Response received by email

From: Lindsay Durham [mailto:durhamL@Freightliner.co.uk]

Sent: 21 May 2013 11:21

To: Strange Joel

Cc: Robert.Mills@orr.gsi.gov.uk

Subject: RE: Schedule 8 benchmarks in CP5 - industry consultation

Joel

Thank you for the opportunity to respond to this consultation. This is the response of Freightliner Group on behalf of Freightliner Heavy Haul Ltd and Freightliner Ltd.

We note that this response appears to refer wholly to passenger operators and not to freight operators, however we would like to make some general comments. We are aware that separate discussions have and are taking place with regard to the freight operator (FOC) benchmarks.

Freightliner does not support the mechanisms proposed in the letter being used for the calculation of FOC benchmarks. We are strongly of the view that Schedule 8 benchmarks should be set over the long term to create long term incentives and to enable investment in improved performance rather than being reset on every 5 years. We do not support benchmarks that are reset because previous targets have not been met or are reset because one party has outperformed, thus rewarding failure and penalising success, this appears to be the proposal for setting TOC benchmarks. These proposals will not encourage the best long term behaviour from all parties and we would suggest that the proposals are re-considered.

Regards

Lindsay

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