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19 December 2023

Nicholas Prag Head of Regulatory Economics (Acting) Planning and Regulation

Dear Nick,

Approval of the recalibration of track access charges for CP7

- 1. This letter provides our formal approval of Network Rail's methodology for recalibrating the track access charges below for CP7.
- 2. We concluded our final policy positions in October 2023¹ following our draft determination of June 2023² and conclusions on the charging framework in October 2022³. Consultations were held in April 2022 and July 2021⁴. We note that you also held consultations and gave stakeholders the opportunity to identify any potential inaccuracies in the draft price lists.
- 3. Having reviewed both the methodology and the assurance processes applied to the recalibration we approve the following price lists for use in CP7:
 - a) Track Usage Price List for CP7, containing:
 - Variable Usage Charge (VUC);
 - ii) Electrification Asset Usage Charge (EAUC);
 - iii) Freight Specific Charge (FSC); and
 - iv) Charter Slot Charges.

¹ PR23 final determination: Policy position – access charges, ORR, 31 October 2023. This may be accessed here

² PR23 draft determination: Policy position – access charges, ORR, 15 June 2023. This may be accessed <u>here</u>. ³ PR23 – Review of Network Rail's access charges - Conclusions on charging framework, ORR, 20 October 2022. This may be accessed <u>here</u>.

⁴ These may be accessed here

b) CP7 Schedule of Fixed Charges (FTACs);



- c) CP7 Open Access ICC Rates List (Infrastructure Cost Charge);
- d) CP7 Station Annual Long Term Charges (LTC)⁵; and
- e) CP7 Traction Electricity Modelled Consumption Rate List.

Yours sincerely

Robert Carruthers

⁵ Note, in PR18 this was published as 2 separate price lists, Managed and Franchised.