

APPLICATION TO THE OFFICE OF RAIL REGULATION FOR A CONNECTION CONTRACT, OR AMENDMENT TO A CONNECTION CONTRACT, UNDER SECTIONS 17, 18 AND 22 OF THE RAILWAYS ACT 1993.

1. Introduction

This form is for parties applying for a connection contract that is not covered by ORR's general approval. Connection contracts set out the rights and obligations of the parties for the on-going maintenance of connections between two railway networks. New connection contracts, or changes to existing contracts, do not need to be submitted to us for specific approval if they fall under the terms described in our general approval. We have powers to generally approve new connection contracts under section 18 of the Act and amendments to existing connection contracts under Section 22 of the Act. Parties to such contracts should send us a copy of the signed contract when it is entered into for addition to our Public Register and indicate if any redaction is required.

Please use this form to apply to us for:

- Directions under section 17 of the Railways Act 1993 for a new connection contract. Section 17 allows a facility owner, who wants the right to use a railway facility, to apply to ORR for a connection contract if they are not able (for whatever reason) to reach agreement with the other party.
- Approval under section 18 of the Railways Act 1993 for a new connection contract. Section 18 allows facility owners to apply for approval if they have agreed terms to be connected to another facility owner's network. Only apply under section 18 if your contract does not fit under the terms of the General Approval.
- Approval of a proposed amendment (agreed by both parties) under section 22 of the Railways Act 1993 to an existing connection contract approved by us, if not covered by the General Approval.

We have published a 2014 model connection contract. You should use it as your starting point when agreeing the terms of a connection contract. We recommend that the parties to a proposed connection contract consult our C&Ps to better understand our regulatory requirements before applying.

“Facility Owner 1” will carry out a pre-application consultation (as at part 4 of this form). Please complete sections 2 & 3 of this application form before consultation. You should fill in the rest of the form after the consultation and before applying to ORR.

We would be happy to have a pre-application meeting with you before you apply. Please contact us [here](#) if you wish to do so. You can download a copy of this form, and of ORR's model connection contract, from our website: www.rail-reg.gov.uk.

All the boxes below are expandable.

2. The application

2.1 Title of contract or amendment (please also include the section of the Railways Act 1993 under which you are applying):

Connection Contract relating to Three Bridges Light Maintenance Depot. Application made under Section 18 of the Railways Act 1993.

2.2 Contact details (Company and named individual for queries):

| <u>Facility Owner 1 ("Network Rail")</u> | <u>Facility Owner 2 ("Adjacent Facility Owner")</u> | <u>Facility Owner 3 ("Head Adjacent Facility Owner")</u> |
|--|--|--|
| Company: Network Rail Infrastructure Limited | Company: Govia Thameslink Railway Limited | Company: Siemens plc |
| Contact individual: [REDACTED] | Contact individual: [REDACTED] | Contact individual: [REDACTED] |
| Job title: Senior Programme Manager | Job title: Depots Delivery Manager | Job title: Project Director Three Bridges |
| Address: Network Rail, London James Forbes House, 27 Great Suffolk Street, London, SE1 0NS | Address: Govia Thameslink Railway Limited, London James Forbes House, 27 Great Suffolk Street, London, SE1 0NS | Address: Siemens plc Mobility Division, Rail Systems The Podium, 1 Eversholt Street, London, NW1 2DN |
| Telephone number: [REDACTED] | Telephone number: [REDACTED] | Telephone number: [REDACTED] |
| Fax number: [REDACTED] | Fax number: [REDACTED] | Fax number: [REDACTED] |
| E-mail address: [REDACTED] | E-mail address: [REDACTED] | E-mail address: [REDACTED] |

2. The proposed contract or amendments not covered by the general approval

2.1 Departures from ORR's model connection contract: please set out and explain why any departures from ORR's published model connection contract have been made. If the annual charge is above £50,000, or the liability cap is below £500,000 or above £1,300,000 then it falls outside the general approval. If the annual charges are above £50,000 please provide a breakdown of the costs.

The proposed departures from the ORR model connection contract are shown in red on the attached comparison document and are further outlined in the attached commentary.

There are a number of principles that underlie the majority of these changes:

1. The model contract refers to the connection being maintained in accordance with an "Initial Condition Statement". However, it has been agreed between the parties that an "output based" approach to the maintenance of the connections is more appropriate for Three Bridges.
2. The Proposed Contract is a tri-partite agreement between Network Rail, Govia Thameslink Railway Limited (GTR) and Siemens plc, with GTR being the Adjacent Facility Owner and Siemens being the Head Adjacent Facility Owner for the purposes of the Connection Contract. The only reason that Siemens is included as a party to the Connection Contract is to enable it to have rights to remedy a breach by the Adjacent Facility Owner (clause 7.11) and step into and take over as Adjacent Facility Owner under the

Connection Contract (clause 8.8). Once it has taken over the Contract it may assign to a new licensed facility owner at the direction of the relevant franchising authority, or novate the Contract to a new under-tenant who will become the licensed facility owner (clause 14).

Please refer to the attached comparison and commentary for further details.

2.2 Terms not agreed with the other party (for applications under sections 17 only): please set out here any areas of the application which have not been agreed and why, and the reasons for seeking these provisions.

Not applicable.

3. Other

3.1 Associated applications to ORR: please state whether this proposal is being made in parallel with, or relates to, any other current or forthcoming application to ORR (e.g. in respect of track or facility access contract).

Another Connection Agreement is required to document the connection of the Balfour Beatty leased site to the Three Bridges Depot Network which will follow this application. This agreement will be between GTR (as Depot Facility Owner), Southern Track Renewals Company Limited (as Adjacent Facility Owner), and Siemens.

3.2 Supporting information and side letters: please:

- state here any relevant information in support of the proposal, including a list and explanation of any other material being submitted (and supply copies with the application); and
- confirm here that the whole of the proposal between the parties has been submitted with this application and that there are no side letters or other documents which affect it.

Three Bridges depot has been identified as one of two facilities which will be home to the new Class 700 fleet of trains and will play an important part in the overall £6.5 billion Thameslink Programme.

Siemens is delivering 1,140 new rail carriages and associated maintenance as well as one new Light Maintenance Depot at Three Bridges and modification and extension to the existing Light Maintenance Depot at Hornsey.

The Class 700 will play a crucial role in London's infrastructure, as by the end of 2018 the trains will flow in and out of central London every 2-3 minutes at the busiest times, giving a Tube-like service of up to 24 trains per hour in each direction. The Depot will therefore play an important part in the servicing and maintenance of these new trains that will benefit passengers using these services, proving additional capacity to GTR and Siemens in the stabling, servicing and maintenance of their passenger rolling stock.

The parties may agree revisions to the lease plan, based on as built plans prior to the 29th July 2016 when the lease will be granted at Three Bridges pursuant to the Depot Agreement for Lease dated 27th June 2013.

3.3 Confidentiality exclusions: please list any parts of your application which you have excluded on the grounds of confidentiality, from the version of the application sent to consultees for any pre-application consultation process, and provide reasons. If there has been no pre-application consultation, you should state any parts of the application you want us to exclude from publication.

Schedules 2, 3 and 5 were redacted from the copy provided to consultees as they contain confidential information.

Note: Where a pre-application consultation the remainder of this application should not be completed until after that consultation has been completed. Please note that Annex A of ORR's C&Ps¹ sets out some principles for conducting industry consultations. Although it refers to track access contracts, similar principles apply to connection contracts.

¹ [Criteria and Procedures for the approval of track access contracts](#)

4. Pre-application consultation

4.1 The consultation: has a pre-application consultation been carried out in line with the Industry Code of Practice found in Annex A of the C&Ps? If yes, please:

- state who conducted the consultation;
- list all train operators and any other parties that were consulted, stating which parties responded and attach their responses and any associated documentation to this form; and
- state the period allowed for the consultation. If this was less than 28 days, please explain the reasons for this.

If a pre-application consultation has not been carried out, please explain why, and whether any informal discussions have been held with any third parties who might be affected by this application and the nature of any concerns which they raised.

Matthew Hill, Station and Depot Portfolio Manager for Network Rail carried out an industry consultation in accordance with Annex A of the C&Ps between 18th March and 15th April 2015 (28 days). The consultation period was extended for a further period to 27th April to allow more time for consultees to respond.

The below table lists all of the consultees and provides a summary of the responses received.

| Operator | Comment | Date of response |
|---------------------|--|------------------|
| Cross Country | No Comment | 25/04/2015 |
| East Midlands | | |
| FGW | We have no objection thank you. | 30/03/2015 |
| East Coast | I have no comments | 14/04/2015 |
| Grand Central | | |
| Hull Trains | No comment. | 13/04/2015 |
| Greater Anglia | | |
| London Midland | No comments from LM | 22/04/2015 |
| LOROL | LOROL has no comment to make regarding this matter | 22/04/2015 |
| LSER | | |
| Southern | No Comment | 14/04/2015 |
| SSWT | | |
| Freightliner | | |
| GB Railfreight | No issues from GB Railfreight. | 20/04/2015 |
| West Coast Railways | no comments | 20/04/2015 |
| Hutchinson Ports | Please be advised that Hutchison Ports UK (HPUK) has no comment to make in respect of this proposal. | 13/04/2015 |

| | | |
|---------------------------------------|--|------------|
| MDS Transmodal | | |
| Rail Freight Group | No Comment | 20/04/2015 |
| Colas | | |
| Harsco Rail | There is No comment from Harsco Rail | |
| DB Schenker | <p>Stuart Smith: DB Schenker has no objection to this CC, but I do have a few comments which you may care to consider.</p> <ul style="list-style-type: none"> • The agreement does not appear to conform to the standard MCC, so presumably you will submit this under the s18 process rather than as a General Approval. I would have expected to see the required ORR application form which, amongst other things, would list and justify the variances from the MCC. • The plan appears to have a number of errors – namely the Connection Points seem to be in the wrong places. This may or may not affect the charge payable. I assume the charges have been calculated using the standard NR matrix, so even these, if redacted, will be readily ascertained. • I fail to see the reason for the redaction of the Adjustment Factor Formula, the liability regime, and particularly the contact details. Perhaps you could explain? | 20/04/2015 |
| Direct Rail Services | | |
| DC Rail | no comment | 13/04/2015 |
| Maritime Transport | | |
| Charter Train Operators (DEFAULT ALL) | | |
| HS1 | | |
| First Group | We have no objection thank you. | 30/03/2015 |
| Pre Metro Operations | No comment. | |
| Alliance Rail | Alliance has no comments | 20/04/2015 |
| Renaissance Trains | | |
| ORR | | |
| DfT (5) | | |
| TfL & Mayor (1) | TfL has no comment on this consultation | 15/04/2015 |
| TfL & Mayor (2) | | |
| London Travel Watch | | |
| Passenger Focus | Passenger Focus has no comments to make, but supports the application. | 20/03/2015 |

Regarding the comments made by Stuart Smith of DB Schenker, further information was shared as to the need for departures from the model contract. As a result of further discussions, which are included in the appendix to this form, the proposed Plan was amended to conform with standard formatting.

4.2 Resolved issues: please set out any issues raised by consultees which have been satisfactorily resolved. You may wish to refer to responses attached to this form. Please explain any changes as a result of the consultation.

None of the consultees raised any issues in relation to the grant of this connection contract. As noted above, further correspondence was exchanged with Stuart Smith following comments received on the drafting which have subsequently been resolved.

4.3 Unresolved issues: please set out any issues raised by consultees which have not been satisfactorily resolved, including any correspondence with that consultee. You may wish to refer to responses attached to this form. Please explain why you think these issues should not stop ORR approving the application.

None.

5. Certification

Warning: Under section 146 of the Railways Act 1993, any person who, in giving any information or making any application under or for the purposes of any provision of the Railways Act 1993, makes any statement which he knows to be false in a material particular, or recklessly makes any statement which is false in a material particular, is guilty of an offence and so liable to criminal prosecution

In the case of agreed applications under section 18 or 22, each Facility Owner should fill in separately the required information in the boxes below. For disputed applications under section 17, the applicant should fill in the required information. NB for ease of submission this application may be signed in counterparts.


| | |
|---|--|
| <p>Facility Owner 1: I certify that the information provided in this form is true and complete to the best of my knowledge</p> | |
| <p>Signed <i>Andy MacGregor</i></p> | <p>Date <i>12:06:15</i></p> |
| <p>Name (in caps) <i>ANDY MAC GREGOR</i></p> | <p>Job title <i>SENIOR PROGRAMME MANAGER</i></p> |
| <p>For (company) <i>NETWORK RAIL INFRASTRUCTURE LIMITED</i></p> | |
| <p>Facility Owner 2: I certify that the information provided in this form is true and complete to the best of my knowledge</p> | |
| <p>Signed <i>W</i></p> | <p>Date <i>12 JUNE 2015</i></p> |
| <p>Name (in caps) <i>W COLLISON</i></p> | <p>Job title <i>DELIVERY MANAGER</i></p> |
| <p>For (company) <i>GTR</i></p> | |
| <p>Facility Owner 3: I certify that the information provided in this form is true and complete to the best of my knowledge</p> | |
| <p>Signed <i>Ruth Humphrey</i></p> | <p>Date <i>12/6/15</i></p> |
| <p>Name (in caps) <i>RUTH HUMPHREY</i></p> | <p>Job title <i>PROJECT DIRECTOR</i></p> |
| <p>For (company) <i>SIEMENS</i></p> | |

6. Submission

6.1 What to send: please supply, in hard copy, the signed application form, one copy of the proposed contract or amendment, with copies of any documents incorporated by reference (other than established standard industry codes or other documents) and any other attachments, supporting documents or information.

Please also supply the application form, the proposed contract or amendment and, where possible, any other supporting information, in electronic form, by e-mail to track.access@orr.gsi.gov.uk. Please supply one "comparison" document (comparing the agreed contract to our model connection contract) and one plain copy of the agreed contract.

6.2 Where to send it:


Track Access Manager
Railway Markets and Economics
Office of Rail Regulation
One Kemble Street
London
WC2B 4AN

Email: track.access@orr.gsi.gov.uk