



Providing the capacity which and when the market needs it – RUs' position on market-oriented capacity management

Railway Undertakings (RUs) – organised in FTE, ERFA and Allrail – consider suitable timetables as the essential basis for providing satisfying services to rail freight and passenger customers.

Therefore, **the goal** of rail infrastructure capacity management is to provide the necessary quantity and quality capacity for all traffic needs at the time when it is required by the customers.

With existing capacity processes not fulfilling all these needs, RUs ask for a common, European-wide improved process, supported by the necessary legal framework, **fulfilling these requirements:**

- Ordering timelines according to customer needs – some traffic requires early stable timetables, e.g., to provide booking possibilities much earlier to the customer and having stability for resource planning at RUs and customers both in freight and passenger business. These require final path offers much earlier than today, at least 5 months before the timetable change. This includes the capacity planning in nodes/hubs.
Other traffics are not known in detail that early and require the possibility for shorter lead times. Unlike today's practice, such late path ordering requires that not only the "leftovers" are available, but high-quality paths, also when ordered much later than the early deadlines and close to the day of operation. Serving customers with high flexibility needs, the good quality path offers shall also be available on very short notice via efficient, reliable and aligned processes and IT.
- Path contract duration shall follow customer needs – today paths are bound to artificial timetable periods, not known to the customer or most competing transport modes. RUs, therefore, need the possibility to have a high-quality capacity commitment with IMs starting and ending according to the customers' needs, independent from timetable periods and thus also multiannual. Limiting the contract duration to some years while allowing some bandwidth time flexibilities for upcoming timetable years, possibilities to add new traffic will remain.
- Pre-planning is more than catalogues - As capacity on the existing networks gets more and more scarce, the provision of high-quality paths may be supported by some sort of pre-planning before path requests are done. RUs' wish to clarify that pre-planning may involve catalogue paths on extremely densely used lines but also in the form of capacity bands (allowing for certain characteristics to be specified later) and empty space (for complete tailor-made capacity later on within certain time boundaries) to allow for more flexibility. Line per line, the specific methods shall be chosen within a dialogue between IMs and RUs.

- Pre-planning must follow market needs – IM supply-driven approach may be of good intention but risks creating generic paths, fading out relevant market aspects and production chains - thus eventually missing out the market orientation. Therefore, IMs shall actively seek RUs' inputs as the starting point for any pre-planning process and the subsequent capacity allocation process. Thus, RUs' market needs shall be the starting point for pre-planning and IMs shall involve RUs in a constant, iterative market dialogue to create suitable solutions.
- Pre-planning shall not exclude any traffic – Some RUs already face limitations by IMs to allow only certain traffic (minimum volumes, specific traffic days...) into pre-planning. The exclusion of already predictable traffic reduces the value of pre-planning, brings risks for providing unsuitable capacity and only postpones the conflict coordination to a later time, when there is less time for mitigating measures. IMs shall therefore treat all input from RUs, without any pre-filtering.
- Pre-planning requires updates - Pre-planning shall be a means to improve timetables for customers, and not only to reduce workload. Pre-planning without updates, starting years before the traffic operates, increases the risk of providing capacity for a market that no longer exists and – even worse – not the capacity of the current customer needs. Therefore, IMs shall allow for updates of such pre-planning as a regular possibility whenever changed needs become known by (future) applicants – until the moment the capacity has been allocated.
- Improvements require a smart combination of ordering possibilities - The elements of earlier Annual Timetable and Rolling Planning only provide benefits if they are implemented together to better distribute the workload, avoid peaks in conflict solving and improve the timetable quality.
- Conflicts need dialogue - With capacity being scarce, conflicts will occur in all phases. Simple rules unilaterally applied by IMs will lead to suboptimal solutions with more losers than necessary. Therefore, solving such conflicts shall always include dialogues between IMs and all involved Applicants to find best solutions. Within pre-planning this shall involve those parties that would potentially be involved according to the provided RU input and those who express interest. In the planning and allocation phase this shall involve the requesting applicants. In the handling of TCRs after path allocation this shall involve the affected RUs already having paths allocated. In case of optimisation after allocation this shall involve all parties that voluntarily agree to participate. Last resort decision-making criteria may still be required for some remaining cases and shall follow commonly accepted criteria, allowing as many traffic needs as possible.

All these elements must be covered in a common European way, no matter if national or international to allow for a single market.

Railway Undertakings urge Infrastructure Managers and political decision-makers to ensure that future capacity management builds on iterative market dialogues in all planning phases, different ordering possibilities conciliating the customer needs for predictability and flexibility in a common process. This needs to align process and capacity to allow seamless domestic and cross-border traffic - making running a train as easy as running a truck or a bus.

Capacity is a scarce resource on today's European rail network. With these elements, included RUs are confident that on the existing infrastructure, suitable capacity for a competitive rail sector will be made available.