



Ekta Sareen

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8 November 2012

Dear colleague,

Network Rail consultation on charging for losses and regenerative braking for metered operators on the dc network

Introduction and background

We are, today, issuing our consultation on an approach to charging for losses and regenerative braking for metered operators on the dc network in CP5. In September 2012, we consulted on various proposals in relation to the EC4T (electric current for traction) framework, which included an approach to ac losses. We agreed, with the industry, that we would consult later on specific issues in relation to the dc network.

Attached to this letter are the *Estimate of dc losses: Electricity Supply Tariff Area Analysis–CP5 proposal* and a report on the *Treatment of regenerative braking for metered operators on the dc network - CP5 proposal*.

Our proposals

The key aspects of our proposals are:

- for dc losses to be charged at 15.57% for the dc network in the southern region;
- for dc losses to be charged at 10.26% for the dc network in Merseyside; and
- for regenerated dc energy to be charged as it is now (i.e. losses mark-up to apply to consumption net of regenerated energy)

We are keen to hear your views on these proposals.

Responding to this consultation

The closing date for this consultation is Thursday 6 December 2012. This provides four weeks for consultation.



We intend to make responses public, including sharing them with ORR and publishing them on our website. Please indicate if you wish all or part of your response to remain confidential.

Please address any responses and / or queries to:

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Next steps

After receiving responses to this consultation we will conclude on these areas at the same time as concluding on our wider EC4T and EAU (electrification asset usage) consultation. We expect to issue our conclusions in early 2013.

This consultation document can also be downloaded from our website here:
<http://www.networkrail.co.uk/PeriodicReview2013.aspx>.

Yours sincerely,

A handwritten signature in black ink, appearing to be "Ekta Sareen", written in a cursive style.

Ekta Sareen

Senior Regulatory Economist, Network Rail



Attachments:

- (1) Estimate of dc losses: Electricity Supply Tariff Area Analysis– CP5 proposal
- (2) Treatment of regenerative braking for metered operators on the dc network - CP5 proposal

