

12 May 2011

Rupika Madhura
Economist
Office of Rail Regulation
1 Kemble Street
London WC2B 4AN

Dear Rupika,

Consultation on the policy on variable usage charges for modified vehicles

This note sets out TfL's response to the above consultation. TfL welcomes the approach proposed and hopes that it will contribute towards the key objective of reducing the rail industry's costs. The objective of any change to the variable usage charges must be to reduce costs overall; any reduction to the variable usage charge levied on a particular vehicle must not lead to compensatory increases in other variable usage charges.

TfL is also fully supportive of the comments made by the ORR in the consultation documentation concerning bespoke deals. It is very important that any such details follow the principles of the standard charging framework set out by ORR to ensure that all industry partners are treated in a non discriminatory manner.

Yours sincerely,

Alan Smart

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