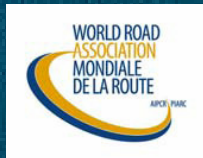


World Road Association  
Technical Committee A.3  
Road Systems Economics and Social Development  
Third Meeting

**Budapest, 4-5 May 2009**

**Political Economy of Road Pricing**  
A Case Study of the M6 Toll (UK)

**Fred AMONYA**

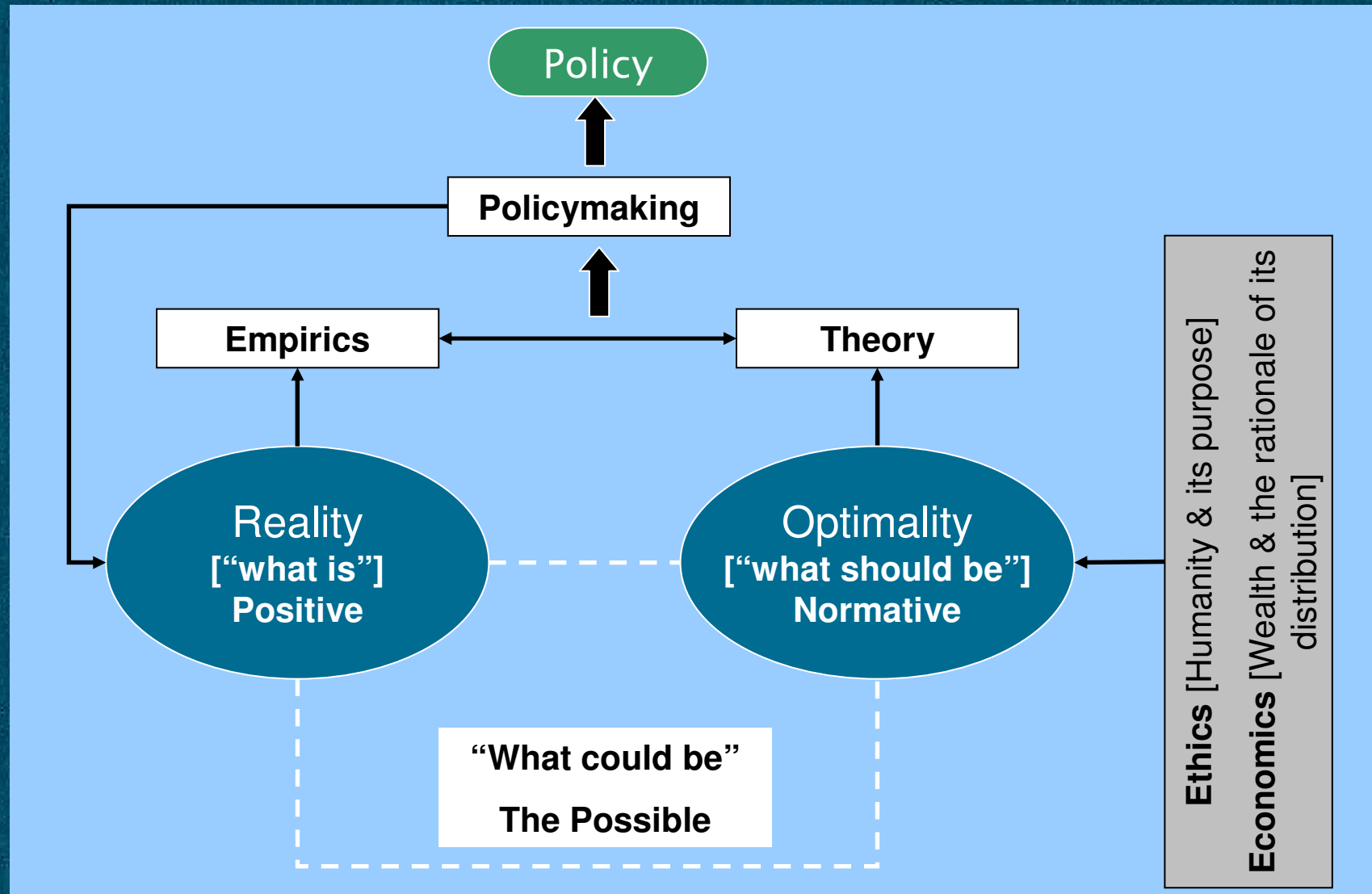


# Content

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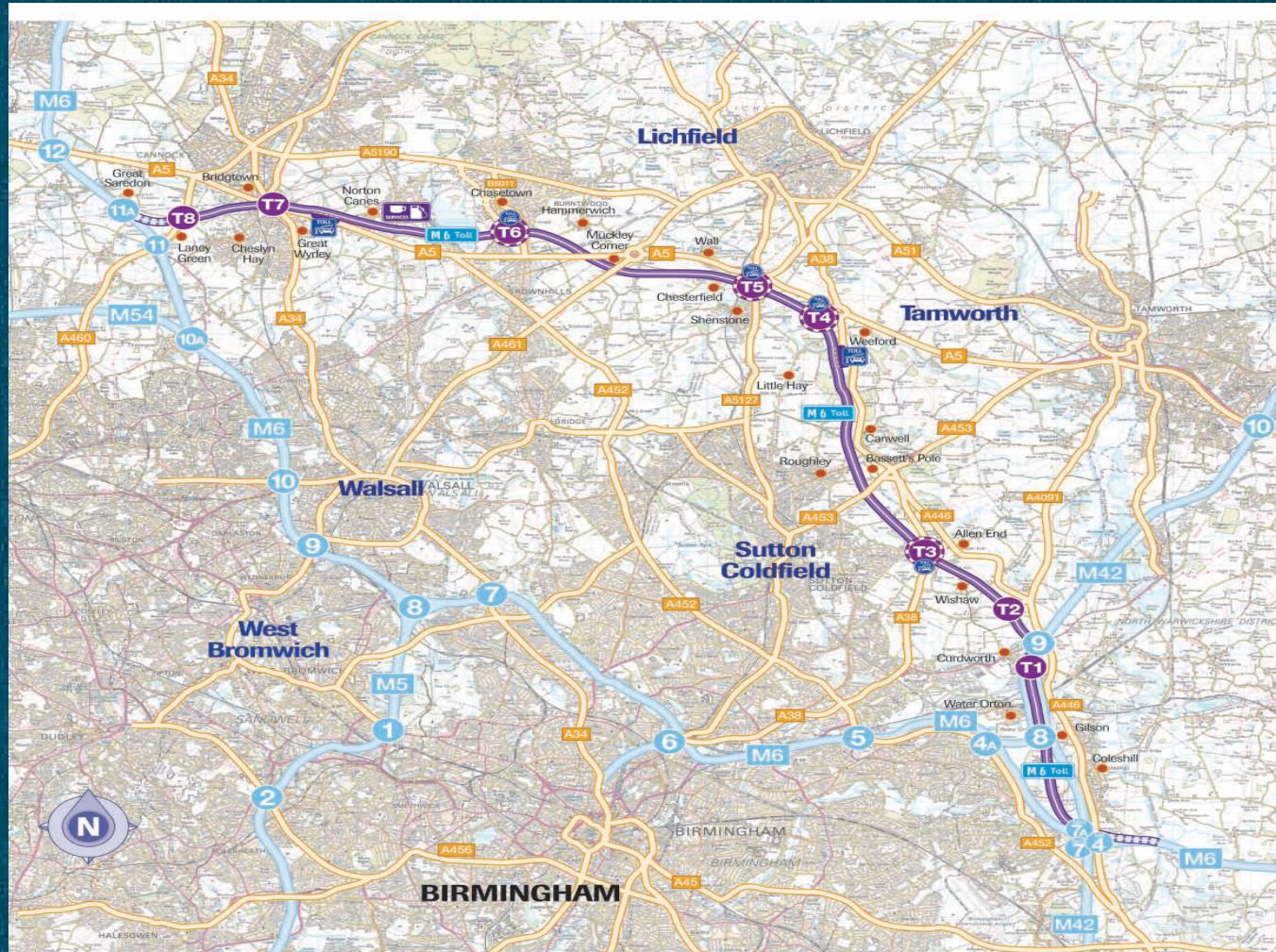
# Context

## The Reason for Theory



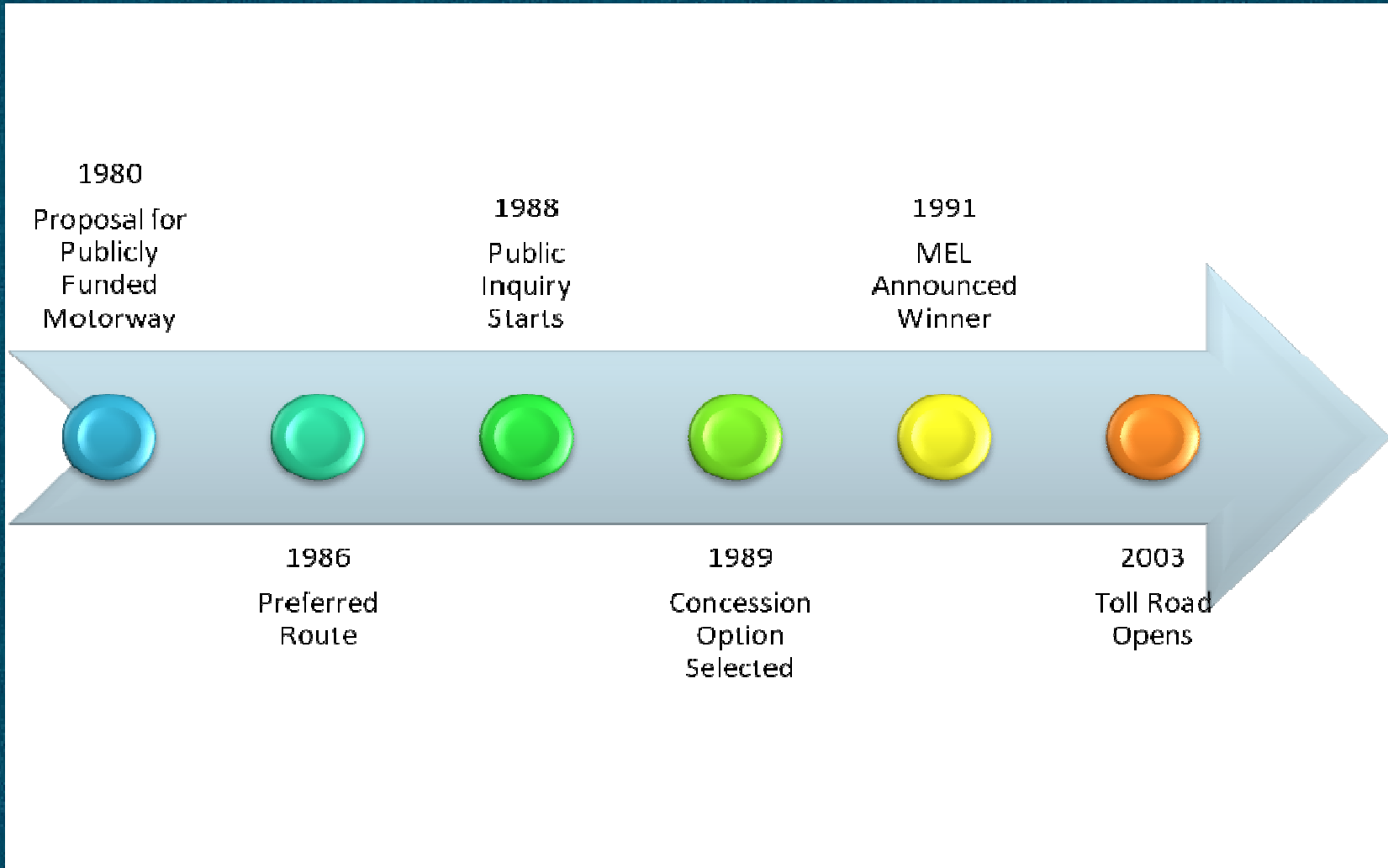


# The Case Geography of the M6 Toll



# The Case

## The History





# The Case

## The Infrastructure & Operation



No explicit economic regulation

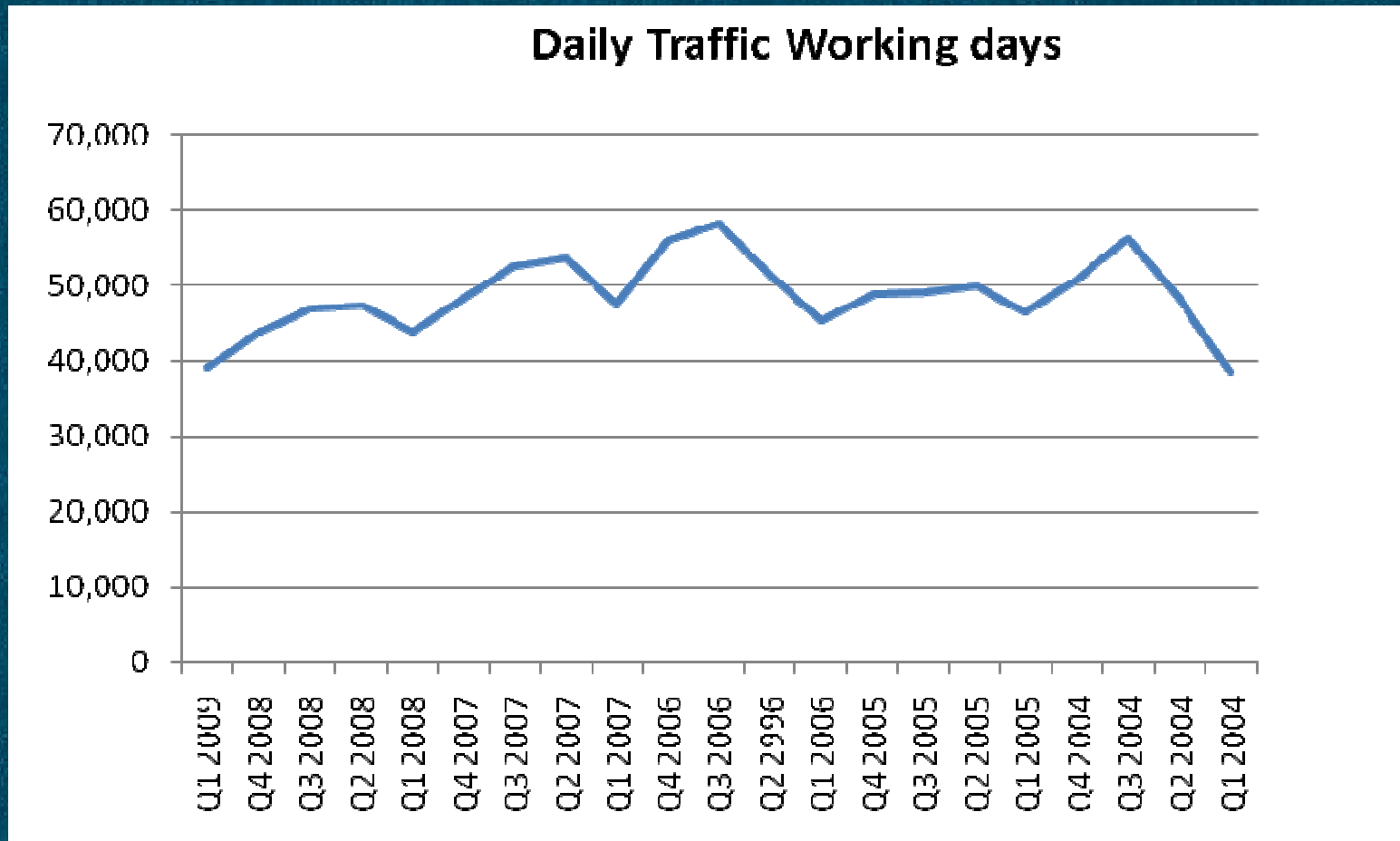
The M6 main competing route

# The Case

## Toll Trail

Class	Rates (US\$ - May 2008)					Jan-09
	<u>Dec-03</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Jun-05</u>	<u>Jan-08</u>	
Class 1 (e.g. Motorbike)	1.5	1.5	1.5	3.8	3.8	4.1
Class 2 (e.g. Car)	3.0	3.0	4.5	5.3	6.8	7.1
Class 4 (e.g. Van)	7.5	7.5	7.5	10.5	13.5	14.1
Class 5 (e.g. HGV)	15.0	9.0	9.0	10.5	13.5	14.1

# The Case Traffic

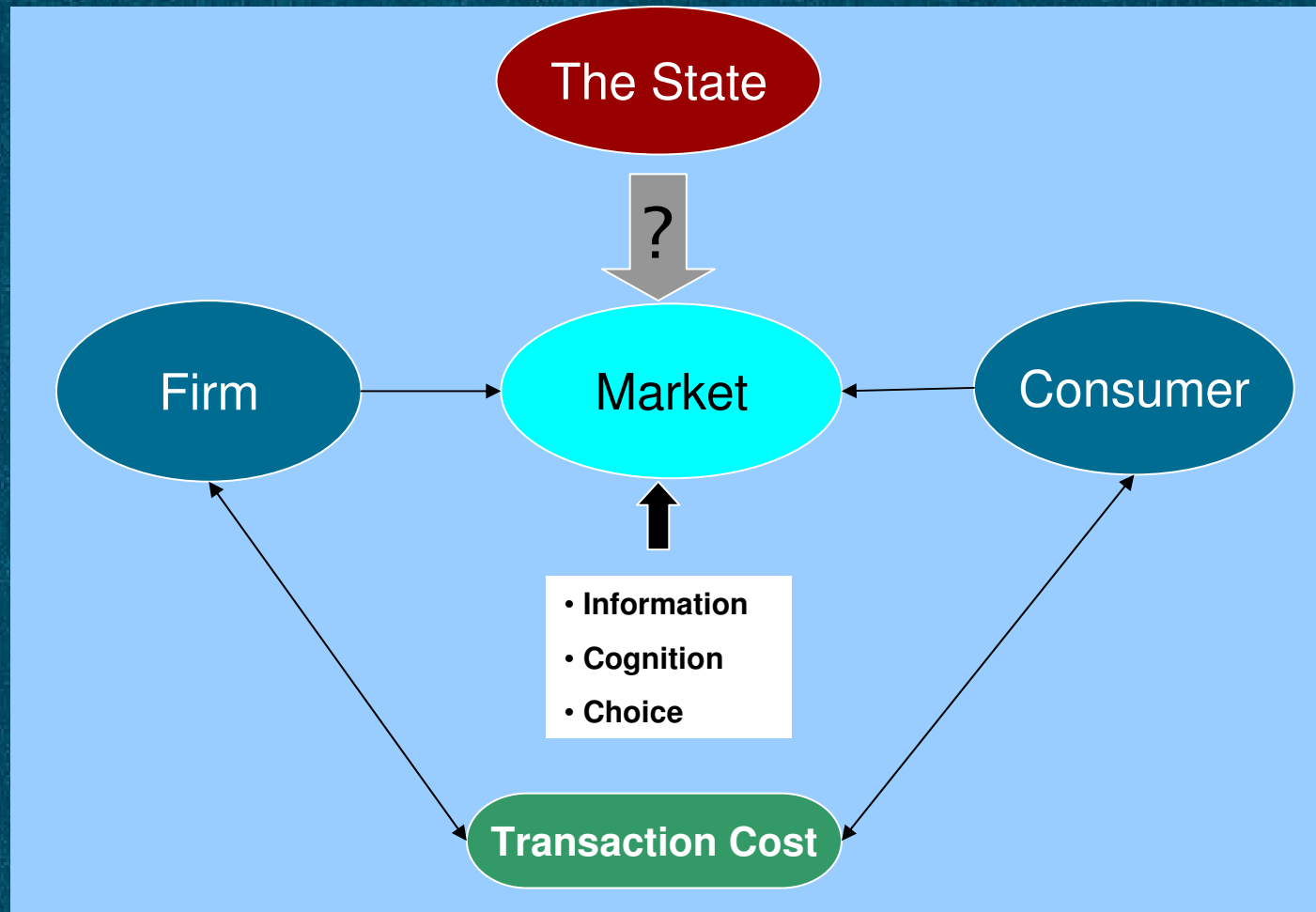




# Dissecting Regulation

## Is Technology the Pivot?

### Analytical Framework



# Dissecting Regulation

## Is Technology the Pivot?

### Guiding Questions

Overarching question: Is technology entrenching utility regulation?

- Is technology creating a market for road space?
- Is technology unbundling road space delivery? Or are these functions firmly embedded in natural monopoly?
- Is technology improving the quality and understanding of road user information?
- Are transaction costs reducing as technology improves?

# Concluding Remark

**What is the future of road pricing in the UK?**

Use PESTLE framework to explore this question:

- Politics
- Economics
- Sociology
- Technology
- Legal Issues
- Environment.

Thank You

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