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Dear Annette

Access to Rail Freight Sites – un-discharged actions

We welcome the opportunity to comment on ORR's short consultation on the un-discharged actions from the industry action plan following ORR's access to rail freight sites market study that it carried out between September 2010 and February 2011.

You will be aware that as of 31 October 2014, we took responsibility for over one hundred leasehold freight sites from DB Schenker, Freightliner and GB Railfreight as part of our Project Mountfield '13 acquisition. The change in control and ownership will make such sites more readily available to the growing number of rail freight operators and end users, increasing competition and enabling rail freight market growth.

The acquisition of two turnkey Nodal Yards will allow for the progressive realisation of additional freight path capacity on the west coast main line (Wembley) and east coast main line (Doncaster); acting as buffering points between the disparate timetable patterns of respective adjacent route sections. These yards will be managed in line with our proven planned yard model at Ipswich. Additionally, Nodal Yards provide both immediate contingency traffic recessing capacity during perturbation and also critical 'neutral' recessing capacity for all freight operating companies (FOCs). Finally, they provide opportunities for off-mainline concentration of crew relief and other ancillary train operations (including traction changes and run round moves).

We have previously indicated to ORR that the next stage of our freight estate proposals aim to provide greater transparency to end user tenants of the availability of our freight estate. These include the introduction of a 'live map' of available freight sites with searchable criteria in relation to location, number of sidings, siding length, local authority area (for planning enquiries), suitability for heavy goods vehicles and potential development. This will provide useful background information to both FOCs and end user tenants wishing to make use of sites that are capable of rail freight use.

Our proposals will be set out under the Freight Estate Reform Programme, that examine the best possible uses of our freight estate in terms of both railway operational improvements

and estate management. It will include a review of the Strategic Freight Sites (SFS) and Supplementary Strategic Freight Sites (SSFS) established at privatisation and that we manage as part of our obligations under the Railtrack Transfer Scheme Supplemental Agreement.

We will be undertaking an industry wide consultation in early 2015 that will set out our approach for the longer term management and development of our freight estate including:

- The development of criteria to identify options for use at individual freight sites, examining whether site's should be retained, improved, released for alternative railway purposes or ultimately disposed (subject to ORR's consent under condition 7 of the network licence) and including how such disposal proceeds could be ring-fenced for future freight uses;
- The potential for changes to the governance arrangements within the Railtrack Transfer Scheme Supplemental Agreement in relation to SFS and SSFS to make them beneficial to all freight operators and transparent to wider industry stakeholders;
- Improving our engagement with stakeholders in relation to the availability of sites within our ownership that are capable of accommodating rail freight use, including improvements and updates on our website; and
- Our longer-term approach for the management of freight sites which are cognisant of our regulatory and contractual obligations, taking account of any areas for reform.

We would encourage all owners of sites capable for accommodating rail freight to publish details of their facilities so that there is a consistent and transparent approach amongst site owners wishing to engage with FOCs and end user tenants in the effective marketing and use of their sites.

We consider that our proposals will address some of ORR's concerns in relation to the provision of information about rail freight sites that is useful to stakeholders and we would welcome the opportunity to talk to ORR and other key stakeholders in more detail prior to our industry consultation early next year.

We confirm that no part of our response is confidential and as such we are happy for it to be published in full.

Regards



Tim Ward
Network Operations