

East Coast Main Line Company Limited East Coast House, 25 Skeldergate York Y01 6DH

virgintrains**eastcoast**.com

George Thomas First TransPennine Express 7th Floor Bridgewater House 60 Whitworth Street Manchester, M1 6LT

22 June 2015

Dear George,

RE: Virgin Trains East Coast (VTEC) Section 17 Application

Thank you for your email dated 8th April 2015. The purpose of this letter is to respond to your comments. Please accept my apologies for the delay in responding.

We understand that bidders for the new Trans-Pennine Express (TPE) franchise may have aspirations to increase service frequency north of York to Newcastle and Middlesbrough. Once the franchise is awarded, we would expect a track access application to follow very shortly after. Bidders for TPE will have clear sight of VTEC's proposals via the ORR website which reflects the requirements of the Inter City East Coast Franchise Agreement.

VTEC believes that qualitative protections sought (e.g. journey time protection) are appropriate. VTEC requires this protection as long distance revenue is extremely sensitive to changes in journey time. The journey times of our flagship services to serve the core markets of Leeds, Newcastle and Edinburgh are essential to deliver the premia required by government, thus reducing the overall burden of rail on the UK taxpayer.

Qualitative protections are not exclusive to VTEC and all operators can seek such protections. VTEC notes that Alliance Rail and Cross Country have also sought such protections in recent applications.

Yours sincerely

Phil Dawson Regulation & Track Access Manager

cc Mark Garner, Network Rail David Reed, ORR