

A STUDY OF BASIC RAILWAYS

This report examines two portions of the railway that appear likely to be highly profitable when operated in isolation. These are:

- A passenger railway between Euston and Birmingham New Street only.
- A coal railway feeding the Aire Valley power stations from the adjacent collieries.

The results of the study can clarify the long standing query as to whether there is a profitable core railway in the UK. It is assumed that only existing technology is available but that radical operating economies can be made owing to the simple nature of the businesses. The railways are regarded as operating on existing or old railway rights of way. Although existing equipment would be available, it has been assumed that entirely new equipment must be paid for.

This study shows that an electrified passenger railway between London Euston and Birmingham New Street can be run at a profit. This profit is made after all costs of train running, infrastructure and overheads have been met, therefore the services considered are all viable. The most attractive option involves an hourly service of 12-car sets.

The Aire Valley railway can also be operated at a profit. The profits to be made are after charging for all train running, infrastructure and overheads. All four options considered are viable, but the most attractive is a Selby-Drax link, which makes the most intensive use of its infrastructure.