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6 February 2025

Dear Jules & Quentin,

**Consent to supplement the Control Period 7 (CP7) track usage price list:
Class 325 type vehicles: ECAY, EEAY & EHAY**

The Office of Rail and Road has issued a Notice of Consent to supplement the Track Usage Price List, as submitted to us by DB Cargo (UK) Limited and Network Rail Infrastructure Limited on 18 December 2024 under Schedule 7 of the track access contract between the parties. This letter sets out the reasons for our decision.

Purpose of the change

The purpose of the Supplement is to amend the Variable Usage Charge (VUC) rates section of the Track Usage Price List, for the purpose of the track access contract, to include rates for purpose-built Class 325 type vehicles, with 3 variants, carrying Royal Mail parcels.

These amendments shall have retrospective effect from 1 April 2024.

Industry consultation

There is no requirement for industry consultation in this matter as the changes do not affect any other freight operating company.

ORR review

Functional limits to systems that currently inform billing software have required Network Rail to develop a new approach to enable a more cost reflective rate to be charged where a freight operator is using a re-purposed passenger vehicle to carry a commodity. Network Rail has proposed calculating a single 'tare' VUC which will be based on the average operating weight of the vehicles, adjusted down to reflect the percentage of journeys that are truly 'tare'. The parties independently calculated averages and have agreed a position for all necessary vehicle characteristics to populate the Official CP7 VUC Calculator.

ORR is supportive of any effort to use charges that are as cost reflective as possible. We have reviewed the vehicle characteristics, and the methodology proposed, and note that the VUC rates have been agreed between the parties using data from appropriate

sources, and calculated using the CP7 VUC calculator developed by Network Rail in 2023/24 prices.

Public register and administration

Copies of this Decision Letter as well as the Notice of Consent will be placed on the ORR website.

Yours sincerely

Margret Haswell