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Copy list below - **by email only**

Dear Colleague

Access to the East Coast Main Line (ECML) – industry hearing

On 22 May 2015 we wrote with details of the hearing which we had previously advised would take place on 12 June 2015. Enclosed with this letter was a request from Virgin Trains East Coast (VTEC) to postpone the hearing to allow VTEC and the other parties more time to prepare and, in particular, to consider Network Rail's ECML capacity reports and an economic report by our consultants, CH2M HILL. We asked for your views on this request by Wednesday 27 May 2015.

GNER and East Coast Trains' views

Both other applicants supported holding the hearing on 12 June 2015 as planned in order to reach a decision on the applications at the earliest opportunity. They noted that the applications and Network Rail's reports had all been available for many months. They also noted they had seen and discussed draft sections of the CH2M HILL report relevant to their applications and believed there would be adequate time to consider the full report.

Other Stakeholders' views

DfT supported VTEC's request for postponement. It said it may need to undertake further analysis following publication of the CH2M HILL report, depending on how closely the output aligned with its own earlier work. DfT said it would not be in a position to publish a redacted version of the franchise agreement, which it said Alliance in particular was keen to see, until early next week. It raised the issue of power supply and the latest programme for major East Coast schemes such as King's Cross remodelling and Huntingdon-Woodwalton. Finally, DfT said that if we proceed with the hearing as planned it may have to submit supplementary material afterwards, for example in relation to Ministers' views.

Network Rail said it was prepared to proceed with the hearing subject to receipt of the outstanding report. GTR said it saw no need to postpone. GB Railfreight said that we should keep with 12 June for now although a little more time may possibly be needed once the reports had been seen. Cross Country said it would prefer to go ahead as planned having cleared space in diaries to prepare and attend. East Midlands Trains said postponing would give a bit more time to read the reports and allow for discussion within each organisation.

ORR's view in light of the responses received

We reiterate that the purpose of the hearing is to help ensure ORR has all the information it needs about the proposed new services and what they entail, in order to make the best overall decision about ECML access. Each applicant should know and understand the basis of their own applications and the key points for them arising from the Network Rail and CH2M Hill reports.

Network Rail's capacity and timetable reports – Network Rail published these in September and December 2014 following extensive engagement with the industry. They were copied to all interested parties and placed on our web site at the time.

We circulated Network Rail's recent letter dated 15 May to the applicants on 20 May and to other stakeholders on 22 May (3 weeks before the hearing). It was based on the two reports already published and its purpose was for Network Rail to:

- provide a summary of the capacity versus aspirations equation;
- provide a narrative of the choices available against the detailed aspirations of each known potential operator; and
- give its position on the sale of rights, performance and how it intended to build the timetable in more detail once rights were sold.

We do not consider that there is any significant new information in Network Rail's letter of 15 May 2015 that would support delaying the hearing.

CH2M HILL's report - This is being issued today. It is CH2M HILL's revenue assessment of the proposed services and a Web-TAG based economic appraisal. It uses information supplied by the parties with whom we discussed methodology and drafts of the sections of the report relating to each applicant. We are not expecting anyone to need to undertake detailed analysis in advance of the hearing. We are therefore satisfied that two weeks should be sufficient time to review and digest the information in the full report.

Franchise agreement – Although Alliance is indeed keen to see this information, it nonetheless wishes to proceed with the hearing on 12 June.

Power supply and latest East Coast schemes – These issues should be discussed on 12 June.

Submission of further material – If we decide we need any additional material before reaching a decision we will explain what we need, and by when, to the relevant party.

Conclusion

Having considered carefully all of the representations received, we believe that the applicants and other stakeholders will have adequate time before the hearing to consider the key material and have decided that the fairest course of action would be to proceed as planned with the hearing on 12 June 2015.

Yours sincerely

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

John Larkinson

Copies to:

Andy Sparkes (VTEC)
Ian Yeowart (GNER)
Leo Goodwin (East Coast Trains Ltd)
Chris Burchell (Arriva Group)
Tim Wright (Network Rail)
Paul McMahon (Network Rail)
Peter Craig (Network Rail)

Andrew Murray (DfT)
Steven McMahon (Transport Scotland)
Phil Dawson (VTEC)
John Beer (GTR)
Other current ECML operators
Passenger Focus/London TravelWatch