

**Transportation Revenue  
Forecast Council  
June 2011 Transportation  
Economic and Revenue Forecasts**

**Volume IV: Alternative Forecast Tables**

**Transportation Revenue  
Forecast Council  
June 2011**

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**REVENUE AND RIDERSHIP PROJECTIONS  
JUNE 2011 FORECAST  
FISCAL YEARS 2011-2027**

Prepared for  
**Washington State Ferries**

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\*No change in forecast values  
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# Washington State Ferries

## June 2011 Revenue and Ridership Forecasts — Fiscal Years 2011-2027

### JUNE 2011 FORECAST NOTES

The fare revenue and ridership forecasts for Washington State Ferries (WSF) are completed in four stages. First, monthly ridership projections by six fare categories are prepared for each route using time series analysis methods, with a forecast horizon from the present through fiscal year (FY) 2027.

The second stage of the process generates system-wide ridership projections. Econometric models combine ferry fare scenarios and state economic variables to produce system-wide unconstrained ridership forecasts by six fare categories through FY 2027. Within each fare category, the individual route forecasts are then calibrated to match the system-wide forecast totals from the econometric models.

The third stage of the process consists of adjusting the calibrated passenger and vehicle ridership by route to reflect seasonal vehicle capacity constraints, changes in service hours, and/or the net impacts from adding or eliminating service.

Last, the appropriate fares and average fare realizations are applied to the calibrated, capacity-constrained ridership forecasts for each route by fare category. This yields monthly and annual revenue forecasts by route for six fare categories.

Three scenarios differing in fare assumptions were prepared for the March Forecast:

- **Baseline Forecast** – assumes no changes in the posted fares through the forecast horizon, resulting in a declining real fares trend due to inflation;
- **Alternative 1 Forecast** – assumes consecutive 2.5% increases each October, from 2011 through 2026 (FY 2012-27), which results in slightly increasing real fares given that inflation, as measured by the Implicit Price Deflator for Personal Consumption, is projected to average 1.9% over the forecast horizon.
- **Alternative 2 Forecast** – combines the 2.5% increases of Alternative 1 with a 25¢ capital fare surcharge applied to all fares, per recent legislation (ESSB 5742). The surcharge is applied to each fare sold, regardless of whether the fare is collected in both directions or only in one direction for a round-trip.

The June 2011 Forecast results for FY 2011 include actual ridership counts through April 2011 and actual revenue collections through May 2011. In addition, they also capture the actual effects of reduced Mukilteo-Clinton service due to terminal construction closures during three weekends in the late winter / early spring of 2011.

### Ridership Impacts

The June 2011 ridership demand forecasts reflect the latest ridership data and updated economic variable projections produced by the State and Global Insight. The following points summarize the updated ridership forecast.

- The June forecast for employment has been revised lower through FY 2017, and then noticeably higher thereafter, compared with the March forecast. Real personal income shares a similar trend, with a small downward revision through FY 2021 and an upward revision thereafter. Collectively, these factors contribute to a downward revision in ridership until FY 2020, and an upward revision thereafter through FY 2027, compared with March.
- The forecast for real gasoline prices are materially higher than projected in March, which tends to suppress vehicle demand throughout the forecast horizon.
- Overall, the ridership projections are lower in the early years of the forecast and higher in the latter years. However, the increase in the latter years is driven by higher passenger ridership; the higher fare vehicle/driver ridership remains a bit below the March forecast levels.
- The capital fare surcharge in Alternative 2 would initially reduce ridership demand by up to 1.3%, with the effect gradually reducing to 0.8% by the end of the forecast period.

### Revenue Impacts

- Revenues under both the Baseline and Alternative 1 Forecasts for the 2009/11 biennium are projected at \$294.2 M, or \$0.2 M (0.1%) higher than March.
- The Baseline Forecast fare revenue projections are 1.4% lower in the 2011/13 biennium, 1.2% lower in the 2013/15 biennium, and thereafter less than 1% lower by the end of the forecast horizon, relative to March.
- The Alternative 1 Forecast fare revenue projections are also 1.4% lower in the 2011/13 biennium, and 1.2% lower in the 2013/15 biennium, but then taper off to very small differences both up and down relative to March.
- The 25¢ capital surcharge in Alternative 2 generates a net increase in revenue of \$4.1 M in the 2011/13 biennium over Alternative 1, after accounting for the reduction in demand due to effectively higher fares.
- A projected total of \$6.4 M in surcharge revenues would be transferred to the capital program in the 2011/13 biennium. This transfer is projected to result in a \$2.3 M reduction in revenues available to support the operating program, relative to Alternative 1.

# Washington State Ferries

## REVENUE PROJECTIONS ~ BASELINE FORECAST

**No Changes in the Current Posted Fares<sup>1</sup>**

**June 2011 Forecast – Fiscal Years 2011-2027**

Fiscal Year	June 2011 Capacity-Constrained Revenue Forecast	Fiscal Year Annual Growth Rate	June Biennium Total	June vs. March Forecast			March 2011 Baseline	
				% Change by Fiscal Year	\$ Change and % Change by Biennium		Capacity-Constrained Revenue Forecast	Biennium Total
<b>2008<sup>2</sup></b>	\$148,379,626	1.1%						
<b>2009<sup>2</sup></b>	\$144,540,455	(2.6%)	\$292,920,081					
<b>2010<sup>2</sup></b>	\$147,009,545	1.7%		0.0%			\$147,009,545	
<b>2011<sup>2</sup></b>	\$147,148,000	0.1%	\$294,157,545	0.2%	\$235,000	0.1%	\$146,913,000	\$293,922,545
<b>2012</b>	\$148,508,000	0.9%		(1.5%)			\$150,813,000	
<b>2013</b>	\$152,688,000	2.8%	\$301,196,000	(1.4%)	(\$4,419,000)	(1.4%)	\$154,802,000	\$305,615,000
<b>2014</b>	\$157,168,000	2.9%		(1.4%)			\$159,353,000	
<b>2015</b>	\$161,728,000	2.9%	\$318,896,000	(1.1%)	(\$4,011,000)	(1.2%)	\$163,554,000	\$322,907,000
<b>2016</b>	\$165,793,000	2.5%		(1.0%)			\$167,452,000	
<b>2017</b>	\$169,675,000	2.3%	\$335,468,000	(0.9%)	(\$3,192,000)	(0.9%)	\$171,208,000	\$338,660,000
<b>2018</b>	\$173,454,000	2.2%		(0.5%)			\$174,401,000	
<b>2019</b>	\$176,794,000	1.9%	\$350,248,000	(0.4%)	(\$1,653,000)	(0.5%)	\$177,500,000	\$351,901,000
<b>2020</b>	\$179,592,000	1.6%		(0.2%)			\$180,018,000	
<b>2021</b>	\$181,881,000	1.3%	\$361,473,000	(0.2%)	(\$704,000)	(0.2%)	\$182,159,000	\$362,177,000
<b>2022</b>	\$183,886,000	1.1%		(0.3%)			\$184,364,000	
<b>2023</b>	\$185,624,000	0.9%	\$369,510,000	(0.4%)	(\$1,295,000)	(0.3%)	\$186,441,000	\$370,805,000
<b>2024</b>	\$187,301,000	0.9%		(0.6%)			\$188,454,000	
<b>2025</b>	\$188,807,000	0.8%	\$376,108,000	(0.9%)	(\$2,818,000)	(0.7%)	\$190,472,000	\$378,926,000
<b>2026</b>	\$190,330,000	0.8%		(0.8%)			\$191,940,000	
<b>2027</b>	\$191,798,000	0.8%	\$382,128,000	(0.9%)	(\$3,288,000)	(0.9%)	\$193,476,000	\$385,416,000

<sup>1</sup> The Baseline Forecast includes the recent 2.5% fare increase on January 1, 2011, but assumes no further changes to the current nominal fares thereafter. This leads to declining real fares over the forecast horizon. The Baseline Forecast also reflects the current programmed level of service subject to capacity constraints.

<sup>2</sup> Reflects/includes historical data.

# Washington State Ferries

## REVENUE PROJECTIONS ~ ALTERNATIVE 1 FORECAST

### 2.5% Annual Fare Increases FY 2012-27<sup>1</sup>

#### June 2011 Forecast – Fiscal Years 2011-2027

Fiscal Year	June 2011 Capacity-Constrained Revenue Forecast	Fiscal Year Annual Growth Rate	June Biennium Total	June vs. March Forecast			March 2011 Alternative	
				% Change by Fiscal Year	\$ Change and % Change by Biennium		Capacity-Constrained Revenue Forecast	Biennium Total
2008 <sup>2</sup>	\$148,379,626	1.1%						
2009 <sup>2</sup>	\$144,540,455	(2.6%)	\$292,920,081					
2010 <sup>2</sup>	\$147,009,545	1.7%		0.0%			\$147,009,545	
2011 <sup>2</sup>	\$147,148,000	0.1%	\$294,157,545	0.2%	\$235,000	0.1%	\$146,913,000	\$293,922,545
2012	\$150,587,000	2.3%		(1.5%)			\$152,945,000	
2013	\$157,657,000	4.7%	\$308,244,000	(1.4%)	(\$4,516,000)	(1.4%)	\$159,815,000	\$312,760,000
2014	\$165,216,000	4.8%		(1.3%)			\$167,436,000	
2015	\$173,041,000	4.7%	\$338,257,000	(1.1%)	(\$4,133,000)	(1.2%)	\$174,954,000	\$342,390,000
2016	\$180,517,000	4.3%		(1.0%)			\$182,281,000	
2017	\$188,300,000	4.3%	\$368,817,000	(0.8%)	(\$3,345,000)	(0.9%)	\$189,881,000	\$372,162,000
2018	\$196,674,000	4.4%		(0.5%)			\$197,638,000	
2019	\$205,397,000	4.4%	\$402,071,000	(0.2%)	(\$1,389,000)	(0.3%)	\$205,822,000	\$403,460,000
2020	\$214,205,000	4.3%		0.1%			\$214,021,000	
2021	\$222,750,000	4.0%	\$436,955,000	0.3%	\$913,000	0.2%	\$222,021,000	\$436,042,000
2022	\$230,859,000	3.6%		0.3%			\$230,068,000	
2023	\$239,073,000	3.6%	\$469,932,000	0.2%	\$1,343,000	0.3%	\$238,521,000	\$468,589,000
2024	\$247,554,000	3.5%		0.2%			\$247,123,000	
2025	\$256,090,000	3.4%	\$503,644,000	0.0%	\$471,000	0.1%	\$256,050,000	\$503,173,000
2026	\$264,753,000	3.4%		0.0%			\$264,725,000	
2027	\$273,646,000	3.4%	\$538,399,000	(0.1%)	(\$192,000)	(0.0%)	\$273,866,000	\$538,591,000

<sup>1</sup> The Alternative 1 Forecast includes the recent 2.5% fare increase on January 1, 2011, followed by annual 2.5% fare increases with nickel up-rounding each October 1 through 2026 (FY 2012-27). This yields increasing real fares under the current inflation projection. The Alternative 1 Forecast also reflects the current programmed level of service subject to capacity constraints.

<sup>2</sup> Reflects/includes historical data.

# Washington State Ferries

## REVENUE PROJECTIONS ~ ALTERNATIVE 2 FORECAST

### 25¢ "Capital Surcharge" per Fare Sold in Addition to 2.5% Annual Fare Increases FY 2012-27<sup>1</sup>

#### June 2011 Forecast – Fiscal Years 2011-2027

Fiscal Year	June 2011 Capacity-Constrained Revenue Forecast	Fiscal Year Annual Growth Rate	June Biennium Total	25¢ Surcharge Revenue Impact		Distribution of Fare Revenue with Surcharge		
				Net Additional Revenue from 25¢ Surcharge per Fare	% Increase over Alt. 1	Surcharge Revenue for Capital Program	Fare Revenue Remaining for Operating Program	Operating Revenue Loss Compared to Alternative 1 <sup>3</sup>
2008 <sup>2</sup>	\$148,379,626	1.1%						
2009 <sup>2</sup>	\$144,540,455	(2.6%)	\$292,920,081					
2010 <sup>2</sup>	\$147,009,545	1.7%						
2011 <sup>2</sup>	\$147,148,000	0.1%	\$294,157,545					
2012	\$152,235,000	3.5%		\$1,648,000	1.1%	\$2,581,000	\$149,654,000	(\$933,000)
2013	\$160,075,000	5.1%	\$312,310,000	\$2,418,000	1.5%	\$3,801,000	\$156,274,000	(\$1,383,000)
2014	\$167,689,000	4.8%		\$2,473,000	1.5%	\$3,888,000	\$163,801,000	(\$1,415,000)
2015	\$175,571,000	4.7%	\$343,260,000	\$2,530,000	1.5%	\$3,979,000	\$171,592,000	(\$1,449,000)
2016	\$183,104,000	4.3%		\$2,587,000	1.4%	\$4,050,000	\$179,054,000	(\$1,463,000)
2017	\$190,931,000	4.3%	\$374,035,000	\$2,631,000	1.4%	\$4,120,000	\$186,811,000	(\$1,489,000)
2018	\$199,351,000	4.4%		\$2,677,000	1.4%	\$4,192,000	\$195,159,000	(\$1,515,000)
2019	\$208,246,000	4.5%	\$407,597,000	\$2,849,000	1.4%	\$4,268,000	\$203,978,000	(\$1,419,000)
2020	\$217,129,000	4.3%		\$2,924,000	1.4%	\$4,340,000	\$212,789,000	(\$1,416,000)
2021	\$225,849,000	4.0%	\$442,978,000	\$3,099,000	1.4%	\$4,406,000	\$221,443,000	(\$1,307,000)
2022	\$234,007,000	3.6%		\$3,148,000	1.4%	\$4,460,000	\$229,547,000	(\$1,312,000)
2023	\$242,293,000	3.5%	\$476,300,000	\$3,220,000	1.3%	\$4,511,000	\$237,782,000	(\$1,291,000)
2024	\$250,891,000	3.5%		\$3,337,000	1.3%	\$4,564,000	\$246,327,000	(\$1,227,000)
2025	\$259,599,000	3.5%	\$510,490,000	\$3,509,000	1.4%	\$4,613,000	\$254,986,000	(\$1,104,000)
2026	\$268,347,000	3.4%		\$3,594,000	1.4%	\$4,659,000	\$263,688,000	(\$1,065,000)
2027	\$277,283,000	3.3%	\$545,630,000	\$3,637,000	1.3%	\$4,704,000	\$272,579,000	(\$1,067,000)

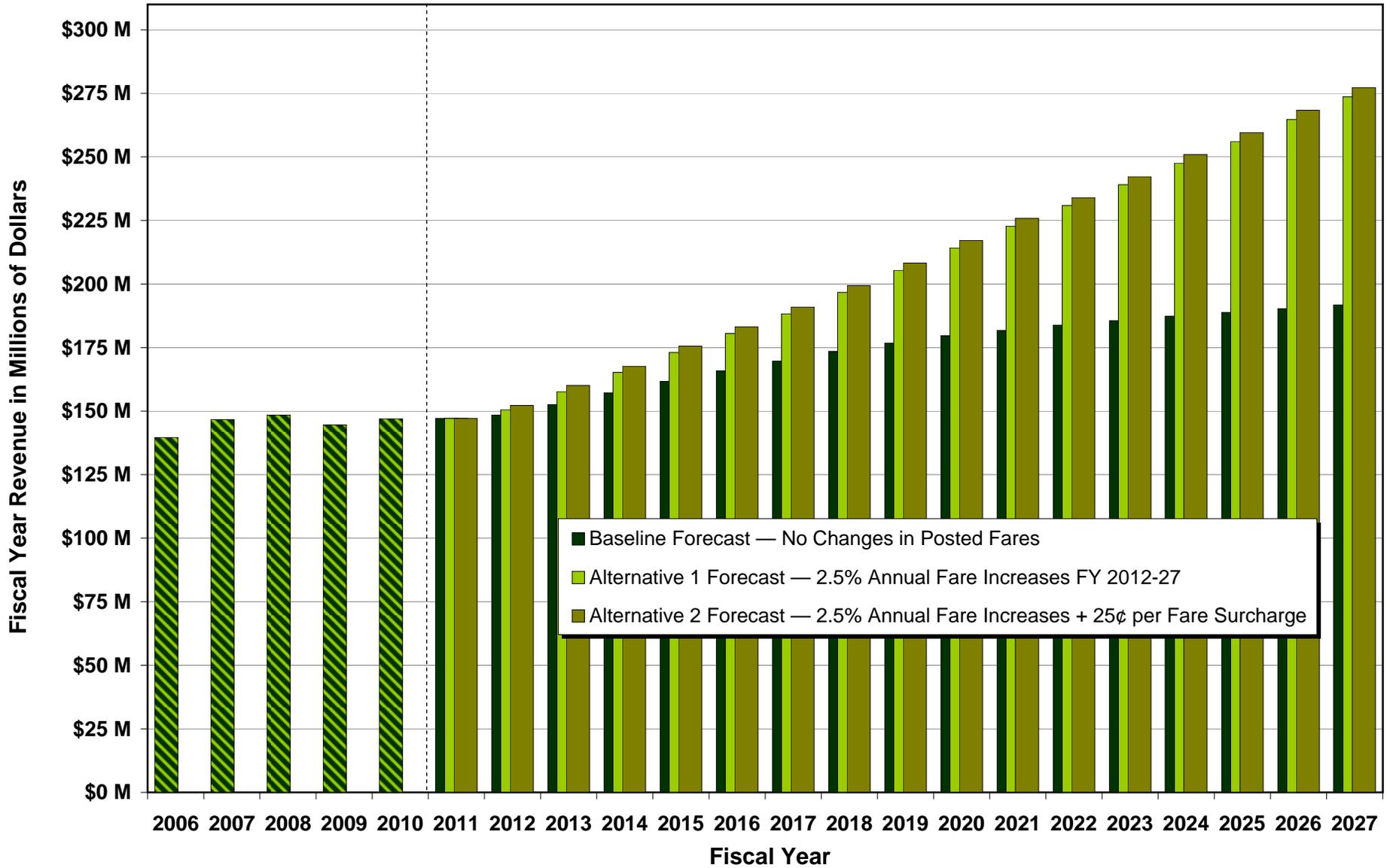
<sup>1</sup> The Alternative 2 Forecast includes the annual 2.5% fare increases of Alternative Forecast 1, combined with a 25¢ capital surcharge on each fare sold, beginning October 1, 2011. The surcharge would be applied to one-way and round-trip fares equally. The Alternative 2 Forecast also reflects the current programmed level of service subject to capacity constraints.

<sup>2</sup> Reflects/includes historical data.

<sup>3</sup> Implementation of the surcharge reduces overall ridership demand slightly; as a result, diverting the full surcharge amount for capital uses leaves less revenue for operating uses than Alternative 1.

# Washington State Ferries — Revenue History and Forecast Trends

June 2011 Forecast Scenarios – Fiscal Years 2006-2027



# Washington State Ferries

## RIDERSHIP PROJECTIONS ~ BASELINE FORECAST

**No Changes in the Current Posted Fares<sup>1</sup>**

**June 2011 Forecast – Fiscal Years 2011-2027**

<i>Fiscal Year</i>	<i>June 2011 Unconstrained Demand Forecast</i>	<i>June 2011 Capacity Constrained Projections</i>				<i>March 2011 Projections</i>	
		<i>Passenger Ridership</i>	<i>Vehicle/Driver Ridership</i>	<i>Total Ridership</i>	<i>Annual Rate of Growth</i>	<i>Total Ridership</i>	<i>Jun. % Chg from Mar.</i>
<b>2008<sup>2</sup></b>	23,281,551	12,889,403	10,392,148	23,281,551	(2.9%)		
<b>2009<sup>2</sup></b>	22,477,473	12,572,707	9,904,766	22,477,473	(3.5%)		
<b>2010<sup>2</sup></b>	22,587,537	12,453,226	10,134,311	22,587,537	0.5%	22,587,537	0.0%
<b>2011<sup>2</sup></b>	22,215,000	12,284,000	9,931,000	22,215,000	(1.6%)	22,282,000	(0.3%)
<b>2012</b>	22,447,000	12,510,000	9,937,000	22,447,000	1.0%	22,661,000	(0.9%)
<b>2013</b>	23,168,000	12,939,000	10,229,000	23,168,000	3.2%	23,409,000	(1.0%)
<b>2014</b>	23,960,000	13,437,000	10,523,000	23,960,000	3.4%	24,226,000	(1.1%)
<b>2015</b>	24,785,000	13,960,000	10,820,000	24,780,000	3.4%	25,001,000	(0.9%)
<b>2016</b>	25,454,000	14,341,000	11,106,000	25,447,000	2.7%	25,657,000	(0.8%)
<b>2017</b>	26,144,000	14,739,000	11,362,000	26,101,000	2.6%	26,280,000	(0.7%)
<b>2018</b>	26,866,000	15,148,000	11,611,000	26,759,000	2.5%	26,859,000	(0.4%)
<b>2019</b>	27,624,000	15,578,000	11,819,000	27,397,000	2.4%	27,423,000	(0.1%)
<b>2020</b>	28,413,000	16,020,000	11,986,000	28,006,000	2.2%	27,949,000	0.2%
<b>2021</b>	29,205,000	16,471,000	12,096,000	28,567,000	2.0%	28,443,000	0.4%
<b>2022</b>	29,946,000	16,928,000	12,171,000	29,099,000	1.9%	28,933,000	0.6%
<b>2023</b>	30,670,000	17,362,000	12,231,000	29,593,000	1.7%	29,427,000	0.6%
<b>2024</b>	31,451,000	17,830,000	12,280,000	30,110,000	1.7%	29,935,000	0.6%
<b>2025</b>	32,272,000	18,333,000	12,304,000	30,637,000	1.8%	30,455,000	0.6%
<b>2026</b>	33,118,000	18,859,000	12,317,000	31,176,000	1.8%	30,959,000	0.7%
<b>2027</b>	33,989,000	19,399,000	12,332,000	31,731,000	1.8%	31,470,000	0.8%

<sup>1</sup> The Baseline Forecast includes the recent 2.5% fare increase on January 1, 2011, but assumes no further changes to the current nominal fares thereafter. This leads to declining real fares over the forecast horizon. The Baseline Forecast also reflects the current programmed level of service subject to capacity constraints.

<sup>2</sup> Reflects/includes historical data.

**Washington State Ferries**  
**RIDERSHIP PROJECTIONS ~ ALTERNATIVE 1 FORECAST**  
**2.5% Annual Fare Increases FY 2012-27<sup>1</sup>**  
**June 2011 Forecast – Fiscal Years 2011-2027**

<i>Fiscal Year</i>	<i>June 2011 Unconstrained Demand Forecast</i>	<i>June 2011 Capacity Constrained Projections</i>				<i>March 2011 Projections</i>	
		<i>Passenger Ridership</i>	<i>Vehicle/Driver Ridership</i>	<i>Total Ridership</i>	<i>Annual Rate of Growth</i>	<i>Total Ridership</i>	<i>Jun. % Chg from Mar.</i>
<b>2008<sup>2</sup></b>	23,281,551	12,889,403	10,392,148	23,281,551	(2.9%)		
<b>2009<sup>2</sup></b>	22,477,473	12,572,707	9,904,766	22,477,473	(3.5%)		
<b>2010<sup>2</sup></b>	22,587,537	12,453,226	10,134,311	22,587,537	0.5%	22,587,537	0.0%
<b>2011<sup>2</sup></b>	22,215,000	12,284,000	9,931,000	22,215,000	(1.6%)	22,282,000	(0.3%)
<b>2012</b>	22,318,000	12,447,000	9,871,000	22,318,000	0.5%	22,532,000	(0.9%)
<b>2013</b>	22,812,000	12,744,000	10,068,000	22,812,000	2.2%	23,046,000	(1.0%)
<b>2014</b>	23,369,000	13,099,000	10,270,000	23,369,000	2.4%	23,624,000	(1.1%)
<b>2015</b>	23,953,000	13,475,000	10,478,000	23,953,000	2.5%	24,171,000	(0.9%)
<b>2016</b>	24,379,000	13,708,000	10,669,000	24,377,000	1.8%	24,589,000	(0.9%)
<b>2017</b>	24,805,000	13,937,000	10,863,000	24,800,000	1.7%	24,975,000	(0.7%)
<b>2018</b>	25,242,000	14,166,000	11,068,000	25,234,000	1.8%	25,335,000	(0.4%)
<b>2019</b>	25,704,000	14,414,000	11,263,000	25,677,000	1.8%	25,695,000	(0.1%)
<b>2020</b>	26,185,000	14,662,000	11,455,000	26,117,000	1.7%	26,043,000	0.3%
<b>2021</b>	26,661,000	14,905,000	11,616,000	26,521,000	1.5%	26,364,000	0.6%
<b>2022</b>	27,084,000	15,150,000	11,725,000	26,875,000	1.3%	26,663,000	0.8%
<b>2023</b>	27,483,000	15,374,000	11,825,000	27,199,000	1.2%	26,976,000	0.8%
<b>2024</b>	27,926,000	15,626,000	11,919,000	27,545,000	1.3%	27,299,000	0.9%
<b>2025</b>	28,384,000	15,894,000	11,981,000	27,875,000	1.2%	27,617,000	0.9%
<b>2026</b>	28,847,000	16,165,000	12,034,000	28,199,000	1.2%	27,921,000	1.0%
<b>2027</b>	29,320,000	16,446,000	12,079,000	28,525,000	1.2%	28,222,000	1.1%

<sup>1</sup> The Alternative 1 Forecast includes the recent 2.5% fare increase on January 1, 2011, followed by annual 2.5% fare increases with nickel up-rounding each October 1 through 2026 (FY 2012-27) This yields increasing real fares under the current inflation projection. The Alternative 1 Forecast also reflects the current programmed level of service subject to capacity constraints.

<sup>2</sup> Reflects/includes historical data.

**Washington State Ferries**  
**RIDERSHIP PROJECTIONS ~ ALTERNATIVE 2 FORECAST**  
**25¢ "Capital Surcharge" per Fare Sold in Addition to 2.5% Annual Fare Increases FY 2012-27<sup>1</sup>**

**June 2011 Forecast – Fiscal Years 2011-2027**

Fiscal Year	June 2011 Unconstrained Demand Forecast	June 2011 Capacity Constrained Projections				25¢ Surcharge Ridership Impact	
		Passenger Ridership	Vehicle/Driver Ridership	Total Ridership	Annual Rate of Growth	% Decrease over Alternative 1	Net Decrease in Ridership <sup>3</sup>
2008 <sup>2</sup>	23,281,551	12,889,403	10,392,148	23,281,551	(2.9%)		
2009 <sup>2</sup>	22,477,473	12,572,707	9,904,766	22,477,473	(3.5%)		
2010 <sup>2</sup>	22,587,537	12,453,226	10,134,311	22,587,537	0.5%		
2011 <sup>2 3</sup>	22,215,000	12,284,000	9,931,000	22,215,000	(1.6%)	0.0%	0
2012	22,104,000	12,286,000	9,818,000	22,104,000	(0.5%)	(1.0%)	(214,000)
2013	22,505,000	12,508,000	9,997,000	22,505,000	1.8%	(1.3%)	(307,000)
2014	23,062,000	12,863,000	10,199,000	23,062,000	2.5%	(1.3%)	(307,000)
2015	23,645,000	13,237,000	10,407,000	23,644,000	2.5%	(1.3%)	(309,000)
2016	24,075,000	13,473,000	10,600,000	24,073,000	1.8%	(1.2%)	(304,000)
2017	24,503,000	13,705,000	10,795,000	24,500,000	1.8%	(1.2%)	(300,000)
2018	24,943,000	13,936,000	11,000,000	24,936,000	1.8%	(1.2%)	(298,000)
2019	25,408,000	14,185,000	11,210,000	25,395,000	1.8%	(1.1%)	(282,000)
2020	25,892,000	14,435,000	11,403,000	25,838,000	1.7%	(1.1%)	(279,000)
2021	26,371,000	14,680,000	11,575,000	26,255,000	1.6%	(1.0%)	(266,000)
2022	26,796,000	14,928,000	11,685,000	26,613,000	1.4%	(1.0%)	(262,000)
2023	27,198,000	15,155,000	11,789,000	26,944,000	1.2%	(0.9%)	(255,000)
2024	27,644,000	15,407,000	11,891,000	27,298,000	1.3%	(0.9%)	(247,000)
2025	28,105,000	15,676,000	11,962,000	27,638,000	1.2%	(0.9%)	(237,000)
2026	28,571,000	15,950,000	12,019,000	27,969,000	1.2%	(0.8%)	(230,000)
2027	29,047,000	16,233,000	12,065,000	28,298,000	1.2%	(0.8%)	(227,000)

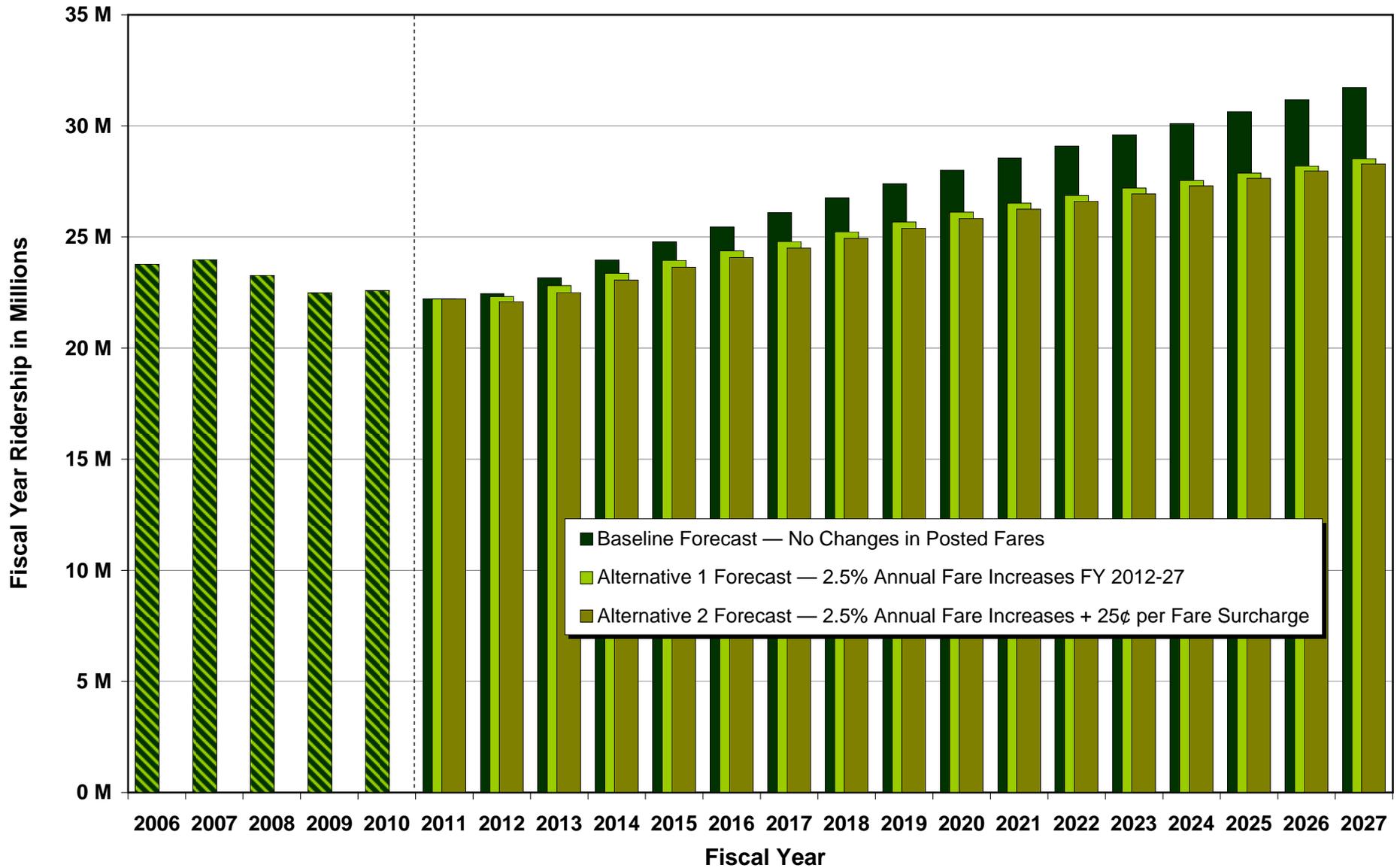
<sup>1</sup> The Alternative 2 Forecast includes the annual 2.5% fare increases of Alternative Forecast 1, combined with a 25¢ capital surcharge on each fare sold, beginning October 1, 2011. The surcharge would be applied to one-way and round-trip fares equally. The Alternative 2 Forecast also reflects the current programmed level of service subject to capacity constraints.

<sup>2</sup> Reflects/includes historical data.

<sup>3</sup> Implementation of the surcharge reduces overall ridership demand slightly relative to the Alternative 1 Forecast.

# Washington State Ferries — Ridership History and Forecast Trends

June 2011 Forecast Scenarios – Fiscal Years 2006-2027



# **Vehicle Miles Traveled Forecast (Preliminary)**

**June 2011**

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## **WSDOT VEHICLE MILES TRAVELLED FORECAST (PRELIMINARY)**

- WSDOT has produced a statewide VMT forecast for more than twenty years
- Through February 2008, the VMT forecast was a byproduct of the fuel consumption forecast
- WSDOT convened a multiagency work group in 2009 and 2010 to select a better statewide VMT forecast model
- This is a preliminary forecast. While all independent variables have been updated from the latest data, WSDOT Statewide Travel & Collision Data Office (STCDO) is still updating actual Vehicle Miles Travelled data for calendar year 2010.
- The current forecast is above the previous forecast in the first two years. This is due primarily to better employment projections and a faster recovery of vehicle registrations. However, in the out-years, VMT is significantly lower due to much lower employment projections.

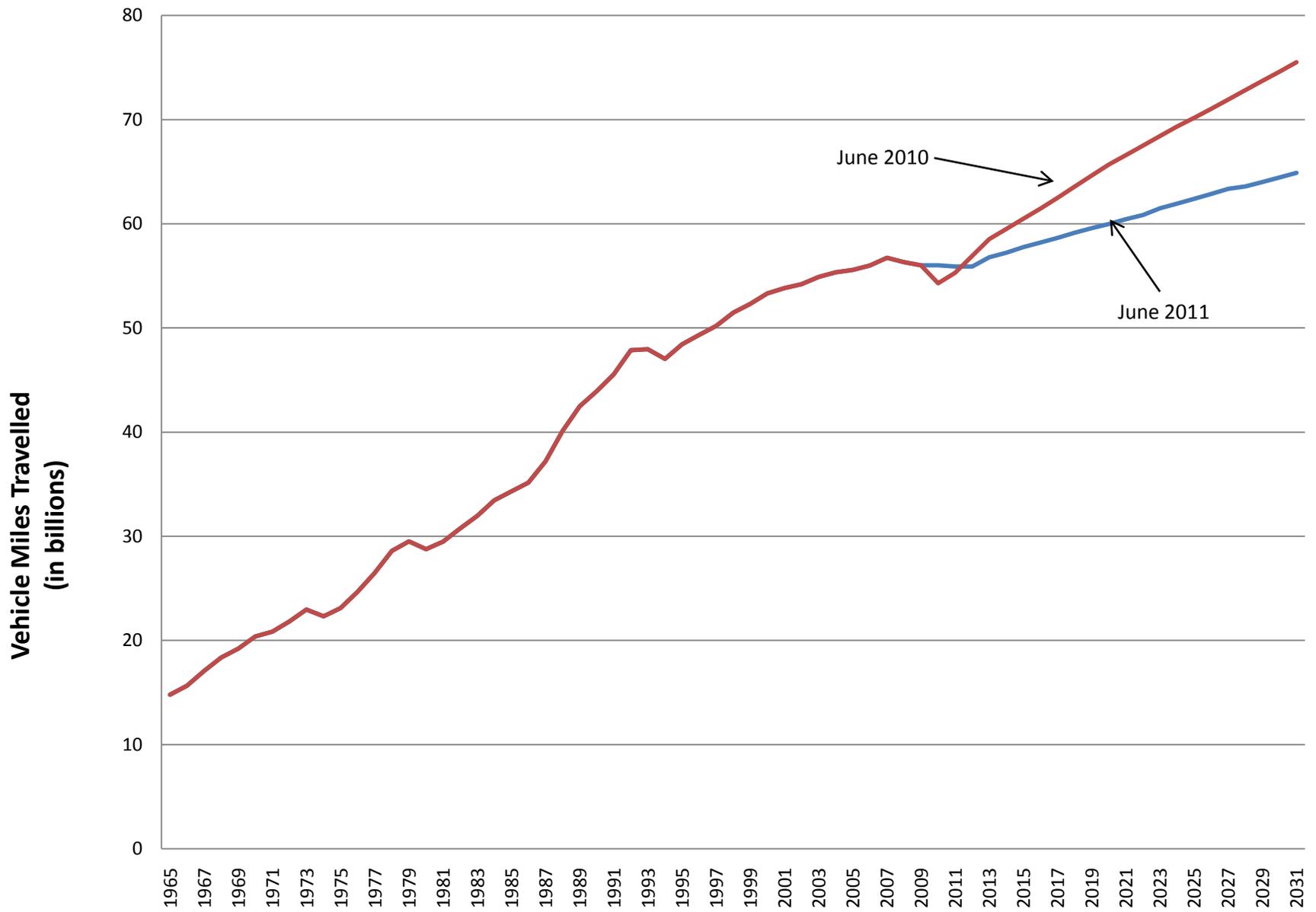
## **STATEWIDE VMT FORECAST METHODOLOGY**

- The Statewide VMT model is of log-log functional form which includes log of the following independent variables:
  - Washington employment
  - Washington motor vehicle registrations
  - Washington gas prices
- The forecast model considers three separate types of impacts on VMT: economic activity, vehicles registered, and gas prices
- This model had the best overall fit, most significant t-statistics, and other critical statistics were better than other models
- Each of the independent variables has their own separate and distinct forecast which can be used to project statewide VMT

## **SOURCE OF INDEPENDENT FORECASTED VARIABLES**

- Washington employment – Economic and Revenue Forecast Council June 2011 forecast in the near-term and from OFM’s 2010 long-term non-farm employment projections for Washington.
- Washington motorized vehicle registrations –WSDOT-Economic Analysis section for the Transportation Revenue Council June 2011 forecast
- Washington gasoline prices –WSDOT forecast for the Transportation Revenue Council June 2011 forecast

# Vehicle Miles Travel Forecast Comparison



June 2011 Preliminary Forecast of Vehicle Miles Travelled (History and Forecast), VMT per capita, and Independent Variables.

YEAR	Total VMT (Billion Miles)	Percent Change	VMT Per Capita	Percent Change	VMT Per Driver Pop	Percent Change	Independent Variables					
							washington Employment <sup>1</sup> (in Thousands)	Percent Change	Registered <sup>2</sup> (in Thousands)	Percent Change	Gas Prices <sup>3</sup>	Percent Change
1965	14.803						869		1,525		0.19	
1966	15.645	5.69%					940	8.12%	1,619	6.16%	0.19	3.08%
1967	17.067	9.09%					1021	8.63%	1,727	6.67%	0.20	3.48%
1968	18.347	7.50%					1075	5.27%	1,834	6.20%	0.20	1.69%
1969	19.211	4.71%					1116	3.82%	1,971	7.47%	0.21	3.47%
1970	20.371	6.04%	6,087		9,048		1109	-0.65%	1,971	0.00%	0.21	2.50%
1971	20.844	2.32%	6,188	1.67%	9,122	0.81%	1062	-4.16%	1,998	1.37%	0.22	2.12%
1972	21.835	4.75%	6,498	5.00%	9,493	4.06%	1079	1.60%	2,078	4.00%	0.22	-0.82%
1973	22.977	5.23%	6,813	4.86%	9,835	3.60%	1127	4.41%	2,200	5.87%	0.23	7.72%
1974	22.317	-2.87%	6,498	-4.63%	9,272	-5.72%	1172	3.96%	2,288	4.00%	0.36	54.69%
1975	23.106	3.54%	6,615	1.80%	9,340	0.73%	1217	3.86%	2,358	3.06%	0.40	10.11%
1976	24.685	6.83%	6,939	4.90%	9,690	3.75%	1249	2.62%	2,483	5.30%	0.41	4.09%
1977	26.485	7.29%	7,286	5.00%	10,077	3.99%	1322	5.88%	2,649	6.69%	0.43	4.44%
1978	28.605	8.00%	7,621	4.60%	10,445	3.65%	1427	7.94%	2,743	3.55%	0.44	1.64%
1979	29.511	3.17%	7,579	-0.54%	10,307	-1.32%	1534	7.48%	2,969	8.24%	0.69	57.50%
1980	28.765	-2.53%	7,118	-6.09%	9,611	-6.75%	1607	4.75%	3,092	4.14%	1.25	81.05%
1981	29.487	2.51%	7,130	0.17%	9,579	-0.33%	1615	0.49%	3,219	4.11%	1.40	11.96%
1982	30.744	4.26%	7,353	3.13%	9,831	2.63%	1590	-1.53%	3,214	-0.16%	1.29	-7.98%
1983	31.965	3.97%	7,595	3.28%	10,114	2.87%	1564	-1.61%	3,256	1.31%	1.23	-4.13%
1984	33.459	4.67%	7,867	3.59%	10,450	3.33%	1623	3.77%	3,328	2.21%	1.20	-2.33%
1985	34.308	2.54%	7,958	1.15%	10,553	0.98%	1685	3.82%	3,422	2.82%	1.20	-0.17%
1986	35.152	2.46%	8,073	1.45%	10,688	1.28%	1741	3.30%	3,569	4.30%	0.98	-18.14%
1987	37.207	5.85%	8,426	4.38%	11,129	4.13%	1805	3.66%	3,768	5.58%	1.01	2.87%
1988	40.101	7.78%	8,908	5.72%	11,738	5.47%	1897	5.12%	3,876	2.87%	1.02	0.63%
1989	42.494	5.97%	9,222	3.52%	12,128	3.32%	1992	4.99%	4,007	3.38%	1.13	10.90%
1990	43.934	3.39%	9,266	0.48%	12,207	0.65%	2104	5.63%	4,219	5.29%	1.33	17.70%
1991	45.536	3.65%	9,312	0.49%	12,295	0.72%	2160	2.69%	4,293	1.75%	1.22	-8.27%
1992	47.858	5.10%	9,564	2.71%	12,654	2.92%	2201	1.90%	4,448	3.61%	1.24	1.64%
1993	47.965	0.22%	9,362	-2.11%	12,407	-1.95%	2237	1.60%	4,480	0.72%	1.19	-4.03%
1994	47.025	-1.96%	9,014	-3.71%	11,951	-3.68%	2280	1.93%	4,512	0.71%	1.26	5.88%
1995	48.430	2.99%	9,109	1.05%	12,071	1.01%	2332	2.29%	4,581	1.53%	1.28	1.59%
1996	49.323	1.84%	9,119	0.10%	12,070	-0.01%	2371	1.67%	4,587	0.13%	1.32	3.13%
1997	50.206	1.79%	9,128	0.10%	12,064	-0.05%	2465	3.96%	4,701	2.49%	1.20	-9.09%
1998	51.482	2.54%	9,225	1.06%	12,149	0.71%	2558	3.80%	4,847	3.11%	1.10	-8.33%
1999	52.303	1.59%	9,248	0.25%	12,130	-0.16%	2622	2.48%	4,930	1.71%	1.43	30.00%
2000	53.319	1.94%	9,335	0.94%	12,173	0.35%	2683	2.32%	5,195	5.38%	1.59	11.19%
2001	53.829	0.96%	9,304	-0.33%	12,086	-0.71%	2716	1.23%	5,256	1.17%	1.37	-13.84%
2002	54.201	0.69%	9,273	-0.34%	11,994	-0.76%	2665	-1.85%	5,422	3.16%	1.56	13.87%
2003	54.890	1.27%	9,310	0.40%	11,989	-0.04%	2655	-0.40%	5,472	0.92%	1.79	14.74%
2004	55.331	0.80%	9,284	-0.28%	11,910	-0.66%	2673	0.71%	5,645	3.16%	2.12	18.44%
2005	55.585	0.46%	9,199	-0.91%	11,764	-1.22%	2737	2.39%	5,720	1.33%	2.67	25.94%
2006	55.989	0.73%	9,094	-1.14%	11,600	-1.39%	2821	3.04%	5,832	1.96%	2.64	-1.12%
2007	56.739	1.34%	9,058	-0.40%	11,528	-0.62%	2897	2.70%	5,912	1.37%	2.88	9.09%
2008	56.309	-0.76%	8,854	-2.25%	11,238	-2.52%	2960	2.19%	6,161	4.21%	3.34	15.97%
2009	56.013	-0.53%	8,702	-1.72%	11,013	-2.01%	2900	-2.04%	6,030	-2.13%	2.83	-15.39%
2010	56.006	-0.01%	8,619	-0.95%	10,873	-1.27%	2785	-3.97%	5,950	-1.32%	2.93	3.59%
2011	55.896	-0.20%	8,518	-1.18%	10,716	-1.44%	2798	0.48%	6,105	2.61%	3.38	15.47%
2012	55.896	0.00%	8,423	-1.11%	10,582	-1.25%	2848	1.81%	6,202	1.59%	4.00	18.31%
2013	56.794	1.61%	8,446	0.27%	10,603	0.20%	2916	2.36%	6,324	1.96%	4.14	3.48%
2014	57.239	0.78%	8,404	-0.50%	10,547	-0.53%	2945	1.00%	6,423	1.58%	4.22	2.01%
2015	57.773	0.93%	8,379	-0.30%	10,511	-0.34%	2974	1.00%	6,522	1.53%	4.22	0.04%
2016	58.197	0.73%	8,338	-0.49%	10,457	-0.52%	3004	1.00%	6,620	1.51%	4.32	2.41%
2017	58.648	0.77%	8,303	-0.42%	10,409	-0.46%	3034	1.00%	6,720	1.51%	4.41	2.01%
2018	59.136	0.83%	8,276	-0.32%	10,372	-0.36%	3064	1.00%	6,818	1.46%	4.46	1.14%
2019	59.579	0.75%	8,245	-0.38%	10,324	-0.46%	3095	1.00%	6,920	1.50%	4.57	2.37%
2020	59.981	0.67%	8,211	-0.41%	10,275	-0.47%	3126	1.00%	7,020	1.44%	4.71	3.05%
2021	60.440	0.76%	8,187	-0.29%	10,239	-0.35%	3148	0.70%	7,118	1.40%	4.70	-0.24%
2022	60.828	0.64%	8,157	-0.36%	10,190	-0.48%	3170	0.70%	7,219	1.41%	4.76	1.28%
2023	61.492	1.09%	8,171	0.17%	10,190	0.00%	3192	0.70%	7,319	1.39%	4.57	-3.96%
2024	61.922	0.70%	8,155	-0.20%	10,152	-0.36%	3214	0.70%	7,418	1.36%	4.59	0.53%
2025	62.391	0.76%	8,145	-0.12%	10,118	-0.34%	3237	0.70%	7,523	1.41%	4.59	0.07%
2026	62.871	0.77%	8,137	-0.10%	10,085	-0.32%	3260	0.70%	7,628	1.40%	4.59	-0.03%
2027	63.349	0.76%	8,142	0.07%	10,055	-0.30%	3282	0.70%	7,732	1.37%	4.59	0.00%
2028	63.589	0.38%	8,118	-0.30%	9,991	-0.63%	3305	0.70%	7,835	1.32%	4.80	4.43%
2029	64.017	0.67%	8,116	-0.02%	9,960	-0.32%	3329	0.70%	7,936	1.30%	4.84	0.81%
2030	64.450	0.68%	8,118	0.03%	9,929	-0.31%	3352	0.70%	8,039	1.30%	4.87	0.81%
2031	64.890	0.68%	7,931	-2.30%	9,899	-0.30%	3375	0.70%	8,144	1.30%	4.91	0.80%

<sup>1</sup>Forecast 2010-2013 from Economic and Revenue Forecast Council's June 2011 Forecast  
Forecast 2014-2030 extended based on OFM forecast growth rate May 2011

<sup>2</sup>Forecast 2010-2031 from Transportation Revenue Forecast Council's June 2011 Forecast

<sup>3</sup>Forecast 2010-2031 from Transportation Revenue Forecast Council's June 2011 Forecast