Pricing Transportation Infrastructure
November 16-18, 2009

A specially designed executive program for infrastructure professionals in both the private and public sectors
Focusing on the economics of pricing transportation infrastructure for highways, port facilities, railroads, waterways, or airports
Funding of transportation-related infrastructure is at a crossroads. Traditional funding mechanisms, such as general and specific tax revenues, are proving to be insufficient to maintain existing facilities and fund expanded capacity. Infrastructure providers and operators are looking to users to make up for the shortfall. Transport-related infrastructure offers an exceptional opportunity for raising funds to establish and/or sustain such infrastructure while providing an attractive return on investment to both public and private investors. Key to achieving such returns are the prices charged to users. But how should user charges be set?

Should every user pay the same fee?

Is it practical, commercially worthwhile, and socially acceptable to charge differential prices?

How should the price be set relative to the cost of alternatives modes or routings?

How are these pricing principles changed when the facility is congested?

Can pricing be used to reduce the problems of congestion?

How does private operation of a facility change the pricing objectives?

How might the public sector regulate prices?

These questions and more will be addressed in this two-and-half day course offered by the Transportation Center at Northwestern University.

Who Should Attend

The course is aimed at professionals who currently, or might in the future, set user charges; financial personnel; and engineers and project managers who oversee facility maintenance and new construction. It is also applicable to consultants to infrastructure providers, and those who finance infrastructure projects.
Program Content

Basic economic principles of pricing
Competitive price-setting
Demand responsive pricing
Congestion pricing
Differential prices across users
Auctions to allocate capacity
Social acceptability of pricing infrastructure
Political implications of infrastructure pricing
Pricing in a public/private partnership
Regulation of private-sector pricing
Evaluating investments in capacity enhancement

Course Format

Program content will be thoroughly integrated by the course faculty, so that participants will emerge with a comprehensive understanding and perspective of transportation infrastructure pricing strategies.

The focus of the course is on the economics of pricing. Some prior knowledge of economics, such as might be obtained from an introductory college level microeconomics course, will be useful.

Why Northwestern?

The Transportation Center at Northwestern University is an internationally renowned center of transportation education and research founded in 1954. Its interdisciplinary faculty have provided education on transportation economics, policy, financing and management to undergraduates, graduate students and transportation professionals for more than fifty years. Transportation Center faculty contribute to the identification, analysis, and resolution of transportation problems and issues concerning all modes of transportation, in all settings—urban, regional, national and international.
**Location and Facilities**

Program participants will enjoy the facilities of the state-of-the-art executive conference center in Chambers Hall, the headquarters of the Transportation Center located in the heart of Northwestern’s Evanston campus on the shores of Lake Michigan. Northwestern is located just north of Chicago and approximately 45 minutes from O’Hare International Airport.

**Hotel Lodging**

Program participants are responsible for their own travel and lodging arrangements. A block of rooms has been reserved at the Hilton Garden Hotel in downtown Evanston, a short walk from the Northwestern Campus.

The Hilton Garden Hotel  
1818 Maple, Evanston, IL 60201  
Reservations: 847-475-6400

**Registration & Fees**

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<tr>
<th>Description</th>
<th>Fee</th>
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<tr>
<td>Program Fee</td>
<td>$2,700</td>
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<tr>
<td>Early Registration Fee (if paid before 10-5-09)</td>
<td>$2,160</td>
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<td>Government &amp; academic rate</td>
<td>$2,160</td>
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Program fee includes tuition, all program materials, continental breakfasts, lunches, and a welcome reception.

**To Register**

For more information or to register on-line, visit www.transportation.northwestern.edu/exec/TIP09/,

or contact Program Registrar, Diana Marek:  
Phone: 847-491-2280  
Email: d-marek@northwestern.edu
Program Faculty

**Ronald Braeutigam**, associate Provost, Northwestern University, and the Harvey Kapnick Professor of Business Institutions and Professor of Economics, Weinberg College of Arts and Sciences
Ronald Braeutigam is the co-author of one of the leading textbooks on intermediate-level microeconomics. His has undertaken research and consulting on pricing, costing, strategy and regulation in the transportation, telecommunications and public utility industries.

**Aaron J. Gellman**, Professor of Transportation, The Transportation Center and of Management & Strategy, Kellogg School of Management, Northwestern University
A noted transportation economist, Professor Gellman’s research and teaching include transportation economics and policy, the regulation of transportation, and the management and utilization of research and technology.

**Hani S. Mahmassani**, William A. Patterson Distinguished Professor of Transportation and Professor of Civil Engineering, McCormick School of Engineering and Applied Science; Director, The Transportation Center, Northwestern University
Hani Mahmassani has thirty years of professional, academic and research experience in the areas of network modeling and optimization, traffic engineering, dynamic system management, and real-time operation of logistics and distribution systems.

**Ian Savage**, Associate Chair of Economics and Distinguished Senior Lecturer, Weinberg College of Arts and Sciences, Northwestern University
Ian Savage specializes in urban transportation, and the analysis of safety regulation and safety performance. His research focuses on pricing, costing, subsidies, management strategy, and the impacts of competition and privatization.

**Joseph L. Schofer**, Associate Dean, McCormick School of Engineering and Applied Science; Professor of Civil and Environmental Engineering; Director, Northwestern University Infrastructure Technology Institute
Joseph Schofer has forty years of professional experience. His work focuses on planning and management of transportation systems, particularly the provision and use of data and information for effective system evaluation and policy and operational decision making.

www.transportation.northwestern.edu/exec/TIP09/
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