

Regulated traction electricity prices for Combined Transport

Combined Transport urgently demands regulated traction electricity prices as it unavoidably depends on electric rail freight.

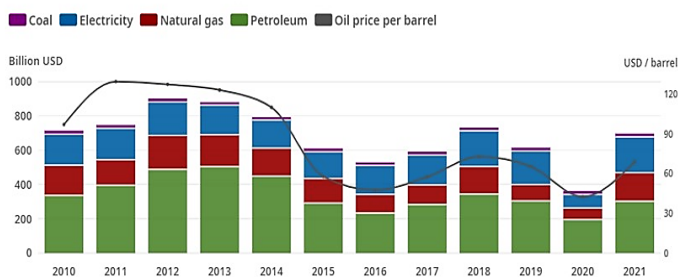


The DG Energy non-paper on Emergency Electricity Market Interventions, which leaked on 1 September¹, recommends to Member States to “regulate the price of electricity for volatile consumer groups”. Combined Transport actors clearly qualify as a volatile group of electricity users:

- Road-Rail Combined Transport must unavoidably use electric rail freight;
- Traction electricity prices have increased 300-1000% depending on the Member State throughout the European Union, whereas the International Road Union has recently confirmed that the pre-tax price of diesel fuel – used in long-distance trucks – only increased by 69% since January this year²;
- Most Combined Transport Operators and Transshipment Terminal Managers, as well as many rail freight traction providers are SMEs, moreover, their profitability levels do not enable them to erect a fiscal shield to defend such an explosive change to a strategic input as energy.

Fossil fuel support by energy product

G20-IEA combined estimates (51 economies)



to petroleum products throughout the 51 developed economies monitored by OECD.

Combined Transport can not compete with long-distance trucking under these conditions. Door-to-door intermodal transport chains – when compared to a road-only transport by a Euro 6 truck – use up to 70% less energy, which translates to significant diesel fuel savings for Europe, and which turn intermodal freight trains into ‘energy trains’. The reliable functioning of Combined Transport is a clear interest of European citizens and economic actors.

It is imperative that energy ministers of Member States give the right instructions to the European Commission on how to develop its electricity market intervention package. Combined Transport must be declared a high priority volatile consumer group for rail traction electricity, while transshipment terminals should also receive regulated electricity so they can continue performing their transshipment operations unhindered.



Ralf-Charley Schultze

“The European Commission should specifically propose to the Member States that the actors of Combined Transport are declared a volatile consumer group worthy of a regulated electricity price. The intermodal freight transportation sector should be adequately shielded from the explosive electricity price increases with a view to its outstanding performance from a socio-economic perspective.”
– stated UIRR President Ralf-Charley Schultze.

Who is UIRR?

Founded in 1970, the International Union for Road-Rail Combined Transport (UIRR) represents the interests of European road-rail Combined Transport Operators and Transshipment Terminal Managers.

Road-Rail Combined Transport (CT) is a system of freight forwarding which is based on efficient and economically inserting electric rail into long-distance (road) transport-chains through the use of intermodal loading units (ILU).

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¹ <https://www.politico.eu/wp-content/uploads/2021/09/20210920-Non-Paper-on-Energy-markets.pdf>

² <https://www.iru.org/news-resources/newsroom/benchmark-european-road-freight-rates-q2-2022-european-road-transport-prices-break-new-records>

³ <https://www.oecd.org/newsroom/support-for-fossil-fuels-almost-doubled-in-2021-slowing-progress-toward-international-climate-goals-according-to-new-analysis-from-oecd-and-iea.htm>