



OFFICE OF RAIL REGULATION

**Bill Emery**  
**Chief Executive**  
Telephone 020 7282 2006  
Fax 020 7282 2043  
E-mail bill.emery@orr.gsi.gov.uk

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Peter Freeman Esq.  
Chairman  
Competition Commission  
Victoria House  
Southampton Row  
London  
WC1B 4AD

Dear Mr Freeman

### **Leasing of Rolling Stock for Franchised Passenger Services**

We, the Office of Rail Regulation (ORR), in exercise of our powers under section 131 of the Enterprise Act 2002 (EA02), are today referring the leasing of rolling stock for franchised passenger services and the supply of related maintenance services (the reference goods and services) to the Competition Commission.

We have reasonable grounds to suspect that features of the markets in which the reference goods and services are supplied, prevent, restrict or distort competition.

Our terms of reference and detailed reasoning are set out in the attached report. The terms of reference are to be found at Annex A of the report.

We are happy to continue to provide information and assistance to you in relation to the inquiry in accordance with our duties under section 170 of EA02.

Yours sincerely,

**Bill Emery**



INVESTOR IN PEOPLE

## Annex A – Reference

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### Terms of Reference

1. ORR, in exercise of its powers under section 131 of the Enterprise Act 2002 and having had regard, in particular, to its statutory duties under section 4 of the Railways Act 1993 (RA93), hereby makes a reference to the Competition Commission for an investigation into the leasing of rolling stock for franchised passenger services and the supply of related maintenance services (the reference goods and services) in Great Britain.
2. ORR has reasonable grounds for suspecting that a feature or a combination of features of the markets in which the reference goods and services are supplied prevent, restrict or distort competition in connection with the supply of the reference goods and services in Great Britain, being part of the United Kingdom.
3. For the purposes of this reference:
  - "franchised passenger services" has the same meaning as in section 23 of RA93; and
  - "related maintenance services" means the provision of services for the maintenance of leased rolling stock vehicles by a lessor (whether or not through a subcontractor), including, but not limited to, refurbishment and the overhaul or replacement of major components.