

XCTL SOLE REFERENCE TTP 1073

1 DETAILS OF PARTIES

1.1 The names and addresses of the parties to the reference are as follows:-

(a) XC Trains Limited whose Registered Office is at 1 Admiral Way, Doxford International Business Park, Sunderland, SR3 3XP ("XCTL") ("the Claimant");
and

(b) Network Rail Infrastructure Limited whose Registered Office is at 1 Eversholt Street, London, W1 2DN ("Network Rail" ("the Defendant")).

(c) XCTL contact details:

David Fletcher,
Timetable Strategy Manager,
XC Trains Ltd,
5th Floor, Cannon House,
18 The Priory Queensway,
Birmingham,
B4 6BS
[redacted]

1.2 Parties which might be concerned with this matter other than as a Dispute Party are:

East Coast Main Line Company Limited (t/a Virgin Trains East Coast)

First Greater Western Limited (t/a Great Western Railway)

Northern Rail Limited

First Transpennine Express Limited

Abellio Scotrail Limited

Freightliner Limited

Freightliner Heavy Haul Limited

DB Cargo (UK) Limited

GB Railfreight Limited

Direct Rail Services Limited

2 THE CLAIMANT'S' RIGHT TO BRING THIS REFERENCE

- 2.1 This matter is referred to a Timetabling Panel ("the Panel") for determination in accordance with Conditions D2.2.8 and D5.1 of the Network Code.

3 CONTENTS OF REFERENCE

This Sole Reference includes:-

- (a) The subject matter of the dispute in Section 4;
- (b) A detailed explanation of the issues in dispute in Section 5;
- (c) In Section 6, the decisions sought from the Panel in respect of
 - (i) legal entitlement, and
 - (ii) remedies;
- (d) Appendices and other supporting material.

4 SUBJECT MATTER OF DISPUTE

- 4.1 This is a dispute regarding Network Rail's decisions in relation to the Timetable Planning Rules for the 2018 Timetable.

This dispute arises over the application of Conditions D2.2.5 and D2.2.6 and the application of the Decision Criteria within Condition D4.6.2 of the Network Code.

- 4.2 XCTL is disputing two issues, both of which relate to changes to Timetable Planning Rules ("TPRs") that have been made under the auspices of Network Rail's Timetable Planning Rules Improvement Programme ("TRIP"). Whilst the detail of the two issues is different, in both cases XCTL remains unconvinced that the values being proposed by Network Rail are correct. Both issues were raised by XCTL in our response to Version 1 of the 2018 Timetable Planning Rules ("the Draft Rules") on 11 November 2016 and again in our response to Version 2 of the 2018 Timetable Planning Rules ("the Final Rules") on 24 February 2017 – see Appendices 2 and 3. XCTL has no objection to the principle of reviewing and, where appropriate, amending TPRs and Sectional Running Times ("SRTs"). However, in these instances, XCTL believe that the proposed changes have been imposed without a full and proper assessment of their accuracy or of their impact on Timetable Participants.

- 4.3 The two issues in dispute are:
- (a) Changes to planning headways on Route GW103 (Paddington to Uffington), specifically between Reading and Didcot;
 - (b) Changes to Section Running Times on Route LN600 (Shaftholme Junction to Reston GSP), specifically between Newcastle and Berwick upon Tweed.
- 4.4 For reference, a timeline of events is attached as Appendix 1.

5 EXPLANATION OF EACH ISSUE IN DISPUTE AND THE CLAIMANT'S ARGUMENTS TO SUPPORT ITS CASE

Changes to planning headways on Route GW103 (Paddington to Uffington)

- 5.1 This area of XCTL's dispute relates specifically to the headway reduction between Reading High Level Junction and Didcot Parkway on the Main Lines and between Reading West Junction and Didcot Parkway on the Relief Lines. This decision has the effect of reducing the headway on the Main Lines from 4 to 2½ minutes and the headway on the Relief Lines from 3 to 2½ minutes (see Western and Wales 2018 Timetable Planning Rules, Version 2, page 70). Whilst XCTL accepts that Network Rail has carried out an analysis of the technical feasibility of this proposal, we do not believe that Network Rail has given adequate consideration to the potential performance impacts of the proposal. Paragraph 6.1.2 of the National Timetable Planning Rules and Decision Criterion c (Network Code Part D, 4.6.2).
- 5.2 There is not a clear audit trail as to how Network Rail decided that these headways should be 2½ minutes. The TRIP Didcot to Basingstoke SPA Report dated 5 September 2016 (Appendix 4) shows the recommended headways on the Main and Relief Lines to be 4 and 3 minutes respectively.
- 5.3 XCTL was unable to attend the TRIP Western TPR Forum on 3 October 2016. Whilst minutes of this meeting have been provided to XCTL (Appendix 5), they contain no clear record of a decision to reduce these headways to 2½ minutes, or of any reasoning for such a decision. XCTL requested justification for this decision in our response to Version 1 of the TPRs.

- 5.4 As we have stated to Network Rail, most recently in our email of 24 March 2017 (Appendix 6), XCTL does not object to the principle of reducing headways, provided that proper consideration is given to the impact on performance. In the same email we asked Network Rail to provide data to assure us that our performance would not be impacted. At the time of writing, this data has not yet been received. Therefore, XCTL is currently unable to quantify the impact of this change.

Changes to Section Running Times on Route LN600 (Shaftholme Junction to Reston GSP).

- 5.5 This part of XCTL's dispute specifically relates to the SRTs for Class 221 trains, which, on this line of route, are operated only by XCTL.
- 5.6 XCTL is aware that work has been undertaken on the TPRs for the East Coast Main Line north of Newcastle using the "Observed Data Analytics" ("ODA") tool since at least the spring of 2016, although much of the discussion focussed on headways rather than SRTs, and on routes away from the East Coast Main Line north of Newcastle.
- 5.7 The proposed changes were highlighted in Version 1 of the 2018 TPRs (see page 68 of the London North Eastern TPRs), which was published online on 21 October 2016, with the description "Adjustment to existing SRTs based on ODA report". Version 2 (published online on 3 February 2017) showed no change (see page 70 of the London North Eastern TPRs), although the accompanying commentary letter (Appendix 7) stated "LN600 and LN860 being taken forward from V1".
- 5.8 Further confusion as to whether Network Rail intended to proceed with the SRT changes was caused by the fact that Network Rail has not yet made available the "Planning Geography" for the December 2017 timetable. This should have provided the necessary SRTs and other data that operators import into their planning systems to enable them to submit an electronic bid that uses correct SRTs. For this reason, irrespective of our dispute, XCTL has bid trains on the Newcastle – Berwick upon Tweed section using the same SRTs as apply in the current (December 2016) timetable.
- 5.9 The ODA ("Observed Data Analytics") report referenced in the TPRs is believed to be that which was circulated on 13 October 2016 (see Appendix 8 for the relevant extract),

although this was not explicit in either version of the TPRs or in their accompanying commentaries.

- 5.10 In response to a request for data from the LNE Route Performance team, XCTL provided the tables shown in Appendix 9 (these tables were also appended to our response to Version 2 of the TPRs), which give a high level summary of performance for the period between 20 April – 15 June 2016, showing simply the maximum, minimum and mean run times achieved for each headcode, in the Down direction only. Whilst we accept that the maximum and mean values add little to the debate, since they include runs where delays occurred, it is notable that the minimum values are in several cases considerably lower than those recommended by the ODA report, but are comparable to the current planning values. An example is Morpeth to Alnmouth pass to stop, where the current SRT is 11½ minutes. XCTL GPS data shows this being achieved in 11 minutes 40 seconds. However, Network Rail's ODA data shows 12 minutes 33 seconds and consequently recommends an SRT of 12½ minutes. The minimum values alone should not be taken as the definitive SRTs, since a degree of checking and data cleansing is required, but these values serve to highlight discrepancies between the ODA outputs and the values we believe are being achieved in reality.
- 5.11 The reasons for the discrepancies between ODA data and the other data sources are not clear at this stage. XCTL continues to call for a more complete investigation into these discrepancies before any SRT changes are introduced.
- 5.12 Network Rail has now identified some other potential issues with their ODA data for the route in question, specifically on sections where Engineering, Performance or Adjustment allowances are added to Sectional Running Times, so are now proposing to withdraw those particular SRTs. This is shown in Paul Richards' email of 23 March 2017 and one of its attachments (Appendices 10 and 11). This partial withdrawal demonstrates a lack of confidence by Network Rail in their own data and, having identified a weakness in this particular area, brings into question the reliability of the other proposed values.
- 5.13 As set out in section 6.4 of the 2018 National TPRs Version 2 (pages 187-188), SRTs are rounded up or down to the nearest half-minute, but this is done on a cumulative

basis, so that the cumulative SRT over a series of timing points remains as close as possible to the actual running time, meaning that consecutive SRTs are interdependent on each other. Therefore, withdrawal of part of a geographic series of proposed SRT values is a flawed approach.

- 5.14 In our email to Network Rail of 23 March 2017 (Appendix 10), we requested that Network Rail withdraw the whole series of SRTs, pending further review, with a view to implementing any changes at a future date to be agreed. At the time of writing, Network Rail has not responded to that request.
- 5.15 It has also become apparent that there are internal differences within Network Rail as to the validity of the proposed SRTs. Paul Richards' email of 23 March 2017 (Appendix 10) and one of its attachments (Appendix 10) show that Network Rail has other sources of data that suggest SRT values different to those derived from the ODA Analysis – Column K “Comments by Richard Tagg” in Appendix 14 refers to timing data gleaned by first-hand observation (“stopwatch”) or GPS data.
- 5.16 For avoidance of doubt, XCTL does not subscribe to the SRT values suggested in red font in column L of Appendix 11, under the heading “XC GPS Data Suggests”, since the data quoted here is the uncleansed mean value, which includes runs that experienced significant delays.
- 5.17 XCTL believes that the imposition of increased SRTs, without adequate data to justify them, is in breach of Decision Criterion d (Network Code Part D, 4.6.2), “that journey times are as short as reasonably possible”. The proposed SRTs result in running times of between 0 and 1½ minutes longer than today's SRTs, depending on the stopping pattern.
- 5.18 XCTL does not believe that Network Rail has given adequate consideration to paragraphs 2.2.5 and 2.2.6 of part D of the Network Code, in its consultation of the proposed SRT values. Operators including XCTL have repeatedly raised concerns about these values, orally, including at Timetable Planning Fora, and formally in our response to Version 1 of the TPRs, yet Network Rail has still published them in the Final Rules for 2018.

6 DECISION SOUGHT FROM THE PANEL

XCTL request that the Panel determines:

(Points of Principle):

- 6.1 That Network Rail should demonstrate that adequate account has been taken of both performance and capacity considerations when proposing amendments to headways;
- 6.2 That Network Rail should not impose changes to Sectional Running Times based solely on Observed Data Analytics without giving due consideration to other credible sources of data, when these are available;
- 6.3 That, when implementing changes to Sectional Running Times, Network Rail should provide unambiguous detail of the changes to Timetable Participants at the same time as the Timetable Planning Rules are published and should ensure that the updated Sectional Running Times are available in industry planning systems in a timely manner.

(Specific Conclusions):

- 6.4 That the 2018 Western and Wales Timetable Planning Rules are amended, such that the headway values for “Reading High Level Junction (Main Line) or Reading West Junction (Relief Line) to Didcot Parkway”, under Section 5.2, Route GW103, are withdrawn and replaced by those values that applied in Version 4 of the 2017 Western and Wales Timetable Planning Rules (this should not preclude further amendment at a future date, following appropriate consultation);
- 6.5 That the Sectional Running Times relating to the 2018 London North Eastern Timetable Planning Rules are amended, such that the revised values for Class 221s between Newcastle and Berwick upon Tweed, in both directions, on Route LN600, are withdrawn and replaced by those in force for the 2017 Timetable Year (this should not preclude further amendment at a future date, following appropriate consultation).

7 APPENDICES

The Claimant confirms that it has complied with Access Dispute Resolution Rule H21.

Extracts of Access Conditions/Network Code are included where the dispute relates to previous (i.e. no longer current) versions of these documents.

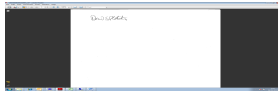
All appendices are bound into the submission, and consecutively page numbered. To assist the Panel, quotations or references that are cited in the formal submission are highlighted (or side-lined) so that the context of the quotation or reference is apparent.

Any information only made available after the main submission has been submitted to the Panel will be consecutively numbered, so as to follow on at the conclusion of the previous submission.

8 SIGNATURE

For and on behalf of XC Trains Limited

Signed



Print Name

David Fletcher

Position

Timetable Strategy Manager
