

**Annette Egginton**  
**Head of Competition & Consumer Policy**  
Telephone 020 7282 2101  
Fax 020 7282 2043  
E-mail [annette.egginton@orr.gsi.gov.uk](mailto:annette.egginton@orr.gsi.gov.uk)



OFFICE OF RAIL REGULATION

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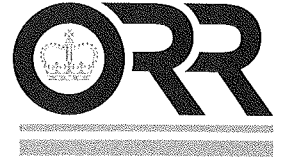
Marc Braithwaite or Carlos Martínez Rico  
The Office of Fair Trading  
2 - 6 Salisbury Square  
London  
EC4Y 8JX

Dear Mark/Carlos

### **Public Transport Ticketing Schemes Review: consultation response**

1. We are grateful for the opportunity to comment on the OFT review of the Public Transport Ticketing Schemes Block Exemption (PTTS BE) and note the proposal that the scheme be extended for an additional period of five years until 29 February 2016.
2. The Office of Rail Regulation (ORR) is the independent safety and economic regulator for Britain's Railways. We regulate Network Rail and aim to promote continuous improvement in safety, performance and efficiency of the railways so that it better meets the needs of users (including passengers) and taxpayers. We enforce competition law in relation to the provision of services relating to the railways and also have powers to enforce some consumer law in the railway sector.
3. We think that the PTTS BE continues to provide economic benefit to consumers through facilitating a more joined up transport network, particularly in local markets. The conditions of the PTTS BE applying to all types of specified arrangements (Articles 6, 7, 8, and 9) appear to properly protect the competitive process from being harmed as a result of the scheme as a whole. We have no knowledge of whether these benefits would continue to result in the absence of the PTTS BE.
4. We agree that smart ticketing is a developing area, where innovation is in its early stages. On that basis, and in agreement with the reasoning of the OFT, we agree that it





would be premature to include specific provisions for smart ticketing in the PTTs BE at this time.

5. As a regulator with concurrent powers in respect of services relating to railways, the consultation provides us with helpful information about OFT's approach.

6. No part of this response is confidential: we are content for you to publish it in full.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Annette M. Egginton', written in a cursive style.

**Annette Egginton**