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Dear Brian

**Proposed NXEC Section 22A and Section 17 Track Access Applications:
Proposed Bradford – Kings Cross and Harrogate - Kings Cross services**

Northern has previously commented on proposals made by Grand Northern to operate new services between Bradford Interchange and Kings Cross; Bradford Interchange and Euston via Stockport; by Hull Trains to operate new services between Harrogate and Kings Cross via York. In this application, NXEC propose to operate new services between Bradford Forster Square and Kings Cross via Leeds, and between Harrogate and Kings Cross via Horsforth, Leeds and Garforth.

Northern is the local franchised passenger operator on the routes between Bradford Forster Square and Leeds; between York or Selby and Leeds via Garforth; and between Harrogate and Leeds via Horsforth. Both DfT and WYPTE specify the services to be operated by Northern on these routes.

Northern has identified the following key issues:

- Northern believes that in peak periods there is no capacity to operate additional services between Bradford Forster Square and Leeds; and between Harrogate and Leeds via Horsforth. There may also be issues around the availability of adequate platform capacity at Leeds.
- In the off-peak, the likely impact of the flexing of Northern's current regular interval services, to create paths for NXEC, on customer perception of Northern's train service offer and the impact of irregular service patterns on resource deployment.
- The performance risk of importing delay from the ECML into the Leeds North – West suburban services and on the Leeds – Horsforth – Harrogate corridor.
- The risks of revenue abstraction on significant local flows to/from Leeds.

- In the absence of a draft timetable, it is not possible to quantify the precise timetable and financial impacts of the proposed NXEC services on Northern.
- There are insufficient Class 180 units to resource the applications made by Grand Northern, Hull Trains and NXEC, and if all were approved, the combined effect must be to provide capacity in excess of demand between both Bradford and London, and between Harrogate and London.

Northern's concerns are that its services in West Yorkshire have been developed with stakeholders over time to maximise the use of the available rolling stock to meet the local demand for journeys to Leeds from Bradford, Harrogate, York and Selby. More recently £20m funding has been secured from WYPTE and Yorkshire Forward to lease additional rolling stock to increase the capacity of existing Northern services in response to the 30% passenger growth experienced since the start of the franchise. Northern believes that the introduction of the proposed long-distance services to/from Bradford and Harrogate via Leeds can only be accommodated by removing or flexing existing Northern services, resulting in an undermining of the value to customers of the existing regular service patterns currently offered on these routes; the potential loss of efficiency in third-party funded resource deployment; and the potential loss of revenue and additional operating costs both impacting a TOC receiving substantial Franchise Payments from DfT.

The HLOS forecasts for CP4 anticipate local passenger growth in West Yorkshire that will require local services to be re-structured on a standard hourly pattern to deliver the capacity required and to make best use of infrastructure and rolling stock investment. To overcome the Leeds station bay-platform capacity constraints, it will be necessary to change Northern's service patterns so that current short trains terminating from the west in bay platforms will be replaced by longer trains that must use the through platforms and run towards York/Selby to terminate at Garforth, and this scheme is shown in the Draft Determinations to be funded in CP4. The operation of additional NXEC services to Harrogate will consume capacity between Hambleton, Garforth and Leeds that could then prevent the operation of this new Northern service pattern, and result in a failure to deliver the HLOS outputs.

It is not yet clear what the overall capacity consumption of the proposed NXEC, Grand Northern and Hull Trains services will be on the routes used by Northern in West Yorkshire, but in the absence of any draft timetables, Northern's fear is that the removal or flexing of Northern's services to accommodate the proposed new services will result in a loss of resource productivity at a time when Northern is experiencing high load factors during the peak periods. Any loss of productivity could lead to a failure to deliver HLOS outputs in CP4.

The operation of the proposed services will introduce performance risk to Northern's operation. Northern regularly experiences delays to its services with the effect of incidents off the Northern operational network being imported

by long distance services. The operation of NXEC services into Bradford Forster Square is likely to cause a detriment to Northern services operating on the Leeds – Bradford/Ilkley/Skipton routes and on the Leeds – Harrogate route. We are currently working jointly with Network Rail to improve the performance of these routes and every improvement has been hard to achieve. The injection of long distance services onto these routes has the potential to undermine these improvements.

In the absence of a draft timetable, it is not possible to model the potential impact on Northern's revenue using the industry models. The NXEC services in the application are specified to operate on routes where Northern has significant volumes of commuter business and if paths are created that are acceptable to NXEC by removing or flexing the existing regular Northern Rail services, Northern anticipates significant levels of abstraction. Northern receives substantial franchise payments to operate services from DfT and PTEs, and any revenue abstraction will have a financial impact on both DfT and Northern. Northern requests that if paths are created that are acceptable to NXEC, ORR only approves rights that have restricted calling patterns to "pick up" or "set down" as appropriate, to minimise the impact of this local journey revenue loss.

Northern would welcome an opportunity to comment further, and in more detail, on both proposals once Network Rail have completed the necessary timetable work, and draft timetables are available.

Northern is currently negotiating the extension of its Track Access Contract from the current expiry date in December 2009 to the end of the Northern Franchise in 2013 and is required under the terms of its Franchise Agreement to continue to operate the existing SLC on the routes affected by this application, and will therefore require to continue to hold the existing access rights.

Please let me know if you require any clarification of these comments. This response is not confidential

Yours sincerely

Niel Wilson
Track Access Manager