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Congress of the United States

House of Representatives

May 17, 2007

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The Honorable Pierce Homer
Secretary
Virginia Department of Transportation
PO Box 1475
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Dear Secretary Homer:

I write today to urge the Kaine Administration to request that the Virginia State Corporation Commission (SCC) postpone any decision to raise the tolls on the Dulles Greenway until the General Assembly has the opportunity to revisit the public-private agreement governing the construction and operation of the Greenway.

As you well know, I have been extremely vocal in my opposition to the proposal by Toll Road Investors Partnership II, known as TRIP II, to raise tolls on the Greenway to \$4.80 by 2012. If this exorbitant hike is approved, the Dulles Greenway will become one of the most – if not the most – expensive toll roads in the country at 34 cents per mile.

Under the 1988 Highway Corporation Act of Virginia, which authorized the Dulles Greenway, three criteria must be met when considering a request to increase tolls:

- * Tolls are reasonable in terms of benefits received by road users that pay them.
- * Tolls are set at a level that does not unduly discourage the use of the toll road by the general public.
- * Tolls must be set at a level such that they provide no more than a reasonable return on investment.

In reading the pre-filed testimony prepared by SCC staff, I am struck by the comments of Lawrence Oliver, assistant director in the SCC's Division of Economics and Finance, who states that "the regulatory statutory limitations that have been placed on the Commission by the General Assembly must be recognized. That is, there is no statutory requirement that toll rates need to be just and reasonable, or affordable."

This is disturbing. No requirement that toll rates must be just and reasonable? And more important, affordable?

This is unacceptable, and must be changed. How can the Commonwealth justify such a one-sided law that clearly benefits the Greenway owner while blatantly taking advantage of the

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users of the road? So Macquarie Group International, the Australian mega-bank which owns TRIP II, is free to charge outrageous tolls on anyone who travels the Greenway?

Nowhere else in the Commonwealth are commuters asked to pay such an exorbitant toll to get to work. Yet for Greenway commuters it doesn't matter if the toll they pay is fair, reasonable and affordable. The only thing that seems to matter in this case is whether or not Macquarie makes a profit, which then leaves Virginia and heads back to Australia.

Elected officials have a responsibility to stand up for the interests of the tax paying commuters. I have been told that Macquarie has hired the former secretary of Transportation in Virginia, Whitt Clement, who is now at Hunton and Williams, to lobby on its behalf. Commuters facing a \$4.80 toll have no lobbyist. All they have is their elected officials, who must represent their best interests.

I believe recent comments by Governor Kaine about protecting consumers from increasingly high utility prices are applicable to protecting the users of the Greenway. The governor in March was quoted on his monthly WTOP radio appearance as saying, "Every two years, every utility in Virginia has to go back to the SCC to justify their rates. The SCC gets to decide if the rates are fair and what the rate of return should be."

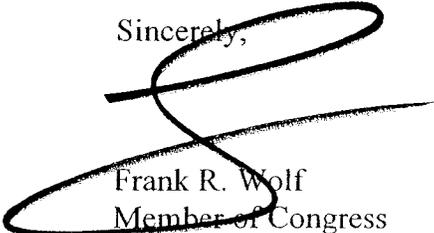
This is not the case for the Greenway. As noted earlier, SCC staff has said "There is no statutory requirement that toll rates need to be just and reasonable, or affordable." I disagree. The Greenway works similarly as a public utility and consumers need protection which, I believe under current law, the SCC may not be able to provide.

I have discussed this matter with northern Virginia members of the House of Delegates who, like myself, believe that there is no longer any "public" in the public-private agreement under which the Greenway operates. Therefore, I call upon the state to immediately request that the SCC delay its decision on TRIP II's toll increase application until the General Assembly can meet in the next session to revisit the Greenway's public-private agreement and provide some fairness for the users of the Greenway.

On behalf of the commuters in northern Virginia, I urge your prompt attention to this matter.

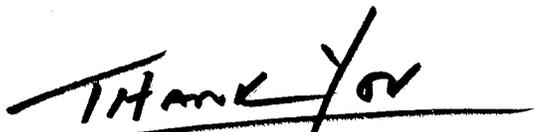
Best wishes.

Sincerely,



Frank R. Wolf
Member of Congress

FRW:jtg



Thank You