

Notice of proposals to modify Network Rail Infrastructure Limited's network licence

ORR hereby gives notice under section 12(2) of the Railways Act 1993 of proposals to modify Network Rail Infrastructure Limited's network licence. The purpose of these modifications is to ensure that the licence is clear, up-to date and fit for purpose. Modifications are therefore proposed to all conditions in the licence.

A detailed explanation of the proposed modifications, the effects of those modifications and our reasons for proposing them is set out in our 19 December document "Review of the network licence: statutory notice of proposed modifications", to which this notice is annexed. A version of the licence incorporating all of the proposed changes is available on our website at http://www.rail-reg.gov.uk/upload/pdf/cons-NR netwrk lic.pdf.

The modifications will have the effect of:

- retaining the current network stewardship obligation at the heart of the licence and to extend the purposive approach to other parts of the licence;
- strengthening that obligation to emphasise Network Rail's planning, capacity allocation and asset management roles, and to clarify Network Rail's role in running an efficient and effective industry timetabling process;
- strengthening the current "dependent persons" condition to give Network Rail a more purposive obligation to treat a wider range of stakeholders appropriately;
- increasing the transparency of Network Rail's management incentive arrangements;
- ensuring the financial conditions are suitable for the company going forward and provide adequate protections against importing undue risk into the core regulated business; and
- making the licence clearer and more coherent.

Please send any comments about the proposed modifications by 5 February 2009 to: abigail.grenfell@orr.gsi.gov.uk

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