

Howard Smith Operations Director, Crossrail Transport for London Floor 30 25 Canada Square London E14 5LQ

Our ref: MTR Crossrail/29-04/236/SM/HS

28 April 2016

Dear Howard

Application by Transport for London ("TfL") to the ORR under Regulations 29 and 30 of the Railways Infrastructure (Access and Management) Regulations 2005 (the "Regulation 29/30 Application")

Thank you for sharing your proposed Regulation 29/30 Application with us. We are writing in support of that application and are happy for you to share this letter with the Office of Rail and Road (the "ORR").

As you will be aware, MTR Corporation (Crossrail) Limited ("MTR Crossrail") has a concession agreement with Rail for London Limited (a wholly owned subsidiary of TfL). We hold a valid train operating licence pursuant to section 8 of the Railways Act 1993 and currently operate certain "TfL Rail" branded services on behalf of TfL as part of the Crossrail concession agreement. Over the next few years, we will take on responsibility for more railway services along the Crossrail route as the full service is introduced in a number of stages.

From May 2018, we are required under the concession agreement to provide rail passenger services to Heathrow Airport utilising the Heathrow Rail Infrastructure (as defined in the Regulation 29/30 Application). As such, we are directly concerned to ensure that we can secure access to the Heathrow Rail Infrastructure on a fair, transparent and non-discriminatory basis.

We are concerned to learn from TfL that their engagement with Heathrow Airport Limited ("HAL") in relation to the terms of the access arrangements has reached an impasse, with HAL reported to be unwilling to consider the valid concerns of TfL and the DfT. This includes in particular the charging arrangements and the terms on which infrastructure capacity is offered by HAL - as reflected in the key access documentation. We also note that there is a great deal of uncertainty in the structure currently proposed by HAL due to essential missing information that has not been provided by HAL.

Time is now pressing if MTR Crossrail is to run services to Heathrow Airport in May 2018. As the ORR will be aware, the timetabling and other necessary processes required to gain access

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to a railway have long lead times. To obtain capacity and timetable slots both on the Heathrow Rail Infrastructure and the adjoining Network Rail network, we will need to have fully complete access documentation in place by May 2017 in time for the summer 2017 Priority Date (for the May 2018 timetable). Our planning assumption is that we would need to commence detailed negotiations with HAL this coming May in order to meet these dates.

We are concerned that a delay in completing key documentation, including the 'HAL' Network Code, will prevent MTR Crossrail from entering into practical discussions with HAL concerning Vehicle Change for our new Class 345 trains, Station Access arrangements and timetable development, including driver training trips ahead of the May 2018 timetable change.

We therefore support your Regulation 29/30 Application and the intervention of the ORR in this matter and would welcome a timely resolution.

Yours sincerely

Steve Murphy Managing Director for and on behalf of MTR Corporation (Crossrail) Limited