Dear Richard and Rob

Approval of the 31st supplemental agreement to the track access contract between Network Rail Infrastructure Limited (Network Rail) and First Greater Western Limited (GWR) (jointly “the parties”)

1. We have today approved the above supplemental agreement submitted to us formally on 8 May 2019 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. The purpose of this agreement is to provide GWR with additional rights for its May 2019 timetable. This includes:

   - 1 x SX from Plymouth to Exeter St Davids (Firm rights are sought until 0159 on Principal Change Date 2019)
   - 1 x SX from Exeter St Davids to Plymouth (Firm rights are sought until 0159 on Principal Change Date 2019)
   - 7 x SX from Penzance to Plymouth
   - 7 x SX from Plymouth to Penzance
   - 1 x SUN from Weymouth to Westbury (between 19/05/19 to 20/10/19 and 30/03/20 to 25/10/20) in place of existing Frome to Westbury
Due to the earlier running of the Weymouth to Frome service, the Yeovil Pen Mill signal box on the Wessex Route will be opened earlier for an additional hour. GWR has agreed to fund this and so an amendment is made under this agreement to reflect that.

3. Industry consultation was undertaken from 12 February 2019 to 12 March 2019 with supportive responses received from Renaissance Trains, Transport Focus and South Western Railway. XC Trains Ltd objected to GWR’s proposal for Firm rights for new services in Devon and Cornwall. GWR proposed a compromise by offering an earlier termination of the two rights between Exeter St Davids and Plymouth to the Principal Change Date 2019 with all other rights remaining Firm to the end of the contract. XC Trains Ltd accepted this proposal and withdrew its objections.

4. We raised some queries on the application including the parties’ proposal to use RPI in the indexation formula on the signal box charge for Yeovil Pen Mill, given the change to RPI adopted for CP6. The parties advised that this was an error and amended the agreement accordingly. We also sought some details on the additional Westbury - Weymouth right as the information in the Form P did not clearly support the changes in the agreement. The parties provided the necessary clarification and we were content. There were some minor drafting issues which we highlighted to the parties with our recommended suggestions. These were accepted and incorporated into the agreement submitted 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 to 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