Modelling decision support and uncertainty for large transport infrastructure projects: The CLG-DSS model of the Øresund Fixed Link

This paper presents a decision support system, named the CLG-DSS model, which makes it possible for decision makers to assess various uncertainties in project appraisal in a systematic and explicit way. This model, a decision support system (DSS) developed within the Danish Centre for Logistics and Freight Transport (CLG), the CLG-DSS model, is based on cost-benefit analysis (CBA) embedded in a wider multi-criteria analysis (MCA) by some principles for composite modelling assessment (COSIMA). The CLG-DSS model is set-up to make use of scenario analysis (SA) and Monte Carlo simulation (MCS). A particular concern in the model is the handling of varying information across the assessment criteria and the application of SA to inform the MCS parameter setting. After the presentation of the modelling principles some ex-post case calculations for the Øresund Fixed Link are illuminating different aspects of appraisal uncertainty and thereby, at the same time, demonstrate the features of the CLG-DSS model as a useful decision support tool. It is finally concluded that appraisal of large infrastructure projects can be effectively supported by dealing with uncertainty issues in accordance with the principles described.
Keywords: Multi-Criteria Analysis, Monte Carlo Simulation, Cost-Benefit Analysis, Risk Analysis, Scenario Analysis, Decision Support System

DOIs:
10.1016/j.dss.2006.06.009

Source: orbit
Source-ID: 203096

Research output: Research - peer-review > Journal article – Annual report year: 2007