



„Last mile“ problems

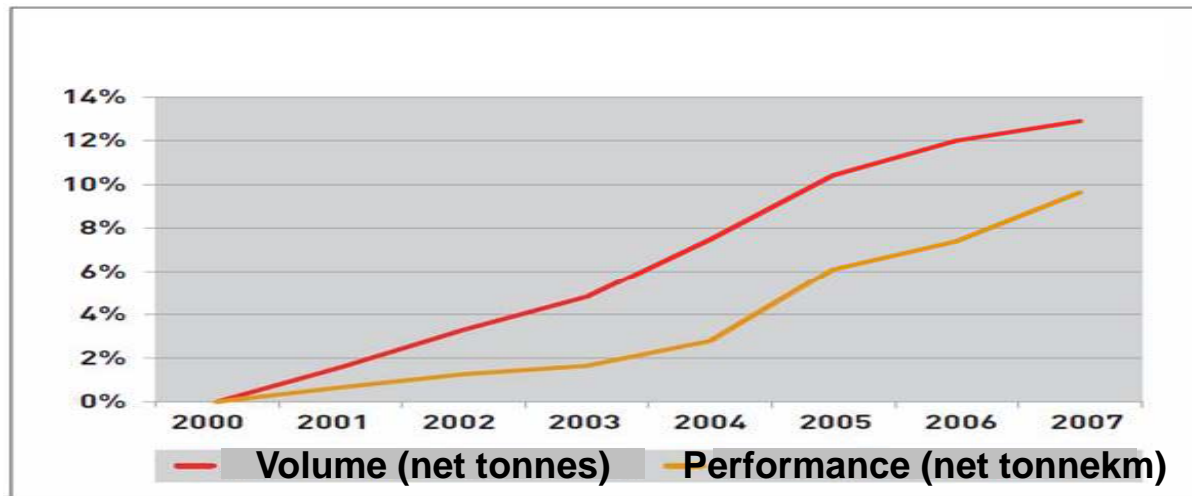
From the Austrian point of view

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The Austrian railway network overview

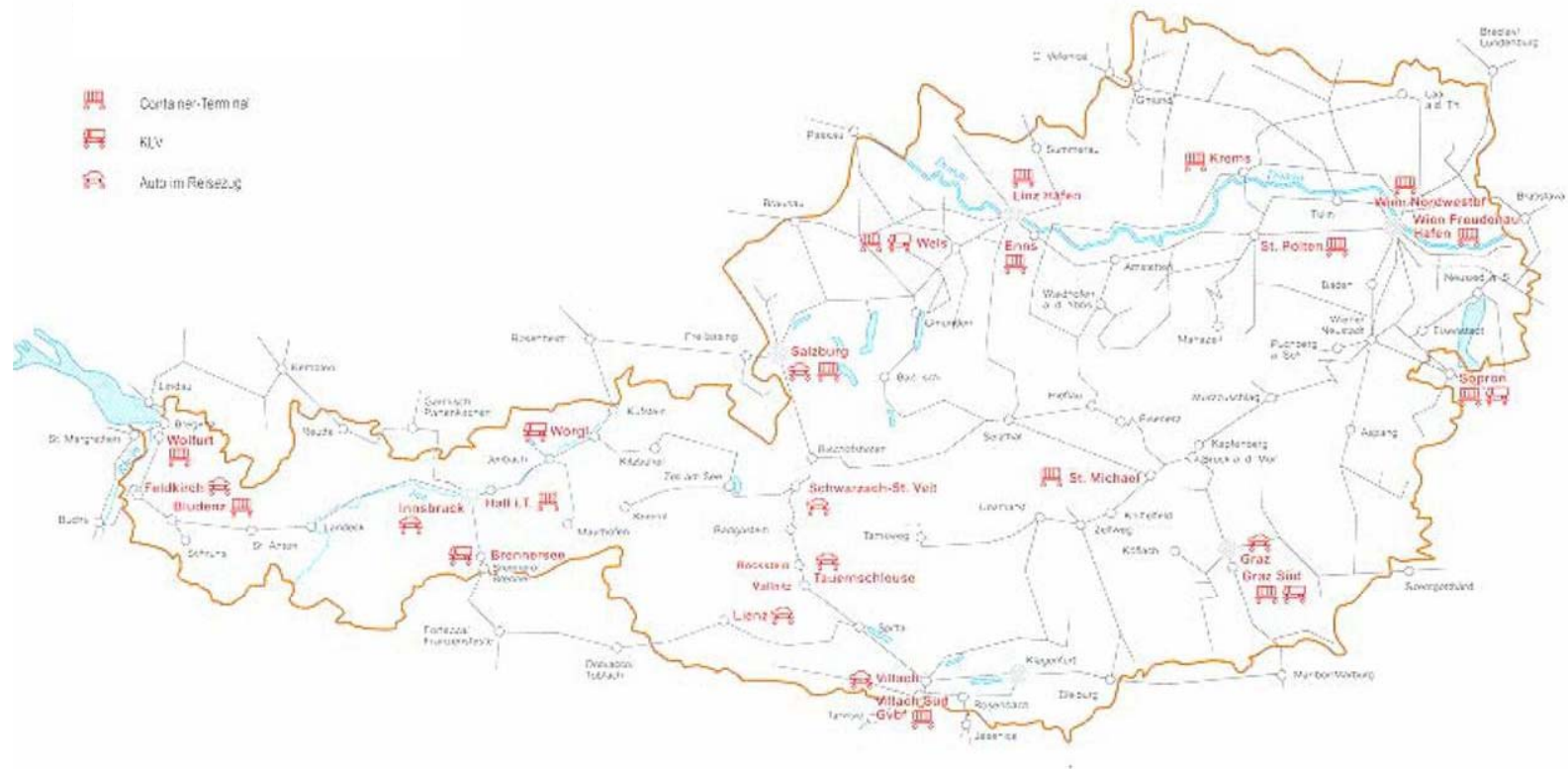
- 22 train operating companies (subject to regulation)
- 12 narrow gauge lines
- 6.383 km total network
- 5.664 km ÖBB Infrastruktur AG network
- Increasing market share of 'private' RUs





The Austrian railway network

Intermodal terminals



From: Scheers&Wall Eisenbahnatlas Österreich



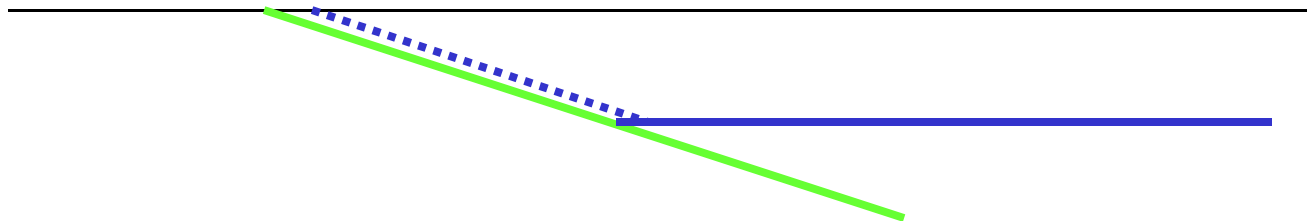
Problems on Sidings and Terminals

- Although legislation seems to be clear by far the most cases the RB had to deal with were related to private sidings
- The RB got the competence for these sidings only step by step, national legislation was not always in line with EU-legislation
- Still there is a gap between theory and practice, since
 - most siding owners are not really interested in changing anything
 - most new entrant RUs concentrate their efforts on intermodal terminals or large factories and feel that it is too complicated to fight for opening of small sidings
 - Typically these smaller sidings are not attractive for private RUs because operation is expensive (eg extra diesel engine for the transport of a few wagons for the last km – and the incumbent asks prohibitive prices for the distribution of such wagons)



Examples: Excessive pricing

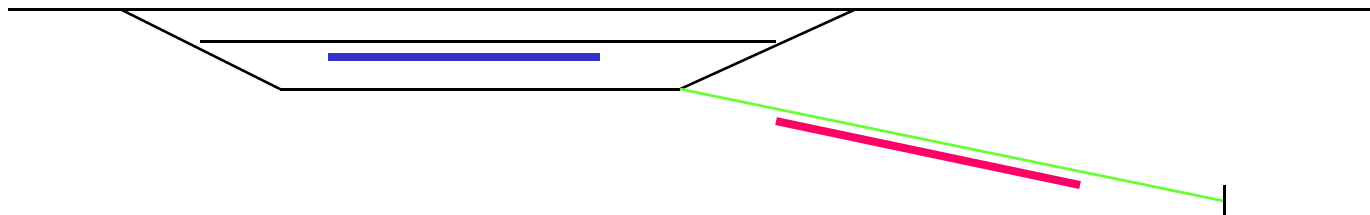
- A private siding was sold to a person that was not owner of the factory which operated a branch siding
- This person asked excessive charges for using the siding
- The factory owners filed a complaint to the RB
- The RB reduced the charge immediately and started further investigations, since the connection charge should be calculated according to the cost+fee principle
- The parties concluded a commercial agreement before the RB took a final decision, the complaint was withdrawn.





Examples: Priority and penalty

- A private siding is used both by new entrants and the incumbent.
- The incumbent asks penalties from the customer (siding owner) if unloading is blocked by a new entrant's train using the siding even if the new entrant's train is on time and the incumbent's is delayed..
- There are no charges in case the siding is blocked by an incumbent's train.
- No direct competence for the RB, but related with a case of BWB (general competition authority)





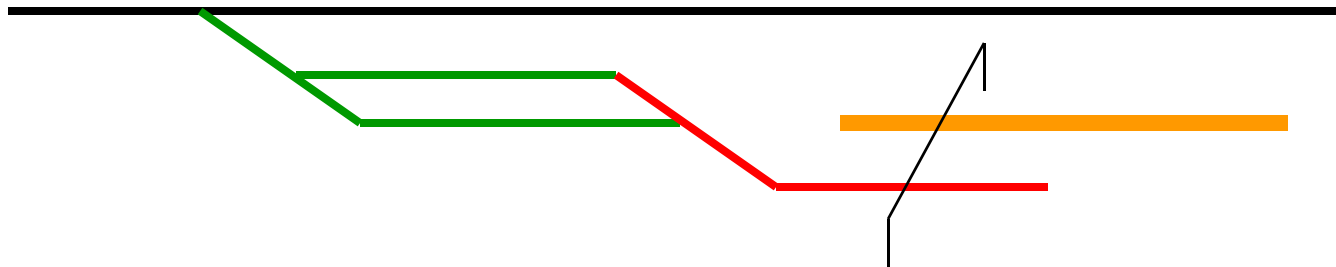
Examples: Access to branch sidings inside a harbour

- Inside a harbour there are some private sidings. Up to the 1980ies they all were operated by the railway department of the harbour, then these services were handed over to the historic state railway before implementation of railway package I.
- One of the sidings belong to an undertaking that usually operates ist own trains and wants to do the same at this siding because the incumbent operator asks high charges for the transport of the privat RU's wagons to this siding.
- The incumbent operator claims that it was not possible to have two RUs operating on the harbour network due to safety and capacity problems.
- According to new legislation (which was a result of the procedure of the RB) the harbour has to open ist network, publish a network statment appoint an independent path allocation body and so forth
- Work is in progress at the moment, should be finished this year.



Examples: Neutral terminal

- Independence of Terminals typically increases their success
- Access is granted, but private RUs feel, that they are sometimes ‘treated unfriendly’ in terminals owned by the incumbent and avoid this
- Successful story of a large terminal:
- PPP – no RUs as owners. Network statement, path allocation,...
- Practically it turned out, that operation of the container turnover is done better by a single neutral RU under the responsibility of the owners
- RUs (including incumbent) only access some tracks where the wagons are handed over to the terminal operator





The access problem

Most sidings are operated by the incumbent RU according to historic agreements not mentioning open access to the railway network

Typical contents of such agreements: Exclusive operation of infrastructure and trains by the (incumbent) RU, no infrastructure costs for the owner, if a minimum of wagonloads is transported

These agreements are a major obstacle to market opening because:

- Owner has to change the agreement with the incumbent if he wants a new entrant to operate on his siding
- The incumbent says that he will ask higher prices for operating the siding (and other transports) if he has no more exclusive rights
- Other users of the siding are cut off from the services of new entrants, if the owner does not change the agreement.



The access problem

- Terminals and harbours are open by law
- Private sidings are excluded from access rights if they are used only by the owner (as foreseen in 2001/14)
- Private sidings have to be opened if there is a branch siding that cannot be reached from public network without using the main siding
- Exemptions can be (and usually are) given temporarily by the RB if neither the branch sidings owner nor any RU is against it.



But: most of the siding owners are not interested in any change, they would rather give up their tracks than take the bureaucratic burden and economic risk of opening their siding to other RUs



The charging problem

Private owners of course cannot be forced to make losses with their infrastructure, so the marginal cost approach like on public networks is not possible – full cost or ‘cost+fee’ approach

- What are the costs
- What fee is allowed
- How to deal with infrastructure that was built with state subsidies

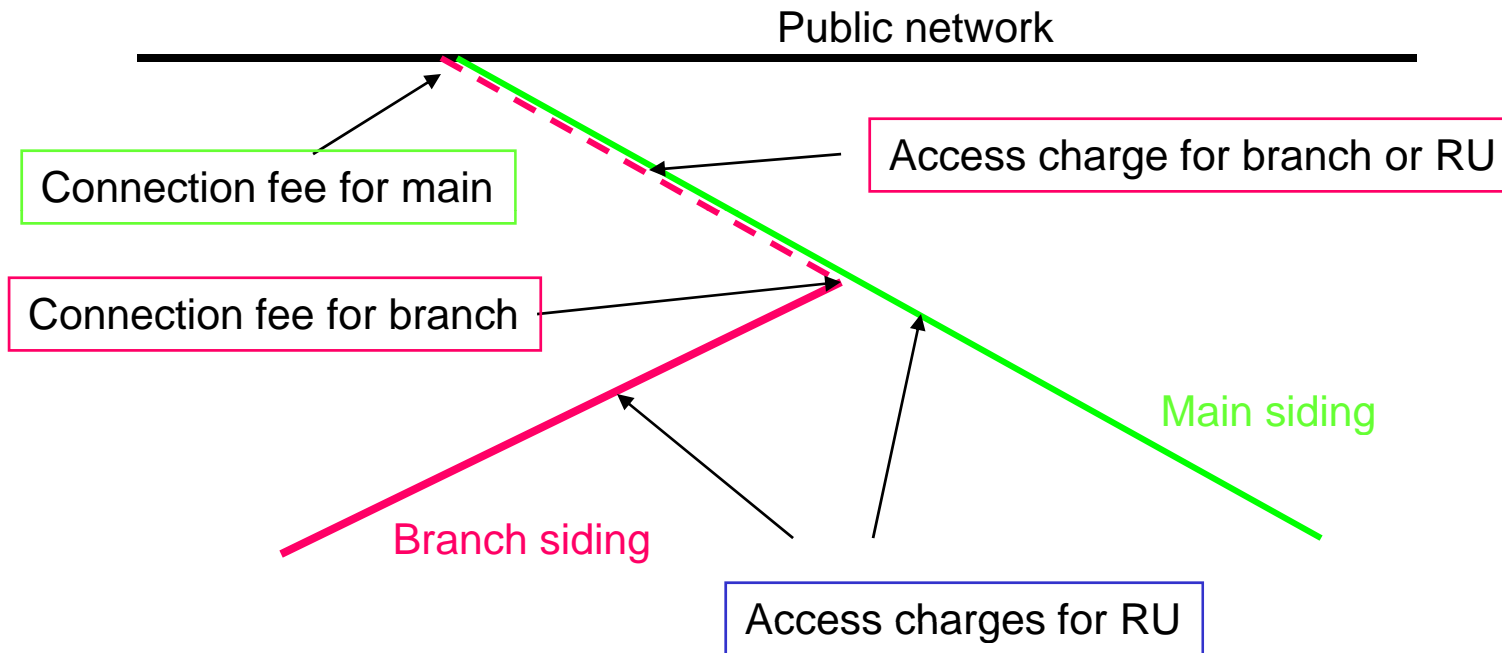
Different levels of costs and charging:

- Infrastructure connection IM-IM (eg investment for the switch)
- Infrastructure usage RU-IM (like on public network)

But: ‘branch’ IM has formally access rights like RUs on the ‘main’ siding

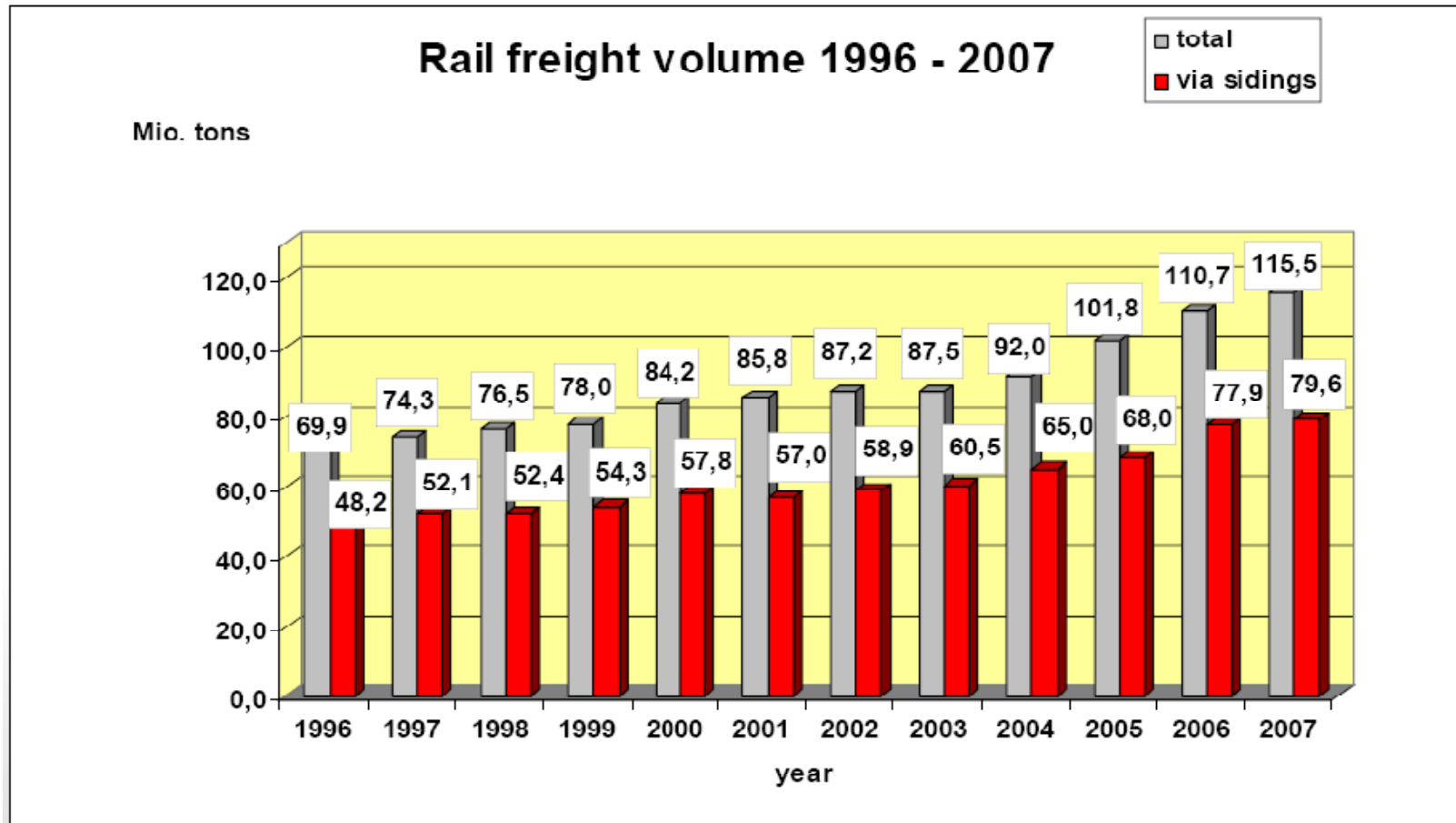


The Charging problem





Importance of sidings





Co-financing of sidings and terminals in Austria

- Period: 01.01.2007 – 31.12.2012
 - Aim: door-to-door rail transport
 - Eligible costs:
 - Infrastructure
 - Operating devices except transport devices
 - Non eligible costs:
 - Transport devices (rolling stock)
 - Operating costs
 - Subsidy up to 50%
 - Minimum volume obligation for the subsidised siding (for 5 years)
 - Locations within Austria AND abroad (!)
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Conclusion / proposal

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- Any kind of infrastructure that is not open to all RUs is an obstacle for an open railway market and should be avoided
 - Access rights to the public network (annexII) should meet all needs of service by different RUs. An extension (or national exceeding) is desirable e.g. availability of shunting and storage sidings is often necessary to use private sidings
 - Opening of small private sidings should not cause excessive bureaucracy or costs
 - Charging principles of private sidings should be clarified mentioning the ownership and subsidies
 - Terminals and harbours should be operated neutrally – by the IM or other bodies but not by the incumbent or other competing RUs
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Thank you for your attention!

Don't hesitate to ask for clarifications.