16 April 2013

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Dear Paul,

## 2014 High Speed 1 Periodic Review – First Consultation

Thank you for the opportunity to comment on the first consultation of the 2014 periodic review of HS1.

Although challenges remain, there is continued interest in the development of cross channel rail freight and, for some traffic, the benefits of HS1, in particular its superior gauge, are an attractive proposition. We would therefore hope that the periodic review of HS1 acts to support the continued use of the route for freight and to encourage growth.

We note that much of the consultation is of limited relevance for RFG. However, we would comment as follows;

*Freight Avoidable Costs (para 2.26)* We note that HS1 will undertake a review of its freight avoidable costs. We have previously commented on this area, in response to the July 11 consultation <u>http://www.rfg.org.uk/high-speed-1-freight-avoidable-costs-review-july-2011</u>. The points raised in this response, and by others, should be addressed in any further review, to the extent that they have not been resolved in the intervening period. The ability of any market to bear any increased level of cost must be judged against the affordability of the end to end journey by rail and competing modes, not just the UK element.

*Freight Discount* The freight discount is largely a matter for DfT but we would expect HS1 and ORR to be cognisant of any discussions over the continuation of this discount, which will be vital for existing and future new services.

*Other Charges* We expect that freight operators using, or planning to use, HS1 will wish to raise comments over the performance and possessions regimes. We would wish to see such regimes incentivise HS1 to provide the most suitable outcome for freight, giving certainty to operators and responding to market needs – for example in scheduling of engineering work.

## Delivering choice for business

This response may be placed on ORR's website in full,

Yours sincerely,

M Simpson

Maggie Simpson Executive Director

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