Access charging framework for use of Network Rail infrastructure: user guide

Electrification Asset Usage Charge (EAUC)

What is the purpose of this charge?

The purpose of the Electrification Asset Usage Charge (EAUC) is to recover the variable costs (costs that vary with changes in the level of electrified traffic) of maintaining and renewing electrification assets. It is a separate charge to the Variable Usage Charge (VUC) and is only levied on services powered by electric traction.

What costs are recovered through this charge?

Network Rail's electrification assets comprise the AC and DC overhead lines, the DC conductor rail (third rail) systems, and the supporting distribution infrastructure. These assets are used by trains to draw traction electricity. A proportion of the costs of maintaining and renewing these assets are considered to vary with respect to network usage which is determined by engineering judgement. It is these costs which the EAUC recovers.

Who is subject to this charge?

The charge is paid by all operators of electrified services (i.e. passenger operators on concession-style agreements, freight operators, open access operators and charter operators).

How is the charge structured?

There are six EAUC rates in total: specifically, a DC and AC rate for passenger, freight and charter operators. The charge is levied on a pence per electrified vehicle mile basis for passenger and charter traffic, and a pound per electrified thousand gross tonne miles (kgtm) basis for freight traffic.

How is the level of the charge calculated?

To calculate the specific EAUC rates:

- Network Rail first estimates the annual average cost of the maintenance and renewal costs of electrification assets.
- It then estimates the proportion of these costs that vary with traffic and allocates these proportions to different operator types based on historic shares of network usage to produce a total AC/DC variable cost that needs to be recovered from operators.
- Network Rail then combines this with a forecast of electrified traffic by operator, split into AC and DC, to calculate the rate per vehicle mile and per kgtm (to be applied to passenger/ charter operators and freight operators accordingly) that is required to recover these variable costs on average.

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- → Next Traction Electricity Charge (EC4T)