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# Congestion costs: from definitions to implementation

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#### Introduction

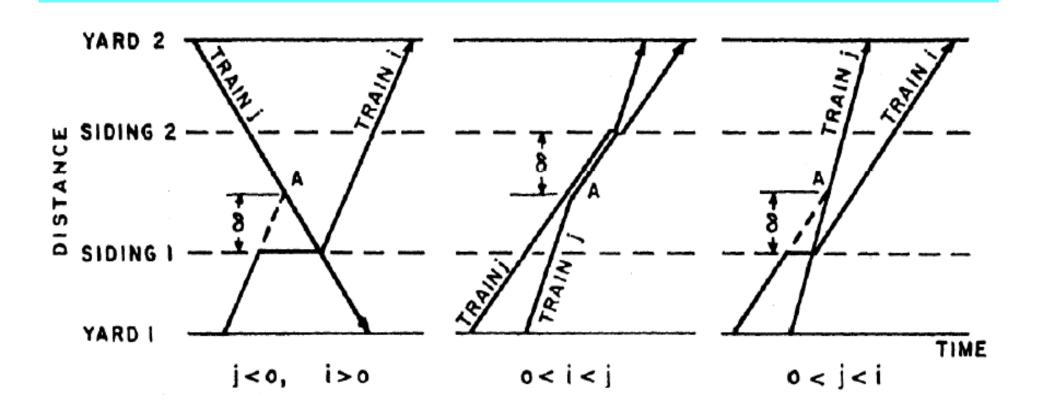
- A lot of academic papers on road congestion
- But less on rail congestion
- Rail is not an open network, access is subject to an *ex ante* planning, a graph has to be drawn by the planners (i.e. engineer's issue)
- But there is also an *ex post* congestion, due to the fact that the graph is a trade-off between different objectives. Assessment of this congestion cost is an economist's issue

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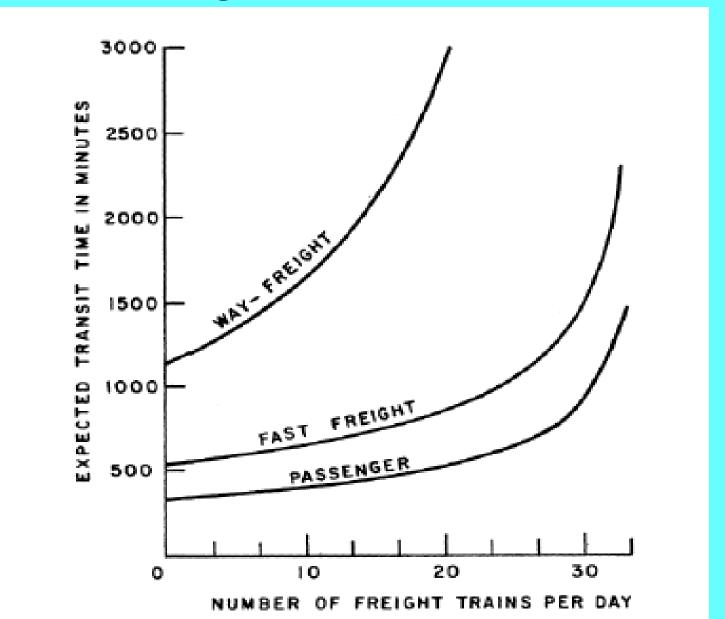
- 1) Saturation an graph design: the "ex ante" congestion
  - Rail and technical saturation
  - From technical to commercial saturation

 2) "Ex post" congestion and implementation of congestion costs

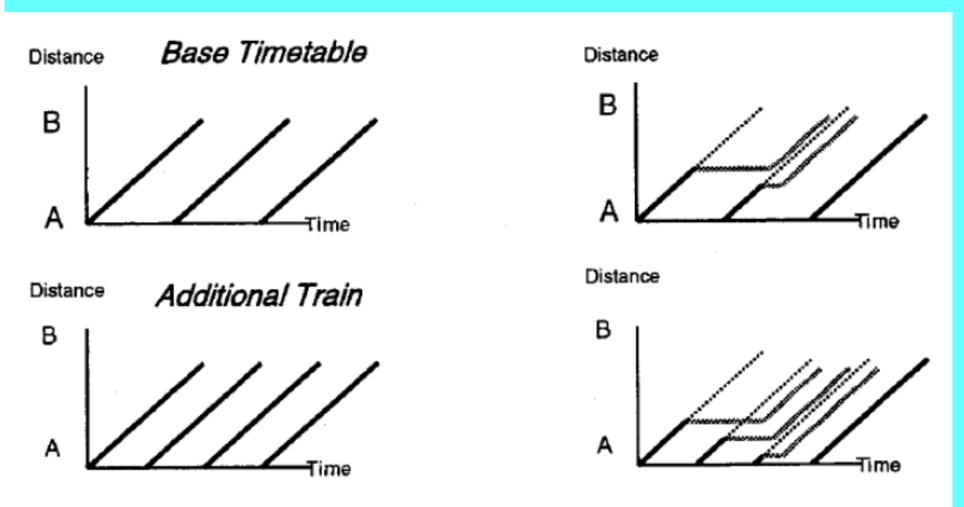
### Interference delays (Petersen 1974)



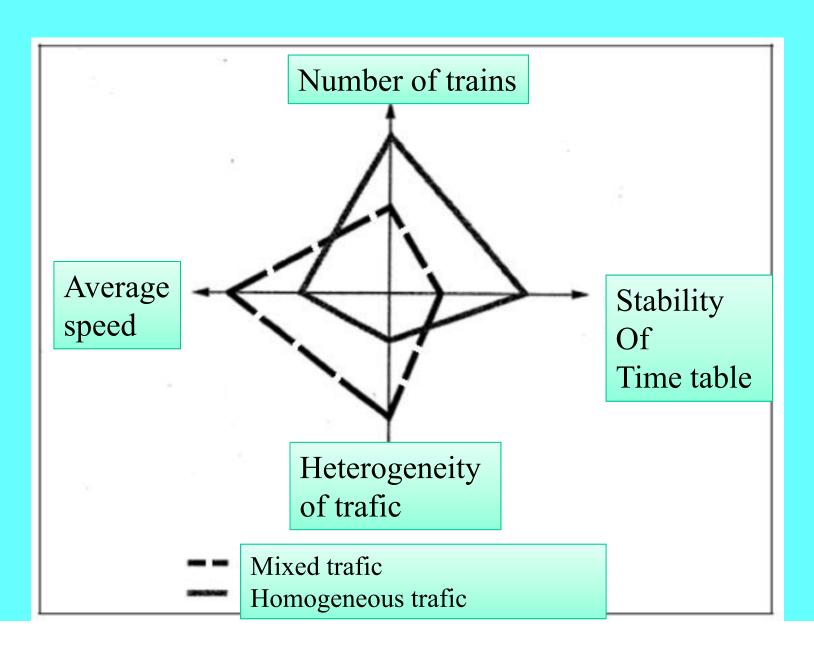
## Rail congestion (Petersen 1974)



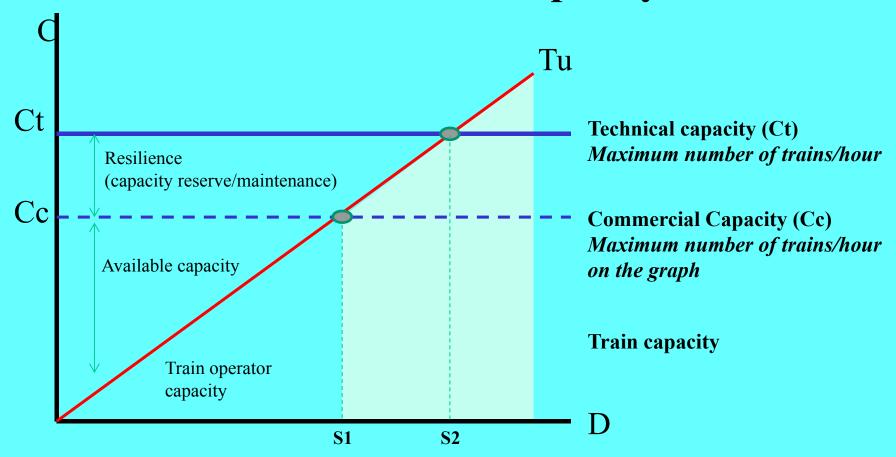
# From exogeneous delay to reactionary delay (Gibson 2002)



#### Which trade-offs?



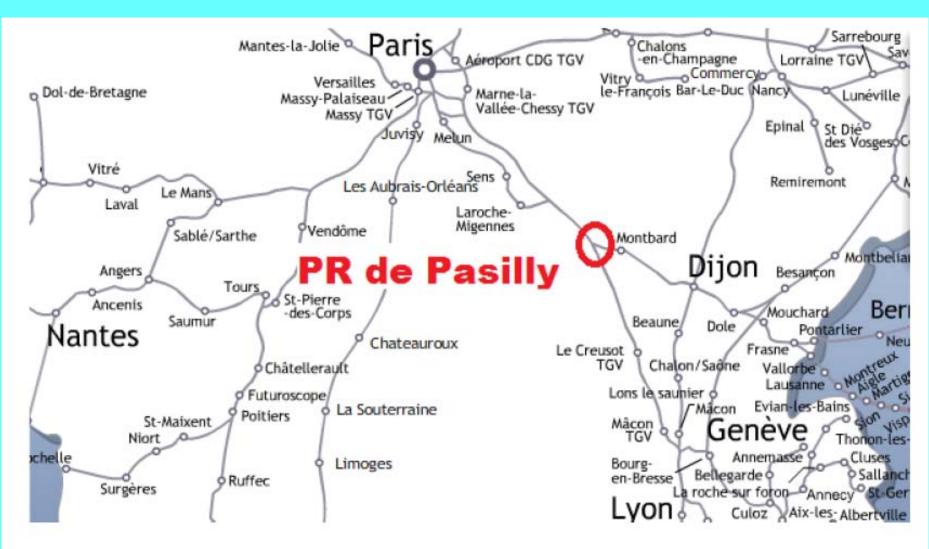
#### A first trade-off between capacity and resilience



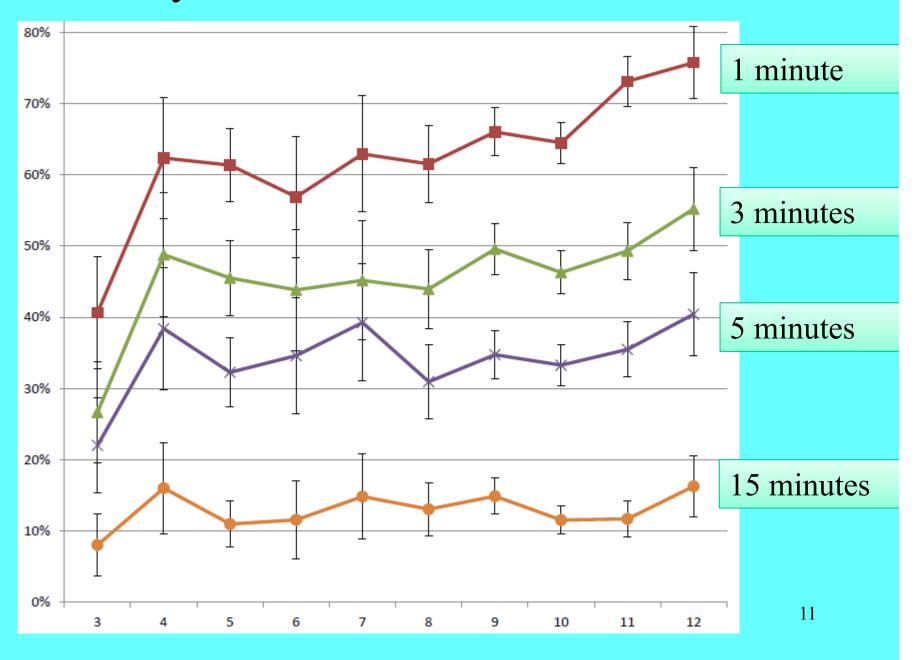
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- 1) Saturation an graph design: the "ex ante" congestion
- 2) "Ex post" congestion and implementation of congestion costs
  - Observed delays on Paris-Lyon line
  - Assessments of congestion costs on Paris-Lyon

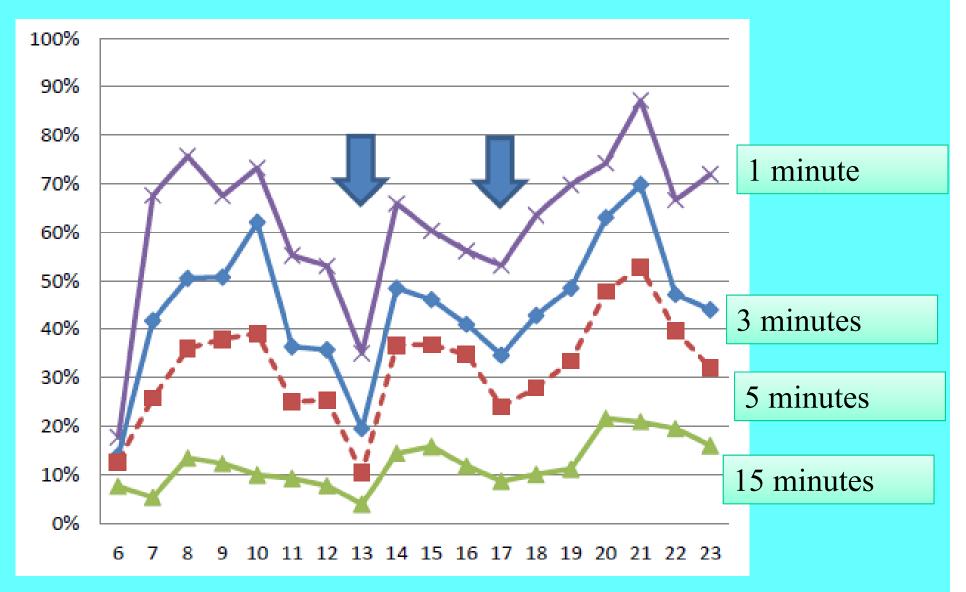
# Observed delays on Paris-Lyon line March 2010 (2 x 4000 trains)



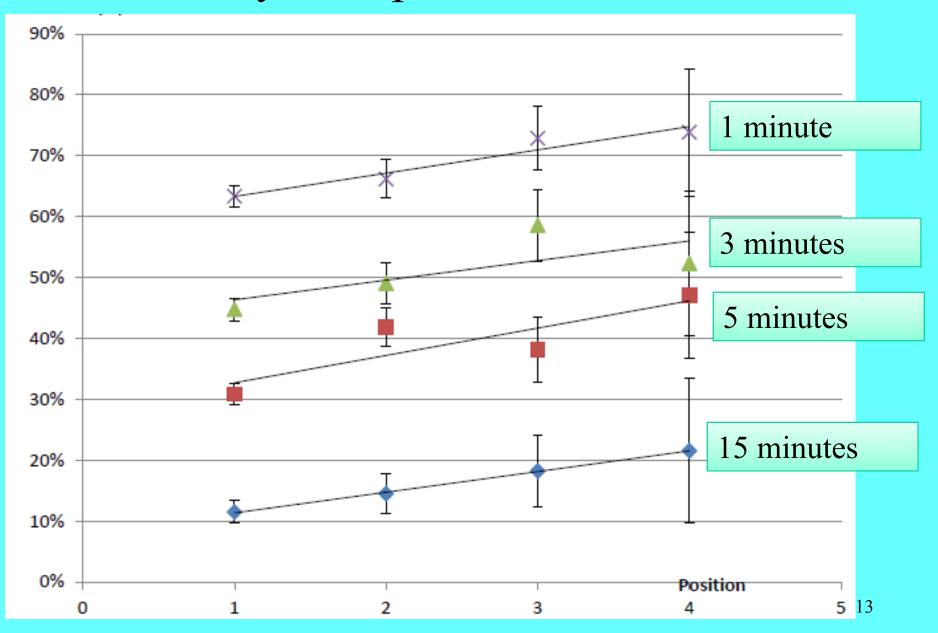
### Delays and number of trains/hour



### Delays and daily cycle



### Delays and position of the train



## Congestion costs (1)

	Methodology # 1		
Scenario	Low	Median	High
Nbre of passengers	1 416 667	1 666 667	1 916 667
Yearly nbre of passengers	17	20	23
Ratio 2 <sup>nd</sup> class/1 <sup>st</sup> class	85/15	70/30	60/40
Total cost (Million euros 2012)	3,1	6,6	11,2
Total cost with penibility	4,7	9,9	16,8
Cost / train-kilometre (2012)	1,2	2,6	4,5
Cost per tr-km with penibility	1,9	4,0	6,9

## Congestion costs (2)

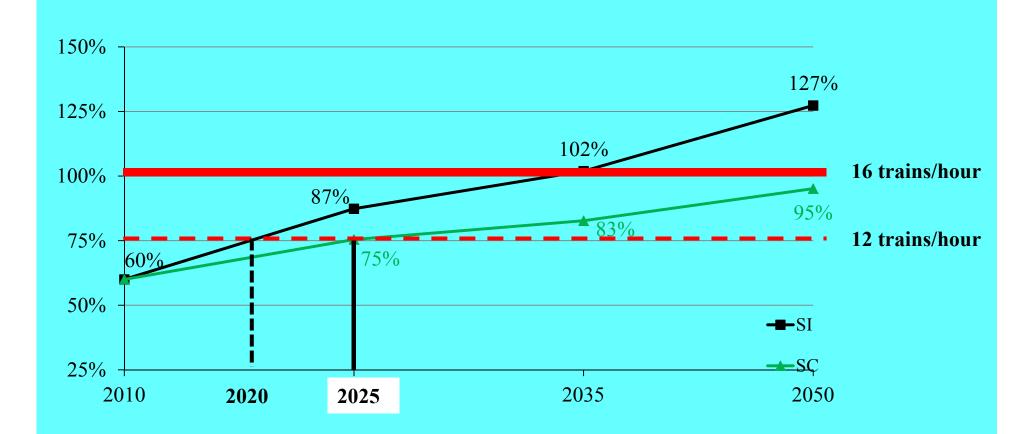
Scenario
Load factor
Nbre of passengers
Yearly nbre of passengers
Ratio 1st cass/2nd class
Total cost (Million euros 2012
Total cost with penibility
Cost / train-kilometre (2012)
Cost per tr-km with penibility

Methodology # 2			
Low	Median	High	
65%	75%	85%	
1 414 670	1 622 929	1 832 259	
17,0	19,5	22	
85/15	70/30	60/40	
5,5	9,4	14,0	
8,4	14,1	20,8	
2,2	3,7	5,6	
3,4	5,7	8,5	

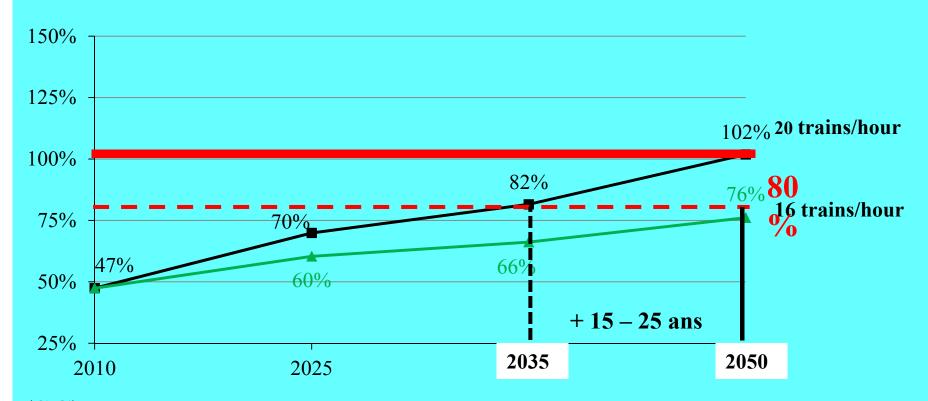
# Congestion costs (3) euro/train-km

Scenario	<b>low</b>	Median	High
Off peak hour	1,2	2,0	3,0
Normal hour	1,6	2,6	3,9
Peak hour	2,1	3,5	5,2
Peak hour Friday and Sunday	4,6	7,7	11,2

#### Paris – Lyon: Traffic and saturation within 2050



#### PARIS – LYON: Traffic and saturation within 2050



(SC)

Capacity gain: +33%

**Cost:** infrastructure (255M€)

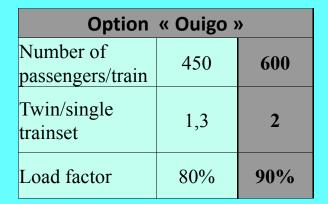
/ rolling stock (250M€)

« ERTMS 2 »		
Technical capacity	16	20
Resilience	75%	80%
Commercial capacity	12	16

#### PARIS – LYON: Traffic and saturation within 2050



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#### Conclusion

- *Ex post* congestion costs are rather high in comparison with infrastructure marginal cost (close to 2 euros/ train-km)
- Implementation of congestion costs would lead to a big variability of rail access charges during peak hours
- But some non expensive changes in train capacity or signaling system (ERTMS) can totally change the *ex ante* and therefore *ex post* congestion...
- The main issue is therefore the definition of incentives in favor of these changes