21 November 2017

Dear Steven and Lee

Approval of the 72nd supplemental agreement to the track access contract between Network Rail Infrastructure Limited and First MTR South Western Trains Ltd (SWT) (jointly “the parties”)

1. We have today approved the above supplemental agreement submitted to us formally on 21 November 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.

2. This agreement converts the contingent rights granted under the 71st supplemental agreement (1 new SX peak Clapham Junction to Waterloo Service) to firm rights and up to the expiry of the parties’ track access contract.

3. Network Rail undertook the normal industry consultation ending on 6 October 2017 and received no objections.

4. Our review identified no issues and we are satisfied that approval is in accordance with our statutory duties under section 4 of the Railways Act 1993. We identified some minor drafting issues and put this to the parties with our suggestions to improve the drafting quality. The parties have agreed to our comments and amended the agreement accordingly for the formal submission.

5. 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 supplemental agreement is consistent
with our section 4 duties, in particular those relating to protecting the interests of users of railway services (section 4(1)(a)), promoting the use of the railway network for the carriage of passengers (section 4(1)(b)) and enabling persons providing railway services to plan their businesses with a reasonable degree of assurance (section 4(1)(g)).

6. 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 the Train Operator. Please send the conformed copy to me at ORR.

7. Electronic copies of this letter, the approval notice and the agreement will be sent to Keith Merritt at Department for Transport and Peter Craig at Network Rail. Copies of the approval notice and the agreement will be placed on ORR’s public register (website) and copies of this letter and the agreement will be placed on the ORR website.

Yours sincerely

Michael Albon