

RAIL ACCESS COMPLIANCE – ARTC NON-HUNTER VALLEY COAL NETWORK

17/03/2020



WHAT

We have completed our review of the Australian Rail Track Corporation's (ARTC) 2018-19 annual compliance submission in relation to its non-Hunter Valley Coal Network (non-HVCN) sectors:

- ▼ Turrawan to Boggabilla
- ▼ Goobang Junction to Merrygoen
- ▼ Merrygoen to The Gap
- ▼ Merrygoen to Ulan
- ▼ Sydney Metropolitan Freight Network (MFN).

The ARTC has demonstrated to IPART's reasonable satisfaction that access revenue for each sector is no more than 80% of the full economic cost for 2018-19.



WHY

Under the NSW Rail Access Undertaking (the Undertaking), IPART is responsible for determining whether rail infrastructure owners have complied with the relevant requirements of the Undertaking each year.

The ARTC submitted its annual compliance information for 2018-19 for IPART's review in late 2019.



HOW

The ARTC made its compliance submission under clause 5(f) of Schedule 3 to the Undertaking. This clause applies only where IPART is reasonably satisfied that access revenue is no more than 80% of the full economic cost for that sector.¹

The ARTC's submission must demonstrate to IPART's reasonable satisfaction that there has been no material change to the sectors' revenue and cost base that would cause revenue to approach the threshold.

We undertake a more detailed compliance assessment on a five yearly basis. Our last five-yearly review was in 2018.

At that time, we noted that growth in traffic on the MFN was such that ARTC should submit more detailed information about this sector for 2017-18 and 2018-19.

The ARTC's compliance submission for 2018-19 shows that cost recovery across all sectors has remained fairly stable since 2017-18 and is below the 80% threshold. Having reviewed the information provided, we are satisfied that access revenue remains below the 80% threshold.



WHAT NEXT

The ARTC's 2019-20 compliance submission is due by 31 October 2020.

¹ See IPART, *Rail Access Annual Compliance Reviews Guideline*, March 2017.