

Darren Horley
West Coast Trains Limited
By email

Network Rail
6th Floor
One Eversholt St
London
NW1 2DN

22nd May 2015

Dear Darren,

Section 18 Application: Great North Western Railway (GNWR)

Thank you for your response dated 10th May 2015 to the consultation on GNWR's proposed Section 18 track access application. For clarity, this Section 18 application is for a reduced number of rights contained in the previous applications made by Alliance on the 28th October 2010, 7th December 2011, 17th February 2012 and 11th June 2014..

We note that West Coast Trains ("WCT") *"remains of the strong view that the concerns expressed in its letter are still outstanding as your letter dated the 22nd July 2014 failed to adequately address those raised"*. We disagree with your assertion and note that we have responded fully to WCT in the past. We also note that since our response to you of the 22nd July 2014. WCT did not raise any further concerns until now.

For clarity, we have responded on each point raised by reference to your paragraph numbers. It has been difficult to respond to your queries as you have not made reference to the specific quotations or documents to which you refer.

Para 1.1

You state that *"GNWR clearly state that "a significant amount of time to evaluate capacity"; this completely contradicts the statement that "it's not possible to include a detailed timetable"* Unfortunately we cannot find the exact quotation to which you refer.

The form P application form actually states the following:

"The rights sought had previously been agreed with Network Rail following a significant period of evaluation on the available capacity. As rights sought are for quantum of services, it is not appropriate (nor is it possible) to include a detailed timetable to demonstrate how the available capacity will be used; however an indicative timetable is attached so that consultees have visibility of proposed journey times, stopping patterns etc. The rights are intended to be

flexible for the industry so that the West Coast Event Steering Group (WCEESG) can realise the best use of capacity.”

This application will be the fifth application made by Alliance alone. There has been a significant amount of work on the capacity over the years which has indicated that there is at least one long distance high speed path available. In the current timetable structure this is nominally :

- Down (departures): xx.33, xx.36, xx.57
- Up (arrivals): xx.02, xx.30, xx.43

This capacity will be released as part of the WCML timetable recasts– this has been discussed in depth at the WCML Event Steering Group. For reference the capacity study that was undertaken is attached.

We note your specific comments that relate to the need to see a specific timetable output. In developing this proposal the ORR has asked Network Rail¹ to indicate capacity at a high level rather than developing a specific timetable, the reason for this is to free up capacity as part of a timetable recast and take full advantage of greater flexibility in contracts in order to optimise the timetable. The capacity and performance reports to which you refer indicate the worst case scenario with the Blackpool services fitting round the current service structure. A recast will optimise this and allow the business case benefits of the Norton Bridge enhancements to be partly realised. For clarity Network Rail is confident that the capacity exists and that Network Rail is content to sell this again.

Para 1.2 Flexibility

The purpose of having greater flexibility in contracts is to optimise the timetable for all operators . Network Rail can use the flex it has in this contract to move trains should the need arise. West Coast Trains have the protection under part D of the Network Code in particular D4.6. That said West Coast Trains do not have the sort of protection on clockface or journey times that you state that you expect. Please rest assured that we will work with all operators to deliver a recast in a fair and transparent manner and in accordance with the Network Code.

Para 1.3

You have asked *“Where else has /will anticipated new infrastructure prior to December 2016 release capacity / enhance robustness”*. Your question is not relevant as the application is for services to commence from December 2017.

¹ Network Rail stage 3 Capacity and Performance Report – 22nd October 2013

You also ask “how will Norton Bridge alone release a complete path(s) between London Euston and the North West?”

Norton Bridge alone will not release the capacity, the rationale adopted by Network Rail is that following completion of enhancement schemes (such as Norton Bridge which allows 2 additional long distance high speed services to operate between London and the North West) capacity will be released and the WCML timetable will need to be optimised by a recast from December 2016. In addition, Network Rail has invested in infrastructure reliability enhancements at the south end of the WCML to deliver a more robust service in CP5, which of course has also allowed WCT to apply to introduce new Shrewsbury and Blackpool services.

Para 1.4

You ask the question “*Please could you demonstrate Network Rail is being consistent by sharing the rationale behind the two applications i.e. why a previous sale was not accepted but now is?*”

The reasons as to why Network Rail were not prepared to sell the capacity was fully explained as part of the consultation process for the extra WCT services. The GNWR proposal is different in that it will benefit from the infrastructure enhancements at Norton Bridge and it is dependent upon a recast. The Virgin services were not subject to a recast nor would the Norton Bridge enhancements have been completed.

Para 1.5

We are unable to find the direct quotation that you make “*Our indicative timetable shows these slots for the most part*”. That said your question seems to relate to timetabling. We note your specific comments that relate to the need to see a specific timetable output. In developing this proposal the ORR has asked Network Rail² to indicate capacity at a high level rather than developing a specific timetable, the reason for this is to free up capacity as part of a timetable recast and take full advantage of greater flexibility in contracts in order to optimise the timetable. The capacity and performance reports to which you refer indicate the worst case scenario with the Blackpool services fitting round the current service structure. A recast will optimise this and allow the business case benefits of the Norton Bridge enhancements to be partly realised.

² Network Rail stage 3 Capacity and Performance Report – 22nd October 2013

For clarity Network Rail is confident that the capacity exists and that Network Rail is content to sell this capacity

Para 1.6

Network Rail is willing to enter into a ten year contract in this instance because of the significant investment being made in the rolling stock. We review each proposal on its own merits. Indeed, this position was suggested by the ORR resulting in the earlier applications of five years being amended to ten years.

Para 1.7

Network Rail as Infrastructure Manager has applied a great deal of due diligence and scrutiny to this application. There have been at least 6 performance reports over the years and both the present application and the one made in June 2014 were subject to SoAR scrutiny. Network Rail does not provide details of the SoAR panel discussion or scrutiny for other operators. This principle was put to and accepted by members of the RDG Access Rights Sub Group.

Para 1.8

We note your comments. We do not agree that WCT require confirmation and assurance from the users of this station. Such an approach would be highly irregular. With regard to GNWR being allowed to call at this station, the normal legal rules regarding access to this station will be adhered to. Discussions between GNWR and TfL have been held and more will be arranged.

Para 2.1 Performance

We note your comments in relation to performance and in particular the rejection by the SoAR panel for WCT own additional services from December 2013. For clarity Network Rail is able to support the GNWR proposals because of the capacity and performance enhancements which will be delivered before these services operate (such as Norton Bridge which allows two additional long distance high speed services to operate between London and the North West). In addition, the planned timetable recast will allow better use of capacity through Network Rail's ability to flex all operators including the future franchise operator

The WCML capacity allocation process that commenced in 2010 has produced at least six reports that have identified capacity and assessed the performance implications. For clarity Network Rail is confident that the rights sought can be delivered and delivered robustly. All copies of the capacity and performance reports have been made available to WCT.

Para 2.2

Please can you provide details of when and what you have requested so we can assess whether your question is one that Network Rail can answer.

Para 2.3

The application is not seeking firm rights over lines E and X, the ops planners have assessed the planned services and the route has assessed the practical and performance implications of the train terminating at Queens Park. The findings show that a 20 minute dwell in Kilburn Goods Loop is available, as long as a 4 minute dwell at Queens Park in the southbound direction, and a 2 minute dwell in the northbound direction. A crossing move at North Wembley from slow to fast is also achievable within the current timetable.

Para 2.4

This application is consistent with ORR policy, it seeks quantum only rights, and capacity exists for the paths sought. The Event Steering Group will consider the timetable during the HS2 construction phase given reduced capacity at Euston. As this application does not seek firm rights into Euston, and we have confirmed that capacity exists from Queens Park northwards, there is no reason not to agree to this application at the present time and grant rights in advance of the ESG. You will be aware that WCT's own TAC contains rights until 2022, also granted in advance of the ESG

Para 2.5

GNWR would prefer to operate trains to Euston rather than Queen's Park. However, Network Rail is currently unable to agree to firm rights to operate into Euston owing to the uncertainty surrounding changes to the station in connection with the development for HS2. GNWR believes it is more likely now that off-peak access to Euston will be possible, at least between 2017 and 2022. However, until this is more certain, GNWR has to work on the assumption that another terminus is required.

Queen's Park, offers the following:

- existing Slow Line platforms
- a turn-back facility (the Up and Down Kilburn Goods Loop)
- good interchange with London Underground and Overground services.

If GNWR needs to use Queen's Park for a significant period (i.e. other than for a period of engineering works) it is prepared to invest in facilities to enhance the station and access to/from over train services. Initial discussions with London Underground have been held and there is no fundamental issue preventing use

of the station. More detailed discussions about the nature of the facilities required are planned.

Network Rail has examined GNWR's proposals and accepts that, subject to adjusting a London Midland train within existing contractual flex, there is at least one path an hour into and out of Queen's Park, including time to enter/exit the Kilburn Loop. Off peak, this will have no significant impact on performance.

Conclusions

We note your comments but disagree that Network Rail has "*entered into this section 18 without sufficiently assessing the impact these services may have on the existing sub optimal performance levels*". This application and the previous applications made by other operators have been scrutinised as part of the WCML capacity allocation process and Network Rail's SoAR panel. There have been six capacity and performance reports over the years. Network Rail's October 2013 report 'West Coast Main Line and Trans Pennine Capacity and Performance Assessment' concluded that there were three possible paths from and to Euston.

We note that you also allege that Network Rail's SoAR panel has been inconsistent when assessing WCT Trains previous Section 22A Application in 2013. Again we disagree with this. The applications made by GNWR and WCT are very different. The SoAR panel has considered each application on its merits. The proposals have been scrutinised in a fair and consistent manner.

Finally, this is now the fifth consultation undertaken by Alliance/GNWR on proposals to operate from Blackpool to London. Network Rail is fully supportive of GNWR's application and content that the rights sought can be accommodated both in terms of capacity and performance. We are also very supportive of the new connectivity and quality benefits for passengers for the North.

Yours sincerely,



Rachel Gilliland

Head of Commercial Freight