

European rail CEOs call on von der Leyen to protect railways from skyrocketing electricity prices

In an open letter sent yesterday by the Community of European Railway and Infrastructure Companies (CER) to the European Commission, European rail CEOs called for further extraordinary measures to safeguard rail as the backbone of sustainable mobility and transport in the EU.

In most European countries, railways are one of the biggest single consumers of electricity as 80% of train-kilometres are run on electric energy, a growing portion of which comes from renewable sources. Railways are therefore heavily impacted by the ongoing energy price hike and see their financial viability at risk despite their very high energy efficiency.

According to a survey among CER members on electricity prices, European railway companies are paying up to 420€ per MWh in 2022. On average the electricity price has at least tripled compared to 2021, with several countries experiencing a 10-fold increase. As for 2023, many energy contracts need to be re-negotiated and the price forecast in some cases exceeds 500€/MWh. As a result, rail costs continue to increase significantly.

It is evident that railways as the backbone of sustainable mobility and transport in the EU are in peril and that fossil-fuel-reliant transport modes are currently gaining a competitive advantage over more sustainable, electricity-based transport modes such as railways, making the EU green transition impossible to achieve.

In this challenging situation Europe's railways need support in order to ensure that the goal of a decarbonised European transport and mobility sector remains achievable. The European railway sector has therefore proposed the following measures:

- Allow rail to benefit from surplus revenues deriving from the application of Council Regulation 2022/1854.
- Allow Member States to support railway companies by reducing, waiving or deferring the payment of track access charges. One way to achieve this could be to prolong Council Regulation 2020/1429 until 31 December 2024.
- Include railways in a strategic toolkit for saving energy. Energy-efficient electricity consumers, such as rail, which are committed to decreasing energy consumption without reducing transport services, should receive special treatment when addressed by the energy reduction measures foreseen by Council Regulation 2022/1854 on an emergency intervention to address high energy prices.
- Ensure sufficient State aid for rail. The thresholds set in the Temporary Crisis Framework for State aid in the context of the Ukraine war are inadequate for rail as the additional costs for railways are much higher, with some railway companies expecting up to €2 billion in increased annual costs.

Press release

Brussels, 14 October 2022



CER Executive Director Alberto Mazzola said: *“We call on the Commission to assist the sector with concrete and necessary measures. Member States must be allowed to reduce, waive or defer the payment of track access charges and pursue a holistic approach in introducing demand reduction targets. The sector, which commits to energy savings, must be prioritised along with other services of general economic interest in regards to energy consumption. Sufficient State aid for railways must be ensured and rail made a beneficiary of surplus revenues to reduce the unit cost of rail electricity”.*

The open letter can be found [here](#) on the CER website.

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About CER

The Community of European Railway and Infrastructure Companies (CER) brings together around 70 railway undertakings, their national associations as well as infrastructure managers and vehicle leasing companies. The membership is made up of long-established bodies, new entrants and both private and public enterprises, representing 79% of the rail network length, 77% of the rail freight business and about 90% of rail passenger operations in EU, EFTA and EU accession countries. CER represents the interests of its members towards EU policymakers and transport stakeholders, advocating rail as the backbone of a competitive and sustainable transport system in Europe. For more information, visit www.cer.be or follow us on Twitter [@CER_railways](https://twitter.com/CER_railways) or [LinkedIn](#).