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5 December 2012

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Regulatory Contracts Manager
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Steve Carter
Head of Performance and Planning
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London
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Dear Chinua and Steve

Approval of the Third Supplemental Agreement to the Track Access Agreement between HS1 Limited and Eurostar International Limited

Introduction

1. The Office of Rail Regulation (“ORR”) has today approved the third supplemental agreement to the track access contract between HS1 Limited (“HS1”) and Eurostar International Limited (“EIL”) (jointly the parties), submitted to us formally on 3 December 2012 under The Railways Infrastructure (Access and Management) Regulations 2005 (as amended) (“the Regulations”). This follows an earlier informal submission of a draft agreement for our consideration. The purpose of this letter is to set out the reasons for our decision.

Purpose of the agreement

2. The purpose of this agreement is threefold:

- to implement HS1’s approved discount policy for the London-Brussels route in Schedule 4 of the Eurostar Track Access Agreement (“the TAA”)
- to omit Olympic related provisions contained in Schedule 5 of the TAA.
- to amend the notes to Table 2.1 (4) contained in Schedule 5 of the TAA to increase the limit on quantum of Firm Train Slots in the Avignon Service Group from 18 to 50 Firm Train Slots per Timetable Year.

Consultation

3. A pre-application consultation was carried out by HS1 in line with the process set out in the HS1 Criteria and Procedures document (“the C&Ps”). No objections were raised by any consultee.

ORR review

4. ORR raised some general comments relating to the clarity of the drafting and wording. These were resolved by HS1 upon formal submission to ORR. We note that the parties have requested a separate meeting to discuss issues raised by this application; although this discussion does not preclude our consideration and approval of the application.

ORR’s conclusions

5. Pursuant to Regulation 28(1) of the Regulations, in considering the application and in reaching our decision, we are required to weigh and strike the appropriate balance in discharging our statutory duties under section 4 of the Railways Act 1993 (as amended). Approval of this application is consistent with these duties; in particular our duties to:

- protect the interests of users of rail services;
- promote the use of the railway network in Great Britain for the carriage of passengers and goods, and the development of the railway network, to the greatest extent that ORR considers economically practicable;
- contribute to the development of an integrated system of transport of passengers and goods;
- promote competition in the provision of railway services; and
- enable persons providing railway service to plan the future of their businesses with a reasonable degree of assurance.

Conformed copy of the track access contract

6. Pursuant to paragraph 3.75 of the C&Ps, HS1 is required to produce a conformed copy of the track access agreement within 28 days of any amendment being made, and to send copies to ORR. I look forward to receiving the conformed copy.

7. We will place a copy of the supplemental agreement on our public register. The parties have not asked us to make any redactions prior to placing on the public register.

Yours sincerely



Paul Stone