

Emily Bulman  
Head of Transport Economics  
Directorate of Railway Markets and Economics  
Office of Rail Regulation  
One Kemble Street  
London WC2B 4AN

12 March 2013

Dear Ms Bulman,

**RE: Biomass Freight Specific Charge Consultation – Response from W H Davis Ltd.**

Since year 2010, Freight wagon builder W H Davis has been involved in both the design and manufacture of hopper wagons suitable for the transport of biomass, initially by way of the retrofitment of either, semi or fully automated roof /discharge doors and latterly totally new-design, larger capacity wagons. Furthermore, as a direct result of this market demand for 'biomass' wagons, W H Davis has been able to focus circa 70 staff on these projects and is currently recruiting a further 20 workshop personnel.

We are given to understand that these 'biomass' freight wagon developments result primarily from the carbon reduction/climate change commitments entered into by the UK government over recent years and subsequent financial support now being provided to power generation companies via the Renewables Obligation (RO). However, due to biomass having a lower density/different calorific value than the coal it replaces, coupled to storage considerations requiring (effectively) a 'just-in-time' delivery service, in order to "keep the lights on", rail would therefore seem the obvious choice. A further justification, in certain cases, relates to a need to deploy larger capacity wagons which can be operationally essential, due to limitations imposed by Network Rail on the number of train paths which can be made available – hence the requirement for new designs and significant capital investment.

Apart from significant investment in rolling stock, we further understand that each power generator which converts from coal to biomass, also incurs massive civil engineering expenditure, not only at each power station but also at ports where product is or will be imported – therefore we are at a complete loss to understand the proposal being put forward by ORR, as it would appear to directly counter government energy proposals and financial support both agreed and possibly areas still to be determined.

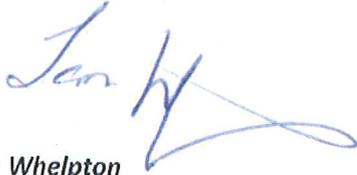
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Road transport could, of course, be considered but the sheer volume of lorry movement per 24 hours through villages close to power stations might, we suggest, prove both operationally problematic and potentially, politically sensitive.

In conclusion, we would request ORR to reconsider this proposal.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Ian W', with a large, sweeping flourish extending to the right.

***Ian Whelpton***  
***Sales & Marketing Director***  
***W H Davis Ltd.***