

March 27, 2012

Riding public transportation saves individuals, on average, \$11,795 a year

According to the American Public Transportation Association (APTA) and its March Transit Savings Report, individuals in the Philadelphia area who chose to ride public transportation instead of driving a car can save, on average, \$983 this month, and \$11,795 annually. These savings are based on the cost of commuting by public transportation compared to the cost of owning and driving a vehicle which includes the March 26, 2012 average national gas price (\$3.897 per gallon- reported by AAA) and the national unreserved monthly parking rate.

APTA releases this monthly Transit Savings Report to examine how an individual in a two-person household can save money by taking public transportation and living with one less car.

The national average for a monthly unreserved parking space in a downtown business district is \$155.22, according to the 2011 Colliers International Parking Rate Study. Over the course of a year, parking costs for a vehicle can amount to an average of \$1,863.

For the Philadelphia area and based on the purchase of a monthly public transit pass and factoring in local gas prices for March 26, 2012 and the local monthly unreserved parking rate, the saving is \$983 monthly and \$11,795 yearly. These savings are based on gasoline prices on 3/36/12.

APTA calculates the average cost of taking public transit by determining the average monthly transit pass of local public transit agencies across the country. This information is based on the annual APTA fare collection survey and is weighted based on ridership (unlinked passenger trips). The assumption is that a person making a switch to public transportation would likely purchase an unlimited pass on the local transit agency, typically available on a monthly basis.

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APTA then compares the average monthly transit fare to the average cost of driving. The cost of driving is calculated using the 2011 AAA average cost of driving formula. AAA cost of driving formula is based on variable costs and fixed costs. The variable costs include the cost of gas, maintenance and tires. The fixed costs include insurance, license registration, depreciation and finance charges. The comparison also uses the average mileage of a mid-size auto at 23.4 miles per gallon and the price for self-serve regular unleaded gasoline as recorded by AAA on March 26, 2012 at \$3.897 per gallon. The analysis also assumes that a person will drive an average of 15,000 miles per year. The savings assume a person in two-person household lives with one less car. In determining the cost of parking, APTA uses the data from the 2011 Colliers International Parking Rate Study for monthly unreserved parking rates for the United States.

To calculate your individual savings with or without car ownership, go to www.publictransportation.org.

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