

Région Autonome  
**Vallée d'Aoste**



Regione Autonoma  
**Valle d'Aosta**

# TENDERING OF REGIONAL RAIL PASSENGER SERVICE

## THE EXPERIENCE IN REGIONE AUTONOMA VALLE D'AOSTA

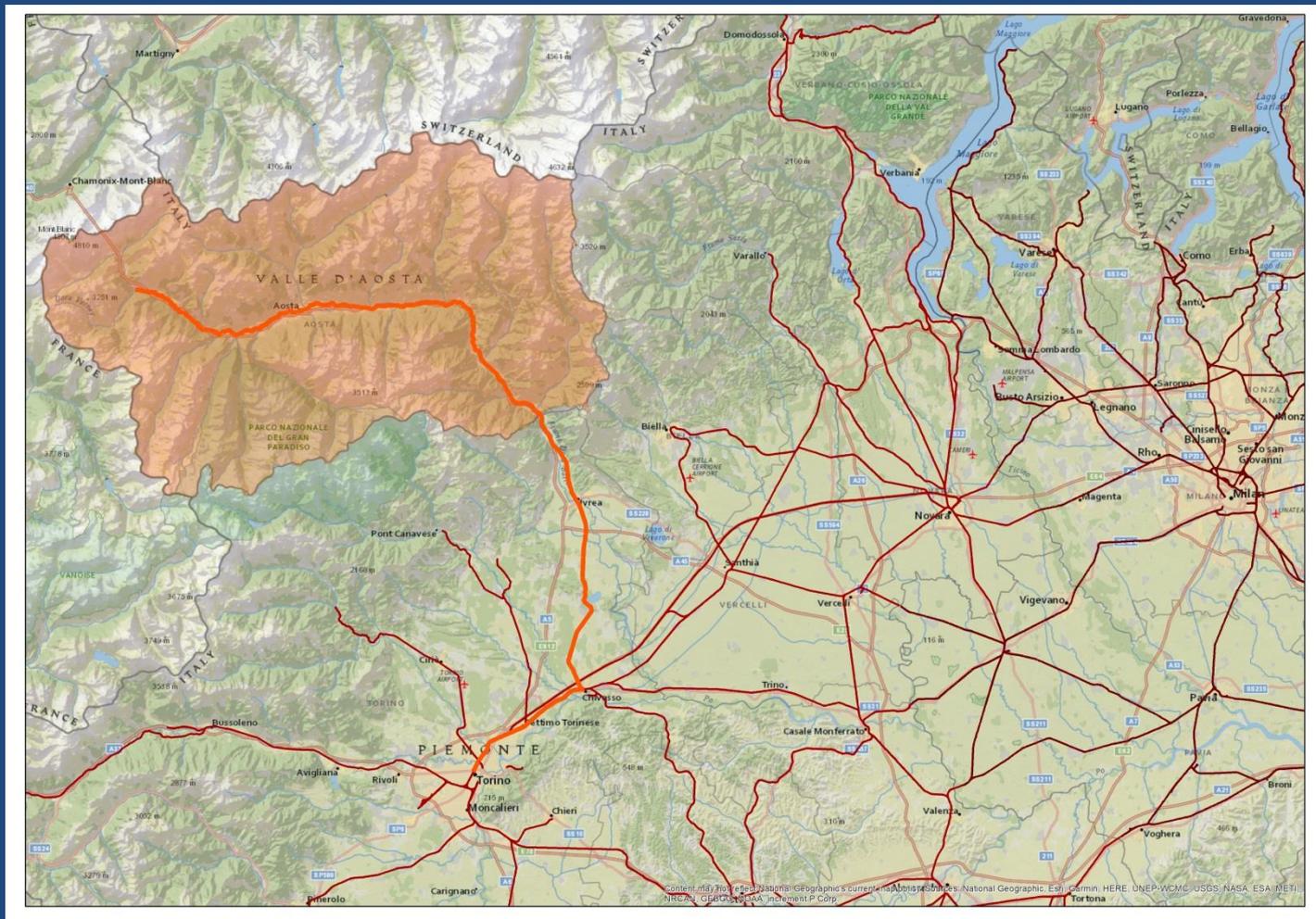
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# WHERE IS THE AOSTA VALLEY?



# AOSTA VALLEY RAIL SERVICES



# MAIN FEATURES OF VALLE D'AOSTA REGIONAL RAIL SERVICE

- small volumes (< 2 millions train-km / year)
  - simple network (2 lines, 3 rail services)
    - ✓ low trading power vs. incumbent or monopolist
    - ✓ easier to manage for new-comers
- **suitable for tendering**

## INPUT FROM THE REGIONAL GOVERNMENT:

tendering if more than 1 company declaring to be interested, after publishing “prior information notice” ex art. 7 Reg. UE 2007/1370

## RESULT:

**3 companies -> public tender** (open procedure as in art. 28 Dir. UE 18/2004)

## FIGURES

- Service volume: 1,651,324 train-km / year
- Duration: 5 years + 5 years
- Budget: 86,785,895.26 euro + 92,450,000.00 euro
- Scheme: NET COST

## TIMING AND STATE OF THE TENDER

- Prior Information Notice published on: May 27<sup>th</sup> 2016
- Tendering Notice published on: September 1<sup>st</sup> 2017
- Delaying: 4 months for petitions to Antitrust National Authority
- Deadline for offers: May 11<sup>th</sup> 2018
- Expected beginning of service: December 2019

# LAW AND SPECIFICATION REFERENCES

- Regulation UE 2007/1370 (*ante Reg. UE 2016/2338*)
  - D. lgs. 112/2015 (ref. Directive 2012/34/EU)
  - Del. ART n. 49/2015
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- Regulation UE 2007/1371
  - D. lgs. 422/97, D. lgs. 194/2010, D. lgs. 70/2014, D.l. 50/2017
  - D.M. 255/2016
  - L.R. 29/1997, L.R. 22/2016
  - P.I.R. (Network Statement Publication)

# MAIN ASSETS TO RULE

- Rail Network
- Spaces in stations
- Depots / Workshops
- Rolling Stock
- Staff
- Ticketing system

# NETWORK AND STATIONS

- Owned by (or in franchise to) infrastructure manager RFI
- Portions of stations in use to incumbent, other railway companies or municipalities
- P.I.R. (Network Statement Publication) states rules and fees for access

➤ Access rules are quite well defined and efficient

## DEPOTS AND WORKSHOPS

- Any in Aosta Valley
- Incumbent owns deposits and workshops in Torino, Alessandria e Novara, and uses them at present for the regional passenger service
- Incumbent committed to rent spaces in Alessandria e Novara
- Some competitors declared to have workshops in Piemonte

➤ The item is less defined and the incumbent has a strong position

# ROLLING STOCK

Estimation of rolling stock quantity to manage the regional service:

- 12 to 15 trains
  - 5/8 BMU provided by Regione Autonoma Valle d'Aosta
  - 7 DMU to be temporarily hired by Incumbent
  - More trains to be provided (purchased or hired) by the winner
  
- Owning part of the asset helps making the tender competitive

# TENDERING STRATEGIES

- Providing part of the rolling stock
- Requiring rolling stock better than the one in use
- No buy back for rolling stock and depots
- Limitations to subcontracting
- Ticketing and fares integration at regional level
- Employment regulations
- Implementation of accessibility for disabled people
- Implementation of services provided in the stations
- Implementation of French and English in communication vs. passengers
- Risk assessment for indeterminate matters
- Rules for future transition at deadline

# AWARDING SYSTEM

- Price: 30% of score
- Quality: 70% of score, as following:
  - Proposed timetable (service duration, bus connections..) 18%
  - Rolling Stock (performances, optional equipment, capacity) 18%
  - Supplementary services (in stations, on line, ticket-selling points) 10%
  - Organization (staff policies, information policies...) 10%
  - Supplementary services dedicated to disabled or weak users 8%
  - Environmental policies 6%
- Requirements for participation
  - Assets amounting at least to € 2.603.576,86 (15% of annual service budget)
  - Executing passenger rail service of 8.256.622 train-km in the last 5 years
  - General liability requirements according to the Italian law
  - National license and security certificate are required only from the winner, according to indications of the Antitrust National Authority

## DIFFICULTIES

- Few information from Incumbent (on transport demand, depots features, staff data...)
- Few references / former tenders in Italy
- Low flexibility of Railway systems and operators
- Set up of information and rules aiming to limit market positions

## MEASURES

- Consultations with Stake-Holders (Infrastructure Manager, Railway companies, Unions, Consumers associations..) and other Regions
- Interaction with ART (National Transport Regulation Authority)
- Publishing all available info in data room
- Innovations in strategic assets (rolling stock, ticketing system..)
- Stimulating Bidders' Risk assessment

## POSSIBLE HAZARDS

- “Switch” phase, in case of new company:
  - delivering RS, spaces in stations
  - staff transferring
  - ticket managing
  - grade of cooperation of Incumbent?

## MEASURES

- One day “OFF” rail service (only buses)
- Temporary solutions (e.g. alternative spaces for ticketing and information or offices)



Thank you!