



East Coast Main Line Company Limited East Coast House, 25 Skeldergate York YOI 6DH www.eastcoast.co.uk

Ekta Sareen Economist Office of Rail Regulation 1 Kemble Street London WC2B 4AN

Tel: +44(0) 845 059 3120

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Dear Ekta

REVIEW OF ARRANGEMENTS FOR ESTABLISHING ACCESS CHARGES FOR CP4

This letter is in response to your consultation document dated 25 November 2009 with the above title. We have considered your document and would make the following points.

- 1. In broad terms we would agree with your statement that the new arrangements worked reasonably well. However, we do still believe there are certain points which could be better addressed as below.
- Traction electricity charge we do not have confidence that the consumption model and rates for this give a fair and accurate reflection of reality and would ask that attention is paid to improving this area. In particular we believe that the discount given in respect of the use of regenerative braking is relatively arbitrary and potentially unfair on other operators (i.e. those sharing infrastructure with regen operators).
- 3. Benchmarking we would wish to see improvements in this area to allow assessment of value, which currently is very difficult.
- 4. We still do not believe that the allocation of costs across users is sufficiently transparent to demonstrate that costs are borne by those giving rise to them.

Hopefully you will find the above points of interest. Please do not hesitate to call me should you wish to discuss any of them further.

Yours sincerely

Tim Kavanagh Finance Director