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19 June 2020

Catherine Horton Customer Manager Network Rail Infrastructure Ltd 1 Stratford Place Montfichet Road London E20 1EJ Shona Elkin Head of Train Planning Arriva Rail London Ltd Overground House 125 Finchley Road London NW3 6HY

Dear Catherine and Shona

Approval of the sixty eighth supplemental agreement to the track access contract between Network Rail Infrastructure Limited (Network Rail) and Arriva Rail London Limited (ARL)

1. On 6 March 2020 we approved the above supplemental agreement submitted to us formally on 4 March 2020 under section 22 of the Railways Act 1993 (the Act). This follows an earlier informal submission of a draft agreement for our consideration. This letter explains the reasons for our decision.

2. This agreement provides for an extension of the access rights of the North London Line (NLL) services which were introduced in December 2019, and approved in the 65th supplemental agreement, from Principal Change Date (PCD) 2020 to PCD 2025.

3. The access rights in the 65th supplemental agreement were approved for a shorter time period to allow more consideration of the information contained in that application and to allow for further discussion between the parties and GB Railfreight (GBRf), which had raised concerns during the industry consultation.

4. The parties explained in this application that, following the approval of the services in December 2019, they have worked collaboratively with GBRf on the concerns raised around strategic freight capacity and performance under a series of timetabling concerns. This led to a timetable exercise being undertaken to identify a standard hour freight capacity along the NLL, the outputs of which have been included in this application. This work remains ongoing to address the wider industry concerns around long-term capacity and aspirations on the NLL.

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5. The services and the time period requested had already been consulted on in the earlier consultation for the 65th Supplemental agreement, so a further consultation was not necessary.

6. We carefully reviewed the information contained in this application and the earlier application for the 65th supplemental agreement, including all the consultation correspondence. We also met with the parties on 26 February 2020 to discuss matters. Following that meeting we asked for some clarification regarding how the parties had addressed GBRf's concerns regarding off peak capacity for freight. ARL provided this information and also stressed that their intention was to provide opportunities for future freight growth while minimising the impact of this growth on the passenger service as far as possible.

7. We are satisfied that the continuation of services enabled by this application will retain the positive benefits to passengers by maintaining the improved frequency of services to meet passenger demand, ease overcrowding and mitigate poor performance caused by overcrowding.

8. We are also satisfied that Network Rail provided reasonable responses to the concerns outlined by GBRf in the industry consultation for the 65th supplemental agreement and the parties have explained the further attempts they have made since December 2019 to resolve the concerns raised.

9. While acknowledging the concerns raised by the GBRf, on balance, taking into account the efforts the parties have made to resolve the concerns raised, we are satisfied that approval of this application is in line with our statutory duties. However, we expect the parties and any affected third parties to continue to have constructive discussions to resolve any outstanding concerns and make any necessary adjustments through the timetable process.

10. When we consider access applications, we must do so in a way which we consider best fulfils our statutory duties which are set out in section 4 of the Railways Act 1993. The duties we consider most relevant in this context are to:

- protect the interests of users of railway services;
- promote the use of the railway network in Great Britain for the carriage of passenger and goods, and the development of that railway network, to the greatest extent that it considers economically practicable;
- promote measures designed to facilitate the making by passengers of journeys which involve use of the services of more than one passenger service operator; and
- enable persons providing railway services to plan the future of their businesses with a reasonable degree of assurance.



11. Under clause 18.2.4 of the track access contract, Network Rail is required to produce a conformed copy, within 28 days of any amendment being made, and send copies to ORR and the Train Operator. Please send the conformed copy to me at ORR.

12. Electronic copies of this letter, the approval notice and the agreement will be sent to Keith Merritt at Department for Transport and to Peter Craig at Network Rail. Copies of the approval notice and the agreement will be placed on ORR's public register (website) and copies of this letter and the agreement will be placed on the ORR website.

Yours sincerely

Jonathan Rodgers