June 2021 Ridership and Fare Revenue Forecasts

Washington State Ferries

RAY DEARDORF, SENIOR PLANNING MANAGER
Washington State Transportation Commission Meeting
July 20, 2021
Presentation Outline

• Update on WSF service, ridership and fare revenues
• Results of this forecast cycle
• Next forecast update – September
Current Status of Service

Current Status (2nd week of July)

• No service between Anacortes and Sidney, B.C.
• San Juan Islands on peak season schedule, reduced morning
• Two routes on reduced service – Fauntleroy/Vashon/Southworth on Sundays, and no second vessel at Port Townsend
• Restoration of reduced service still subject to:
  ➢ Vessel availability
  ➢ Crewing availability
  ➢ Ridership
  ➢ Budget
WSF Ridership Since COVID-19

2020-2021 WSF Ridership: All Routes

- **Total Riders**
- **Vehicles**
- **Walk-ons**
- **Holiday**

**Key Events:**
- Jan 11: Phase 1: Statewide
- Feb 11: Phase 2 for all ferry counties
- Feb 21: Phase 2 for Puget Sound & West regions
- Mar 25: Severe Weather Service
- Apr 1: P&V 5-boat service resumes
- Apr 30: State opens
- May 28: Phase 3 Statewide
- Jun 4: Phase 4: “Phase”
- Jun 11: Phase 5 Statewide
- Jul 1: Phase 7: Statewide

**Notes:** Preliminary data. Ridership is estimated based on fares paid.
Fare Revenue and Ridership Performance

Comparison of March 2021 through June 2021 Actuals to March 2020 Forecasts

<table>
<thead>
<tr>
<th>Ridership</th>
<th>March Forecast</th>
<th>Actual</th>
<th>Difference</th>
<th>% Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>March</td>
<td>1.20 million</td>
<td>1.25 million</td>
<td>+0.05 million</td>
<td>+3.7%</td>
</tr>
<tr>
<td>April</td>
<td>1.19 million</td>
<td>1.45 million</td>
<td>+0.26 million</td>
<td>+22.1%</td>
</tr>
<tr>
<td>May</td>
<td>1.41 million</td>
<td>1.62 million</td>
<td>+0.20 million</td>
<td>+14.3%</td>
</tr>
<tr>
<td>June*</td>
<td>1.59 million</td>
<td>1.76 million</td>
<td>+0.17 million</td>
<td>+10.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenue</th>
<th>March</th>
<th>Actual</th>
<th>Difference</th>
<th>% Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>March</td>
<td>$11.15 million</td>
<td>$12.17 million</td>
<td>+$1.02 million</td>
<td>+9.2%</td>
</tr>
<tr>
<td>April</td>
<td>$11.03 million</td>
<td>$13.77 million</td>
<td>+$2.75 million</td>
<td>+24.9%</td>
</tr>
<tr>
<td>May</td>
<td>$14.87 million</td>
<td>$17.22 million</td>
<td>+$2.36 million</td>
<td>+15.8%</td>
</tr>
<tr>
<td>June</td>
<td>$16.45 million</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
</tbody>
</table>

* Month of June actual ridership was 1.4% (0.03 million) lower than the most recent June 2021 Forecast for the month of June
WSF Ridership and Fare Revenue Forecasts
June vs March 2021

- WSF uses complex econometric models to forecast ridership and fare revenues by route and fare category
- Forecasts are updated quarterly for adoption by the Transportation Revenue Forecast Council
- The June 2021 baseline forecast was higher than the March 2021 forecast in the current and subsequent biennia
- Many uncertainties remain about the duration and intensity of the COVID-19 pandemic impacts and the return to a “new normal”

<table>
<thead>
<tr>
<th>Biennium</th>
<th>June Forecast</th>
<th>March Forecast</th>
<th>Difference</th>
<th>% Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 / 21 Biennium</td>
<td>$322.35 million</td>
<td>$314.79 million</td>
<td>+$7.56 million</td>
<td>+2.4%</td>
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<tr>
<td>2021 / 23 Biennium</td>
<td>$394.32 million</td>
<td>$381.88 million</td>
<td>+$12.45 million</td>
<td>+3.3%</td>
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</tbody>
</table>
WSF Ridership and Fare Revenue Forecasts
June 2021 vs Feb. 2020

• The June 2021 baseline forecast remains lower than the pre-pandemic February 2020 forecast for the current and subsequent biennia.

• Many uncertainties remain about the duration and intensity of the COVID-19 pandemic impacts and the return to a “new normal”.

• The February 2020 baseline revenue forecast level of $436 million for the 2021 / 23 biennium is not reached under the June 2021 baseline forecast until the four years later in the 2025 / 27 biennium.

<table>
<thead>
<tr>
<th>Biennium</th>
<th>June Forecast</th>
<th>Pre-Pandemic Feb. Forecast</th>
<th>Difference</th>
<th>% Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 / 21 Biennium Fare Revenues</td>
<td>$322.35 million</td>
<td>$416.22 million</td>
<td>–$93.87 million</td>
<td>–22.6%</td>
</tr>
<tr>
<td>2021 / 23 Biennium Fare Revenues</td>
<td>$394.32 million</td>
<td>$435.73 million</td>
<td>–$41.41 million</td>
<td>–9.5%</td>
</tr>
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Total Ferry Ridership Demand: June 2021 vs March 2021 Forecasts

Historical Ridership

FY 2019: 24.3 M
FY 2020: 19.4 M
FY 2021: 15.4 M

WSF Projections

FY 2021 Forecast: 20.1 M
FY 2022 Forecast: 23.0 M
FY 2023 Forecast: 23.9 M
FY 2024 Forecast: 24.2 M
FY 2025 Forecast: 24.5 M
FY 2026 Forecast: 24.8 M
FY 2027 Forecast: 25.1 M
FY 2028 Forecast: 25.4 M
FY 2029 Forecast: 25.4 M

March 2021 Ridership Forecast

FY 2021: 19.3 M
FY 2022: 22.8 M
FY 2023: 23.9 M
FY 2024: 24.2 M
FY 2025: 24.5 M
FY 2026: 24.8 M
FY 2027: 25.1 M
FY 2028: 25.4 M
FY 2029: 25.4 M

June 2021 Ridership Forecast

FY 2021: 19.3 M
FY 2022: 22.8 M
FY 2023: 23.9 M
FY 2024: 24.2 M
FY 2025: 24.5 M
FY 2026: 24.8 M
FY 2027: 25.1 M
FY 2028: 25.4 M
FY 2029: 25.4 M
Total Ferry Revenues: June 2021 vs March 2021 Forecasts
Next Forecast – September 2021

• Actual ridership and fare revenue through August
• Updated population, employment and other economic variables
• Legislature’s 21-23 budget in place
• Transportation Commission’s ferry fare proposal will become Baseline
• More clarity on COVID impacts and 2021 service levels
Questions?

For more information on the WSF June Ridership and Fare Revenue Forecasts, please contact:

Ray Deardorf, Senior Planning Manager
(206) 719-6468 or Deardorf@wsdot.wa.gov