

Schedule 9.1 - Variations and Financial Consequences of Change			
Date	Reason	Clauses	End Date
13 December 2017	Creation of new Priced Option	Schedule 9.1 Paragraph 1.1 Paragraph 4.1	N/A
<p>Franchise Variation - Glasgow North and South Electrics Capacity Improvements</p> <p>This letter is a notice under the terms of Schedule 9.1, Variations and Financial Consequences of Change, paragraph 1.1 (a) of the Franchise Agreement between the Scottish Ministers and Abellio ScotRail LTD (“ScotRail”) dated 7 and 18 October 2014 (“the Franchise Agreement”) to vary the ScotRail Franchise to include a new Priced Option for the leasing and operation of 5 additional class 320/4 EMUs (the “Units”) to provide additional capacity for Glasgow North and South Electric services.</p> <p>Both Transport Scotland and Abellio ScotRail have agreed the changes.</p> <p>For the avoidance of doubt, the prices specified are fixed and shall be the only additional sums to the Franchise subsidy incurred by the Authority in respect of this Change.</p> <p>In accordance with the Franchise Agreement, Schedule 9.1 Clause 4.1, the Authority notifies the Franchisee that this Change could potentially exceed the Threshold Amount (£636,018) either alone, or when taken together with any future Change, resulting in a Qualifying Change. The parties agree that no Run of the Financial Model will be required in respect of this Change alone in view of the pricing arrangements agreed herein.</p> <p>The Priced Option created by this letter is hereby called off with immediate effect.</p> <p>Appendix – New Priced Option</p> <p>Priced Option 6 – Glasgow North and South Electrics Capacity Improvements</p> <p>SPECIFICATION</p> <p>The Authority requires the Franchisee to enter into a Lease for the Units with Eversholt Rail (UK) Ltd (the “Lessor”) as soon as reasonably practicable. A committed Offer outlining the commercial terms of the Lease has been provided to the Authority for reference (in Commercial Confidence).</p> <p>Prior to the Units entering into service in Scotland, a programme of modification works requires to be completed. The Franchisee (via the Lessor) will award a contract for the works to Wabtec Rail Scotland for the completion of works at its Kilmarnock facility. Contractual commitment to the overhaul and enhancement of the Units is required by 31st December 2017 in order to secure services of the Scottish based supply chain, enable it to effectively mobilise and secure earliest possible dates of introduction into service within Scotland of the Units.</p> <p>The Units shall be introduced into service no later than:</p>			

Unit 1	10 June 2018
Unit 2	12 August 2018
Unit 3	7 October 2018
Unit 4	2 December 2018
Unit 5	27 January 2019

Timescale for implementing Priced Option

To be commenced no later than 15 December 2017 and fully implemented by the May 2019 passenger change date.

Other effects on this Agreement

For Train Fleet Table 1 in Appendix 1 to Schedule 1.1 substitute the following table:-

Train Fleet Table 1

	Timetable Change Date	Dec- 2015	Dec- 2016	Dec- 2017	Dec- 2018	Dec- 2019	Dec- 2020	Dec- 2021	Dec- 2022	Dec- 2023	Dec- 2024	Dec- 2025		
Class	Unit configuration	Number of Units											Owner / Lessor	Lease Expiry Date
156	2	47	47	47	38	38	38	38	38	38	38	38	Angel trains	31.03.2025
156	2	1	1	1	1	0	0	0	0	0	0	0	Brodie Engineering Limited	31.05.2019
158	2	8	8	8	8	0	0	0	0	0	0	0	Angel trains	31.12.2018
158	2	40	40	40	40	40	40	40	40	40	40	40	Porterbrook	31.03.2025
170	3	5	5	5	5	0	0	0	0	0	0	0	Eversholt Rail (UK) Limited	31.12.2018
170	3	30	30	34	34	34	34	34	34	34	34	34	Porterbrook	31.03.2025
170	3	4	4	0	0	0	0	0	0	0	0	0	Porterbrook	31.03.2025
170	3	16	16	16	0	0	0	0	0	0	0	0	Porterbrook	06.2018
HST	4	0	0	0	9	9	9	9	9	9	9	9	Angel Trains	31.03.2025
HST	5	0	0	0	13	17	17	17	15	15	15	15	Angel Trains	31.03.2025
HST	6	0	0	0	0	0	0	0	2	2	2	2	Angel Trains	31.03.2025
														Flexible 31.12.2018 (to 30.06.2019)
314	3	16	16	16	16	0	0	0	0	0	0	0	Angel trains	31.03.2025
318	3	21	21	21	21	21	21	21	21	21	21	21	Eversholt Rail (UK) Limited	31.03.2025
320	3	29	29	29	33	34	34	34	34	34	34	34	Eversholt Rail (UK) Limited	31.03.2025
334	3	40	40	40	40	40	40	40	40	40	40	40	Eversholt Rail (UK) Limited	31.03.2025
380	3	22	22	22	22	22	22	22	22	22	22	22	Eversholt Rail (UK) Limited	31.03.2025
380	4	16	16	16	16	16	16	16	16	16	16	16	Eversholt Rail (UK) Limited	31.03.2025
													Caledonian Rail Leasing Limited	31.03.2022 (flexible to 28.02.2044)
385	3	0	0	0	46	46	46	46	46	56	56	56		31.03.2022 (flexible to 28.02.2044)
													Caledonian Rail Leasing Limited	31.03.2022 (flexible to 28.02.2044)
385	4	0	0	0	24	24	24	24	24	24	24	24		30 March 2018 (flexible to 31.05.2019)
LHCS	6	2	2	2	2	0	0	0	0	0	0	0	Direct Rail Services	30 March 2018 (flexible to 31.05.2019)

For Train Fleet Table 5 in Appendix 1 to Schedule 1.1 substitute the following table:-

Train Fleet Table 5

Class of Vehicles	Total Fleet	Planned Maintenance Allocation	Fleet Allocated Passenger Services
156	38 Units	Corkerhill	35 Units
158	40 Units	Haymarket / Inverness	36 Units
170	34 Units	Haymarket / Inverness	31 Units
318, 320	55 Units	Shields	51 Units
334	40 Units	Shields	38 Units
380/0 (3-car)	22 Units	Shields	20 Units
380/1 (4-car)	16 Units	Shields	15 Units
385 3 car	46 Units	Craigentinny	44 Units
385 4 car	24 Units	Craigentinny	22 Units
HST 4 +2PC	9 Units*	Haymarket / Inverness	8 Units
HST 5 + 2PC	17 Units*	Haymarket / Inverness	15 Units

*On Monday's between 06:00 and 10:30 one additional HST set (either 4+2PC or 5+2PC) will be available for traffic.

Last date for exercising the Priced Option

Priced Option has already been exercised.