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Dear Phil and Mark,

Virgin Trains East Coast (VTEC), new track access contract from December 2016 to December 2025

Thank you for the opportunity to comment on VTEC's most recent application. XCTL's response is in three parts as per the application. Unfortunately we are unable to support VTEC at this time, for the reasons outlined below.

Part A: Principal Change Date 2016 to Subsidiary Change Date 2019

We remain opposed to the Edinburgh extensions applied for under the 51st and 52nd Supplemental Agreements. Please see our previous correspondence on the subject.

We do not agree with the combination of rights being sought by VTEC, from either a capacity or a performance perspective.

As stated in various fora, XCTL believes that the most appropriate approach is for more flexible access rights, leaving sufficient capacity for all rail users; this should involve an 'either/or' approach to journey time and interval rights (or rights similar to interval, such as clockface departure). We do not support the combination of journey time protection and clockface/interval that VTEC is seeking. Indeed we note that VTEC is applying for greater protection than it currently holds, for example combining the two Leeds service groups and adding 30 minute intervals on top of the existing clockface protection. In the existing East Coast Main Line Company Limited contract the two Leeds service groups have separate rights to a clockface departure per hour, allowing Network Rail to timetable them more flexibly within the hour.

Further, we have noticed that throughout the document the proposed flex is +5. Is it the intent to have +5 only or ± 5 as is more usual?

XCTL believes, based on ongoing work between the Performance Teams in XCTL and VTEC, that it is not appropriate to have such tight interval protection in combination with journey time protection. It is generally felt that it might be better, on such a constrained corridor, to have more flexible rights in order to create the most robust timetable.

Part B: Subsidiary Change Date 2019 to Subsidiary Change Date 2020

As the custodians of the XCTL franchise, we cannot support the combination of prescriptive rights being sought on the East Coast Mainline (ECML) unless Network Rail commits, in writing, to using Part J of the Network Code in order to achieve the anticipated complete ECML timetable rewrite after Derby remodelling is complete in 2018 or 2019. This project is one of a number of large financial investments that are being made in the Network over the course of Control Period Five in order to unlock huge journey time benefits for passengers, including XCTL's. Journey time reduction could be as much as 34 minutes from the existing 3h15 from Birmingham to Newcastle and 26 minutes from the existing 5h05 Birmingham to Edinburgh Waverley. We firmly believe that the industry benefit of these investments should not be constrained by contracts let in 2015.

With regard to the quantum applied for, we believe there would need to be a surety from Network Rail that there is sufficient capacity to accommodate the huge uplift in proposed services on the Network and a better understanding of the future needs of rail customers before any access could be sold on this busy stretch of the network for such a large number of services. We believe that currently there is not sufficient information to support the proposed increase in quantum, not least because the recently produced Network Rail *ECML Capacity Options Report* omitted XCTL's Anglo-Scottish services and therefore cannot be relied upon as conclusive evidence that VTEC aspirational paths are compatible with existing services. If this was demonstrated satisfactorily then the above objection would be withdrawn.

We would also question the feasibility of a Firm Right to couple and uncouple trains at Doncaster when the performance capabilities and reliability of the new franchise rolling stock is still unknown. Doncaster has relatively few through platforms and a high volume of through traffic, with limited options for diversions. We would not consider this to be performance-robust at this stage.

Part C: Subsidiary Change Date 2020 to Principal Change Date 2025

The points raised in Part B apply equally to Part C.

In addition, XCTL does not believe it is reasonable for a franchised operator to have such prescriptive rights during this period, as it would seem to be an unnecessary constraint on future capacity given that much of what will operate in Control Period Six remains unknown. Quantum Only rights would seem sufficient, enabling flexibility in capacity, with the option for these to be further protected later on as the picture becomes clearer.

We note that VTEC has applied for a progressive tightening of Journey Time Protection based on Network Rail's projected infrastructure enhancements over the course of Control Period Five. XCTL would firmly support and commend this approach. It is one that we intend to take in our future contractual discussions with Network Rail as a potentially effective way of ensuring benefits from journey time improvement investment is realised – and business cases thereby proved – for all railway users.

As ever, in our response to VTEC applications, we would formally request that any new services, and services with altered calling patterns, would continue to form part of the ongoing pro-active management plan for services north of York, which was developed jointly and is being used to some success by Network Rail.

Yours sincerely,



Tamzin Cloke
Track Access and Possession Strategy Manager