

## RAILWAYS ACT 1993

### 2023 PERIODIC REVIEW

#### REVIEW NOTICE: CHARTER OPERATOR TRACK ACCESS AGREEMENTS

TO:

- (1) the persons whose names are set out in Annex 1 to this Review Notice (the “**Train Operators**”);
- (2) Network Rail Infrastructure Limited (“**Network Rail**”); and
- (3) the Secretary of State for Transport, the Scottish Ministers and the Treasury,

together the “**Addressees**”.

#### 1 General

- 1.1 This review notice (the “**Review Notice**”) is given in accordance with paragraph 4 of Schedule 4A to the Railways Act 1993 (the “**Act**”).
- 1.2 The Office of Rail and Road (“**ORR**”) has undertaken a review of:
  - (a) the amounts payable by Network Rail and each of the Train Operators to each other under each of the track access agreements listed in Annex 1 to this Review Notice (the “**Track Access Agreements**”); and
  - (b) the times at which, and the manner in which, those amounts are payable,(the “**Review**”).
- 1.3 ORR’s conclusions on the Review, and its reasons for those conclusions, are:
  - (a) set out in a series of documents referenced in the document entitled “**PR23 final determination: Consolidated list of decisions – England & Wales and Scotland**” and published by ORR on 31 October 2023; and
  - (b) hereby incorporated into this Review Notice.

1.4 By publishing this Review Notice and serving it on each of the Addressees, ORR is initiating the implementation of the Review.

## **2 Proposed Relevant Changes**

2.1 For or in connection with giving effect to ORR's conclusions on the Review, ORR proposes to direct the parties to each of the Track Access Agreements to amend their Track Access Agreement on the terms specified in Annex 2 to this Review Notice (the "**proposed relevant changes**").

2.2 ORR proposes that, subject to paragraph 3, the proposed relevant changes will come into operation on and from 1 April 2024.

## **3 Regulated Amendments**

3.1 Subject to paragraph 3.2, if, before the proposed relevant changes come into operation in relation to any Track Access Agreement, such Track Access Agreement is amended in a manner which is:

- (a) approved by ORR under section 22 of the Act; or
- (b) directed by ORR under section 22A or section 22C of the Act,

(each a "**regulated amendment**"), then:

- (i) the proposed relevant changes shall come into operation in relation to that Track Access Agreement subject to the regulated amendments; and
- (ii) if there is any conflict between the proposed relevant changes and the regulated amendments, the regulated amendments shall take precedence.

3.2 The following amendments will not be considered regulated amendments for the purpose of this Review Notice:

- (a) amendments made to any provision within Schedule 7, other than Appendix 7C, of a Track Access Agreement under the Passenger Access (Short Term Timetable and Miscellaneous Changes) General Approval 2023 which came into force on 15 May 2023; and

- (b) amendments made to any provision within Schedule 8 of a Track Access Agreement under the Passenger Access (Short Term Timetable and Miscellaneous Changes) General Approval 2023 which came into force on 15 May 2023.

## **4 Objections**

4.1 Subject to paragraph 4.2, any person specified in paragraph 4(4)(a) or (b) of Schedule 4A to the Act may make objections with respect to:

- (a) any of the proposed relevant changes; or
- (b) the date on which it is proposed that any such proposed relevant changes shall come into operation.

4.2 Any objection made under paragraph 4.1 must be:

- (a) made in writing;
- (b) received by ORR on or before 9 February 2024; and
- (c) addressed to ORR as follows:

Will Godfrey  
Office of Rail and Road  
25 Cabot Square  
London  
E14 4QZ

## **5 Definitions and Interpretation**

5.1 In this Review Notice, unless the context otherwise requires:

- (a) references to “this Review Notice” include the Annexes to this Review Notice;
- (b) references to the singular include the plural and *vice versa*;

- (c) words and phrases defined in:
- (i) the Act;
  - (ii) the Network Code (formerly known as the Railtrack Track Access Conditions 1995 (as amended)); or
  - (iii) each Track Access Agreement,
- shall have the same meanings in this Review Notice; and
- (d) any general rules of interpretation contained in:
- (i) Condition A1 of the Network Code; or
  - (ii) each Track Access Agreement,
- shall also apply to this Review Notice.



**Will Godfrey**  
**Director of economics, finance and markets**  
**FOR AND ON BEHALF OF**  
**THE OFFICE OF RAIL AND ROAD**  
Dated 20 December 2023

## ANNEX 1

### TRAIN OPERATORS AND TRACK ACCESS AGREEMENTS

<b>Train Operator Name</b> (collectively, the “Train Operators” and each a “Train Operator”)	<b>Train Operator Company Number</b>	<b>Original Date of Track Access Agreement</b>
Direct Rail Services Limited	03020822	31 December 2019
First Greater Western Limited	05113733	16 April 2010
GB Railfreight Limited	03707899	10 January 2020
Hanson & Hall, Rail Services Solutions Limited	11376408	15 March 2023
Locomotive Services (TOC) Limited	10375954	23 December 2019
RailAdventure UK Limited	12448249	28 October 2021
Rail Express Systems Limited	02938991	23 December 2019
Rail Operations (UK) Limited	08556176	23 December 2019
Vintage Trains Limited	10436785	23 December 2019
West Coast Railway Company Limited	03066109	23 December 2019

**ANNEX 2**  
**STANDARD AMENDMENTS**

***Explanatory Note:***

*In order to give effect to ORR's conclusions on the Review, this Annex 2 sets out the standard form proposed relevant changes to be made to Schedules 5, 7, 8 and 9 and the clauses of each Track Access Agreement (the "**standard amendments**").*

*In some Track Access Agreements, some of the provisions which are to be amended are not in standard form. Where this is the case, these are also identified in this Annex 2, which sets out how the standard amendments will need to be modified.*

*There are no bespoke amendments included in Annex 3 to this Review Notice.*

The following amendments shall be made to the Track Access Agreements:

**1 Consequential and other amendments to the Clauses of each Track Access Agreement**

- 1.1 Delete sub-clause 16.1.2 (Delivery of invoices) of **each** Track Access Agreement, and replace it with the following:

*“16.1.2 Delivery of invoices*

All invoices issued under Schedule 7, or statements of amounts payable under Schedule 5 or Schedule 8, or the Network Code shall be delivered by hand at, or sent by prepaid first class post or by email to, the address for service for the recipient specified in Schedule 1 and shall be deemed to have been received by the addressee in accordance with clause 18.4.3.”.

- 1.2 Delete sub-clause 16.1.3 (Content of invoices and other statements of amounts payable) of **each** Track Access Agreement, and replace it with the following:

*“16.1.3 Content of invoices and other statements of amounts payable*

Each invoice and statement of amounts payable shall contain such detail as to the constituent elements of the amounts stated to be payable as shall be necessary or expedient so as to enable the person to whom it is given to understand and check it and, where required by either party, include a purchase order number.”.

- 1.3 In sub-clause 18.4 (Notices) of **each** Track Access Agreement:

- (a) delete sub-clause 18.4.1(b) and replace it with the following:

“(b) shall be duly given if signed by or on behalf of a person duly authorised to do so by the party giving the notice and delivered by hand at, or by sending it by prepaid first class post, recorded delivery, or by email to the relevant address or email address set out in Schedule 1.”;

- (b) delete sub-clause 18.4.3(c), and replace it with the following:

“(c) not used; and”.

## **2 Schedule 5 to each Track Access Agreement**

2.1 In sub-paragraph 3.6 (Steam Driven Equipment) of Schedule 5 to **each** Track Access Agreement, delete sub-paragraph 3.6(e), and replace it with the following:

“(e) a Withdrawal Notice, which may be given by telephone or email (and if given by telephone shall be subsequently confirmed in writing by email), shall be given by Network Rail to the representative of the Train Operator specified in Schedule 1.”.

## **3 Schedule 7 to each Track Access Agreement**

3.1 In sub-paragraph 1.1 (Definitions) of Part 1 of Schedule 7 to **each** Track Access Agreement:

(a) delete the definition of “Initial Indexation Factor”;

(b) delete the definition of “Slot Charge” and replace it with the following definition:

“**“Slot Charge”** means the charge payable for vehicle type *i* as established in accordance with paragraph 4.1 of Part 2;”;

(c) in the definition of “Track Usage Price List” delete the date “20 December 2018” and replace it with the date “20 December 2023”;

(d) in the definition of “Traction Electricity Modelled Consumption Rates List” delete the date “20 December 2018” and replace it with the date “20 December 2023”.

3.2 In sub-paragraph 3.1 (Variable Usage Charge) of Part 2 of Schedule 7 to **each** Track Access Agreement, delete the definition of “ $V_{it}$ ” and replace it with the following definition:

“ $V_{it}$ , for vehicle type *i* in relation to any Relevant Year *t*, shall have, in respect of each Train Mile, the value (expressed in pounds sterling per Train Mile and rounded to four decimal places) set out in the section of the Track Usage Price List entitled “Charter Train Variable Usage Charge (VUC) rates”, multiplied by the phased-in charges indexation adjustment derived from the following formula:



$$PCIA_t = \left( 1 + \frac{(CPI_{t-1} - CPI_{2022})}{CPI_{2022}} \right)$$

where:

$PCIA_t$  means the phased-in charges indexation adjustment in respect of Relevant Year t;

$CPI_{t-1}$  means the CPI published or determined with respect to November in Relevant Year t-1; and

$CPI_{2022}$  means the CPI published or determined with respect to November 2022;”

- 3.3 Delete paragraph 4 (Slot charge) of Part 2 of Schedule 7 to **each** Track Access Agreement, and replace it with the following:

“4 **Slot Charge**

- 4.1 For the purposes of paragraph 1, the term  $S_t$  means an amount in respect of the Slot Charge for the Relevant Year t which is derived from the following formula:

$$S_t = \sum S_{it} \bullet US_{it}$$

where:

$S_{it}$  means an amount in respect of the Slot Charge for vehicle type i for Relevant Year t, expressed in pounds sterling and rounded to four decimal places, which is derived from the following formula:

$$S_{it} = S_{it-1} \bullet \left( 1 + \frac{CPI_{t-1} - CPI_{t-2}}{CPI_{t-2}} \right)$$

where:

$CPI_{t-1}$  has the meaning set out in paragraph 3.1 above; and

$CPI_{t-2}$  means the CPI published or determined with respect to the month of November in Relevant Year t-2,

but so that in relation to the Relevant Year commencing on 1 April 2024,  $S_{it-1}$  shall have the value of the Slot Charge for vehicle type  $i$  set out in the section of the Track Usage Price List entitled “Charter Slot Charge rates”;

$US_{it}$  means the actual number of journeys for the Relevant Year  $t$  for vehicle type  $i$  (referred to in the Track Usage Price List) operated by or on behalf of the Train Operator under this contract; and

$\sum$  means the summation across all relevant vehicle types  $i$ .

4.2 When a Train Operator Variation Request indicates a requirement for the Service to operate on more than one date, then, provided that all dates of operation fall within the same Timetable Period, Network Rail may levy and the Train Operator shall pay:

- (a) the Slot Charge as defined in paragraph 4.1 in respect of the first such Service; and
- (b) for each subsequent Service the Slot Charge shall equal the Repeat Business Slot Charge which is derived from the following formula:

$$RS_t = RS_{t-1} \bullet \left( 1 + \frac{(CPI_{t-1} - CPI_{t-2})}{CPI_{t-2}} \right)$$

where:

$RS_t$  means an amount in respect of the Repeat Business Slot Charge in Relevant Year  $t$ ;

$CPI_{t-1}$  has the meaning set out in paragraph 3.1 above; and

$CPI_{t-2}$  has the meaning set out in paragraph 4.1 above,

but so that in relation to the Relevant Year commencing on 1 April 2024  $RS_{t-1}$  shall have the value set out in the section of the Track Usage Price List entitled “Repeat Business Slot Charge” in the table entitled “Charter Slot Charges (including repeat business slot charge) for CP7”.

4.3 When a Train Operator Variation Request is received by Network Rail on or before the Priority Date for the timetable in question, the Slot Charge  $S_t$  shall equal zero.”.

3.4 In the definition of “TEC<sub>t</sub>” in sub-paragraph 6.1 of Part 2 of Schedule 7 to **each** Track Access Agreement delete the reference to “CP6”, and replace it with “CP7”.

3.5 In paragraph 7 of Part 2 of Schedule 7 to **each** Track Access Agreement delete sub-paragraph 7.1 and replace it with the following:

“7.1 For the purposes of paragraph 1, the term EAV<sub>t</sub> means an amount in respect of the Electrification Asset Usage Charge for electrification asset usage which is derived from the following formula:

$$EAV_t = \sum(EV_{tk} \bullet UV_{tk})$$

where:

$\sum$  means the summation across all route types k;

EV<sub>tk</sub> means an amount in respect of the Electrification Asset Usage Charge per electrified Vehicle Mile, expressed in pence and rounded to two decimal places, on route type k in Relevant Year t, which is derived from the following formula:

$$EV_{tk} = EV_{t-1k} \bullet \left(1 + \frac{(CPI_{t-1} - CPI_{t-2})}{CPI_{t-2}}\right)$$

where:

CPI<sub>t-1</sub> has the meaning set out in paragraph 3.1 above; and

CPI<sub>t-2</sub> has the meaning set out in paragraph 4.1 above,

but so that in relation to the Relevant Year commencing on 1 April 2024, EV<sub>t-1k</sub> shall have, in respect of each electrified Vehicle Mile on route type k, the relevant value per electrified Vehicle Mile on route type k set out in the section of the Track Usage Price List entitled “Chartered Electrification Asset Usage Charge rates”; and”.

3.6 In Part 6 (Supplemental Provisions) of Schedule 7 to **each** Track Access Agreement delete sub-paragraph (a) and replace it with the following:

“(a) the amount of the Slot Charge levied in respect of each vehicle type i;”.

3.7 In Part 6 (Supplemental Provisions) of Schedule 7 to **each** Track Access Agreement delete sub-paragraph (d) and replace it with the following:

“(d) the amount of the Cancellation Charge, if any, levied in respect of vehicle type i;”.

3.8 In sub-paragraph 1(a) of Part 7 of Schedule 7 to **each** Track Access Agreement delete the date “1 April 2024” and replace it with the date “1 April 2029”.

3.9 In Schedule 7 to the Track Access Agreement between Network Rail and First Greater Western Limited (the “**Greater Western TAA**”) **only**:

(a) in paragraph 1 (Definitions) of Part 1, delete the definitions of:

(i) “Charter Capacity Charge”; and

(ii) “Charter Capacity Charge Wash-Up”;

(b) in paragraph 1 (Definitions) of Part 1, in the definition of “Track Charge” delete the words “Charter Capacity Charge, Charter Capacity Charge Wash-up,”;

(c) in paragraph 1 (Principal formula) of Part 2, delete “+  $K_t$ ” and “+  $KW_t$ ” from the formula and delete the corresponding definitions of “ $K_t$ ” and “ $KW_t$ ”;

(d) in paragraph 8 (Charter Capacity Charge and Charter Capacity Charge Wash-Up) of Part 2, delete paragraph 8 and replace it with the following:

“**8** Not used”;

(e) in sub-paragraph 11.1 (Payment of Track Charges and Other Sums Due under the Contract) of Part 2:

(i) delete sub-paragraph 11.1(a)(iii) and replace it with the following:

“(iii) Not Used.”;

(ii) delete sub-paragraph 11.1(b) and replace it with the following:

“(b) Not Used.”;

(f) in Part 6, delete sub-paragraph (g) and replace with the following:

“(g) Not Used; and”.

#### **4 Schedule 8 to each Track Access Agreement**

4.1 In sub-paragraph 1.1 (Definitions) of Schedule 8 to **each** Track Access Agreement:

(a) delete the definitions of:

(i) “30% Exposure”;

(ii) “Exposure Level”;

(iii) “Initial Indexation Factor”;

(b) insert, in alphabetical order, the following definition:

“**Planned Service Incident Cap Access Charge Supplement Rate**” has the meaning ascribed to it in paragraph 9.2;”.

4.2 With the **exception** of the Track Access Agreement between Network Rail and Rail Express Systems Limited (the “**RES TAA**”), in sub-paragraph 1.1 (Definitions) of Schedule 8 to **each** Track Access Agreement delete the definition of “Zero Exposure”.

4.3 In sub-paragraph 1.2 of Schedule 8 to the **RES TAA only** delete the definition of “Zero Exposure”.

4.4 With the **exception** of the **RES TAA** in paragraph 3 (Network Rail performance) of Schedule 8 to **each** Track Access Agreement delete sub-paragraph 3.4 and replace it with the following:

“3.4 If a Planned Service is the subject of a Diversion or Failure to Stop due to a Service Incident for which Network Rail is allocated responsibility under paragraph 6.3 and, as a result, the Train Operator incurs, in relation to such Planned Service, additional costs which but for the Diversion or Failure to Stop it would not have incurred, Network Rail shall, in addition to any liability under paragraph 3.2, pay the Train Operator the Charter Service Variation Sum in respect of the Planned Service provided that the Train Operator shall have notified to and supplied Network Rail with evidence (to its reasonable satisfaction) of such costs on or

before the end of the second Working Day after the Week in which such Service Incident occurred.”

- 4.5 In paragraph 3 (Network Rail performance) of Schedule 8 to the **RES TAA only** delete sub-paragraph 3.4 and replace it with the following:

“3.4 If a Planned Service is the subject of a Combined Network Diversion or Combined Network Failure to Stop due to a Service Incident for which Network Rail is allocated responsibility under paragraph 6.3 and, as a result, the Train Operator incurs, in relation to such Planned Service, additional costs which but for the Combined Network Diversion or Combined Network Failure to Stop it would not have incurred, Network Rail shall, in addition to any liability under paragraph 3.2, pay the Train Operator the Charter Service Variation Sum in respect of the Planned Service provided that the Train Operator shall have notified to and supplied Network Rail with evidence (to its reasonable satisfaction) of such costs on or before the end of the second Working Day after the Week in which such Service Incident occurred.”.

- 4.6 With the **exception** of the **RES TAA**, in paragraph 4 (Train Operator performance) of Schedule 8 to **each** Track Access Agreement, delete sub-paragraph 4.3.1 and replace it with the following:

“4.3.1 For the purposes of this paragraph 4.3, the TO Performance Minutes arising in respect of a Planned Service (and its associated Ancillary Movements) shall be capped at the Planned Service Incident Cap, so that any such minutes in excess of the Planned Service Incident Cap shall be disregarded.”.

- 4.7 In paragraph 4 (Train Operator Performance) of Schedule 8 to the **RES TAA only**, delete sub-paragraph 4.3.1 and replace it with the following:

“4.3.1 For the purposes of this paragraph 4.3, the TO Performance Minutes arising in respect of a Planned Service (and its associated Combined Network Ancillary Movements) shall be capped at the Planned Service Incident Cap, so that any such minutes in excess of the Planned Service Incident Cap shall be disregarded.”.

4.8 In paragraph 7 (Payment terms and supplementary provisions) of Schedule 8 to **each** Track Access Agreement:

(a) in sub-paragraph 7.1.1 delete the words “within 14 days after the end of the Period and shall be payable within 28 days after the end of the Period” and replace them with “when all outstanding disputed items have been resolved, and shall be payable within 28 days after this time”;

(b) delete sub-paragraph 7.1.4 in its entirety.

4.9 In sub-paragraph 7.2 (Indexation of Indexed Figures) of Schedule 8 to **each** Track Access Agreement:

(a) in sub-paragraph 7.2.1 delete the words “1 April 2019” and replace them with “1 April 2024”;

(b) delete sub-paragraph 7.2.2 and replace it with the following:

“7.2.2

(a) Not used.

(b) For the Relevant Year commencing on and from 1 April 2024, and for each subsequent Relevant Year, the Indexed Figures shall be adjusted as at the applicable 1 April by multiplying them by the Adjustment Factor for the Relevant Year in question (rounded to three decimal places).

For the purposes of this paragraph 7.2.2(b), the Adjustment Factor in respect of Relevant Year t shall be calculated in accordance with the following formula:

$$\text{Adjustment Factor} = 1 + \frac{(CPI_{t-1} - CPI_{2022})}{CPI_{2022}}$$

where:

$CPI_{t-1}$  means the CPI published or determined with respect to the month of November in Relevant Year t-1; and

CPI<sub>2022</sub> means the CPI published or determined with respect to the month of November 2022.

- (c) If this contract takes effect after 1 April 2024, the Indexed Figures shall be adjusted in accordance with paragraph 7.2.2(b) as if this contract had been in effect on and from 1 April 2024.”

- 4.10 In sub-paragraph 8.2.1 of Schedule 8 to **each** Track Access Agreement delete the words “1 April 2020” and replace them with “1 April 2025”.
- 4.11 Delete paragraph 9 (Selection by the Train Operator of the Planned Service Incident Cap and Exposure Level) of Schedule 8 to **each** Track Access Agreement and replace it with the following:

**“9. Selection by the Train Operator of the Planned Service Incident Cap**

**9.1 Selection by the Train Operator of the Planned Service Incident Cap**

9.1.1 On or before the date on which this paragraph 9.1 takes effect, the Train Operator shall notify Network Rail in writing of the level of Planned Service Incident Cap it wishes to apply (the “**Initial Planned Service Incident Cap Notice**”). The Planned Incident Cap Access Charge Supplement Rate applicable to the Train Operator under this contract shall be the rate set out in the column adjacent to the Planned Service Incident Cap selected by the Train Operator in the Initial Planned Service Incident Cap Notice until it is replaced by a different level of Planned Service Incident Cap selected by the Train Operator in a Planned Service Incident Cap Notice issued pursuant to paragraph 9.1.2.

9.1.2 The Train Operator may change the level of Planned Service Incident Cap previously selected by it (either in the Initial Planned Service Incident Cap Notice or any subsequent Planned Service Incident Cap Notice issued pursuant to this paragraph 9.1.2) with effect from 1 April in any Financial Year by notifying Network Rail in writing of the level of Planned Service Incident Cap it wishes to apply for that Financial Year (the “**Planned Service Incident Cap Notice**”). Any such Planned Service Incident Cap Notice must be served by the Train Operator on Network Rail by no later than 6 weeks prior to 1 April in the Financial Year from which the Train Operator wishes the new level of Planned Service Incident Cap to



apply, and the Planned Service Incident Cap Access Charge Supplement Rate applicable for that and each subsequent Financial Year shall be the rate set out in the column adjacent to the Planned Service Incident Cap selected by the Train Operator in the Planned Service Incident Cap Notice until it is replaced by a different level of Planned Service Incident Cap selected by the Train Operator pursuant to this paragraph 9.1.2.

**9.2 Level of Planned Service Incident Cap and Planned Service Incident Cap Access Charge Supplement Rate**

For the purposes of paragraph 9.1, the Train Operator shall select one of the following Planned Service Incident Caps:

<b>Planned Service Incident Cap</b>	<b>Planned Service Incident Cap Access Charge Supplement Rate (£ per Train Mile operated in a Period) expressed in pounds sterling and rounded to two decimal places</b>
93 minutes	1.67
147 minutes	1.47
500 minutes	0.90
1,000 minutes	0.60
5,000 minutes	0.00
No Planned Service Incident Cap	None”

4.12 After paragraph 10 of Schedule 8 insert new paragraph 11 of Schedule 8 to **each** Track Access Agreement as follows:

**“11 Circumstances in which ORR may amend the Planned Service Incident Cap Access Charge Supplement Rate and Appendix 8A**

11.1 ORR may amend the Planned Service Incident Cap Access Charge Supplement Rate set out in paragraph 9.2 of Schedule 8 and Appendix 8A of Schedule 8 during CP7 if ORR considers that these should be amended as a consequence of the recalibration undertaken in accordance with the approach outlined in paragraphs 3.22-3.26 of “PR23 final determination: Policy position – Schedules 4 and 8 incentives regimes”. In such event, ORR shall issue a notice to the parties setting out the amendments to be made and that they shall take effect on the date specified by ORR in its notice (save that it shall not be earlier than 1 April 2026).

11.2 Notwithstanding paragraph 11.1 above, ORR may amend the Planned Service Incident Cap Access Charge Supplement Rate set out in paragraph 9.2 of Schedule 8 and Appendix 8A of Schedule 8 where it considers that there has been a material change in circumstances. In such event, ORR shall issue a notice to the parties setting out the amendments to be made and the date, which shall not be retrospective, from which they shall take effect.”.

4.13 Delete Appendix 8A to Schedule 8 to **each** Track Access Agreement and replace it with the Appendix 8A set out in Appendix 1 to this Annex 2.

## **5 Schedule 9 to each Track Access Agreement**

5.1 With the **exception** of the **Greater Western TAA**, in paragraph 1 (Definitions) of Schedule 9 to **each** Track Access Agreement, delete the definition of “Liability Cap” and replace it with the following definition:

“**Liability Cap**” means:

the sum calculated in accordance with the following formula:

$$C_t = C_1 \bullet \left( 1 + \left[ \frac{CPI_{t-1} - CPI_{2022}}{CPI_{2022}} \right] \right)$$

where:

- (i)  $C_t$  is the relevant figure in Relevant Year t;
- (ii)  $C_1$  is the sum of £8,300,000;

- (iii)  $CPI_{t-1}$  is the Consumer Prices Index (defined as CPI in Schedule 7) published or determined with respect to the month of November in Relevant Year t-1; and
- (iv)  $CPI_{2022}$  is the Consumer Prices Index (defined as CPI in Schedule 7) published or determined with respect to November 2022.”.

## APPENDIX 1 TO ANNEX 2

### “Appendix 8A

Charter Service Variation Sum: £820

Joint Cancellation Sum: £1,248

Network Rail Cancellation Sum: £2,494

Network Rail Payment Rate: £26.32 per NR Performance Minute

Network Rail Annual Cap: £856,764

Network Rail Benchmark (NRB): the NRB in relation to a Period shall be 6.40 Minutes Delay per 100 Train Operator Miles

Train Operator Payment Rate: £60.68 per TO Performance Minute

Train Operator Annual Cap: £856,764

Train Operator Benchmark (TOB): the TOB in relation to each Period shall be 7.47 Minutes Delay per 100 Train Operator Miles

Third Party User Cancellation Minutes: 35 minutes

Baseline Annual Train Mileage: Shall be the total number of Train Miles operated by the Train Operator during the Financial Year commencing on 1 April 2023 and ending on 31 March 2024, which Network Rail shall notify to the Train Operator.”

## **ANNEX 3**

### **BESPOKE AMENDMENTS**

#### **PART 1 (MODIFICATIONS TO STANDARD AMENDMENTS AND OTHER BESPOKE AMENDMENTS)**

***Explanatory Note:***

*There are no modifications to any Track Access Agreements set out in this Part 1 of Annex 3.*

**NONE**

## ANNEX 3

### PART 2 (CONFIDENTIAL INFORMATION)

***Explanatory Note:***

*There are no modifications to any Track Access Agreements set out in this Part 2 of Annex 3.*

**NONE**