



# Rail Freight

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# Regulating rail freight

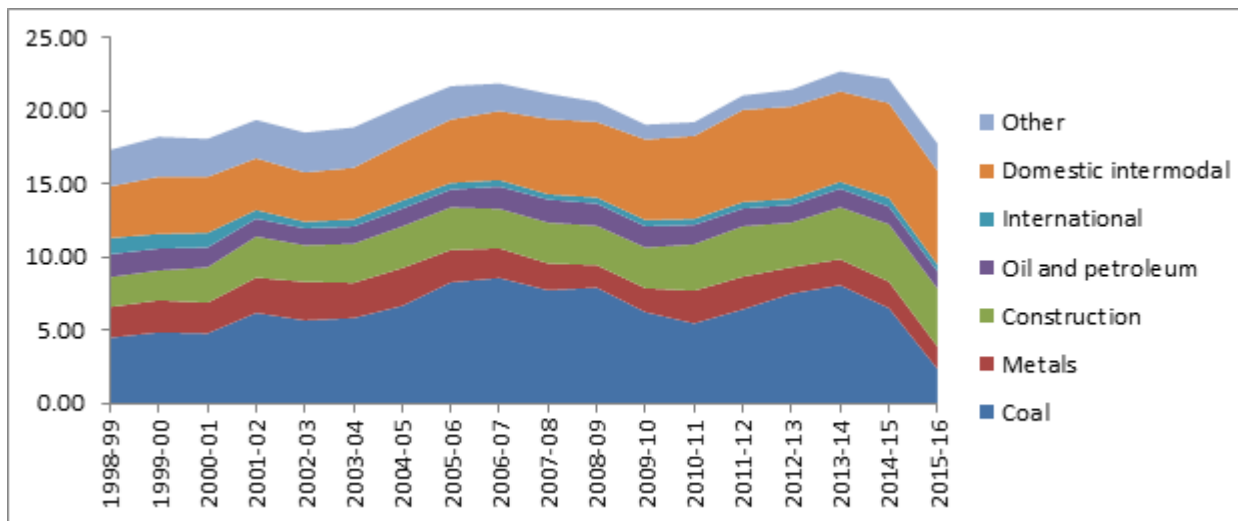
## - Fair access and treatment

- The freight market
- Enhancements
- Performance
- Track access
  - Casework
  - Access rights
  - European rules
- Discussion

# The freight market

## ■ Freight Rail Usage

- **Freight lifted** fell to 18.8 million tonnes in 2016-17 Q1, a decrease of 15.3%. The amount of **coal lifted** was 2.7 million tonnes, a decrease of 52.1%.....
- **Freight delay** in 2016-17 Q1 fell to 9.7 minutes per 100 train kilometres, a reduction of 6.1% compared to 2015-16 Q1.....
- Total **freight train kilometres** was 8.37 million kilometres, a decrease of 0.6 million kilometres (-6.%) compared to 2015-16 Q1.
- [http://orr.gov.uk/ data/assets/pdf file/0015/22902/freight-rail-usage-2016-17-quarter-1.pdf](http://orr.gov.uk/data/assets/pdf_file/0015/22902/freight-rail-usage-2016-17-quarter-1.pdf)



- Coal in decline
- Still a busy network with competing demands
- New markets opening up eg parcels, urban centres
- Competition role eg FL undertakings

# Enhancements

## ■ Funded enhancements

- Government sets publicly funded enhancement priorities - recent Hendy review. SFN £235M.
- Governance of the fund works well through SFN steering group to identify schemes
- Example bigger passing loops to enable longer more efficient trains
- Felixstowe branch enhancements – an example where NR is working better with FOCs to report progress and decide best option to improve capacity
- BUT NR's project delivery performance needs to be better

## ■ Private investment

- Ports and freight terminals
- New/recycled rolling stock

## ■ DfT freight strategy

- Commitment to freight, looking to unlock potential,

## ■ NR freight study

# Freight performance

- ORR holds NR to account
  - PR13 and licence condition
- Freight delivery metric for CP5 is 92.5%
  - 15 minutes of scheduled arrival time
  - NR met this in all but one period but some specific issues
  - NR also measures lateness for departures and arrivals
  - Balance filling train vs leaving on time.....effect on performance
  - Industry working together to improve performance – lateness can have big impact on freight operators
- Network capability
  - NR funded to maintain published capability [line speed, gauge etc]
  - Freight reasonable expectation to go anywhere on network so expect NR to maintain all of the network
  - Holding NR to account - Freight performance improvement steering group; The Freight Attribution Delivery Group; The Network Capability Steering Group
- Possessions
  - Managing over-runs & minimising disruption (PDI-f measure 0.73 exit of CP5)

# Access and Licensing- casework

## ■ Framework agreements

- New TACs: ‘big 5’ TACs run to 2026, provides certainty
- We decided between several passenger proposals for ECML but in doing so made sure freight needs considered
- Streamlining general approval and updating guidance
- Freight customer TACs available

## ■ Facility Access

- ORR approval needed for access agreements, if not exempted (s17 and s18)
- Updating General Approval and new guidance
- Appeals

## ■ Connection contracts

- Updated guidance & updating connection contracts

## ■ Licensing and licence exemptions

## ■ NR land disposals

# Access rights issues

- Timetabling and flexibility of rights to make better use of network
  - Windows instead of ‘levels’
- Surrender of unused access rights,
  - 4,400 paths surrendered with 20% returned to strategic capacity
- Strategic capacity
  - Freight has to be reactive to customers’ needs
  - Strategic Capacity Statement: new QJ virtual paths, flexing, working with TOCs, code of practice – explaining timetabling decisions
  - DfT/FOC working group
- Track access options
- Improving procedures – following up industry workshop
- Rail freight industry code of practice – industry solutions

# New European access rules

## ■ Service Providers

- The Railways (Access, Management and Licensing of Railway Undertakings) Regulations 2016
  - Information about facilities
    - Access
    - Charges
    - Information on website or via Network Statement
  - ORR is appeals body
  - New ORR guidance

## ■ Implementing Acts – service facilities, timetabling, framework agreements – opening up market

## ■ Fourth Railway Package – “*the final step...*”

## ■ European freight corridor

## ■ European train control system



## ■ Discussion: