

Liz Hudson Assistant Track Access Manager Northern Rail Network Rail 6th Floor One Eversholt St London NW1 2DN

22nd May 2015

Dear Liz,

Section 18 Application: Great North Western Railway (GNWR)

Thank you for your response dated 27th April 2015 to the consultation on GNWR's proposed Section 18 track access application.

With regards to the specific points you make in your email we have the following comments:

GNWR and Network Rail welcome the acknowledgment that these proposals improve connectivity for Northern towns with new direct links to London.

In your email you state ""we would like to understand the impact on our existing capacity and performance."

In assessing previous applications on the WCML, Network Rail was requested by the ORR to indicate capacity at a high level rather than developing a specific timetable, the reason for this is to free up capacity as part of a timetable recast and take full advantage of greater flexibility in contracts in order to optimise the timetable. That said there have also been several detailed timetabling studies that have identified paths out of Euston at between xx33, xx38 and xx57. The rationale adopted by Network Rail is that following completion of enhancement schemes (such as Norton Bridge which allows 2 additional long distance high speed services to operate between London and the North West) capacity will be released and the WCML timetable will need to be optimised by way of a recast which is planned in December 2016.

In addition, the access rights of a number of train operators will have expired for the period that this application is made, whilst Network Rail accepts that there will be a request from these operators in due course for a continuation of rights, it is not currently clear, exactly what the expression of continued rights would look like. Therefore, legally there can be no



commercial or operational impact upon these services, as there is no legal guarantee that safeguards the current access rights of operators. It is not therefore appropriate to assess GNWR's proposal against services that may or may not operate.

To clarify, this application is for a reduced number of rights contained in the previous application made by GNWR in June 2014. Both this application and the previous application have been agreed at Network Rail's SOAR panel based on the significant capacity and performance analysis that has been undertaken between 2010 and 2014.

You state "we also believe that these proposals are detrimental to the future franchises revenue stream and that they are primarily abstractive"

In response to this GNWR state that the application is made on the basis that it will satisfy the requirements of the Not Primarily Abstractive test (NPA). This test is designed to assess the level of abstraction and generation and the impact on the Secretary of State's funds. The proposed GNWR services are due to start operation from May 2017. The only relevant operator holding rights at that date is Virgin Trains. However Network Rail would refer any comments regarding abstraction to the ORR, as it is not for Network Rail to make an assessment on whether or not an application would be abstractive or not.

In respect of stabling and maintenance GNWR will not stable stock on the network. All GNWR services will return to a depot – the details of which depots are commercially confidential due to the on-going nature of rolling stock negotiations.

Yours sincerely,

Rachel Gilliland

Head of Commercial Freight