

Gareth Clancy
Head of Access & Licensing
Office of Rail and Road
By email only

Henry Bates
Head of National Passenger Operators
Network Rail Infrastructure Limited
By email

30 April 2021

Dear Gareth,

RE: Application for directions: proposed track access contract between Network Rail Infrastructure Limited and Grand Union Trains Limited

This letter provides the representations of Network Rail, as requested in your letter of 31 March 2021, regarding the application for directions for a proposed track access contract between Network Rail Infrastructure Limited (Network Rail/we) and Grand Union Trains Limited (Grand Union).

We have worked with Grand Union on previous iterations of track access applications between London Paddington and Carmarthen, to identify capacity for potential paths and evaluate their performance impact. The current application, for four return services, is a reduction in the number of train slots requested in the previous submission.

At this time, we do not support the services proposed in this track access application. A key factor in our decision is the existing rights on the Great Western Main Line which, if operational, would mean that the Grand Union services introduce too great a performance risk. We are committed and indeed obliged to maintain the recent levels of improved performance to support the recovery of the railway.

To assess the previous iteration of this track access application, we submitted a detailed and comprehensive range of studies. The following studies have been completed as part of our responses to the previous track access application between London Paddington and Carmarthen submitted by Grand Union:

- Capacity analysis between London Paddington and Cardiff Central
- Platforming assessment at London Paddington
- Assessment including platforming at Cardiff Central and capacity between Cardiff Central and Carmarthen
- Timetable performance microsimulation on the Great Western Mainline
- Supplementary path variance analysis on the Great Western Mainline to Cardiff Central

Given my comment above, regarding existing access rights on the network, for this application we have additionally reviewed the likely performance impact of the proposed Grand Union services with the

exclusion of the Great Western Railway (GWR) 'limited-stop London-Bristol' services. This is covered in the 'Performance' section of this letter.

The Application

Grand Union have submitted a new Section 17 track access application for services between London Paddington and Carmarthen. The initial services would commence on the Subsidiary Change Date 2022 (May) and would expire on Subsidiary Change Date 2034 (May).

The application seeks to secure quantum rights (table 2.1 PART A and PART B of Schedule 5) as described in the draft track access contract (TAC) and which appears to be based on the Passenger (Non-Franchise) Track Access Model Contract.

The application does not conflict with the Welsh Government's Llwybr Newydd or the Burns Commission recommendations for the public transport system in the South East of Wales. For the network from Cardiff to Severn Tunnel Junction, both of those strategies primarily focus on frequent stopping services serving local and regional passengers, but provision continues to be made for longer-distance services to London and elsewhere.

Form P

In Section 3.2 ('Terms not agreed with the facility owner'), Grand Union highlight with regard to the capacity studies undertaken that "despite that detailed work and its positive output, Network Rail does not support this application for 4 fully compliant return paths". However, our position is not alone based on capacity assessment, but additional factors including an evaluation of the performance impact of the proposed services to guarantee safe and reliable operations on our network.

In Section 8.2 ('Resolved issues'), Grand Union note "it remains of concern that Network Rail continues to discriminate by not agreeing to sell capacity while agreeing to sell capacity to others." We believe this remark to be partial. As stated in our previous representations of 30 October 2020, we worked on assessing the Grand Union applications in good faith at all times.

Proposed Track Access Contract

Form of Contract

The draft contract is based on the Passenger (Non-Franchise) Track Access Model Contract, with Open Access modifications.

Model Contract

The application is based on the Passenger (Non-Franchise) Model Track Access Contract.

Investment Conditions

We note the TAC proposed by Grand Union does not include any investment conditions, which we might expect to accompany an Open Access application seeking rights for a longer duration than five years. We would be interested in understanding the specific investments being proposed by Grand Union, as there are no references to the investment conditions in the draft TAC. It is important to consider, however, that the Form P submitted by Grand Union references investments.

The Specified Equipment

Route Clearance processes have not yet concluded for the Specified Equipment and we are aware there is an ongoing process regarding gauge compatibility with the network – we would require Grand Union to engage with us on commissioning works to deliver the required capability and to undertake the Route Clearance processes. We would also need to meet National Grid's requirements at the Point of Common Couplings for our new traction power supply sites.

Class 91 operation is not within the agreed harmonic interference profile of the Great Western Mainline and we would need to analyse compatibility with National Grid. From both this harmonic point of view, plus the fact that a Class 91 is a 1980s locomotive pre-dating interoperability, we cannot assume compatibility on new routes with new electricity supply networks.

We have concerns regarding the lack of a delivery plan to fit Automatic Train Protection (ATP) to the Class 91 locomotive, as our analyses are based on the assumption the proposed rolling stock will operate at maximum speed (125 mph) between Reading West Junction and Didcot East Junction on the Great Western Mainline. Trains not fitted with ATP must not exceed 110 mph at any point, as indicated in the *Western General Instructions* from August 2017.

We are also concerned by the impact this application might have on any planned work in the Severn Tunnel or its corridor, the Bristol Parkway area and the section between Didcot and Swindon, and arrangements made for passengers during such works. Planned work in these areas typically requires eight-12 days per year and their diversionary routes are not electrified.

Timetable Capacity & Performance

Grand Union proposed to run four trains per day in each direction between London Paddington and Cardiff between May 2022 and May 2034. Grand Union also proposed to extend these services from Cardiff to Carmarthen from May 2024.

Capacity

The capacity analyses completed during the evaluation of the previous track access application demonstrated there is adequate capacity to accommodate six of the seven paths previously sought by Grand Union in each direction per day. Necessarily, we acknowledge there is sufficient capacity to accommodate four paths in each directions per day, as indicated by Grand Union in their current track access application. Moreover, both the Welsh Government and DfT are currently developing schemes to improve the connectivity provided by the railway between Cardiff Central and Severn Tunnel Junction.

Performance

As previously noted, the analysis of Grand Union's previous application included detailed microsimulation of the timetable changes. This application is based on a sub-set of the train paths, so this performance assessment considers the likely performance impact based on the information available from the microsimulation work.

Based on that work, and combined with the assumption that the performance impact was spread evenly amongst the 12 paths included in the modelling, it would be forecast that the impact of the eight paths included in this application would be 8/12ths (2/3) of the previous performance impact. This means that a

forecast 0.46% drop in T-10 punctuality for GWR service groups EF01, EF02, EF03 and EF04 would become 0.31%. On a similar basis the forecast T-5 reduction for Heathrow Express would go from 0.83% to 0.55%.

Whilst the forecast performance impact has reduced due to the lower number of paths sought, we remain concerned about the absolute level of performance given that:

- Performance for the three periods of the December 2019 timetable pre-Covid was below target
- There are further limited-stop London-Bristol services which GWR hold rights to operate which had not commenced operation in that timetable
- When these limited-stop GWR services come into operation it is expected that performance will come under greater, downward pressure due to the greater train frequency

When placed in this context, it is expected that the performance impact of the train paths sought by Grand Union will move performance further below the targets that the industry is seeking to achieve.

The performance modelling for the December 2019 timetable considered the performance improvements brought about by significant investment in rolling stock (replacing older rolling stock with more reliable and faster accelerating newer stock) and then the performance reduction brought about by tighter running times and increased train frequencies. This net figure informed the December 2019 process so has been used as the comparator for the Grand Union performance modelling results.

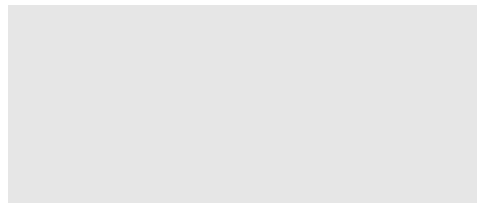
On the basis of the -0.028% performance impact per additional GWR service stated in Network Rail's response to the previous application, it is assumed that it would require a reduction of 11 in the quantum of GWR paths to offset the performance impact of the eight Grand Union paths. There are 25 limited-stop London-Bristol paths in the timetable which GWR had not yet brought in to operation at the point Covid-19 caused significant disruption to the rail industry in 2020. If 11 or more of these paths were not to commence operation then this would provide a performance mitigation as described above.

Additional Considerations

If progressing this application, we would require further detail relating to non-passenger movements around Cardiff, particularly relating to turnback and layover stabling between services at Cardiff Central and servicing and overnight stabling requirements; any movements West of Cardiff will require non-electric traction which may import performance issues which cannot yet be evaluated.

In our representations of 11 December 2020, we considered operational mitigations to the performance decrements identified through analysis on the previous application. Possible mitigations included additional dispatch staff at London Paddington, rescue locomotives at key locations and a planned introduction of Class 802 traction. These mitigations are outside our scope but, should they be implemented, we still believe they would be insufficient to resolve the key performance challenge of the services proposed by Grand Union. We might be able to review our response resources in operations and maintenance to accommodate the Grand Union services, but this mitigation would reduce the Grand Union performance impact only in the event of a failure or incident.

An increase in traffic will also have an impact on our level crossing risk assessments and might require further mitigations.



Please do not hesitate to contact me if there is any further information you require.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Henry Bates', written in a cursive style.

Henry Bates

Head of National Passenger Operators, System Operator