

Technical Advisory – Updated Household Reallocation of Savings from Reducing Vehicle Operating Costs

An update to the fixed factors in TREDIS 5 was made in late January 2019 to align with December 2018 Benefit-Cost Analysis (BCA) Guidance from USDOT and the release of IMPLAN 2017 data to customers in TREDIS.

The January 2019 fixed factor updates used AAA's 2018 Your Cost to Drive to update the per-mile vehicle operating cost from \$0.1459 to \$0.1656. Part of that fixed factor update involved reducing the distance-based percentage of automotive insurance from 50 percent to 10 percent following a brief literature review. The TREDIS team has also reassigned depreciation from a financial sector to the sector that includes car dealerships, in order to better reflect that reducing auto usage often allows households to delay replacement of vehicles.

As of April 15, 2019, the new values are as follows:

IMPLAN Sector	Previous Share	New Share
Retail – Motor vehicle and parts dealers	5.41%	45.64%
Monetary authorities and depository credit intermediation	30.58%	0%
Insurance carriers	37.11%	4.79%
Automotive repair and maintenance, except car washes	26.89%	49.57%