

From: Berman, Sarah
Sent: Wed 4/17/2013 9:29:11 AM
Subject: RE: Ridership Forecasting Assumptions - ARL Fares and Price Bases

Hi Phil,

Thank you for the clarifications – this should all be fine for us to produce. I will certainly let you know if we have further questions as we progress our analysis.

Regards,

Sarah

Sarah Berman
Senior Consultant

Steer Davies Gleave
direct +44 20 7910 5775
switchboard +44 20 7910 5000

From: Philip Safos [mailto:Philip.Safos@metrolinx.com]
Sent: 16 April 2013 15:54
To: Berman, Sarah; Richards, Jim; Stephan Mehr
Cc: Tang, Katie; Daniel Haufschild
Subject: RE: Ridership Forecasting Assumptions - ARL Fares and Price Bases

Hi Sarah,

Thanks for your questions. Please see my responses below in green. Also, please note that 2018 is an important model year to include into the various data tables as it is the “maturity” year.

Please don't hesitate to let me know if you have additional questions.

Phil

From: Berman, Sarah [<mailto:Sarah.Berman@sdgworld.net>]
Sent: Monday, April 15, 2013 2:08 PM
To: Philip Safos; Richards, Jim; Stephan Mehr
Cc: Tang, Katie; Daniel Haufschild
Subject: RE: Ridership Forecasting Assumptions - ARL Fares and Price Bases

Phil,

Further to your email exchange below with Jim, I have a couple of further clarification questions on the outputs required to ensure we set our model up to generate the tables you need. I have noted these in red below.

1. The total in-scope market size for both calendar and fiscal years annually starting in 2015, by catchment area
 - We have interpreted catchment area as the zone system in our model – please let me know if you would prefer us to aggregate to a less detailed level.
 - Yes that is the same model used previously (1-14, 101-112).
2. Pearson Airport traffic volumes for both calendar and fiscal years annually starting in 2015, broken down by arriving/departing, and by sector (domestic/transborder/int'l), and including # of connecting passengers
 - For both of these, are we to include ramp-up or not, and should the figures for calendar year 2015 incorporate the assumption of an opening day of 5 April or be on a full-year basis?
 - With and without ramp-up, and yes assuming an April 5 start.
 - In addition, it should be noted that our annual air traffic forecasts do not

differentiate by arriving/departing passengers and 50% are assumed to be each (though we do differentiate when we come to consider out-of-scope passengers by time of day and the peak/off-peak split). Hence I do not think that separating the air traffic forecast by arriving/departing is going to add anything and propose we report only the totals of both directions, split by sector and connecting/ground access.

- Understood – report only the totals (arriving and departing), split by sector, and connecting/ground access.

3. GTHA resident and non-resident ridership split by catchment area

4. Business and leisure ridership split by catchment area

- Are you happy for these figures to be produced for the model out years (2015, 2020, 2025, 2031) only? Any intermediate year forecasts would be simple interpolations of these.

- Yes – model out years only. Can you include 2018 as well? May need a separate tables to show ramp-up/without ramp-up.

- Please include interpolation assumptions in case we need to model an “in-between” year.

5. The UP Express station access modes for Union/Bloor/Weston

- No comments/further questions since this is not feasible within the constraints of our modelling framework (as discussed below)

- Understood

6. Number of car trips that UP will take off the road, by year

- Could you please clarify whether these trips are to include rental car and taxi trips (as well as those currently dropped off and parking at the airport)?

- Yes – please include rental car, taxi, drop-off, and car parking.

- As above, are you happy for these figures to be produced for the model out years only?

- Yes and please include 2018.

Thanks in advance for your clarifications. If you have further questions then I am very happy to discuss.

Regards,

Sarah

Sarah Berman
Senior Consultant

Steer Davies Gleave
direct +44 20 7910 5775
switchboard +44 20 7910 5000

From: Philip Safos [<mailto:Philip.Safos@metrolinx.com>]
Sent: 11 April 2013 17:44
To: Richards, Jim; Stephan Mehr
Cc: Berman, Sarah; Tang, Katie; Daniel Haufschild
Subject: RE: Ridership Forecasting Assumptions - ARL Fares and Price Bases

Thanks Jim for the clarification. For fiscal year ridership, your recommended approach would be sufficient ($3/4 + 1/4$).

Understood about the access modes.

Thanks,

Phil

From: Richards, Jim [mailto:Jim.Richards@sdgworld.net]
Sent: Thursday, April 11, 2013 4:27 AM
To: Philip Safos; Stephan Mehr
Cc: Berman, Sarah; Tang, Katie; Daniel Haufschild
Subject: RE: Ridership Forecasting Assumptions - ARL Fares and Price Bases

Philip

Thanks for this clarification...opening day price in 2015 dollars will be [redacted] from Union, [redacted] from Bloor and [redacted] from Weston.

On your previous points, we should be able to accommodate all the points you raise with the following exceptions:

- Data by fiscal year – the model is not set up to ‘work’ on fiscal years. We can provide estimates taking $\frac{3}{4}$ of one calendar year and $\frac{1}{4}$ of another, but nothing more sophisticated can be easily incorporated within the existing model structure.
- Access modes for each station – our modelling assumes everyone accesses by public transport, and therefore does not explicitly account for those who might be dropped off by car or take the taxi to the stations. Trying to introduce additional modes or make coarse assumptions from limited data is not something that can be readily undertaken (or recommended) within the existing timescales or budget. However, this may be something that should be considered as part of the more detailed review later in the year.

Kind regards

Jim

Jim Richards
Associate Director

Steer Davies Gleave
direct +44 20 7910 5574
mobile 07827 082995
switchboard +44 20 7910 5000

From: Philip Safos [<mailto:Philip.Safos@metrolinx.com>]
Sent: 09 April 2013 22:33
To: Richards, Jim; Stephan Mehr
Cc: Berman, Sarah; Tang, Katie; Daniel Haufschild
Subject: RE: Ridership Forecasting Assumptions - ARL Fares and Price Bases

Hi Jim,

Just one clarification to my email from earlier today... The fare assumptions for opening day (2015) are actually based on 2015 dollars, not 2012.

Thanks,

Phil

From: Philip Safos
Sent: Tuesday, April 09, 2013 9:40 AM
To: 'Richards, Jim'; Stephan Mehr
Cc: Berman, Sarah; Tang, Katie; Daniel Haufschild
Subject: RE: Ridership Forecasting Assumptions - ARL Fares and Price Bases

Hi Jim,

Thanks for reaching out. I'm hopeful the GTAA will provide the data in the coming days.

With regards to pricing assumptions, I think we should be consistent with our latest business model and pricing strategy. The opening day fare assumption to Pearson should be [] from Union, [] from Bloor, [] from Weston. This includes taxes/GTAA access fee. These are 2012 prices. The sensitivity tests should be included in this report as well (preferably from [Exclusion per Committee Direction] Union-Pearson if possible).

Additionally, I would like to request some other data tables that we would like to see in your report:

1. The total in-scope market size for both calendar and fiscal years annually starting in 2015, by catchment area
2. Pearson Airport traffic volumes for both calendar and fiscal years annually starting in 2015, broken down by arriving/departing, and by sector (domestic/transborder/int'l), and including # of connecting passengers
3. GTHA resident and non-resident ridership split by catchment area
4. Business and leisure ridership split by catchment area
5. The UP Express station access modes for Union/Bloor/Weston
6. Number of car trips that UP will take off the road, by year

Let us know if you have any questions or require clarification. I am happy to chat anytime.

Thank you,

Phil

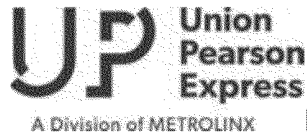
Philip Safos

Manager, Business Planning

T +1.416.869.3600 ext. 5449

M +1.416.526.9672

philip.safos@upexpress.com



Description: UP-logo-sml

Union Pearson Express

20 Bay Street, Suite 600,

Toronto, ON M5J 2W3

www.upexpress.com

From: Richards, Jim [<mailto:Jim.Richards@sdgworld.net>]

Sent: Tuesday, April 09, 2013 5:40 AM

To: Stephan Mehr

Cc: Philip Safos; Berman, Sarah; Tang, Katie; Daniel Haufschild

Subject: Ridership Forecasting Assumptions - ARL Fares and Price Bases

Stephan

Alex and Sarah are progressing the GTAA data that we need to undertake the air passenger forecasts, and I'm hopeful that we will have some soon so that we can advance our work.

One issue that we do need to resolve, and we briefly touched upon this when we met, is that of fares and price bases.

In our previous work – final report May 2012 - we assumed a one way fare (including taxes) on opening day, ie 2015 Q1. We undertook sensitivity tests assuming fares ranging from Exclusion per Committee Direction on opening day. The revenue figures quoted in the report are in 2011 Q1 prices.

Please can you confirm:

1. The opening day fare that you would like us to assume; and,
2. How you would like revenue figures presented – current prices or 2015?

Kind regards

Jim

Jim Richards
Associate Director

Steer Davies Gleave
28-32 Upper Ground, London SE1 9PD
direct +44 20 7910 5574
mobile 07827 082995
switchboard +44 20 7910 5000
www.steerdaviesgleave.com



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