



**At A Glance**  
*European Transport*  
*Practice: Rail*

---

## **Our Practice**

NERA Economic Consulting is an international firm of economists who understand how markets work. NERA's European Transport Practice works with a network of leading academics and industry experts who help transport industries around the world develop and implement economically sound policies. Our team combines rigorous economic thinking and the highest calibre of econometric analysis with practical experience gained from applying these tools to a wide variety of business problems.

We advise train operators, infrastructure managers, regulators, and policy makers on issues of industry structure, competition, regulation, pricing, efficiency, and environmental assessment.

Our staff work from our European offices, in London, Madrid, and Rome, utilising the expertise of our other offices where appropriate.

---

## **Key Areas of Expertise**

### **Privatisation and Liberalisation**

NERA has advised on impacts of rail privatisation and on the most appropriate ways to restructure or liberalise different types of rail service. We have conducted a detailed study of European rail finances for the European Commission, and updated the estimates for Deutsche Bahn.

### **Economic Regulation**

NERA has provided a range of advice to the UK government, the Office of Rail Regulation, (ORR) and other organisations on the regulation of the rail industry. This advice has included advice on track access charges, passenger fares, rolling stock procurement, risk allocation, and service performance.

### **Cost and Pricing Analysis**

NERA carried out a major study of track access charging principles for the European Commission, and has advised individual clients on their charges. We also conducted an evaluation of rail fares regulation in Great Britain since privatisation for the Strategic Rail Authority, and advised on methods of cost recovery for rail facilities.

### **Competition Policy**

NERA has advised train operators in merger investigations relating to franchise awards, and advised the ORR on the identification of excessive fares set by train operators. We have also advised on proposed mechanisms for limiting "on rail" competition between train operators.

### **Policy and Project Appraisal and Evaluation**

NERA has advised on a number of aspects of project and policy appraisal in the rail industry, including how to take account of development impacts of rail expenditure, incorporation of optimism bias in rail project appraisal, and assessment of alternative uses of capacity. We conducted Regulatory Impact Assessments of the EC's 3rd Railway Package measures on behalf of the UK Department for Transport.

### **Modelling and Forecasting**

NERA is renowned for its expertise in the application of econometric and quantitative techniques to real world problems. We have carried out detailed econometric forecasting work on rail passenger demand, and have been responsible for a number of sets of rail freight demand forecasts for different commodity groups.

---

## Selected Clients

Angel Train Contracts  
Association of Train Operating Companies, UK  
Department for Transport, UK  
Deutsche Bahn  
European Commission (DG TREN)  
First Group plc  
Health and Safety Executive, UK  
Manager of Railway Infrastructure (GIF), Spain  
National Rail Administration, Sweden  
Office of Rail Regulation, UK  
Railtrack plc  
Strategic Rail Authority, UK

---

## Contact

**Stuart Holder, Associate Director,  
Transport Group Head**  
Tel: +44 20 7659 8584  
Email: [stuart.holder@nera.com](mailto:stuart.holder@nera.com)

### NERA London

15 Stratford Place  
London W1C 1BE, United Kingdom  
Tel: +44 20 7659 8500  
Fax: +44 20 7659 8501

### NERA Madrid

Paseo de la Castellana, 13  
28046 Madrid, Spain  
Tel: +34 91 212 64 00  
Fax: +34 91 521 78 76

### NERA Paris

28 av Victor Hugo  
75116 Paris Cedex 16  
France  
Tel: +33 1 45 02 30 00  
Fax: +33 1 45 02 30 01

### NERA Rome

Via Basento 37  
2nd Floor  
00198 Rome, Italy  
Tel: +39 06 488 8101  
Ffax: +39 06 48 58 38

### NERA Frankfurt

Konrad Adenauer Strasse 17  
Frankfurt D-60313  
Germany  
Tel: +49 69 710 447 500  
Fax: +49 69 710 447 505

---

## About NERA

NERA Economic Consulting is an international firm of economists who understand how markets work. Our more than 45 years of experience creating strategies, studies, reports, expert testimony, and policy recommendations reflects our specialisation in industrial and financial economics. Our global team of more than 600 professionals operates in over 20 offices across North and South America, Europe, and Asia Pacific.

NERA Economic Consulting ([www.nera.com](http://www.nera.com)), founded in 1961 as National Economic Research Associates, is a unit of the Oliver Wyman Group, an MMC company.

---

## Client Experience

NERA undertook a major study for the European Commission investigating the finances of European railways and the state payments that they received.

We wrote a study for the UK Strategic Rail Authority deriving econometric estimates of rail journey long-term demand elasticities.

NERA advised the UK Office of Rail Regulation on the application of the 1998 Competition Act with respect to allegedly excessive prices charged by train operating companies.

We undertook a project for the European Commission investigating rail infrastructure charges and approaches adopted by Member States was undertaken in 1998.

NERA assisted UK Strategic Rail Authority with the development and drafting of its rolling stock strategy.

NERA advised National Express plc on competition issues in connection with its acquisition of a number of UK rail franchises.

NERA completed an Economic Review of the work of the European Rail Traffic Management System (ERTMS) Project Team for the UK Health and Safety Executive.

NERA has been retained by Deutsche Bahn to advise on competition issues.

NERA conducted Regulatory Impact Assessments of the EC's 3rd Package of Railway Measures for the UK Department for Transport.

*For more information on NERA's Transport Group, including our latest thinking and expert biographies, please visit our website at [www.nera.com/transport](http://www.nera.com/transport).*

