

From: Nigel Yaxley [mailto:nigelyaxley@coalimp.org.uk]
Sent: 01 March 2013 10:25
To: Worley Ben
Subject: RE: Network Rail consultation on the phasing in of the freight-specific charge during CP5 and other issues

Dear Ben,

Thank you for bringing this consultation to our attention. I am responding on behalf of Coallmp (the Association of UK Coal Importers).

Coallmp's twenty members (listed below) include most of the coal-fired generators, rail companies, ports and other infrastructure operators and coal suppliers, together accounting for the vast majority of coal transported in the UK.

In our response to ORR's consultation on the freight specific charge (attached), Coallmp argued that these unprecedented proposals were wholly unacceptable in terms of their likely impact on the railborne coal market. We recognise that ORR has to some degree mitigated what was originally proposed, but I have to say that the ORR decision is still completely unacceptable.

I simply do not think that ORR has appreciated the seriousness of the impact, and the differential nature of this impact, on some of our members, especially those in Scotland who rely on long-distance rail freight for their very existence.

A decision that reverses the previous direction of policy on track access charges, reduces the rail freight market, and distorts that market from the status quo, will put at risk past and future investment decisions, create uncertainty about future track access reviews and put jobs at risk (both in the rail industry and in the supply chain, including mines and ports).

I have written in these terms to ORR requesting further discussions.

In these circumstances, responding in detail to the NR Consultation, insofar as it is concerned with the freight specific charge for coal, serves no useful purpose. Coallmp entirely rejects the basis of the ORR decision and therefore NR's proposed implementation of that decision.

Rather than rehearse all the arguments here, I would request the opportunity to meet you to explain our concerns and explore whether there is an alternative way forward. I am also writing in similar terms to Tim Robinson, Freight Director.

I look forward to hearing from you.

Regards

Nigel Yaxley
Managing Director

Coallmp Membership

Associated British Ports
Clydeport
DB Schenker
Drax Power
EDF Energy
Eggborough Power
E.ON Energy Trading
Fergusson Group
Freightliner Heavy Haul

GB Railfreight
GDF Suez
Hargreaves Services
Lynemouth Power
Network Rail *
Oxbow Coal
Port of Tyne Authority
Rudrum Holdings
Scottish Coal
Scottish Power Energy Management
SSE Energy Supply

* Network Rail has of course stood aside from participating in this process.

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