

Your Ref:
Our Ref: 8162dec21\DH\rg

Kings Place, 90 York Way
London, N1 9AG

21 December 2011

Tel No: 0203 356 9200
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Mr Richard Price
Chief Executive
Office of Rail Regulation (ORR)
One Kemble Street
London
WC2B 4AN

Dear Richard

BREACH OF CONDITION 1 OF NETWORK RAIL'S NETWORK LICENCE WITH REGARD TO OPERATIONAL PERFORMANCE

I write in response to your letter of 19 December 2011 in which you give notice that your Board has found that Network Rail is likely to breach Condition 1 of its Licence in respect of our failure to meet PPM targets for the long distance sector and that we are currently in breach of the same Condition as a result of our failure to meet the target for 'Network Rail delay minutes' per 100 train-kms for freight. I acknowledge and accept this decision.

Working with our industry partners, Network Rail is committed to further understanding the issues which have resulted in these findings and resolving them.

We have a number of specific issues relating to the detailed drafting of the enforcement orders, notably in relation to the timescales that have been proposed for producing and delivering (following consultation) our plan setting out the steps that we will take in the remainder of 2011/12 and 2012/13 to deliver the PPM outputs. Paul Plummer or Robin Gisby will discuss these issues with your office well before the deadline for making representations on the proposed orders.

Yours sincerely



David Higgins
Chief Executive

