

E-ZPass grows despite its \$1 monthly fee

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In the first month after New Jersey announced it would impose a new fee for E-ZPass customers, about 1,000 motorists reacted by dropping out of the system, officials said yesterday.

But state Transportation Commissioner Jamie Fox yesterday brushed aside the cancellations, pointing out that the growing number of new customers far exceeded the losses for a program that has enrolled more than 1 million drivers.

The new \$1 monthly charge, which will generate about \$12 million a year, was one of the highlights of Gov. James E. McGreevey's plan for closing the gaping E-ZPass deficit, projected at \$469 million by 2008.

The state began assessing the fee in September and electronic toll customers have been getting their first formal notices of the new charge in the E-ZPass account statements sent out over the past two weeks.

Attached to the account statements is a letter from Fox in which he acknowledges the problems that have plagued the E-ZPass system, such as bogus violations and a bankrupt contractor. Fox promises customers he will clear up the mess and provide significant improvements to the system, including the creation of special toll plazas on the Garden State Parkway through which E-ZPass users will be able to drive at highway speeds.

"We believe that by being honest with people about what it costs to operate the system, there's added confidence in what we're doing," Fox said. "I think people are willing to pay for a better product."

Not everyone is buying into the new fee.

"Here we are helping the flow of traffic and they're going to charge us more

Toll system grows despite monthly fee

money," said Carole Leone of Edison, who plans to drop out of the program. "That's not fair."

"Now they're asking for a dollar, but you watch; next year they're going to ask for more," Leone added. "I have no intention of paying any more money to drive the Parkway. Whether it's convenient or not, I'll wait in line with everyone else."

Leone, like several other drivers who said they would quit E-ZPass because of the fee, is retired and does not have to endure the frustra-

tions of daily commuting on the state's crowded toll roads.

From July 15 — days after the new fee was announced — until Aug. 15, Fox said 1,800 people closed their E-ZPass accounts. During a typical month, there are about 800 cancellations, he said.

Over that same time period, drivers opened about 35,000 new accounts, or about 7,000 more than an average month, officials said.

More recently, the rate of cancellations has fallen, according to statistics provided by the state. From Sept. 23, when the state began sending out the notices about the new fee, through Oct. 1, 166 people quit E-ZPass, while 5,598 new customers signed up.

Many motorists say they are willing to pay the extra dollar per month so they can keep on zipping through tollbooths, right past the

cash-paying drivers waiting in long lines.

"I don't like the idea of them charging any more, but it's so convenient I'll pay it without objecting too much," said Ed Toner of Brick. "After all, what's a buck anymore."

"The way I look at it, I save that much in gas in a week not having to sit in line at the tolls," said Cranston Van Bloem of Oceanport.

The \$1 monthly fee is the first of two incremental cost increases affecting New Jersey's E-ZPass customers this fall. In November, the Parkway plans to eliminate its E-ZPass discount, which saved motorists 2 cents on the 35-cent toll during peak periods and 5 cents off-peak.

Scrapping the Parkway discount is supposed to produce about \$13 million a year in extra revenue, another component in the Governor's plan to resolve the system's deficit.

The program's financial problems forced the New Jersey Turnpike Authority last week to funnel an extra \$30 million into the E-

ZPass fund, which had run so low there was not enough money to pay the new contractor to continue fixing the system.

The E-ZPass fund, which had started with \$300 million in 1998, had dwindled to \$15 million. The \$30 million will go toward paying ACS State and Local Government Solutions to fix the equipment malfunctions in the tollbooths and to merge the program's customer service and violations centers.

Some transportation experts thought the new fee might prompt an exodus of New Jersey residents to the New York system, where there is no surcharge. The transponders from either program can be used on the region's toll roads.

But statistics provided by the Port Authority of New York and New Jersey show no change in the number of New Jersey residents signing for New York E-ZPass accounts.

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