

**MINUTES OF JOINT SUBCOMMITTEE ON PRICING MEETING**  
**Washington, DC**  
**7:30 PM, January 15, 2003**

Patrick DeCorla-Souza opened the meeting with introductions and passing around a sign up sheet for check in and update. The minutes of the July meeting were approved.

**TRB Staff Report**

Claire Felbinger described the TRB reorganization, which she said should be an improvement for the Pricing Subcommittee because of greater representation on the Division A Council of like-minded committees. Next year, TRB will also limit sessions at the annual meeting to Monday through Wednesday, but meetings and workshops will still be OK on Thursday. While the shorter week will restrict the allocations of conference sessions, she said that the poster sessions do not count against allocations, so the subcommittee should not be affected.

This current meeting is large, with attendance over 10,000. The mid-year meeting will be in Portland, OR. It is combined with Marine Transportation and Ports, which will have the first three days, Sunday thru' Tuesday. The fourth day (Wednesday) will be overlap and Thursday and Friday will be the more normal summer meeting format. The dates are July 13-18, 2003. This is a prelude to the mega meeting in 2005, which will have more committees attending as an experiment for off-loading presentations to the summer. Claire noted that the 25-member limit for TRB Committees can be augmented with 2 members 30 or under and up to four additional foreign members. Canada doesn't count. Since our committee is a Sub-committee, however, we are allowed unlimited membership.

**Presentation on London's Congestion Charging Scheme**

Karen Aikens gave a brief presentation on the soon-to-be-implemented London congestion charging scheme. The scheme was actually supported by all but one of the mayoral candidates; it was not just Ken Livingston's idea. All revenues are to go to public transport for the first ten years, primarily to buses in the beginning. There have been some practical and political compromises—flat fee, discounts, and exemptions. The scheme is more complicated than Singapore's because Livingston promised to introduce it during his first term, and the cordon scheme would have taken longer to implement, due to the need to establish new transponder technology. The system to be used will use cameras many of which were already in place for surveillance to protect against terrorism.

The primary issue is whether the public transit system can handle the new ridership from the deterred motorists. There is also a concern about a massive shift to motor cycles. Bookmakers have odds of 4-1 that the scheme will be dropped within a year. Livingston has promised to drop it after two months if it doesn't work.

There was some discussion on the presentation. Gabriel Roth recounted the history of the scheme, which dates back over 40 years to Bill Vickery. A key difference this time, pointed out by Tony May, is that the local government keeps the revenue (and devotes it to transport improvement).

For more information, see the following web sites:

[www.transportforlondon.gov.uk](http://www.transportforlondon.gov.uk) (official local government website for London)  
[www.bbc.co.uk/congestion](http://www.bbc.co.uk/congestion) (best overall website)  
[www.guardian.co.uk](http://www.guardian.co.uk) (best commentary)  
[www.sod-u-ken.com](http://www.sod-u-ken.com) (forum for opposition)

or contact Karen at [Karenakins@onebox.com](mailto:Karenakins@onebox.com)

### **Status of Value Pricing Pilot Program**

Patrick said that there were 16 projects proposed for Fiscal Year 2003 funding, of which four are carry over projects. There are four new applicants from States that are not already partners. Since there are not enough slots for all four, at least one state will get left out. Also, because of funding limitations, not all may get funded or funded fully. The appropriations bill has not yet been signed, so the exact amount of money is not known. The bill may not get signed until March.

### **Outreach Subcommittee Report**

Lee Munich described the role of this subcommittee, which is to reach out to national organizations and others to develop support for value pricing. Angela Jacobs of FHWA gave a summary of FHWA's outreach activities (separate handout), and pointed to the web site for more information: <http://www.valuepricing.org>

Lee said that while staff had contacted the organizations, he would like pricing advocates to follow up by giving presentations at conferences and with meetings with organizations, particularly if there is already liaison. Shannon Ballard of FHWA then talked about FHWA's *VP Notes* and the information kit. Lee described meetings in October with key political staff connected with reauthorization, saying that the meetings went well and may open the door to continuing the Value Pricing Program and perhaps other activities. A lot of this will depend on where the administration's proposals go. Lee invited attendees to the Thursday meeting on Reauthorization to be held by the Futures Task Force.

Allen Greenberg talked about BRT outreach and mainstreaming. Excess capacity perhaps could be priced for autos, and help fund BRT. The concept might work where BRT really has priority and where there are real auto time savings benefits, i.e., where cars are not stuck behind buses at station stops. Many BRT conditions would not be attractive to autos because of stops at stations, lack of signal pre-emption, operations in congested flow, and so on. The converse, pointed out by Ed Regan, is that managed lanes can make really good BRT routes; this might be a better approach.

Regarding mainstreaming, Allen said that appropriate places for considering pricing are during development of long range transportation plans, transportation improvement programs, congestion management systems, and environmental impact statements. FHWA's initial focus is on EIS's (where Patrick DeCorla-Souza and Fred Skaer of FHWA presented a well received paper at TRB on sketch planning tools appropriate for developing this document). Emphasis will shift somewhat to the longer term planning processes that occur prior to political and organizational investments in specific remedies. A productive conference call was held with FHWA regional staff about mainstreaming pricing and discussions will continue.

### **Committee Status Application Report**

Angela said that not much had happened with the proposal. Gui noted that the Transportation Economics committee A1C01 was opposed to the subcommittee becoming a committee unless its concerns were addressed in a formal proposal. David Levinson was nominated to be the chair of the subcommittee for Committee Status, with the charge of bringing up this proposal for the next several years to see if the tide turns. Right now, with eight sessions in this year's meeting, functioning as a subcommittee does not seem to be an impediment.

### **Updates from Related Committees**

The Taxation and Finance committee chair said that their Committee wanted to get more involved in pricing. There was a lot of discussion of pricing at the finance conference in September. Ed Regan commented that the limitations of the gas tax with regard to hybrid and alternative fueled vehicles is prompting looks at new revenue sources, including road pricing to raise revenue. There is a current reluctance to talk about it at a political level, but this is likely to change. The Transportation Economics committee meeting was summarized above. At the Economic Development meeting, members appeared to have less interest in pricing.

There was some discussion of how to ensure more time for pricing issues at TRB, especially with one less sponsoring committee. The suggestions were for workshops on Sunday or Thursday. Patrick and Lee will work on this with TRB staff.

HOV Systems is not a parent Committee, but would perhaps like to be. The key concept would be an ad hoc group or task force to pursue common interests in HOT lanes.

The Freight Committee liaison reported that the Southern California Association of Governments (SCAG) found *urban* truck lanes to cover only 30 percent of their total costs, contrasting with *rural*, long-distance truck lanes that Reason Foundation found could support their total costs. Travel Behavior and Values (A1C04) has some interest in pricing and now has a formal liaison with the subcommittee in the person of Julian Benjamin.

Martine Marozzi talked about the international pricing symposium in Florida in November 2003, dates to be fixed after selection of the hotel. It is sponsored by TRB, OECD, FHWA, and FDOT, and will be a first for bringing together the interested world

experts in pricing. Contact Patrick or Martine if you have ideas for topics or speakers for this event.

### **Mid-year and January 2004 Meetings**

Lee asked for good representation at the summer meeting to help develop sessions for the next annual meeting. Suggestions for next January include:

- 1) Follow up on London pricing
- 2) Reauthorization
- 3) More benefit/cost comparisons with apples-to-apples comparisons
- 4) What have we learned from the value pricing program?
- 5) Revenue generation from value pricing program
- 6) Travel demand effects from value pricing, demand and elasticity (also of interest to A1C01)
- 7) State of the art of modeling pricing (with A1C04)
- 8) Pricing and smart growth
- 9) Pricing—how to close the deal, results of the implemented projects
- 10) Mainstreaming pricing, as per European tactics to package pricing with other measures

Questions on the project summaries distributed with the agenda by e-mail were tabled until after the formal meeting. There was a handout on the I-40 value pricing project from Julian Benjamin.

### **Roundtable Discussion**

Lee mentioned the issue of whether the state funding gaps could create a new window for pricing.

The meeting adjourned at 9:30.