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Joel Strange Senior Regulatory Economist Network Rail Kings Place 90 York Way London N1 9AG

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GB Railfreight Ltd. Response to Network Rail Schedule 8 benchmarks in CP5

Dear Joel,

Please find our comments in relation to Schedule 8 Benchmarks in CP5 below

Consultation question 1: GBRf agree that Network Rail should lead the work to set the Network Rail Schedule 8 benchmark for CP5 and to engage fully and constructively with TOCs/FOCs throughout the process.

Consultation question 2: FOC services are diverse in nature, but this should not mean that the Schedule 8 benchmarks should reflect performance trajectories below TOC level.

- i. CP5 Schedule 8 benchmark should reflect expected CP5 performance.
- ii. Schedule 8 benchmarks should be consistent with PPM performance trajectories contained in the JPIPs 2013-14, but should also take into account previous year's levels. The benchmark should not be set at a higher level than that Network Rail have already achieved in CP4.
- iii. GBRf Agree
- iv. Network Rail benchmarks should be set on the most recent data and relationships between Schedule 8 AML and PPM and/or delay minutes, but should not be set at a lower level than benchmarks set in CP4.
- v. GBRf Agree
- vi. GBRf Agree

Consultation question 3: It is very important for TOCs to engage with Network Rail routes in order to establish PPM performance trajectories for CP5. For FOCs it is important that there is consistency across all routes bearing in mind the 'nationwide' nature of its business.

Consultation question 4: GBRf have no comment.

Consultation guestion 5: GBRf Agree

Additional comments: It is vital that the proposed payment rates and benchmarks ensure that Schedule 8 remains a financially neutral regime.

Setting inappropriate levels will be a disincentive for improved performance for both Network Rail and TOCs/FOCs.

Yours sincerely,

Lee Armstrong GBRf