

# APPLYING MOBILITY PRICING INSTRUMENTS TO OPTIMIZE TRAFFIC AND TRANSPORT



TECHNISCHE  
UNIVERSITÄT  
DARMSTADT

travel demand management 2008

M.Sc. Dipl.-Log. (FH) Nadine Roth | Semmering, July 2008



www.globaltelematics.com



FGVV: Niagara  
on the Lake, 1999.



FGVV: London 2007.



www.veerus.com



FGVV:  
Hannover 2000.



FGVV: London 2007.

This presentation is based on a study financed by the ivm GmbH.

# INTRODUCTION

## Introduction

Mobility Pricing comprises all the instruments by which a user must pay for his potential and realized mobility in passenger and freight traffic.

These expenditures can incur in form of charge fees, duties, taxes, tolls, insurance rates, or purchase prices.

|                          |                           |                         |                      |
|--------------------------|---------------------------|-------------------------|----------------------|
| congestion charge        | fuel taxes                | trängselskatt           | monthly ticket       |
| public transport tariffs |                           | road toll               | Toll Collect         |
| BahnCard                 | Schönes-Wochenende-Ticket | object pricing          |                      |
|                          | Péage                     | city toll               | parking fees         |
| LSVA                     | value pricing             | infrastructure charging | best-price procedure |
| motor vehicle tax        | tollway permit sticker    | commuter tax relief     | Pickerl              |

# AGENDA

## Introduction

1 1

## Goals of Mobility Pricing

2 2

## Categorization of Instruments

3 3

## Effects and Requirements

4 4

## Conclusion

5 5

# GOALS OF MOBILITY PRICING

|                           | Goals                                     |                          |
|---------------------------|---|--------------------------|
|                           | <b>Strategic Goals</b>                    | <b>Operational Goals</b> |
| <b>Traffic Management</b> | Mobility Needs                            | Traffic Avoidance        |
|                           | Traffic Safety                            | Traffic Shift            |
| <b>Financing</b>          | Efficiency                                | temporally               |
|                           | Natural Resources / Environmental Impacts | spatially                |
|                           | Acceptance                                | modally                  |
|                           | Concept for Funding                       | Traffic Control          |
|                           | Public Budget                             | route choice             |
|                           |   | product choice           |
|                           |   | Adjustment               |
|                           |   | Shifting                 |
|                           |   | Charging                 |

# CATEGORIZATION OF MOBILITY PRICING INSTRUMENTS

## Categorization

Why are charges imposed?

▶ **Goals of Mobility Pricing**

For what are charges imposed?

▶ **Object of Pricing**

On what basis are charges imposed?

▶ **Differentiation of Pricing (Tariff)**

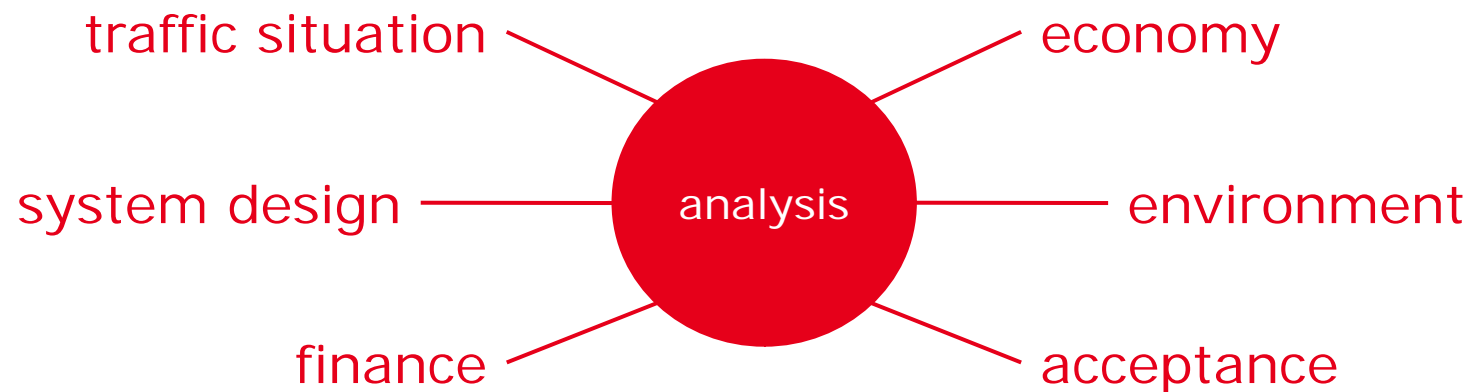
By which means are charges imposed?

▶ **Other Aspects**

# ANALYSIS OF EFFECTS AND REQUIREMENTS

A differentiation is suggested between

- direct (modal) effects,
- intermodal effects,
- financial dependent effects.



# TRAFFIC SITUATION (1)

**Mobility Pricing can change mobility behaviour.**

The **traffic volume** can be influenced according to the set goals.



traffic avoidance



route selection



choice of travel time



choice of traffic means



destination choice



product choice

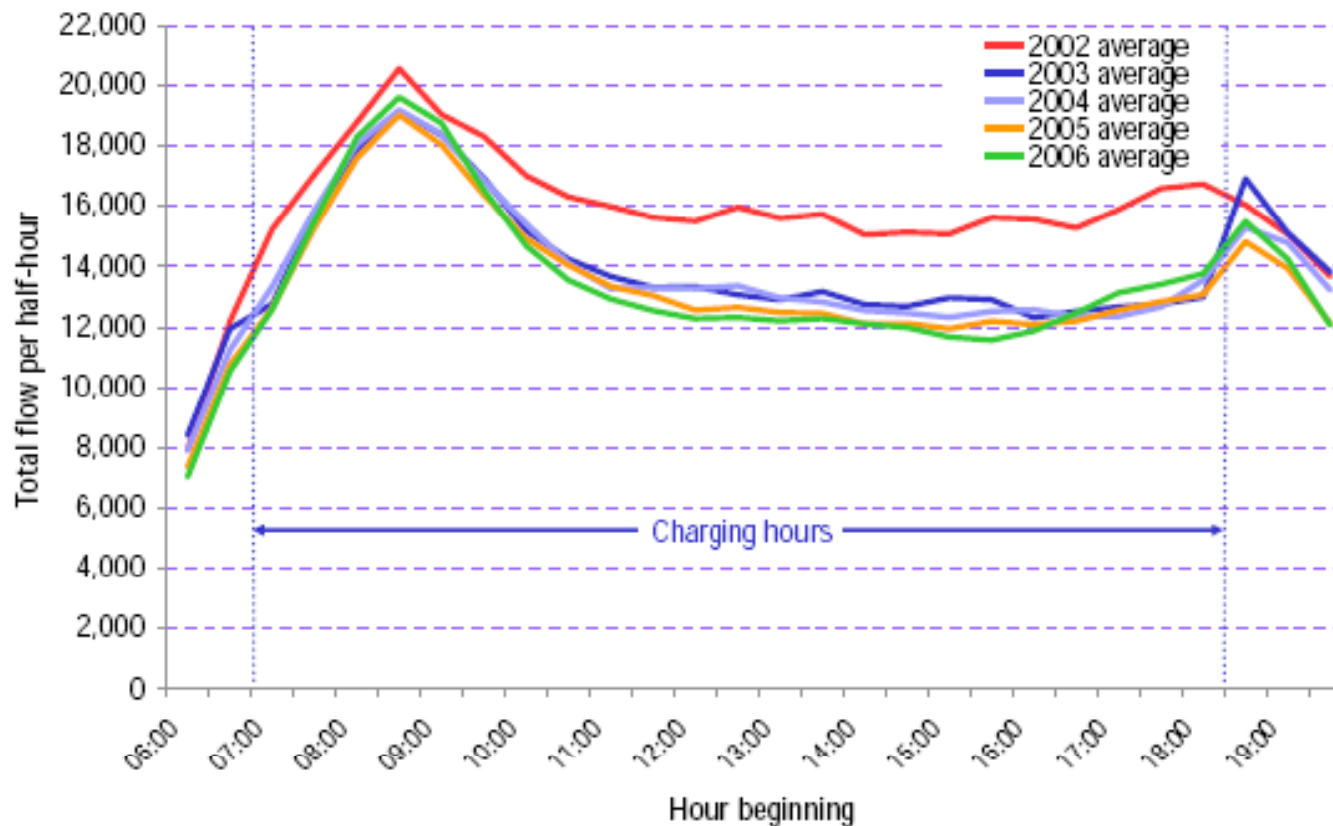


# TRAFFIC SITUATION (2)

## Effects

### Case Study London: Reduction of the traffic flow

Traffic entering the charging zone by time of day [all vehicles]



Quelle: TfL: Central London Congestion charging. Impacts monitoring. Fifth Annual Report. Juni 2007.

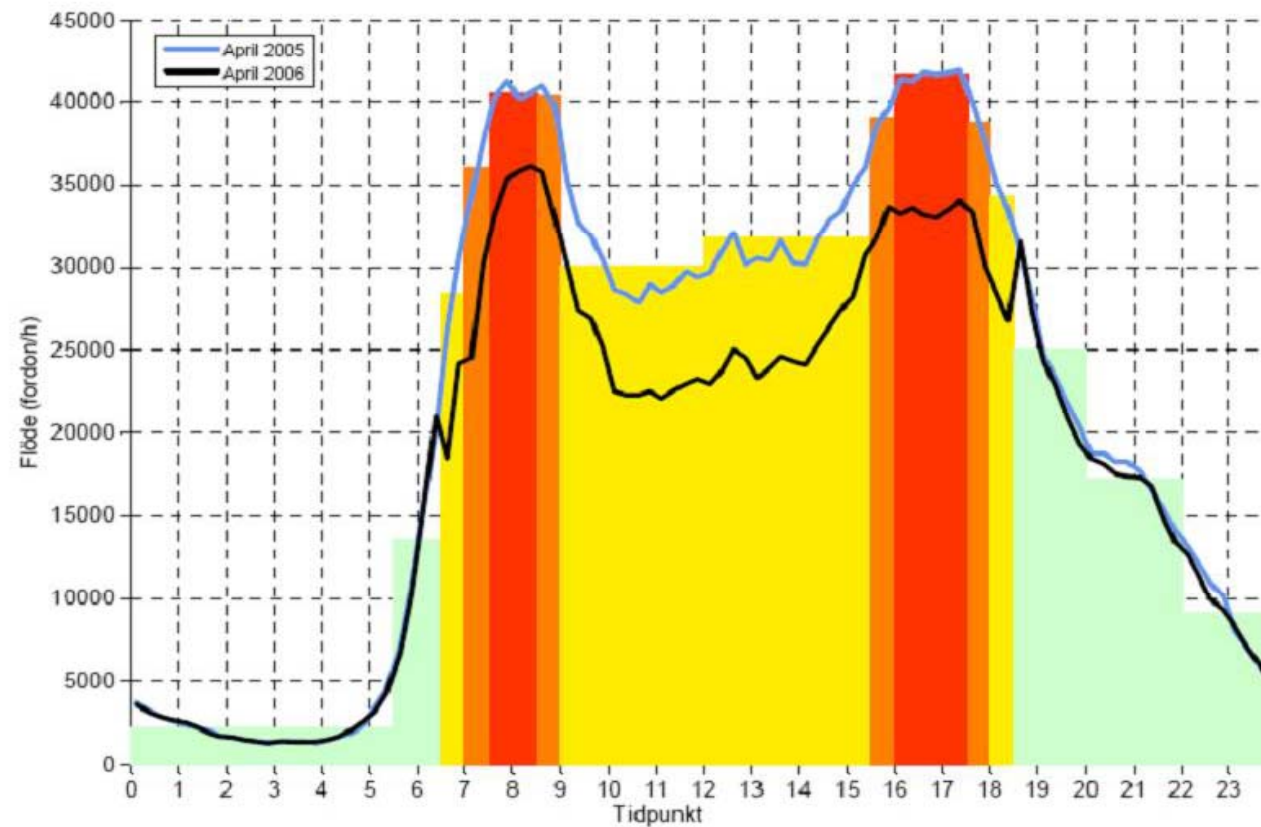


# TRAFFIC SITUATION (3)

Effects

## Case Study Stockholm: Influence on time choice for travel

Traffic passing in and out of the inner city [vehicles/hour]



Temporally differentiation of fees:

- charge-free
- SEK 10
- SEK 15
- SEK 20

Quelle: Stad Stockholm: Evaluation of the Effects of the Stockholm Trial in Road Traffic. 2006

## TRAFFIC SITUATION (4)

**Mobility Pricing can change mobility behavior.**

The **traffic volume** can be influenced according to the set goals.

A range of potential improvements of the **traffic situation** and **traffic quality** arise from these opportunities to influence traffic volumes.

Obstructing the traffic flow through **technical processing** can be nearly completely avoided.

The effectiveness of mobility pricing instruments depends strongly on their **design** and on the circumstances of application.

## TRAFFIC SITUATION (5)

**Mobility Pricing** can change mobility behaviour.

Available possibilities to **avoid** the pricing will be used.

Mobility **obstructions** can (and should be) avoided.

**Holistic Solutions** are important.

Gathered **information** can be used for other purposes, subject to privacy regulations.

The requirements of a **goal-oriented** price design arise from the above described effects.

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# ECONOMY



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Effects

Mobility Pricing can affect the economy positively as well as negatively.

The **traffic sector** can be significantly influenced.

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The **location quality** for industry can be influenced.

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# ENVIRONMENT



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Effects

**Mobility Pricing can contribute to an improvement to the environmental quality.**

**Noise** and **pollution** can be influenced.

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The **cityscape** and **living quality** can be influenced.

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The **spatial utilization** can be influenced.

# ACCEPTANCE

## Mobility Pricing needs sufficient acceptance.

A sufficient acceptance can be reached for **drastic measures**, as well.

The acceptance by the general public is influenced by different **stakeholder groups**.

The acceptance depends largely on the **design** of the mobility pricing scheme.

- fairness
- noticeable improvement
- clear reference to the problem
- earmarking
- measures as a package
- compensation measures
- simplicity
- sufficient information and communication
- transparency
- knowledge of instruments

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# FINANCING



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Effects

Mobility Pricing needs an integrated financial consideration.

Next to the business effects, **overall economic effects** also emerge.

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There is an overall **correlation** between all the instruments of mobility pricing.

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Revenue situations and **finance systems** can be changed considerably.



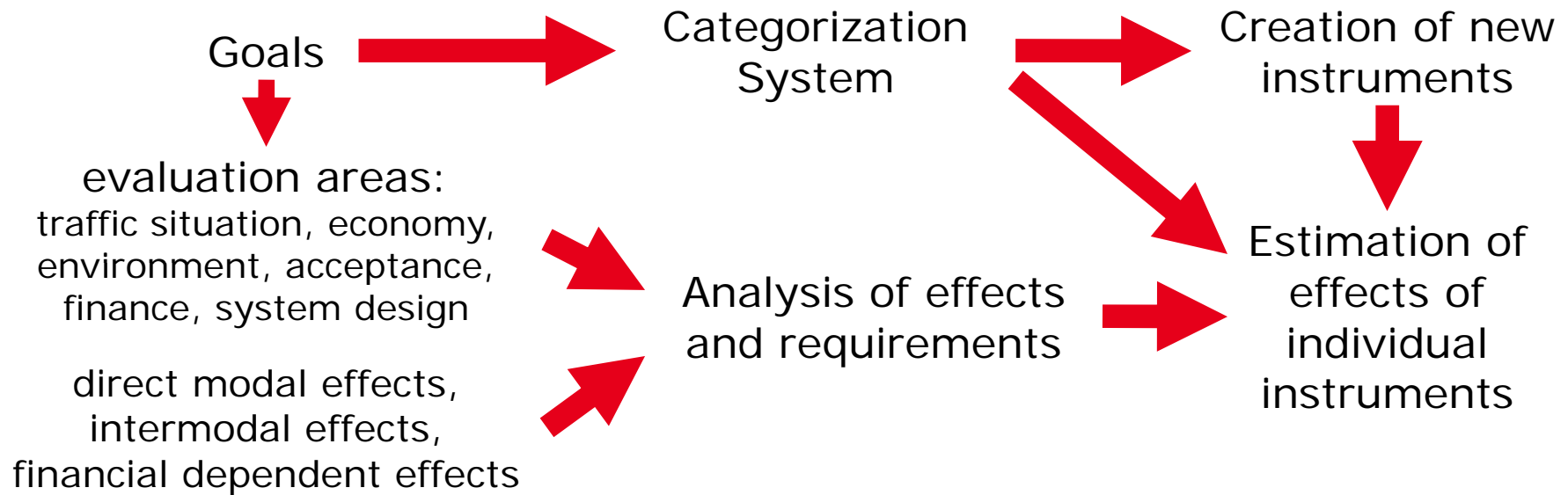
## Mobility Pricing needs instruments designed in a goal-oriented way.

Principle decisions for mobility pricing should be directed towards the **pursued goals** as opposed to modifying the goals to fit within current technology.

The **starting point** for the technical system design must be the overall goals and requirements.

- discrimination aspects
- safety aspects
- reliability
- interoperability
- integration in a overall architecture
- organizational-institutional qualifications
- legal possibility

# CONCLUSION



# CONCLUSION

Mobility pricing instruments clearly offer more **chances** than risks.

An objective and substantiated **discussion** also of new instruments appears to be not only desirable but absolutely **necessary**, in terms of a sustainable design of our traffic and transport systems.



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## Thank you for your attention.



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