

# Agenda Public Hearing

<b>Topic</b>	Review of fares for CityRail and Sydney Ferries Services from January 2013 Review of fares for Rural and Regional Bus Services 2012 Review of the fare for the Stockton Ferry Service 2012
<b>Date</b>	17 October 2012
<b>Time</b>	2 pm
<b>Location</b>	IPART Offices; Level 8, 1 Market Street Sydney

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## 1. Opening remarks

An introduction from IPART's Chairman.

## 2. CityRail and Sydney Ferries – framework for maximum fare regulation

A member of the IPART Secretariat will provide a short presentation on the approach being taken to these fare reviews. Issues for stakeholder discussion include:

1. IPART determines increases in maximum fares, so that passengers and taxpayers each fund their fair share of the efficient costs of providing the relevant services. To decide how much passengers should fund, we take the costs of providing the service, deduct inefficient costs, then deduct the value of the external benefits these services generate. Are there other factors IPART should consider when deciding what level of costs passengers should fund through fares?
2. Do stakeholders support the approach taken by Sapere Research Group to estimating the level of external benefits associated with CityRail and Sydney Ferries services?

### **3. CityRail and Sydney Ferries – fare outcomes under the draft determinations**

A member of the IPART Secretariat will provide a short presentation on the form of regulation and likely fare outcomes under these reviews. Issues for stakeholder discussion include:

1. Do stakeholders support IPART setting an annual maximum average change in fares, rather than individual maximum fares for each ticket in every year?
2. Do stakeholders support IPART making medium term determinations, for 3 and 4 years, rather than determining an average change in these fares each year?
3. Do stakeholders agree that constraints or other limits on individual fares are unnecessary? Do stakeholders' views differ on this issue for CityRail fares compared to Sydney Ferries fares?

### **4. Rural and regional buses**

A member of the IPART Secretariat will provide a short presentation on the approach being taken for this review and the likely fare outcomes. Issues for stakeholder discussion include:

1. Do stakeholders support a 5 year regulatory period with annual adjustments to maximum fares based on the Bus Industry Cost Index?
2. Should fares be reviewed earlier than 5 years if new contracts involve competitive tendering? Are there other events for which a new review and determination would be necessary before 5 years and for which we could provide guidance to stakeholders in this review?
3. Do the cost weights from the existing BICI align with current operator costs and are suggested inflators the best available for measuring changes in costs over the next 5 years?

### **5. Stockton Ferry service**

A member of the IPART Secretariat will provide a short presentation on the approach being taken for this review and the likely fare outcome.

### **6. Closing remarks**

IPART's Chairman will provide a summary of the hearing and next steps for each of the reviews.