

ORR protects the interests of rail and road users, improving the safety, value and performance of railways and roads today and in the future



Update on 2018 Periodic Review

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April 2018

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PR18

■ Differences to previous reviews

- Scope – e.g. enhancements
- Interactions with government – Network Rail budget flexibilities
- Route based plan bringing genuine benefits



PR18 general policy issues

- Passenger train service performance
- Asset sustainability
- Scotland HLOS delivery
- Digital railway
- Group portfolio fund



Freight Charges

- Recognise the issues, listened to concerns
- Discussion with government and industry
- Draft determination will include proposal to cap/phase in variable usage charges
- Asked Network Rail to cancel publication of 'draft CP6 price list'
- Will use Network Rail's new cost allocation methodology to set Infrastructure Cost Charges in CP6, subject to market can bear test
- But don't include non avoidable costs, following consultation feedback

Regulation of Network Rail

- CP5 to CP6 transition is key to PR18
- Network Rail preparations for CP6
 - Lessons learned from CP5
- Monitoring of CP6 efficiency plans starts in CP5
- Accountability issues under discussion
 - Role of route supervisory boards
 - Infrastructure projects

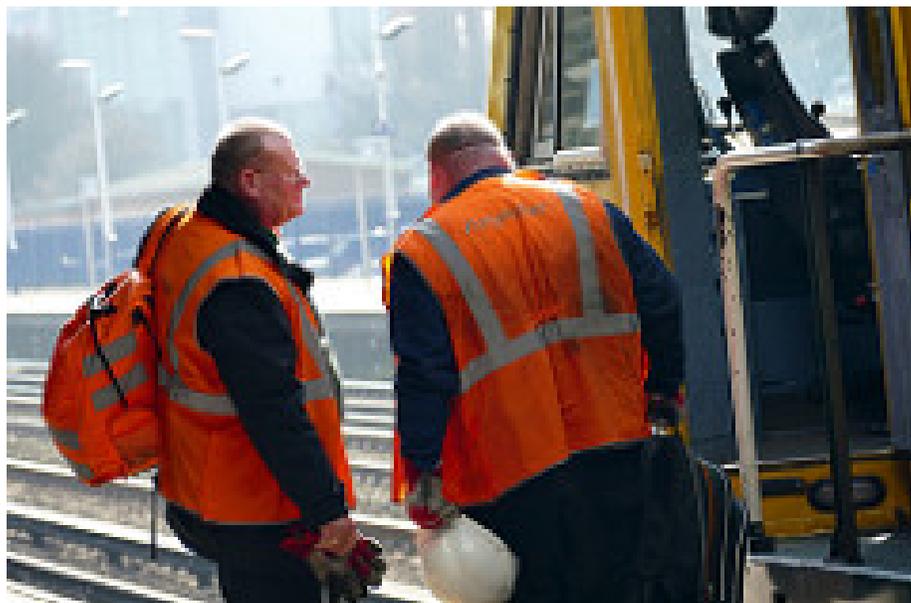


HS2 access policy

- We have issued a regulatory statement
- Access on HS2 itself
- Maintaining connectivity on existing routes
- Freed up capacity
- Some potential capacity problems

Safety

- Work of National Freight Safety Group producing integrated freight safety plan is positive step
- In discussions around safety at freight sites
- Issues were raised at freight consumer panel



Third party investment

- We are in regular discussions with third party investors
- Revamped guidance material and website
- ‘Open for business’
- Clarity on our role

