

The Hon Jo Haylen MP
Minister for Transport



Ref: BN23/00278

Ms Carmel Donnelly PSM
Chair
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

Re: Referral of the Opal maximum fares for review

Dear Ms Donnelly,

I write to the Independent Pricing and Regulatory Tribunal (IPART) to refer the task of determining appropriate maximum fares for Opal public transport services until 30 June 2028.

The Premier has approved this referral, as required under section 123 of the *Passenger Transport Act 2014*.

Under section 123(2)(b) of the *Passenger Transport Act 2014*, I have included additional matters for IPART to consider as part of the review, in addition to the matters set out in section 124.

There have been significant changes in the way customers travel since the COVID-19 pandemic. It is appropriate to seek IPART's guidance to ensure that Opal fares are suitable for the new environment.

The inclusion of additional matters will provide IPART an opportunity to provide policy advice on current and emerging issues, to ensure they are considered in determining maximum fares.

I look forward to receiving IPART's determination.

If you would like more information, please contact Mr Aaron Murray by phone on 0140 5834 558 or email Aaron.Murray@transport.nsw.gov.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Jo Haylen".

Jo Haylen MP
Minister for Transport

Passenger Transport Act 2014

Section 123(1)(a)

Referral

I, the Hon. Joanna Elizabeth Haylen MP, Minister for Transport, with the approval of the Hon. Christopher John Minns, MP, NSW Premier, who is responsible for administering the *Independent Pricing and Regulatory Tribunal Act 1992*, refer, under section 123(1)(a) of the *Passenger Transport Act 2014*, Opal Services to the Independent Pricing and Regulatory Tribunal (IPART) for determination of the appropriate maximum fares for Opal Services.

In addition to the matters contained in section 124 of the *Passenger Transport Act 2014*, when making investigations for the purposes of its report on its determination, IPART is required, under section 123(2)(b) of the *Passenger Transport Act 2014*, to consider the following matters:

1. The Opal mode and distance based fare structure.
2. Incorporating new services into the Opal fare structure.
3. Managing demand and optimising the efficiency of transport networks.
4. Ensuring affordability and accessibility for disadvantaged groups.
5. Cost recovery in the post COVID-19 environment.
6. The appropriateness of the current methodology for determining maximum Opal fares.

For the purposes of this referral, Opal Services means the following services:

- Train services operated by Sydney Trains under the authority of a passenger service contract with Transport for NSW
- Train services operated by NSW Trains operated under the business name NSW TrainLink Intercity under the authority of a passenger service contract with Transport for NSW
- Train services operated by Sydney Metro under the authority of a passenger service contract with Transport for NSW
- Sydney Ferries network services operating under the authority of a passenger service contract with Transport for NSW and ferry services operating between Manly and Circular Quay under the authority of a passenger service contract with Transport for NSW
- Buses, light rail and ferry services operated by Newcastle Transport under the authority of a passenger service contract with Transport for NSW
- Bus services operated under the authority of a Sydney Metropolitan Bus Service Contract with Transport for NSW
- Bus services operated under the authority of an Outer Sydney Metropolitan Bus Service Contract with Transport for NSW

- Light rail services operated by Sydney Light Rail, including Inner West and CBD and South East light rail, under the authority of a passenger service contract with Transport for NSW
- Light rail services in Parramatta, under the authority of a passenger service contract with Transport for NSW
- On demand services in metro and outer metropolitan areas operated under the authority of a passenger service contract with Transport for NSW

For Opal Services listed above, the maximum fares are those payable using an Opal card, including Opal pay, and contactless transport payments.

IPART is to report to the Minister for Transport on its determination as soon as practicable, but no later than 12 months of receipt of this referral. A draft report and determination should also be publicly released during the course of the review to ensure adequate public consultation.

IPART is to determine maximum fares for Opal Services for the period to 30 June 2028. The determination should remain in force until it is varied or replaced.

Signed:



The Hon. Joanna Elizabeth Haylen, MP
Minister for Transport

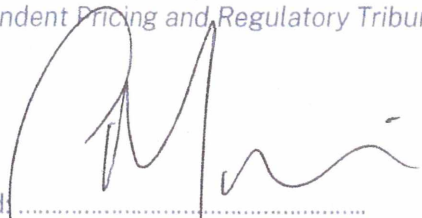
Date:

13-7-23

Approval of Referral

I, the Hon. Christopher John Minns, MP, NSW Premier, as the Minister administering the *Independent Pricing and Regulatory Tribunal Act 1992*, approve this referral under section 123(1) of the *Independent Pricing and Regulatory Tribunal Act 1992*.

Signed:



The Hon. Christopher John Minns, MP
NSW Premier

Date:

5/9/23