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Dear Tim,

Consultation on cost recovery for freight-only lines

I have reviewed the consultation on freight network costs and charges. Whilst TfL is not directly affected by the proposals set out in your paper, it supports the view that a move to modelled 'line by line' costs would appear to be the best option in identifying costs. In TfL's view it is important to develop a cost structure which is more reflective of route or line costs rather than the 'jam spread' which is a feature of the current regime.

However, whilst TfL understands the valid reasons for proposing, in this case, that the freight-only network costs should be recouped by means of a variable charge across the board, in the long run the aim should be to ensure that charges are in the main cost reflective. This would suggest that future charges may need to be better related to the direct network costs than this proposal would suggest.

This completes TfL's comments on this consultation.

Yours sincerely,

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