

Richard Gusanie
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17th May 2013

Dear Richard

Consultation – contingency planning for implementation of the 2013 periodic review (control period 5).

Thank you for the opportunity to comment on the proposed arrangements in the event that there is a delay to the implementation of the periodic review.

We agree to the proposal that, in the event of delay to the formal implementation of the 2013 periodic review, the most practical course of action is to implement the PR13 review notices whilst any issues are resolved. Then, depending on the resolution of any issues, there may be a need to issue new review notices.

In the event of such a delay, it is unlikely that we will have developed a plan by the end of CP4 that delivers the required outputs for the funding provided in ORR's final determination. While we will continue to drive down costs, it would be uncertain whether could achieve both the assumed cost reductions and the required outputs.

We would therefore need to agree with ORR the most appropriate basis for developing our CP5 Delivery Plan. In particular, we would need to agree the approach for the investment programme so that we minimise the impact of any delay, while recognising that the delay could result in subsequent changes to the agreed programme.

Yours sincerely

A handwritten signature in blue ink that reads "Charles Roberts".

Charles Roberts
Director, Planning & Regulation

