



**Key Findings:**

- Building dedicated truck lanes on I-70 will be a substantial investment.
- Tolls are one financing option.
- Sketch-level analysis of the project’s funding capacity indicates that tolls could support between 45 and 75 percent of the total project costs, depending on whether or not the project is financed through a public-private partnership agreement (P3) or solely financed by public agencies.

**Financing Capacity Will Drive Dedicated Truck Lanes**

The sketch-level financing capacity analysis was conducted to determine the project’s bonding capacity or potential funding shortfall should the project be a tolled facility. The analysis was based on the corridor scenarios, traffic and revenue estimates and cost estimates developed in Technical Appendix 6. It was also based on typical financial structures that are currently being utilized in similar toll-based financings. The financing capacity was estimated using both a P3 financial model (Coalition states would contract with a private partner to construct, operate and maintain a tolled facility, with the states retaining ownership) and a public agency financial model (Coalition of states would construct, operate and maintain a tolled facility).

The analysis found that even with tolls, a public investment will be required. If implemented by a public agency, the public investment required would be approximately \$14.5 billion. If the project is implemented under a P3 agreement, the public

investment required would be approximately \$6.9 billion.

Because analysis are still in the very early stages of development, several simplifying assumptions had to be made regarding the project’s configuration, phasing, construction and operation. As the feasibility study continues, a more details will be developed. In particular, statutory changes facilitating the project in each state will need to be identified and implemented.

Note that the analysis presented here is conceptual and intended only for planning purposes. Changes in the financial markets and economy could alter the results of the funding capacity analysis.

**Key Findings and Dedicated Truck Lanes**

The ability to identify potential funding sources is one important test of feasibility. The sketch level analysis is a high level evaluation based on a proposed scenario and configuration, the ability to identify amounts and potential sources of funding allows the public agencies to begin to evaluate the overall feasibility of the project.

As work on the dedicated truck lanes concept continues, work on costs and potential funding sources will be refined and evaluated.

The desire and ability to address state statutory limitations related to funding (identified in Technical Appendix 11) will also need further exploration.

FINANCING CAPACITY RESULTS		
I-70 Dedicated Truck Lane Feasibility Study Financing Capacity Results (2015 Millions of Dollars)		
Sources	Shadow Bid (Private Sector)	Public Sector Comparator
Debt	\$11,563.1	\$6,594.0
TIFIA	\$3,848.3	\$3,052.1
Equity	\$2,971.0	\$0.0
Investment Earnings	\$1,566.7	\$2,057.5
<b>Total Sources</b>	<b>\$19,949.1</b>	<b>\$11,703.6</b>
Uses		
Project Costs	\$24,744.5	\$24,744.5
Financing Costs	\$949.3	\$821.2
Reserves	\$1,156.3	\$659.4
<b>Total Uses</b>	<b>\$26,850.1</b>	<b>\$26,225.1</b>
Excess/(Shortfall)	(\$6,901.0)	(\$14,521.5)

Source: WSA generated table

*This document summarizes one of 12 technical appendices prepared for the first phase (of two) for the I-70 Dedicated Truck Lane Feasibility Study. The study is part of the U.S. Department of Transportation's Corridors of the Future Program, which provided matching funds to Indiana, Missouri, Ohio and Illinois DOTs to evaluate the business case (need, cost, risk, financing and practicality) for dedicated truck lanes on I-70. The 800-mile study area includes I-70 from just east of Kansas City, Missouri, east through Illinois and Indiana to Ohio's eastern state line.*