9 | 26,692 | (5.7) | 25,175 | 4.8 | 26,386 | 22.7 | 32,372 |
| Jan. | 22,874 | (0.3) | 22,810 | (0.5) | 22,704 | 20.9 | 27,457 | 7.5 | 29,516 |
| Feb. | 21,111 | (7.9) | 19,452 | 8.8 | 21,156 | 26.6 | 26,779 | (11.4) | 23,714 |
| March | 25,300 | (0.9) | 25,084 | 0.7 | 25,262 | 23.0 | 31,066 | | 0 |
| April | 23,161 | 3.9 | 24,071 | 6.8 | 25,712 | 31.2 | 33,740 | | 0 |
| May | 27,678 | 4.2 | 28,853 | (1.2) | 28,499 | 26.6 | 36,092 | | 0 |
| Total Year | $321,269 | 0.5 | $322,781 | 1.5 | $327,761 | 8.7 | $356,346 | | |
| June-Feb | $245,130 | (0.1) | $244,773 | 1.4 | $248,288 | 2.9 | $255,446 | 21.1 | $309,380 |

**Commercial Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $24,700 | 3.6 | $25,591 | (0.6) | $25,439 | (5.5) | $24,035 | 10.3 | $26,513 |
| July | 23,028 | 1.8 | 23,447 | 6.2 | 24,696 | (1.3) | 24,570 | 7.2 | 26,336 |
| Aug. | 25,226 | 4.4 | 26,336 | 1.7 | 26,787 | (9.8) | 24,170 | 8.3 | 26,172 |
| Sept. | 23,763 | 2.2 | 24,280 | 0.4 | 24,376 | (3.5) | 23,513 | 9.9 | 25,852 |
| Oct. | 24,574 | 4.2 | 25,596 | 3.8 | 26,573 | (8.9) | 24,209 | 8.5 | 26,259 |
| Nov. | 22,966 | 2.0 | 23,435 | 0.2 | 23,462 | (15.5) | 19,853 | 15.1 | 22,647 |
| Dec. | 22,302 | (1.8) | 21,904 | (0.8) | 21,719 | (8.6) | 19,804 | 17.6 | 23,268 |
| Jan. | 22,091 | 5.0 | 23,188 | 1.4 | 23,522 | 0.6 | 23,653 | (2.8) | 22,998 |
| Feb. | 20,924 | 9.9 | 23,000 | (4.0) | 22,073 | 1.3 | 22,366 | (4.8) | 21,287 |
| March | 24,826 | 1.2 | 25,119 | (4.7) | 23,936 | 4.1 | 24,915 | | 0 |
| April | 26,596 | 0.1 | 26,626 | (8.6) | 24,272 | 4.5 | 25,359 | | 0 |
| May | 25,140 | 4.7 | 26,311 | (7.6) | 24,314 | 4.7 | 25,452 | | 0 |
| Total Year | $286,136 | 3.0 | $294,835 | (1.2) | $291,389 | (3.3) | $281,899 | | |
| June-Feb | $209,574 | 3.4 | $216,779 | 1.0 | $218,867 | (5.8) | $206,173 | 7.5 | $221,552 |

**Total Vehicles**

| Month | 2005-06 | % Chg | 2006-07 | % Chg | 2007-08 | % Chg | 2008-09 | % Chg | 2009-10 |
|---|---|---|---|---|---|---|---|---|---|
| June | $54,553 | 0.3 | $54,717 | 2.0 | $55,607 | (5.2) | $52,889 | 19.8 | $63,382 |
| July | 55,547 | (1.1) | 54,920 | 3.1 | 56,612 | (1.7) | 55,677 | 20.3 | 66,992 |
| Aug. | 57,214 | 1.5 | 56,067 | 3.9 | 60,328 | (5.3) | 57,107 | 16.1 | 67,434 |
| Sept. | 50,358 | 3.0 | 51,852 | 1.0 | 52,355 | (4.5) | 49,989 | 21.4 | 60,707 |
| Oct. | 52,332 | 3.0 | 53,899 | 1.8 | 54,845 | (4.1) | 52,601 | 17.6 | 61,857 |
| Nov. | 49,956 | 2.2 | 51,051 | (0.4) | 50,859 | (7.8) | 46,913 | 22.3 | 57,383 |
| Dec. | 47,744 | 1.8 | 48,596 | (3.5) | 46,894 | (1.5) | 46,190 | 20.5 | 55,860 |
| Jan. | 44,965 | 2.3 | 45,998 | 0.5 | 46,226 | 10.6 | 51,110 | 2.8 | 52,516 |
| Feb. | 42,035 | 1.0 | 42,452 | 1.6 | 43,229 | 13.7 | 49,145 | (8.4) | 45,001 |
| March | 50,126 | 0.2 | 50,203 | (2.0) | 49,196 | 13.8 | 55,981 | | |
| April | 49,757 | 1.9 | 50,697 | (1.4) | 49,984 | 18.2 | 59,099 | | |
| May | 52,818 | 4.4 | 55,164 | (4.3) | 52,813 | 16.5 | 61,544 | | |
| Total Year | $607,405 | 1.7 | $617,616 | 0.2 | $619,150 | 3.1 | $638,245 | | |
| June-Feb | $454,704 | 1.5 | $461,552 | 1.2 | $467,155 | (1.2) | $461,621 | 15.0 | $530,932 |

NOTES:
(1) A toll increase of 25% was implemented on January 4, 2009. Toll rates on Findlay Connector/PA-576 and the Mon-Fayette Expy/Tpke 43 Uniontown to Brownsville remained unchanged.
(2) A toll increase of 3% was implemented on January 3, 2010. Toll rates on Findlay Connector/PA-576 remained unchanged
(3) February traffic was negatively impacted several times due to severe snowstorms.
(4) All six (6) Phase 1 projects of the Mon/Fayette Expressway, Uniontown to Brownsville Project were completed in the fall of 2008. Phase 1 was open to traffic on October 30, 2008 This had positive traffic impacts on the Mon/Fayette Expressway.

Table 5

## Comparison of Estimated and Actual Traffic Volumes and Toll Revenue From December 2008 through February 2010 (1)

**Pennsylvania Turnpike System**

| Facility | Total Traffic (in Thousands) Estimated | Total Traffic (in Thousands) Actual | Total Traffic Actual vs Estimated (% Difference) | Total Toll Revenue (in Thousands) Estimated | Total Toll Revenue (in Thousands) Actual | Total Toll Revenue Actual vs Estimated (% Difference) |
|---|---|---|---|---|---|---|
| **Passenger Cars** | | | | | | |
| Ticket and Gateway Barrier | 159,683 | 163,981 | 2.7 | $435,072 | $458,613 | 5.4 |
| PA 43 | 11,308 | 12,070 | 6.7 | 10,907 | 11,601 | 6.4 |
| PA 66 | 8,613 | 8,589 | (0.3) | 9,330 | 9,349 | 0.2 |
| Northeast Extension | 5,751 | 5,902 | 2.6 | 3,565 | 3,753 | 5.3 |
| PA 60 | 8,833 | 8,777 | (0.6) | 7,476 | 7,585 | 1.5 |
| Total System | 194,188 | 199,318 | 2.6 | $466,350 | $490,901 | 5.3 |
| **Commercial Vehicles** | | | | | | |
| Ticket and Gateway Barrier | 24,503 | 23,978 | (2.1) | $381,511 | $351,761 | (7.8) |
| PA 43 | 439 | 502 | 14.4 | 1,208 | 1,436 | 18.9 |
| PA 66 | 1,085 | 1,067 | (1.6) | 3,650 | 3,488 | (4.4) |
| Northeast Extension | 1,013 | 1,009 | (0.4) | 3,659 | 3,645 | (0.4) |
| PA 60 | 1,251 | 1,130 | (9.6) | 3,020 | 2,763 | (8.5) |
| Total System | 28,290 | 27,687 | (2.1) | $393,048 | $363,094 | (7.6) |
| **Total Vehicles** | | | | | | |
| Ticket and Gateway Barrier | 184,186 | 187,959 | 2.0 | $816,583 | $810,374 | (0.8) |
| PA 43 | 11,747 | 12,572 | 7.0 | 12,115 | 13,037 | 7.6 |
| PA 66 | 9,697 | 9,657 | (0.4) | 12,980 | 12,837 | (1.1) |
| Northeast Extension | 6,764 | 6,912 | 2.2 | 7,224 | 7,399 | 2.4 |
| PA 60 | 10,084 | 9,907 | (1.8) | 10,496 | 10,348 | (1.4) |
| Total System | 222,479 | 227,006 | 2.0 | $859,398 | $853,995 | (0.6) |

(1) This 15 month period corresponds to the period for which actual data currently exists, but was estimated at the time of WSA's January 6, 2009 Traffic and Toll Revenue Study.

Table 6

## Near Term GDP and Total Turnpike Traffic Estimates

Percent Change over Previous Year

| Year | Gross Domestic Product Growth (1) | Total Penn Turnpike Traffic Growth (2) |
|---|---|---|
| 2008 | 0.4 | 2.2 |
| 2009 | (2.4) | (1.8) |
| 2010 | 2.8 | (0.5) |
| 2011 | 3.6 | 1.3 |
| 2012 | 5.0 | 3.8 |
| 2013 | 3.5 | 3.3 |
| 2014 | 2.6 | 2.9 |

(1) GDP percent changes are based on constant dollars. 2008 and 2009 data are from the US Bureau of Economic Analysis. Forecast data (2010-2014) is from Moody's Economy.com baseline forecast (February 2010).
(2) Traffic growth estimates are based on fiscal year basis. Thus, for example, year 2010 traffic growth data reflects the growth in FY 2009-10 over FY 2008-09.

Table 7

## Estimated Annual Traffic and Gross Toll Revenue
## Pennsylvania Turnpike: Ticket System Only

**Traffic and Toll Revenue in Thousands**

| | Annual Traffic | | | Annual Gross Toll Revenue | | |
|---|---|---|---|---|---|---|
| **Fiscal Year** | Passenger Cars | Commercial Vehicles | Total Vehicles | Passenger Cars | Commercial Vehicles | Total Vehicles |
| 2007-08 (1) | 136,018 | 22,253 | 158,271 | $307,299 | $283,511 | $590,810 |
| 2008-09 (1)(2) | 133,797 | 20,449 | 154,246 | 333,121 | 273,528 | 606,649 |
| 2009-10 (3) | 133,902 | 19,396 | 153,298 | 386,821 | 288,104 | 674,925 |
| 2010-11 (4) | 136,142 | 19,043 | 155,185 | 404,745 | 291,421 | 696,166 |
| 2011-12 (4) | 140,907 | 19,900 | 160,807 | 431,478 | 313,671 | 745,149 |
| 2012-13 (4) | 145,134 | 20,756 | 165,890 | 457,755 | 336,973 | 794,728 |
| 2013-14 (4) | 148,763 | 21,586 | 170,349 | 483,275 | 360,966 | 844,241 |
| 2014-15 (4) | 152,184 | 22,342 | 174,526 | 509,222 | 384,808 | 894,030 |
| 2015-16 (4) | 155,380 | 23,012 | 178,392 | 535,513 | 408,243 | 943,756 |
| 2016-17 (4) | 158,643 | 23,679 | 182,322 | 563,162 | 432,684 | 995,846 |
| 2017-18 (4) | 161,975 | 24,342 | 186,317 | 592,238 | 458,143 | 1,050,381 |
| 2018-19 (4) | 165,214 | 25,024 | 190,238 | 622,205 | 485,100 | 1,107,305 |
| 2019-20 (4) | 168,519 | 25,699 | 194,218 | 653,689 | 513,144 | 1,166,833 |
| 2020-21 (4) | 171,889 | 26,393 | 198,282 | 686,765 | 542,809 | 1,229,574 |
| 2021-22 (4) | 175,155 | 27,106 | 202,261 | 720,808 | 574,189 | 1,294,997 |
| 2022-23 (4) | 178,483 | 27,811 | 206,294 | 756,539 | 606,791 | 1,363,330 |
| 2023-24 (4) | 181,874 | 28,534 | 210,408 | 794,041 | 641,245 | 1,435,286 |
| 2024-25 (4) | 185,329 | 29,276 | 214,605 | 833,401 | 677,655 | 1,511,056 |
| 2025-26 (4) | 188,665 | 30,037 | 218,702 | 873,854 | 716,132 | 1,589,986 |
| 2026-27 (4) | 192,061 | 30,788 | 222,849 | 916,271 | 756,056 | 1,672,327 |
| 2027-28 (4) | 195,518 | 31,557 | 227,075 | 960,747 | 798,206 | 1,758,953 |
| 2028-29 (4) | 199,038 | 32,346 | 231,384 | 1,007,382 | 842,706 | 1,850,088 |
| 2029-30 (4) | 202,621 | 33,155 | 235,776 | 1,056,280 | 889,687 | 1,945,967 |
| 2030-31 (4) | 206,268 | 33,984 | 240,252 | 1,107,552 | 939,287 | 2,046,839 |
| 2031-32 (4) | 209,424 | 34,706 | 244,130 | 1,158,232 | 988,027 | 2,146,259 |
| 2032-33 (4) | 212,628 | 35,444 | 248,072 | 1,211,230 | 1,039,297 | 2,250,527 |
| 2033-34 (4) | 215,881 | 36,197 | 252,078 | 1,266,654 | 1,093,227 | 2,359,881 |
| 2034-35 (4) | 219,184 | 36,966 | 256,150 | 1,324,614 | 1,149,955 | 2,474,569 |

(1) Reflects actual traffic and revenue experience.
(2) A 25 percent toll rate increase was implemented on January 4, 2009.
(3) A 3 percent toll increase was implemented on January 3, 2010. FY 2009-10 contains 9 months of actual experience.
(4) Assumes implementation of a 3 percent rate increase on or about January 1 of the indicated year.

Table 8

## Estimated Annual Traffic and Gross Toll Revenue
## Pennsylvania Turnpike: Barrier System Only

**Traffic and Toll Revenue in Thousands**

| Fiscal Year | Annual Traffic: Passenger Cars | Annual Traffic: Commercial Vehicles | Annual Traffic: Total Vehicles | Annual Gross Toll Revenue: Passenger Cars | Annual Gross Toll Revenue: Commercial Vehicles | Annual Gross Toll Revenue: Total Vehicles |
|---|---|---|---|---|---|---|
| 2007-08 (1) | 28,078 | 3,201 | 31,279 | $20,462 | $7,878 | $28,340 |
| 2008-09 (1)(2) | 28,841 | 3,134 | 31,975 | 23,225 | 8,371 | 31,596 |
| 2009-10 (3) | 28,936 | 3,077 | 32,013 | 27,009 | 9,572 | 36,581 |
| 2010-11 (4) | 29,426 | 3,114 | 32,540 | 28,281 | 9,989 | 38,270 |
| 2011-12 (4) | 30,749 | 3,262 | 34,011 | 30,458 | 10,771 | 41,229 |
| 2012-13 (4) | 32,054 | 3,400 | 35,454 | 32,727 | 11,557 | 44,284 |
| 2013-14 (4) | 33,255 | 3,528 | 36,783 | 34,998 | 12,350 | 47,348 |
| 2014-15 (4) | 34,473 | 3,647 | 38,120 | 37,405 | 13,146 | 50,551 |
| 2015-16 (4) | 35,698 | 3,760 | 39,458 | 39,937 | 13,956 | 53,893 |
| 2016-17 (4) | 36,969 | 3,868 | 40,837 | 42,642 | 14,784 | 57,426 |
| 2017-18 (4) | 38,250 | 3,973 | 42,223 | 45,488 | 15,636 | 61,124 |
| 2018-19 (4) | 39,578 | 4,079 | 43,657 | 48,527 | 16,532 | 65,059 |
| 2019-20 (4) | 40,954 | 4,186 | 45,140 | 51,770 | 17,468 | 69,238 |
| 2020-21 (4) | 42,339 | 4,295 | 46,634 | 55,179 | 18,451 | 73,630 |
| 2021-22 (4) | 43,773 | 4,406 | 48,179 | 58,814 | 19,490 | 78,304 |
| 2022-23 (4) | 45,215 | 4,517 | 49,732 | 62,631 | 20,574 | 83,205 |
| 2023-24 (4) | 46,667 | 4,631 | 51,298 | 66,640 | 21,718 | 88,358 |
| 2024-25 (4) | 48,169 | 4,748 | 52,917 | 70,908 | 22,927 | 93,835 |
| 2025-26 (4) | 49,680 | 4,867 | 54,547 | 75,385 | 24,202 | 99,587 |
| 2026-27 (4) | 51,197 | 4,986 | 56,183 | 80,078 | 25,532 | 105,610 |
| 2027-28 (4) | 52,711 | 5,109 | 57,820 | 84,982 | 26,935 | 111,917 |
| 2028-29 (4) | 54,272 | 5,234 | 59,506 | 90,189 | 28,415 | 118,604 |
| 2029-30 (4) | 55,834 | 5,362 | 61,196 | 95,633 | 29,976 | 125,609 |
| 2030-31 (4) | 57,394 | 5,493 | 62,887 | 101,317 | 31,624 | 132,941 |
| 2031-32 (4) | 58,757 | 5,607 | 64,364 | 106,835 | 33,249 | 140,084 |
| 2032-33 (4) | 60,152 | 5,724 | 65,876 | 112,653 | 34,958 | 147,611 |
| 2033-34 (4) | 61,581 | 5,842 | 67,423 | 118,789 | 36,754 | 155,543 |
| 2034-35 (4) | 63,044 | 5,964 | 69,007 | 125,258 | 38,643 | 163,901 |

(1) Reflects actual traffic and revenue experience.
(2) A 25 percent toll rate increase was implemented on January 4, 2009.
(3) A 3 percent toll increase was implemented on January 3, 2010. FY 2009-10 contains 9 months of actual experience.
(4) Assumes implementation of a 3 percent rate increase on or about January 1 of the indicated year.

Table 9

## Estimated Annual Traffic and Gross Toll Revenue
## Pennsylvania Turnpike: Total System

### Traffic and Revenue in Thousands

| | Annual Traffic | | | Annual Gross Toll Revenue | | | Discounts | Adjusted Annual |
|---|---|---|---|---|---|---|---|---|
| Fiscal Year | Passenger Cars | Commercial Vehicles | Total Vehicles | Passenger Cars | Commercial Vehicles | Total Vehicles | and Adjustments (5) | Gross Revenue |
| 2007-08 (1) | 164,096 | 25,454 | 189,550 | $327,761 | $291,389 | $619,150 | ($20,224) | $598,926 |
| 2008-09 (1)(2) | 162,638 | 23,583 | 186,221 | 356,346 | 281,899 | 638,245 | (22,640) | 615,605 |
| 2009-10 (3) | 162,838 | 22,473 | 185,311 | 413,830 | 297,676 | 711,506 | (23,480) | 688,026 |
| 2010-11 (4) | 165,568 | 22,157 | 187,725 | 433,026 | 301,410 | 734,436 | (24,236) | 710,200 |
| 2011-12 (4) | 171,656 | 23,162 | 194,818 | 461,936 | 324,442 | 786,378 | (25,950) | 760,428 |
| 2012-13 (4) | 177,188 | 24,156 | 201,344 | 490,482 | 348,530 | 839,012 | (27,687) | 811,325 |
| 2013-14 (4) | 182,018 | 25,114 | 207,132 | 518,273 | 373,316 | 891,589 | (29,422) | 862,167 |
| 2014-15 (4) | 186,657 | 25,989 | 212,646 | 546,627 | 397,954 | 944,581 | (31,171) | 913,410 |
| 2015-16 (4) | 191,078 | 26,772 | 217,850 | 575,450 | 422,199 | 997,649 | (32,922) | 964,727 |
| 2016-17 (4) | 195,612 | 27,547 | 223,159 | 605,804 | 447,468 | 1,053,272 | (34,758) | 1,018,514 |
| 2017-18 (4) | 200,225 | 28,315 | 228,540 | 637,726 | 473,779 | 1,111,505 | (36,680) | 1,074,825 |
| 2018-19 (4) | 204,792 | 29,103 | 233,895 | 670,732 | 501,632 | 1,172,364 | (38,688) | 1,133,676 |
| 2019-20 (4) | 209,473 | 29,885 | 239,358 | 705,459 | 530,612 | 1,236,071 | (40,790) | 1,195,281 |
| 2020-21 (4) | 214,228 | 30,688 | 244,916 | 741,944 | 561,260 | 1,303,204 | (43,006) | 1,260,198 |
| 2021-22 (4) | 218,928 | 31,512 | 250,440 | 779,622 | 593,679 | 1,373,301 | (45,319) | 1,327,982 |
| 2022-23 (4) | 223,698 | 32,328 | 256,026 | 819,170 | 627,365 | 1,446,535 | (47,736) | 1,398,799 |
| 2023-24 (4) | 228,541 | 33,165 | 261,706 | 860,681 | 662,963 | 1,523,644 | (50,280) | 1,473,364 |
| 2024-25 (4) | 233,498 | 34,024 | 267,522 | 904,309 | 700,582 | 1,604,891 | (52,961) | 1,551,930 |
| 2025-26 (4) | 238,345 | 34,904 | 273,249 | 949,239 | 740,334 | 1,689,573 | (55,756) | 1,633,817 |
| 2026-27 (4) | 243,258 | 35,774 | 279,032 | 996,349 | 781,588 | 1,777,937 | (58,672) | 1,719,265 |
| 2027-28 (4) | 248,229 | 36,666 | 284,895 | 1,045,729 | 825,141 | 1,870,870 | (61,739) | 1,809,131 |
| 2028-29 (4) | 253,310 | 37,580 | 290,890 | 1,097,571 | 871,121 | 1,968,692 | (64,967) | 1,903,725 |
| 2029-30 (4) | 258,455 | 38,517 | 296,972 | 1,151,913 | 919,663 | 2,071,576 | (68,362) | 2,003,214 |
| 2030-31 (4) | 263,662 | 39,477 | 303,139 | 1,208,869 | 970,911 | 2,179,780 | (71,933) | 2,107,847 |
| 2031-32 (4) | 268,181 | 40,313 | 308,494 | 1,265,066 | 1,021,276 | 2,286,343 | (75,449) | 2,210,894 |
| 2032-33 (4) | 272,780 | 41,167 | 313,948 | 1,323,884 | 1,074,255 | 2,398,138 | (79,139) | 2,319,000 |
| 2033-34 (4) | 277,462 | 42,040 | 319,501 | 1,385,443 | 1,129,981 | 2,515,424 | (83,009) | 2,432,415 |
| 2034-35 (4) | 282,227 | 42,930 | 325,157 | 1,449,872 | 1,188,598 | 2,638,470 | (87,070) | 2,551,401 |

(1) Reflects actual traffic, revenue, and discounts and adjustments experience.

(2) A 25 percent toll rate increase was implemented on January 4, 2009.

(3) A 3 percent toll increase was implemented on January 3, 2010. FY 2009-10 contains 9 months of actual experience.

(4) Assumes implementation of a 3 percent rate increase on or about January 1 of the indicated year.

(5) Discounts and adjustments are based on actual experience from FY 2007-08 through the first nine months of FY 2009-10. Discounts and adjustments averaged 3.3 percent of gross toll revenue over this period and this figure is used to estimate these values through the forecast period.

# APPENDIX I

## CERTAIN INFORMATION REGARDING
## COMMONWEALTH MOTOR LICENSE FUND

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Table 1 below sets forth a condensed summary of revenues and expenditures for the Motor License Fund for the Commonwealth's fiscal years 2005 through 2009. This table includes all sources of revenue (both restricted and unrestricted) for the Motor License Fund and not just the sources of revenue that are considered available under Act 44 for debt service payments on the Special Revenue Bonds.

[Table appears on following page.]

**Table 1**
**Results of Operations-Motor License Fund**
**GAAP Basis-Unaudited**
**(In Thousands)**

| | Fiscal Year Ended June 30 | | | | |
|---|---|---|---|---|---|
| | **2005** | **2006** | **2007** | **2008** | **2009** |
| **Fund Balance - Beginning of Period ..........** | $1,079,617 | $1,276,525 | $1,549,078 | $1,418,781 | $1,566,520 |
| Restatements .............................................. | - | - | - | - | 30,059 |
| **Fund Balance – Beginning of Period, as Restated ............** | $1,079,617 | $1,276,525 | $1,549,078 | $1,418,781 | $1,596,579 |
| **Revenues:** | | | | | |
| Taxes ......................................................... | $ 1,844,670 | $2,033,227 | $2,072,442 | $2,024,045 | $1,975,678 |
| Licenses and fees ...................................... | 889,984 | 899,690 | 878,679 | 877,141 | 874,711 |
| Intergovernmental ..................................... | 1,213,487 | 1,413,434 | 1,448,007 | 1,913,422 | 2,062,260 |
| Other revenues .......................................... | 171,839 | 185,611 | 250,031 | 114,549 | 75,421 |
| **Other Financing Sources:** | | | | | |
| Operating transfers in ............................... | - | - | - | 11,204 | - |
| Other additions ......................................... | 562 | - | 154 | - | - |
| TOTAL REVENUES AND OTHER SOURCES | $4,120,542 | $4,531,962 | $4,649,313 | $4,940,361 | $4,988,070 |
| **Expenditures:** | | | | | |
| Direction and supportive services ............. | $50,338 | $51,738 | $66,572 | $66,993 | $71,167 |
| Protection of persons and property ............ | 509,999 | 553,679 | 667,318 | 647,014 | 638,844 |
| Public education ....................................... | 1,058 | 1,024 | 991 | 867 | 806 |
| Recreation and cultural enrichment ........... | 3,437 | - | 408 | 1,337 | 1,390 |
| Transportation ........................................... | 1,826,539 | 1,679,517 | 2,326,944 | 2,198,115 | 2,105,489 |
| Capital outlay ............................................ | 1,472,434 | 1,924,821 | 1,672,026 | 1,793,459 | 2,217,691 |
| **Other Uses:** | | | | | |
| Operating transfers out ............................. | 59,829 | 48,630 | 45,351 | 84,837 | 39,530 |
| TOTAL EXPENDITURES AND OTHER USES | $3,923,634 | $4,259,409 | $4,779,610 | $4,792,622 | $5,074,917 |
| REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURE AND OTHER USES | 196,908 | 272,553 | (130,297) | 147,739 | (86,847) |
| **Fund Balance – End of Period....................** | $1,276,525 | $1,549,078 | $1,418,781 | $1,566,520 | $1,509,732 |
| **Components of Fund Balance** | | | | | |
| Reserved for encumbrances ....................... | $601,809 | $464,511 | $596,304 | $670,338 | $652,352 |
| Reserved for advances and other ................ | 110,000 | 1,635 | 2,014 | 5,242 | 10,225 |
| Unreserved - designated - highways .......... | 218,885 | 203,118 | 235,730 | 689,288 | 700,018 |
| Unreserved - undesignated ........................ | 345,831 | 879,814 | 584,733 | 201,652 | 147,137 |
| TOTAL FUND BALANCE ......................... | $1,276,525 | $1,549,078 | $1,418,781 | $1,566,520 | $1,509,732 |

Source: Commonwealth of Pennsylvania Office of the Budget

Table 2 below shows revenues in the Motor License Fund from various sources considered to be available under Act 44 for payment of debt service on Special Revenue Bonds for the Commonwealth's fiscal years 2007 through 2009:

**TABLE 2**
**MOTOR LICENSE FUND REVENUES AVAILABLE FOR SPECIAL REVENUE BONDS**
**(In Millions)**

| | FY 2006-07 | FY 2007-08 | FY 2008-09 |
|---|---|---|---|
| **Fuel Taxes** | | | |
| Liquid Fuels and Fuels tax | $ 752.0 | $ 748.8 | $ 670.1 |
| Oil Company Franchise tax | $ 1,068.3 | $ 1,033.3 | $ 1,045.4 |
| Total Fuel Taxes | **$ 1,820.3** | **$ 1,782.1** | **$ 1,715.5** |
| | | | |
| **Registration Fees** | | | |
| Passenger cars | $ 280.7 | $ 287.8 | $ 283.9 |
| Motor homes | $ 2.9 | $ 2.8 | $ 2.7 |
| Motorcycles | $ 6.6 | $ 7.2 | $ 7.3 |
| Motor-driven cycles | | | |
| Trucks and Truck tractors | $ 215.9 | $ 220.5 | $ 215.9 |
| Motor Buses and Limousines | $ 2.6 | $ 2.7 | $ 2.6 |
| Implements of Husbandry | | | |
| Antique, classic and collectible vehicles | $ 0.9 | $ 0.9 | $ 0.8 |
| Farm Vehicles | $ 1.8 | $ 1.9 | $ 1.9 |
| Ambulances, taxis and hearses | $ 0.3 | $ 0.3 | $ 0.3 |
| Dealers and Miscellaneous | $ 4.0 | $ 3.8 | $ 3.7 |
| Farm equipment vehicle dealers | | | |
| Transfer of Registration | $ 6.0 | $ 5.9 | $ 5.1 |
| Replacement Registration Plates | | | |
| Duplicate Registration cards | $ 1.5 | $ 1.5 | $ 1.5 |
| Commercial implements of husbandry | | | |
| Certificate of Title | $ 78.3 | $ 76.7 | $ 67.9 |
| Excluded Revenues | $ (28.0) | $ (28.0) | $ (28.0) |
| | | | |
| **Total Registration Fees** | **$ 573.5** | **$ 584.0** | **$ 565.6** |
| | | | |
| **Total Available Revenues** | **$ 2,393.8** | **$ 2,366.1** | **$ 2,281.1** |

Source: Pennsylvania Department of Transportation

Table 3 below shows the average daily balances in the Motor License Fund for the Commonwealth's fiscal years 2002 through 2009. This table includes all sources of revenue (both restricted and unrestricted) for the Motor License Fund and not just the sources of revenue that are considered available under Act 44 for debt service payments on the Special Revenue Bonds.

**TABLE 3**

**MOTOR LICENSE FUND**
**AVERAGE DAILY BALANCES**

| | Minimum Daily Balance | Maximum Daily Balance | Average Daily Balance |
|---|---|---|---|
| **2009** | $ 1,108.038,369.68 | $2,087,146.599.19 | $1,569,188,162.88 |
| **2008** | 1,349,460,833.70 | 1,980,685,110.19 | 1,662,820,948.59 |
| **2007** | 1,311,562,196.59 | 1,726,289,602.52 | 1,521,761,746.92 |
| **2006** | 1,369,817,865.16 | 1,739,264,399.05 | 1,568,993,547.43 |
| **2005** | 743,285,647.77 | 1,524,896,576.96 | 1,250,788,086.30 |
| **2004** | 639,174,718.65 | 1,325,571,580.11 | 1,014,827,845.72 |
| **2003** | 583,654,525.64 | 1,012,854,515.86 | 854,182,798.00 |
| **2002** | 568,697,440.97 | 920,144,718.87 | 781,513,179.94 |

Source: Pennsylvania Department of Transportation

# APPENDIX J

## TABLE OF COMPOUNDED AMOUNTS FOR
## CAPITAL APPRECIATION BONDS

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# CAPITAL APPRECIATION BOND ACCRETED VALUE TABLE

| Date | MLF 2010A Sub-Series A-3 CABs 12/01/2026 5.17% | MLF 2010A Sub-Series A-3 CABs 12/01/2027 5.27% | MLF 2010A Sub-Series A-3 CABs 12/01/2028 5.37% | MLF 2010A Sub-Series A-3 CABs 12/01/2029 5.45% |
|---|---|---|---|---|
| 07/28/2010 | $2,171.25 | $2,028.60 | $1,891.70 | $1,767.20 |
| 12/01/2010 | 2,209.45 | 2,065.00 | 1,926.25 | 1,800.00 |
| 06/01/2011 | 2,266.55 | 2,119.40 | 1,977.95 | 1,849.05 |
| 12/01/2011 | 2,325.15 | 2,175.25 | 2,031.10 | 1,899.45 |
| 06/01/2012 | 2,385.25 | 2,232.55 | 2,085.60 | 1,951.20 |
| 12/01/2012 | 2,446.90 | 2,291.40 | 2,141.60 | 2,004.35 |
| 06/01/2013 | 2,510.15 | 2,351.80 | 2,199.10 | 2,059.00 |
| 12/01/2013 | 2,575.05 | 2,413.75 | 2,258.15 | 2,115.10 |
| 06/01/2014 | 2,641.60 | 2,477.35 | 2,318.80 | 2,172.70 |
| 12/01/2014 | 2,709.90 | 2,542.65 | 2,381.05 | 2,231.95 |
| 06/01/2015 | 2,779.95 | 2,609.65 | 2,445.00 | 2,292.75 |
| 12/01/2015 | 2,851.80 | 2,678.40 | 2,510.65 | 2,355.25 |
| 06/01/2016 | 2,925.55 | 2,748.95 | 2,578.05 | 2,419.40 |
| 12/01/2016 | 3,001.15 | 2,821.40 | 2,647.25 | 2,485.35 |
| 06/01/2017 | 3,078.75 | 2,895.75 | 2,718.35 | 2,553.05 |
| 12/01/2017 | 3,158.35 | 2,972.05 | 2,791.35 | 2,622.65 |
| 06/01/2018 | 3,239.95 | 3,050.35 | 2,866.30 | 2,694.10 |
| 12/01/2018 | 3,323.70 | 3,130.75 | 2,943.25 | 2,767.50 |
| 06/01/2019 | 3,409.65 | 3,213.25 | 3,022.25 | 2,842.95 |
| 12/01/2019 | 3,497.80 | 3,297.90 | 3,103.40 | 2,920.40 |
| 06/01/2020 | 3,588.20 | 3,384.80 | 3,186.75 | 3,000.00 |
| 12/01/2020 | 3,680.95 | 3,474.00 | 3,272.30 | 3,081.75 |
| 06/01/2021 | 3,776.10 | 3,565.55 | 3,360.15 | 3,165.70 |
| 12/01/2021 | 3,873.70 | 3,659.50 | 3,450.40 | 3,252.00 |
| 06/01/2022 | 3,973.85 | 3,755.90 | 3,543.05 | 3,340.60 |
| 12/01/2022 | 4,076.60 | 3,854.90 | 3,638.15 | 3,431.65 |
| 06/01/2023 | 4,181.95 | 3,956.45 | 3,735.85 | 3,525.15 |
| 12/01/2023 | 4,290.05 | 4,060.70 | 3,836.15 | 3,621.20 |
| 06/01/2024 | 4,400.95 | 4,167.70 | 3,939.15 | 3,719.90 |
| 12/01/2024 | 4,514.75 | 4,277.55 | 4,044.95 | 3,821.25 |
| 06/01/2025 | 4,631.45 | 4,390.25 | 4,153.55 | 3,925.40 |
| 12/01/2025 | 4,751.15 | 4,505.95 | 4,265.05 | 4,032.35 |
| 06/01/2026 | 4,874.00 | 4,624.65 | 4,379.60 | 4,142.25 |
| 12/01/2026 | 5,000.00 | 4,746.55 | 4,497.15 | 4,255.10 |
| 06/01/2027 | | 4,871.60 | 4,617.90 | 4,371.05 |
| 12/01/2027 | | 5,000.00 | 4,741.90 | 4,490.15 |
| 06/01/2028 | | | 4,869.25 | 4,612.55 |
| 12/01/2028 | | | 5,000.00 | 4,738.20 |
| 06/01/2029 | | | | 4,867.35 |
| 12/01/2029 | | | | 5,000.00 |

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# APPENDIX K

## TABLE OF COMPOUNDED AMOUNTS FOR CONVERTIBLE CAPITAL APPRECIATION BONDS

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## CONVERTIBLE CAPITAL APPRECIATION BOND ACCRETED VALUE TABLE

| Date | 2010B Sub-Series B-2 Conv. CAB 2024 5.35% | 2010B Sub-Series B-2 Conv. CAB 2028 5.75% | 2010B Sub-Series B-2 Conv. CAB 2034 6.00% | MLF 2010A Sub-Series A-2 Conv. CAB 2034 5.50% |
|---|---|---|---|---|
| 07/28/2010 | $3,771.25 | $3,693.65 | $3,646.05 | $3,741.95 |
| 12/01/2010 | 3,839.90 | 3,765.90 | 3,720.45 | 3,811.95 |
| 06/01/2011 | 3,942.60 | 3,874.15 | 3,832.05 | 3,916.80 |
| 12/01/2011 | 4,048.10 | 3,985.55 | 3,947.00 | 4,024.50 |
| 06/01/2012 | 4,156.35 | 4,100.15 | 4,065.45 | 4,135.20 |
| 12/01/2012 | 4,267.55 | 4,218.00 | 4,187.40 | 4,248.90 |
| 06/01/2013 | 4,381.70 | 4,339.30 | 4,313.00 | 4,365.75 |
| 12/01/2013 | 4,498.90 | 4,464.05 | 4,442.40 | 4,485.80 |
| 06/01/2014 | 4,619.25 | 4,592.40 | 4,575.70 | 4,609.15 |
| 12/01/2014 | 4,742.85 | 4,724.40 | 4,712.95 | 4,735.90 |
| 06/01/2015 | 4,869.70 | 4,860.25 | 4,854.35 | 4,866.15 |
| 12/01/2015 | 5,000.00 | 5,000.00 | 5,000.00 | 5,000.00 |

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