

Media Release

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Improving rail track access in NSW

IPART is reviewing the regulatory framework for train operators to access NSW rail network. IPART has released its draft report and recommendations and is calling for submissions.

The existing rail access framework has been in place for 20 years. With the freight movements in metropolitan NSW set to double over the next 30 years, it is important that NSW has the right rail access framework for allowing third-party train operators to use the rail network.

IPART Chair Carmel Donnelly said the regulatory settings are critical to achieving this objective.

"IPART's draft recommendations recognise that rail owners and train operators are generally best placed to negotiate the access arrangements that meet their commercial objectives.

Train operators seeking to access the rail infrastructure need more information to make informed, timely and efficient decisions about emerging opportunities," she said.

"They also need confidence that when they negotiate it will be on fair and reasonable terms."

IPART has proposed that parties would need to negotiate according to defined time frames. If agreement is not reached within 3 months (or a date as agreed), a dispute resolution mechanism would be triggered.

"This would provide a greater incentive for parties to reach a timely agreement and more certainty around the processes when a dispute arises," Ms Donnelly said.

Track owners would also be required to publish more information on services, costs, prices, network development and performance, and comply with transparent rules governing how they allocate and manage track capacity.

"One of the key problems under the existing framework is that it is difficult to hold track owners to account when they don't comply with the rules," Ms Donnelly said.

"Our draft recommendations would provide IPART with new enforcement powers. We are also recommending lower cost dispute resolution methods and clear time frames to help resolve disputes."

NSW rail track owners are the Transport Asset Holding Entity (TAHE) and Australian Rail Track Corporation (ARTC). The third parties that access their rail networks include coal, grain, general freight, passenger, and heritage rail businesses. IPART's recommendations would not affect how it sets passenger fares.

The Draft Report is available on IPART's website, with submissions open until 16 December 2022. IPART will hold a public hearing in November, before finalising its recommendations to Government in May 2023.

Media Contact: Adrian Flood



0427 105 865



media@ipart.nsw.gov.au