

Steve Jones Access Executive Office of Rail and Road 25 Cabot Street London E14 4QZ

26th February 2021

Freightliner Group Limited 3rd Floor 90 Whitfield Street, Fitzrovia London W1T 4EZ

Dear Steve,

Re: Proposed 10<sup>th</sup> supplemental agreement to the track access contract between Network Rail Infrastructure Limited and Freightliner Heavy Haul Limited dated 11 December 2016.

Thank you for your letter dated 12<sup>th</sup> February 2021 inviting Freightliner Heavy Haul Ltd (FLHH) to comment on the representations made by Network Rail as part of the above proposed supplemental agreement.

FLHH raised three principle issues over which terms could not be agreed with the facility owner in our Form F submitted with this application; 1) Performance, 2) Route Availability and 3) Network Rail access policy over the Great Eastern Mainline. Network Rail have provided further information to each of these areas of focus, and we welcome the opportunity to respond to these representations.

#### Performance

#### Stable train plan

Network Rail makes a number of representations around performance and touch on some of the good work that has been done to drive improvements since FLHH took over the traffic, but what is missing is the intrinsic link between securing access rights and performance. In particular, that building a high-performing train plan needs a solid foundation, as highlighted in section 5.1 of the Form F submission:

The granting of Access Rights with one-hour windows for all Mendip services is key part of improving performance, providing a stable train plan from which Freightliner can identify specific issues and work on rectification. Without access rights that match the train plan, there is continuing significant instability in the plan between timetables, diverting focus away from improving schedules and on to rectifying issues with timetable offers, resulting in a sub optimal outcome for all timetable participants.

The continued refusal to support the granting of Access Rights means that FLHH resources are being diverted away from performance improvement and onto addressing sub-standard timetable offers. By way of example, in the 2021 Subsidiary timetable offer, over 30 train schedules associated with Mendip Rail traffic were either missing or offered unsatisfactorily. Resolving these issues diverted FLHH planning resource away from focussing on making amendments to the train plan that would deliver improvements in performance. The failure to agree access rights itself drives risk into the train plan and is counterproductive to performance improvement activities.

# Existing traffic

It is important not to lose sight of the fact that this is not new traffic. The Mendip Rail traffic has been running on the British rail network for over half a century, and the quarries that are served by trains included in this proposed Supplemental Agreement produce significant volumes of building materials for the construction industry in London and South East England. The transportation of aggregates from these quarries is of vital importance to the UK economy.

This application seeks to contractualise the train paths that FLHH inherited when it was awarded the haulage of the Mendip Rail contract in 2019. Ordinarily these rights would have been transferred under Network Code Part J provisions from the incumbent, but as they had become so out of date this was not possible. FLHH has needed to urgently update the rights to reflect the traffic since this point, and therefore it is concerning that Network Rail continue to prevent progression with contractualisation of the existing train plan.

### Alternative proposal

Although Network Rail states that they will not sell access rights for this traffic, they do not outline what the alternative is. This is existing traffic and reflects the current train plan. FLHH has a long-term contract with the customer to transport this nationally important material and it is not clear what is achieved by not selling the rights. FLHH and Network Rail are fully aware that updating the rights is a key plank of the performance improvement plan - this has been on our joint performance trackers for some time - so it is difficult to understand the rationale for blocking this process. As the majority of this traffic has been operating for more than 12 months FLHH is obliged to update the access rights, so it is not clear to FLHH what is to be achieved by preventing this, nor what the alternative proposal is should they continue not to agree to the updates.

#### **FNPO** qualifying conditions

Upon submission of the proposed 9<sup>th</sup> SA, FLHH were informed by Network Rail that, in order to progress an agreed supplemental, among other qualifying conditions, services were required to achieve an *FDM pass at regulatory floor of 92.5% as with previous FL submissions*. (See Appendix 1 - Email from Network Rail.) Network Rail states that this qualifying criteria can be flexible and that even though a number of services fell below this threshold, they were included following investigation into the actual cause of the sub 92.5% FDM.

The overarching principle outlined in the qualifying criteria provided to FLHH was that Network Rail would be prepared to support all services that achieved an FDM figure at or above this regulatory floor of 92.5%. FLHH is not aware that any other performance measure was used to determine support for the progression of the application, with no mention of Right Time Departures (RTD) and Arrival to Fifteen minutes (A2F) being made

#### **Updated performance statistics**

FLHH are pleased to see that Network Rail have revisited their performance analysis as part of this proposed 10<sup>th</sup> SA. FLHH believe that data collected for periods 11-13 of 2019/2020 should now be discounted for all but comparison purposes with more recent figures, given this is now over 12 months old, during which the working timetable has been amended multiple times, resulting in different interactions between services. While FLHH agree with Network Rail's comments that performance on the network as a whole has improved between the original analysis and Periods 6-8 of 2020/2021, and that the reduction in the number of passenger services on the network has had some effect, it is important to note that the overall quantum of freight services in these periods being broadly similar to, or greater than, those levels seen prior to the impact of the Covid-19 pandemic. As such, FLHH believe that performance figures derived from this later dataset provide a better representation of freight operator performance.

It is therefore disappointing to see that while revisiting the performance analysis, Network Rail have contested FLHH's statement that performance has significantly improved during the months since taking over the Mendip Rail contract. This is particularly significant in the context of Network Rail quoting National statistics to show greatly improved Network performance, where on a regional level Network Rail have failed to meet their own FDM target for FLHH services in 4 out of 10 periods this year on route SFC10 (Somerset-London Strategic Freight Corridor).

FLHH are also concerned by, and contest, Network Rail adding additional qualifying criteria to the support of the sale of access rights mid-way through an application process (seemingly due to the improved national performance referenced above), the result of which presents a highly inconsistent approach to the end user. Network Rail have advised that these additional qualifying criteria (A2F of 84% and RTD figures of 81%) are "mutually agreed and understood targets with our customer" and that "it seems only natural that these would reflect our performance expectations for the sale of rights and through our internal consultations". These representations are the first time that FLHH have been made aware that these stretch targets for

performance improvement, which were established prior to FLHH taking on the Mendip contract and therefore against a different baseline of traffic, are now seemingly being used by Network Rail as additional qualifying criteria for the agreement of access rights.

The use of these performance metrics also fails to account for the specific nuances and interdependencies that are a feature of the Mendip Rail contract. In order to use capacity on the Great Western Mainline most efficiently and to improve the productivity of services, 'Jumbo' trains of up to three portions run between Somerset and Acton in West London, from where they split to reach terminals. As such, RTD figures for services departing from Acton are largely driven by the arrival times of these Jumbo services, and the analysis performed by Network Rail fails to take this into account when assessing the performance of individual services. For instance, the impact of poor FDM on RTDs from Acton has not been analysed. Similarly, terminals are, by necessity, highly constrained, and as such right time departures are fundamentally impacted by late arrivals.

## Application of different qualifying criteria

FLHH believe that the evidence provided by Network Rail in Figures 3,4 and 5 of their representations show that, in respect of FDM, there has been a significant improvement in performance for the vast majority of services, which we consider shows the good work and focus that FLHH have had in this area. 12 services included in Figure 3 are deemed as not meeting performance thresholds in this revisited analysis, however against the previous qualifying criteria would have been supported by Network Rail for inclusion in the 9<sup>th</sup> SA.

Of those services that have failed to meet the 92.5% regulatory floor included in Figure 3, FLHH note that many of these fall very close to the threshold, and as such these would have been subject to further investigation by Network Rail to establish the reasons for this to determine whether they could in fact be supported. Had this been completed, it would have been apparent that in numerous instances, the reasons these trains had failed to meet the FDM threshold was down to errors with Network Rail timetable offers, or issues with Network Rail infrastructure.

Furthermore, FLHH also believe that had consistent qualifying criteria been applied to services included in the 9<sup>th</sup> SA and those included within this 10<sup>th</sup> SA, all services highlighted within Figure 4 of Network Rail's representations would also have been progressed as a supported application to SoAR panel based on the FDM figures provided for periods 6-8 of 2020/21. Network Rail's support of services included in the 9<sup>th</sup> Supplemental Agreement, and refusal to support services with better performance characteristics when revisited in the 10<sup>th</sup> Supplemental Agreement is perplexing, and creates a disjointed image of the rail industry to end users, potentially discrediting rail against other transport modes in a competitive marketplace, where retention of traffic is certainly not guaranteed.

### Third-party delay minutes

Although Network Rail have expanded their qualifying criteria to include RTD and A2F, in addition to FDM, there remains no analysis of third-party delay minutes caused to other operators. This is of course one of the most important indicators of performance and the element of performance that is incentivised under the Schedule 8 performance regime. FLHH is incentivised to reduce delay minutes caused to other operators and that is our focus for performance improvement.

Third-party delay minutes do not always corelate to RTDs and A2F. Trains can depart 100% right-time yet cause delays to third parties. Conversely trains can have very poor RTD but do not cause any third-party delay minutes. In this scenario FLHH would be incentivised to resolve the trains causing the third-party minutes, despite the relative RTD of those services. However, this important consideration is not picked up in the analysis from Network Rail and by not referencing third-party minutes shows a misalignment of incentives.

FLHH consider that the focus on trains that cause third-party minutes is one of the key reasons that none of the other freight operators or passenger operators raised any concern about the performance of these services during the consultation.

### Services identified as not running by Network Rail

With regards to the services included in Figure 1, FLHH make the following specific comments and challenge Network Rail's assertations:

### 6V90 MSX Dagenham-Acton and 6V90 MO Dagenham-Acton

FLHH records show that these trains do (and have) run through the last 12 months. We note that this train conveys sea dredged sand for use in construction materials, and runs on a 'campaign' basis (running in blocks of weeks when product is required, then not running for a period of time when not required by the end user). It is vital services operating on this basis exist in the WTT, supported by Access Rights, due to Network Rail being unable to guarantee accommodation of these trains if operators were to request paths at the timescales customer orders are made.

#### 7C39 SX Acton-Merehead

This train is a regular runner, however as a result of short notice commercial amendments to the train plan required by the customer, it has recently been diverted to Whatley Quarry instead of Merehead. Network Rail will only support access rights that align with train slots in the working timetable. FLHH believe that Short term changes to this train do not materially affect the majority of this trains routing, and as such this should not be classified as a non-running service.

### 6C70 WFO Avonmouth-Whatley

Forms the return portion of a Network Rail supported service to Avonmouth. This train conveys construction material for onward movement from Avonmouth by ship (presently supporting the construction of Hinkley C Power Station). As a result of excessive lineside vegetation causing excessive contamination of the aggregate, thus rendering it unsuitable for construction use, FLHH have been unable to run this train despite a desire to do so. Product has instead been transported by road. While Network Rail continue to address vegetation issues, due to natural defoliation over the winter months, FLHH have been able to recommence the running of this service in the months since Network Rail performed their analysis.

## 6054 MO Humberstone Road-Allington

This train has run consistently throughout the periods subject to performance reviews. FLHH would, therefore, seek clarity as to why this train has been included in Figure 1.

### Joint performance plans

Network Rail have provided large amounts of detail around performance improvement agreements put in place during February 2021. FLHH will continue to work with Network Rail and Mendip Rail with a view to improving performance of this service group. However, FLHH do not believe this is of relevance to the proposed 10<sup>th</sup> SA, which seeks to align Firm Access Rights with the train slots in the working timetable that were inherited by FLHH from the incumbent operator of the Mendip Rail contract in November 2019. The performance plans cover all services, not just those in this Supplemental and would be in progress regardless of the access rights situation. To conflate these collaborative performance plans with this proposed 10<sup>th</sup> SA, creates a misleading link between the two separate matters.

#### **Summary**

In summary, Network Rail have reached the conclusion that these rights should not be supported due to their commitment to "build back better" in the interests of all network users, and that they "seek to retain [performance] benefits going forward". FLHH believe that the performance measures used by Network Rail, and the thresholds set, fundamentally fail to take these aspirations into account, instead focussing on theoretical, statistical targets rather than real world information, and the analysis remains skewed by Network Rail's own performance rather than FLHH's.

Had a wider ranging, less arbitrary assessment been carried out, it would have been apparent that in the last 12 months FLHH have reduced 'FOC on self' delay minutes by 6.7% while also increasing the tonnage moved within this contract, and reduced the number of delay minutes caused by this service group to other operators

by 60%. To simply discount this information without any analysis, on the basis of service reductions due to Covid-19 (noting 90% plus of passenger services ran for much of 2020) is, in FLHH's view, very dismissive of the great work that has been achieved.

It is important to remember that this application is not for new traffic but rather is to contractualise access rights for existing traffic. This application is largely only necessary due to the access rights that were inherited under Part J being out of date. This does not seem to have been considered in Network Rail's representations. Furthermore, we do not know what alternative proposal Network Rail has and what will be achieved by not updating the rights apart from instilling further risk into the train plan.

### **Heavy Axle Weight**

Network Rail has provided detailed representations outlining its rationale for not agreeing to support the sale of Route Availability 10 (RA10) Heavy-Axle Weight (HAW) access rights for the duration of FLHH's contract.

### Importance of Heavy Axle Weight

The ability of rail freight deliver construction materials at RA10 is fundamental to the competitiveness of the sector. There is simply no other means of delivering the volume of construction materials into terminals around London and the South East without HAW capability. Running longer trains at RA8 to make up the difference is not an option given the length of the sidings and constraints within many of the facilities. Likewise running more trains is not a practical solution given the clear capacity challenges over many of these routes.

That is notwithstanding the economic need to operate at HAW. From a productivity and efficiency perspective it is the ability to operate at HAW that makes rail freight competitive with road for this traffic. The loss of HAW contractual capability would fundamentally shift the relative competitiveness of much of this traffic. At a time when freight operators are trying to improve efficiency and productivity by running longer and heavier trains, the difference between planning at RA8 instead of RA10 would represent a loss of more than 13% of volume per wagon.

Network Rail would likely argue that this is not about losing capability but rather around being able to support selling contractual long-term access rights at HAW. However, access rights enable the required investments and give the confidence and certainty to customers that they can use rail freight. The absence of long-term access rights would hinder investment and without investment in-time, the traffic risks shifting to other modes. Therefore, contractual capability at RA10 is essential for planning and investment and to support the movement of bulk freight by rail.

#### 'Level 2' nice-to-have

In the context of the above it is concerning that Network Rail regard the provision of HAW capability as a "'Level 2' nice-to-have". For rail freight operators and their customers in is very much a prerequisite for the competitiveness and viability of the sector.

It is also a concern that despite Network Rail having already sold long-term HAW access rights across all of the routes, that the maintenance of capability to operate these existing services in line with these existing access rights is only deemed as a "nice-to-have".

FLHH would have expected that maintaining the capability of the infrastructure to operate services where there are already existing contractual rights would be more than a "'Level 2' nice-to-have". However, despite existing long-term HAW access rights over the same infrastructure, Network Rail states that it "has no obligations to provide RA in exceedance of that which is published in the Sectional Appendix".

## Maintaining incentives

Network Rail, in its representations, link the sale of HAW access rights explicitly to safety, for instance saying that they will continue to support the sale of HAW access rights where it is "safe to do so". It is important to disentangle these matters. The selling of an access right is different from the on-the-day operation of the train. To operate a HAW train requires the appropriate RT3973 documentation, regardless of whether the

train has an access right. There is no quota on the number of RT3973s that can be issued, or the number of trains that can run under the dispensation granted by the RT3973 document.

This dispensation through the RT3973 would be withdrawn in the event that the infrastructure is unable to accommodate the traffic. The dispensation would be withdrawn regardless of whether trains have access rights in place or not. What the access right does is provide the contractual protection and route to remedy, which in turn provides an important incentive. This is, as highlighted above, absolutely essential to give confidence to support the very significant investment that operators and end-users are making to move this freight by rail.

FLHH considers that the sale of long-term access rights provides the right incentives for the Routes and Regions to maintain HAW capability. We have only experienced very limited instances where freight trains with HAW rights cannot be accommodated, due to RT3973 being withdrawn. In those instances, for example at Middlewich recently, we have seen good work from Network Rail to restore the HAW capability. We strongly consider that the access rights provide the appropriate incentive to maintain and where necessary, restore capability.

Without the long-term access rights over the infrastructure, it is difficult to believe that Network Rail would be incentivised to maintain this capability. In the absence of long-term access rights, it really would be the case that Network Rail would have "no obligations to provide RA in exceedance of that which is published in the Sectional Appendix". Given the absolute commercial necessity for this traffic that would be a significant concern.

In light of the continued devolution of responsibilities to Route and Regional level it is important that the right framework of incentives are in place to support rail freight priorities. This greater devolution has coincided with the Regional and Route based RAMs now deciding that they are not prepared to sell long-term access rights, despite the specific traffic having operated with these characteristics for 40 years+. This is a concern and we suggest highlights the importance of having the right incentives in place. As highlighted above, access rights have in the past contributed to providing the right incentives.

## **Funding position**

This access rights application seeks to contractualise the existing train plan that FLHH inherited when it was awarded the Mendip haulage contract in 2019. This is largely existing traffic which, in many cases, has been operating over many decades. The jumbo train plan, which is the basis for the schedules, was introduced in 1983.

Consequently, Network Rail is aware of this traffic and the volume of trains, and this would have been factored into the Strategic Business Plans for CP6. Network Rail would also be aware that they had already sold long-term access rights that extended beyond CP6 for HAW traffic across these routes.

If Network Rail risked not being able to accommodate traffic due to an insufficient settlement then FLHH would have expected this to be alerted to the ORR. Instead in its South East Strategic Route Plan Network Rail announced that it was "pleased that asset sustainability has been recognised in the Final Determination and that we have received an additional £66m to address the long term decline of our track and metallic structures". From welcoming the funding settlement as a means of addressing the decline in metallic structures, in these representations Network Rail now states that "funding levels are insufficient to maintain the steady state of the asset stock". It is unclear why this position has changed.

Furthermore, the South East Route Control Period 6 Delivery Plan<sup>1</sup> highlights the significant increase in funding received in PR18, with specific recognition of the growth of freight traffic and in particular this construction traffic that is the subject of the Supplemental. Network Rail's figures suggest that 88% of loaded construction trains are at HAW and therefore would be aware of the need to maintain this capability to support this traffic:

"Freight demand on the Route is also projected to further increase, on top of the 20% growth experienced since 2014. This has been driven by the growing construction industry and supports businesses and economic performance across the region.

<sup>1</sup> https://www.networkrail.co.uk/wp-content/uploads/2019/06/Route-Strategic-Plan-South-East.pdf#page76

I am delighted this has been recognised by the Regulator and as a result we are set to receive a record £4.3 billion to pay for the busiest and most congested part of Britain's rail network, an increase of over £1 billion more than we received in CP5".

In the context of these statements it is difficult to conceive that the CP6 "funding levels are insufficient to maintain the steady state of the asset stock" and that this means that the Region cannot support long-term access rights for HAW traffic, as is stated by Network Rail in its representations.

The Network Rail position seems more concerned with Periodic Review funding rather than long-term access rights and FLHH would suggest that the ORR seeks to disentangle the issues. Issues of funding are discussed at Periodic Reviews, but long-term access rights span a number of different control periods and therefore span multiple Periodic Reviews and multiple funding settlements and therefore need to be considered separately. Settlements for future control periods are of course not known at this stage, but that should not prevent long-term access rights being sold. To suggest a link, which Network Rail appear to be doing in their representations, undermines the importance of long-term access rights and their role in providing confidence and certainty and supporting investment.

### Charges

The Freight Variable Usage Charge (VUC) paid by a typical 20-wagon HAW train is higher than a 20-wagon RA8 train, and this is designed to recover the additional wear and tear caused by the HAW train. Network Rail notes that the VUC for this traffic does not cover fixed costs; this is understood, and we note that these costs are covered by the Network Grant. It is not clear from the representations what the additional costs are to maintain to RA8 rather than RA9 or RA10, nor how this ties in with the additional income received by Network Rail for accommodating the heavier trains.

The representations suggest a blanket policy across all the structures on Southern, with Network Rail not willing to sell access rights beyond the dispensation period (either 6 months or 2-years). It is difficult to believe that all structures are in the same position and that HAW access rights cannot be sold for the duration of the Track Access Contract across any of the structures in question. Not to apply a distinction around individual structures, would appear to suggest a policy led approach around Periodic Review funding settlements rather than a structures led approach.

As other Network Rail Regions and Routes are content to sell long-term HAW access rights and some Regions, including Eastern and Scotland, publish capability at RA9 and RA10 in the Sectional Appendix across some lines, we would expect details of what is driving a different approach to HAW capability and contractual protection in different geographic areas.

### Proposed revision to RA10 term

Network Rail have proposed a revision to the RA10 terms that would see the access rights sold for only the period of the RT3973 documentation (between 6 months to 2 years). FLHH would not support such terms. Noting the importance of HAW for the viability and economics of moving bulk freight by rail, such a limited duration would not provide certainty and support investment required from FOCs and end-users.

Furthermore it is likely that such terms would mean that there are no access rights in place during at the timetable Priority Date and consequently there would be little utility in such a term. Even where the RT3973 has a duration of 2-years, at the time the access right is approved there may be only a matter of months left on the RT3973 before it requires renewal. Therefore the likelihood of a misalignment between RT3973 end-date and the Priority Date means that the benefits of the access rights would be negated.

It is also important to consider the incentives. Network Rail already regard the provision of HAW capability above Sectional Appendix as being a 'nice-to-have', even seemingly in cases where they have sold long-term access rights. Not selling long-term access rights risks removing the strongest incentive to maintain this crucial capability for the freight sector and risks also removing the incentive to restore the capability expeditiously when that is necessary.

## Additional non-supported HAW access rights from 9th SA

FLHH notes that Network Rail has included 3 additional access rights in this Section 22a, which they had previously agreed and were being processed under the on-going 9<sup>th</sup> SA. As these rights had already been through the SOAR panel process and through internal consultation without issue, FLHH is disappointed that Network Rail has decided that it will no longer support the application. However, given that the submission to date has been informal, FLHH has to accept that these now form part of the unagreed 10<sup>th</sup> SA.

Network Rail highlights a 'clerical error' in requiring the rights to be moved into this Section 22a application. In all cases these are rights that have been sold on other days of week, where FLHH is seeking the addition of other operating days. For example changing an access right from an FSX access right (i.e. Monday to Thursday inclusive) to an SX access right (i.e. Monday to Friday inclusive), by requesting the addition of an FO (i.e. Friday Only) right.

It is FLHH's understanding that Network Rail will not support the addition of any additional days to existing access rights due to a material increase in HAW access rights over the infrastructure. FLHH cannot understand the rationale of this position, given that there are existing rights on the same routes on other days of the week and, as detailed previously, the number of RT3973 dispensations is not subject to a quota.

Such a position will also lead to very difficult conversations with our customer, where in the example above, we can advise them that they can plan on the basis of RA10 capability between Monday and Thursday but on Fridays they can only plan to RA8 capability. At a time when the industry is trying to simplify rail freight for customers and make it a more attractive mode, this position is particularly unhelpful.

Such policies need to be considered in relation to rail's competitiveness with other modes. Road hauliers do not impose different planning constraints on customers on different days of the week. Furthermore, road hauliers are actively engaged with trying to increase the length and weight of HGVs on the road network to further improve their productivity. Losing the ability to plan for HAW capability over the duration of the Track Access Contract risks further hampering rail's competitiveness with road.

### **New process**

It is important to consider that this traffic has been operating on the network for a number of decades. FLHH has previously secured long-term access rights over this infrastructure at RA10 without any issue with HAW capability being raised. Indeed, FLHH secured long-term access rights for the aviation fuel traffic over the same infrastructure at RA10, within this control period. This was secured in full knowledge of the CP6 funding settlement and a very high level of SOAR panel scrutiny, having gone through panel three times.

The issues seem to have manifested within weeks of the new process being established in September 2020, despite the traffic having operated for decades. It suggests that the new process needs to be fully scoped and aligned across the different Routes and Regions, to ensure that there is greater consistency in its application, as from a customer perspective it appears that differing approaches are being taken. It also appears that there is an attempt to conflate the Periodic Review process with the sale of access rights.

There needs to be much greater consideration of the competitive implications of this new process. As it stands Network Rail has already sold long-term access rights at RA10 over infrastructure but will not agree to sell any additional access rights with those characteristics to other customers. This could mean that some end-customers can plan on more favourable terms than others, with some end-customers having long-term contractual protection on more efficient and productive terms than others. We would urge Network Rail to apply a consistent process and not one that is based on when the access rights were applied for.

#### **Great Eastern Mainline**

FLHH welcome Network Rail's decision to reconsider services on the Great Eastern Mainline (GEML) in the face of uncertainty over future passenger use of the network, and as such are now supporting the progression of 2 rights, which will be transferred to FLHH's 9<sup>th</sup> SA. In reference to ongoing performance concerns made by Network Rail regarding 6V12 between Chelmsford and Acton, we refer to comments made in the performance section of this response around the changing qualifying criteria for inclusion in the 9<sup>th</sup> SA and

10<sup>th</sup> SA, given this is now the factor preventing progression noting that this service achieved 100% FDM during the second data sample period.

FLHH is a little unclear around the position regarding 6V53 between Hitchin and Acton, which is included here. This train does not interact with the Great Eastern Mainline, and again we refer to comments made in the performance section relating to changing criteria for support, noting that this service also achieved 100% FDM during the second data sample period.

Noting the reconsideration of the GEML position, FLHH considers this unagreed term to have been resolved and would like Network Rail's confirmation that this is the case.

## Removals from the proposed 10th SA

FLHH can confirm that 7C59 (FO) was included in the 9<sup>th</sup> SA, and as such should not have been included in the proposed 10<sup>th</sup> SA. As such this right can be discounted.

A number of services highlighted by Network Rail in Figure 1 as not running have not been covered within this response. Due to the time elapsed between submitting this application and the representations being written, there has been a requirement to make amendments to the base train plan in order to meet commercial and operational demand. On this basis, to provide clarity for all parties, FLHH propose the removal of the following services serving the terminals at Theale and Crawley from this 10<sup>th</sup> SA, and will instead revisit these in a future supplemental:

7A29 MSX Merehead-Theale 7C31 TThO Theale-Merehead 7C31 WFO Theale-Whatley 7A74 SX Whatley - Theale 7C74 SX Theale - Whatley 6V06 WO Crawley-Acton 6V06 SO Crawley-Acton

Should you require any further information, or clarity on the contents of this response, please do not hesitate to contact me.

Yours sincerely

Chris Matthews Track Access Manager

Freightliner Group Limited