



Emyl Lewicki
Track Access Manager
Office of Rail and Road
By email only

Gianmaria Cutrupi
Customer Manager
Network Rail Infrastructure Limited
By email only

15 July 2022

Dear Emyl,

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 22 June 2022, 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 this track access application between London Paddington and Carmarthen to identify capacity for potential paths and evaluate their performance impact.

We submitted a detailed and comprehensive range of studies to assess the previous iterations of this track access application. The following studies have been completed as part of our responses to the previous track access applications 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

Unfortunately, we are not able to support this track access application due to significant operational and performance concerns remaining unresolved. There is also a large amount of operational information not yet clarified by Grand Union in their application. This is particularly important given the forthcoming impacts on the Great Western Main Line and South Wales Main Line with the construction of new stations at Old Oak Common and Cardiff Parkway, as well as the service revisions required to serve them.



We also have unresolved additional concerns related to the absolute level of performance, the required rolling stock processes and the specific investments proposed by Grand Union.

The Application

Grand Union have submitted a new Section 17 track access application for five trains per day in each direction between London Paddington and Carmarthen. The initial services would commence on the Principal Change Date 2024 (December) and would expire on the Principal Change Date 2044 (December).

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

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), which appears to be based on the Passenger (Non-Franchise) Track Access Model Contract with Open Access modifications.

The application cannot be assessed for compatibility with the Welsh Government's Llwybr Newydd or the Burns Commission recommendations for the public transport system in the South East of Wales, as timetabling work for those outputs is still underway. 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.

Our Reasons for Not Supporting This Application

Timetable Capacity & Performance

Capacity

The capacity analyses completed during the evaluation of the previous track access applications 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 five paths in each directions per day, as indicated by Grand Union in their current track access application.

Performance

The Wales & Western region has been added to the ORR regulatory escalator for inadequate train performance, which emphasises why improvement in this area remains a key area of focus for us. Improving the robustness of the timetable through the busy, mixed-traffic corridor between South Wales and London is a key element of this improvement strategy. Whilst the number of trains sought by Grand Union is relatively small, the performance impact of each of those trains is forecast to be proportionally larger than existing service groups as it will move the route closer to saturation. Introducing additional performance headwinds in the current situation is not consistent with the needs of our existing customers who rely on the network.

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 our performance assessment considered 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 ten paths included in this application would be 10/12ths (5/6ths) 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 0.38%. On a similar basis the forecast T-5 reduction for Heathrow Express would go from 0.83% to 0.69%.

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 our response to the previous applications, it is assumed that it would require a reduction of 14 in the quantum of GWR paths to offset the performance impact of the ten 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.

We remain concerned about the absolute level of performance, despite this performance analysis estimated that the removal of 14 GWR paths in exchange of 10 Grand Union paths added to the forecast performance impact would be neutral. This is because we have recently become aware that any changes GWR wishes to make to the timetable are not evenly spread across the day and the largest performance risks associated with peak periods, in combination with GUT aspirations, remain.

As part of the assessment of previous applications, mitigations to these performance concerns have been considered. Some of the risks do not appear to have practical mitigations available. Fundamentally there is little that can be done to address the performance risk of inserting an additional path to South Wales between two existing evening peak services, which results in flights of three departures within five minutes and all heading to Cardiff. High levels of traffic on the route have prevented development of a timetable which offers a better spread of services to meet customers' needs, which means the only available mitigation would be to reduce the number of paths in these peak periods.

Operations

We remain concerned about a significant amount of operational information that is not included in this track access application. We would require precise information and datasets to produce an informed view, which is in the interest of our passengers and users. A satisfactory level of operational information is also important to create a risk-free, reliable and resilient timetable and assists in avoiding overallocating capacity.

We would have to consider the provision of information, such as but not limited to the below, to fully assess this application:

- Driver training
- Funding
- Gauge clearance process
- Level crossing risk

- Non-passenger movements
 - e.g. shunt moves, location of layovers between passenger trips, coupling/uncoupling Method of Work and locations if in our stations
- Operational contingency plan
 - e.g. diversionary routes for planned or unplanned disruptions
- Project plan highlighting the applicant's progression towards the start of service
- Rolling stock class
- Rolling stock compatibility
- Rolling stock delivery plan
- Rolling stock depot strategy
- Rolling stock maintenance plan
- Rolling stock SRTs
- Rolling stock stabling
- Staff recruitment plan
- Station operations
 - e.g. Platform Train Interface, rolling stock familiarity for staff

We would like to cooperate with Grand Union to solve the above operational concern and ensure all the necessary information is provided to a satisfactory level.

The introduction of Grand Union services would import increased risk at level crossings on the South Wales main line, in particular between Cardiff and Bridgend. This increased risk will require a number of interventions to manage additional train services risks such as another train coming, public convenience from additional barrier down time, opportunities to cross with vehicles at private crossings etc. All of this will need to be risk assessed and appropriate mitigations identified.

Level crossing risk is not considered to be a significant risk for the Western route. There is a small incremental increase in risk between Paddington and Cardiff, but this is deemed tolerable.

Construction of Old Oak Common station is a complex, multi-system process. It will necessarily restrict capacity during the build programme, which will be underway for a significant part of this time period for which access rights are being sought. Therefore, adding additional new services into this complex picture will not be helpful and have a negative impact on performance and our ability to run a high-performing timetable.

The Specified Equipment

Grand Union stated in their Form P that they intend to use 125mph, bi-mode and route-compliant rolling stock in up to 9-car formations. We note Grand Union will invest in new rolling stock, which the identified manufacturer will potentially deliver between 24 and 36 months from order. Whilst, in principle, this is a welcome improvement compared to previous rolling stock proposed, we require further information on the procurement process and sight of the investment plan for this stock.

Route Clearance and gauge compatibility processes have not yet concluded for the Specified Equipment – 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.

Investment Conditions

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 most recent Form P submitted by Grand Union references investments to West Wales Parkway station and 'further significant investment'.

We note the proposed TAC length is 20 years, which is unusual for an aspirant Open Access operator. We believe Grand Union did not provide enough details to justify such contract length and we would expect them to commit to significant and detailed investment conditions to seek access rights for such an extended period of time. In particular, we would like to see a substantial, large-scale and long-term investment plan to corroborate a contract period in excess of 15 years. It is worth noting that other Open Access operators have secured TACs that are no longer than 10 years, so this proposal is not consistent from a network perspective.

Conclusion

At this time, we do not support the services proposed in this Grand Union track access application. The key factor in our decision is the lack of operational details in the application. We would need a satisfactory level of operational details to ensure our network remains punctual, reliable and safe to use for all our passengers and users. We will not be in a position to consider our support to this application until Grand Union will provide us with the necessary amount of information.

We also remain concerned on the absolute level of performance, the required rolling stock processes and the specific investments proposed by Grand Union.

We will continue to work with Grand Union to develop their aspirations in the Wales & Western region.

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 "Gianmaria Cutrupi". The signature is fluid and cursive, with a long, sweeping underline.

Gianmaria Cutrupi
Customer Manager, System Operator
Network Rail