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Customer Manager  
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Nicola Eyre  
Track Access Manager  
Northern Rail Limited  
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Dear Janet and Nicola

## **Consent to a Supplement to the Traction Electricity Modelled Consumption Rates List: Arriva Rail North Limited (ARN)**

1. The Office of Rail and Road (ORR) has today issued a notice of consent to a supplement to the Traction Electricity Consumption Rates List submitted to us by Network Rail Infrastructure Limited (Network Rail) on 21 June 2019 under Paragraph 9 of Part 2 of Schedule 7 to the Track Access Contract (TAC) between Network Rail and ARN. The purpose of this letter is to set out the reasons for our decision.

### **Purpose of the change**

2. The purpose is to supplement the Traction Electricity Consumption Rates List to include a new Electric Current for Traction (EC4T) consumption rate for class 331 vehicles operated by ARN. A 21st supplemental agreement amending the parties' Track Access Contract has also been made in parallel to enable the consent of this application.

3. During the 2018/2019 financial year, ARN began operating Class 331 vehicles. It was initially expected that these units would be billed based on meter readings. Consequently, a modelled consumption rate was not estimated for these vehicles. Instead, these vehicles were billed on the basis of a temporary consumption rate. Unfortunately, technical issues have prevented these vehicles from being opted-in to on-train metering. In addition, it has not been possible to estimate modelled consumption rates for these vehicles using the standard methodology due to complex technical issues.

## **Consultation**

4. There is no requirement for industry consultation in this matter as no other operator is affected by the proposal.

## **ORR review**

5. We reviewed the new modelled consumption rates from an economic and technical perspective and were content to agree to the proposal given that the parties will be using metered data in CP 6 for future billing purposes.

6. Sub-paragraph 9.9 states that consent by ORR shall have effect from such date as ORR shall determine. The service code became operational on 1 April 2018 and we have agreed to the parties request to apply the supplemental retrospectively to that date.

Yours sincerely

A handwritten signature in black ink, appearing to be 'M Albon', written in a cursive style.

**Michael Albon**