2 April 2019

Dear Ian and James

Approval of the 7th supplemental agreement to the track access contract between Network Rail Infrastructure Limited (Network Rail) and West Coast Railway Company Limited (jointly, “the parties”)

1. We have today approved the above supplemental agreement submitted to us formally on 29 March 2019 under section 22 of the Railways Act 1993 (the Act).

2. This agreement corrects an error made in the PR18 review notice relating to the indexation of the variable usage charge in Schedule 7 of the parties’ Track Access Contract. A slightly different indexation formula should have been applied to reflect the variable usage charge rate for West Coast Railway Company Limited will be phased and capped over CP6. The amendments shall be applied retrospectively from 1 April 2019.

3. No industry consultation was undertaken as the changes do not have any material impact on any other operating company.

4. 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)).
5. 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.

6. 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