

Adran yr Economi, Gwyddoniaeth a Thrafnidiaeth  
Department for Economy, Science and Transport

Cyfarwyddwr Cyffredinol • Director General



Llywodraeth Cymru  
Welsh Government

Cathryn Ross  
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Dear Cathryn

I am responding to your consultation on electricity for traction charges for control period 5. I have outlined the general position of the Welsh Government within this letter. However, electrification of the Valley Lines and Great Western Main Line will enable electric services in Wales for the first time during control period 5. Therefore I would like the Office of Rail Regulation to work closely with our Department on the detail of how the issues raised in your consultation will apply to Wales.

In principle, any change to the current system for traction charging should contribute to a more efficient and customer focused railway with better value for the customer and tax-payer. Exposing Network Rail to the cost of electricity transmission loss should be consistent with the need to promote efficiency and further the transparency of their expenditure. Train operators should be incentivised to achieve more efficient operation and manage energy use as a controllable cost, without creating additional burdens that are passed on to customers or the tax-payer.

I look forward to reading the outcomes of this consultation, and being involved in future consultations.

Yours sincerely

**James Price**



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