

Consultation responses (and responses from GUT)

CrossCountry Trains response to Grand Union Trains

DfT response to Grand Union Trains

Freightliner response to Grand Union Trains

GO-Op Response to Grand Union Trains

Transport Focus response to Grand Union Trains

GWR response to Grand Union Trains

TfW responses to Grand Union Trains

MTR Crossrail Response to Grand Union Trains

TfL response to Grand Union Trains

DB Cargo response to Grand Union Trains

GB Railfreight response to Grand Union Trains

Grand Union response to DfT

Grand Union response to GWR

Grand Union response to TfW- KeolisAmey

Grand Union response to Cross Country Trains

Grand Union response to MTR Crossrail

Grand Union response to TfL

Grand Union response to Freightliner

Grand Union response to GB Railfreight

Grand Union response to Network Rail

Grand Union response to Transport Focus

Grand Union response to Go-Op

18th September 2019

Dear Craig,

XCTL's response to Proposed Application under Section 17 between Network Rail Infrastructure Ltd and Grand Union Trains Ltd.

This letter constitutes to XCTL's formal response. Unfortunately, XCTL are unable to support this access rights application due to numerous issues arising from this application. See below reasons/queries for XCTL's response:

1. Has power modelling been undertaken for the OLE to show it can robustly deliver an additional 2 trains per hour (1 each way) particularly in the Thames Valley?
2. Are any additional licences or track access amendments needed for the light freight described, particularly the movement of 'NHS biological material'?
3. Where is the planned maintenance depot & how will it be accessed from the mainline?
4. The application indicates that Grand Union are likely to seek some sort of journey time protection and make reference to a 'clock face timetable'. This is at odds with the recent removal of such protections for Franchised TOCs and will limit Network Rails ability to flex services where required as per their rights within Part D of the Network Code to deliver the aspirations of all timetable participants. As such we cannot support this approach.
5. The commentary states that the application is consistent with the outputs of the Wales RUS 2016. This indicated growth between Swansea and London of circa 28% by 2023. However, the move from HST to IET rolling stock by the GWR franchise already represents an uplift of 16% capacity and further enhancements are due with the TfW changes starting in Dec 19. This also addresses expected growth into Cardiff.
6. 5.2 indicates discussions on lengthening Platform 0 are ongoing for resilience – can the applicant confirm if this is a requirement for their timetable proposal to work & perform robustly? Are the initial terminating services planned to use Platform 0? How long would they be within the station for? Will the rolling stock be cleared to shunt via Cardiff West if required, and the crew have appropriate route knowledge?
7. How will the applicant address the lack of functioning OLE within the Severn Tunnel which currently has no confirmed rectification date? Presumably a Class 91 would not be capable to coast that distance and gradient.

XCTL would like Network Rail/Grand Union to clarify the above points before XCTL will be able to support this application

Yours sincerely,



Rajveer Sandhu

Track Access Assistant



Department
for Transport

Great Minster House
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Web site: www.dft.gov.uk

24 September 2019

Mr Craig Tomlin, Customer Manager

Dear Mr Tomlin,

Grand Union Trains Ltd – Application for directions under s.17 of the Railways Act 1993 for a new track access contract.

Thank you for sharing the open access industry consultation with the Department regarding the current Grand Union Trains track access application.

As you are aware, the Department previously requested that the ORR should apply the Economic Equilibrium Test (EET). The Department is preparing and developing our analysis of the impacts to assist the ORR with its consideration of the Test.

We would like to highlight, at this stage, two areas of significant concern which we trust Network Rail will examine fully and robustly, on the basis of detailed evidence and appropriate modelling, as it considers this application:

- (1) **Network capacity:** from DfT's discussions with Network Rail regarding both the development of the December 2019 timetable and the specification for the future Great Western franchise, we are aware that the proposed services would be operating on some of the most capacity-constrained parts of the network. In particular, it has been our clear understanding that the sections of route between Paddington and Reading, between Didcot and Swindon and between the Severn Tunnel and Cardiff are effectively operating at capacity (recognising the need to accommodate freight as well as passenger services). We understand that this view was shared by Network Rail. We also share Network Rail's view on the CP6 Western route plan of the importance of a 'robust timetable' more generally.¹

Should Network Rail's analysis conclude that capacity exists to accommodate additional passengers services on the Great Western Main Line (GWML) alongside the planned December 2019 timetable, the Department would be grateful to know at the earliest opportunity because, in that event, decisions the Department and Network Rail have taken together about the future franchise specification would have been based on a different basis and we would wish to revisit those discussions as a matter of priority. Also, if the capacity is found to exist and these additional services are granted, it would increase the costs to Government² of enhancement projects

¹ Referring to NR's Western Route Studies in August 2015 and February 2018; <https://cdn.networkrail.co.uk/wp-content/uploads/2016/11/Western-Route-Study-Final-1.pdf> & <https://cdn.networkrail.co.uk/wp-content/uploads/2018/02/Western-Route-Strategic-Plan.pdf>

² Through the requirement to pay additional Schedule 4 payments to the operator for planned possessions.

which would have implications for Western Route enhancements and HS2's construction at Old Oak Common.

Furthermore, from December 2019 capacity challenges at Paddington will be particularly acute as Heathrow Express services will move to one platform to allow for Crossrail trains to begin running between Reading and Paddington main line station until the full Crossrail service (Stage 5) is opened and the service will then run into the new Elizabeth line station. No revised opening date has been confirmed at this stage for Crossrail Stage 5. Crossrail Ltd have announced the Stage 3 opening window between October 2020 and March 2021, and the stages will be brought into service consecutively. We consider it is important that the position with respect to Cross-rail is reflected in Network Rail's analysis.

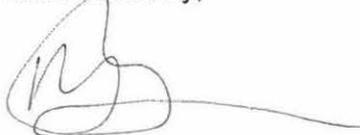
- (2) **Performance:** it is a shared priority of Network Rail and the Department, reflecting the over-riding concern of passengers about punctuality and reliability, to restore and maintain a higher standard of train service performance than has been achieved on the GWML and elsewhere in recent years. This is a significant element of the Western route's CP6 business plan and the financial support from Government which underlies it; this focus on performance is clearly a significant and welcome element of the Putting Passengers First Programme. In the event that Network Rail concludes sufficient capacity exists to timetable the additional open access services in theory, we would also ask Network Rail to analyse carefully and in detail the performance implications of accommodating them – not just for services operating wholly or mainly on the GWML, but also for other train service groups that interact with the GWML. It will be important that such analysis is based on robust evidence, careful assessment and appropriate performance modelling. An application that ultimately leads to poorer outcomes for the wide range of customers that engage with the GWML does not appear to us to a tenable, or appropriate, outcome of this application.

It's also worth highlighting that the revised proposal by GUT includes the introduction of additional Class 802 sets on the GWML. In light of previous electromagnetic compatibility issues experienced with the class 80x fleet, we believe that analysis to confirm that the addition of further sets will not exacerbate the problem further will be important (accepting that the current Class 80x fleet will be fitted with passive filters and ACPTU cards to reduce train emissions between September 2019 and mid-2021).

In line with the above, we ask and expect Network Rail to carry out a rigorous and robust assessment of the capacity and performance impacts of this open access application on the network and the Department will be happy to provide further assistance as required to support Network Rail and ORR's consideration of this application.

Please contact me if you wish to discuss further in the meantime.

Yours sincerely,



Martin Purcell
Senior Policy Advisor

cc. Dan Moore, Director, Rail Strategy, Analysis and Brexit



a Genesee & Wyoming Company

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By Email

24 September 2019

Dear Craig

Grand Union Trains Ltd - London Paddington to Cardiff Consultation

Thank you for providing the opportunity for Freightliner Group (representing both Freightliner Ltd and Freightliner Heavy Haul Ltd) to comment on the Section 17 application being made by Grand Union Trains Ltd to operate services initially between London Paddington and Cardiff, with future extension through to Llanelli and potentially Carmarthen. Freightliner have a number of concerns regarding this application and the impact that granting these Rights will have on capacity for freight operators on the route.

The Great Western Main Line is a critical corridor for rail freight and trains conveying a wide range of commodities rely on the route. This includes trains conveying aggregates and construction materials from the Somerset quarries, containers to the West of England and South Wales, aviation fuel for Heathrow Airport, waste traffic and both raw and finished materials related to the steel industry in South Wales. Additionally, the section between Reading and Didcot is part of the key North-South artery on which all intermodal trains to and from the Port of Southampton run.

These rail freight markets are forecast to grow significantly in the years ahead, but that growth is contingent on sufficient network capacity being available. Freightliner is increasingly struggling to secure paths for existing traffic, and even trains with access rights, let alone protecting capacity to support future growth. There are still a number of paths that are missing from the December 2019 timetable for Mendip Rail services, that are running, established and where the customer has already invested in terminal facilities and wagon fleets.

There is a strong economic rationale for supporting rail freight growth. The productivity benefits for UK businesses, the wider congestion benefits, reduction in carbon emissions and air quality improvements are currently valued at £1.7bn per year¹. Despite the economic benefits for UK plc that rail freight supports, Freightliner is concerned that the approval of this application will in effect limit freight growth on the Western Route.

We note that the consulted Form P contains several interesting proposals - the conveyance of lightweight freight traffic being a prime example. Freightliner fully support any opportunities that provide a modal shift from road to rail for any freight traffic, although it is, at present, unclear as to how Grand Union Trains Ltd expect to attract this traffic to rail. Furthermore, we are supportive of the proposed investment in infrastructure and creation of job opportunities within South Wales outlined in the consultation.

1 https://www.raildeliverygroup.com/files/Publications/2018-06_rail_freight_working_for_britain.pdf

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However, as identified previously, Freightliner also have a number of concerns over this proposal, which can be summarised as:

- A. Overall capacity on the Great Western Mainline between London Paddington and Swansea.
- B. Journey time expectations and protection.
- C. Flexibility of train paths.
- D. Passenger demand and economical benefit.
- E. Duration of the Rights request.

More detail on each of these is provided below:

- A. Overall capacity on the Great Western Mainline between London Paddington and Swansea.

Freightliner presently operate numerous services on the Great Western Mainline, and with effect from November 2019 will commence operation of the significant aggregates traffic flows associated with the Mendip Rail contract between the Somerset Quarries and London and the Home Counties. Through the December 2019 timetable development process, there have been significant challenges accommodating both existing traffic and new services being introduced by GWR.

Grand Union Trains reference speeding up journey times between various population centres several times within this application. Increasing average speed between locations has a significant negative impact on overall capacity on the route, particularly through double track sections, as was found with the introduction of the new GWR services creating the issues referenced above. Given the wide variance in maximum train speed over the route (varying from 45mph to 125mph) there are few spaces available in the timetable to run additional services, so we would welcome more information on how Grand Union Trains expect to be able to achieve a journey time reduction.

Recent changes to the customer demand have driven a growth in demand for intermodal traffic to South Wales, a trend that is predicted to continue. This is being supported by investment from Network Rail's Strategic Freight Network, who are investing in improvement works to the route to enhance gauge clearance, allowing further development of intermodal markets within the South Wales area. Freightliner have concerns that the introduction of additional passenger services through the Severn Tunnel will remove the ability to meet demand in the future, especially given the constraints that exist with this piece of infrastructure. To further complicate this, there are special working instructions in place for freight services through the tunnel - again, we would welcome confirmation from Grand Union Trains that these have been taken into consideration during development of this proposal.

- B. Journey time expectations and protection.

Grand Union Trains have stated that they are looking to discuss journey time protection as part of their application. Freightliner do not support this and, given the above-mentioned capacity constraints on the route in general, would expect Network Rail to be able to apply its flexing right without limitation during timetable development, ensuring that paths are offered to operators on a fair and unbiased basis in line with the principles outlined in the Network Code.

Were journey time protection incorporated in any Access Rights that may be approved, Freightliner have significant concerns over how timetable construction would be achieved. There is a risk that the overall quantum of existing trains could not be accommodated, or if they could there would be a requirement to loop slower services more than today to allow faster trains to pass. Loops on the Great Western Mainline are, in many cases, of restricted length, and hinder the delivery of existing traffic demands, let alone catering for future growth. Increasing the stopping and starting of trains also has a negative impact of the resource utilisation for impacted operators, increases fuel consumption and pollution and can limit future growth as it limits overall terminal time, and as such makes it more difficult for operators to compete with alternative transport modes, particularly road, thus having a negative environmental impact.

C. Flexibility of train paths

Freightliner note Grand Union Trains request for all train slots to be provided in 'clockface' timings. While there is potential for this to be workable in certain sections of the route, the Great Western Mainline carries much long-distance traffic originating from other routes, both passenger and freight. As a result of other factors, it is not possible, or practical, for these to always run in clockface timings, and as such Freightliner would expect any paths developed for Grand Union Trains to fit in around other existing traffic; as such departure times would need to be driven by timetabling requirements, rather than strict clockface timings driving timetable development.

D. Passenger demand and economical benefit.

It is noted that Grand Union Trains wish to run an hourly service departing between c.06.30 and c.21.30. Given the proposed calling pattern of these services, which does not include the major business and population centres on the Great Western Mainline, Freightliner question the relative demand for services at such a frequency, particularly during off-peak periods. We believe that the frequency of these trains could be reduced without having a significantly detrimental impact on passenger numbers or reducing the attractiveness of cheaper fares driven by competition, as was proven with the established Open Access model on the East Coast Mainline. This would have the benefit of freeing up paths for strategic train slots to cater for both existing demand and future growth, while aiding in the recovery of service following disruption to the benefit of all rail users, rather than running lightly loaded passenger services at a more regular interval.

Should the proposals remain to run an hourly service, Freightliner believe that a proper assessment of the economic benefits brought by this service group in comparison with future capacity and growth should be undertaken, in order to verify that the final outcome of any decision to grant access rights ensures that the rail system delivers the best possible value for money.

E. Duration of the Rights request.

Freightliner has been trying for many months to secure access rights for two daily trains between the Isle of Grain and Colnbrook, which transport a significant proportion of the aviation fuel necessary to run Heathrow Airport. At the last SOAR panel, on 22nd July, it was decided that all applications that interacted with Paddington - Reading corridor "were authorised until PCD 2020 only". While the reasoning for this is, at present, still unclear, we would be concerned if Rights were granted to another operator for any duration beyond this date.

In summary, and for the avoidance of doubt, on the basis of the above concerns, at this time Freightliner are not able to support the application being made by Grand Union Trains Ltd to operate this service. If you have any queries regarding the comments we have made then please do feel free to contact us.

Yours sincerely

Chris Matthews
Track Access Manager
Freightliner Group Limited

Craig Tomlin
Customer Manager
Network Rail
One Eversholt Street
London NW1 2DN

25th September 2019

Dear Craig,

Grand Union Trains Ltd - S17 pre-submission consultation - London Paddington to Cardiff revised proposal

Thanks for your invitation to comment on this proposal.

GO-OP does have a concern, in that there is known to be very limited capacity between Swindon and Didcot Parkway. We have for some years been seeking paths for a service linking the west country and Oxford, and there is also known to be strong desire for a direct Bristol - Oxford service as well.

The rolling stock that typically delivers intercity services between London and Swindon has the benefit of overhead lines and high passenger volumes, meaning that most services operate well in excess of 100mph. This has the benefit of making good use of capacity, but makes it very hard to integrate services from the west country where the demographics and infrastructure require DMUs (which are in notoriously short supply in any case).

This is the main reason that paths are available for the new service: our 90mph trains could not successfully employ them. We are in the process of trying to procure rolling stock that can, but if this service goes ahead even that option will be closed to us.

There is an obvious solution; an extension or improvement of the passing loops that already exist to the east of Wantage and Grove. This would address another aspiration in the area; Oxfordshire County Council has a long standing desire to build a new station in that area, as well as one at the technology park at Milton. The barrier they face is that no operator has expressed a willingness to stop there - because, of course, the extra time added to any existing service would make pathing impossible.

We can both achieve our aspirations at the same time as resolving this chicken-and-egg dilemma. Grand Union could amend its proposal to include the addition, no sooner than two years into the contract, of a two hourly stopping service between Bristol Parkway and Reading - but only if the local authorities concerned can secure funding for a new station at Wantage and Grove (with all necessary capacity improvements).

This might employ the class 91 stock that Grand Union expects to be available when new 802s are delivered, and could connect with the express service at Parkway for onward travel to South Wales. GO-OP would match such a commitment with one of our own, giving the new station hourly departures. This might be the degree of confidence needed to stimulate the investment needed; and if not, Grand Union has lost nothing by making the commitment.

c/o



I don't think there should be much doubt that such a service would break even at the very least, but if an analysis conducted by Grand Union does suggest otherwise, I don't think anyone could reasonably ask them to run a loss making operation. Likewise, the offer would be subject to the economic equilibrium test being passed (which it almost certainly would be).

So while on the face of it we should certainly object to the use of the remaining capacity in this way, we'd be more than willing to withdraw any objection - indeed, we would give the proposal our vocal support - if it is clearly linked to a Berkshire and Wiltshire stopping service calling at Wantage and Grove, subject only to a station being built and delivering the necessary capacity enhancement, reasonable expectation of break-even and regulatory approval.

Yours faithfully,



Alex Lawrie

Operations Director, GO-OP Co-operative
Limited

From:

Sent: Wednesday, September 11, 2019 4:18 PM

To:

Subject: Grand Union Trains Ltd - S17 pre-submission consultation - London Paddington to Cardiff revised proposal 2708a20

Craig,

Thank you for sending Transport Focus details of the revised application by Grand Union Trains. They note that it seeks a new track access contract to start in May, 2021, and expire in May 2036, for the operation of passenger services between:

1. London Paddington and Cardiff Central

from the SCD in 2021;
firm rights for a two-hourly service, with calls at Bristol Parkway, Severn Tunnel Junction, Newport and Cardiff Central;
seven trains each way SuX, six SuO;
the equipment will be nine Mk IV cars hauled by Class 91 locomotives, as currently in use on LNER services;
there will be some alterations to the stock, to provide more luggage space and at least four wheelchair bays;
each set will have 358 standard class seats and 133 first class seats;
the DVTs will be used for bikes and for sending small, high-value items;
route clearance checking for the train sets' operation on the GWML is underway;
the timetable is to operate on a standard-pattern, clockface, plan;
it will not require changes to NR's maintenance and renewal regime;
the May 2021 start will require crew training to start in the autumn of 2020;
spare train sets will be available to provide additional capacity for events in South Wales..

2. London Paddington and Llanelli

to start "within two years" of May, 2021; with calls at Bristol Parkway, Severn Tunnel Junction, Newport, Cardiff Central and Swansea;
14 trains each way SuX, 12 SuO;
the equipment will be Class 802 bi-mode trains;
it will also have space for light freight;
the interior specification will be bespoke for Grand Union.

Transport Focus also notes that Grand Union:

would invest in inter-city standard facilities at Severn Tunnel Junction;
might also invest in improvements at Cardiff Central;
has been "working closely" with the Freight and National Operators team, which is "fully supportive of the principle of this application";
will have its base in South Wales;
Grand Union will seek some sort of journey time protection.

Grand Union's offer compared

timetable	between PAD and	frequency		first		last		journey time		addl. seats/day ⁴
		peak	off-peak	up	down	up	down	up	down	both ways
GWR current	CDF	2/hour	2/hour	5.15	5.02	21.26	23.30	2h. 6m.	2h. 2m.	10,000 ⁵
GWR proposed Dec. 2019	CDF	3/hour	2/hour	5.11	5.19	21.19	23.30	1h. 52m ²	1h. 49m ³	4,600 ⁶
Grand Union ¹ May 2021	CDF	2-hourly	2-hourly	6.35	8.35	18.35	20.35	1h. 45m.	1h. 45m.	7,120
Grand Union by May 2023	LLE	1/hour	1/hour	5.10	8.35	18.10	21.35	not given	not given	not given ⁷

note 1: from Grand Union's Form OA submission to ORR: recd. 28 August 2019; details in italics from the previous Form P.

note 2: by SWA trains, some peak trains take 1h. 49m., CDF originators 1h. 57m.

note 3: by SWA trains, some peak trains take 1h. 43m., CDF terminators 1h. 58m.

note 4: our estimates using published seating capacity

note 5: from replacement of HSTs

note 6: plus seven trains/day

note 7: Class 802 trains of up to nine cars with a "Grand Union specified interior"

What do Passengers think?

Passengers are consistent in their main priorities for rail travel:

punctuality/reliability, frequency, journey time and crowding are always in the top five in the National Rail Passenger Survey. The Spring 2019 figures show GWR's new trains are helping to improve passengers' opinion of their service. Unsurprisingly, passengers respond to improvements in their rail service.

Conclusion

Transport Focus has a presumption in favour of competition because of the benefits it is said to bring to passengers, provided those benefits do not come at the expense of existing passengers. The ORR has shown that competition has led to some passengers benefiting from lower prices; competition by definition provides choice and should increase all operators' focus on customer service, but can result in lower standards driven by cost-cutting.

Transport Focus has several comments, and one question, regarding this application:

given the large increase in seating capacity already created by replacing HSTs with IETs, and GWR's plans for a further increase in the December, 2019 timetable, any assessment of the scheme should perhaps consider if and when Grand Union's proposed additional capacity is necessary;

'Network benefits' are important; competition must be delivered within a framework of co-ordination, there must be no significant disbenefit to any existing group of passengers; the granting of new track access rights should not require significant changes to existing services – too often additional services have to be imposed on an already crowded graph; the industry's ability to develop a timetable that maximises capacity, and utility to passengers, must not be frustrated;

if the first train from Llanelli is to be at 5.10, and the first from Cardiff at 6.35, the 85 minutes between departure times is more than TfW's journey time, for example its 6.15 Carmarthen to Manchester Piccadilly service, which makes seven stops. Will the xx.10 from Llanelli leave Cardiff at x1.35?

Consequently Transport Focus looks forward to seeing how Grand Union proposes to work with the existing franchised TOCs to fit the proposed new services into the Great Western Main Line timetable.

Thank you for the opportunity to comment on the application.

Regards,

John Sears.



25th September 2019

Craig Tomlin
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Great Western Railway

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GWR.com

Dear Craig,

**GRAND UNION TRAINS - APPLICATION UNDER s.17 FOR A TRACK ACCESS
COTRACT FOR SERVICES BETWEEN PADDINGTON, CARDIFF AND LLANELLI**

We refer to the revised application submitted in respect of Paddington – South Wales services submitted by Grand Union Trains (GUT). GWR will respond separately to the ORR in relation to the Economic Equilibrium Test (EET) and its request for further detailed information.

GWR Primary Objections.

As this is an Open Access application, it is required to pass the relevant ORR Tests. From our own analysis, we would contend that this application is severely abstractive, even taking into account the easier threshold created by the introduction of the value of the Infrastructure Cost Charge (should it be applicable) into the assessment of the Not Primarily Abstractive Test.

This proposal has practicability concerns. The GWML is fast approaching Congested Status with the introduction of the enhanced GWR main line service in December 2019. Timetabling this service has shown that spare capacity for all operators is at a premium and GWR is utilising a large part of this capacity for its new service pattern. The Swindon - Didcot and Reading - Paddington sections and the Paddington environs are at capacity already, given the freight services requiring to use the route and the effect of Crossrail and GWR expansion this December. In May 2021 it is unlikely that Crossrail will be using the central tunnel so platforming at Paddington will still be at a premium again requiring, as from December 2019, Heathrow Express to waive its firm right to sole use of two platforms.

The proposal is inflexible. GWML operators have to cope with the frequent NR engineering work, both planned and unplanned, and all operators need to have a workable diversionary strategy. By initially fixing on electric only traction, the aspirant operator is restricting the ability of the network to operate efficiently on such occasions.

The proposal has adverse impacts on franchise finances. The franchise was let on the basis of an enhanced main line train service, maximising the substantial investment the Government has made in both infrastructure and rolling stock. The fixed cost nature of the GWR franchise costs, in particular the onerous provisions in the DfT 27.5 year IEP contract, do not allow for a normal competitive response, should access that GWR would use (or is currently using) be granted to another Operator.

The application refers to support from Transport for Wales and the Wales Government. We would be interested to see the content of any support those bodies provide, given the practicalities outlined below as well as the apparent conflict with the December 2019 GWR main line timetable, and the service expansion plans of the Wales franchise operator. We question the legitimacy of such support for a service penetrating into England given the need to withdraw a few months ago applications by the Wales franchise operator to provide services to Bristol and Coventry.

Competition and Development

The application has been predicated on the assumption that there has been little competitive challenge on the GW mainline since privatisation of passenger services, and the rail service provided to the customer is consequentially unaltered since the franchise operation was originally let in 1996.

Rail's major competitor on the GW main line is from road and, in some cases, air. The service pattern on the GWML has been altered and enhanced in the last 20 years as the competitive response and to meet growth. The December 2019 GWR timetable is yet another stage in that strategy and meets government objectives of increasing rail journeys at the expense of road.

The material enhancement in GWML services in December 2019 has been designed to improve substantially the connectivity with local services, and the pattern of GWR main line services between Paddington and Bristol Parkway/Cardiff is key to achieving this aim. The whole timetable, both main line and local services, has been designed and timetabled as an integrated package.

This application would appear to seek to jump in at the last minute and at a point where the GWR track access contract is due to expire, despite all reasonable expectation that a new one with the same rights will be agreed given that the GWR services are in the main actually running now and in completeness will be running from December this year, to disrupt the existing timetable planning process, by making relatively cheap use of the newly electrified infrastructure at considerable cost to the franchise holder and therefore the Government. It does not allow GWR to plan its business with the degree of assurance that it requires.

The Impact on GWR Finances

GWR will provide data for the Economic Equilibrium Test and these, together with relevant GWR revenue and cost information, will be provided to the Office of Rail and Road under separate confidential cover.

Timetabling and Capacity

Should this application proceed to service introduction our additional services specified by the Secretary of State will have been running for around 18 months. We note that recently approved Open Access applications on other routes have been bid and accepted for operation in white space around established operations. There is scant detail provided in the Grand Union Trains application to support the grant of rights for the services proposed. Given this is a Section 17 application with no indication of disagreement it is implied that no detailed timetable, capacity or performance work has been undertaken by Network Rail. Therefore, we must conclude that no real evidence base has been generated to demonstrate that there is capacity on the Network to operate these proposed services in conjunction with the timetable offered for December 2019, which includes the enhanced franchise-required GWR high speed services referred to above.

The mix of passenger and freight traffic between Didcot and Westerleigh requires detailed and experienced evaluation, and generating spare network capacity for December 2019 proved to be a very challenging task with many essential services only able to be offered once key alterations had been made to the structure of core services to accommodate the range of freight services that fully utilise network capacity between Didcot and Bristol Parkway.

GWR has conducted its own analysis of the GUT proposition, as if GWR itself was seeking to operate them with Class 91 and MkIV stock (and then with Class 802s), identifying the implications on GWR's and other operators' services. It has been assumed that the stock used (both Class 91 and Class 802) is fitted with BR-Automatic Train Protection (unique to the GWML) to comply with requirements for 125mph operation west of Didcot.

Given that this ATP requirement is an aspect of the relevant railway safety regulations we would be interested to learn whether the applicant has any proposal to overcome this, or whether they are intending to operate at a lower maximum speed.

GWR's assessment leads us to conclude that train paths meeting GUT's declared aspiration do not exist unless a substantial recast of the December 2019 baseline takes place, substantially destroying GWR services (including removal of key services) and the integrated pattern of benefits accruing from recent industry investment. Far from enhancing the offer to customers this will cripple the step change December 2019 brings. In addition, the analysis shows the journey time aspirations of Grand Union are unlikely to be met.

Infrastructure Related Issues

The applicant initially proposes to use redundant Class 91 and MkIV trainsets displaced by the introduction of the brand new and better performing IET traction elsewhere on the Network. No statement of compatibility of this traction type over the routes in question has been provided, and this is a key issue with respect to the GWML and its infrastructure. Most notably we have concerns over:

- Gauging and clearance of the proposed traction over the entire route geography, including the Platform/Train interface of Mk IV stock;
- How the operator plans to provide BR-ATP on its traction to permit 125mph operation on the GWML;
- The compatibility of Class 91 (and its OHL contact equipment) with the different electrification systems, which may lead to speed restrictions particularly at key locations;
- If coasting is to be proposed to mitigate any restrictions identified with OHL use, including specific tunnels or bridges, whether this will be manual, or rely on the less risky balise technology;
- The power draw of these proposed services upon the GWML electrification system. It is known that concern exists regarding the adequacy of the present system capability, such that provision of additional traction supply points is already under discussion;
- The Severn Tunnel is an acknowledged capacity constraint owing to its long signal headway. The most recent long term planning work in the form of the Wales Route Study saw a risk that additional London trains would crowd out Bristol trains or vice versa. The tunnel at present is not usable for electric traction and no certain date for completion of this work is available;
- The ability to support any resource plan by GUT which seeks to have turnover resources at Paddington, where access to electrified infrastructure permitting layovers away from the platforms is limited and access constrained. The existing infrastructure at Royal Oak presents operational constraints to its use, while further infrastructure alterations are proposed at Old Oak to facilitate construction of HS2 which will further affect the ability to access North Pole LMD from the full range of platforms at Paddington used by mainline services. This has an important bearing on our contract with Agility Trains and ability to run franchised services;
- The ability of the applicant to operate services at times when sections of the Network are closed for essential maintenance and renewal (or when perturbation occurs), with the diversionary route when Swindon - Didcot is blocked being via Westbury and Trowbridge; via Gloucester when the Severn Tunnel is closed; or

via Bristol Dr. Days when Westerleigh is blocked; none of which is electrified but which GWR IET sets can traverse at full power on diesel with crews having flexible route knowledge;

- The implications of the proposed new surface station at Old Oak Common which reduces paths into / out of Paddington and means that once one train calls in the peak then all trains in the peak have to call. It also reduces line speed throughout the day which will have an impact on journey time hence on resourcing capability and costs. In addition, its construction will involve all line blocks and two track timetables. Both these scenarios require reduced train services; and
- We seek clarification on the proposed method of working at Cardiff Central given the limited electrified infrastructure available west of the station to permit such trains to reverse, which is needed to accommodate the trainplan at this busy location. We would point out that Network Rail has indicated to GWR that it will be necessary for its IET stock to utilise diesel traction to reach the Brickyard siding or Line A (the two wired roads), in order to minimise risk of dewirement if the train is wrongly routed at Cardiff West Crossings. Clearly that option is not available to a Class 91/Mk IV consist.

If the applicant is relying on the potential ability to turn its services round in the platform at Cardiff Central, then while that might appear an option, we would like to know the effect on the volume of rail services planned from December 2019 onwards, and in subsequent years by the Wales franchisee. We would also like to know Grand Union's proposed handling approach for customers and train operations on Principality Stadium event occasions.

Stabling and Stock Maintenance

The application refers to the intention to stable the trainsets in Wales: but there is a considerable lack of detail on how maintenance and servicing activity will be carried out, given that there are no electrified maintenance or stabling locations on the GWML in Wales. From our own experience, the capability and reliability of electric rolling stock is markedly reduced if regular servicing and maintenance is undertaken at non-electrified locations.

There is nothing in the application to indicate that such capability will be provided in time for the commencement of GUT services or how reliability and capability will be secured through servicing at non-electrified locations.

With respect to the maintenance of the proposed Class 802 fleet we would be interested to know if the applicant has secured terms for access with the operator of the depot at Swansea Maliphant, as we know for sure that this location is full at night, such that GWR sets serving South Wales from London have to return to Bristol for maintenance and stabling, and go back in the morning to start South Wales - London services.

Whilst the proposed GUT operation is said to be based in Wales we have not had any sight of any ancillary moves required at start and finish of day to support the service specification, particularly in regard to Paddington at the start of day/end of day. We at GWR are only too aware of how scarce (especially electrified) depot and stabling infrastructure is on the GWR network, particularly at the London end, having had to build new facilities at West Ealing and Swindon (outside the sphere of the passenger use of the trains stabled there).

Critically we would expect that any ancillary movements agreed will meet the engineering access periods required by Network Rail to permit it to carry out essential maintenance, so as to ensure a high level of Network resilience following the increased performance pressures as a result of the introduction of the enhanced GWR IET timetable and the opening of Crossrail.

Special Events

A relatively small operator may have insufficient traincrew resource to fund additional services to operate above the baseline provision. The GUT stock for such movements is said to be undergoing maintenance during the daytime.

Effects on Performance

GWR is concerned at the effect the proposal will have on performance on the Wales and Western Routes, at a time when the Network will become busier, as a consequence of the new service investment by key stakeholders, including the Department for Transport, Transport for London and Transport for Wales.

FirstGroup, as part of its evaluation of rolling stock, looked at the Class 91/Mark IV trainsets in detail and were concerned that they are becoming prone to failure causing substantial delay events. This type of locomotive/rolling stock combination requires constant attention by specially trained staff who are experienced in their maintenance. How the potential operator intends to deal with this substantial issue is currently unclear.

The Proposal

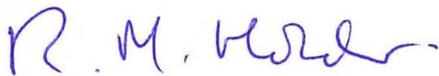
GWR objects therefore to the application by Grand Union Trains on the following grounds:

- It would be very strong primarily abstractive in nature;
- It would have an adverse impact on franchise finances, given the cost structure of the GW franchise, and the need to reap the benefits for the government, users and franchisee the substantial unprecedented investment in infrastructure, rolling stock, human resources and after the disruption made by them;
- It has untested and unverified assumptions on timetable and operability within the proposition;

- The adverse performance impact the proposal (if indeed viable) will import to this part of the network;
- It being unclear on the wider benefits that such a service would provide compared with existing December 19 services to Bristol Parkway and South Wales, and the structured tight pattern of all operators in the wider region it would fetter;
- The applicant's services not being able to be accommodated alongside GWR and other operators including freight; and
- It being opportune in nature, wishing access from a point GWR's rights expire even though GWR's services will be well established and depended upon by both the customer and the funder of the Great Western route, fleet, traincrew and train service step-change modernisation.

We welcome any opportunity to discuss the issues raised above in more detail.

Yours sincerely,



Robert Holder
Network Access Manager



TRAFNIDIAETH CYMRU
TRANSPORT FOR WALES
Gwasanaethau Rheilffyrdd
Rail Services

Tŷ'r Santes Fair
47 Heol Penarth
Caerdydd
CF10 5DJ
trctrenau.cymru

St. Mary's House
47 Penarth Road
Cardiff
CF10 5DJ
tfwrail.wales

Craig Tomlin
Customer Manager
Network Rail
One Eversholt Street
London
NW1 2DN

25 September 2019

Dear Craig

TfW Rail Services' response to Grand Union Trains' Section 17 consultation

Thank you for consulting us on Grand Union Trains' proposals to submit a Section 17 application for a new Track Access Contract. TfW Rail Services is unable to support Grand Union's proposals because of concerns we have over capacity, performance, and revenue impact.

Capacity

TfW Rail Services has committed obligations through its Grant Agreement with Welsh Government to operate additional services between Cardiff and Liverpool from December 2022 and between Ebbw Vale and Newport, from either May 2021 or once the infrastructure enhancements on the Ebbw line are ready (whichever is later). Both will require additional train paths on the Main (fast) lines of the South Wales mainline between Cardiff (Canton Depot or Brickyard Sidings) and Maindee West Junction. These are services committed in funding assumptions made by the Welsh Ministers, who have signed an agency agreement with the Secretary of State and are responsible for the delivery of these services on his behalf.

We also understand that GWR is committed to operate additional London-South Wales trains at peak times. These will also require additional capacity between Cardiff and Severn Tunnel Junction.

For these reasons, we would expect Network Rail's assessment of Grand Union's proposals to include analysis as to whether all these paths can be accommodated, both within South Wales, but also that these paths can co-exist with a two-hourly TfW Rail Services service that extends to Liverpool Lime Street without unreasonable pathing allowances.

Performance

Grand Union's proposals are likely to result in more delays from London and the Thames Valley propagating into South and West Wales. GWR's London to Paddington services caused us 891 delay minutes, and 2 cancellations, East of Cardiff last year. Extrapolating from this we can expect an additional 450 Network Rail delay minutes for each additional train per hour, as a minimum.

We could also see additional performance impacts due to:



- Performance of initial rolling stock being worse than IET sets
- Additional stop at Severn Tunnel Jn
- Shunting moves at Cardiff west (cannot walk through a CI.91 or a 10 car IET so need to come into Pt 1,2 or shunt via brickyard)
- Interaction with more trains in future timetables which could worsen performance on proposed additional services (as explained above)

Extensions to Llanelli would accrue an approximate additional delay of 12.6 minutes per period (164 minutes annually) and 1 cancellation per period (13 cancellations annually).

This is based on the impact within the South, West and Central Wales group (HL02). This Service Group is closely interlinked with the Cardiff-Manchester service (HL06 – many of which are through services to/from West Wales) and so a subsequent reactionary effect would be expected within this group.

As part of its assessment of Grand Union's proposals we would expect Network Rail to assure itself that delays experienced elsewhere on more crowded areas of the infrastructure (especially London and Reading) will not propagate into South Wales and worsen TfW Rail Services Passenger Time Lost (PTL) performance.

Revenue impact

The proposals will abstract revenue from existing operators. This would have a significant impact on the revenues of TfW Rail Services, which we will share with Grand Union and ORR.

The proposals will abstract revenue from existing operators. This could have a significant impact on the revenues of TfW Rail Services, which we will share with Grand Union and ORR. We do, however, note benefits to TfW Rail Services in creating new connecting journeys onto Grand Union services and in station access payments at TfW Rail Services' stations.

Yours sincerely

Chris Dellard
Network Access Strategy Manager



From:

Sent: Wednesday, August 28, 2019 3:15 PM

To:

Cc:

Subject: RE: Grand Union Trains Ltd - S17 pre-submission consultation - London Paddington to Cardiff revised proposal

Hi Craig

Our initial comments are as follows, but we may have some additional comments as a number of internal consultees are on holiday:-

- MTR Crossrail do not support the proposed application.
- We support the Network Rail position not to sell any additional Access Rights beyond December 2020, which is consistent with the Western Route Sale of Access Rights Policy (which elsewhere has declined to grant any additional access rights beyond December 2020).
- There is no evidence of timetable or performance modelling to demonstrate that these train are compatible with the future Crossrail timetable (noting the MTR Crossrail holds Firm Rights to the full Crossrail timetable beyond December 2020).
- TfL raised the issue of modelling with Maxine Reed when the original submission was put forward. The Crossrail Track Access Option has provision for the Railway Systems Model to be run, but TfL were advised that the model had not been run as Network Rail did not support the application.
- However, the Network Rail Sale of Access Rights Panel have indicated previously that this application would need to be considered alongside any track access contract applications by existing operators. It would be helpful if Network Rail, in particular SOAR panel, could clarify their position with regards to the Grand Union Trains application.
- The period between 2021 and 2027 will see extensive restrictions of capacity imposed in the Old Oak Common area to facilitate the building of the new Old Oak Common station on the GWML to provide interchange with HS2 services. The current operators, TfL Rail and GWR have already expressed concern over the capacity that will be available while these works are taking place, particularly at weekends and over Bank Holidays but also potentially affecting weekday services. The introduction of additional services is impractical and will result in a further reduction in the level of service that can be provided for passengers on the route.
- It is also expected that during the same time period further major infrastructure work will be required in the Langley area to build a burrowing junction for the proposed Heathrow Western Rail Link which is likely to further compromise the capacity available between Paddington and Reading.

- Network Rail is planning to implement ETCS level 2 signalling between Airport Junction and Paddington in the period up to 2022. As class 91 locomotives (and Mk4 DVTs) are not equipped with GW-ATP (as GWR's class 800/802 trains are) these Grand Union services will either represent a reduction in the overall safety of operations on the route or need to be equipped with GW-ATP. There is no reference in Grand Union's submission to this requirement.
- Previous timetabling work has identified the need to provide additional infrastructure in the Paddington area to enable efficient access between the higher numbered platforms at Paddington and the Main Lines in the Ladbroke Grove area. While we understand that some planning for this has taken place there is at present no firm proposals for the implementation of this upgrade, without which further additional services cannot operate effectively.
- Due to the delay in the opening of the Crossrail Central tunnels, the combined TfL Rail and GWR timetables from December 2019 are only able to function through the reduction by Heathrow Express to use of one platform at Paddington. There is therefore no platform capacity available at Paddington until after the commencement of Elizabeth Line operation of through services from Reading and Heathrow into the tunnel. A firm date is not yet available but almost certainly will not be compatible with a May 2021 commencement of operations by Grand Union Trains.
- Grand Union has applied for a 15 year Access Rights on the basis of "significant infrastructure improvements at Severn Tunnel Junction Station to upgrade the station". A single station upgrade is not in our view sufficient to warrant granting of rights for this duration.

Thanks very much.

Jonathan James
Head of Contract Management

63 St Mary Axe, London, EC3A 8NH



From:

Sent: 27 August 2019 14:57

To

Subject: Grand Union Trains Ltd - S17 pre-submission consultation - London Paddington to Cardiff revised proposal

Dear Sir or Madam,

Grand Union Trains Ltd – Application for directions under section 17 of the Railways Act 1993 for a new track access contract

Grand Union Trains Ltd propose to submit to the ORR an application under Section 17 of the Railways Act 1993 for a new Track Access Contract (Passenger Services). In line with the Industry Code of practice for Track Access Application Consultations, Grand Union Trains has requested Network Rail to conduct

the consultation and we are therefore consulting you on the proposed agreement. You may recall that the previous industry consultation on 18th June 2019 was cancelled in order to make changes to the proposed services.

The proposed Track Access Contract (Passenger Services) supports the revised plan by Grand Union Trains Ltd to initially provide 2 hourly services between London Paddington and Cardiff, calling at Bristol Parkway, Severn Tunnel Junction, Newport and Cardiff Central with Class 91 stock. Services would increase to hourly and be extended to Swansea and Llanelli upon introduction of new build Hitachi Class 802 bi-mode trains. A duration of 15 years is being sought, with services commencing in May 2021.

A copy of the proposed agreement and the application form will be on our website at [Track access current consultations](#) from **29th August 2019**. For convenience, please see the attached Form P and draft Track Access Contract (Passenger Services) documents.

You do not need to respond if you do not have any comments, however should you wish to comment on the proposed agreement please do so no later than 25th September 2019..

Any comments should be sent by email to _____ and these will be copied to Grand Union Trains and the ORR.

If you are no longer the appropriate contact within your organisation to receive these consultation it would be greatly appreciated if you could supply correct details so that we may update our consultee lists.

Please do not hesitate to contact me if you have any further questions

Kind regards

Craig Tomlin
Customer Manager

Network Rail | One Eversholt Street | London | NW1 2DN

Tel:



From:

Sent: Wednesday, July 10, 2019 12:56 PM

To:

Subject: RE: Industry Consultation : Grand Union Trains Section 17 Track Access Contract (Passenger Services)

Craig,

TfL, as holder of the Crossrail Track Access Option, qualifies as an Access Beneficiary and is therefore a party to this consultation.

Our Concession Operator (MTR Crossrail) has already submitted a response with which we wholly concur but I consider it worth pointing out that the Crossrail Track Access Option sets out a number of requirements in respect of the granting of new Access Rights on the routes defined in the Option. I can find no evidence that anyone from Grand Union Trains or Network Rail has seen fit to consult directly with TfL with regard to meeting the provisions of the Track Access Option prior to submitting this Section 17 application.

The application contains no information as to how these obligations might be met nor indeed any recognition of their existence.

TfL therefore considers that the application is wholly defective and must be rejected.

Regards

Paul Richardson

Service Delivery Manager

RfL Crossrail

5 Endeavour Square

Westfield Avenue

Stratford

London

E20 1JN

From:

Sent: 18 June 2019 09:56

To:

Subject: Industry Consultation : Grand Union Trains Section 17 Track Access Contract (Passenger Services)

Dear Sir or Madam,

Grand Union Trains Ltd – Application for directions under section 17 of the Railways Act 1993 for a new track access contract

Grand Union Trains Ltd propose to submit to the ORR an application under Section 17 of the Railways Act 1993 for a new Track Access Contract (Passenger Services). In line with the Industry Code of practice for Track Access Application Consultations, Grand Union Trains has requested Network Rail to conduct the consultation and we are therefore consulting you on the proposed agreement.

The proposed Track Access Contract (Passenger Services) supports the plan by Grand Union Trains Ltd to provide hourly services between London Paddington and Cardiff, calling at Bristol Parkway, Severn Tunnel Junction, Newport and Cardiff Central. A duration of 10 years is being sought, with services commencing in Dec 2020.

A copy of the proposed agreement and the application form will be on our website at [Track access current consultations](#) from **19th June 2019**. For convenience, please see the attached Form P and draft Track Access Contract (Passenger Services) documents.

You do not need to respond if you do not have any comments, however should you wish to comment on the proposed agreement, I would be grateful to receive these no later than **15th July 2019**.

Any comments should be sent by email to [Redacted] and these will be copied to Grand Union Trains and the ORR.

If you are no longer the appropriate contact within your organisation to receive consultations it would be greatly appreciated if you could supply correct details so that we may update our consultee lists.

Please do not hesitate to contact me if you have any further questions

Kind regards

Craig Tomlin

Customer Manager (Aspirant Open Access Operators)

Network Rail | One Eversholt Street | London | NW1 2DN

Tel:



Dear Craig,

DB Cargo is unable to support the Section 17 application brought by Grand Union Trains. There is no underpinning evidence of timetable modelling to establish the impact of this proposed operation. No detail as to stabling location(s) for the trainsets has been provided and therefore it is difficult to assess the likely impact of ECS movements. DB Cargo has concerns regarding freight capacity over the GWML given the forthcoming enhanced frequency of GWR services and introduction of Crossrail services. Delivering the quantum of freight paths required in the ITSS is challenging, with significant concern on a number of sections of the GWML route.

Best regards

Quentin Hedderly
Network Capacity Manager

DB Cargo (UK) Limited
Lakeside Business Park
Carolina Way
Doncaster
DN4 5PN

(w): www.uk.dbcargo.com



From:
To:
Date: 18/06/2019 09:56
Subject: Industry Consultation : Grand Union Trains Section 17 Track Access Contract (Passenger Services)

Dear Sir or Madam,

Grand Union Trains Ltd – Application for directions under section 17 of the Railways Act 1993 for a new track access contract

Grand Union Trains Ltd propose to submit to the ORR an application under Section 17 of the Railways Act 1993 for a new Track Access Contract (Passenger Services). In line with the Industry Code of practice for Track Access Application Consultations, Grand Union Trains has requested Network Rail to conduct the consultation and we are

therefore consulting you on the proposed agreement.

The proposed Track Access Contract (Passenger Services) supports the plan by Grand Union Trains Ltd to provide hourly services between London Paddington and Cardiff, calling at Bristol Parkway, Severn Tunnel Junction, Newport and Cardiff Central. A duration of 10 years is being sought, with services commencing in Dec 2020.

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If you are no longer the appropriate contact within your organisation to receive consultations it would be greatly appreciated if you could supply correct details so that we may update our consultee lists.

Please do not hesitate to contact me if you have any further questions

Kind regards

Craig Tomlin

Customer Manager (Aspirant Open Access Operators)

Network Rail | One Eversholt Street | London | NW1 2DN



*

From:

Sent: Thursday, July 11, 2019 12:02 PM

To:

Subject: RE: Industry Consultation : Grand Union Trains Section 17 Track Access Contract (Passenger Services)

Dear Craig,

I hope all is well with you. Thank you for the consultation on this Section 17 application by Grand Union Trains Ltd.

GB Railfreight has no issues with Grand Union Trains Ltd. having a new Track Access Contract to run services, per se. In this application, there is mention, however, of a desire for "clockface" timetables by itself alongside other the current operator's clockface timetable. This does concern GBRf for a number of reasons:

- GBRf has already bid for freight services, as part of its PDNS, for the December 2019 Timetable and a number of these have been rejected due to an apparent lack of capacity between Didcot and Bristol Parkway. My understanding is that other operators have also had paths rejected over that section of route.
- Furthermore, GB Railfreight has not had all of its firm rights satisfied in the December 2019 Final Timetable over both of these sections of route, with several items forming the basis of a Timetabling Dispute.
- Until there is further clarity on how current firm rights will be satisfied and subsequent outstanding freight train slot bids included into the timetable, GBRf would have concerns that Grand Union's aspirations, as described in this application, would not be able to be met and, almost certainly, not without further detriment to freight services

Regards,

Ian Kapur.

Head of Capacity Planning,

GB Railfreight Ltd.,

3rd Floor,

55 Old Broad Street,

London, EC2M 1RX.

GB Railfreight Ltd. Registered in England & Wales No. 03707899.

Registered Office: 3rd Floor, 55 Old Broad Street, London, EC2M 1RX.

From: Tomlin Craig

Sent: 18 June 2019 09:56

To:

Subject: Industry Consultation : Grand Union Trains Section 17 Track Access Contract (Passenger Services)

Dear Sir or Madam,

Grand Union Trains Ltd – Application for directions under section 17 of the Railways Act 1993 for a new track access contract

Grand Union Trains Ltd propose to submit to the ORR an application under Section 17 of the Railways Act 1993 for a new Track Access Contract (Passenger Services). In line with the Industry Code of practice for Track Access Application Consultations, Grand Union Trains has requested Network Rail to conduct the consultation and we are therefore consulting you on the proposed agreement.

The proposed Track Access Contract (Passenger Services) supports the plan by Grand Union Trains Ltd to provide hourly services between London Paddington and Cardiff, calling at Bristol Parkway, Severn Tunnel Junction, Newport and Cardiff Central. A duration of 10 years is being sought, with services commencing in Dec 2020.

A copy of the proposed agreement and the application form will be on our website at [Track access current consultations](#) from **19th June 2019**. For convenience, please see the attached Form P and draft Track Access Contract (Passenger Services) documents.

You do not need to respond if you do not have any comments, however should you wish to comment on the proposed agreement, I would be grateful to receive these no later than **15th July 2019**.

Any comments should be sent by email to [Redacted] and these will be copied to Grand Union Trains and the ORR.

If you are no longer the appropriate contact within your organisation to receive consultations it would be greatly appreciated if you could supply correct details so that we may update our consultee lists.

Please do not hesitate to contact me if you have any further questions

Kind regards

Craig Tomlin

Customer Manager (Aspirant Open Access Operators)

Network Rail | One Eversholt Street | London | NW1 2DN

Tel:



Grand Union

Llanelli – London Paddington

Response to consultation – Department for Transport (DfT)

DfT has made a number of comments in its consultation on our application to introduce competitive services on the Great Western Main Line (GWML).

With many years of experience and evidence of open access in the UK, it is disappointing that the DfT and the industry in general continues to object to its introduction whenever and wherever it is proposed. With a series of long term and continuing failures within the franchised system the evidence of the benefits of open access continue to be overlooked while the poorly performing 'status quo' is vigorously defended.

The full Grand Union proposal is for 14 trains a day in each direction, 7 a day during the initial phase. The ECML will soon have 22 open access trains a day in each direction¹, of which more than half will be operated by First Group.

The soon to be introduced First Group East Coast Trains service will 'abstract' significantly more than Grand Union's proposed initial services, and each East Coast Train pair is forecast to 'abstract' £4.8 million², significantly more than Grand Union's train pairs are forecast to do. Once the East Coast Trains service is in operation the total open access revenue on the ECML is likely to exceed £125 million.

Unlike other current open access operators, Grand Union (and First Group's East Coast Trains) will be paying the Infrastructure Cost Charge (ICC) of £4 a train mile - a total charge of around £8 million p.a. on the GWML with the full service, post the ramp-up phase.

The ICC clearly steers open access operators towards long train, high volume, routes, of which South Wales to London is a prime example, and this is what ORR has been signalling to the industry with its decision to award First Group its London - Edinburgh service in direct competition with (now) LNER.

The DfT has stated it is preparing and developing analysis of the 'impacts' that these proposed services might have on the franchise. As a consequence, Grand Union feels it is necessary to outline the very generous position that the franchise has enjoyed for many years on this route, and the impact this has had on the taxpayer.

¹ Grand Central 10 – Hull Trains 7 – East Coast Trains 5

² ECML decision letter 12 May 2016 – Office of Rail and Road

GRAND UNION TRAINS LIMITED

Riverside Lodge, Fulford, YORK, YO19 4RB

Registered Office: Fulford Lodge, 1 Heslington Lane, Fulford, YORK, YO10 4HW

A Company registered in England & Wales No: 11408012

www.granduniontrains.com

Grand Union

Since First Group elected not to take their three year extension option on the GWML in 2012 (costing the taxpayer £826 million in premium payments by doing so), and at the same time having unceremoniously been stripped of its West Coast Main Line success in 2012 following “*significant technical flaws by the DfT*”³, First Group has been very well rewarded. On the GWML First Group has been given a series of short term generous direct awards from the DfT⁴ and has continued to operate the franchise ever since. If the latest direct award is agreed, GWR will have operated this route without facing any competition or risk for almost 9 years - longer than many tendered franchises.

With a direct award offering much poorer value for money for the taxpayer, these significant and generous direct awards to GWR have in effect been ‘primarily abstractive’ by choice, but with neither passengers nor the taxpayer receiving any benefit by the loss of competitive tension.

The DfT’s own benchmarks (or comparators) show that at renewal in three franchise awards the net premium was 82% higher than the comparator values, and 32% higher on the direct awards⁵ – indicating clearly the significant loss in value of direct awards, but also indicating the poor accuracy and forecasting in much of the DfT’s output.

The DfT has regularly stated that ‘competition for the market’ is how rail competition is achieved, but there has never been any competition for the GWML since it was initially privatised 23 years ago.

On the GWML there have been two ‘short term’ direct awards, with a further one now being possible until 2022, with a further extension to 2024 now being possible. That means up until now between two and three years will have been spent by the DfT in establishing these direct awards at a significant cost to the taxpayer, as each direct award takes up 14 months of the DfT’s time⁶.

While First Group has continued to operate the route since not taking up its option to extend in 2012, it has received generous returns in excess of the ‘norm’ for franchised operations elsewhere⁷.

Based on the evidence of the GWML since 2012, it is clear that any potential financial impact from the introduction of Grand Union’s services is massively outweighed by the loss of franchise premia (or increased subsidy) had the route been tendered or had

³ Secretary of State on WCML franchise re-let failure in 2012. Laidlaw Report states the flaws rest with the DfT

⁴ Initially Oct 2013-Sep2015, Re-negotiated Mar 2015-May 2020, further extension probable until 2022

⁵ National Audit Office – Reform of the Rail Franchising Programme Part Two 2.12

⁶ National Audit Office – Reform of the Rail Franchising Programme Part Two 2.3

⁷ The Times Sept 1st 2019 - FirstGroup’s £50m Great Western Railway bonanza — helped by the taxpayer

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Grand Union

First Group taken up its option on its 3 year extension, and the recurring cost and effort involved in awarding 'short term' direct awards.

This lack of competition can be seen in the large growth in road coach services, where there are over 30 services a day (each way) between Cardiff and London⁸, far greater than the number of coach journeys normally seen elsewhere for journeys of this nature.

The Grand Union application itself focuses not only on this monopoly, but also on the lack of development on the GWML for further services⁹ to South Wales. Instead the DfT has focused on doubling the frequency of trains to Bristol from London, as well as a host of other improvements right across its network from Worcester to Penzance. While there has been a material change in services with the introduction of Class 800/802 trains, the pattern remains sub-optimal, particularly for South Wales.

The position was summed up during a recent conference speech by Ken Skates¹⁰ Minister for Economy & Transport for the Welsh Government *"We welcome the ambition being shown by Grand Union Trains and the proposals they have put forward for trains between Cardiff and London"*. He added *"The benefits of electrification of the Great Western Main Line into Wales are long overdue and will not be fully realised with the currently proposed service patterns"*.

With road travel from South Wales having to contend with the very congested M4 corridor, and air travel non-existent, GWR has been a monopoly supplier of fast travel to London for many years, and this can be seen in the pricing structure in place, (which has driven the growth in road coach travel), and their disregard for the development of this important part of the UK. It is instructive to note that the advent of on-rail competition on the Oxford - London corridor has seen coach competition fall dramatically.

InterCity rail services between London and South Wales have also been downgraded over time with the addition of more and regular stops in the Thames Valley, meaning much longer journey times and significant passenger churn on the train detracting from the long-distance passengers' experience. Grand Union seeks to redress this gradual erosion of the quality of the long-distance rail travel from South Wales by avoiding these extra calls at intermediate stations in England and offering a differentiated, high quality, passenger experience at competitive prices, giving passengers a real choice.

⁸ Daily services by Megabus and National Express between Cardiff and London on 18 Nov 2019

⁹ Additional token peak trains excepted

¹⁰ Minister for Economy & Transport - Keynote address at the ICE Transport Conference, Wednesday 20 November 2019

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Network Capacity

The cost so far of upgrading and modernising the GWML is significantly in excess of £6 billion, which includes the significant delay and overspend on the electrification scheme - itself curtailed. In a report in November 2016 into 'Modernising the Great Western Railway', the National Audit Office stated:

"The modernisation of the route has potential to deliver significant benefits for passengers, but this is a case study in how not to manage a major programme. The Department's failure to plan and manage all the projects which now make up the Great Western Route Modernisation industry programme in a sufficiently joined up way, combined with weaknesses in Network Rail's management of the infrastructure programme, has led to additional costs for the taxpayer".

Nothing in the output from the delayed modernisation, states that the route is nearing congested status, and indeed Network Rail has in place a process to address that should it happen. Recent changes in track access contracts also give operators much less prescription than previously, with the objective of utilising the capacity better, rather than operators being able to 'protect' paths as previously. Having spent over £6 billion it is inconceivable that the planning assumed the route would instantly be 'congested'.

The DfT should note that a significant number of paths have been identified by Grand Union and we will continue to work with Network Rail to develop our timetable.

Despite the position of the DfT, it then suggests that if someone else finds the capacity then it would be "*grateful to know*" so that it could re-visit its franchise (direct award in this instance) decisions. It appears inconceivable that the DfT, with all its resources, has failed to identify the potential for further and better use of the capacity on the GWML, despite handing Network Rail many £billions to modernise the route.

However, this does follow a familiar pattern where the same situation has arisen on the East Coast Main Line and the West Coast Main Line when open access services have been proposed. It is one reason why the ORR has noted the fact that open access operators are good at identifying valuable capacity on the network.

It is worth noting that in CP5 Network Rail overspent by £10.1billion¹¹, and in the context of the expenditure on HS2, any Schedule Four is insignificant – which puts the value of this potential 'claim' on the DfT in context. Moreover, having a truly

¹¹ ORR - Annual efficiency and finance assessment of Network Rail 2018-19: 26 July 2019

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commercial operator involved in the possession planning discussions may result in improvements for all parties.

Platforming is always a challenge at the London terminals, and the same argument has been used previously for access to King's Cross and Euston. Grand Union is well aware that the continuing (and further costly) delays to Crossrail starting to operate through the central tunnels is making the operation of Paddington more challenging¹², but is content that the necessary capacity exists at Paddington for its relatively small number of services.

Performance

On every occasion an open access operator has sought to introduce new services the 'effect on performance' is raised, as if it is a particular issue to open access. The same argument could be applied to all the extra services that GWR are introducing in December 2019, many of which will be running on single lines. Running more trains can increase the potential impact of reactionary delays, but this is true regardless of the nature of the train company. We expect Grand Union employees to be fully conversant in the need to minimise delays, especially those at stations.

The arrival of open access services is the embodiment of any 'Putting Passengers First Programme' as regular high passenger satisfaction figures testify.

The Class 91 and Mark IV combination is a reliable train, having undergone many modifications during its lifetime. Its MTIN figures are, at this time better than a class 800/802, but Grand Union has no doubt that Hitachi will have addressed the issues it currently has by the time Grand Union looks to introduce its new fleet in 2023.

In respect of plans to replace the fleet with Hitachi 802s, Grand Union can only express its surprise that even this change, using the same rolling stock as specified by the DfT for GWR could raise an objection!

In seeking to defend the status quo, the DfT might like to consider what has happened in Italy where, after similar protective positions were adopted, and eventually overcome, NTV Italo services now compete fully on a number of main InterCity routes in the Country. In its 7 years this has seen significant private investment into new trains, (as is proposed by Grand Union) and average fares have fallen by 40%. This has resulted in the high-speed market doubling, and subsidy has decreased.

In the short term, Grand Union is willing to work with the wider industry to deliver the benefits that our services will bring to the people of South Wales in a manner that

¹² BBC news - Crossrail Delay: Line will not open until 2021 as costs increase by a further £650m – 8 November 2019

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enhances the whole network. More strategically a radical new approach to the whole question of InterCity competition in the UK is long overdue, and the DfT could be in the lead with more open engagement with potential new operators.

Grand Union would be delighted to join in an open engagement about where Open Access can contribute to the on-going development of the network.

Ian Yeowart

Managing Director

Grand Union

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Llanelli – London Paddington

Response to consultation – GWR

GWR has made a number of comments in its consultation reply on our application to introduce competitive services on the Great Western Main Line (GWML). For ease of comparison this response largely follows the form of the GWR objection letter, with an effort to avoid the repetition of points that are made and remade in the GWR submission. The GWR subject headings are retained

However, before we start our response to GWR's objections Grand Union would like to ask what right GWR has to question the legitimacy of support from the elected Welsh Government on the grounds of the service "*penetrating into England*". The Welsh Government is seeking to improve Welsh connectivity and to see services improved for the people of Wales, something that, in spite of suffering all the disruption of the GWML, the Modernisation Programme was going to offer little apparent benefit, in contrast to virtually the whole of the rest of the GWR network. On hearing of our proposals, the Welsh Government entered into strong and positive dialogue with Grand Union, encouraged us to consider further proposals and as a result of that dialogue these services, much revised and expanded with additional investment, have been developed.

Their position was summed up during a recent conference speech by Ken Skates¹ Minister for Economy & Transport for the Welsh Government "*We welcome the ambition being shown by Grand Union Trains and the proposals they have put forward for trains between Cardiff and London*". He added "*The benefits of electrification of the Great Western Main Line into Wales are long overdue and will not be fully realised with the currently proposed service patterns*". Grand Union is surprised that GWR is so dismissive of the Welsh Government's support and aspirations.

It is vitally important to the future of the railway industry that there is a strong focus on the social, economic and Climate Change impacts that the railway offers the UK. The Welsh Government recognise that the Grand Union proposal offers substantial socio-economic benefits to South Wales, with improved connectivity, improved railway operations and a significant number of new jobs.

¹ Minister for Economy & Transport - Keynote address at the ICE Transport Conference, Wednesday 20 November 2019

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GWR is fully aware that the DfT still specifies further services into Wales from England and that no proposals to develop the train services in the manner that the Welsh Government desire has been forthcoming, So it is entirely legitimate for Welsh Government to support another train operator who will provide what they are seeking.

GWR primary objections

In its response, GWR states the line is fast approaching 'congested status'. The cost so far of upgrading and modernising the route is in excess of £6 billion, which includes the significant delay and overspend on the electrification scheme, which itself has been curtailed. In a report in November 2016 into 'Modernising the Great Western Railway', the National Audit Office (NAO) stated:

"The modernisation of the route has potential to deliver significant benefits for passengers, but this is a case study in how not to manage a major programme. The Department's failure to plan and manage all the projects which now make up the Great Western Route Modernisation industry programme in a sufficiently joined up way, combined with weaknesses in Network Rail's management of the infrastructure programme, has led to additional costs for the taxpayer".

Nothing in the output from the delayed modernisation, states that the route is nearing congested status, and indeed Network Rail has in place a process to address that should it happen. Recent changes in track access contracts also give operators much less prescription than previously, with the objective of utilising the capacity better, rather than operators being able to 'protect' paths as previously. Having spent over £6 billion it is inconceivable that the Business Case assumed the route would instantly be 'congested' and unable to accept more trains.

GWR will be pleased to note than a significant number of paths have been identified by Grand Union and we will continue to work with Network Rail to develop our timetable.

As GWR has an item on its website (following a news release on 2 October 2019) that it has plans of its own to extend its additional peak services from South Wales to operate throughout the day from May 2020², then First Group itself is clearly of the view that capacity exists – but obviously only for itself!

In respect of inflexibility - Grand Union only intends to operate electric traction (for the first two years of services) after which it plans to operate trains with the same

² GWR website & news release 2nd October 2019 – "Two additional services in the morning and evening peaks will also operate from South Wales to Bristol Parkway and then direct to London Paddington. From May 2020 GWR plans to extend these extra peak time trains to operate throughout the day"

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capabilities as GWR's trains with bi-mode required to operate beyond Cardiff to Swansea and Llanelli. (We note that First Group will have similar issues with its own 'East Coast Trains' services which will use "state of the art brand new electric trains"³) Unsurprisingly, most operators operate electric only trains on fully electrified sections of the network.

The proposal will have little, if any effect, on franchised finances. Since First Group elected not to take their three year extension option on the GWML in 2012 (costing the taxpayer £826 million in premium payments by doing so), and at the same time having unceremoniously been stripped of its West Coast Main line success in 2012 following "significant technical flaws by the DfT"⁴, First Group has been very well rewarded. On the GWML First Group has been given a series of short term generous direct awards from the DfT⁵ and has continued to operate the franchise. If the latest direct award is agreed, GWR will have operated this route without facing any competition or risk for almost 9 years - longer than many tendered franchises.

With a direct award offering much poorer value for money for the taxpayer, these significant and generous direct awards to First Group have in effect been 'primarily abstractive' by choice, but with neither passengers nor the taxpayer receiving any benefit by the loss of competitive tension.

The DfT's own benchmarks (or comparators) show that at renewal in three franchise awards the net premium was 82% higher than the comparator values, and 32% higher on the direct awards⁶ – indicating clearly the significant loss in value of direct awards, but also indicating the poor accuracy and forecasting in much of the DfT's output.

While it may come as a shock to GWR that the benefits of investment in the infrastructure can be realised not only by franchises, but by others (as indeed First Group argued on the East Coast Main Line with East Coast Trains), Grand Union is looking to significantly address the imbalance between Cardiff and Bristol, something that both GWR and the DfT have had plenty of opportunity to do but, despite industry evidence⁷, have chosen not to do so.

Competition and Development – Impact on GWR Finances

It is interesting to note that the arguments put forward here by GWR to maintain their long-term monopoly are the exact opposite of arguments put forward by First Group

³ www.firstgroupplc.com/about-firstgroup/uk-rail/eastcoast.aspx

⁴ Secretary of State on WCML franchise re-let failure in 2012. Laidlaw Report states the flaws rest with the DfT

⁵ Initially Oct 2013-Sep2015, Re-negotiated Mar 2015-May 2020, further extension probable until 2022

⁶ National Audit Office – Reform of the Rail Franchising Programme Part Two 2.12

⁷ Network Rail Long Term Planning Process - Long Distance Market Study 2013

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in developing their own open access plans on the ECML with Hull Trains and East Coast Trains. First Group are clearly strong advocates of on-rail competition and it does little for their credibility or their reputation to oppose competition where they are the established operator.

With road travel from South Wales having to contend with the very congested M4 corridor, and air travel non-existent, GWR has been a monopoly supplier of fast travel to London for many years, and this can be seen in the pricing structure in place and its unwillingness to develop this part of the UK. InterCity rail services between London and South Wales have also been 'downgraded' over time with the addition of more and regular stops in the Thames Valley, meaning much longer journey times and significant passenger churn on the train detracting from the long-distance passengers' experience.

This lack of competition can be seen in the large growth in road coach services, where there are over 30 services a day (each way) between Cardiff and London⁸, far greater than the number of coach journeys normally seen elsewhere for journeys of this nature. It is also instructive that the advent of on-rail competition on the Oxford - London corridor has seen coach competition fall dramatically.

The Grand Union application itself focuses not only on this monopoly, but also on the lack of development by GWR during its tenure of not expanding services⁹ to South Wales, especially beyond Cardiff, and instead concentrating on doubling the frequency of trains to Bristol from London. The focus of the GWML development appears to have been driven by the DfT through its series of generous direct awards, and although there has been an increase in the number of services with the introduction of Class 800/802 trains, the pattern remains sub-optimal, particularly for South Wales.

Grand Union's application has been made at absolutely the right time, unlike First Group's East Coast Trains services when First Group made an application after a declared ORR deadline, which put over 12 months delay into the process. With a likely date of the commencement of a new franchise by 2022, this application by Grand Union gives all bidders clarity on the level of competition they may face if the application is successful.

With the DfT offering to share the risk of potential lost revenue due to open access competition on the ECML¹⁰ (ironically to competition from First Group's East Coast

⁸ Daily services by Megabus and National Express between Cardiff and London – sample: 18 Nov 2019

⁹ Additional token peak trains excepted

¹⁰ National Audit Office – Reform of the Rail Franchising Programme Part Four 4.14. An issue that might also invoke challenge under state aid rules

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Trains), then to suggest the application does “*not allow GWR to plan its business with a degree of assurance*” is patent nonsense.

Timetabling and Capacity

GWR contend that other open access services on other routes have been timetabled into ‘white space’. This is incorrect, and indeed a full capacity review on both the ECML and WCML was undertaken to help the ORR come to its decisions on capacity. GWR is fully aware that ‘white space’ rarely, if ever exists on InterCity routes as operators seek to ‘close the door’ to other train operators.

Although for this application GWR suggest in its response that there is no capacity demonstrated, they obviously know that capacity does exist for following Grand Union’s announcement, GWR has itself suggested it could run an additional hourly service between Cardiff and London from May 2020 as mentioned previously. While it is pleasing that GWR has at last recognised the importance of additional services on this route, further monopolistic services would not benefit passengers nor the taxpayer, as open access operators can provide the necessary rolling stock on better commercial terms and offer passengers some important competition on price and quality for their journey choices. It is also rather obvious that GWR only ‘made its move’ after Grand Union had declared its aspirations.

Perhaps GWR could advise why their proposed additional hourly service would not ‘cripple’ the 2019 December timetable changes but Grand Union’s services would?

For the operation of its services Grand Union has identified paths and will continue to work with Network Rail on their development. All rolling stock proposed by Grand Union will be equipped to allow it to operate at full line speed

Infrastructure Related Issues

Eversholt are carrying out the necessary gauging studies and have been since Grand Union first made its aspirations known. Any required interventions will be addressed.

It would be strange if the brand new interoperable GWML electrification causes an issue with the Class 91 pantograph, which has operated on the less than optimal electrification of the ECML and has operated on the WCML. However, as would be expected, Eversholt’s engineers are liaising with Network Rail on this and other infrastructure matters.

Any potential issues requiring ‘coasting’ will be addressed via output from the discussions on-going with Network Rail.

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There is no indication that power supply will be an issue, but an option for the first phase of operations would be to use diesel traction, but that would seem less than ideal for a full service under the wires.

Capacity has been identified for the proposed services, but if the OHLE in the Severn Tunnel is not provided (contrary to the specified project outputs) and despite years of planning, then further consideration will be given to traction types for the initial phase of operations. However, as a responsible infrastructure provider we expect that Network Rail will find solutions to the issues because otherwise this critical link will require the provision of bi-mode trains in the future, which generates a substantial additional cost to the industry.

If the application is approved, then Grand Union has confidence in Network Rail's ability to manage service overlays at Paddington and other locations – as it has done for previous open access applications elsewhere.

GWR is fortunate that the taxpayer has funded its new bi-mode train fleet which allows for diversionary options, including a late and expensive change to the order to make the whole fleet bi-mode. Grand Union accepts that during its initial service plan to Cardiff electric only traction will need special consideration if routed away from the OHLE and will be discussing the options with Network Rail. However, diesel haulage of Class 91s and Mk IV coaches has been a routine operation on the ECML, so there is no reason to suppose that Network Rail will not be able to do this on the Great Western route. For its full service option Grand Union will be using bi-mode trains of its own, so the issue will not arise.

Detailed methods of working at all locations will be developed if approval is given and once timetables are established.

Grand Union is also in discussions with Transport for Wales to ensure the best possible use of the infrastructure to meet the reasonable aspirations of the Welsh Government and others.

Stabling and stock maintenance

Grand Union is in discussions with a number of parties regarding the maintenance and stabling of its rolling stock.

In respect of the 802 fleet proposed, Grand Union is comfortable with the discussions that have taken place with Hitachi in relation to supply and maintenance of these train sets.

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All services are proposed to start and finish in South Wales, and Grand Union would adhere to Network Rail's engineering access requirements.

Special Events

GWR should know from the First Group operation of its Hull Trains service that commitment and flexibility within the workforce is a key part of what makes open access so special. Grand Union expect to play a full part in the operation of train services for special events, working with all other operators to deliver the necessary capacity.

Effects on Performance

On every occasion an open access operator has sought to introduce new services the 'effect on performance' is raised, as if it is a particular issue to open access. The same argument could be applied to all the extra services that GWR are introducing in December 2019, many of which will be running on single lines. Running more trains can increase the potential impact of reactionary delays, but this is true regardless of the nature of the train company. We expect Grand Union employees to be fully conversant in the need to minimise delays, especially those at stations.

The Class 91 and Mark IV combination is a reliable train, having undergone many modifications during its lifetime. Its MTIN figures are, at this time better than a class 800/802, but Grand Union has no doubt that Hitachi will have addressed the issues it currently has by the time Grand Union looks to introduce its new fleet in 2023.

The Proposal

It is interesting that GWR states that the service would be primarily abstractive. The full proposal is for 14 trains a day in each direction, 7 a day during the initial phase. The ECML will soon have 22 open access trains a day in each direction¹¹, of which more than half will be operated by First Group.

The First Group East Coast Trains service will 'abstract' significantly more than Grand Union's proposed initial services, and each East Coast Train pair is forecast to 'abstract' £4.8 million¹², significantly more than Grand Union's train pairs are forecast to do.

As First Group acknowledge, open access has been a significant success on the ECML, and with the franchise having had an uncontested monopoly on the GWML for 23 years, Grand Union believe that it is time for passengers to benefit from the

¹¹ Grand Central 10 – Hull Trains 7 – East Coast Trains 5

¹² ECML decision letter 12 May 2016 – Office of Rail and Road

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innovation, price competition and different service quality that an open access operator can bring. Unlike other current open access operators, Grand Union will be paying the Infrastructure Cost Charge (ICC) of £4 a train mile - a total charge of around £8 million p.a. with the full service, post the ramp-up phase. Grand Union plan to offer choice to passengers with a differentiated customer service offer. We consider that it is for passengers to decide which service they wish to use as happens now at a number of important locations on the ECML.

In respect of franchised finances this issue has been addressed earlier.

However GWR is not averse to engaging into 'revenue abstraction' when it suits them and we cite that during Arriva Trains Wales (ATW) time, GWR (First Great Western as it was then known) created an operator specific ticket between Swansea and Cardiff which undercut the inter-available fare (set by ATW) by around 40%. There was a significant impact on ATW's finances and ATW had to respond by also reducing the inter-available fare by the same amount. What followed was a massive upsurge in passenger numbers, interestingly borne out by recent Transport Focus research, where a panel group were asked what would make them more likely to travel? 85% (the top ranked response) stated if fares were cheaper¹³. This is an absolute example of the power of competition 'in the market', and the significant benefit for passengers, taxpayers and the environment that competition brings. This is also evidenced in Italy with NTV's Italo services, now operational for 7 years¹⁴.

The ICC clearly steers open access operators towards long train, high volume, routes, of which South Wales to London is a prime example. This is what ORR has been signalling to the industry with its decision to award First Group their London - Edinburgh service in direct competition with (now) LNER and their introduction for CP6 of the ICC at £4 a train mile.

It is clear there would be significant wider benefits to the many passengers who would use the service, the significant number of people who would be employed in South Wales, both directly and in maintenance, the further supply chain benefits, the significant economic benefits to South Wales and its communities and the private development of a much improved and important 'parkway' station at Severn Tunnel Junction which will expand the catchment area of the network.

Train paths have been identified, and, as in all other open access applications elsewhere on the network, Grand Union will work collaboratively with all parties to deliver a robust timetable.

¹³ Rail Review Q3-2019. Anthony Smith, Chief Executive, Transport Focus. Panelists base 4,145

¹⁴ <https://mediarail.wordpress.com/ntv-italo-seven-years-and-now-success>

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Finally, GWR say the application is 'opportune'. It is, but not in the negative way in which GWR has presented it. The combination of the completion of the electrification works to Cardiff, the availability of high quality InterCity electric trains (displaced by the DfT providing an all new fleet on the ECML), and the lack of franchise driven service expansion into South Wales following the renewal of the GWR fleet; all coincide to create an opportunity for the private sector part of the rail industry to deliver a service that the public sector has failed to recognise.

The timescales are designed to give clarity to all parties, including bidders for future refranchising in 2021/22 and are in line with the ORR's new expectations when making open access applications.

GWR's owners, First Group, operate a number of open access services elsewhere, so many of GWR's objections lack credibility, as First Group has argued the complete opposite when it has been applying to operate open access operations of its own. This inconsistency with First Group's response does not reflect well on its approach to delivering wider customer benefits and the wider public perception of the rail industry.

While Grand Union accepts that operators will inevitably object, we expect this to be based on fact and a rational process, not by trying to protect a long-standing monopoly position in the market.

Ian Yeowart

Managing Director

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Response to consultation – Transport for Wales (TfW)

Grand Union notes TfW's concerns regarding the introduction of this new service and has held a number of relatively positive meetings with TfW and also Keolis/Amey on its introduction to address those concerns.

Capacity

Our proposals are very much in line with the requirements and aspirations of the Welsh Government, and discussions between all the interested parties have focused on a working relationship that will deliver these significant benefits alongside the further benefits outlined through TfW's committed obligations. Grand Union certainly does not see its services as being anything other than complimentary to TfW's services, both delivered and aspirational.

Work by Grand Union indicates capacity is available for further services to meet the aspirations of both parties, and Grand Union will work closely with TfW on delivering a 'railway solution' to the service pattern. However, we understand that TfW has to seek to protect its contracted position and we will work collaboratively with them to ensure that all the Welsh Government's requirements are met.

Performance

Grand Union notes the comments from TfW regarding performance concerns and would point out that on every occasion an open access operator has sought to introduce new services the 'effect on performance' is raised, as if it is a particular issue to open access.

The same argument could equally be applied to all the extra services that TfW and GWR are proposing to introduce. Running more trains can increase the potential impact of reactionary delays, but this is true regardless of the nature of the train company. We expect Grand Union employees to be fully conversant in the need to minimise delays, especially those at stations.

TfW has identified some particular areas of which it is concerned:

Rolling stock: The Class 91 and Mark IV combination is a reliable train, having undergone many modifications during its lifetime. Its MTIN figures are, at this time better than a class 800/802, but Grand Union has no doubt that Hitachi will have

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addressed the issues it currently has by the time Grand Union looks to introduce its new fleet in 2023.

Additional stop at Severn Tunnel Junction: This stop replaces a number of stops currently in place on most GWR services where calls in the Thames Valley are significant, which, as TfW acknowledge in its response, are “*the more crowded areas of the infrastructure*”. We plan to allow sufficient station dwell time for passengers to board and alight and will be training our staff to ensure that station dwells are kept to a minimum, which will, in turn, provide extra recovery time to set against potential late running.

Shunting moves at Cardiff: Grand Union only intends to operate Class 91s for two years. Its replacement 802 will be a through unit, not two short five car units.

Interaction with more trains: As mentioned earlier the operator of the train is not relevant in these circumstances, and any further TfW or GWR services are just as likely to cause delays. However, as punctuality is important to Grand Union, we will be planning to mitigate delays as far as possible through detailed planning and staff training and motivation.

Grand Union understands the concern that TfW have about the risks of delays being propagated west of Cardiff and we will work with them and Network Rail to build a robust timetable that minimises potential delay. The total potential delay suggested by TfW equates to less than 1 second per train¹ proposed by Grand Union.

Revenue Impact

Contrary to TfW’s view that abstraction will affect TfW, Grand Union believes that TfW will be a net beneficiary if its services are approved. Station access charges alone are over £1.5 million, with further revenue earned in ticket office commission and other 3rd party charges.

Grand Union also plans to invest in Severn Tunnel Junction, driving up usage at this station for all operators, and studies undertaken by the ORR on the introduction of open access elsewhere show clearly that passenger numbers and revenue grow at a faster rate at stations where competition is in place than at stations where there is none.

While it is acknowledged that TfW is currently unable to support the application for these new Grand Union services, we will continue to work with all parties with a view

¹ 9840 seconds delay per annum – Grand Union proposed services 9952 per annum

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to finding an agreement on support that will significantly improve the overall position of rail services in South Wales.

Ian Yeowart

Managing Director

Grand Union

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Response to consultation – Cross Country Trains

Cross Country Trains has made a number of comments in its consultation on our application to introduce competitive services on the Great Western Main Line (GWML) to which Grand Union has responded below.

1. The cost so far of upgrading and modernising the GWML is in excess of £6 billion, which includes the significant delay and overspend on the electrification scheme, which itself has been curtailed. In a report in November 2016 into ‘Modernising the Great Western Railway’, the National Audit Office (NAO) stated:

“The modernisation of the route has potential to deliver significant benefits for passengers, but this is a case study in how not to manage a major programme. The Department’s failure to plan and manage all the projects which now make up the Great Western Route Modernisation industry programme in a sufficiently joined up way, combined with weaknesses in Network Rail’s management of the infrastructure programme, has led to additional costs for the taxpayer”.

Nothing in the output from the delayed modernisation, states that the route is nearing congested status, and indeed Network Rail has in place a process to address that should it happen. Having spent over £6 billion it is inconceivable that the Business Case assumed the route would instantly be ‘congested’ and unable to accept more trains, particularly electric ones.

It will clearly be a position that Network Rail will address in its own response, but with GWR now proposing additional trains of its own to Cardiff¹, then the main operator of the route clearly takes the view that there is capacity and that the OHLE is robust.

2. The light freight proposal is utilising space within the train set and is carried routinely on the GWML already. Movements of NHS and other agencies biological material is also undertaken now by partners InterCity Railfreight on other services with a strict chain of control in place. We will discuss with the ORR any potential

¹ GWR website & news release 2nd October 2019 – “Two additional services in the morning and evening peaks will also operate from South Wales to Bristol Parkway and then direct to London Paddington. From May 2020 GWR plans to extend these extra peak time trains to operate throughout the day”

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requirements for further licences, but the matter has not been raised by them or InterCity Railfreight in previous discussions or correspondence.

3. Grand Union is in discussions with a number of parties regarding maintenance of its initial train fleet, and these discussions are on-going. In respect of the Hitachi fleet, Hitachi will maintain the fleet under a TSA.

4. Grand Union will seek some journey time protection but realise this is a difficult position following the recent changes to track access contracts. However, as a smaller operator some protections are sought to protect a commercial position. It will be for the ORR to determine what any final track access contract would look like. We desire to operate “clock face” as do other operators including Cross Country as we believe it is both best for passengers and helps make the best use of capacity, but clearly we will work with the industry to deliver a robust timetable.

5. Forecast growth to Cardiff outstrips forecast growth to Bristol on every measure in the 30 year horizon from 2013 as identified by Network Rail’s Long Term Planning Process², and yet Bristol is to see its services double while Cardiff sees only a token increase in the peak. Grand Union is looking to significantly address the imbalance between Cardiff and Bristol, something that both GWR and the DfT have had plenty of opportunity to do but, despite industry evidence, have chosen not to do so.

Clearly the additional seating capacity to be provided by GWR does not reflect this forecast growth.

Cross Country might also like to consider the growth and benefits delivered to many passengers by the introduction of competition on the ECML from its own Group Company Grand Central, and what has happened in Italy where, after similar protective positions were adopted, and eventually overcome, NTV Italo services now compete fully on a number of main InterCity routes in the Country. In its 7 years this has seen significant private investment into new trains, (as is proposed by Grand Union) and average fares have fallen by 40%. This has resulted in the high-speed market doubling, and subsidy has decreased. Closer to home the introduction of competition on the Oxford - London services (by another Arriva Company) has virtually closed the hitherto very successful coach operation.

6. Improvements to Platform 0 are not required to achieve our timetables, however it is an aspiration of the Welsh Government and Transport for Wales, so we have engaged with parties to discuss the position. Actual platform time and shunting moves will be developed alongside the emerging timetable.

² Network Rail Long Term Planning Process - Long Distance Market Study 2013

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7. Capacity has been identified for the proposed services, but if the OHLE in the Severn Tunnel is not provided (contrary to the specified project outputs) and despite years of planning, then further consideration will be given to traction types for the initial phase of operations. However, as a responsible infrastructure provider we expect that Network Rail will find solutions to the issues because otherwise this critical link will require the provision of bi-mode trains in the future, which generates a substantial additional cost to the industry.

Ian Yeowart

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Response to consultation – MTR Crossrail (MTR)

Grand Union is unable to comment on the views expressed by MTR regarding the sale of access rights policy and will leave this for Network Rail to respond. However Grand Union would note that it would be unusual for Network Rail to state it would not sell any additional access rights where a route is not declared congested, which if it was, would mean Network Rail also putting in place a plan to address the matter.

Nothing in the output from the delayed GWML modernisation, states that the route is nearing congested status. Recent changes in track access contracts also give operators much less prescription than previously, with the objective of utilising the capacity better, rather than operators being able to 'protect' paths as previously. Having spent over £6 billion it is inconceivable that the planning assumed the route would instantly be 'congested'.

MTR will therefore be pleased to note than a significant number of paths have been identified by Grand Union and we will continue to work with Network Rail to develop our timetable.

MTR is aware that an ESG is underway, whose role is to ensure the smooth delivery of a new timetable for all operators, and while MTR may have firm rights to its full timetable, this will be based on quantum, not hardwired rights, which would be illegal. This significant contractual change driven by Network Rail and the ORR is to ensure that the best use of capacity can be made for all operators.

Grand Union Trains has submitted its Form P and further details to the ORR, and in line with the access process the ORR will make a decision following consideration of the application.

In respect of on-going HS2 works that might impact on capacity, the ORR will take that into consideration during the application process. However, similar 'doubts' on track and station capacity were expressed by Virgin West Coast and others when Alliance sought Blackpool paths on the WCML, which proved groundless. Indeed, despite its 'concerns' on capacity, now it has lost the WCML franchise, Virgin has submitted an open access application of its own using 'capacity' that it previously stated was not there!

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In its response, MTR also quote TfL Rail and GWR as stating additional services would be impractical, and yet GWR has expressed its own interest in operating further services beyond 2020¹.

All rolling stock proposed by Grand Union will be equipped to allow it to operate at full line speed

Platforming is always a challenge at the London terminals, and the same argument has been used previously for access to King's Cross and Euston. Grand Union is well aware that the continuing (and further) delays to Crossrail has seen further costs of £650 million fall on the taxpayer², but is content that the necessary capacity exists at Paddington for its relatively small number of services.

The proposal to upgrade Severn Tunnel Junction station is one part of the investment proposed by Grand Union, which includes investment in trains and people. Unlike franchises or concessions, this is real private investment, not quasi investment from reduced premiums or increased subsidies which are commonplace at franchise renewal.

Ian Yeowart

Managing Director

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¹ GWR website (following a news release on 2 October 2019) -

² BBC news - Crossrail Delay: Line will not open until 2021 as costs increase – 8 November 2019 -

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Response to consultation – Transport for London (TfL)

TfL has expressed comments regarding its Track Access Option (of 22 September 2008 and amended on 2 September 2014) with Network Rail, although it should be pointed out that the 'Option' is actually between the Secretary of State for Transport and Network Rail, not Crossrail or TfL.

The suggestion seems to be that during this period no further access rights would be granted, but that is clearly not the position. Within the Option there are very few trains due to call at Paddington 'High Level' as clearly the seriously delayed and over budget Crossrail scheme is to link East and West parts of London with services through a new rail line under Paddington Station. The Option gives no rights to platforms, departure ranges etc., and purely provides details of quantum.

Below is the Grand Union response to MTR Crossrail for reference.

Grand Union is unable to comment on the views expressed by MTR regarding sale of access rights policy and will leave this for Network Rail to respond. However Grand Union would note that it would be unusual for Network Rail to state it would not sell any additional access rights where a route is not declared congested, which if it was, would mean Network Rail also putting in place a plan to address the matter.

Nothing in the output from the delayed GWML modernisation, states that the route is nearing congested status. Recent changes in track access contracts also give operators much less prescription than previously, with the objective of utilising the capacity better, rather than operators being able to 'protect' paths as previously. Having spent over £6 billion it is inconceivable that the planning assumed the route would instantly be 'congested'.

MTR will therefore be pleased to note than a significant number of paths have been identified by Grand Union and we will continue to work with Network Rail to develop our timetable.

MTR is aware that an ESG is underway, whose role is to ensure the smooth delivery of a new timetable for all operators, and while MTR may have firm rights to its full timetable, this will be based on quantum, not hardwired rights, which would be illegal. This significant contractual change driven by Network Rail and the ORR is to ensure that the best use of capacity can be made for all operators.

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In its response, MTR also quote TfL Rail and GWR as stating additional services would be impractical, and yet GWR has expressed its own interest in operating further services beyond 2020¹.

All rolling stock proposed by Grand Union will be equipped to allow it to operate at full line speed

Platforming is always a challenge at the London terminals, and the same argument has been used previously for access to King's Cross and Euston. Grand Union is well aware that the continuing (and further) delays to Crossrail has seen further costs of £650 million fall on the taxpayer², but is content that the necessary capacity exists at Paddington for its relatively small number of services.

The proposal to upgrade Severn Tunnel Junction station is one part of the investment proposed by Grand Union, which includes investment in trains and people. Unlike franchises or concessions, this is real private investment, not quasi investment from reduced premiums or increased subsidies which are commonplace at franchise renewal.

Ian Yeowart

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¹ GWR website (following a news release on 2 October 2019) -

² BBC news - Crossrail Delay: Line will not open until 2021 as costs increase – 8 November 2019 -

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Response to consultation – Freightliner

Grand Union is grateful to Freightliner for a number of its comments supporting elements of its application and for ease of comparison this response largely follows the form of that response.

A. Overall capacity

For the operation of its services Grand Union has identified paths and will continue to work with Network Rail on their development. All rolling stock proposed by Grand Union will be equipped to allow it to operate at full line speed.

Speeding up journey times does not necessarily have a negative impact on overall capacity, particularly if a pair of non-stop trains are flighted close to each other. This has been demonstrated on the ECML with the introduction of a significant number of additional services using capacity initially identified by open access operators.

Our application does not expect to utilise all the remaining capacity, and as has been seen elsewhere, but notably on the ECML, a significant number of paths are often found once ‘competitive tension’ is applied.

Grand Union would wish to work with all operators, both passenger and freight, to ensure delivery of a robust timetable.

B. Journey time

Grand Union is aware that its request for journey time protection would be controversial, but as a smaller operator, is seeking this inclusion to protect its commercial position. Services currently operating to South Wales from London are significantly slower than in the 1980s, and Grand Union is seeking to reverse that position. The final decision on any contract will of course rest with the ORR.

C. Flexibility of paths

As stated previously, flighting of fast trains can be key in timetabling, and with many other operators ‘clockface’ then Grand Union services seem ideally to fit into pattern. However, if ‘clockface’ is not achievable then Grand Union is content to work with Network Rail to deliver a robust timetable.

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D. Passenger demand and economical benefit

The full service proposed in phase two of the application is to meet the reasonable requests of the Welsh Government for significant improvements between London and South Wales, particularly reduced journey times and frequency.

It is vitally important to the future of the railway industry that there is a strong focus on the social, economic and Climate Change impacts that the railway offers the UK. The Welsh Government recognise that the Grand Union proposal offers substantial socio-economic benefits to South Wales, with improved connectivity, improved railway operations and a significant number of new jobs.

With road travel from South Wales having to contend with the very congested M4 corridor, and air travel non-existent, the franchise has been a monopoly supplier of fast travel to London for many years, and this can be seen in the pricing structure in place and its unwillingness to develop this part of their network, when virtually every other part from Worcester to Penzance are gaining enhanced services. InterCity rail services between London and South Wales have also been 'downgraded' over time with the addition of more and regular stops in the Thames Valley, meaning much longer journey times and significant passenger churn on the train detracting from the long-distance passengers' experience.

This lack of competition can be seen in the large growth in road coach services, where there are over 30 services a day (each way) between Cardiff and London¹, far greater than the number of coach journeys normally seen elsewhere for journeys of this nature.

The Grand Union application itself focuses not only on this monopoly, but also on the lack of development by GWR during its tenure of not expanding services² to South Wales, especially beyond Cardiff, and instead concentrating on doubling the frequency of trains to Bristol from London.

Forecast growth to Cardiff outstrips forecast growth to Bristol on every measure in the 30 year horizon from 2013 as identified by Network Rail's Long Term Planning Process³, and yet Bristol is to see its services double while Cardiff sees only a token increase in the peak. Grand Union is looking to significantly address the imbalance between Cardiff and Bristol, something that both the franchise and the DfT have had plenty of opportunity to do but, despite industry evidence, have chosen not to do so.

¹ Daily services by Megabus and National Express between Cardiff and London – sample: 18 Nov 2019

² Additional token peak trains excepted

³ Network Rail Long Term Planning Process - Long Distance Market Study 2013

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As Freightliner acknowledge, open access has been a significant success on the ECML, and with the franchise having had an uncontested monopoly on the GWML for 23 years, Grand Union believe that it is time for passengers to benefit from the innovation, price competition and different service quality that an open access operator can bring.

Unlike other current open access operators, Grand Union will be paying the Infrastructure Cost Charge (ICC) of £4 a train mile - a total charge of around £8 million p.a. with the full service, post the ramp-up phase. Grand Union plan to offer choice to passengers with a differentiated customer service offer. Grand Union consider that it is for passengers to decide which service they wish to use as happens now at a number of important locations on the ECML.

E. Duration of rights

Grand Union notes Freightliner's concerns over any future rights but is seeking rights in line with previous other passenger track access applications, particularly where significant investment, both in infrastructure and rolling stock is planned.

Grand Union is grateful for Freightliner's support for its parcels initiative, which seeks to move traffic off the roads, and is pleased to develop this important initiative alongside colleagues at InterCity Railfreight.

Ian Yeowart

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Response to consultation – GB Railfreight

GB Railfreight has commented regarding its own position on capacity in its consultation response.

For the operation of its services Grand Union has identified paths and will continue to work with Network Rail on their development. All rolling stock proposed by Grand Union will be equipped to allow it to operate at full line speed.

Further services does not necessarily have a negative impact on overall capacity, particularly if a pair of non-stop trains are flighted close to each other. This has been demonstrated on the ECML with the introduction of a significant number of additional services using capacity initially identified by open access operators.

Our application does not expect to utilise all the remaining capacity, and as has been seen elsewhere, but notably on the ECML, a significant number of paths are often found once 'competitive tension' is applied.

Grand Union would wish to work with all operators, both passenger and freight, to ensure delivery of a robust timetable.

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Response to consultation – Jon Mitchell, Special Projects Manager, Network Rail

Grand Union has responded below to the queries raised:

- Colleagues at Eversholt Rail have advised there are no reported issues with ride quality and track wear with Class 91 locomotives on the ECML. There were some historical casting issues over wheel hardness and wheelset longevity but these have been addressed. A report from 2017 describing wheel check wear on Class 91s is attached.



LUR C91 Wheel
Wear.pdf

It is also worth mentioning that Mark IV coaches have all been fitted with HALL bushes to reduce track impact and the VTAC was reduced accordingly.

- There have been no recurring OHLE problems as a result of Class 91 operation, just problems with the OHLE infrastructure itself.
- All Mark IV vehicles have retention tanks.
- Work is in progress on clearance issues for this stock.
- Work is in progress on turnaround capability at Paddington alongside the development of the Grand Union timetable.
- At 4.1 on the Form P Grand Union identifies that the service will operate 7 days a week.
- All trains will start and finish services in South Wales. At this stage no services are expected to be stabled overnight in London.
- Grand Union accepts that during its initial service plan to Cardiff electric only traction will need special consideration if routed away from the OHLE and will be discussing the options with Network Rail. However, diesel haulage of Class 91s and Mark IV coaches has been a routine operation on the ECML, so there is no reason to suppose that Network Rail will not be able to do this on the Great Western route. For its full service option Grand Union will be using bi-mode trains of its own, so the issue will not arise.

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- In respect of rescue arrangements Grand Union is considering 'thunderbird' options but will work with other operators and Network Rail on the most suitable arrangements if its application is successful.
- A Tracsis report has been provided to Network Rail with details of Class 91 and Mark IV performance. This shows the journey between Paddington and Reading can be achieved in 21 minutes.

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Response to consultation – Transport Focus

Transport Focus has made a number of supportive comments in its consultation on our application to introduce competitive services on the Great Western Main Line (GWML).

In relation to additional seating capacity provided by Grand Union, it would point out that the industry Long Term Planning Process¹ identified Cardiff and Bristol [to/from London] as being the main growth areas during the next 30 year horizon, with Cardiff outstripping Bristol in every scenario. Despite that Bristol will see its services double, while Cardiff will have to cope with just a few additional peak trains. Clearly the additional seating capacity provided by GWR does not reflect this position.

Grand Union's proposal also meets the expectations of the Welsh Government for new rail services and operations. During a recent transport conference, Ken Skates² Minister for Economy & Transport for the Welsh Government said: "*We welcome the ambition being shown by Grand Union Trains and the proposals they have put forward for trains between Cardiff and London*". He added "*The benefits of electrification of the Great Western Main Line into Wales are long overdue and will not be fully realised with the currently proposed service patterns*".

The lack of any form of competition for 23 years on the route is also significant, and points out that Passenger Focus, has a "*presumption in favour of competition*". This lack of competition on the GWML can be seen in the large growth in road coach services, where there are over 30 services a day (each way) between Cardiff and London³, far greater than the number of coach journeys normally seen elsewhere for journeys of this nature. It is instructive to note that the advent of on-rail competition on the Oxford - London corridor has seen coach competition fall dramatically.

In Italy where, after similar protective positions were adopted, and eventually overcome, NTV Italo services now compete fully on a number of main InterCity routes in the Country. In its 7 years this has seen significant private investment into new

¹ Network Rail Long Term Planning Process – Long Distance Market Study 2013

² Minister for Economy & Transport - Keynote address at the ICE Transport Conference, Wednesday 20 November 2019

³ Daily services by Megabus and National Express between Cardiff and London on 18 Nov 2019

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trains, (as is proposed by Grand Union) and average fares have fallen by 40%. This has resulted in the high-speed market doubling, and subsidy has decreased.

Network benefits are important, and Grand Union wish to be an integral, supportive and involved part of the rail network. We are in discussions with a number of parties including the Welsh Government and Transport for Wales on a number of initiatives. The current open access operations on the ECML have been of significant benefit to all passengers, as indeed will the introduction of additional and competitive services on the GWML.

The recent change in many track access contracts was undertaken to ensure further ossification of timetables was not allowed to continue. Quantum rights with less protection ensures that the infrastructure is to be used to its maximum potential, and changes in timetables are inevitable.

The reference to Llanelli and Cardiff timings refers to two separate initial and indicative timetables. Further timetable work has been undertaken including stopping patterns (following discussions with the Welsh Government) where services will now be non-stop between Swansea and Cardiff, giving journey times between Llanelli and Cardiff of around 65 minutes.

The arrival of open access services is the embodiment of any 'Putting Passengers First Programme' as regular high passenger satisfaction figures testify.

As happens with all open access operations, Grand Union will continue to work with all parties with a view to implementing its timetable that will significantly improve the overall position of rail services between London and South Wales for the benefit of passengers and taxpayers.

Ian Yeowart

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Response to consultation – Go-Op

Go-Op has made some constructive suggestions regarding this application by Grand Union and its own proposals for services that would traverse the GWML.

Grand Union has spent a significant period of time refining its application following a number of positive meetings with the Welsh Government and others.

As Go-Op will be aware, preparing detailed business cases for new open access operations is both time consuming and costly, and our current proposal has been developed to meet our (and stakeholders) known aspirations.

While we have sympathy with the position that Go-Op finds itself in, Grand Union is focussing on delivering the aspirations of passengers from South Wales, and so their proposal is not one that Grand Union could look to progress at this time.

However, like most truly commercial service operators Grand Union would be happy to discuss the issue further should the potential changes as outlined by Go-Op become a reality on the route.

Ian Yeowart

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