

Ekta Sareen
Senior Regulatory Economist
Network Rail
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23rd October 2012

Dear Ekta,

First Capital Connect (FCC) and First ScotRail (FSR) response on Network Rail consultation on traction electricity and asset usage charges in CP5

FCC is pleased to respond on behalf of ourselves and FSR to Network Rail's consultation on traction electricity and asset usage charges in CP5.

Overall we support the ATOC detailed comments put forward in the ATOC response. The present traction electricity and asset usage charges (EC4T) charging system is already extremely complicated and the financial outcomes it produces often difficult to forecast. Coupled with the fact that behaviours are overwhelmingly driven by the franchising process and its focus on achieving premium/subsidy for the Department for Transport (DfT) it is essential some clear assumptions are made about precisely to which elements of the changes to EC4T charges new franchises might be exposed to underpin the proposals for CP5.

Accepting that it could be said that our documented views to date give more emphasis to our concerns with Network Rail's proposals rather than positive alternatives, we are eager to work with you to do so.

Yours sincerely



John Beer
Head of Access Contracts