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Chinua Labour
Geoff Jones
HS1 LTD

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Dear Chinua, Geoff

HS1 5YAMS document:

GBRf would like to take the opportunity to respond to the HS1 5YAMS consultation document. We welcome the process of consultation and we would like to raise concerns which we have listed below.

1. GBRf believes that the approach to the pricing mechanism being proposed is inconsistent with the approach for the pricing reviews with Network Rail. Freight should only be charged the variable costs. Avoidable costs should not be included in the freight rate. EU directive 2012/34 applies to the UK Rail Network. Network Rail and HS1 should apply it consistently and comply with the regulations.
2. A proposed increase of 450% will result in freight traffic on HS1 reducing to zero. This outcome will still leave HS1 with the costs described as freight avoidable costs.
3. GBRf believes that the traffic forecasts are based on existing traffic on HS1 with no growth. More up to date forecasts should be used. If the more up to date forecast figures are used this would reduce the proposed charges.
4. GBRf welcomes HS1 and the DFT working towards solutions to continue a subsidy to support growth in the use of freight on HS1. GBRf would support in principle freight traffic via the Tunnel attracting MSRS grants.
5. GBRf would welcome further involvement from the ORR and the DFT to seek alternatives to Ripple Lane operations; if the site could be transferred to Network Rail the overall cost of maintenance could be reduced.

GBRf response to specific questions.

We have no comment for other than the questions below:

Q3 Can you please confirm that we have properly captured the output requirements for customers?

GBRf does not believe that the outputs have been fully captured. Freight traffic will not be able to absorb a 450% increase in charges.

Q11 Please provide comments on the robustness of our freight cost forecasts. Are there any factors that we have not considered?

GBRf believes that no future freight traffic forecasts have been considered.

Q15 Do you believe that an alternative to the CP1 freight supplement is required to support the continuation of freight traffic in CP2? If so, what is the right mechanism for this support?

GBRf believes that an alternative or continuation of the CP1 freight supplement is required to continue and increase freight traffic on HS1.

Q16 Do you agree with our proposal for each regulatory framework item?

GBRf would like to understand why the freight avoidable costs are being treated differently than with Network Rail's regulatory framework, and not applied in compliance with EU Directive 2012/34.

Q17 Do you believe we have properly and completely identified the key risks?

The risks have been identified. However a road map is required to show how the risks will be mitigated.

Q18 Overall do you believe that this 5YAMS plan when delivered is the right balance of affordability and asset stewardship and that it will support a safe, reliable and great customer experience railway?

The proposal as it stands it is not affordable for freight traffic.

Q19 What are the three most important issues for you within these plans?

1. Non-compliance with European Directives. Only variable charges should be allocated to the freight charges.
2. CP1 freight supplements continuation or an alternative solution provided in CP2.
3. If no suitable solutions are found to resolve 1 and 2 above this will result in the discontinuation of freight on HS1 with no opportunity to resurrect in the future.

Kind Regards

Lee Armstrong