

David Reed
Senior Executive, Access & Licensing
Railway Markets and Economics
E-mail: david.reed@orr.gsi.gov.uk
Telephone 020 7282 3754



24 May 2017

Philip Watling
Regulation & Strategy Executive
HS1 Limited
12th Floor, One Euston Square
40 Melton Street,
London NW1 2FD

Via e-mail only

Dear Philip,

2018 HS1 Network Statement

I am writing to you following our review of HS1's 2018 network statement. We have discussed with you and your colleagues both the provisional version, which you consulted on in October 2016, and the subsequent drafts which resulted in the final version, published in March 2017. During our discussions, we suggested ways in which you could improve the document for applicants. Following the changes you made in response to our suggestions, we have no further comments on the network statement at this time. Please note however, that this does not limit the right of any applicant to bring an appeal to us under the Railways (Access, Management and Licensing of Railway Undertakings) Regulations 2016.

Looking ahead to your draft 2019 network statement, we would draw your attention to recent EU legislation. This legislation has created additional obligations, which mean that infrastructure managers must include further information in their network statements.

The key pieces of recent EU legislation are:

1. *Regulation EU 2016/545 on procedures and criteria concerning framework agreements for the allocation of rail infrastructure capacity*

In particular, note:

- **Article 3.3** – the infrastructure manager shall include a framework capacity statement in the network statement.
- **Article 6.1** – the infrastructure manager shall publish in the network statement, in addition to the items listed in points (a) to (k) [of that article] the other items it intends to take into account when concluding framework agreements.
- **Article 11.3** – the infrastructure manager shall establish and publish in the network statement requirements concerning the proportion of framework capacity that shall be used by the parties to framework agreements.



and

2. *Regulation EU 2015/10 on criteria for applicants for rail infrastructure capacity and repealing implementing regulation EU 870/2014*

In particular, note:

- **Article 3.2** – the infrastructure manager shall mention... credit ratings [of the applicant] in the section on charging principles of its network statement, if applicable.

There is also a current requirement for publication of the network statement in two European languages, which should be addressed.

Thank you for your positive engagement on this; I hope these comments are useful.

In line with our commitment to transparency, we will place a copy of this letter on our website.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Reed', is written over a light blue horizontal line.

David Reed