

Ekta Sareen
Economist
Telephone: 020 7282 2164
E-mail: ekta.sareen@orr.gsi.gov.uk

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Distributed to: Metering Steering Group, train and freight operating companies

Consultation: Opting in for on-train metering

In our determination of Network Rail's outputs and funding for 2009-14, we said that there would be provisions for charging for on-train metering to be added in the track access contract at the start of each year from 1 April 2010.¹

We support the timely roll out of on-train meters, both because it can deliver cost savings to the industry (and the tax payer) and because it helps strengthen rail's position as a more environmentally friendly form of transport.

As a consequence of this, following initial discussions at the metering steering group on 22 March 2010, we are minded to increase the flexibility of the process by which operators can opt-in for on-train metering. In particular, we propose that from 1 April 2011, operators may opt-in, subject to appropriate standards being met and the amendment to their track access agreement being approved, at the start of any four week billing period. As part of this increased flexibility, to allow Network Rail to plan the transition, we propose that we will in future expect any operator planning to move to on-train metering to notify Network Rail at least 90 days prior to its proposed opt-in date

Ordinarily, we would not expect to approve retrospective application of metered electricity bills, but will do so where we consider it to be appropriate. We would not expect to approve retrospective application of metered electricity bills where operators have provided Network Rail with less than 90 days notice.

We recommend that operators discuss matters with Network Rail, and keep Network Rail informed of their intentions as early as is practicable with respect to metering prior to any formal notification.

If you have any comments or views on the proposals set out in this letter, please send these to me by Friday 25 June 2010.

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

¹ Paragraph 19.93. <http://www.rail-reg.gov.uk/upload/pdf/383.pdf>

information that 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.

A copy of this letter can be found on the ORR website (www.rail-reg.gov.uk).

Next steps

Following consideration of your responses, we propose to issue a final letter setting out our position in advance of the July 2010 metering steering group meeting.

We are circulating this letter to members of the Metering Steering Group and individual train and freight operating companies.

We would be happy to clarify this proposal further should you require.

Yours faithfully

Ekta Sareen