

With the general election imminent, this month's column focuses on two topics of particular concern – open access and the lack of orders in the new train market. We went to press the day before Alstom's order for a further 10 Elizabeth line trains was announced – so I'll be giving that the treatment next month. The regular table of new train reliability is also expanded this month to include all the fleets ordered since 2013.

Open Access – ORR deadline threatens anarchy?

Virgin open access – back with a vengeance

New train procurement generates cost challenges

New Train reliability monitor

Until 5 July we are going to have to differentiate between the two political parties' solutions to the 'railway problem'. Neither party's solution has been properly thought through. However, Open Access will continue to be a feature of both what I call the GBR(Con) and GBR (Lab) versions of Great British Railways.

While both parties extol the virtues of open access, Labour adds a crucial caveat. Central to last month's analysis of the root causes of the latest East Coast Main Line (ECML)timetable fiasco was capacity, or rather the lack of. Labour sees open access as using 'spare capacity'.

The recent rush of new Open Access Operator (OAO) applications was triggered by a letter from ORR to potential candidates on 24 April. This noted that a higher-than-usual number of access applications was expected, from both freight and passenger operators, for the December 2024, May 2025 and December 2025 timetable changes.

Some of these services would interact with each other, either directly or elsewhere across the network. Clearly the uncertainty over the ECML December 2024 timetable will affect ORR's treatment of current and new access applications. This is because current applicants` will have used the aborted timetable as the basis for their submissions.

Even where applications do not involve the ECML, the December 2024 timetable also created conflicts on other routes. So, until the December 2024 timetable has been re-worked ORR remains unclear whether there will be capacity to accommodate all the current Open Access applications plus any further bids.

To establish the potential future demand, ORR's letter set a deadline of 20 May for applications for additional rights for December 2024 plus the two following timetables. The deadline applied to proposed services using specific main lines, routes or pinch points.

A table in the column summarises both current and potential OAO services. However, the deadline flushed out one applicant which was not your typical OAO, but a full-on competitor, and deserving an item of its own.

Virgin OAO targets WCML

Virgin Trains' formal application for Open Access services on the West coast Main Line (WCML) raised even my 'seen it all' eyebrows. Where Open Access has typically offered half a dozen services a day with 5-car trains, Virgin's block-buster proposal is not so much open access as a fully-fledged alternative train service.

For example it includes an hourly Euston-Liverpool service offering 15 return trains a day. Birmingham gets eight London return services and Preston/Rochdale via Manchester seven.

Pre-empting Labour's 'spare capacity' caveat, in its submission Virgin Trains lists a number of paths 'not currently being fully utilised by the respective operators'. However, current operators have access rights to these 'unused' paths, so they are not exactly 'spare'.

I asked ORR whether there is a 'use it or lose it' provision in Track Access licences. In the column I quote the relevant section of the Network Code.

Whether such blatant competition could pass ORR's Not Primarily Abstractive (NPA) test for potential OAOs is another matter. Even if Virgin's bid achieves the 30% minimum new revenue, 70% of the revenue from the stations shared with Avanti, West Midlands, Cross Country and other operators would be substantial.

Virgin engages in special pleading when it comes to the NPA. It notes that while other markets with similar characteristics have achieved 'full recovery', the West Coast Intercity routes continue to 'significantly lag 2019 passenger levels'. This, argues Virgin indicates 'considerable headroom' for growth and recovery 'not captured by traditional industry modelling'.

So Virgin urges that ORR's evaluation process should 'consider and reflect', among other factors, Virgin's 'unique capabilities to unlock growth, thanks to its established and trusted brand, with a 20+ year track record of industry-leading

growth and customer satisfaction' as the operator of the Intercity West Coast franchise. This looks like a plea for a new 'Virgin Fairy Dust' factor in the NPA algorithm.

One can only imagine the reaction to Virgin's bid among civil servants at the DfT. For decades they had regarded open access as the devil's work, until they saw the light with the arrival of Secretary of State Mark Harper. While they belatedly welcomed OAO, I suspect what they, and the writers of Labour's proposal for GBR, expected, were more niche players like FirstGroup and Grand Union.

Virgin's proposal brings to mind the scene in the film 'The Italian Job', where a trial explosion reduces a van to a smouldering wreck. As Michael Caine tells the explosives expert, 'You were only supposed to blow the bloody doors off.'

How much should new trains cost?

As I have remarked before, where infrastructure unit-costs have soared since privatisation, traction and rolling stock engineers have kept prices relatively stable in real terms. And I have a table in this month's column to prove it.

For example, at today's prices, the last Electric Multiple Unit to be ordered by British Rail – the Class 323 – cost much the same per vehicle as the current Class 701 fleet.

When it comes to DMUs, however, the situation is less clear. Cost data is not so easy to find. However, the CAF Class 196 costs a multiple of BR's last DMU, the Class 158.

So replacing the ex-BR DMU fleets is today's rolling stock challenge. As I have been arguing, the solution to removing the ex-BR DMU fleets is not like-for-like replacement, but a centrally coordinated cascade programme, which sees the older DMUs dropping out of the bottom.

If this means Class 170s running on into the 2040s, so what? The CO2 they emit is irrelevant on a national, let alone a global scale. And, of course, the two-fold way to having a serious impact on emissions is a rolling electrification programme with a reduction in diesels running under existing, let alone new, wires.

Bi-mode locomotives, or even electro-diesel-battery tri-modes may be expensive, but the Freight operators are now bracing themselves to pay the extra leasing costs in return for the higher power and versatility of multi-mode locomotives. And to my surprise, the cost analysis revealed that the price for these modern traction units is not that expensive compared with BR era locos.

Meanwhile talk of new trains tends to overlook costs. We won't know what a post-pandemic EMU, procured with a war raging in Europe, will cost, until Southeastern receive the bids for their Networker replacement proposal. However, in next month's column, my analysis of the order for more Elizabeth line trains will provide a marker.

In the rest of the article I run through the current and future procurement prospects. The only unambiguous requirement comes from Southeastern. An Invitation to Negotiate for the supply of 'new, refurbished or modern cascaded rolling stock' was issued in May to Alstom, CAF, Hitachi, Siemens and Stadler.

And affordability will be key. The precise quantity of the core order will not be decided until bids, including the parallel procurement of financing for the fleet, have been evaluated. This will allow the business case for the new trains to be finalised, which, in turn, will 'inform and determine which fleet or fleets are to be replaced'.

Also published in May was what Northern Trains called the 'opportunity' to bid for eight year framework agreements. These new trains would replace 'significant quantities of Northern's ageing fleet'.

Total requirement over the 8 years is given as up to 450 units. Procurement is specified in terms of three 'Lots', each with multiple 'Phases'. Making sense of these was so brain-aching that I had to fire up a spread-sheet to restore order.

Nor does it help that Northern has introduced the concept of the 'Multi-mode Multiple Unit' (MMU). This is a train which can operate under the 25kV network as a conventional EMU or self-powered as a diesel-electric multiple unit. So it's a camouflaged bi-mode, then?

Not really. It will also have a traction battery for emission free operations in stations. So it's a tri-mode, which will cost the earth to buy. With an axle-load 2-3 tonnes more than the Class 156 or 158 it could be replacing, variable track access charges would be higher.

And on top of all that, the MMU will have to be traction-fluid. This means being fully convertible to EMU or Battery Electric Multiple Unit (BEMU) at a later stage. No wonder that a ROSCO chum calls it a 'unicorn'.

On timing of the procurement, Northern had been hoping to award the contract by the end of this year. It looks as though the programme has slipped by at least 12 months.

By comparison Transpennine Express' has invited Expressions of Interest in its simple requirement for additional trains following confirmation of the latest tranche of funding for the TransPennine Route Upgrade. This included electrification throughout. TPE is looking to replace the 51-strong fleet of 3-car Class 185 Siemens DMUs, with delivery driven by the electrification schedule.

Lastly, Chiltern's requirement for replacement rolling stock appears to be focused on environmental issues rather than the business consideration of running a cost effective railway. Currently it is running two procurement exercises in parallel,

one for Low Emissions Multiple Units (LEMU) and the other for Battery Electric Multiple Units (BEMU)'.

Chiltern sees the BEMU as a replacement for the Class 165 fleet and the LEMU replacing the modern Class 168 DMU fleet. Chiltern tells me that the progression of one of the procurement exercises may adapt or change the other. It all seems a bit too fluid to me.

#### New Train reliability disappoints

With the reliability data for Period 13 marking the end of the 2023-24 Railway Reporting Year, I thought it might be instructive to show how all the second generation rolling stock fleets (essentially ordered after the franchising re-set in 2013) have been performing. In retrospect, I'm not sure it was such a good idea.

Since what was originally called TIN-Watch was launched in 2018, the most successful fleets have been promoted from the monthly table. As time went by, the initial yardsticks for promotion proved optimistic had to be relaxed considerably. As the table shows, some of those promotions flattered only to deceive.

To provide some context I have also included an 'averagely reliable' Class 150 DMU. Northern is slightly worse, TfW slightly better, but Great Western hits the Goldilocks spot.

For the EMU base-line I have listed the oldest fleet on the books, the Merseyrail Class 507/508. These have seen better days and are now being run down - but still put eight fleets four decades younger to shame.

There are so many embarrassing questions raised by this table that I have left it for readers to draw their own conclusions.

#### Roger's blog

As I write this, transport has yet to feature as the day's topic on the major parties' election 'grids'. Perhaps not surprising, since in past General Elections transport has rarely been a key issue.

However, we've had the various Party manifestos, which contained little new on rail. And my local MP, who we interviewed for Modern Railways when he was Transport Secretary, has yet to come canvassing in our road.

Fortunately the election date falls well before the News section of the August Modern Railways goes to press. So we should know the new ministerial team at the DfT. Whoever is the new Rail Minister will face a daunting task as the latest ORR passenger usage report confirms my previous report that fares revenue has plateaued throughout 2023-24.

Politics aside there's much analysis to do for next month's column, in particular, determining the cold numbers behind the battery train 'bubble' now being fostered by two major manufacturers. It always adds some spice to this job when manufacturers won't provide technical data on grounds of 'commercial confidentiality', even though, in this case, everyone has the same choice of battery chemistries.

And, although probably too soon for the next column, I have promised myself to get to the bottom of the reform of Drivers' Terms & Conditions. The Conservative manifesto claimed reform is needed to remove the 'unaffordable and unfair working practices which are unjustifiable to the public'. So, never a dull moment.

Roger