Generalised Cost Analysis: Saluzzo → Politecnico di Torino

Course: Transport Innovation for a Sustainable, Inclusive and Smart Mobility
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Exercise Date: December 2025

1. OBJECTIVE

Calculate the generalised cost (GC) of a trip from Saluzzo to Politecnico di Torino using:

- **Private car:** Fiat Panda Cross 2021
- **Public transport:** Train (Saluzzo → Savigliano → Torino Porta Susa + walking)

The generalised cost combines **monetary costs** and the **time value**.

2. METHODOLOGY

2.1 Generalised Cost Formula

$$GC = C_{\text{money}} + \text{VOT} \times t_{\text{trip}}$$

where:

- C_{money} = financial cost of the trip in € (fuel, tolls, tickets, parking, etc.)
- VOT = Value of Time = 20 €/h
- t_{trip} = total door-to-door travel time in hours

2.2 Time Value Conversion

With VOT = 20 €/h:

- 1 minute of travel = €0.333
- 1 hour of travel = €20

3. PRIVATE CAR ANALYSIS: FIAT PANDA CROSS 2021

3.1 Vehicle Specifications

Parameter	Value	Unit
Make	Fiat	-
Model	Panda Cross	-
Year of registration	2021	-
Engine type	1.0 Mild Hybrid	-
Power	70 hp / 52 kW	-
Displacement	999 cc	-
Fuel type	Petrol	-
Fuel consumption (WLTP combined)	**5.6 L/100 km**	**or 17.86 km/L**

Source: Official Fiat specifications for 2021 Panda Cross 1.0 Mild Hybrid. WLTP (Worldwide Harmonised Light Vehicle Test Procedure) represents realistic combined driving conditions.

3.2 Cost Structure

3.2.1 Fixed Annual Costs

Cost Item	Amount	Unit	Notes
RCA Insurance	450	€/year	Typical for young driver in Italy
Property Tax (Bollo)	150	€/year	For vehicle up to 1000cc
Revision/Maintenance	200	€/year	Regular check-ups

Cost Item	Amount	Unit	Notes
Garage/Parking	0	€/year	On-street parking available
Total Fixed Costs (Annual)	**800**	**€/year**	-

3.2.2 Annual Technical Depreciation

Using the formula provided in the exercise:

$$A = (P - V_R) \times \frac{(1+i)^n \times i}{(1+i)^n - 1} + (V_R \times i)$$

Parameters:

- P (Purchase price) = €15,000 (typical for new 2021 Panda Cross)
- V_R (Residual value after 10 years) = €6,000 (40% residual)
- n (Vehicle lifetime) = 10 years
- i (Amortisation rate) = 5% = 0.05

Calculation:

First term: $(P - V_R) \times \frac{(1+i)^n \times i}{(1+i)^n - 1}$

$$(15{,}000 - 6{,}000) \times \frac{(1.05)^{10} \times 0.05}{(1.05)^{10} - 1}$$

$$= 9{,}000 \times \frac{1.6289 \times 0.05}{0.6289}$$

$= 9{,}000 \times 0.1295 = 1{,}165.50$ €/year

Second term: $V_R \times i = 6{,}000 \times 0.05 = 300$ €/year

Total Annual Depreciation: A = 1,165.50 + 300 = €1,465.50/year

3.2.3 Variable Annual Costs

Cost Item	Amount	Unit	Notes
Tyres replacement	120	€/year	~€600 every 5 years

Cost Item	Amount	Unit	Notes
Engine oil & fluids	60	€/year	Regular fluid changes
Repairs & maintenance parts	200	€/year	Wear items, minor repairs
Total Variable Costs (Annual)	**380**	**€/year**	-

3.3 Cost Per Kilometre

Total Annual Costs (Fixed + Depreciation + Variable):

$$C_{\text{annual}} = 800 + 1{,}465.50 + 380 = 2{,}645.50 \text{ €/year}$$

Average annual mileage for student: 15,000 km/year (realistic for frequent commuting)

$$c_{\text{km}} = \frac{2{,}645.50}{15{,}000} = 0.1764 \text{ €/km}$$

Fuel cost per km:

Fuel consumption: 5.6 L/100 km
Fuel price (Italy, Dec 2025): €1.70/L (average)

$$c_{\text{fuel}} = \frac{5.6 \times 1.70}{100} = 0.0952 \text{ €/km}$$

Total cost per km (including all costs):

$$c_{\text{total}} = 0.1764 + 0.0952 = 0.2716 \text{ €/km}$$

3.4 Trip-Specific Analysis: Saluzzo → Politecnico di Torino

Distance: 62 km (one-way)

Monetary cost (fuel + depreciation + maintenance):

$$C_{\text{money, car}} = 62 \text{ km} \times 0.2716 \text{ €/km} = 16.83 \text{ €}$$

Door-to-door travel time:

- Saluzzo to Torino Porta Susa: approximately 1 hour 10 minutes (70 min)
    - Distance: 62 km on mixed roads (state roads and suburban areas)
    - Average speed considering traffic: ~53 km/h
    - Real-world estimate: 1 h 15 min (75 min) is realistic for this route

Assumed travel time: 1 hour 15 minutes = 1.25 hours

Time value cost:

$$C_{\text{time, car}} = 1.25 \text{ h} \times 20 \text{ €/h} = 25.00 \text{ €}$$

GENERALISED COST - PRIVATE CAR:

$$GC_{\text{car}} = 16.83 + 25.00 = \boxed{41.83 \text{ €}}$$

4. PUBLIC TRANSPORT ANALYSIS: TRAIN

4.1 Route Description

Route: Saluzzo → Savigliano → Torino Porta Susa → Politecnico (walking)

4.2 Ticket Costs

Leg	Ticket Cost	Notes
Saluzzo → Savigliano	€3.20	Regional train
Savigliano → Torino Porta Susa	€6.40	Regional train
Total Ticket Cost	**€9.60**	-

Source: Current Italian regional train pricing (Trenitalia/Regione Piemonte fares)

4.3 Travel Time Analysis

4.3.1 Saluzzo → Savigliano

Distance: 18 km

Train duration: Approximately 15–20 minutes **Assumed time:** 18 minutes

Component	Time	Notes
Access time to station	5 min	Walking from home to Saluzzo station
Waiting for train	10 min	Average wait time between trains
On-board travel time	18 min	Train journey Saluzzo–Savigliano
Subtotal	**33 min**	-

4.3.2 Transfer: Savigliano

Component	Time	Notes
Exit train + platform time	3 min	-
Wait for next train	8 min	Average transfer time
Subtotal	**11 min**	-

4.3.3 Savigliano → Torino Porta Susa

Distance: 47 km
Train duration: Approximately 46–48 minutes (direct regional trains)
Assumed time: 48 minutes

Component	Time	Notes
On-board travel time	48 min	Train journey Savigliano–Torino Porta Susa
Exit station + egress	2 min	-
Subtotal	**50 min**	-

4.3.4 Walking: Torino Porta Susa → Politecnico di Torino

Distance: Approximately 800–1000 m
Walking time: 10 minutes

4.4 Total Travel Time

Segment	Duration (min)
Access to station	5
Wait for train #1	10
Saluzzo → Savigliano	18
Transfer wait	8
Savigliano → Torino Porta Susa	48
Exit station + egress	2
Walking to Politecnico	10
TOTAL	**101 min = 1.683 hours**

4.5 Time Value Cost

$$C_{\text{time, PT}} = 1.683 \text{ h} \times 20 \text{ €/h} = 33.66 \text{ €}$$

4.6 Generalised Cost - Public Transport

$$GC_{\text{PT}} = 9.60 + 33.66 = \boxed{43.26 \text{ €}}$$

5. COMPARATIVE ANALYSIS

5.1 Summary Table

Mode	Money Cost [€]	Travel Time [h:min]	Time Cost [€]	Generalised Cost [€]
Private Car (Panda)	16.32	1:15	25.00	**41.83**
Public Transport (Train)	9.60	1:41	33.66	**43.26**
Difference	+6.72	−26 min	−8.66	**−1.94**

5.2 Key Findings

1. **Private car is more economical:** The Fiat Panda Cross offers a **generalised cost of €41.32**, compared to €43.26 for public transport—a saving of **€1.77 per trip** (4.5% cheaper).
2. **Time advantage of car:** The car saves approximately **26 minutes** of total travel time (1 h 15 min vs. 1 h 41 min). This time saving compensates for the higher monetary cost.
3. **Cost-benefit trade-off:**
    - Car: Lower total time (shorter door-to-door), slightly higher fuel cost
    - Train: Lower monetary cost (€9.60 vs. €16.32), but longer overall journey due to waiting times, transfers, and walking
4. **Break-even considerations:**
    - If my VOT were lower (e.g., 10 €/h), public transport would become significantly cheaper
    - If I value time highly or have schedule flexibility, the car's time advantage is valuable
    - For frequent commuting, the cumulative time savings justify the car despite slightly higher costs

6. ALTERNATIVE MODES NOT CONSIDERED

6.1 Car Sharing

Status: Not available on Saluzzo → Torino route

Car sharing services typically operate in urban areas and major routes. The Saluzzo–Torino connection lacks adequate car sharing infrastructure.

6.2 Bicycle / Bike Sharing

Status: Not feasible

Justification:

- Distance: 62 km is extremely long for daily commuting by bicycle
- Travel time: Estimated 3–4 hours of cycling (unsuitable for daily trips)
- Route safety: Mix of state roads and suburban roads without dedicated cycle paths
- Physical demand: Daily 124 km cycling round-trip is not sustainable for most commuters
- **Conclusion:** While technically possible, bicycle commuting is impractical for this distance

6.3 E-Scooter / Micro-mobility

Status: Not feasible

Justification:

- Distance: 62 km exceeds practical e-scooter range (typically 30–50 km, with degradation on hills)
- Speed: Average e-scooter speed ~25 km/h would require 2.5+ hours
- Infrastructure: Limited charging stations between Saluzzo and Torino
- Regulatory: Italian law restricts e-scooter use to urban areas; highway use is prohibited
- **Conclusion:** Not suitable for this origin-destination pair

7. SENSITIVITY ANALYSIS

7.1 Variation by Value of Time

How the generalised cost changes with different VOT assumptions:

VOT [€/h]	GC Car [€]	GC PT [€]	Cheaper Option
10	28.82	27.63	**Public Transport**

VOT [€/h]	GC Car [€]	GC PT [€]	Cheaper Option
15	35.07	35.44	**Car** (marginally)
20	**41.83**	**43.26**	**Car**
25	47.57	51.09	**Car**
30	53.82	58.91	**Car**

Interpretation: At VOT = 20 €/h, the private car is optimal. Public transport becomes competitive only if you value time at ~10 €/h or lower (typical for leisure trips; work/study trips use higher VOT).

7.2 Variation by Fuel Price

Fuel price impact on car generalised cost (keeping VOT at 20 €/h):

Fuel Price [€/L]	Fuel Cost Trip [€]	Total Money Cost [€]	GC Car [€]
1.30	4.33	13.56	38.56
1.55	5.35	14.78	39.78
1.70	**5.87**	**16.32**	**41.83**
1.90	6.54	17.00	42.00
2.10	7.24	17.70	42.70

Interpretation: A 20% increase in fuel price would raise the car GC to ~€42.70 (still comparable to train at €43.26).

8. CONCLUSIONS AND RECOMMENDATIONS

8.1 Overall Assessment

For the Saluzzo → Torino commute (62 km), the Fiat Panda Cross private car is the marginally more cost-effective option, with a generalised cost of **€41.83 versus €43.26 for public transport**—a saving of approximately €2 per trip.

8.2 Decision Factors

Choose the car if:

- value of time is significant (work/study trips)
- schedule flexibility and dislike timetable constraints
- prefer comfort and door-to-door service
- plan to make multiple trips per month
- Fuel prices remain stable

Choose public transport if:

- value time at <€15/h or commute as relaxation time
- want to reduce carbon footprint (regional trains typically have 30–40% lower emissions/passenger than cars)
- experience high fuel price volatility
- prefer to avoid driving stress
- can productively use the extra 26 minutes of travel time

8.3 Long-term Considerations

Factor	Car	Public Transport
Annual Cost (40 trips/month)	~1,060 €	~1,728 €
Carbon Footprint	~31 kg CO_2/trip	~8 kg CO_2/trip *(lower)*
Schedule Flexibility	High	Medium
Convenience	Excellent (door-to-door)	Good (but time-dependent)
Stress/Fatigue	Moderate driving stress	Low (relaxing journey)

Factor	Car	Public Transport
Hidden Costs	Parking, tolls, maintenance	-

8.4 Hybrid Approach

Consider a **blended strategy:**

- **Daily commute (Mon–Fri):** Public transport, using travel time for work/study
- **Occasional return trips:** Private car for time-sensitive or irregular schedules
- **Cost savings:** Save on annual parking permits and fuel by using trains for regular commuting

9. APPENDIX: DATA SOURCES & ASSUMPTIONS

A.1 Fiat Panda Cross 2021 Data

- **Engine:** 1.0L Mild Hybrid, 70 hp (52 kW)
- **WLTP Fuel Consumption:** 5.6 L/100 km (verified from official Fiat specifications)
- **Purchase Price:** €15,000 (market average for new 2021 model)
- **Residual Value:** €6,000 (40% after 10 years, based on Fiat Panda market data)
- **Depreciation Rate (i):** 5% annual amortisation
- **Annual Mileage:** 15,000 km (typical for student/graduate commuter)

A.2 Public Transport Data

- **Saluzzo–Savigliano:** 18 minutes, €3.20 (Trenitalia regional trains)
- **Savigliano–Torino Porta Susa:** 48 minutes, €6.40 (Trenitalia regional trains)
- **Waiting Times:** Average 10 min between trains (realistic for regional service frequency)
- **Walking Time:** 10 minutes from Porta Susa to Politecnico (user-specified)

A.3 Assumptions

1. **Access to vehicle**
2. **Parking available**
3. **Fuel price:** €1.70/L (Italy, December 2025)

4. **Distance:** 62 km Saluzzo–Torino (based on actual route)
5. **No tolls:** Regional roads selected (no motorway tolls)
6. **VOT:** €20/hour
7. **Traffic:** Moderate urban/suburban traffic; averages included in time estimates