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2 October 2013

To train operators and ATOC

Dear colleagues

PR13: consultation on contractual wording for EC4T cost reconciliation

Purpose

The purpose of this letter is to consult you on proposed principles and contractual wording for the cost reconciliation for charges for electric current for traction (EC4T) as part of the 2013 periodic review (PR13).

The aim of the proposed changes to the cost reconciliation formula is to better reflect tariff structure including EC4T delivery charges.

The consultation consists of this letter and a note prepared by Network Rail which includes proposals for contractual wording to be included in the newly named Traction Electricity Rules (currently known as the EC4T Metering Rules). This consultation is published on our website at

<http://www.rail-reg.gov.uk/pr13/consultations/implementing-ec4t-cost-reconciliation.php>

We have reviewed Network Rail's note and endorse its proposed contractual wording for the cost reconciliation, and its proposed amendments to the volume reconciliation drafting.

Responding to this consultation

We welcome responses on any aspect of note which Network Rail has set out, and the proposed contractual drafting. Please send your responses in electronic format (or if not possible, in hard-copy format) by **31 October 2013** to:

Henning Schmidt
Email: henning.schmidt@orr.gsi.gov.uk
Office of Rail Regulation
One Kemble Street
London, WC2B 4AN
020 7282 2182

Our aim is that all documents on our website adhere to certain standards of accessibility. For this reason, we would prefer to receive your correspondence in an editable format such as Microsoft Word. If you do send a PDF document or similar, we would be grateful if you could create it from an electronic file rather than an image scan, and ensure that 'no security' is set in the document properties.

If you send a written response, you should indicate clearly if you wish all or part of your response to remain confidential to ORR. Otherwise, we would expect to make it available on our website and potentially to quote from it. Where your response is made in confidence please can you provide a statement summarising it, excluding the confidential information, which can be treated as a non-confidential response. We may also publish the names of respondents in future documents or on our website, unless you indicate that you wish your name to be withheld.

We will take into account all comments we receive responding to this consultation and, where relevant, our wider consultation on contractual wording for passenger and freight contracts as part of PR13. The changes will then come into effect on 1 April 2014.

Yours faithfully

A handwritten signature in black ink, which appears to read 'Emily Bulman', is positioned below the 'Yours faithfully' text.

Emily Bulman