

Real World Experience With Congestion Pricing

Singapore-Area Licensing System (ALS) 1975. Drivers were charged \$2 per day to travel in a restricted zone in the central area of the city. ALS reduced traffic volume by 44% and increased travel speed.

Singapore-Electronic Road Pricing (ERP) 1998. Drivers pay fees for different points en route to the CBD. Fees are collected using an in-vehicle electronic device that accepts a cash card purchased at banks. The in-vehicle deducts the appropriate fee from the cash card every time the vehicle passes through an ERP gantry.

Southern California HOT Lanes—a lane that can be used both by high occupancy vehicles and other vehicles that pay a toll. The toll is \$2.75 per trip from 5 to 9 a.m. weekdays. 80% of the users of HOT Lanes pay the toll. Results in better use of old HOV Lanes. Use of HOT Lanes reduces traffic volume and increases speeds on the regular lanes, benefiting commuters who don't pay the toll.

London, England Congestion Pricing (2003)—Motorists pay \$7.80 a day to drive a car into central London during peak periods. Expected to reduce peak period traffic by 10-15%. Tax will be collected using cameras that photograph license plates and computers to bill the motorists.