

David Reed
Senior Executive, Access and Licensing
Telephone: 020 7282 3754
Email: david.reed@orr.gsi.gov.uk



OFFICE OF RAIL AND ROAD

1 December 2017

Amanda Mint
Customer Relationship Executive
Network Rail Infrastructure Limited
Singlewell Infrastructure Maintenance Depot
Henshurst Road
Cobham
Kent
DA12 3AN

Jason Lewis
Head of Rail Network Strategy
Eurostar International Limited
Times House
5 Bravington's Walk
London
N1 9AW

Dear Amanda and Jason,

Approval of the fourth supplemental agreement to the track access contract between Network Rail Infrastructure Limited and Eurostar International Limited

1. The Office of Rail and Road (ORR) has today approved the fourth supplemental agreement to the track access contract between Network Rail Infrastructure Limited (Network Rail) and Eurostar International Limited (Eurostar) submitted to us formally on 1 December 2017 under section 22 of the Railways Act 1993 (the Act). This follows an earlier informal submission of a draft agreement for our consideration. The purpose of this letter is to set out the reasons for our decision.

Purpose of the agreement

2. Eurostar's current track access contract with Network Rail provides it with access over a short section of Network Rail's infrastructure to enable the connection of Ashford International Station with the High Speed One network.

3. This supplemental agreement extends the current Eurostar track access agreement from the Principal Change Date in December 2017 to the Principal Change Date in December 2022, allowing for the continuation of these rights.

4. The agreement also provides the rights for a small number of additional Eurostar services from the Principal Change Date in December 2017 and further additional rights from April 2018 when Eurostar's new Class 374 units will be able to access Ashford International.



INVESTOR IN PEOPLE

5. The contract extension includes quantum only rights and removes the additional protections including journey times in the existing contract. This is in line with Network Rail's policy since September 2015 of agreeing more flexible access rights for operators than it has previously.

Consultation

6. Network Rail consulted the industry on this supplemental in October 2017. No consultees objected to the proposals. London & South Eastern Railway Limited (Southeastern) sought confirmation from Network Rail that the current levels of maintenance for the High Speed connection would continue to be sufficient with the additional access. Network Rail confirmed that the proposal had been reviewed and was satisfied that the increase would have no impact in terms of increased maintenance or access requirements.

ORR's review

7. We reviewed the application and it did not raise any operational or economic concerns.

8. We provided a number of minor contractual drafting comments to the parties, which were reflected in the final supplemental agreement submitted for approval.

ORR's conclusions

9. Following our review of the application, we are content that there are no operational, performance or economic concerns which should preclude our approval.

10. In considering the agreement and in reaching our decision, we have had to weigh and strike the appropriate balance in discharging our statutory duties under section 4 of the Act. We have concluded that approval of this agreement is consistent with our section 4 duties, in particular those relating to:

- protecting the interests of users of rail services;
- promoting the use of the railway network in Great Britain for the carriage of passengers and goods, and the development of the railway network, to the greatest extent that ORR considers economically practicable;
- contributing to the development of an integrated system of transport of passengers and goods;
- promoting competition in the provision of railway services for the benefit of users of railway services; and
- enabling persons providing railway service to plan the future of their businesses with a reasonable degree of assurance.

Conformed copy of the track access contract

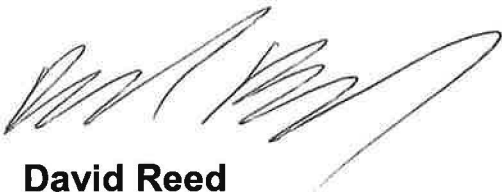
11. Under clause 18.2.4 of the track access contract, Network Rail is required to produce a conformed copy, within 28 days of any amendment being made, and send copies to ORR and Eurostar. ORR's copy should be sent for my attention.

Public register and administration

12. In accordance with section 72 of the Act, we will place a copy of the approval notice and the agreement on our public register. The parties have not asked us to redact anything (as provided for by section 71(2) of the Act) prior to placing it on the register.

13. Copies of this letter, the approval notice and the agreement will be sent to Keith Merritt at the Department for Transport. Copies of this letter and the agreement will be placed on the ORR website. I am also copying this letter without enclosures to Peter Craig at Network Rail.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Reed', is written over a light blue horizontal line. The signature is fluid and cursive.

David Reed