NYC Congestion Pricing

What Will It Mean for New York?

What Might It Mean for The World?

Presented by:
Charles Komanoff
www.komanoff.net
komanoff@gmail.com
@Komanoff • @carbontaxcenter
Nurture Nature Foundation

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All figures here were generated by my "BTA" Excel spreadsheet, which is in public domain. Google "BTA 1.1" for link to download.

A pdf of this presentation may be downloaded via this link: http://www.komanoff.net/cars_II/NYC_Congestion_Pricing.pdf

For New York, congestion pricing promises

- **Fewer vehicular trips, especially in Manhattan core**
- **New $$ to modernize our (failing) public transit . . . hence:**
- **Fewer vehicular trips**

Yet projected drop in tailpipe CO2 is modest (0.8-0.9 x 10^6 tonne).
Why? Because C.P. targets a small number of vehicle trips. Those that:

- **Impose extensive delays (costs) on others**
- **Have excellent transit alternatives**
- **Have high value to trip-takers, so most (~85%) will elect to pay the toll.**

Which suggests: "Congestion Pricing Is *Not* A Climate Solution"

Congestion pricing *is* an urban solution, however.

Why? Because it can add to a city's efficiency and vibrancy.

Making it a climate solution after all ("Green Metropolis").

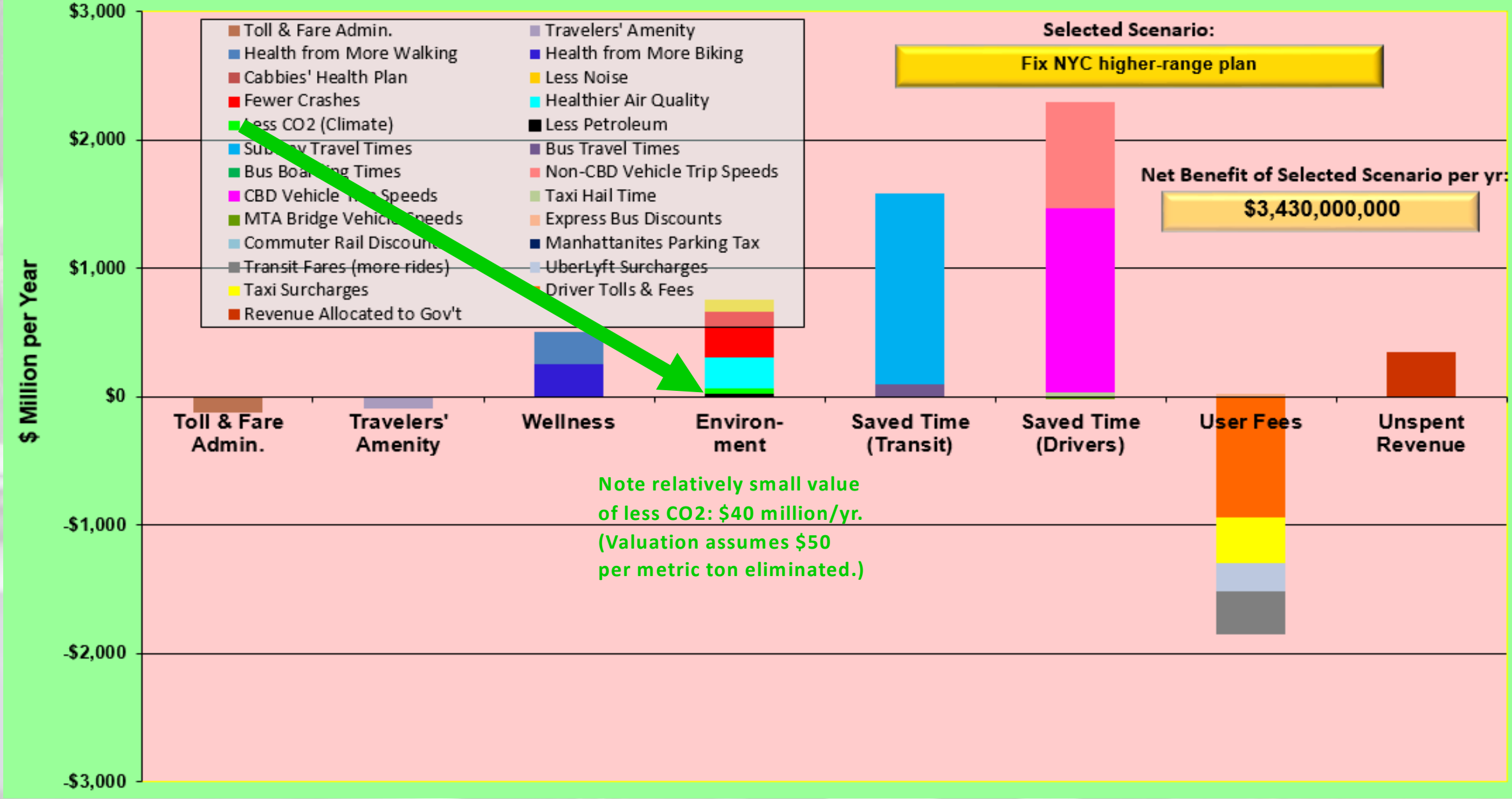
What Congestion Pricing Offers NYC:

Key Results Are in Five Boxes Below. Plan Selected is Named at Right:				Fix NYC higher-range plan
Predicted results are sensitive to whether a "switch" in the model crediting toll-revenue investments with improved subway service is ON or OFF. Cell at right shows status of switch:				Switch is ON
Average change in CBD vehicle speeds weekdays 6am-6pm	**Annual net revenue available to improve travel**	**Manhattan residents' share of new tolls + surcharges**		**Predicted annual net benefit**	**Daily traveler time savings (hours)**
20.3%	**$1,730,000,000**	**31.3%**		**$3,430,000,000**	**517,000**
(From Cell H119)	(From Cell K69)	(From 'Incidence' tab, Cell I426)		(From 'Cost-Benefit tab, Cell K88)	from Cell S122
Speed improvement above is some years in future, after transit investments have borne fruit. To see *immediate* CBD speed gain, without the fruits of transit investment, follow instruxns in Cell E188 of 'User Inputs' (tab directly following this one).	Above figure encompasses all "new" toll and surcharge revenues from plan running in the model, less its administrative costs.	Other 4 boroughs:	37.5%	Figure above is best single "index of merit" for plan being run in model. Includes traveler time savings, enviro benefits, etc., less new tolls and other costs.	Figure reflects 365 days. Weekday-only average is greater.
		7 MTA suburban counties:	17.8%		
		NJ, CT, other:	13.5%		

"Overnight" benefits, though smaller, are still substantial.

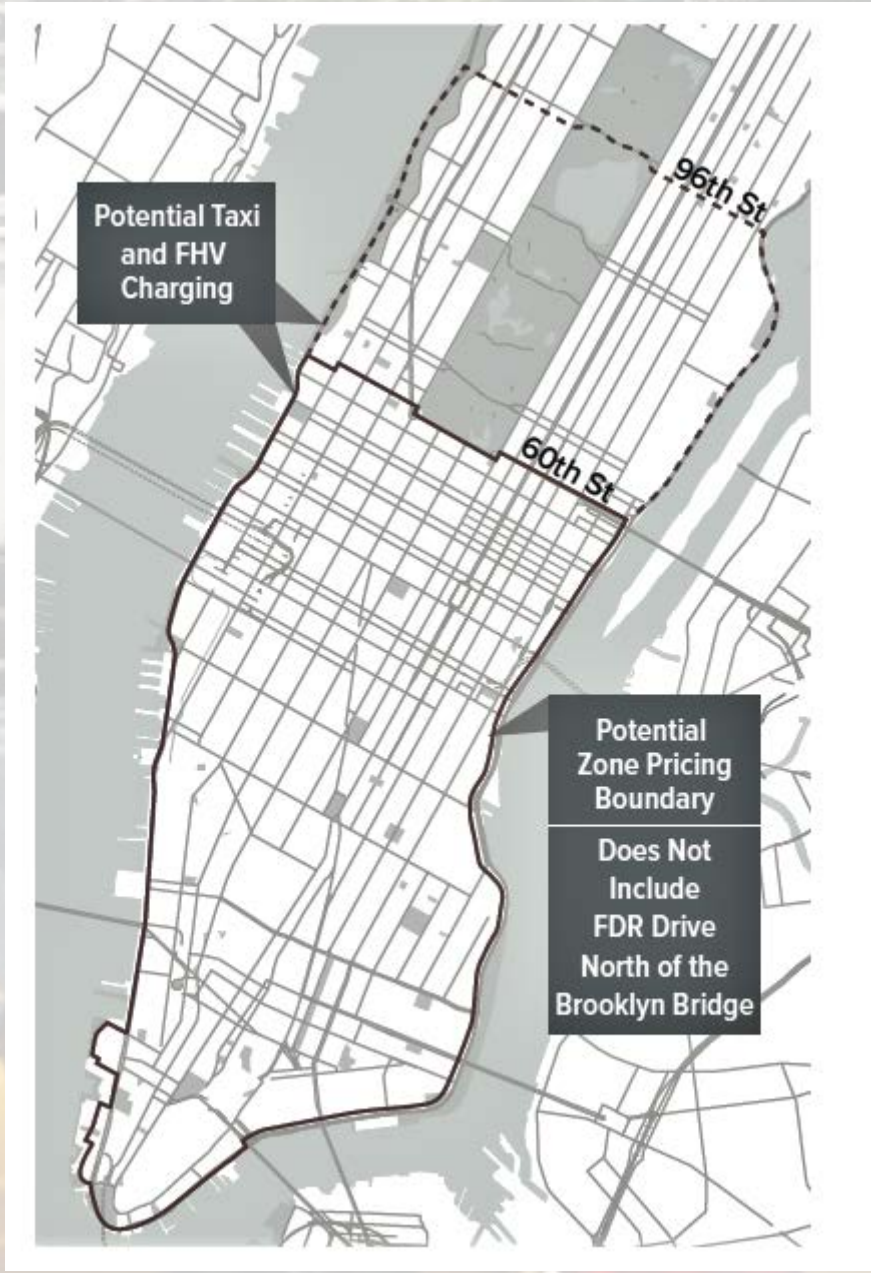
Key Results Are in Five Boxes Below. Plan Selected is Named at Right:				Fix NYC higher-range plan
Predicted results are sensitive to whether a "switch" in the model crediting toll-revenue investments with improved subway service is ON or OFF. Cell at right shows status of switch:				Switch is OFF
Average change in CBD vehicle speeds weekdays 6am-6pm	**Annual net revenue available to improve travel**	**Manhattan residents' share of new tolls + surcharges**		**Predicted annual net benefit**	**Daily traveler time savings (hours)**
11.9%	**$1,550,000,000**	**28.8%**		**$1,520,000,000**	**148,000**
(From Cell H119)	(From Cell K69)	(From 'Incidence' tab, Cell I426)		(From 'Cost-Benefit tab, Cell K88)	from Cell S122
Speed improvement above is immediate, i.e., not taking credit for transit investments. To see *longer-term* CBD speed gain, reflecting fruits of transit investment, follow instruxns in Cell E188 of 'User Inputs' (the tab directly following this one) .	Above figure encompasses all "new" toll and surcharge revenues from plan running in the model, less its administrative costs.	Other 4 boroughs:	39.0%	Figure above is best single "index of merit" for plan being run in model. Includes traveler time savings, enviro benefits, etc., less new tolls and other costs.	Figure reflects 365 days. Weekday-only average is greater.
		7 MTA suburban counties:	18.4%		
		NJ, CT, other:	13.8%		

Traffic Pricing Benefits and Costs



NYC Congestion Pricing logistics

- Digital cordon encompassing Manhattan Island south of 60th St, which drivers of cars and trucks pay to enter.
- The two NJ-NYC tunnels are already tolled and thus don't count.
- For-hire vehicles (taxis, Ubers …) are exempt from cordon fee but are surcharged for travel in "Manhattan taxi zone" (to 96th St).
- Cordon tolls and FHV surcharges are higher during peak hours.
- Max cordon toll of $11.52 round-trip (matches toll on MTA's bridges and tunnels). **Pro tip: should be $5.76 each way.**
- Vehicles are charged for only one round-trip per day.
- FHV surcharge is levied entirely via the "drop." **Pro tip: should be based on minutes driven w/i zone (true "congestion pricing").**
- All trucks pay 2.2x auto rate. **Pro tip: sliding scale based on # axles.**
- Share of hours in which some cordon toll is charged: 53%
- Share of inbound trips for which some cordon toll is charged: 71%



Gov. Cuomo's "Fix NYC" C.P. Panel

- Used my "BTA" Excel spreadsheet for most of its modeling.
- Included broad menu of toll/surcharge options (126 combo's).
- Results/findings here reflect "higher-range" set of tolls/charges.

NYC Congestion Pricing politics

Prologue

- Drip-drip drops in subway reliability and performance.
- Tabloids, *Times,* activists publicize and protest and demand.
- Advent of Uber & Lyft ("TNC"s)
  - Enhanced mobility in "transit deserts." But:
  - Worsened Manhattan gridlock from failure to cap or price.
  - Financial crisis (w/ suicides) for drivers of taxis and, now, TNC's.
  - Cratering bus use & stagnant subway use (after 25-yr boom).
- Gov. convenes "Fix NYC" (8/2017), largely abandons (2018).
- Gov. recruits new NYC Transit head, Andy Byford (1/2018).
- Legislature enacts FHV charges (eff. 2019) but no toll (3/2018).
- Byford proposes "Fast Forward NYC" modernization plan (5/2018).
- Gov. ignores FFNYC, is hammered politically (5/2018).
- Gov. embraces FFNYC, reboots congestion pricing (6/2018).

Outlook

- Next legislative session, 2019, is 1-in-4 non-election year.
- Former raps on c.p. (borough inequity, regressive) fade away?
- Lower polling expectations ("valley of political death").
- Immense pressure on Gov. Cuomo to lead.

Excerpt from a national baseball blog.

Yankees 7, Mets 5: Gary Sanchez homered and drove in five runs as the Yankees sweep the Mets in the Subway Series. Which is misnamed, as I figure that few if any of the players involved actually take the subway to the games anymore, what with the subway being an absolute disaster these days.

Congestion Pricing — Today, NYC. Tomorrow, the World?

- Congestion pricing has lacked a poster-city:
  - Singapore: not iconic
  - London: pre-digital, rife w/ exemptions
  - Milan: limited system
  - Stockholm: best template, brilliant politics; but too small / "Nordic"?
- NYC could be the template … or, at least, the trigger.
- Cities are key to climate sustainability.
- Vibrancy and efficiency are key to cities.
- Transit + auto-independence are key to vibrancy and efficiency.
- Pricing of "congestion externalities" is key, because:
  - Each "car-minute" causes ~ 2 car-minutes of delay (in Manhattan).
  - Efficient/humane transit requires robust revenue sources.
- The takeaway: "Don't ban cars, bill them"