2. Transportation Cost Literature Review

This chapter summarizes previous transport cost studies, including several that focus on freight costs.

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2.2 Introduction

Several previous studies have investigated various types of transportation costs. This chapter summarizes some of them.

Different types of studies have different purposes, which affects their perspective, methodologies and scope. For example, most highway cost allocation and investment evaluation studies are primarily concerned with direct market costs, such as road construction and maintenance, travel time, vehicle operating costs, and crash damages, and how these vary depending on vehicle type and roadway conditions. They assumed that the total amount of vehicle travel does not change and so were unconcerned with vehicle ownership and parking costs. Other types of studies incorporate environmental impacts, primarily air pollution, but sometimes also noise and water pollution, and various categories of land use impacts. Some studies have only considered external costs. Their results often differ significantly, but these can usually be explained by differences in their methodology and scope (for discussion see Quinet, 2004).

When comparing cost estimates the following factors should be considered:

- The purpose of the analysis, and therefore its perspective, such as whether it considers only short-run marginal costs, long-run costs, and or total social costs.
- Categories of impacts considered, including vehicle costs, travel time costs, roadway costs, traffic services, parking costs, congestion impacts on other road users, delays to nonmotorized travelers, accident costs, pollution emissions and other environmental impacts.
- Data sources and methodologies used to calculate costs, particularly non-market costs such as the costs of accident injuries and deaths, and environmental damages.
- How possible double-counting is addressed, such as whether taxes are counted as costs or economic transfers, and whether congestion costs are summed with travel time costs.
- Geographic scope, and the monetary exchange rates used if in different countries.
- The time period evaluated, what index is used for inflation.[1]

[1] Unless otherwise noted, in this document other currencies are converted in the base year to US dollars and then adjustments for inflation are done by consumer price index (CPI). The source for both currency conversion factors and CPI adjustment factors is Samuel H. Williamson (2008) MeasuringWorth www.measuringworth.com. For a discussion of the significant variation possible using different methods see Lawrence H. Officer and Samuel H. Williamson (2007), *Measures of Worth. 2007*; at www.measuringworth.com/worthmeasures.html.

- Driving conditions, such as whether the costs represent urban-peak, total urban, rural or overall average driving conditions.
- Differences in measurement units, such as between miles and kilometers, and between vehicle miles and passenger miles.
- The types of vehicles considered, such as whether cost estimates are for cars, automobiles, the fleet of personal vehicles, total roadway vehicles (including freight vehicles) or total motor vehicles (including train, air and marine vehicles).
- Whether cost estimates are point values or ranges.

2.2 General Cost Studies

Cost Estimates Summary Table

The table below identifies which costs are described or estimated in each report. This shows the range of perspectives and efforts applied to transport costs.

Table 2.2-1 **Transport Costs in Current Literature** (D = Described; Q = Quantified/Monetized)

Study No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33
Cost Categories	Keeler 1975	Hanson 1992	Mac Kenzie 1992	Kågeson 1993	KPMG 1993	Works N.Z. 1993	Miller & Moffet 1993	Apogee, CLF 1994	US DOT, FRA 1993	CEC 1994	EPA, Aust. 1994	OTA 1994	Poorman CDTC 1995	Lee 1995	IBI 1995	Black et al. 1996	Maddison et al. 1996	IIEC 1997	Delucchi 1996	FHWA 1997 & 2000	DS & JF (TRB) 1997	Elwanger 2000	INFRAS 2000 / 2004	Sansom, et al 2001	Quinet 2004	NZMOT 2005	Tran. Canada 2003 / 05	CE 2004	Auckland 2006	Maibach et al. EC 2008	Land Trans. NZ 2006	Clark and Prentice 2009	Smith, Veryard & Kilvington
Vehicle Costs	Q			D	Q		Q	Q				Q	Q		Q	Q		Q	Q		Q			Q	Q	Q	Q		Q		Q		Q
Travel Time	Q			D	Q			Q				Q	Q			Q		Q	Q							Q	Q						Q
Accidents	Q	D	Q	Q	Q		Q	Q	D	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	D	Q
Parking	Q	D	Q		Q		Q	Q				Q	Q	Q	Q	Q		Q	Q		Q					Q		Q	Q			D	Q
Congestion	Q	D	Q	D	Q		Q	Q	D	Q	Q	Q	Q		Q	D	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q		Q	D	Q
Facilities	Q	D	Q	Q	Q		Q	Q		Q		Q	Q	Q	Q	Q	Q	Q	Q	Q	Q			Q	Q	Q	Q	Q	Q			D	Q
Roadway Land	Q	D	D		Q		D	Q				Q	Q	Q		D		Q	Q						Q	Q	Q	Q					
Mun. Services	Q	D	Q	D	Q		Q	Q		Q		Q	Q	Q	Q	D		Q	Q		Q			Q		Q		Q				D	D
Local Air Pollution	Q	D	Q	Q	Q	D	Q	Q	D	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	D	Q
Global Air Pollution		D	Q	Q		D	Q	Q	D	Q		Q	Q		Q	D	Q	Q	Q			Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	D	Q
Noise &Vibration	Q	D	Q	Q	Q	D	Q	Q	D		Q	Q	Q	Q		D	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	D	Q
Resources/Energy		D	Q		Q	D	Q	Q	D	Q		Q	Q	Q		D		D	Q		Q		Q		Q					Q		D	Q
Barrier Effect		D		D		D							Q			D	D															D
Land Use/Sprawl				D	Q	D	D	D					Q			D		D	D				Q	Q	Q				D	Q			D
Inequity							D						Q			D		D	D														
Water		D		D	Q	D	Q	Q	D	Q		Q	Q	Q		D		D	Q		Q	Q									D		
Waste Disposal						D						Q	Q	Q		D		D	Q		Q												
Activity Benefits																															Q	D	Q

This table indicates which costs are described (D) or quantified (Q) in the various studies summarized below.

Studies

This section describes specific transportation cost studies.

1. Keeler, et al (1975), *The Full Costs of Urban Transport; Intermodal Comparisons*, Institute of Urban and Regional Development (Berkeley).
This report compares commuting costs of automobile, bus and rail in the San Francisco Bay area. It includes marginal congestion costs, public services, noise, air pollution, facilities, accidents, parking, and user costs. This is the oldest study of its type. The analysis is still highly regarded.

2. Mark Hanson (1992), Results of Literature Survey and Summary of Findings: The Nature and Magnitude of Social Costs of Urban Roadway Use, U.S. Federal Highway Administration.
This report identifies external costs of urban roadway transport and describes costing methods. It also includes recommendations for better calculating external costs, incorporating costs into user prices, and applying least-cost planning to transportation.

3. James MacKenzie, Roger Dower, and Donald Chen (1992), *The Going Rate,* World Resources Institute (Washington DC; www.wri.org); at http://pdf.wri.org/goingrate_bw.pdf
This is a comprehensive study of U.S. motor vehicle costs. Cost categories include roadway facilities and services, parking, air pollution and global warming, security costs of importing oil, congestion, traffic accidents, noise, and land loss. The report's conclusion that driving incurs $300 billion annually in external costs has been widely quoted.

4. Per Kågeson (1993), *Getting the Prices Right; A European Scheme for Making Transport Pay its True Costs*, European Federation for Transport and Environment (www.transportenvironment.org)
This study estimates pollution, crash and infrastructure costs in European countries. Cost summaries for the UK are shown in Table 2-1. Similar estimates are made for other countries.

Table 2.2-2 **External Transport Costs** (ECU/1000 passenger km)

Mode	Air Pollution	CO_2	Noise	Accidents	Total	Total ($/mile)
Car	14.6	4.5	0.9	8.9	28.9	$0.060
Electric train	0.9	2.2	0.2	3.8	7.1	$0.015
Aircraft	7.3	9.2	1.2	0.2	17.9	$0.037

5. KPMG (1993), *The Cost of Transporting People in the British Columbia Lower Mainland*, Transport 2021/Greater Vancouver Regional District (www.gvrd.bc.ca).
This study develops cost estimates for 12 modes using local research and generic estimates. Costs are listed in Table 2.2-3.

Table 2.2-3 **Costs of Transporting People in B.C. Costs**

Direct User	Indirect Parking	Transport Infrastructure	Time	Urban Sprawl	Environmental and Social
Fixed vehicle costs Variable vehicle costs Parking fees	Residential Commercial Government	Road construction Road maintenance Road land value Transit land value Protection services	Personal Commercial delays	Infrastructure Loss of open space Future transport	Unaccounted accident costs Air pollution Noise pollution Water pollution

6. Works Consultancy (1993), *Land Transport Externalities*, Transit New Zealand (Wellington).
This comprehensive study is part of New Zealand's efforts to rationalize transport planning. It attempts to describe all external costs of road transport, and identify costing methodologies. Cost categories are shown in Table 2.2-4.

Table 2.2-4 **Works Consultancy Cost Categories**

Pollution Effects	Intrusion Effects	Interference Effects	Land Use
Air Pollution & Dust Impacts on the Global Atmosphere Effects on Water Systems Noise & Vibration Disposal of Waste	Visual Effects Habitat impacts Effects on Landscape Archaeological Sites Cultural & Spiritual Effects Recreational Effects Strategic Effects	Community Disruption Urban and Rural Blight and Stress of Change Lighting Effects Community Severance and Accessibility Hazard Effects	

7. Peter Miller and John Moffet (1993), *The Price of Mobility*, Natural Resources Defense Council (www.nrdc.org).
This study attempted to quantify total costs for automobiles, buses, and rail transport in the U.S. It is one of the most comprehensive efforts in terms of costs described and quantified. Costs included are listed in the table below.

Table 2.2-5 **The Full Cost of Transportation in the U.S.A.**

Personal	Gov. Subsidies	Societal	Unquantified
Automobile ownership Transit fares	Capital and operating Local government	Energy Congestion Parking Accidents Noise Vibration Air pollution Water pollution	Wetland lost Farmland lost Historic property Property value impacts Inequity Sprawl

8. Apogee Research (1994), *The Costs of Transportation*, Conservation Law Foundation (www.clf.org).
This study estimates user, accident, congestion, parking, road facilities and services, air pollution, water pollution, energy, and noise costs. Urban sprawl and aesthetic degradation are mentioned but not estimated. A costing model is developed which calculates the total cost of trips by nine modes, in three levels of urban density, during peak and off-peak periods. This model is applied to case studies of Boston and Portland, Maine urban travel costs.

9. FRA (1993), *Environmental Externalities and Social Costs of Transportation Systems - Measurement, Mitigation and Costing*, Federal Railroad Administration, Office of Policy (Washington DC).
This study describes various motor vehicle social costs. It includes two charts that describe a taxonomy of costs and mitigation strategies, summarized in Table 2.2-6.

Table 2.2-6 **Federal Railroad Administration Costs**

Social Costs				
Land Use	Community Disruption	Energy	Safety	Congestion
Direct land use for facilities Alters land use patterns (sprawl)	Divides community Impacts local government Visual pollution Relocation impacts	Oil spills Air pollution Political instability from foreign oil Oil price fluctuations affecting world economy	Accidents cause death, injuries, insurance and legal costs, lost productivity, medical costs, emotional losses, congestion.	Wasted time Wasted fuel Added pollution Lost productivity Vehicle repair and insurance costs Stress Land use impacts
Environmental Costs				
Air	Noise	Water	Electromagnetic Fields	Hazardous Materials
Carbon Monoxide VOCs SO^2 NOx CO^2 Air Toxics Particulates CFCs Odor	Construction/ repair Night operations Engines Wheels/tires Congestion Braking/acceleration Idling Whistles	Air pollution fallout Fuel releases and spills Construction/ maintenance De-icing Runoff from roads and parking lots	(Cost of electric vehicles) Possible biological hazard Possible hazard to migrating birds Problems to electronic equipment	Accidental releases Intentional releases

10. CEC (1994), *California Transportation Energy Analysis Report*, California Energy Commission (www.energy.ca.gov).
This report attempted to "*fully evaluate the economic and environmental costs of petroleum use, and the economic and environmental costs of other transportation fuels, including the costs and values of environmental externalities, and to establish a state transportation energy policy that results in the least environmental and economic cost to the state.*" Includes congestion, accidents, infrastructure maintenance, services, air pollution (including global warming), petroleum spills, and energy security costs. These are monetized (per vehicle mile or gasoline equivalent gallon), and presented as a point value or range.

11. EPA (1994), "The Costing and Costs of Transport Externalities: A Review," *Victorian Transport Externalities Study*, Environment Protection Authority (Melbourne, Australia).
This report discusses external cost implications, costing methods, and estimates some costs.

12. OTA (1994), *Saving Energy In US Transportation*, Office of Technology Assessment (Washington DC); at www.fas.org/ota/reports/9432.pdf.
This report provides a comprehensive analysis of transportation costs and their economic and environmental impacts. Includes estimates of total U.S. motor vehicle costs based on research by Mark Delucchi of UC Davis. Discusses various policy options for improving energy efficiency.

13. John Poorman (1995), *Estimating Marginal Monetary Costs of Travel in the Capital District*, Capital District Transportation Committee (Albany).
This report describes a Least Cost framework and model, with performance measures and monetized costs for evaluating transport investments and policies, and comparing various modes.

14. Douglas Lee (1995), *Full Cost Pricing of Highways*, USDOT Volpe National Transportation Systems Center (www.volpe.dot.gov).
This study analyzes efficient road pricing. Table 2.2-7 summarizes its external costs.

Table 2.2-7 **Estimates of Highway Costs Not Recovered From Users** ($1,000/yr)

Cost Group	Cost Items	Estimate
Highway Capital	Land (interest)	$74,705
	Construction:	
	Capital Expenditures	42,461
	Interest	26,255
	Land acquisition and clearance	
	Relocation of prior uses and residents	
	Neighborhood Disruption	
	Removal of wetlands, acquirer recharge	
	Uncontrolled construction noise, dust and runoff	
	Heat island effect	
Highway Maintenance	Pavement, ROW, and structure maintenance	20,420
Administration	Administration and research	6,876
	Traffic police	7,756
Parking	Commuting	52,877
	Shopping, recreation, services	14,890
	Environmental degradation	
Vehicle Ownership	Disposal of scrapped or abandoned vehicles	706
Vehicle Operation	Pollution from tires	3,000
	Pollution from used oil and lubricants	408
	Pollution from toxic materials	1
Fuel and Oil	Strategic Petroleum Reserve	4,365
	Tax subsidies to production	9,000
Accidental Loss	Government compensation for natural disaster	
	Public medical costs	8,535
	Uncompensated losses	5,850
Pollution	Air	43,444
	Water	10,861
	Noise and vibration	6,443
	Noise barriers	5,117
Social Overhead	Local fuel sales tax exemptions	4,302
	Federal gasohol exemption	1,129
	Federal corporate income tax	3,389
	State government sales taxes	13,218
	Local government property taxes	15,962
	Total	$382,134
	Current User Revenues	52,096
	Loss	330,037
	cents/VMT	$0.152

15. IBI Group (1995), *Full Cost Transportation Pricing Study*, Transportation and Climate Change Collaborative (Toronto).
This study estimates costs for truck, rail, automobile, public transit and air travel in Ontario, Canada. Reviews cost estimates from previous studies. Costs are divided into user charges, external costs, and "basic subsidies" (government costs minus revenues). This is used to evaluate potential measures to encourage sustainable transport.

16. William Black, Dean Munn, Richard Black and Jirong Xie (1996), *Modal Choices: An Approach to Comparing the Costs of Transportation Alternatives*, Transportation Research Center, Indiana University (Bloomington).
The report and ALTERNAT software provide a framework for comparing highway, bus and rail projects. Costs are listed in Table 2.2-8. Estimates are based on previous published research.

Table 2.2-8 **Costs Recognized In *Modal Choices* Model**

• Accident costs not covered by insurance. • Capital costs not covered through transport taxes. • Operating costs of vehicles.	• Parking costs (fines and fees only) • Air pollution costs • Rehabilitation costs • Value of time (personal and commercial)

17. David Maddison, David Pearce, Olof Johansson, Edward Calthrop, Todd Litman, and Eric Verhoef (1996), *The True Costs of Road Transport*, Blueprint #5, Earthscan (London).
This book discusses the economic efficiency and equity implications of roadway transport externalities. Develops estimates of external costs in the U.K., including air pollution, noise, congestion, roadway facility costs, and accident costs. Also includes individual chapters on roadway externalities in Sweden, North America, The Netherlands, and international estimates.

18. Christopher Zegras with Todd Litman (1997), *An Analysis of the Full Costs and Impacts of Transportation in Santiago de Chile,* International Institute for Energy Conservation (www.iiec.org).
This is one of the first comprehensive transport cost studies in the developing world. Includes vehicle, roadway, parking, congestion, crash, and environmental costs. Although automobile ownership is relatively low compared with developed countries, rapid (10% annual) growth in vehicle ownership imposes considerable medium-term costs in terms of increased congestion, facility needs, pollution, etc. Because Chile imports most vehicles and fuel, increased automobility also imposes macroeconomic costs by capturing a major portion of foreign exchange and potential investment funds.

19. Mark Delucchi (1996), *Annualized Social Cost of Motor Vehicle Use in the United States, Based on 1990-1991 Data*, University of California at Davis (www.its.ucdavis.edu), 1996-97; summarized in "Total Cost of Motor-Vehicle Use," *Access* (www.uctc.net), No. 8, Spring 1996, pp. 7-13.
This series of 20 comprehensive reports attempts to identify, categorize and estimate total U.S. motor vehicle costs. Table 2.2-9 summarizes ranges of major cost categories.

Table 2.2-9 **Delucchi's Estimates of Motor Vehicle Costs**

Cost Item	Examples	Per Veh. Year	Per Veh. Mile
Personal nonmonetary costs of using motor vehicles	Motorist personal travel time and accident pain and suffering.	$2,180-3,189	17.4-25.5¢
Private-sector motor-vehicle goods and services	Vehicle expenses, paid travel time.	$5,020-5,659	40.2-45.3¢
Bundled private sector costs	Parking subsidized by businesses.	$337-1,181	2.7-9.4¢
Public infrastructure and services	Public roads, parking subsidized by local governments.	$662-1,099	5.3-8.8¢
Monetary externalities	External accident damages, congestion.	$423-780	3.4-6.2¢
Nonmonetary externalities	Environmental damages, crash pain.	$1,305-3,145	10.4-25.2¢
Total		*$9,927-15,053*	*$0.79-1.20*

20. FHWA (1997 and 2000), *1997 Federal Highway Cost Allocation Study Final Report* (and *Addendum*), Federal Highway Administration (www.fhwa.dot.gov); at www.fhwa.dot.gov/policy/hcas/summary/index.htm

This report is concerned with whether various motor vehicle categories (automobiles, light trucks, and various types of heavy vehicles) are charged according to the costs they impose on the highway system. Focuses on Federal user fees and federal highway payments, but also includes costs for total roadway expenditures, plus costs of congestion, crashes, air pollution and noise (based mainly on Delucchi's estimates). Table 2.2-10 summarizes these costs.

Table 2.2-10 **Vehicle Costs Under Various Conditions** (1997 cents per mile)

Vehicle/Highway	Pavement	Congestion	Crashes	Air Pol.	Noise	Total
Autos/Rural Interstate	0	0.78	0.98	1.14	0.01	2.91
Autos/Urban Interstate	0.1	7.70	1.19	1.33	0.09	10.41
40 kip 4-axle SU Truck/Rural Int.	1.0	2.45	0.47	3.85	0.09	7.86
40 kip 4-axle SU Truck/Urban Int.	3.1	24.48	0.86	4.49	1.50	34.43
60 kip 4-axle SU Truck/Rural Int.	5.6	3.27	0.47	3.85	0.11	13.30
60 kip 4-axle SU Truck/Urban Int.	18.1	32.64	0.86	4.49	1.68	57.77
60 kip 5-axle Comb/Rural Int.	3.3	1.88	0.88	3.85	0.17	10.08
60 kip 5-axle Comb/Urban Int.	10.5	18.39	1.15	4.49	2.75	37.28
80 kip 5-axle Comb/Rural Int.	12.7	2.23	0.88	3.85	0.19	19.85
80 kip 5-axle Comb/Urban Int.	40.9	20.06	1.15	4.49	3.04	69.64

SU = Single Unit; Comb. = Combination

21. Patrick Decorla-Souza and Ronald Jensen-Fisher (1997), "Comparing Multimodal Alternatives in Major Travel Corridors," *Transportation Research Record 1429*, TRB (www.trb.org), pp. 15-23.

This report develops estimates of various costs for comparing investment alternatives, as indicated in Table 2.2-11.

Table 2.2-11 **Examples of Unit Costs**

Cost Item	Automobile	Bus	Rail
Vehicle Operation	7.4 cents/VMT	$1.50-3.00/Trip	$4.25/Trip
Vehicle Ownership	$3.12/Trip		
Parking, Downtown	$3.00		
Parking, Other	$1.00		
Highway Operations	1.8 cents/VMT	2.9 cents/VMT	
Added Highway Capacity	62¢/Peak-VMT	99¢/Peak-VMT	
Public Services	1.1 cent/VMT	1.1 cent/VMT	0.22 cents/VMT
Accident (Market)	4.2 cents/VMT	8.4 cents/VMT	1.68 cents/VMT
Accidents (Nonmarket)	7.8 cents/VMT	15.6 cents/VMT	3.12 cents/VMT
Air Pollution	2.4 cents/VMT		
Water Pollution	0.2 cents/VMT		
Noise	0.16 cents/VMT		
Solid/Chemical Waste	0.2 cents/VMT		
Oil Extraction	1.5 cents/VMT		

22. Gunther Ellwanger (2000), "External Environmental Costs of Transport - Comparison of Recent Studies," *Social Costs and Sustainable Mobility*, ZEW, Physica-Verlag, pp. 15-20.
These paper provides estimates of external costs for Car, Bus, Rail, Air and Water-way transport (passenger and freight) based on four previous European studies, as summarized in Table 2.2-12.

Table 2-11 **External Costs of Transport in Western Europe**

	Passenger (ECU/1,000 Pkm)		Freight (ECU/1,000 Tkm)	
	Road	*Rail*	*Road*	*Rail*
IWW/INFRAS	50.1	10.0	58.4	7.3
ECMT, 1996	50-65	10-19	18-30	4-7.5
ECMT, 1998	49	12	62	9
EU-Greenbook	35.5	8.0	33.2	5.3
ZEW-QUITS	44.3	4.9	30.6	2.8

23 Silvia Banfi, et al (2000), *External Costs of Transport: Accident, Environmental and Congestion Costs in Western Europe*, INFRAS (www.infras.ch) and IWW (www.infras.ch).
This study develops estimates of accidents, noise, air pollution, climate change risks, other environmental and non-environmental effects, and congestion for four modes (road, rail, air and water transport) in 17 European countries for 1995 and 2010. Calculates total costs per country, and marginal costs. Marginal costs are intended for pricing. An updated version was published in 2004 by the Community of European Railway and Infrastructure Companies (www.cer.be) and the International Union of Railways (www.uic.asso.fr). It concluded that in 2000, the total external costs for all modes combined, excluding congestion, amounted to 650 billion euro, or 7.3 % of the GDP in Europe, up 12% since 1995, indicating a rapid increase in the burden weighing on Europe's economies and society at large. The direct causes of this increase are traffic volume growth, especially in road and air transport, and incresed pollution costs. Road transport accounts for 84% of external costs, followed by air transport with 14%. Rail is responsible for 1.9 % of these costs, and waterways, 0.4 %. Two-thirds of the overall costs stem from passenger transport and one third from freight transport.

24. Tom Sansom, C. A. Nash, Peter J Mackie, J. D. Shires and S. M. Grant-Muller (2001), *Surface Transport Costs and Charges*, Institute for Transport Studies, University of Leeds (www.its.leeds.ac.uk/projects/STCC/surface_transport.html), for the UK DETR.

This study compares the social costs of road and rail transport with current user charges. UK roadway costs are estimated for 1998 on two different bases - marginal costs associated with an additional vehicle km, and fully allocated costs. The resultant analysis framework and empirical results are intended to inform policy making in the areas of charging, taxation and subsidies. The analysis includes infrastructure, vehicle, congestion, crash, and pollution costs. Estimates that automobile use generally covers costs, but underprices with respect to marginal costs.

Table 2.2-13 **UK Road Costs and Revenues** (1998 UK Pence Per Veh-Km)

	Fully Allocated Costs		Marginal Costs	
	High	Low	High	Low
Costs				
Infrastructure capital costs	0.78	1.34	n/a	n/a
Infrastructure operating costs and depreciation	0.75	0.97	0.42	0.54
Vehicle operating costs	0.87	0.87	0.87	0.87
Congestion	n/a	n/a	9.71	11.16
Mohring effect (public transit vehicle only)	n/a	n/a	-0.16	-0.16
External accident costs	0.06	0.78	0.82	1.40
Air pollution	0.34	1.70	0.34	1.70
Noise	0.24	0.78	0.02	0.78
Climate change	0.15	0.62	0.15	0.62
VAT not paid	0.15	0.15	0.15	0.15
Cost subtotal	*3.34*	*7.20*	*12.32*	*17.05*
Revenues				
Fares (public transit vehicles only)	0.84	0.84	0.84	0.84
Vehicle excise duty	1.10	1.10	0.14	0.14
Fuel duty	4.42	4.42	4.42	4.42
VAT on fuel duty	0.77	0.77	0.77	0.77
Subtotal of revenues	*7.14*	*7.14*	*6.17*	*6.17*
Difference (costs-revenues)	*-3.79*	*0.07*	*6.15*	*10.88*
Ratio (revenues/costs)	*2.13*	*0.99*	*0.50*	*0.36*

This table summarizes estimated costs and revenue of UK road transport using two perspectives, full allocation (i.e., total costs allocated to users) and marginal (incremental costs).

25. Emile Quinet (2004), "A Meta-Analysis Of Western European External Cost Estimates," *Transportation Research D*, Vol. 9 (www.elsevier.com/locate/trd), Nov. 2004, pp. 465-476.

This study compares results of 14 transportation cost studies performed in Western Europe from 1998-2003 (one from 1991). It analyzes their methodologies and compares their results using regression analysis. It finds that external cost estimates vary significantly, but these differences can be explained by differences in they types of costs and conditions evaluated, and that issues of scientific uncertainty are a smaller contribution of variation. It concludes that, when properly applied, cost studies can provide justifiable values that are useful for economic analysis.

26. NZMOT (2005), *Surface Transport Costs and Charges: Summary of Main Findings and Issues*, New Zealand Ministry of Transport (www.transport.govt.nz).
This study analyzes the full costs of road and rail travel in New Zealand, both passenger and freight, including internal costs (vehicle, travel time and internal accident risk), and external costs (road and rail infrastructure, accident externalities, environmental externalities and resource opportunity costs such as land value). The table below summarizes estimates of external costs. It estimates that cars directly pay 64% of their costs, trucks directly pay 56% of their costs and buses directly pay 68% of their costs. Long-distance truck transport imposes external costs of 2.9¢ to 3.4¢ per tonne-kilometer, compared with 0.1¢ to 0.8¢ for rail.

Table 2.2-14 Total Road System External Costs (Million NZ$, 2001-02)

Cost	Best Estimate	Minimum	Maximum
Road system operation	$770	$750	$850
Road system maintenance	$380	$380	$380
Road system assets (roadway land value)	$750	$300	$980
Accident externalities	$670	$330	$1,340
Environmental impacts	$1,170	$600	$2,400
Totals	*$3,740*	*$2,360*	*$5,950*

27. Transport Canada (2003-2007), *Investigation of the Full Costs of Transportation: A Discussion Paper* & documents covering transmodal, road, rail and other subjects. Economic Analysis Policy Group, Transport Canada (www.tc.gc.ca/pol/en/aca/fci/menu.htm). Technical analysis discussed in Anming Zhang, Anthony E. Boardman, David Gillen and W.G. Waters II (2005), *Towards Estimating the Social and Environmental Costs of Transportation in Canada*, Centre for Transportation Studies, University of Britsh Columbia (www.sauder.ubc.ca/cts); at www.sauder.ubc.ca/cts/docs.
This three-year project investigates the full costs of transportation, including comprehensive financial and social costs (accidents, noise, congestion delays and environmental damages) associated with infrastructures, services, vehicles, and with the movement of people and goods.

28. CE (Vermeulen, et al) (2004), *The Price of Transport: Overview of the Social Costs of Transport*, CE Delft; van Essen, et al (2004), *Marginal Costs of Infrastructure Use – Towards a Simplified Approach*, CE Delft (www.ce.nl); at www.ce.nl/?go=home.downloadPub&id=456&file=04_4597_15.pdf.
These related studies analyze the social costs of various transport modes, including road and rail transport (both passenger and freight) and inland shipping (freight only), in The Netherlands. It discusses cost categories, the magnitude of these costs, the share of the costs borne directly by user groups, and the extent to which existing pricing is efficient.

29. Astrid Jakob, John L. Craig and Gavin Fisher (2006), "Transport Cost Analysis: A Case Study of the Total Costs of Private and Public Transport in Auckland," *Environmental Science & Policy*, Vol. 9 (www.sciencedirect.com), pp. 55-66.
This study assesses the external (unpaid) and internal (user paid) cost of transport. It focuses on estimating the total cost of both private and public transport, using a case study for Auckland, New Zealand's largest city. The external costs (primarily external accident costs, air pollution, and climate change) are significant, 2.23% of regional GDP. Of this private transport generated 28 times more external cost than public transport. The internal cost assessment showed that total revenues collected did not even cover 50% of total transport cost. The study concludes that current pricing results in economically excessive motor vehicle travel.

30. M. Maibach, et al. (February 2008), Handbook on Estimation of External Cost in the Transport Sector: Produced within the study Internalisation Measures and Policies for All external Cost of Transport (IMPACT) Version 1.1, CE Delft, for the European Commission DG TREN; at http://ec.europa.eu/transport/costs/handbook/doc/2008_01_15_handbook_external_cost_en.pdf.
This study provides a comprehensive overview of approaches for estimating external transport costs for policy and pricing analysis. It provides best available input values for such calculation (e.g. value of one life year lost), and default unit values of external cost for different traffic situations (e.g. air pollution cost of a vehicle in Euro per kilometre).

31. Land Transport New Zealand (2006 / 2005) *Economic Evaluation Manual (EEM) - volumes 1 & 2* (www.landtransport.govt.nz); at http://www.landtransport.govt.nz/funding/manuals.html
Land Transport NZ's Economic evaluation manual (EEM) outlines comprehensive standards for economic evaluation of transport infrastructure projects and transportation demand management (TDM) strategies. This is one of the few resources to specify monetary values for the health benefits of physical activity resulting from infrastructure improvements and TDM strategies that increase walking and cycling activity, as shown in the table below. This source assumes that half of the benefit is internal to the people who increase their activity level by walking or cycling, and half are external benefits to society such as hospital cost savings.

Table 2.2-15 Active Transportation Health Benefits[2]

	2005 $ NZ/km	2007 USD/km	2007 USD/mile
Cycling	0.16	0.12	0.19
Walking	0.40	0.30	0.48

32. Harry Clarke and David Prentice (2009), *A Conceptual Framework For The Reform Of Taxes Related To Roads And Transport*, School of Economics and Finance, La Trobe University, for the Australia Treasury *Australia's Future Tax System* review; at http://apo.org.au/research/conceptual-framework-reform-taxes-related-roads-and-transport.
This report evalutes transportation pricing efficiency in Australia. It discusses various economic principles related to efficient prices and taxes, estimates various transportation-related external costs (road and parking facilities, congestion, accidents, energy consumption and pollution), evaluates the efficiency of current pricing and taxes, and recommends various reforms to help achieve transportation planning objectives.

33. Sangjune Park (2009), "KRW 53 Trillion (5.4% of GDP), "Estimates of the External Costs of Transport in 2007," *KOTI World-Brief*, Vol. 1, No. 3, Korea Transport Institute (www.koti.re.kr), July 2009, pp. 8-10; at http://english.koti.re.kr/upload/eng_publication_regular/World-Brief03.pdf.
This study estimates that in South Korea during 2007, household expenditures on transportation totaled 11.4% of GDP, and external transportation costs (congestion delays, accident damages and pollution emissions) totaled 5.4% of GDP. The study compares Korea's transport costs with other countries, and indicates changes over time. Recommends using this information for policy analysis and pricing.

[2] Land Transport New Zeland (2006 / 2005) *Economic Evaluation Manual (EEM) – volumes 1 & 2* (www.landtransport.govt.nz); at www.landtransport.govt.nz/funding/manuals.html (Active transportation health benefits data is found in Volume 2, section 3.8, p 3-22).

34. Swiss ARE (2005), *External Cost of Transport In Switzerland*, Swiss Federal Office of Spatial Development (www.are.admin.ch); at www.are.admin.ch/themen/verkehr/00252/00472/index.html?lang=en. The report Externe Kosten des Verkehrs in der Schweiz; Aktualisierung für das Jahr 2005 mit Bandbreiten contains an English summary.

This Swiss government sponsored research program estimates various transportation costs, including accidents, noise, building damages, environmental damages (air pollution, climate, natural and landscape damages) and traffic congestion. Table 2.2-16 summarizes the estimated costs for 2005. These estimates are based on accident statistics, pollutant or noise emissions and aerial photo analysis. The transport-related proportions were determined and converted into costs. Those costs not amenable to direct quantification were estimated using the so-called willingness-to-pay approach. The values and assumptions underlying the calculations are deliberately cautious. The adopted methods result in an understatement of the effective external transport costs. As a result, the figures presented reflect conservative estimates.

Table 2.2-16 **Swiss External Transportation Costs** (million CHF)

Cost	Road	Rail	Total
Accidents	2,017	30	2,047
Noise	1,101	74	1,174
Health	1,834	121	1,954
Building damage	274	15	289
Climate	1,256	7	1,264
Other environmental costs	906	98	1,004
Nature and landscape	687	110	797
Subtotal	*8,074*	*455*	*8,529*
Congestion	1,240	---	1,240
Total	***9,314***	***455***	***9,769***

35. TC (2008), *Estimates of the Full Cost of Transportation in Canada*, Economic Analysis Directorate of Transport Canada (www.tc.gc.ca); at www.tc.gc.ca/policy/report/aca/fullcostinvestigation/synthesis/pdf/report-final.pdf.

This report summarizes the results of Transport Canada's Full Cost Investigation (FCI) project, which included a number of studies concerning various transportation costs, including costs of vehicle ownership and operations, infrastructure ownership and operations (including land opportunity costs), congestion, accidents and environmental costs. Tables 2.2-17 and 2.2-18 summarize these cost estimates. They indicate, for example, that roadway infrastructure annualized costs total $40. 4 billion of which $12.61 billion is paid by user charges.

Table 2.2-17 **Financial Cost Estimates by Major Mode** (Billion 2000$CA)

Mode	Vehicle &		Infrastructure			Minus User	Sector
	Carrier	Capital	Operating	Land	Total	Charges	Total
Road	$128.57	$28.68	$4.91	$6.81	$*40.4*	$12.61	$156.35
Rail	$4.30	$2.92	$1.77	$0.26	$*4.95*	$0.17	$9.08
Marine	$1.91	$0.50	$0.53	$0.19	$*1.22*	$0.09	$3.04
Air	$15.16	$0.95	$1.37	$0.17	$*2.49*	$1.76	$15.89

Total	*$149.93*	*$33.06*	*$8.57*	*$7.43*	*$49.06*	*$14.63*	*$184.36*

This table summarizes estimated infrastructure and vehicle costs of various modes in Canada.

In addition, roadway transportation also imposes $29.59 billion in social costs. Other modes also impose uncompensated costs, which are smaller in total magnitude compared with roadway costs, but not necessarily smaller per passenger-mile or as a portion of user charges. The study analyzes these costs in various ways, including by activity (local passenger, intercity passenger and freight transport), by province and city, and per passenger-trip and passenger-km for various modes. The study also compared transportation costs as a portion of GDP between Canada and various other countries.

Table 2.2-18 **Social Cost Estimates by Major Mode** (Billion of 2000CA$)

Mode	Accidents	Congestion Delay	Air pollution	GHG	Noise	Total
Road	$15.78	$5.17	$4.73	$3.68	$0.22	$29.59
Rail	$0.30	Not covered	$0.44	$0.19	$0.00	$0.93
Marine	$0.06	Not covered	$0.54	$0.24	Not covered	$0.84
Air	$0.10	Not covered	$0.03	$0.47	$0.03	$0.64
Total	$16.24	$5.17	$5.74	$4.58	$0.26	$32.00

This table summarizes estimated non-market costs of various modes in Canada.

36. Nariida C. Smith, Daniel W. Veryard and Russell P. Kilvington (2009), *Relative Costs And Benefits Of Modal Transport Solutions*, Research Report 393, NZ Transport Agency (www.nzta.govt.nz); at www.nzta.govt.nz/resources/research/reports/393/docs/393.pdf.

This report describes the outcomes of a study commissioned by the NZ Transport Agency to inform local authorities about the costs and benefits of transport modes. The aim of the study has been to provide general advice on the relative cost and benefits of alternatives with a focus on passenger transport in urban areas. It explores the issues decision makers face in estimating costs, and sets out an approach to providing estimates. It provides estimates of various cost, including vehicle costs, infrastructure, operating, travel time, accident risk, health impacts, and pollution costs, which can then be applied to the number of vehicles and the distance they travel, so readers may tailor comparisons to their own situation. This quantitative exercise is supplemented by contextual discussion of some important issues in urban transport including drivers of the transport mix, the relationship between land use and transport planning, and road space and traffic management. A selection of case studies drawn from mainly New Zealand urban areas provides some specific illustrations of the issues raised.

2.3 Freight Cost Studies

The studies below focus on freight transport costs.

F-1. Transport Concepts (1994), *External Costs of Truck and Train*, Brotherhood of Maintenance of Way Employees (Ottawa).
This study compares external costs of train and truck freight transport to justify increased truck taxes or increased subsidies for rail. Table 2.3.1 summarizes their results.

Table 2.3-1 **External Costs of Train Vs. Truck** (1994 Canadian Cents per Tonne Kilometer)

Cost	Intercity Truck Average	Truck Semi Trailer	Truck B-Train	Rail System Average	Rail Piggy Back	Rail Con-tainer	Rail Box Car	Rail Hopper Car
Accidents	0.40	0.40	0.40	0.06	0.06	0.06	0.06	0.06
Pollution	0.71	0.72	0.58	0.23	0.36	0.29	0.25	0.15
Interference (congestion)	0.64	0.65	0.52	-	-	-	-	-
Infrastructure	0.67	0.69	0.52	-	-	-	-	-
Cash Subsidy	0.09	-	-	0.28	0	0	0	0
Cost Subtotal	2.51	2.46	2.02	0.57	0.42	0.35	0.31	0.21
Fuel Taxes	-0.29	-0.29	-0.22	-0.06	-0.09	-0.07	-0.04	-0.04
License Fees	-0.07	-0.07	-0.07	-	-	-	-	-
Revenue Subtotal	-0.36	-0.36	-0.29	-0.06	-0.09	-0.07	-0.04	-0.04
Net External Costs	*2.15*	*2.10*	*1.73*	*0.51*	*0.33*	*0.28*	*0.27*	*0.17*

F-2. Transmode Consultants Inc. (1995), *Ontario Freight Movement Study*, National Round Table on the Environment and the Economy (Toronto).
This study focuses primarily on air pollution, particularly greenhouse gas emissions. Component 2 uses case studies to evaluate the feasibility of more efficient practices.

F-3. Committee for Study of Public Policy for Surface Freight Transport (1996), *Paying Our Way; Estimating Marginal Social Costs of Freight Transport*, TRB (www.trb.org).
This study uses previous cost research and case studies to estimate and compare marginal costs of freight transport, including internal costs to carriers, congestion, accidents, air pollution, energy consumption externalities, noise, and public facility costs. The study concludes that external costs represent an additional 7-20% cost over existing internal costs, and tend to be higher for truck and barge than for rail. The greatest external costs are associated with urban freight distribution where congestion and high population densities increase these costs. Policy applications and further research needs are discussed.

F-4. Thomas Bue Bjørner (1999), "Environmental Benefits from Better Freight Transport Management: Freight Traffic in a VAR Model," *Transportation Research D*, Vol. 4, No. 1, January 1999, pp. 45-64.
This article summarizes various estimates of the external costs of freight. Concludes that these costs (air pollution, noise, accidents and congestion) are about four times higher for one truck-kilometer than for a private car.

F-5. David Gargett, David Mitchell and Lyn Martin (1999), *Competitive Neutrality Between Road and Rail*, Bureau of Transport Economics, Australia (www.bitre.gov.au)..

This study uses estimates of the full costs of road and rail freight to estimate the price changes that would result from full-cost pricing. The study indicates that current pricing tends to favor trucks over rail by failing to internalize many costs.

Table 2.3-2 **External Costs of Rail Vs. Truck** (Australian Cents Per Net Tonne-Km)

	Rail			Truck		
	Cost	Payment	Balance	Cost	Payment	Balance
Infrastructure Use	0.87	0.87	0.0	0.97	0.64	0.33
Accident Costs	0.03	0.01	0.02	0.32	0.16	0.16
Enforcement Costs	NA	0.0	0.0	0.05	0.0	0.05
Congestion	NA	0.0	0.0	0.03	0.0	0.03
Air Pollution	0.004	0.0	0.004	0.01	0.0	0.01
Noise	0.02	0.0	0.02	0.034	0.0	0.034
Totals	*0.924*	*0.88*	*0.044*	*1.454*	*0.84*	*0.614*

This table indicates the estimated external costs of each mode, how much they pay under the current price structure, and the balance of external costs that result.

F-6. David Forkenbrock (1999 & 2001), "External Costs of Intercity Truck Freight Transportation," *Transportation Research A*, Vol. 33, No. 7/8 (www.elsevier.com/locate/tra), Sept./Nov. 1999, pp. 505-526; David Forkenbrock, "Comparison of External Costs of Rail and Truck Freight Transport," *Transportation Research A*, Vol. 35, No. 4, May 2001, pp. 321-337.

These articles summarize existing intercity truck internal costs. Internal costs are estimated at $1.25 per vehicle-mile, or 8.42¢ per ton-mile in 1994 (these values are disaggregated by cost category and trip length). Rail external costs are much smaller in magnitude but larger as a portion of internal (private) costs. Estimates of external costs are as indicated in Table 2.3-3. Concludes that heavy truck road user charges would need to approximately triple to internalize these costs.

Table 2.3-3 **Estimated External Costs of Intercity Truck**

Cost Category	1994 Cents Per Ton-Mile
Accidents	0.59
Air pollution	0.08
Greenhouse gases	0.15
Noise	0.04
Roadway external costs	0.25
Total	*1.11*

F-7. H. Link, J.S. Dodgson, M. Maibach and M. Herry (1999), *The Costs of Road Infrastructure and Congestion in Europe*, Physcia-Verlag (www.springer.de).

This book is based on the final report of a project funded by the European Commission (DGVII) entitled "Infrastructure Capital, Maintenance and Road Damage Costs for Different Heavy Goods Vehicles in the EU" (Project No.: B1-B97-B2 7040-SIN 5317-ETU). It examines the ways in which the costs of transport infrastructure and congestion can be calculated and allocated to different types of traffic, focusing mainly on road freight transport.

F-8. Oxford Economic Research Associates (1999), *The Environmental and Social Costs of Heavy Goods Vehicles and Options for Reforming the Fiscal Regime*, English, Welsh, and Scottish Railway, (www.ews-railway.co.uk).
This report investigates the full social and environmental costs of road freight, including factors such as pollution and uncovered costs of structural damage, and concludes that road freight currently pays only 70% of its full costs. Including interest payments on the capital costs of road infrastructure lowers the ratio of paid costs to full costs to 59%. The report discusses alternatives for incorporating full costs into road freight charges, including a time-based payment along the lines of the Eurovignette scheme currently in use in several European countries, or a distance-based scheme in operation in Sweden and New Zealand.

F-9. TRB (2002), "Comparison of Inland Waterways and Surface Freight Modes," *TR NEWS 221*, Transportation Research Board (www.trb.org), July-August 2002, p. 10-17.
Includes information comparing various freight modes, as summarized in the table below.

Table 2.3-4 **Freight Modes Compared** (per ton-mile)

	Costs	Fuel	Hydrocarbons	CO	NOx
Units	*Cents*	*Gallons*	*Lbs.*	*Lbs.*	*Lbs.*
Barge	0.97	0.002	0.09	0.20	0.53
Rail	2.53	0.005	0.46	0.64	1.83
Truck	5.35	0.017	0.63	1.90	10.17

F-10. ICF Consulting (2001), *Freight Benefit/Cost Study: Compilation of the Literature*, Office of Freight Management and Operations, Federal Highway Administration (http://ops.fhwa.dot.gov/freight/freight_analysis/econ_methods/comp_lit/index.htm#toc), 2001.
This study includes a review of freight transport costing and describes a comprehensive analysis tool that can capture the full benefits and costs of freight transportation improvements.

F-11. Vermeulen, et al. (2004), *The Price of Transport: Overview of the Social Costs of Transport*, CE Delft; van Essen, et al. (2004), *Marginal Costs of Infrastructure Use – Towards a Simplified Approach*, CE Delft (www.ce.nl); at www.ce.nl/index.php?go=home.showPublicatie&id=181.
These studies analyze the social costs of various transport modes, including road and rail transport (both passenger and freight) and inland shipping (freight only), in The Netherlands. They discusses cost categories, the magnitude of these costs, the share of the costs borne directly by user groups, and the extent to which existing pricing is efficient.

F-12. Michael F. Gorman (2008), "Evaluating The Public Investment Mix In US Freight Transportation Infrastructure," *Transportation Research A*, Vol. 42, 1 (www.elsevier.com/locate/tra), Jan. 2008, pp. 1-14.
This study evaluates truck and rail freight social costs (congestion, safety and pollution) and investments. Estimates that governments currently spend $18.7 billion annually on roadways to accommodate trucks, 24% of which is subsidized (not paid by users), and that public investments in rail would be more cost effective overall.

F-13. **TC (2008)**, *Estimates of the Full Cost of Transportation in Canada*, Economic Analysis Directorate of Transport Canada (www.tc.gc.ca); at www.tc.gc.ca/policy/report/aca/fullcostinvestigation/synthesis/pdf/report-final.pdf.
This report, which summarizes the results of Transport Canada's Full Cost Investigation (FCI) project, includes costs of vehicle ownership and operations, infrastructure ownership and operations (including land opportunity costs), congestion, accidents and environmental damages for freight transport activity.

Table 2.3-5 **Freight Cost Estimates and Activity Level**

	Financial Costs	Social Costs	Full Costs	Tonne-Kms	Financial Costs	Social Costs	Full Costs	Social/ Full Costs
	Billion 2000$CA			*Billion*	*2000$CA per tonne-km*			
Truck	$49.83	$4.01	$53.84	244.97	$0.203	$0.016	$0.220	7%
Rail	$6.73	$0.90	$7.63	322.44	$0.021	$0.003	$0.024	12%
Air	$1.24	$0.03	$1.27	2.04	$0.607	$0.016	$0.623	3%
Total	*$60.21*	*$5.72*	*$65.94*	*569.46*	*$0.106*	*$0.010*	*$0.116*	*9%*

This table summarizes the estimated costs of freight transport modes in Canada.

F-15. M. Piecyk and A. McKinnon (2007), *Internalising The External Costs Of Road Freight Transport In The UK*, Logistics Research Center, Heriot-Watt University (www.sml.hw.ac.uk/logistics); at www.greenlogistics.org/SiteResources/1fbb59ff-3e5a-4011-a41e-18deb8c07fcd_Internalisation%20report%20(final).pdf.
Mid-range estimate is that the total infrastructural, environmental and congestion costs attributable to UK-registered heavy goods vehicles (HGVs) in 2006 were £7.1 to £7.6 billion, of which special taxes on these vehicles paid about two-thirds of these costs. The proportion of the total cost internalised varied by vehicle class, with the lightest category of rigid vehicles covering only 55% of their allocated costs, but the heaviest rigid vehicles covering 79%. Overall, the analysis suggested that taxes on lorries would have to rise by around 50% to fully internalise infrastructural, environmental and congestion costs. About 40% of the total external costs is attributable to congestion, 23% to infrastructure, 19% to traffic accidents, 8% to greenhouse gases, 7% to other air pollution emissions, and 2% to noise.

F-16 GAO (2011), *Comparison of the Costs of Road, Rail, and Waterways Freight Shipments That Are Not Passed on to Consumers*, Government Accountability Office (www.gao.gov); at www.gao.gov/new.items/d11134.pdf.
Analysis in this report indicates that truck freight transport tends to generate significantly more costs (infrastructure, air pollution, accidents and traffic congestion) that are not passed on to consumers than rail or water freight transport. It estimates that costs not passed on to consumers were at least 6 times greater for truck than rail and at least 9 times greater than waterways costs per ton-miles of freight transport. Most of these costs were external costs imposed on society. These are considered lower-bound estimates.

2.4 Information Resources

Information on transportation cost analysis studies are described below.

David Anderson and Gerard McCullough (2000), *The Full Cost of Transportation in the Twin Cities Region*, Center for Transportation Studies, University of Minnesota (www.cts.umn.edu).

Silvia Banfi, et al (2000), *External Costs of Transport; Accident, Environmental and Congestion Costs in Western Europe*, INFRAS (www.infras.ch) and IWW (www.iww.uni-karlsruhe.de).

Peter Bein (1997), *Monetization of Environmental Impacts of Roads*, Highway Planning and Policy Branch, Ministry of Transportation and Highways (www.gov.bc.ca/tran), at www.llbccat.leg.bc.ca/ipac20/ipac.jsp?index=BIB&term=291845#focus.

Booz Allen Hamilton (2005), *Surface Transport Costs and Charges Study*, Ministry of Transportation New Zealand (www.transport.govt.nz).

Harry Clarke and David Prentice (2009), *Conceptual Framework For The Reform Of Taxes Related To Roads And Transport*, La Trobe University, for the Australia Treasury *Australia's Future Tax System* review; at http://apo.org.au/research/conceptual-framework-reform-taxes-related-roads-and-transport.

John DeCicco and Hugh Morris (1998), *The Costs of Transportation in Southeastern Wisconsin*, American Council for an Energy-Efficient Economy (www.aceee.org).

Mark Delucchi (1996), *Annualized Social Cost of Motor Vehicle Use in the United States, Based on 1990-1991 Data*, Institute of Transportation Studies, University of California at Davis (www.its.ucdavis.edu); at www.its.ucdavis.edu/people/faculty/delucchi.

Mark Delucchi (2005), *The Social-Cost Calculator (SCC): Documentation of Methods and Data, and Case Study of Sacramento*, Sacramento Area Council of Governments and the Northeast States for Coordinated Air-Use Management, UCD-ITS-RR-05-37, (www.its.ucdavis.edu); at www.its.ucdavis.edu/publications/2005/UCD-ITS-RR-05-18.pdf

M. A. Delucchi and D. M. McCubbin (2010), "External Costs of Transport in the U. S.," Chapter 9 of the *Handbook in Transport Economics*, Edward Elgar Publishing.

Jos M.W. Dings, Marc D. Davidson, Maartje N. Sevenster (2003), *External And Infrastructure Costs Of Road And Rail Transport - Analysing European Studies*, CE Delft (www.ce.nl).

Jos Dings, et al (2002), *External Costs Of Aviation*, CE (www.ce.nl).

EC (2005), *ExternE: Externalities of Energy - Methodology 2005 Update*, Directorate-General for Research Sustainable Energy Systems, European Commission (www.externe.info).

EDRG (2007), *Monetary Valuation of Hard-to-Quantify Transportation Impacts: Valuing Environmental, Health/Safety & Economic Development Impacts*, NCHRP 8-36-61, National Cooperative Highway Research Program (www.trb.org/nchrp); at www.statewideplanning.org/_resources/63_NCHRP8-36-61.pdf.

EEA (2007), *Size, Structure and Distribution of Transport Subsidies in Europe*, European Environmental Agency (http://reports.eea.europa.eu/technical_report_2007_3/en).

Gunther Ellwanger (2000), "External Environmental Costs of Transport - Comparison of Recent Studies," *Social Costs and Sustainable Mobility*, ZEW, Physica-Verlag (www.springer.de), pp. 15-20.

European Transport Pricing Initiatives (www.transport-pricing.net), including *ExternE* (www.externe.info), *GRACE* (www.grace-eu.org), and *UNITE* (www.its.leeds.ac.uk/projects/unite).

EC (2005), *ExternE: Externalities of Energy - Methodology 2005 Update*, Directorate-General for Research Sustainable Energy Systems, European Commission (www.externe.info).

FHWA (1998), *Surface Transportation Efficiency Analysis Model*, FHWA (www.fhwa.dot.gov/steam).
FHWA (1997 and 2000), *1997 Federal Highway Cost Allocation Study* (including appendices) USDOT (www.fhwa.dot.gov/policy/hcas/summary/index.htm).

FHWA (annual reports), *Highway Statistics*, FHWA, USDOT (www.fhwa.dot.gov/policy/ohpi/hss/hsspubs.cfm) include roadway expenditure and user fee revenue data.

David Greene, Donald Jones and Mark Delucchi (1997), *Full Costs and Benefits of Transportation*, Springer (www.springer.de).

Michael F. Gorman (2008), "Evaluating The Public Investment Mix In US Freight Transportation Infrastructure," *Transportation Research A*, Vol. 42, Is. 1 (www.elsevier.com/locate/tra), January, pp. 1-14.

Mark Hanson (1992), "Automobile Subsidies and Land Use: Estimates and Policy Review," *Journal of the American Planning Association* (www.planning.org), Winter.

Quentin Heaney, Margaret O'Mahony, and Eithne Gibbons (1999), "External Costs Associated with Interregional Transport," *Transportation Research Record 1659*, TRB (www.trb.org), pp. 79-86.

Hyder Consulting (2008), *Understanding Transport Costs and Charges (UTCC) Phase 1*, New Zealand Ministry of Transport (www.transport.govt.nz); at www.transport.govt.nz/research/Pages/UnderstandingTransportCostsandCharges.aspx.

ICF Consulting (2001), *Freight Benefit/Cost Study: Compilation of the Literature*, Office of Freight Management and Operations, Federal Highway Administration (http://ops.fhwa.dot.gov/freight/); at http://ops.fhwa.dot.gov/freight/freight_analysis/econ_methods/comp_lit/index.htm#toc

ICLEI (1997), *Uncovering Auto Subsidies: Calculating How Much Your Local Government Spends Subsidizing Cars*, Cities for Climate Protection, International Council for Local Environmental Initiatives (www.iclei.org/co2/auto/cars.htm).

ICLEI (2005), *Hidden Subsidies for Urban Car Transportation: Public Funds for Private Transport*, European Commission Directorate General for Environment, International Council for Local Environmental Initiatives (www.iclei.org); at www.increase-public-transport.net/fileadmin/user_upload/Procurement/SIPTRAM/Hidden_subsidies_final.pdf.

ICTA (1997), *The Real Price of Gasoline*, International Center for Technology Assessment (www.icta.org).

INFRAS and IWW (2004), *The True Costs of Transport: Time to Act – Update Study*, Community of European Railway Companies (www.cer.be) and International Union of Railways (www.uic.asso.fr).

Astrid Jakob, John L. Craig and Gavin Fisher (2006), "Transport Cost Analysis: A Case Study of the Total Costs of Private and Public Transport in Auckland," *Environmental Science & Policy*, Vol. 9 (www.sciencedirect.com), pp. 55-66.

KPMG and Litman (1996), *The Costs of Transporting People in the City of Edmonton*, City of Edmonton (www.edmonton.ca).

Richard Lake, et al. (1999), *Pricing and Climate Change; Phase 1: Needs Assessment*, Policy Group, Road Pricing, Transport Canada (www.tc.gc.ca)

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