ACCESS CHARGES FOR THE USE OF RAIL INFRASTRUCTURE

Presentation to the press

18 November 2015
The EU’s Fourth Railway Package is composed of:

- a «technical pillar»: safety and interoperability
- a «political pillar»: governance and market access

**ART’s Decision No 96/2015 of 13 November 2015**

- Decree-Law 201/2011 – art. 37 – Law establishing the Authority
- Directive 2012/34/EU of 21 November 2012, establishing a single European railway area («Recast»)
Regulatory measures

Decision No. 96 of 13 November 2015: ART sets the criteria for the determination – by the IM Rete Ferroviaria Italiana (RFI) – of access charges for the use of national rail infrastructure.

Just 4 months after the transposition into Italian legislation of Directive 2012/34/EU - «Recast» - on a single European railway area (Legislative Decree No 112/2015), ART implements the principles contained therein.
Regulated activities

Minimum Access Package (MAP)
Right of a railway undertaking to operate on the national rail network.

It includes:
- path allocation;
- use of lines and stations;
- control and regulation of train movements

A charge shall be paid by the rail undertaking to the Infrastructure Manager (RFI)

Other services
These are additional services with respect to the Minimum Access Package, such as for example:
- use of station areas for ticket offices and customer care
- access to freight terminals, maintenance facilities and other technical facilities
- traction current
- shunting services
- access to telecommunication networks

A charge shall be paid by the rail undertaking to the operator of the relevant service facility
Regulated activities

Services referred to in art. 13 of the Legislative Decree transposing Directive 2012/34/EU

MAP

Paragraph 1: Minimum Access package
- Request for capacity
- Use of capacity
- Use of infrastructure
- Control and regulation of train movements
- Use of electrical supply equipment
- Necessary information

Other services

Paragraph 2: Facilities and Services with right of guaranteed access
- Passengers’ stations
- Freight terminals
- Marshalling
  - Train formation
- Light maintenance facilities
- Other technical facilities
- Port facilities
- Relief facilities
- Refuelling facilities

Paragraph 9: Additional services
- Traction current
- Pre-heating
- Water refilling
- Control of transport of dangerous goods
- Assistance in running abnormal trains
- Shunting services

Paragraph 10: Ancillary services
- Telecommunication network
- Supplementary information
- Technical inspection
- Ticketing
- Heavy maintenance
Market dimension: traffic

- Technical
  - Empty runs
  - Test Trains

- Freight

- OA-HS
  - Open Access
  - High Speed

- OA-nonHS
  - Open Access
  - Traditional

- PSO-LR
  - Public Service
  - Long Distance

- PSO-Regio
  - Public Service
  - Regional

Train*km per year (2014)

Total: over 330 Mln tr.km
Market dimension: traffic revenues

Annual amount charges 2014

% charges model
- Technical: 49%
- Freight: 24%
- OA-HS: 7%
- OA-nonHS: 8%
- PSO-LR: 9%
- PSO-Regio: 3%

Total: 1.057 Mln €
- Technical: 91.299.207
- Freight: 65.867.284
- OA-HS: 77.176.683
- OA-nonHS: 231.610.952
- PSO-LR: 83.956.435
- PSO-Regio: 488.062.027

Technical
Empty runs
Test Trains

Freight

OA-HS
Open Access
High Speed

OA-nonHS
Open Access
Traditional

PSO-LR
Public Service
Long distance

PSO-Regio
Public Service
Regional
In compliance with the new legal framework, Decision 96 ensures:

- full independence of the Infrastructure Manager (RFI) from rail undertakings and from the State granting the concession
- certainty for Rail Undertakings that charges are efficiency-oriented, also through new rules on cost allocation and accounting separation
- Flexibility allowed to the Infrastructure Manager (RFI) for levying charges, by means of appropriate tools for differentiation, so as to encourage traffic growth, especially on low-traffic routes
Key points of the new regulation

- **Regulatory period**
  - five years

- **Perimeter of relevant costs** (Direct, Indirect, Specific) and related valorisation

- **Efficiency of operating costs and volume growth**

- **Identification of the most relevant supply and demand segments**

- **Definition of the procedures for the determination of charges starting from specified costs**

- **Verification procedures**, by the Authority, as to the correct application of the criteria adopted
What changes

- Charges determined by RFI based on specific criteria established by ART
- Five-year regulatory period, with stable and pre-determined charges

- Charges related to relevant and efficient costs

- Enhanced requirements for regulatory accounting and accounting separation

- Charges based on the type of service, rather than on the type of network
- Charges composed by variable components only (euro per train·km)

- Managerial independence of RFI

- Annual efficiency targets for the IM
- ART verifies compliance of the charges with the criteria and sustainability of the charges for the market
A new component: market segmentation

The market is segmented based on the main **types of service**: hence, the charge can be tailored by the Infrastructure Manager, with benefits for **end users**.
# New operating leverages for RFI

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New classification of the network

For the purpose of an effective network solidity, the criteria for classifying railway lines have been re-defined:

1. **Metropolitan network**, consisting of the main national metropolitan nodes;
2. **High-service level** network, consisting of high-speed/high capacity lines and lines with maximum speed for the higher rank above 200 km/h;
3. **Medium-service level** network, consisting of national corridors (Northern Central and Southern Central), main international lines and other lines of the existing core network;
4. **Basic-service level network**, consisting of the remaining lines.
For the purpose of **market sustainability**, ART has established «caps» to the **segment average kilometric charge**, which shall not exceed those applied during 2015 for:

- freight services
- regional passengers services
- services for «high-service level» network (compared to the existing HS/HC charges)
The benefits of the measures adopted

- **consistency** with European and national legislation;
- **consistent regulation** of different transport modes;
- **cost-efficiency** of network management;
- **transparency** and **multi-annual stability** of rules;
- **bottom-up** approach;
- **ease of use**;
- **Market opening**;
- **correlation to the Infrastructure Manager’s efficient costs**;
- **fair value** of the Infrastructure Manager’s assets