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Autorità
di Regolazione
dei Trasporti

IMPROVING ACCESS TO THE ITALIAN RAILWAY NETWORK: THE REGULATORY MEASURES ADOPTED BY THE ITALIAN RAIL REGULATORY BODY

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CONTENTS OF THE PRESENTATION

Introduction: who we are ?

4

The Regulatory Decision n.70 of 2014:

Consultation of stakeholders

6

Contractual arrangements for use of infrastructure

7

Capacity allocation

8

Access charges

9

Performance regime

10

Other regulatory measures adopted

11

To resume, clusters of considered regulatory issues

12

INTRODUCTION: WHO WE ARE ?

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THE ITALIAN TRANSPORT REGULATORY AUTHORITY AT A GLANCE

- ✓ **Operational since summer 2013**
- ✓ **Fully independent from the different territorial levels of Government (Ministries, Regions, city councils, etc.) as well as from regulated entities**
- ✓ **Multimodal competences for regulating access to transport infrastructures: *railways, motorways, airports and ports***
- ✓ **Accountable to Parliament**
- ✓ **Governing Board composed by 3 members appointed by the Parliament, with a 7 year mandate, non renewable**
- ✓ **Headquarters in Turin, with offices also in Rome**
- ✓ **Organigram including Governing Board + support staff, 1 Secretary General, 1 Head of Cabinet and 8 Directorates:
*access to infrastructures, services and retail markets, consumer protection, enforcement + 4 transversal (administration, ICT, legal affairs, economic studies)]***
- ✓ **Recruitment in progress (about 30% of staff has already taken office)**

THE REGULATORY DECISION N.70 OF 2014

THE REGULATORY DECISION N.70/2014: CONSULTATION OF STAKEHOLDERS

PRELIMINARY CONSULTATION: the different steps carried out

Regulatory process started with Decision n.16 of 6.3.2014

Consultation launched with
Decision n.24 of 17.4.2014

- 11 thematic areas
- 32 questions
- answers received from almost all the stakeholders

Consultation closed 30 days
after starting date

- Detailed analysis of answers followed

Outcomes of consultation
served as basis for regulatory
Decision n.70/2014

- Regulatory Decision n.70/2014 structured to optimise transparency
- For each thematic area clear evidence is given to the legislative bases, the issues at stake, the questions included into the consultation, the analysis of responses, the regulatory measures to be enforced

THE REGULATORY DECISION N.70/2014: CONTRACTUAL ARRANGEMENTS FOR USE OF INFRASTRUCTURE

1. Capacity available to be published in the network statement per each line segment and per each operating hour, with detail of: 1. maximum capacity which can be allocated to Framework Agreements (FAs); 2. capacity currently allocated to FAs; 3. total amount of capacity allocated per timetable;
2. elimination of the 70% ceiling for the total capacity of the network which can be allocated to FAs;
3. introduction of a new 85% ceiling for the total capacity which can be allocated to FAs per line segment and operating hour;
4. possibility, for holders of FAs, to use the full capacity of the requested line when there are no other applicants for a given timetable;
5. inclusion in the FAs of clauses safeguarding the availability of spare capacity for new entrants;
6. IM obliged to indicate platforms at stations upon demand of FA holders wishing to operate HS services;
7. introduction of special arrangements for FAs to be subscribed by local authorities, to improve overall quality and service levels of local/regional passenger transport.

THE REGULATORY DECISION N.70/2014: CAPACITY ALLOCATION

1. Introduction of measures to increase transparency of the capacity allocation process (IM to provide annually details of the capacity requested and the capacity allocated, with information on the incidence of harmonization and coordination processes);
2. reduction from 15 to 10 minutes of the flexibility margin used by the IM to allocate requested capacity within peak hours to competitors “in the market”;
3. obligation, for the IM, to involve all the impacted RUs before finalising the harmonisation processes;
4. extension of the daily time intervals where operators of public service obligations (PSOs) have priority;
5. increased priority to FA holders in the annual allocation process;
6. incentivation of combined transport and transport of dangerous goods overnight;
7. increased transparency of the coordination process, by disclosing to interested parties information on paths requested by all other applicants on the same itineraries, preliminary allocation of these paths, operational details of the allocation procedure followed;
8. applicants may now inform the Authority about discriminatory behaviour of IM in the harmonization and coordination processes.

THE REGULATORY DECISION N.70/2014: ACCESS CHARGES

1. Significant reduction of access charges for “empty runs” of high speed trains;
2. new definition of the component of access charges for high speed services which is related to financial costs of infrastructural investments on the high speed network:
 - *Part 1: related to the annual (residual) financial cost of investments finalised by 31.12.2013 and not covered by public funds;*
 - *Part 2: related to the annual financial cost of investment started after 31.12.2013 and not covered by public funds.*
3. obligation to provide information to the Authority on the annual planning of investments and the related new lines of debts (*to be opened at the best market conditions*);
4. *sensible reduction of access charges payable by high speed RUs during 2015 (new charge approx. 8,2 €/train-km);*
5. *new regulatory procedure opened to define new principles and criteria for calculation of access charges applicable to the national railway network (to be finalised by the end of September 2015).*

THE REGULATORY DECISION N.70/2014: PERFORMANCE REGIME

1. Significant improvement of the performance regime, to be developed through a consultation of stakeholders and aimed at implementing the following principles for incentivating the efficient use of infrastructure:
 - a) detection of delays also in intermediary check-points and/or stations situated along the itineraries;
 - b) elimination of the tolerance threshold for delays;
 - c) increase of penalties per minute of delay, with possible differentiation according to operational peculiarities of market segments;
 - d) further increase of penalties per minute of delay above 60 and 120 minutes of total delay;
 - e) increased transparency of the overall process (*through availability of traffic data on the web, detailed description of causes of delays, more transparent allocation of responsibilities for delays; dedicated dispute resolution system*);
 - f) attribution of 120 minute delay to each cancelled train.

THE REGULATORY DECISION N.70/2014: OTHER REGULATORY MEASURES ADOPTED

1. Improvement of accessibility and quality of assistance to persons with reduced mobility;
2. improvement of services and facilities at stations made available to RUs for ticketing, advertising, providing information to customers (*underlying principle: all RUs operating passenger services must have the same degree of visibility and accessibility vis-à-vis the customers*);
3. new framework contract to be developed for provision of marshalling services, with clauses for improving service levels, accessibility and transparency;
4. new framework contract to be developed for renting engines to be used for in-house marshalling;
5. publication in the network statement of a 5 year investment program aimed at reducing the incidence of service disruption, particularly within main network nodes and lines;
6. development of improved procedures for removal of rolling stock lying out of service along lines of the network, based on efficient costing, shared IM and RU responsibilities, transparency and non discrimination of Rus;
7. more equitable provisions for financial guarantees to be provided by applicants.

THE DECISION CONSIDERS THE FOLLOWING 5 CLUSTERS OF REGULATORY ISSUES:

1. Access to the national railway network and programming of transport operations

- framework agreements
- capacity allocation
- accessibility of ticketing services and provision of information to RUs' customers
- financial guarantees and penalties for breach of contractual duties by the parties

2. Management of network capacity

- management of service disruptions and perturbations

3. Access to services for railway undertakings

- access to services and marshalling

4. Persons with reduced mobility

- access of PRM to railway services

5. Access charges

- access charges for HS services in 2015 and development, in the mid-term, of new principles and criteria for access charging

Many thanks for your attention

DISCLAIMER

the contents of this presentation do not represent the views of the Italian Transport Regulatory Authority and do not commit the Authority in any way which may exceed what specified in the text of the regulatory decisions and acts hereby presented

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