



40 Melton Street
London
NW1 2EE
Tel: +44 (0) 20 7557 9365
Fax: +44 (0) 20 7557 9108

Abigail Grenfell
Manager, Network Regulation
Office of Rail Regulation
One Kemble Street
London
WC2B 4AN

12 April 2007

Dear Abigail

Notice of proposals to modify Network Rail Infrastructure Limited's network and station licences

I wrote to you on 23 March 2007 regarding ORR's proposals to modify Network Rail's network and station licences. At that time we were unable to provide our formal consent to the proposed modifications as required under section 12(1) of the Act as discussions surrounding the proposed deletion of paragraph 7(a)(ii) from LC12 of our network licence were ongoing.

These discussions have now been concluded and we are in receipt of a consent from ORR permitting everything going forward that is currently authorised under paragraph 7(a)(ii) of LC12 of our network licence with the result that only new activities would require ORR consent.

Now that this matter has been resolved, please accept this letter as Network Rail's formal consent to the making of the proposed modifications to our network and stations licences as set out in the notice issued by ORR on 23 February 2007 in accordance with section 12(1) of the Act.

In reviewing ORR's notice of 23 February 2007, we have identified a number of additional minor amendments to both the network and stations licence (generally typographical) in their proposed modified forms that it would be helpful to make. These are set out in the Annex to this letter. By way of this letter, Network Rail provides its further formal consent to the making of all, or any, of these additional suggested modifications in accordance with section 12(1) of the Act, should ORR wish to make them.

We look forward to continuing to work with ORR on the development of our licences and advancing further the better regulation agenda.

Yours sincerely

A handwritten signature in black ink, appearing to read "P. Plummer". The signature is written over a circular stamp that contains the text "Yours sincerely".

Paul Plummer
Director, Planning & Regulation

Annex A: Additional changes proposed by Network Rail to its network and stations licences

Network licence:

- In 7.3A.7, the reference in the last line should be to 7.3A.7, i.e. including a stop between A and 7.
- There appears to be a full stop after the paragraph number for 9.3, which should be deleted for consistency. Similarly as regards 9.6, 11.3, 12.17, 15.1, 15.2, 15.13, 18.2, 20.1, 20.2, 20.3, 20.4, 22.2, 22.6, 22.7, 22.11, 22.15, 23.5, 23.6, 23.9, 24.1, 24.2, 24.3, 24.5, 24.6, 24.7, 24.9, 24.12, 24.17, 24.19, 24.20, 25.4, 25.7, 25.8, 25.9, 25.10, 25.11, 25.12, 25.15, 28.6, 28.9.
- In 12.6.2, the reference to 12.7(a)(i) should be to 12.7(a).
- In 12.7(b)(v), the reference to 12.7(a)(i) should be to 12.7(a).
- Condition 13: paragraph 6 and the definition of a substantial minority in paragraph 5 are redundant and should be deleted, since the expression “a substantial minority” has no function in the condition. This situation arose under the licence modifications introduced when Network Rail took over Railtrack – these were published by the Rail Regulator as part of a statement in June 2002, and became effective in November. “A substantial minority” was until then used to define members of the Railtrack Group (which was used in paragraph 4 in the same way that references to the licence holder and its affiliates now operate). The wording has served no purpose ever since.
- In Condition 15.13 – The opening wording ‘Without prejudice to the generality of the preceding paragraphs of this Condition 15...’ might be regarded as superfluous.
- The Condition numbering of 18.3 should read 18.3, and not 3.
- The Condition numbering of 26.5 should read 26.5, and not 5.
- Condition 27.2(b), in referring to Condition 12.20, carries forward what is already an incorrect cross-reference. It should refer to 12.15.

Station licence

- Part II (Interpretation), paragraph 4. There should be a full stop at the end (this is not a modification; the stop exists in the current licence).
- Condition 4, paragraph 5. The paragraph number is out of alignment with the text.
- Condition 6, paragraph 1: “may or may have been affected” should read “may be or may have been affected”.