David Reed, Senior Executive Access and Licensing, Office of Rail and Road LONDON E14 4QZ Email:

Copy: Gareth Clancy Head of Access and Licensing, Email:

15 December 2020

Dear David,

Grand Union Trains Section 17 Application between London and Carmarthen: Capacity and Performance Assessment

I reply in response to the recent papers produced and distributed by Network Rail with reference to the above.

In respect of the performance analysis, Network Rail now acknowledges that there is capacity to operate the services identified, despite denying that position consistently in its previous correspondence, and that services can be accommodated at Cardiff and further west. Considering the very short time given to Julian Starkey at Network Rail to undertake the review at Cardiff and Carmarthen, we found his approach and outlook refreshing.

The performance analysis requires to be treated with some caution because it is trying to compare a "Development timetable" which is designed to show that capacity exists, and non-conflicting paths are available, with a fully validated 'Production timetable'. We would expect that the performance impact of Grand Union services in a full Production timetable to be less than is shown here in the Development timetable.

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In its covering letter Network Rail states that Grand Union's services would have a *"..36% greater performance impact than the additional Great Western Railway (GWR) services which secured access rights from the December 2019 timetable*". This figure is based on that shown in Table 1, Annex 1, which shows GWR Dec 19 main line services as having a forecast -2.5% punctuality change, while the introduction of Grand Union has a forecast -0.46% change.

Based on the figures in the paper, this 36% is the difference between the forecast impact 'per service' of -0.028% for GWR and -0.038% for Grand Union.

Setting aside for a moment the fact that trying to introduce new services into an already established timetable is not only more difficult, but will also have a different forecast performance impact than if it was part of a holistically developed timetable; the use of a -2.5% forecast impact is Network Rail cherry picking parts of the Trenolab report's output to meet its own narrative.

The Trenolab report of 2 December 2019 states clearly that the forecast impact of the December 2019 vs the May 2019 interim timetable is -3.1%. It qualifies this by stating that *"..the December 2019 vs May 2019 interim results are probably more representative of the performance impact..*". Despite this Network Rail has chosen to use the lower figure to seek to justify its position. The 'observed' impact on performance would therefore have less impact than forecast at -3.1%, not a greater impact as is suggested by Network Rail.

The use of the -3.1% figure gives an average forecast impact per service of -0.035% compared to Grand Union's forecast impact of -0.038%. A difference of -0.003% as opposed to the 0.010% shown in Table 1. This equates to a possible 8% difference between the forecast impact 'per service' of -0.035% for GWR and -0.038% for Grand Union, which at this stage in the development of the Grand Union timetable is immaterial.

The Tenolab report also identifies some significant issues with the current timetable, notably what appear to be shortcomings in the SRTs for the GWR services. This is most noticeable on the corridor between Bristol Parkway and Swindon. As Trenolab identify, these "*optimistic SRTs*" primarily affect the performance of the South Wales EF02 service group. Other known factors, such as the requirement for running brake tests, the impact of neutral sections and driver and traction variability all seem to have been ignored in the compilation of the GWR timetable, which may explain some of the consistently poor performance of GWR trains highlighted by Network Rail's Path Variance Analysis report.

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It has also been referenced previously by Network Rail (and noted by Trenolab) that both GWR train crew and unit diagrams are complicated, with a number of attaching and detaching moves required in Paddington station to make the diagrams work. Grand Union's services by comparison are robust and straightforward; simple out and back operations using one train crew for the whole journey.

The use of Path Variance Analysis has not, to our understanding, been used previously to 'supplement' performance modelling work for any other operator. While it can have value in identifying issues with poorly performing services, the focus on output should be in identifying the reasons why certain existing services may already be poor performers, not used as a reason to suggest additional services cannot be introduced. This could give perverse incentives to operators and infrastructure providers in seeking to prevent access for others. Can Network Rail confirm that this form of analysis will be used in future timetable changes, noting that it appears to be very labour intensive. We would be interested to understand what action is being proposed to resolve the consistent poor performance of certain GWR services.

In particular, 'impact' on GWR services as identified is not down to the inclusion of any additional Grand Union services, more due to existing GWR services consistently failing to run in their planned paths. Regular delay in entering Wales for some GWR services may be as a direct result of the "*optimistic*" *SRTs*" mentioned previously by Trenolab. Clearly addressing the reasons for poor performance, which this type of work can help identify, will be of significant value, and it is disappointing that instead of using this tool to look at the current performance issues, Network Rail is instead using it in an attempt to keep out a new operator with robust plans and diagrams.

It is instructive to note that a number of non-compliances remain in the current timetable which will have an on-going effect on performance. While a number were addressed by Grand Union in developing its own conflict free paths, it is our understanding that Network Rail has not yet addressed the non-compliances of others that remain. As a result, Grand Union's timetable is held to a far higher degree of scrutiny by Network Rail than is applied to other operators.

These non-compliances, taken alongside other matters identified in the Trenolab report have only been brought to prominence (and in some cases addressed) by the development work undertaken by Grand Union. It is not reasonable for a competent infrastructure provider to have such issues identified by a third party, only to then deny it access while accepting the many issues that contribute to the current performance position from others.

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During the latest Western ESG, the issue of performance was raised, particularly in respect of the forecast impact of the Elizabeth Line services at -6.7%. It was made clear that to address performance correctly, the root causes of delay need to be addressed to ensure any 'impact' of new services would be mitigated by an improved Production timetable. Grand Union is looking for the same attention to be given to the introduction of its own fully compliant services.

Before closing, Grand Union also notes that within the bundle of papers there is a letter dated 1 December 2020 from Chris Rowley regarding Network Rail's view of how this timetable has been developed. In view of the complaint lodged with the ORR, and the very comprehensive responses Grand Union has made previously, we do not intend to further comment on this rather sanitised version of events as submitted by Network Rail, which seeks to 'gloss over' the issues that have consistently delayed Grand Union.

Yours sincerely

Ian Yeowart

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