

A semi-truck is shown from a low angle on the right side of the frame, moving along a road at night. The road has white dashed lines and arrows. The scene is illuminated by streetlights, creating a blue-tinted atmosphere. The truck's wheels and lower chassis are visible.

Heavy Vehicle Pricing

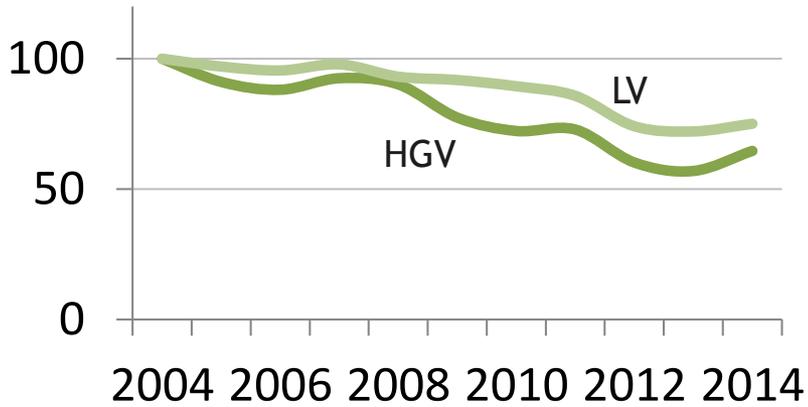
An approach for specific location discounts

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II ASECAP Marketing Workshop - FEB15



The motivation



Traffic has been declining for several years

Expectations

- Have specific **location based discounts for heavy vehicles**
- Make motorways **more attractive**
- **Create value** for freight & logistic operators and Brisa
- Increase **road safety**



Methodology

1

Market share

Characterise the market with geographical detail

2

Costs

Compare operational costs of alternatives routes

3

Pricing

Test impact of discount in overall revenues

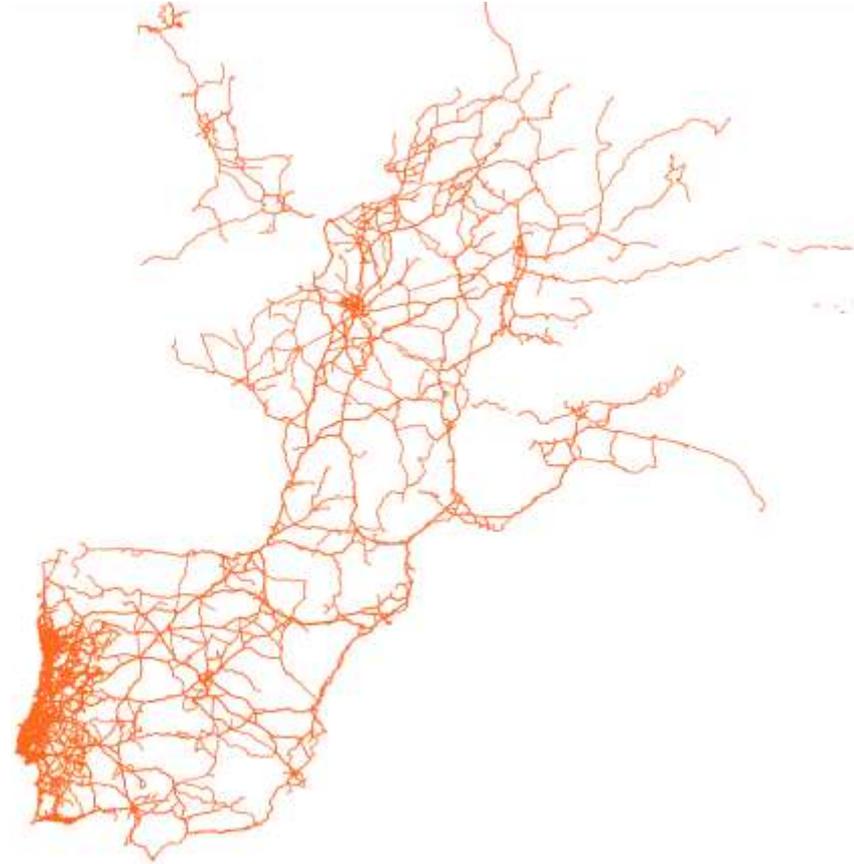


Identify commercial opportunities

How we did it?

GPS routing data

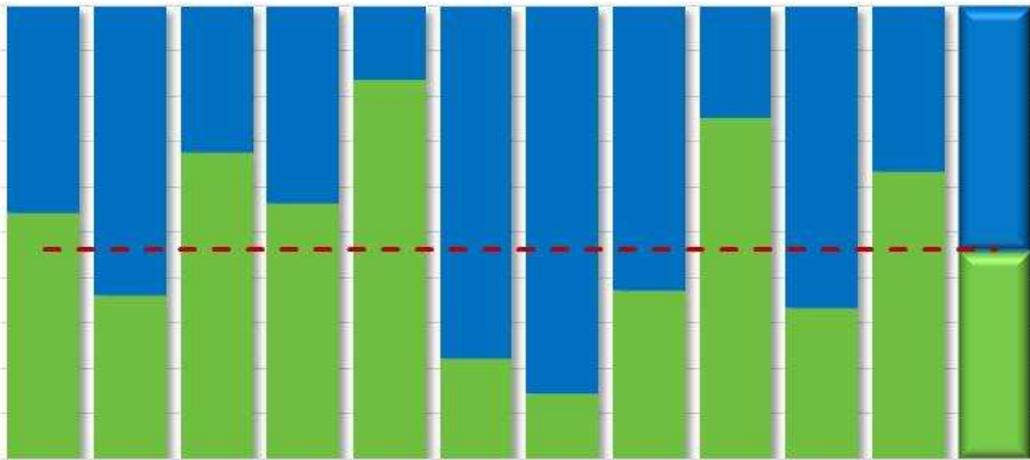
- 4.000 Portuguese heavy vehicles
- Full year tracking data
- Checked with traffic records
- Compare Brisa network with free alternative routes



Innovative methodology using GPS routing data

Brisa has market share of around 50% vs. alternative

Brisa motorways



Brisa motorways

Free roads

Brisa



Estimated the total HGV market for Brisa

A2 - Motorway to Algarve

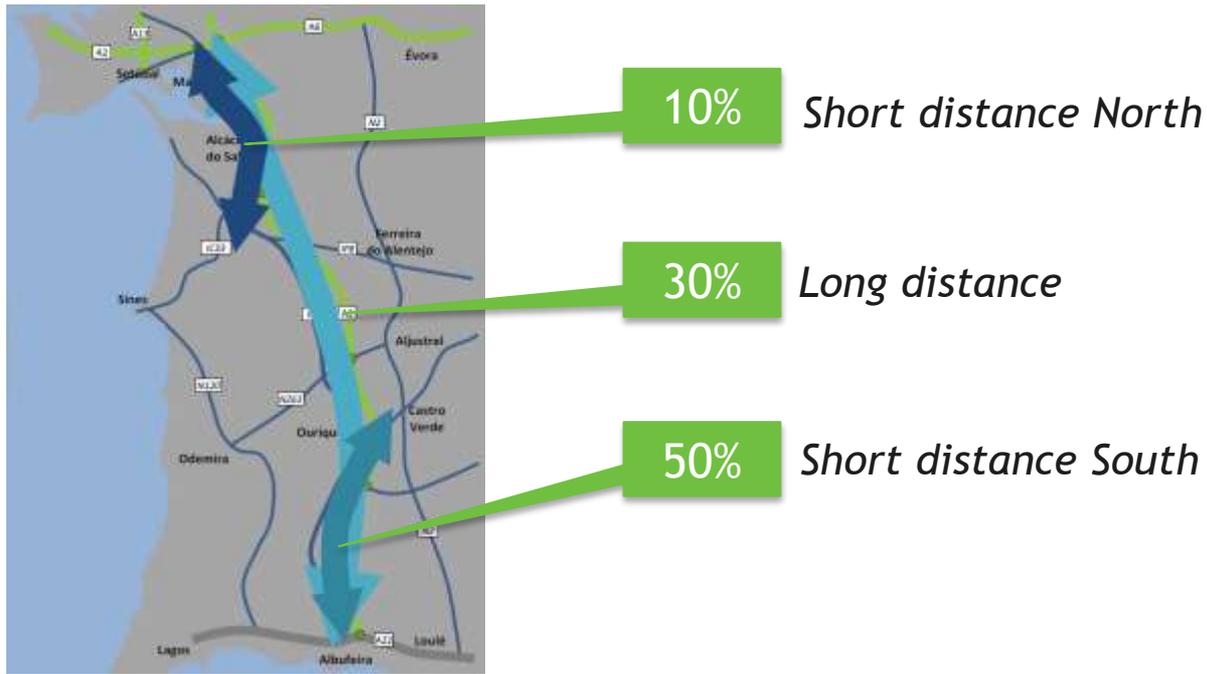
Section by section



Lower market share away from Lisbon area

A2 - Motorway to Algarve

Route by route

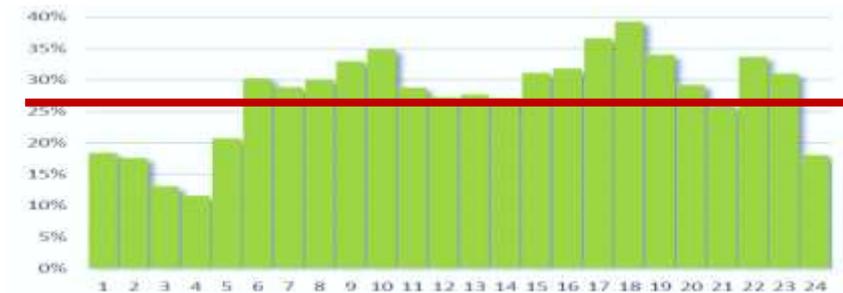


Long distance is the most representative traffic on the free road (IC1)

A2 - Motorway to Algarve



By month



By hour

Higher market share on summer months and peak hours

Assumptions for comparison | ex. A2 - Motorway to Algarve

Journey operational costs

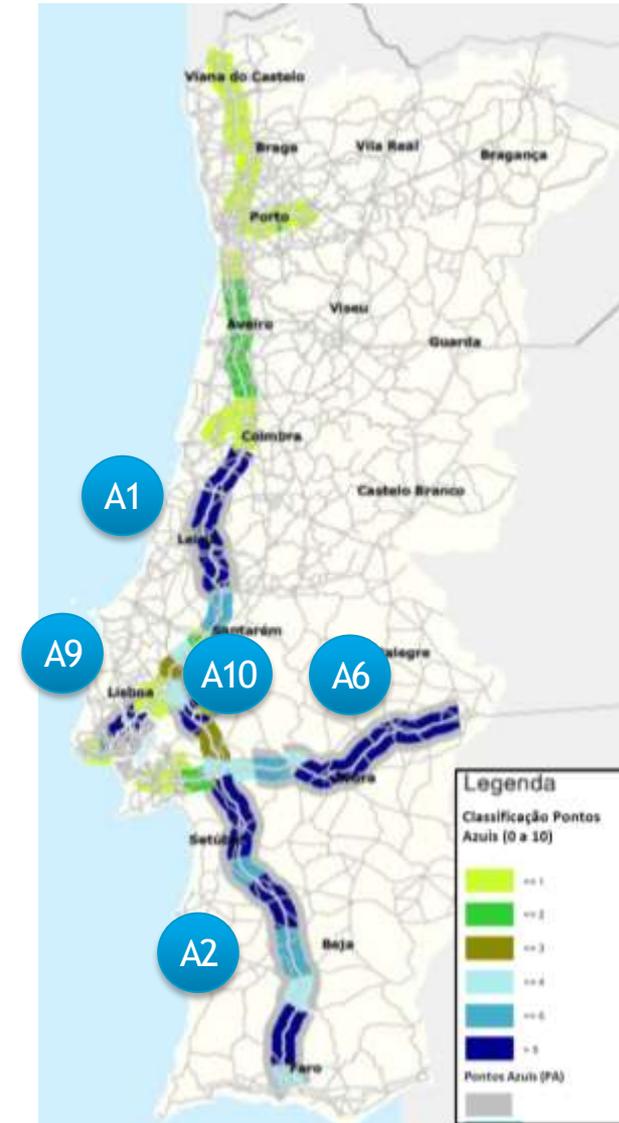
Attribute	Brisa (A2)	Free road (IC1)	Source
Distance [km]	186	201	Google Maps
Value of time [€/h]		0	
Fuel consumption [l/100km]	35	40	Estimate
Fuel price [€/ltr]	1,13	1,13	Real
Wear and tear [€/100km]	0,55	0,55	Estimate
Toll [€]	30	0	Real

Time = 0€, (very conservative assumption)

5 Blue Dots

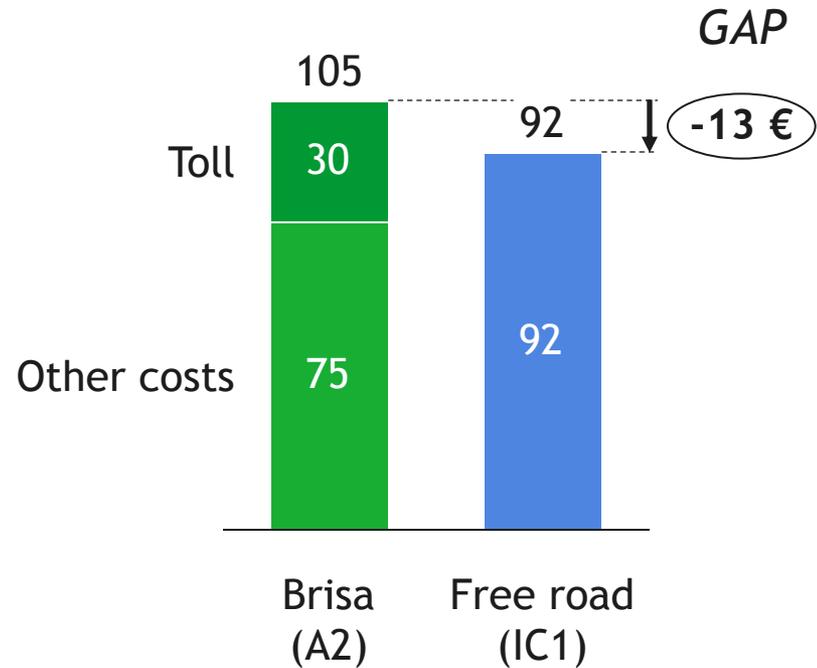
- Low market share sections
- Significant value outside the motorway

Potential to increase revenue



Journey operational costs | ex. A2 - Motorway to Algarve

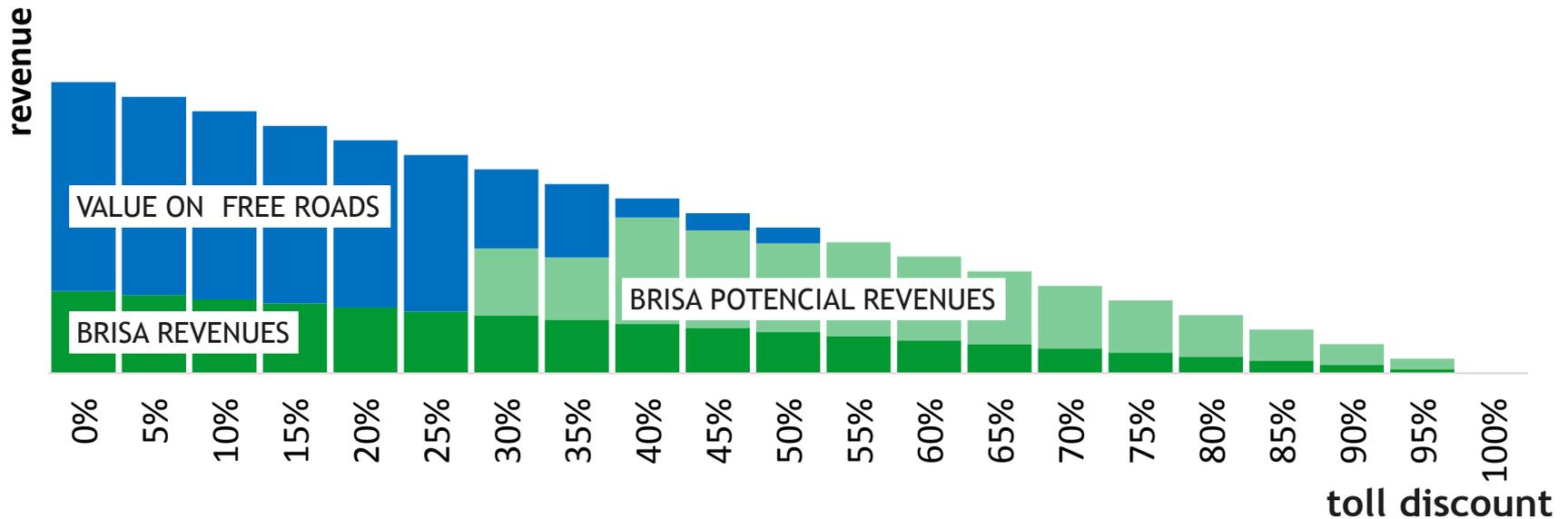
Long distance



Operational cost can be matched

Toll discount | ex. A2 - Motorway to Algarve

Theoretical evolution of Brisa actual and potential revenues with increasing discounts



Potential to increase revenues and road safety

On the *Blue Dots*, discounts increase overall revenues

From theoretical point of view there are cases in Brisa network where discounts can attract high overall toll revenues. Others not.

There are commercial risks

We are confident with the market sizing, but the real and perceived operational costs have high level of uncertainty. Not sure we will gain additional revenues.

But they can be offset

Initiatives like the ones we have seen in Spain, forbidding trucks from driving in some non tolled roads, against discount, are a path to follow.



Merci.

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