

Written evidence submitted by GB Railfreight (TFU0012)

I am writing to you following your Committee's evidence sessions on 11 November as part of the trains fit for the future inquiry.

GB Railfreight (GBRf) is the UK's fastest growing rail freight company, employing nearly 900 people across the UK, with a turnover of £200 million. We are very proud of the role we play in increasing the sustainability of the UK freight sector and the role we play in supporting jobs and growth across the UK.

We were delighted to see you open an inquiry into possible future technologies for our sector. We welcome the fact that in reopening the inquiry, there is a recognition of the challenges faced by the freight sector given the power that is needed to pull heavy freight trains.

The rail freight sector has an important role to play in supporting the decarbonisation of the UK economy. Freight moved by rail produces significantly less CO₂. One freight train can move the equivalent of up to seventy lorry loads, while only emitting 25% of the equivalent carbon emissions as road transport. This brings benefits in terms of reducing localised air pollution and road congestion as well as significant savings in carbon emissions.

The Government has set out a policy of removing diesel locomotives from the network by 2040. Electric traction is one option for the freight sector, but we are a long way from being able to provide electric power to all rail lines. This means that freight operators are focusing on electro-diesel bi-modal locomotives which can use electric traction where overhead lines are available and diesel in other areas.

As the committee has highlighted, while bi-modal locomotives are the most effective current technology to help the freight sector move to more sustainable modes of traction, there is currently no strategy to help the freight sector to make the shift to bi-modal locomotives.

These locomotives are significantly more expensive. The extra cost can be up to £2 million per-unit. This is currently uneconomic for a sector which operates on low margins. The lack of a current market for bi-modal locomotives and the uncertainty about the future of Government policy about the role of diesel in the freight sector has created a supply crunch in the locomotive sector for the UK market. This has meant that operators have had to react to growing demand in the freight sector by repowering older diesel locomotives many being brought out of retirement and new power units fitted.

Our view is that the Government should take leadership through interventions to support the development of a market for bi-modal locomotives in the UK to support the

decarbonisation of the rail freight sector and to support the expansion of the sector given the advantages it offers in terms of reducing carbon emissions compared to road haulage.

Suggested interventions could include changes to the modal shift revenue support grant system to incentivise the use of bi-modal locomotives for intermodal freight services. The DfT could also mandate Network Rail to change the scoring of tenders for network maintenance and support services to encourage operators to introduce more sustainable locomotives and changes could also be made to the tendering of contracts to support other Government funded infrastructure investment to support the development of a market for bi-modal locomotives in the UK

I hope these ideas will be of help to you and your Committee as you consider this matter further. I would be happy to meet with you to talk discuss the points I have raised above further. I am copying into this letter the Clerk of the Committee as well as the other members, for their information.

Yours sincerely,

John Smith
Managing Director
GB Railfreight

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