



### Team Barely Made It

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#### Abstract

This report compares the financial expenditures associated with India's traditional tolling system and a proposed GNSS-based tolling system. The comparison highlights the infrastructure costs, operational costs, and maintenance expenses for both models, offering insights into the long-term financial implications and potential benefits of transitioning to GNSS-based tolling technology.

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#### 1 Introduction

Toll collection is an essential revenue-generating mechanism for India's highway infrastructure development and maintenance. Traditionally, tolls are collected through manual or automated toll booths along highways. However, with the rise of satellite navigation systems, GNSS-based tolling systems have been suggested as a more efficient, cost-effective, and convenient alternative. This report examines the financial differences between these two tolling systems, focusing on infrastructure, operational costs, and maintenance, as well as potential advantages for stakeholders.

#### 2 Current Tolling System in India

- 2.1 Overview of the Current Tolling System India's highway tolling system includes manual toll booths, where vehicles are stopped for toll collection, and automated systems that use electronic toll tags (such as FASTag). The manual toll systems require human intervention, while automated systems use sensors and cameras to automatically process vehicles.
- **2.2** Infrastructure Costs The infrastructure costs for the current tolling system are significant, and they include:
  - Construction of Toll Booths: Large capital investment is required to build physical toll booths, barriers, sensors, and automated ticketing systems.
  - Land Acquisition: Land is needed for the placement of toll booths, often leading to additional costs and delays.
  - System Installation: Automated toll systems require significant investment in hardware, including ticket machines, barriers, and cameras.
- **2.3 Operational Costs** Operational costs are ongoing and significant in traditional toll systems:
  - Staffing: Manual toll collection requires a workforce of toll operators, leading to continuous salary expenses.
  - Energy Consumption: Toll booths consume electricity for lighting, equipment, and barrier systems.
  - Transaction Fees: Electronic payment systems, such as FASTag, incur processing fees.
  - Maintenance: Routine maintenance is required for toll booth equipment and infrastructure.

#### 3 GNSS-based Tolling System

- **3.1 Overview of GNSS-based Tolling System** A GNSS-based tolling system uses satellite signals to track the exact distance traveled by a vehicle on a highway. This system eliminates the need for physical toll booths and manually processed toll payments. It relies on onboard units (OBUs) or smartphones with GNSS technology, communicating with roadside systems to calculate the toll.
- **3.2** Infrastructure Costs The infrastructure requirements for GNSS-based tolling are minimal:
  - Minimal Physical Infrastructure: No physical toll booths are required. Only roadside communication systems (such as GSM, Wi-Fi, or DSRC) are needed for data transmission.
  - Hardware Costs: Investment in onboard units for vehicles or mobile app development, along with the installation of communication infrastructure.
  - No Land Acquisition: The need for acquiring land for toll booths is eliminated.
- **3.3 Operational Costs** The operational costs of GNSS-based systems are considerably lower:
  - Reduced Staffing: Since no physical toll booths are required, there is no need for toll booth operators.
  - Lower Energy Consumption: Energy costs are reduced since physical infrastructure and barriers are not needed.
  - Transaction Fees: Reduced processing costs as the tolling system is integrated directly with mobile payments or onboard devices.
  - Maintenance: Maintenance of software, communication systems, and backend infrastructure is required, but at a lower cost compared to physical infrastructure.

#### 4 Cost Comparison: Current System vs GNSS-based System

## **4.1** Infrastructure and Setup Costs First, I'll describe the infrastructure and setup costs comparison.

| Cost Category                  | Current Tolling System | GNSS-based Tolling System |
|--------------------------------|------------------------|---------------------------|
| Construction of Toll Booths    | High                   | Low                       |
| Land Acquisition               | High                   | None                      |
| System Installation (Hardware) | Medium                 | Low                       |

Table 1: Comparison of Infrastructure Costs

### **4.2 Operational and Maintenance Costs** Next, I'll examine the operational and maintenance costs.

| Cost Category      | Current Tolling System | GNSS-based Tolling System |
|--------------------|------------------------|---------------------------|
| Staffing           | High                   | None                      |
| Energy Consumption | High                   | Low                       |
| Transaction Fees   | Medium                 | Low                       |
| Maintenance        | Medium                 | Low                       |

Table 2: Comparison of Operational Costs

# 5 Advantages of GNSS Tolling from the Customer's Perspective

GNSS-based tolling offers significant benefits over the current tolling systems:

- Convenience: Customers no longer need to stop at toll booths, as the system automatically calculates tolls based on the distance traveled, reducing travel time.
- Faster Travel: The elimination of booth stops and delays associated with manual toll collection or FASTag scanning ensures a smoother, more efficient journey.
- Fairer Billing: Unlike traditional systems with fixed toll rates, GNSS tolling charges customers based on the exact distance traveled, ensuring accurate billing.
- Reduced Congestion: With fewer toll booths and no need to stop, GNSS tolling minimizes traffic congestion at toll plazas, particularly during peak hours.
- Flexible Payments: GNSS-based systems integrate with mobile apps and e-wallets, offering customers convenient and transparent payment methods.
- Environmental Benefits: Reduced idling at toll booths leads to lower vehicle emissions, contributing to a more environmentally friendly solution.

In summary, GNSS tolling enhances customer convenience, travel efficiency, and transparency, while also supporting environmental sustainability.

#### 6 Conclusion

The adoption of a GNSS-based tolling system offers several financial benefits compared to the current manual/automated tolling systems in India. Although the initial setup costs for GNSS systems may be higher, the long-term operational costs are considerably lower. Key advantages include reduced infrastructure costs, lower staffing requirements, and minimal land acquisition needs. As the technology matures, GNSS-based tolling presents a cost-effective, efficient, and sustainable solution for India's tolling infrastructure.