

6 October 2015

Ian Yeowart Managing Director Alliance Rail Holdings 88 The Mount York YO24 1AR

by email only

Dear lan

Access to the East Coast Main Line

1. Thank you for your letter of 28 September to John Larkinson in response to his of 22 September. You raise a number of points which require a response. In John's absence on leave I am replying on his behalf.

2. In paragraph 2 you say that your Bradford/Cleethorpes application is a very important element of your proposal, not just to deliver significantly improved services via a more traditional open access application "*but also to protect the services currently provided by our sister company Grand Central.*". Would you please explain what you mean by this as we do not recall you referring to such a link before?

3. We note your comments about the work already undertaken and the information available regarding the requirements for tilt on the ECML and your suggestion that most of the research work has been undertaken and the remaining issue is just "*the detail of the scope of infrastructure work and the cost of implementation*". We can discuss this further at our meeting on 14 October but it does appear to be at odds with Network Rail's response to VTEC's FOI request in which it said:

"... our involvement in the matter never went beyond preliminary discussions and as such we hold no information relating to 'work that has either been completed, [is] currently in progress or [is] planned to be carried out, to facilitate the introduction of tilt operation on the East Coast Main Line.'

Similarly our extremely limited involvement in the matter also means that we do not hold reports, analyses, investigations or proposals of the type described in your request. In general terms, it might be worth nothing that this is not a project that we are currently pursuing and the only circumstances in which we could envisage our looking into the matter further would be if we were instigated to do so by a third party.".

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4. In paragraph 14 you say that you have consistently been clear that if the Edinburgh service was approved you would expect ORR to include a longstop date for the identification and approval of the works required to enable tilt operation. We do not recognise this approach and can find no record of you mentioning it previously in your application or during any discussions on your application. Moreover, we make it clear in our *criteria and procedures for the approval of track access contracts* that we would not normally expect to approve access rights unless the applicant can satisfy us as to its intention and ability to use the capacity applied for. This is to stop capacity being reserved for speculative applications and blocking its potential use by others. We do not require detailed cost estimates but we do expect applicants to demonstrate that any proposals are, for example, deliverable and affordable.

5. In paragraph 15 you say that we are not strictly accurate in saying that tilt underpins your business case and that the business case works without tilt (and note that this is one of the options which ORR is testing). However, you go on to say that your application is based around the game-changing nature of tilt. What is clear is that being able to operate tilting trains is critical to your application. I should also make it clear that we are only testing your proposed service without tilt as part of our economic analysis in order to better identify the economic impacts specific to tilt in our cost benefit analysis. You have not asked us to consider, and we are not considering, approval of your application without tilt, which would be a very different proposition from the one you have made.

6. In relation to fares, as we have said repeatedly, our policy has not changed. Our detailed approach can evolve case by case to take account of the specific circumstances of each application but this is not a change to the policy. The details of our approach to fares are explained in our decision letters and may be discussed bilaterally with applicants where relevant.

7. We will be publishing this letter on our website.

Yours sincerely

RobertMPEsk

Rob Plaskitt



