

PROPOSED DIRECTION TO RAILTRACK UNDER CONDITION 6 OF
RAILTRACK'S NETWORK LICENCE:

RAILWAYS ACT 1993

PARAGRAPH 6(a) and (d) OF CONDITION 6 OF THE NETWORK LICENCE
OF RAILTRACK PLC DATED 31 MARCH 1994

DIRECTION

1. Pursuant to paragraph 6(a) of Condition 6 of the Licence, the Licence Holder procured that Railway Safety and Railtrack Group PLC were parties to the Agreement, whereby Railway Safety and Railtrack Group PLC agreed with the Licence Holder respectively to comply and to ensure compliance by Railway Safety with paragraphs 7-13 of Condition 6 of the Licence.
2. Pursuant to paragraph 6(d) of Condition 6 of the Licence, the Licence Holder is obliged to enforce the obligations of Railway Safety and Railtrack Group PLC under the Agreement whenever required, or whenever so directed by the Regulator by notice, and in accordance with the terms of the direction.
3. Paragraph 7(c) of Condition 6 of the Licence provides that Railway Safety shall comply with the provisions of the Code.
4. The Regulator considers that the purpose of the Code, laid down by paragraph 8 of Condition 6 of the Licence, renders it necessary and appropriate that standards established by Railway Safety pursuant to the Code:
 - (1) state the obligations imposed on the Licence Holder in clear and express terms; and
 - (2) include the imposition of the Information Obligation on the Licence Holder.

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5. The terms of current standards, including in particular Railway Group Standards GS/ES1914, Issue 1, Railway Group Standard GO/RT3270, Issue 2, and GE/RT8029, Issue 1, fail to impose the Information Obligation.
6. The Regulator therefore directs the Licence Holder to enforce the obligations of Railtrack Group PLC and Railway Safety under the Agreement by requiring Railway Safety to adopt amendments to Railway Group Standards, or by establishing a new Railway Group Standard, which:
 - (1) subject to (2) below, shall require the Licence Holder to perform the Information Obligation from a date that shall be no later than 1 October 2001; and
 - (2) shall not apply only if and to the extent that the Licence Holder shall demonstrate to the satisfaction of the Regulator in any particular case that it would not be reasonably practicable for it to comply with the Information Obligation by that date.

Definitions

7. In this Direction, the singular shall include the plural, unless the sense otherwise dictates, and the following expressions shall have the following meanings:
 - (1) The Act means the Railways Act 1993.
 - (2) The Licence Holder means Railtrack PLC of Railtrack House, Euston Square, London NW1 2EE.
 - (3) Railway Safety means the wholly owned subsidiary of Railtrack Group PLC limited by guarantee, referred to as IRSA in Condition 6 of the Licence.
 - (4) The Code means the Railway Group Standards Code provided for in paragraph 8 of Condition 6 of the Licence.

- (5) The Network means the network in respect of which the Licence Holder is operator pursuant to the Licence.
- (6) The Licence means the Licence Holder's network licence dated 31 March 1994.
- (7) The Agreement means the agreement referred to at paragraph 6(a) of Condition 6 of the Licence, dated 22 December 2000.
- (8) Information Obligation means an obligation on the part of Railtrack to have in its possession or under its control and to make available to a Relevant Party, efficiently and in a timely manner, complete and accurate information:
- (a) in respect of the characteristics and behaviour of the physical infrastructure of the Network (including changes thereto which can reasonably be expected); and
 - (b) which is reasonably required for the purpose of the efficient and timely design, build, commissioning, testing and acceptance of new or modified rolling stock so as to enable it to be brought into safe and reliable service on the Network or such parts of the Network on which the new or modified rolling stock is expected to operate.
- (9) Relevant Party means:
- (a) any person to whom access rights are granted by Railtrack in respect of the use of the Network for the operation, including the testing, of new Rolling Stock; and
 - (b) actual or potential suppliers of any such person;

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and shall include in particular train operating companies, rolling stock companies and actual and prospective manufacturers and designers of new Rolling Stock.

- (10) Rolling Stock means rolling stock designed or manufactured, or to be designed or manufactured, for operation on the Network.