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February 29, 2012

Ms. Janice D. Davis  
Chief Financial Officer  
North Texas Tollway Authority  
5900 West Plano Parkway, Suite 100  
Plano, TX 75093

Re: North Texas Tollway Authority (NTTA) System Traffic and Revenue Update

Dear Ms. Davis:

Pursuant to your recent request, CDM Smith (formerly Wilbur Smith Associates) is pleased to provide you with a letter update of the traffic and revenue (T&R) estimates for the North Texas Tollway Authority System (NTTA System). It is our understanding that this letter update is intended to support the upcoming System Revenue Refunding Bonds, Series 2012, scheduled for April 2012. Currently, the NTTA System consists of the Dallas North Tollway (DNT), the President George Bush Turnpike (PGBT), the President George Bush Turnpike Eastern Extension (PGBT EE), the Sam Rayburn Tollway (SRT), the Addison Airport Toll Tunnel (AATT), the Mountain Creek Lake Bridge (MCLB) and the Lewisville Lake Toll Bridge (LLTB).

## Background

CDM Smith prepared the NTTA System Investment Grade Traffic and Toll Revenue Study report in October 2011 (the "October 2011 Report"). The October 2011 Report incorporated the data and models from the Mobility 2035 Plan, which was approved by the Regional Transportation Council (RTC) in March 2011 and received air quality conformity determination from FHWA in July 2011. The demographic forecasts released in early 2011 by the North Central Texas Council of Governments (NCTCOG) were revised by Research and Demographic Solutions (RDS) in mid-2011. Also incorporated in the October 2011 Report were these revised demographic datasets provided by RDS and travel demand models that were refined based on information gathered from traffic count, travel time study and travel survey programs that were completed in late 2010/early 2011 along NTTA System corridors. In addition, the TollTag/ZipCash transaction share and ZipCash revenue recovery assumptions incorporated in the October 2011 Report were mutually agreed upon by NTTA and CDM Smith staff and were based on the observed data through mid-2011.

Since the completion of the October 2011 Report, there have been no changes in relation to the regional mobility plan or the regional official demographic forecasts from NCTCOG. However, the





Ms. Janice D. Davis

February 29, 2012

Page 2

following new information has become available, which has warranted minor changes to the NTTA System T&R forecasts:

- Changes were made to the project agreement between the Texas Department of Transportation (TxDOT) and the NTTA. Subsequently, a new PGBT EE toll rate schedule was adopted by the NTTA Board in December 2011. CDM Smith updated the NTTA System T&R estimates in early December 2011 and provided a traffic engineer certificate to reflect these changes (“December 2011 Update”)
- PGBT EE opened on December 21, 2011, ten days earlier than what was assumed in the October 2011 Report
- CDM Smith and NTTA mutually agreed to change the TollTag/ZipCash transaction distribution and ZipCash revenue recovery assumptions, and
- Refinements to the traffic and revenue forecasting models were made by CDM Smith to reflect the recent trends.

This letter incorporates the above new information and includes updates to the NTTA System T&R projections from years 2012 through 2062.

## Validity of the October 2011 Report

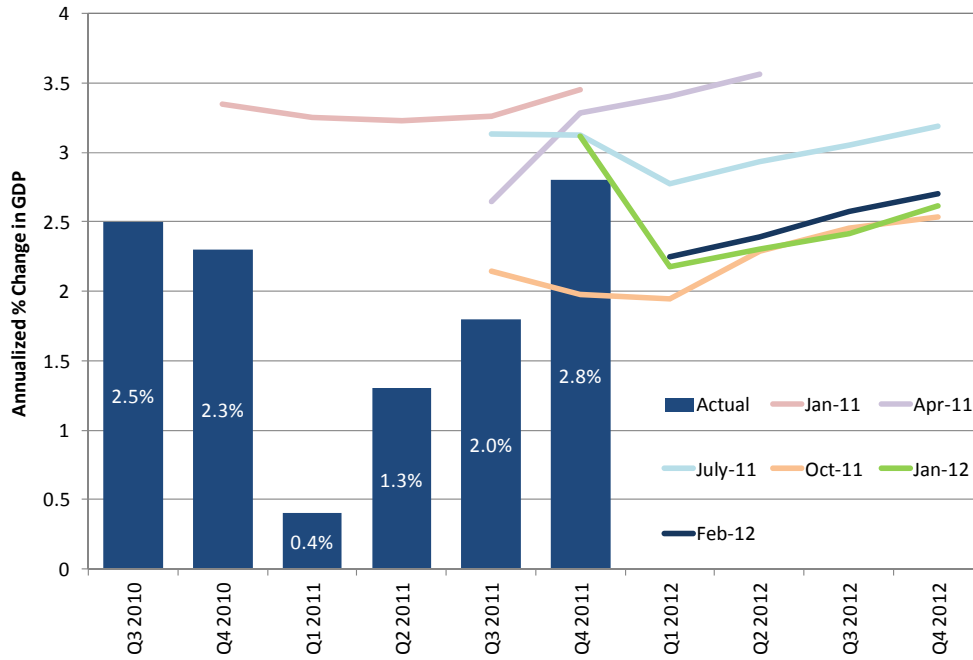
### Underlying Demographic Forecasts

The underlying demographic forecasts remain the same as presented in the October 2011 Report. The October 2011 Report incorporated results of an independent economic review by RDS of NCTCOG’s latest official demographic forecasts. CDM Smith feels that no additional modifications are required to these revised set of demographics and thus they are deemed valid for continued use.

### Underlying Economic Climate

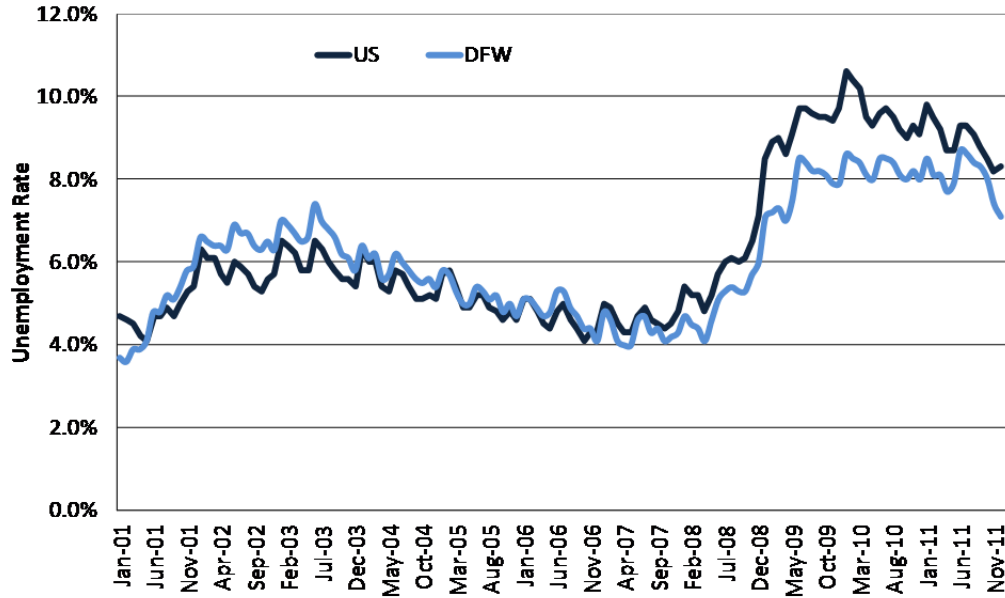
In September 2010 the National Bureau of Economic Research (NBER) announced that the nation-wide recession that began in December 2007 ended in June 2009 and that recovery began in that month. As can be seen in **Figure 1**, the actual annualized percentage change in the national Gross Domestic Product (GDP) was positive throughout 2011.

CDM Smith tracks the monthly Economic Forecasting Surveys published by The Wall Street Journal (WSJ). Also illustrated in **Figure 1** are the average GDP change monthly forecasts from January 2011 through February 2012. It is forecasted that the national GDP will continue to show positive growth through the end of 2012. The latest GDP forecasts made in February 2012 project slightly better GDP growth rates than the forecasts made in October 2011.

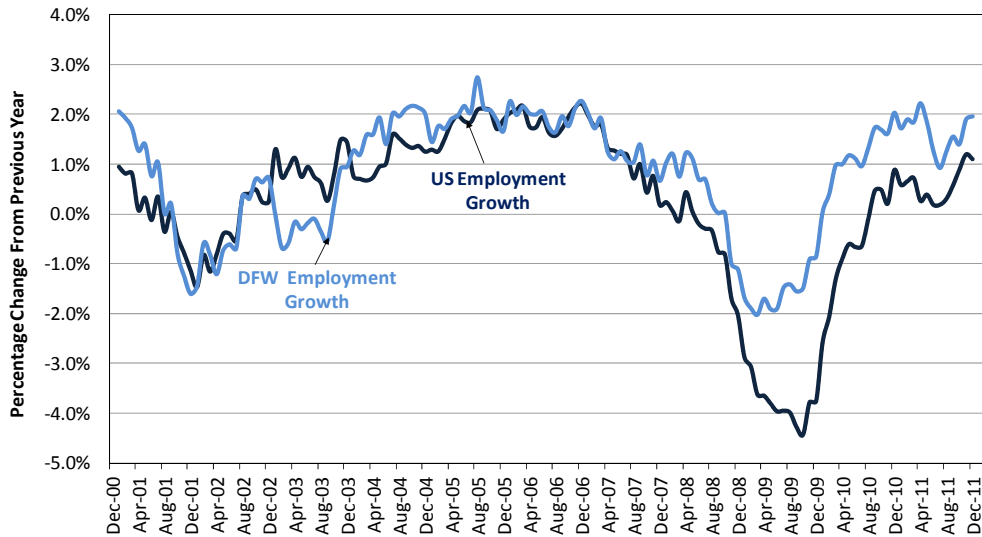


**Figure 1: Historical and Forecasted GDP Growth Comparisons by Date of Forecast**  
 Source: Wall Street Journal Economic Forecasting Survey, US Bureau of Economic Analysis (Feb. 2012)

Texas continues to experience a relatively smaller impact from the recent recession and seems to be on a faster track for recovery than many other parts of the country. Economists have referred to this as the “last in-first out” effect. **Figures 2 and 3** illustrate that the DFW area has been performing better than the rest of the nation in terms of unemployment rates and employment growth.



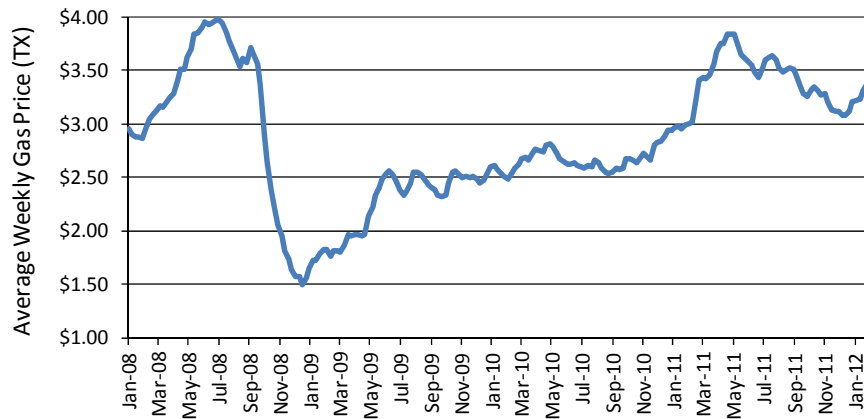
**Figure 2: Unemployment Rate Comparisons**  
 Source: Texas Workforce Commission (Feb. 2012)



**Figure 3: Employment Growth Comparisons**  
 Source: Texas Workforce Commission (Feb. 2012)

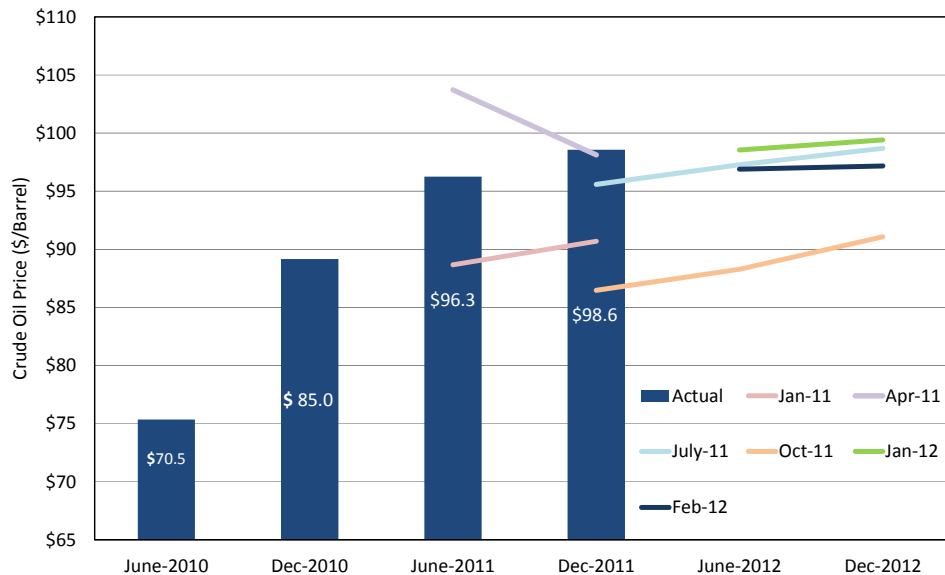
Ms. Janice D. Davis  
 February 29, 2012  
 Page 5

**Figure 4** shows average weekly gasoline price in Texas since January 2008. The average weekly gasoline price in Texas was almost \$4.00 per gallon in summer of 2008 and then fell sharply to \$1.50 per gallon in December 2008. The gasoline price increased steadily between January 2009 and May 2011 to more than \$3.80 per gallon and then dropped to about \$3.10 per gallon by the end of December 2011. Gasoline prices have risen steadily since then and were around \$3.50/gallon (as of February 20, 2012). Gasoline prices in January 2012 were about 10 percent greater than those in January 2011.



**Figure 4: Weekly Gasoline Prices since 2008**  
 Source: US Energy Information Administration (Feb. 2012)

**Figure 5** shows the average national crude oil prices from June 2010 to December 2012 and the monthly forecasts from January 2011 through February 2012 by the WSJ. According to the WSJ, average crude oil prices are expected to remain just less than \$100/barrel in June 2012 and December 2012. However, some economists who took the WSJ survey forecast crude oil prices to be as high as \$120 per barrel by June 2012 and \$124 per barrel by December 2012.



**Figure 5: Historical and Forecasted Crude Oil Price Comparisons by Date of Forecast**  
 Source: Wall Street Journal Economic Forecasting Survey, US Energy Information Administration (Feb. 2012)

As was shown in CDM Smith’s report, “The Impacts of Gasoline Price on Traffic and Toll Revenue”, dated August 2008, transactions on the NTTA System facilities seem to be relatively inelastic to gasoline price increases. However, sharp increases in gasoline price in mid-2008 combined with the recession produced some small noticeable impacts on the NTTA System transactions at that time. The following are some excerpts from a toll road sector study by the National Public Finance Guarantee in early 2010:

- “...it is apparent that Vehicle Miles Traveled (VMT) is more closely correlated to Gross Domestic Product than to the price of gasoline.”
- “Regardless of the price of gasoline, individuals still need to commute for employment and businesses requiring an efficient road network for the shipment of manufactured products. On a more discretionary basis, family members go shopping and transport children to and from activities. There may be an inflection point where higher energy prices trigger a decline in GDP and thereby indirectly lead to a decline in VMT but the direct correlation between gasoline prices and toll ridership appears weak.”

For the purposes of this analysis, CDM Smith assumes that the crude oil prices in the near term will be below \$120 per barrel and will not adversely impact the economic recovery and traffic patterns.



Ms. Janice D. Davis  
February 29, 2012  
Page 7

### Recent Traffic Patterns and Characteristics

**Table 1** shows the monthly transactions for DNT, PGBT, SRT and NTTA System from January 2007 through January 2012. SRT transactions are included from September 2008. NTTA System transactions shown in the table include transactions on DNT, PGBT, SRT, PGBT EE, AATT, MCLB and LLTB.

Between 2007 and 2008, transactions on the DNT increased by 6.1 percent, mainly due to the opening of the DNT Extension Phase 3 from SRT to US 380 in the fall of 2007. As can be seen, there was a drop in DNT transactions in early 2009 due to the economic downturn. The reduction in transactions seen in the latter part of 2009 is attributable to the NTTA System toll rate increases that went into effect in September 2009. DNT transactions had a growth of 0.4 percent between 2009 and 2010. However, 2011 transactions were greater than the corresponding transactions in 2010 by 4.8 percent, which can be attributed to the continued recovery from the recession and conversion of the DNT to an all-Electronic Toll Collection (all-ETC) system in late 2010.

There was a decrease in PGBT transactions starting in 2007 through late-2009 mostly attributable to the economic downturn, toll rate increases and the opening of SRT Segment 1 in mid-2006 and opening in late 2008 of the SRT Segment 2 mainlanes, which compete with sections of the PGBT. The opening in August 2009 of the PGBT Western Extension (PGBT WE) Phase 2 mainlanes and PGBT-WE Phase 3 in April 2010 continues to help the growth of PGBT transactions, especially in its westernmost sections. The recent opening of the PGBT EE had a positive impact on the PGBT ramp and mainlane gantry transactions near the PGBT EE. In addition, the construction along IH 635, which began in early 2011, has had a positive impact on the PGBT transactions. The continued economic recovery, conversion of PGBT to all-ETC in July 2009, ongoing LBJ construction and the openings of the western and eastern extensions of PGBT contributed to the transaction growth of 3.6 percent between 2009 and 2010 and a growth of 5.6 percent between 2010 and 2011.

SRT's Segment 1, Segment 2 and Segment 3 opened in July 2006, August 2008 and September 2009 respectively. SRT's Segment 4, which includes the SRT/US 75 interchange, was substantially completed in late 2010 and Segment 5, which includes the SRT/DNT interchange, was substantially completed in late 2011. SRT showed strong growth trends, with a transaction growth of 28.5 percent between 2009 and 2010 and a growth of 11.3 percent between 2011 and 2012.

Transactions on the NTTA System grew by 6.5 percent between 2010 and 2011. The NTTA System transactions in January 2012 were greater than the January 2011 transactions by 17.8 percent. This can be partly attributed to the recent openings of the PGBT EE and the DNT/SRT interchange and the absence of snow/ice related weather disruptions in January 2012.



Ms. Janice D. Davis  
 February 29, 2012  
 Page 8

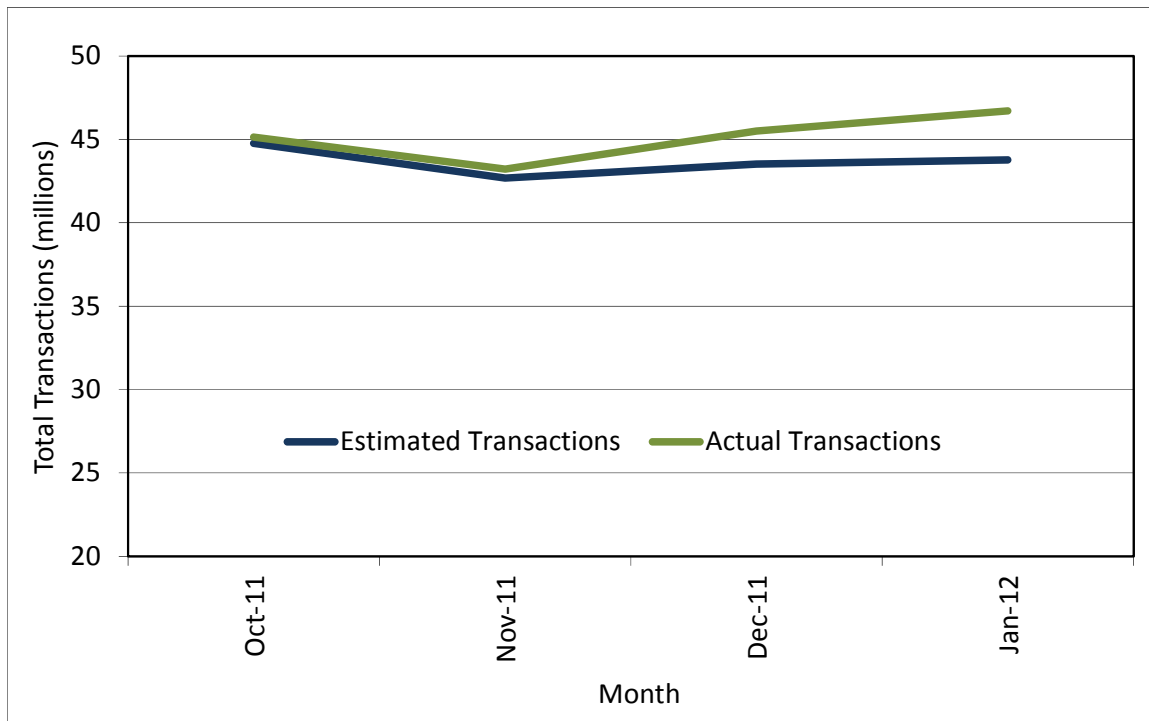
**Table 1: Monthly Transaction Trends (see end notes on Page 14<sup>1</sup>)**

	2007	%	2008	%	2009	%	2010	%	2011	%	2012
	Txns	Change	Txns	Change	Txns	Change	Txns	Change	Txns	Change	Txns
	(millions)		(millions)		(millions)		(millions)		(millions)		(millions)
<b>Dallas North Tollway</b>											
January	14.74	16.19	17.13	(3.72)	16.49	(1.47)	16.25	3.17	16.76	12.97	18.94
February	14.67	14.35	16.77	(3.66)	16.16	(4.92)	15.36	(4.85)	14.62		
March	16.67	3.92	17.32	0.93	17.49	1.53	17.75	6.11	18.84		
April	16.03	10.83	17.77	(1.04)	17.58	0.22	17.62	4.68	18.45		
May	16.79	6.64	17.91	(1.10)	17.71	(0.97)	17.54	5.47	18.50		
June	16.06	6.89	17.16	2.63	17.62	(1.01)	17.44	4.85	18.28		
July	16.07	8.41	17.43	0.20	17.46	(1.47)	17.21	2.31	17.60		
August	16.93	2.79	17.40	0.42	17.47	0.33	17.53	5.98	18.58		
September	15.68	7.10	16.79	(1.81)	16.49	2.02	16.82	7.36	18.06		
October	17.93	1.21	18.15	(4.19)	17.39	2.49	17.82	5.58	18.81		
November	16.79	(3.39)	16.22	(0.29)	16.17	2.81	16.63	9.24	18.16		
December	17.00	1.47	17.25	(1.46)	17.00	5.04	17.86	6.21	18.97		
<b>Total</b>	<b>195.37</b>	<b>6.11</b>	<b>207.31</b>	<b>(1.10)</b>	<b>205.03</b>	<b>0.39</b>	<b>205.83</b>	<b>4.77</b>	<b>215.64</b>		
<b>President George Bush Turnpike</b>											
January	13.87	8.62	15.06	(8.40)	13.80	0.72	13.90	6.10	14.74	12.76	16.62
February	13.77	7.55	14.81	(8.78)	13.51	(2.20)	13.21	(5.42)	12.50		
March	15.65	(2.74)	15.22	(2.92)	14.78	4.83	15.49	5.85	16.40		
April	15.26	3.21	15.75	(5.79)	14.84	4.41	15.49	3.89	16.09		
May	16.06	(1.37)	15.84	(5.78)	14.92	4.35	15.57	5.29	16.40		
June	15.58	(2.28)	15.22	(1.28)	15.03	3.09	15.50	8.00	16.73		
July	15.53	(0.86)	15.40	(2.91)	14.95	2.73	15.36	4.86	16.11		
August	16.53	(7.72)	15.25	(0.74)	15.14	4.34	15.80	7.86	17.04		
September	15.07	(3.10)	14.60	(0.82)	14.48	4.82	15.18	8.30	16.44		
October	16.03	(3.83)	15.42	(1.28)	15.22	4.63	15.93	6.86	17.02		
November	14.90	(7.91)	13.72	3.23	14.17	5.14	14.90	7.35	15.99		
December	14.68	(1.95)	14.39	0.41	14.45	5.64	15.27	6.61	16.28		
<b>Total</b>	<b>182.93</b>	<b>(1.22)</b>	<b>180.69</b>	<b>(2.99)</b>	<b>175.28</b>	<b>3.59</b>	<b>181.58</b>	<b>5.59</b>	<b>191.73</b>		
<b>Sam Rayburn Tollway</b>											
January	--	--	--	--	4.72	37.19	6.47	16.70	7.55	14.36	8.63
February	--	--	--	--	4.65	32.07	6.14	5.49	6.47		
March	--	--	--	--	5.25	38.46	7.27	14.90	8.35		
April	--	--	--	--	5.40	35.34	7.31	11.77	8.18		
May	--	--	--	--	5.55	38.26	7.67	11.84	8.58		
June	--	--	--	--	5.81	32.53	7.70	12.76	8.68		
July	--	--	--	--	5.99	30.45	7.81	9.45	8.55		
August	--	--	--	--	5.91	33.83	7.91	10.12	8.72		
September	--	--	4.64	30.18	6.04	23.91	7.49	11.31	8.34		
October	--	--	4.92	35.22	6.65	18.84	7.91	8.98	8.62		
November	--	--	4.65	42.18	6.61	13.82	7.53	11.74	8.41		
December	--	--	4.98	38.36	6.89	17.00	8.06	11.02	8.95		
<b>Total</b>	<b>--</b>	<b>--</b>	<b>19.19</b>	<b>--</b>	<b>69.48</b>	<b>28.49</b>	<b>89.27</b>	<b>11.34</b>	<b>99.39</b>		
<b>NTTA System</b>											
January	29.02	12.27	32.58	8.66	35.40	4.99	37.17	6.71	39.66	17.80	46.72
February	28.86	10.86	31.99	8.51	34.71	1.53	35.24	(3.21)	34.11		
March	32.80	0.51	32.97	15.08	37.94	8.40	41.13	7.65	44.28		
April	31.75	6.96	33.96	12.68	38.27	7.30	41.06	5.71	43.41		
May	33.34	2.58	34.20	12.95	38.62	7.24	41.42	6.66	44.18		
June	32.10	2.24	32.82	18.47	38.88	6.09	41.25	7.61	44.39		
July	32.06	3.71	33.26	16.73	38.82	5.62	41.00	4.69	42.92		
August	33.91	(2.42)	33.09	18.34	39.16	7.01	41.90	7.45	45.02		
September	31.15	17.06	36.46	3.09	37.59	6.73	40.12	8.48	43.52		
October	34.37	13.26	38.93	2.35	39.84	6.18	42.31	6.73	45.15		
November	32.07	9.11	34.99	7.23	37.52	5.72	39.67	8.96	43.22		
December	32.06	15.53	37.03	5.06	38.91	7.44	41.80	8.85	45.50		
<b>Total</b>	<b>383.48</b>	<b>7.51</b>	<b>412.27</b>	<b>10.53</b>	<b>455.66</b>	<b>6.23</b>	<b>484.07</b>	<b>6.47</b>	<b>515.36</b>		



**Figure 6** shows the recorded NTTA System monthly transactions in comparison to the transactions estimated in the October 2011 Report for the period between October 2011 and January 2012. The actual transactions recorded on the NTTA System during this period were greater than the forecasts made in the October 2011 Report by 3.3 percent.

**Figure 7** shows average monthly TollTag share and TollTag/ZipCash monthly transactions trends from January 2009 to December 2011. The average daily TollTag share across all NTTA facilities peaked near 83 percent in early 2010 and has since dropped to approximately 76 percent by the end of 2011 (based on preliminary TollTag share information). As can also be observed, the TollTag transactions have remained flatter compared to the ZipCash transactions from early 2011. This could possibly be because of the conversion of all of the NTTA facilities to all-ETC in late 2010, which has opened the NTTA System to potential new and infrequent customer base. The recent increases in the ZipCash transactions can also be attributed to the opening of new NTTA toll facilities/sections such as SRT Segment 4 and the eastern and western extensions to the PGBT, which traverse through ZIP codes with relatively low TollTag ownership compared to the ZIP codes along other mature parts of the NTTA System.



**Figure 6: Actual vs. Estimated NTTA System Transactions**

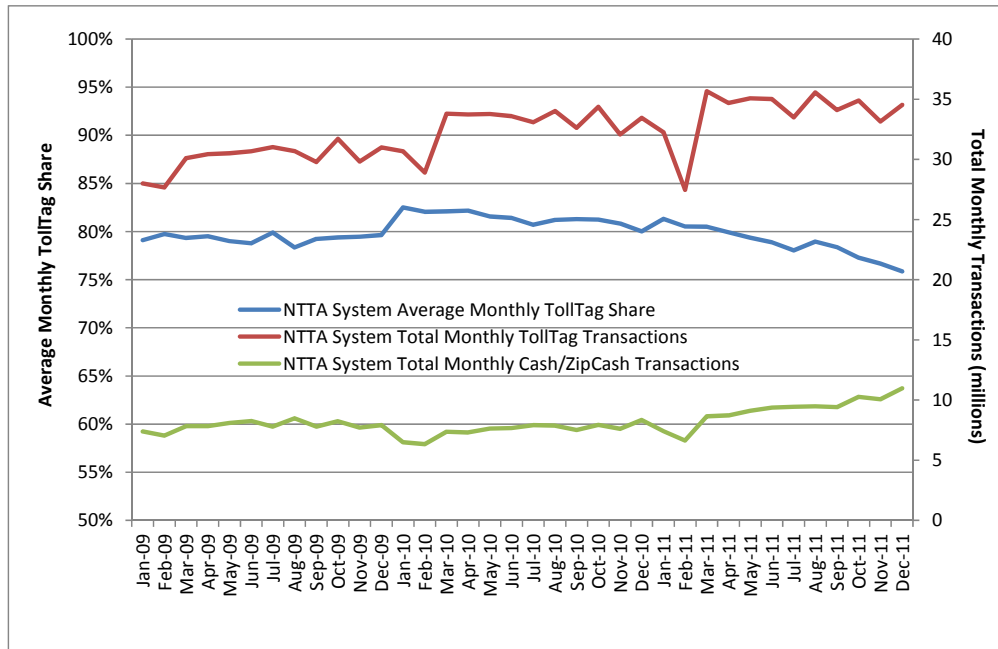


Figure 7: NTTA System TollTag Share and Monthly Transaction Trends

### December 2011 Update

CDM Smith provided updated NTTA System T&R estimates in early December 2011 to support the NTTA toll rate policy changes and the associated traffic engineer revenue certification. The December 2011 Update incorporated recent changes to the PGBT EE project agreement between TxDOT and NTTA. The key changes in the project agreement that impacted the T&R estimates in the December 2011 Update are the following:

- PGBT EE unified toll rates (rates charged to the PGBT EE users) were made consistent with the rest of the NTTA System toll rates. This resulted in the PGBT EE toll rates to be lower than the rates assumed in the October 2011 Report, due to the 2.75 percent annual toll increase (as opposed to the 3.0 percent annual toll increase) and due to the rounding of gantry tolls to highest penny (as opposed to the highest nickel).
- PGBT EE TollTag tolls will be split 80 percent/20 percent between NTTA and TxDOT, however, under the amended project agreement, NTTA will not share the ZipCash toll premium or the administrative fees/fines with TxDOT.

Table 2 shows comparisons between the T&R estimates included in the December 2011 Update and the October 2011 Report. The transaction estimates included in the December 2011 Update were greater than the October 2011 Report estimates by about 0.2 percent over the forecast period due to the lowering of PGBT EE toll rates in the PGBT EE project agreement. However, the net impact of the decreased PGBT EE toll rates and increase in toll revenue due to PGBT EE



Ms. Janice D. Davis  
February 29, 2012  
Page 11

ZipCash toll premium was a decrease of NTTA System toll revenue by about 0.3 percent over the forecast period.

**Table 2: NTTA System Annual T&R Comparisons (Dec. 2011 vs. Oct. 2011 Forecasts)**

Year	Difference		% Difference	
	Transactions	Revenue	Transactions (%)	Revenue (%)
2012	496,200	\$102,600	0.1	0.0
2020	1,295,200	\$324,400	0.2	0.0
2030	1,523,900	(\$683,800)	0.2	(0.1)
<b>Total (2012-2062)</b>	<b>88,587,600</b>	<b>(\$271,228,300)</b>	<b>0.2</b>	<b>(0.3)</b>

## Updated Long-Term Traffic and Revenue Estimates

The updated long-term traffic and revenue estimates for the NTTA System from 2012 to 2062 are shown in **Table 3**. The transaction projections have been updated based on the information available for the October 2011 Report and the unaudited transaction data provided by NTTA for the period between October 2011 and mid-February 2012. As was noted earlier, the TollTag shares in 2011 showed a downward trend. In addition, preliminary ZipCash revenue recovery trends through the end of 2011 showed lower ZipCash revenue recovery than was assumed in the October 2011 Report. Based on these observations, CDM Smith and NTTA mutually agreed to decrease the TollTag share assumptions and the ZipCash recovery assumptions used to estimate the T&R shown in **Table 3**.

The toll revenue estimates were updated by using the revised transaction projections and by applying the toll rates reflecting the latest NTTA toll rate policy, updated TollTag/ZipCash share assumptions, and updated ZipCash revenue recovery assumptions. The T&R estimates included in this letter also incorporate the impacts related to the recent PGBT EE project agreement changes. It should be noted that the audited comprehensive annual financial statements for year 2011 are not available at this time and have not been incorporated into this analysis. Should the audited 2011 financial statements substantially differ from the unaudited 2011 financial information provided by NTTA, CDM Smith would need to revisit the toll revenue estimates included in this letter to determine if further adjustments to the forecasts are warranted.



Ms. Janice D. Davis  
 February 29, 2012  
 Page 12

**Table 3: Updated NTTA System Annual Toll Transactions and Revenue – Feb. 2012 Forecasts (see end notes on Page 15<sup>ii</sup>)**

Year	Toll Transactions	Toll Revenue
2012	563,503,600	\$442,688,000
2013	584,121,800	\$483,799,800
2014	601,761,100	\$523,299,400
2015	619,608,000	\$561,533,600
2016	639,156,200	\$598,431,100
2017	656,413,800	\$631,291,800
2018	676,550,300	\$668,641,900
2019	703,237,700	\$722,430,200
2020	723,908,100	\$774,056,100
2021	736,765,100	\$810,681,400
2022	749,730,900	\$850,410,700
2023	762,950,900	\$889,024,000
2024	776,334,700	\$931,248,900
2025	790,369,900	\$974,641,200
2026	804,582,100	\$1,021,840,100
2027	819,116,800	\$1,068,524,800
2028	833,773,700	\$1,119,147,300
2029	848,682,800	\$1,170,218,600
2030	863,722,400	\$1,223,961,700
2031	876,459,600	\$1,276,124,400
2032	889,320,500	\$1,332,407,900
2033	902,741,300	\$1,388,926,000
2034	916,190,300	\$1,449,806,700
2035	933,756,500	\$1,516,676,600
2036	947,685,100	\$1,585,080,500
2037	962,343,600	\$1,652,547,800
2038	977,076,900	\$1,725,359,500
2039	992,069,000	\$1,799,685,800
2040	1,007,126,400	\$1,879,144,700
2041	1,018,521,000	\$1,951,681,100
2042	1,029,873,500	\$2,029,084,700
2043	1,041,405,700	\$2,108,158,000
2044	1,052,835,000	\$2,193,075,300
2045	1,064,793,500	\$2,277,311,600
2046	1,076,068,400	\$2,366,968,700
2047	1,087,149,200	\$2,456,770,600
2048	1,097,457,100	\$2,551,276,100
2049	1,108,352,200	\$2,645,842,100
2050	1,119,096,100	\$2,747,684,800
2051	1,129,794,100	\$2,848,654,400
2052	1,140,415,800	\$2,957,273,200
2053	1,151,686,100	\$3,067,705,400
2054	1,162,877,300	\$3,186,214,900
2055	1,174,198,600	\$3,304,638,900
2056	1,184,826,900	\$3,429,656,300
2057	1,195,477,600	\$3,552,938,800
2058	1,104,930,400	\$3,300,949,800
2059	911,381,600	\$2,626,874,600
2060	917,080,600	\$2,718,556,100
2061	922,988,500	\$2,809,142,300
2062	928,605,300	\$2,905,801,500
<b>Total</b>	<b>46,778,873,600</b>	<b>\$91,107,889,700</b>



Ms. Janice D. Davis  
 February 29, 2012  
 Page 13

**Table 4** shows comparisons between the updated T&R estimates included in this letter and the estimates included in the October 2011 Report. The updated toll transaction estimates for 2012 and 2013 are 1.9 percent and 1.1 percent greater than the October 2011 Report estimates and 0.6 percent greater in 2014. From 2020 onwards, the updated toll transaction estimates are 0.2 percent greater than the October 2011 Report estimates. The updated toll revenue estimates for 2012 and 2013 are 1.7 percent and 2.1 percent lower than the October 2011 Report estimates and 1.9 percent lower in 2014. The updated toll revenue estimates are 1.0 percent, 0.9 percent and 0.7 percent lower in 2020, 2030 and 2040 respectively. Overall, the transactions are 0.2 percent greater and the toll revenue is 1.0 percent lower than the October 2011 Report estimates. The new revenue estimates are lower due to the updated assumptions to reduce the TollTag shares and ZipCash revenue recovery.

CDM Smith also performed a sensitivity test to disaggregate the impacts related to changes to the TollTag share and ZipCash revenue recovery assumptions incorporated in this letter. **Table 5** shows that if the TollTag share and ZipCash recovery assumptions from the October 2011 Report were incorporated into this update, then the toll revenue forecasts would be 3.3 percent and 1.1 percent greater than the Feb. 2012 forecasts for years 2012 and 2020 respectively. Over the forecast period, the revenue would be 0.8 percent greater if the October 2011 Report TollTag share and ZipCash recovery assumptions were utilized.

**Table 4: NTTA System Annual T&R Comparisons - Feb. 2012 vs. Oct. 2011 Forecasts**

Year	Difference		% Difference	
	Transactions	Revenue	Transactions (%)	Revenue (%)
2012	10,708,400	(\$7,884,600)	1.9	(1.7)
2013	6,393,500	(\$10,156,300)	1.1	(2.1)
2014	3,527,200	(\$10,364,300)	0.6	(1.9)
2015	2,468,500	(\$8,319,500)	0.4	(1.5)
2016	1,917,700	(\$7,766,900)	0.3	(1.3)
2017	1,536,600	(\$7,991,900)	0.2	(1.3)
2018	1,142,600	(\$8,021,200)	0.2	(1.2)
2019	920,800	(\$8,467,000)	0.1	(1.2)
2020	1,295,200	(\$8,030,700)	0.2	(1.0)
2030	1,523,900	(\$10,866,500)	0.2	(0.9)
2040	2,102,900	(\$14,122,300)	0.2	(0.7)
2050	2,343,000	(\$24,042,600)	0.2	(0.9)
<b>Total (2012-2062)</b>	<b>111,852,100</b>	<b>(\$887,350,600)</b>	<b>0.2</b>	<b>(1.0)</b>

Ms. Janice D. Davis  
 February 29, 2012  
 Page 14

**Table 5: Feb. 2012 Forecasts with Oct. 2011 Report TollTag Share and ZipCash Recovery Assumptions vs. Feb. 2012 Forecasts (Sensitivity Test)**

Year	Difference		% Difference	
	Transactions	Revenue	Transactions (%)	Revenue (%)
2012	0	\$14,576,700	0.0	3.3
2020	0	\$8,841,400	0.0	1.1
2030	0	\$10,466,400	0.0	0.9
<b>Total (2012-2062)</b>	<b>0</b>	<b>\$742,716,300</b>	<b>0.0</b>	<b>0.8</b>

We hope this summary meets your needs. Please do not hesitate to call if you have any questions or if any additional information is required.

Very truly yours,



Kamran Khan  
 Senior Vice President  
 CDM Smith, Inc.

<sup>i</sup> Notes:

- (1) DNT Phase 3 opened to traffic at the end of September 2007. Toll Rates on the NTTA System were increased during the same month.
  - (2) Sam Rayburn Tollway Segment 2 opened to traffic on August 31, 2008.
  - (3) LLTB opened to traffic on August 1, 2009.
  - (4) PGBT WE Phase 2 mainlanes between SH 183 and Egyptian Way opened to traffic on August 2, 2009.
  - (5) Speed-limit increases on various sections of NTTA System were implemented starting late August 2009.
  - (6) System-wide toll rates increase implemented on September 1, 2009.
  - (7) SRT segment 3S opened to traffic on September 1, 2009 and SRT segment 3N opened to traffic on September 29, 2009.
  - (8) Opening of PGBT WE Phase 3 mainlanes beginning April 10, 2010.
  - (9) Substantial opening of SRT Segment 4, including the SRT/US 75 interchange, and completion of All-ETC conversion on all NTTA System facilities in late 2010.
  - (10) NTTA Board approved speed limit increases on AATT, MCLB and LLTB in June, 2011.
  - (11) Toll rates on the NTTA System and PGBT WE were increased in July, 2011.
  - (12) Substantial opening of DNT and SRT interchange by November, 2011.
  - (13) PGBT EE opened to traffic on December 21, 2011.
  - (14) NTTA System transactions include transactions on DNT, PGBT, SRT, PGBT EE, AATT, MCLB and LLTB.
- SOURCE: North Texas Tollway Authority (unaudited numbers)



Ms. Janice D. Davis

February 29, 2012

Page 15

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<sup>ii</sup> Key assumptions:

- (1) Background transportation networks based on the Mobility 2035 Plan.
- (2) Background demographics based on Mobility 2035 Plan demographics revised by RDS in mid-2011.
- (3) System-wide toll rate increases on July 1 of every odd year starting July 1, 2011 by applying an annual toll increase of 2.75 percent.
- (4) Improvements on DNT between PGBT and SRT by Dec. 31, 2015.
- (5) Expansion of SRT between Bus-121 and US 75 from three to four lanes per direction by Jan. 1, 2019. Congestion pricing on SRT is assumed to start with this expansion.
- (6) Expansion of PGBT between IH 35E and SH 78 from three to four lanes per direction by Jan. 1, 2019.
- (7) Expansion of SH 161 between Belt Line Road and SH 183 to eight lanes by January 1, 2020.
- (8) DNT Extension Phase 4A is assumed to open to traffic by January 1, 2020.
- (9) PGBT East Branch is assumed to open by January 1, 2035.
- (10) TollTag share and ZipCash revenue recovery trends to not significantly deviate from the assumptions included in this letter. NTTA would employ business rules to encourage increases in TollTag shares on its facilities and to increase the ZipCash toll revenue recovery.
- (11) In accordance with the existing practice of the NTTA, all NTTA System facilities will be well-maintained, efficiently operated, and effectively signed to encourage maximum usage.
- (12) Growth in vehicle operating costs (which include fuel, maintenance, and tires) will not significantly deviate from the assumed inflation rate.
- (13) No local, regional, or national emergency will arise which would abnormally restrict the use of motor vehicles.

## DISCLAIMER

Current accepted professional practices and procedures were used in the development of these traffic and revenue forecasts. However, as with any forecast of the future, it should be understood that there may be differences between forecasted and actual results caused by events and circumstances beyond the control of the forecasters. In formulating its forecasts, CDM Smith has reasonably relied upon the accuracy and completeness of all of the information provided (both written and oral) by NTTA and several local and state agencies. Publicly available and obtained material has neither been independently verified, nor does CDM Smith assume responsibility for verifying such information. CDM Smith has relied upon the reasonable assurances of the independent parties that they are not aware of any facts that would make such information misleading.

CDM Smith has made qualitative judgments related to several key variables within the analysis used to develop the traffic and revenue forecasts that must be considered as a whole; therefore selecting portions of any individual results without consideration of the intent of the whole may create a misleading or incomplete view of the results and the underlying methodologies used to obtain the results. CDM Smith gives no opinion as to the value or merit to partial information extracted from the report.

All estimates and projections reported herein are based on CDM Smith's experience and judgment and on a review of independent third party projections and information obtained from multiple state and local agencies including NTTA. These estimates and projections may not be indicative of actual or future values, and are therefore subject to substantial uncertainty. Future developments cannot be predicted with certainty, and may affect the estimates or projections expressed in the report, such that CDM Smith does not specifically guarantee or warrant any estimate or projections contained within this report.