



Independent Pricing and Regulatory Tribunal

Sydney Ferries services from January 2013

Transport — Draft Determination
September 2012



Independent Pricing and Regulatory Tribunal

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Draft Determination No. 5, 2012

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Preliminary

1 Background

- (a) Under section 16AE(2) of the *Passenger Transport Act 1990* (NSW) (**Passenger Transport Act**) IPART is to conduct investigations and make reports to the Minister on the determination of maximum fares for Regular Ferry Services supplied under a Ferry Service Contract (**Regulated Ferry Services**).
- (b) In investigating and reporting on the maximum fares for Regulated Ferry Services, IPART has had regard to a broad range of matters, including the matters set out in section 16AE(5) of the *Passenger Transport Act*.

2 Application of this determination

- (a) This determination sets out the formula to be applied to determine the maximum fares that a Contract Holder may charge for Regulated Ferry Services, by fixing the maximum weighted average percentage increase across existing fares for a number of categories of Regulated Ferry Services.
- (b) This determination commences on the later of:
 - (1) [2] January 2013; and
 - (2) the date that it is published in the NSW Government Gazette, (**2013 Commencement Date**).
- (c) This determination applies from the 2013 Commencement Date to the date this determination is replaced (**Determination Period**).

3 Replacement of Determination No. 10, 2006

This determination replaces Determination No. 10, 2006 from the 2013 Commencement Date. The replacement does not affect anything done or omitted to be done, or rights or obligations accrued, under Determination No. 10, 2006 prior to its replacement.

4 Contract may make provision for maximum fares pending first determination

- (a) Under section 16AE(8) of the *Passenger Transport Act*, a Ferry Service Contract may make provision for maximum fares for the provision of Regular Ferry Services pending the first determination of maximum fares under section 16AE of the *Passenger Transport Act*.

- (b) Under section 16AE(9) of the Passenger Transport Act, any provision of the kind referred to in paragraph (a) above ceases to have effect as part of the Ferry Service Contract on and from the first determination of maximum fares under section 16AE of the Passenger Transport Act that applies to the provision of the Regulated Ferry Services to which the Ferry Service Contract relates.
- (c) This determination is the first determination of maximum fares under section 16AE of the Passenger Transport Act that applies to the provision of Regulated Ferry Services.

5 Compliance with this determination

- (a) Under section 16AE(6) of the Passenger Transport Act, a Ferry Service Contract is taken to include a term (**Implied Term**) to the effect that the Contract Holder must not charge a passenger of the Regulated Ferry Service a fare that exceeds the maximum fare determined by IPART for the provision of such a service to a passenger of that kind.
- (b) Under section 16AE(7) of the Passenger Transport Act, any contravention of the Implied Term by the Contract Holder may be remedied at law or in equity as though the term were an essential term to which the parties had by contract agreed.

6 Pricing schedules

Schedule 1 and the tables in that schedule set out the formulae to be applied to determine the maximum fares that a Contract Holder may charge for Regulated Ferry Services.

7 Definitions and interpretation

Definitions and interpretation provisions used in this determination are set out in schedule 2.

Schedule 1 Maximum fares for Regulated Ferry Services provided by a Contract Holder

1 Application

- (a) This schedule sets out the formulae to be applied to determine the maximum fares that a Contract Holder may charge for Regulated Ferry Services, by fixing the maximum weighted average percentage increase in existing Fares for a number of categories of Regulated Ferry Services.
- (b) If a Contract Holder introduces any new Fares during the Determination Period, this determination will apply to those Fares in accordance with this schedule 1.
- (c) If a Contract Holder discontinues any Fares during the Determination Period, this determination will apply to remaining Fares in accordance with this schedule 1.

2 Ticket Types for Regulated Ferry Services

- (a) As at the date of this determination, the Contract Holder offers the following Ticket Types:
 - (1) MyFerry1 Single;
 - (2) MyFerry2 Single;
 - (3) MyFerry1 Return;
 - (4) MyFerry2 Return;
 - (5) MyFerry1 TravelTen; and
 - (6) MyFerry2 TravelTen.
- (b) The MyMulti Day Pass is to be treated as though it were a Ticket Type offered by the Contract Holder for the purposes of applying the formulae set out in clause 3 below.

[Note: maximum prices for multi-modal tickets are determined under a separate determination, along with the determination of maximum prices for CityRail's rail services.]

3 Maximum fares for Regulated Ferry Services

A Contract Holder must ensure that its Fares comply with the following formula:

(a) For the 2013 Period:

$$(1 + 2.6\% \#) \times \left(\sum_{i=1}^n \frac{P_{i2012}}{JM_i} \times Q_{i2012} \right) \geq \left(\sum_{i=1}^n \frac{P_{i2013}}{JM_i} \times Q_{i2012} \right)$$

[# 2.6% will be updated to include inflation prior to the release of the final determination.]

Where:

n is number of Ticket Types.

P_{i2012} is the Full Fare specified in Table 1 for Ticket Type i.

P_{i2013} is the Full Fare the Contract Holder charges for Ticket Type i during the 2013 Period.

JM_i is the Journey Multiplier for Ticket Type i specified in Table 2 or, if none is specified, the figure approved by IPART.

Q_{i2012} is:

- (1) subject to paragraph (2) below, the total number of Ticket Validations for Ticket Type i during the most recent 12 month period (or for such other period as approved by IPART); or
- (2) if, during the 2013 Period, any of the following events occur:
 - (A) a new Ticket Type is introduced;
 - (B) an existing Ticket Type is discontinued;
 - (C) there is a Fare increase or Fare decrease of a Substitutable Ticket;
 - (D) there is a change in conditions of travel for an existing Ticket Type; or
 - (E) there is not yet 12 months of data on Ticket Validations available for a Ticket Type,a value approved by IPART for each Ticket Type.

[Note: For the purposes of calculating Q under subparagraph (1) above, Ticket Validations of MyMulti Periodicals and ZooPass tickets are to be treated as set out in IPART's compliance spreadsheet (as published on its website and updated from time to time).]

(b) **For the 2014 Period:**

$$(1 + 2.6\%) \times (1 + \Delta CPI_1) \times \left(\sum_{i=1}^n \frac{P_{i2013}}{JM_i} \times Q_{i2013} \right) + CF_{2013} \geq \left(\sum_{i=1}^n \frac{P_{i2014}}{JM_i} \times Q_{i2013} \right)$$

Where:

n is number of Ticket Types.

P_{i2013} is the Full Fare the Contract Holder charged for Ticket Type i during the 2013 Period.

P_{i2014} is the Full Fare the Contract Holder charges for Ticket Type i during the 2014 Period.

JM_i is the Journey Multiplier for Ticket Type i specified in Table 2 or, if none is specified, the figure approved by IPART.

Q_{i2013} is:

- (1) subject to paragraph (2) below, the total number of Ticket Validations for Ticket Type i during the most recent 12 month period (or for such other period as approved by IPART); or
- (2) if, during the 2014 Period, any of the following events occur:
 - (A) a new Ticket Type is introduced;
 - (B) an existing Ticket Type is discontinued;
 - (C) there is a Fare increase or Fare decrease of a Substitutable Ticket;
 - (D) there is a change in conditions of travel for an existing Ticket Type; or
 - (E) there is not yet 12 months of data on Ticket Validations available for a Ticket Type,

a value approved by IPART for each Ticket Type.

[Note: For the purposes of calculating Q under subparagraph (1) above, Ticket Validations of MyMulti Periodicals and ZooPass tickets are to be treated as set out in IPART's compliance spreadsheet (as published on its website and updated from time to time).]

ΔCPI₁ has the meaning given to that term in clause 1.2 of schedule 2 of this determination.

CF₂₀₁₃ is the 2013 Catch-up Factor, calculated as follows:

- (1) the Allowed Fare Revenue minus the Proposed Fare Revenue, where:

Allowed Fare Revenue is $(1 + 2.6\%^{\#}) \times \left(\sum_{i=1}^n \frac{P_{i2012}}{JM_i} \times Q_{i2012} \right)$

Proposed Fare Revenue is $\left(\sum_{i=1}^n \frac{P_{i2013}}{JM_i} \times Q_{i2012} \right)$

n, **P_{i2012}**, **JM_i** and **Q_{i2012}** have the meaning given to those terms in paragraph (a) above; and

(2) must be equal to or greater than 0.

(c) **For the 2015 Period:**

$$(1 + 2.6\%) \times (1 + \Delta CPI_2) \times \left(\left(\sum_{i=1}^n \frac{P_{i2014}}{JM_i} \times Q_{i2014} \right) + CF_{2014} \right) \geq \left(\sum_{i=1}^n \frac{P_{i2015}}{JM_i} \times Q_{i2014} \right)$$

Where:

n is number of Ticket Types.

P_{i2014} is the Full Fare the Contract Holder charged for Ticket Type i during the 2014 Period.

P_{i2015} is the Full Fare the Contract Holder charges for Ticket Type i during the 2015 Period.

JM_i is the Journey Multiplier for Ticket Type i specified in Table 2 or, if none is specified, the figure approved by IPART.

Q_{i2014} is:

- (1) subject to paragraph (2) below, the total number of Ticket Validations for Ticket Type i during the most recent 12 month period (or for such other period as approved by IPART); or
- (2) if, during the 2014 Period, any of the following events occur:
 - (A) a new Ticket Type is introduced;
 - (B) an existing Ticket Type is discontinued;
 - (C) there is a Fare increase or Fare decrease of a Substitutable Ticket;
 - (D) there is a change in conditions of travel for an existing Ticket Type; or
 - (E) there is not yet 12 months of data on Ticket Validations available for a Ticket Type,

a value approved by IPART for each Ticket Type.

[Note: For the purposes of calculating Q under subparagraph (1) above, Ticket Validations of MyMulti Periodicals and ZooPass tickets are to be treated as set out in IPART's compliance spreadsheet (as published on its website and updated from time to time).]

ΔCPI₂ has the meaning given to that term in clause 1.2 of schedule 2 of this determination.

CF_{2014} is the 2014 Catch-up Factor, calculated as followed:

- (1) the Allowed Fare Revenue minus the Proposed Fare Revenue, where:

$$\text{Allowed Fare Revenue is } (1 + 2.6\%) \times (1 + \Delta CPI_1) \times \left(\sum_{i=1}^n \frac{P_{i2013}}{JM_i} \times Q_{i2013} \right) + CF_{2013}$$

$$\text{Proposed Fare Revenue is } \left(\sum_{i=1}^n \frac{P_{i2014}}{JM_i} \times Q_{i2013} \right)$$

ΔCPI_1 , n , P_{i2013} , JM_i , Q_{i2013} , P_{i2014} and CF_{2013} have the meaning given to those terms in paragraph (b) above; and

- (2) must be equal to or greater than 0.

(d) **For the 2016 Period:**

$$(1 + 2.6\%) \times (1 + \Delta CPI_3) \times \left(\left(\sum_{i=1}^n \frac{P_{i2015}}{JM_i} \times Q_{i2015} \right) + CF_{2015} \right) \geq \left(\sum_{i=1}^n \frac{P_{i2016}}{JM_i} \times Q_{i2015} \right)$$

Where:

n is number of Ticket Types.

P_{i2015} is the Full Fare the Contract Holder charged for Ticket Type i during the 2015 Period.

P_{i2016} is the Full Fare the Contract Holder charges for Ticket Type i during the 2016 Period.

JM_i is the Journey Multiplier for Ticket Type i specified in Table 2 or, if none is specified, the figure approved by IPART.

Q_{i2015} is:

- (1) subject to paragraph (2) below, the total number of Ticket Validations for Ticket Type i during the most recent 12 month period (or for such other period as approved by IPART); or
- (2) if, during the 2016 Period, any of the following events occur:
 - (A) a new Ticket Type is introduced;
 - (B) an existing Ticket Type is discontinued;
 - (C) there is a Fare increase or Fare decrease of a Substitutable Ticket;
 - (D) there is a change in conditions of travel for an existing Ticket Type; or
 - (E) there is not yet 12 months of data on Ticket Validations available for a Ticket Type,

a value approved by IPART for each Ticket Type.

[Note: For the purposes of calculating Q under subparagraph (1) above, Ticket Validations of MyMulti Periodicals and ZooPass tickets are to be treated as set out in IPART's compliance spreadsheet (as published on its website and updated from time to time).]

ΔCPI_3 has the meaning given to that term in clause 1.2 of schedule 2 of this determination.

CF_{2015} is the 2015 Catch-up Factor, calculated as follows:

- (1) the Allowed Fare Revenue minus the Proposed Fare Revenue, where:

Allowed Fare Revenue is

$$(1 + 2.6\%) \times (1 + \Delta CPI_2) \times \left(\left(\sum_{i=1}^n \frac{P_{i2014}}{JM_i} \times Q_{i2014} \right) + CF_{2014} \right)$$

Proposed Fare Revenue is $\left(\sum_{i=1}^n \frac{P_{i2015}}{JM_i} \times Q_{i2014} \right)$

ΔCPI_2 , n , P_{i2014} , JM_i , Q_{i2014} and CF_{2014} have the meaning given to those terms in paragraph (c) above; and

- (2) must be equal to or greater than 0.

4 Contract Holder required to submit pricing proposal

- (a) If a Contract Holder proposes to, or Transport for NSW requires a Contract Holder to:
 - (1) increase an existing Fare;
 - (2) change the conditions of travel for an existing Ticket Type;
 - (3) introduce one or more new Ticket Types; or
 - (4) discontinue one or more existing Ticket Types,(each a **Proposed Fare Change Event**), the Contract Holder must submit to IPART, in accordance with this clause 4, a pricing proposal at least 20 Business Days before the Proposed Fare Change Event takes place (or by such later date as agreed by IPART).
- (b) The Contract Holder is not required to submit a pricing proposal if the Contract Holder is proposing only to reduce an existing Fare.
- (c) Each pricing proposal submitted by the Contract Holder must contain the following information:
 - (1) all proposed Fares and Ticket Types;
 - (2) details of the Ticket Validations for the most recent 12 month period (or such other period approved by IPART) for each Ticket Type;
 - (3) the information required in IPART's compliance spreadsheet (as published on its website and updated from time to time);
 - (4) if a new Ticket Type is to be introduced:
 - (A) details of that proposed new Ticket Type and Fare, including:

- (i) if the Fare is distance-based, zone-based, or time-based;
 - (ii) the number of journeys included (or, if a time-based Fare, the estimated average number of journeys likely to be taken by passengers on that Fare, and the period for which it is valid); and
 - (iii) any other conditions of travel;
 - (B) how the change is expected to impact on other Ticket Types; and
 - (C) the expected revenue impact of the change;
 - (5) if a Ticket Type is to be discontinued:
 - (A) details of the discontinued Ticket Type;
 - (B) how the change is expected to impact other Ticket Types; and
 - (C) the expected revenue impact of the change; and
 - (6) any other information IPART requires to satisfy itself that the Contract Holder's proposed fares comply with this determination.
- (d) IPART may publish a pricing proposal submitted under this section on its website.

5 IPART assessment of pricing proposal

- (a) IPART will notify the Contract Holder and Transport for NSW if it forms the view that the pricing proposal submitted by the Contract Holder would, if implemented, result in the Contract Holder charging passengers of the Regulated Ferry Services Fares that exceed the maximum fares that may be charged under this determination.
- (b) IPART may publish this notice on its website.

6 Worked example

Assume for the purposes of this worked example only that:

- ▼ the Contract Holder has 3 fares; and
- ▼ the allowed Fare increase between 2012 and 2013 is 1+4.9%.¹

- (a) Full Fares for 2012 and 2013 are as follow:

Ticket Type	2012 Full Fare (P ₂₀₁₂)	2013 Full Fare (P ₂₀₁₃)
MyFerry1 Single	\$7.00	\$7.40

¹ 2.7% real increase + inflation. The level of inflation may vary in each year of the determination period.

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MyFerry1 Return	\$14.00	\$14.80
MyFerry2 TravelTen	\$56.00	\$56.00

(b) Journey Multipliers are as follows:

Ticket Type	Journey Multiplier (JM)
MyFerry1 Single	1
MyFerry1 Return	2
MyFerry2 TravelTen	10

(c) number of Ticket Validations are as follows:

Ticket Type	Number of Ticket Validations 1 July 2011 -30 June 2012 (Q₁₂₀₁₂)
MyFerry1 Single	100
MyFerry1 Return	140
MyFerry2 TravelTen	150

To determine whether the 2013 Fares comply with clause 3(a), schedule 1 of the determination, the following must be calculated:

(i) Allowed Fare Revenue

Ticket Type	Full Fare (P₂₀₁₂)	Journey Multiplier (JM_i)	Price per journey	Number of Ticket Validations (Q₁₂₀₁₂)	Revenue
	a	b	a/b = c	d	c * d
MyFerry1 Single	\$7	1	\$7/1 = \$7	100	\$7*100 = \$700
My Ferry 1 Return	\$14	2	\$14/2 = \$7	140	\$7*140 = \$980
My Ferry 2 TravelTen	\$56	10	\$56/10 = \$5.60	150	\$5.60*150 = \$840
Total revenue					\$2520

For an average increase in 2013 of 4.9%, the total revenue allowed in 2013 will be $\$2520 \times (1 + 4.9\%) = \2643 .

(ii) Proposed Fare Revenue

Ticket Type	Full Fare (P₂₀₁₃)	Journey Multiplier (JM_i)	Price per journey	Number of Ticket Validations (Q₂₀₁₂)	Revenue
	a	b	a/b = c	d	c * d
MyFerry1 Single	\$7.40	1	\$7.40/1 = \$7.40	100	\$7.40*100 = \$740
My Ferry 1 Return	\$14.80	2	\$14.80/2 = \$7.40	140	\$7.40*140 = \$1036
My Ferry 2 TravelTen	\$56	10	\$56/10 = \$5.60	150	\$5.60*150 = \$840
Total revenue					\$2616

The fares for 2013 comply with clause 3(a), schedule 1 of the determination. The proposed fares for 2013 in the table above would comply with the maximum average fare increase because the Proposed Fare Revenue is less than the Allowed Fare Revenue - \$2616 is less than \$2643.

Tables 1 and 2

Table 1 2012 Full Fares (P_{i2012})

Ticket Type	2012 Full Fare
MyFerry1 Single	\$5.60
MyFerry2 Single	\$7.00
MyFerry1 Return	\$11.20
MyFerry2 Return	\$14.00
MyFerry1 TravelTen	\$44.80
MyFerry2 TravelTen	\$56.00
MyMulti Day Pass	\$21.00

Table 2 Journey Multiplier (JM)

Ticket Type	Journey Multiplier
MyFerry1 Single	1
MyFerry2 Single	1
MyFerry1 Return	2
MyFerry2 Return	2
MyFerry1 TraveTen	10
MyFerry2 TravelTen	10
MyMulti Day Pass	2

Schedule 2 Definitions and interpretation

1 Definitions

1.1 General definitions

2013 Commencement Date means the 2013 Commencement Date as defined in clause 2(b) of the Preliminary section of this determination.

2014 Commencement Date means [2] January 2014 or such other date as specified by IPART.

2015 Commencement Date means [2] January 2015 or such other date as specified by IPART.

2016 Commencement Date means [4] January 2016 or such other date as specified by IPART.

2013 Period means the period commencing on the 2013 Commencement Date and ending on the date immediately before the 2014 Commencement Date.

2014 Period means the period commencing on the 2014 Commencement Date and ending on the date immediately before the 2015 Commencement Date.

2015 Period means the period commencing on the 2015 Commencement Date and ending on the date immediately before the 2016 Commencement Date.

2016 Period means the period commencing on the 2016 Commencement Date and ending on the date immediately before the date that this determination is replaced.

Adult means a person who is aged 16 years or over, and is not entitled to a concession fare.

Business Day means a day other than a Saturday, a Sunday or a public holiday or bank holiday in all of New South Wales.

Contract Holder means a party to a Ferry Service Contract under which that party provides Regulated Ferry Services.

Determination No. 10, 2006 means IPART's Determination No. 10, 2006 entitled 'Sydney Ferries'.

Determination Period means the Determination Period defined in clause 2(c) of the Preliminary section of this determination.

Fare means a fare payable by any passenger for a Regulated Ferry Service, but does not include the fares payable for the Trial Fares and the tickets known as “Pensioner Excursion Ticket” and “Sunday Funday”.

Ferry Service Contract means a contract:

- (a) between a Contract Holder and Transport for NSW under Division 1A of Part 3 of the Passenger Transport Act for the provision of a Regular Ferry Service; and
- (b) which authorises or otherwise provides for the fares charged by the Contract Holder to be determined in accordance with section 16AE of the Passenger Transport Act.

Full Fare means a fare payable by an Adult for a Regulated Ferry Service, but does not include the fares payable for Trial Fares and the tickets known as “Pensioner Excursion Ticket” and “Sunday Funday”.

GST has the meaning given to that term in *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Implied Term means the Implied Term defined in clause 5(a) of the Preliminary section of this determination.

IPART means the Independent Pricing and Regulatory Tribunal of New South Wales established under the IPART Act.

IPART Act means the *Independent Pricing and Regulatory Tribunal Act 1992*.

MyFerry1 Single means a fare for a single journey on a Regulated Ferry Service within the MyFerry1 Zone.

MyFerry2 Single means a fare for a single journey on a Regulated Ferry Service within the MyFerry2 Zone.

MyFerry1 Return means a fare for a return journey on a Regulated Ferry Service within the MyFerry1 Zone.

MyFerry2 Return means a fare for a return journey on a Regulated Ferry Service within the MyFerry2 Zone.

MyFerry1 TravelTen means a fare for 10 journeys (from the date of ticket activation) on a Regulated Ferry Service within the MyFerry1 Zone.

MyFerry2 TravelTen means a fare for 10 journeys (from the date of ticket activation) on a Regulated Ferry Service within the MyFerry2 Zone.

MyFerry1 Zone means a fare band which is bounded by Cabarita wharf, Darling Harbour wharf, Mosman Bay wharf, Neutral Bay wharf, Taronga Zoo wharf and Watson's Bay wharf from Circular Quay.

MyFerry2 Zone means a fare band which is bounded by Kissing Point wharf, Meadowbank wharf, Rydalmere wharf, Parramatta wharf, Sydney Olympic Park wharf and Manly wharf from Circular Quay.

MyMulti Day Pass means a ticket which provides unlimited travel from the time of purchase until 4.00am on the next day on:

- (a) all CityRail rail passenger services,
- (b) all bus passenger services within the Sydney metropolitan area;
- (c) all Regulated Ferry Services; and
- (d) all Metro light rail services.

MyMulti Periodical means each of the following:

- (a) a MyMulti1 Weekly ticket;
- (b) a MyMulti1 Monthly ticket;
- (c) a MyMulti1 Quarterly ticket;
- (d) a MyMulti1 Yearly ticket;
- (e) a MyMulti2 Weekly ticket;
- (f) a MyMulti2 Monthly ticket;
- (g) a MyMulti2 Quarterly ticket;
- (h) a MyMulti2 Yearly ticket;
- (i) a MyMulti3 Weekly ticket;
- (j) a MyMulti3 Monthly ticket;
- (k) a MyMulti3 Quarterly ticket; and
- (l) a MyMulti3 Yearly ticket.

Passenger Transport Act means the *Passenger Transport Act 1990* (NSW).

Period means the 2013 Period, the 2014 Period, the 2015 Period or the 2016 Period (as the case may be).

Regular Ferry Service has the meaning given to that term in the Passenger Transport Act.

Regulated Ferry Services means the Regulated Ferry Services defined in clause 1(a) of the Preliminary section of this determination.

Substitutable Ticket means a ticket which has one or more alternative tickets which can be used for the same Regulated Ferry Service.

Ticket Type means each ticket (including a ticket using smart card or magnetic strip technology) made available by a Contract Holder, which reflects or evidences a particular Regulated Ferry Service.

Ticket Validation means a validation of a ticket (including a ticket using smart card or magnetic strip technology) for one journey on a Regulated Ferry Service through a validation system which records boardings and/or alightings of passengers on Regulated Ferry Services.

Transport for NSW means Transport for NSW as constituted under the *Transport Administration Act 1988* (NSW).

Trial Fare means a Fare:

- (a) that is forecast by Transport for NSW or a Contract Holder to contribute less than 1% of ticket sales (**Ticket Sale Threshold**) and 1% of fare revenue (**Revenue Threshold**) for a Contract Holder over any calendar month period; and
- (b) for which there is an existing Fare for the same Regulated Ferry Services covered by the Trial Fare.

A Fare will cease to be a Trial Fare if it:

- (a) exceeds:
 - (1) the Ticket Sale Threshold; or
 - (2) the Revenue Threshold; or
- (b) is offered for a period of more than 12 months.

ZooPass means a Fare for a return ferry journey from Circular Quay to Taronga Zoo, entry to Taronga Zoo and some connecting bus transport between the ferry wharf and the zoo.

1.2 Consumer Price Index

$$\Delta CPI_1 = \left(\frac{\text{AdjustedCP } I_{\text{Sept 2013}}}{\text{AdjustedCP } I_{\text{Sept 2012}}} \right) - 1$$

$$\Delta CPI_2 = \left(\frac{\text{AdjustedCP } I_{\text{Sept 2014}}}{\text{AdjustedCP } I_{\text{Sept 2012}}} \right) - 1$$

$$\Delta\text{CPI}_3 = \left(\frac{\text{AdjustedCPI } I_{\text{Sept } 2015}}{\text{AdjustedCPI } I_{\text{Sept } 2012}} \right) - 1$$

each as calculated and notified by IPART, where:

- (1) AdjustedCPI means CPI less Carbon Price Impact;
 - (2) CPI means the consumer price index All Groups index number for Sydney as published by the Australian Bureau of Statistics, or if the Australian Bureau of Statistics does not or ceases to publish the index, then CPI will mean an index determined by IPART;
 - (3) Carbon Price Impact means:
 - (A) the impact of the Carbon Price on the CPI as estimated and published by the Australian Bureau of Statistics; or
 - (B) if the Australian Bureau of Statistics does not publish an estimate of the impact of the Carbon Price on the CPI, the impact of the Carbon Price on the CPI as estimated and published by the Reserve Bank of Australia; or
 - (C) if neither the Australian Bureau of Statistics nor the Reserve Bank of Australia publishes an estimate of the impact of the Carbon Price on the CPI, the impact of the Carbon Price on the CPI as published by the Commonwealth Treasury in *Strong growth, low pollution: modelling a carbon price - update (2011)*, Commonwealth Treasury, as updated from time to time; and
 - (4) Carbon Price means the carbon pricing scheme implemented under the *Clean Energy Act 2011* (Cth) and associated legislation (including the related amendments to the *Fuel Tax Act 2006* (Cth), *Excise Tariff Act 1921* (Cth) and *Customs Tariff Act 1995* (Cth)).
- (b) The subtext (for example Sept_{2013}) when used in relation to the AdjustedCPI in paragraph (a) above refers to the CPI and Carbon Price Impact for the quarter and year indicated (in the example, the September quarter for 2013).

2 Interpretation

2.1 General provisions

In this determination:

- (a) headings are for convenience only and do not affect the interpretation of this determination;
- (b) a reference to a schedule, annexure, clause or table is a reference to a schedule, annexure, clause or table to this determination unless otherwise indicated;

- (c) words importing the singular include the plural and vice versa;
- (d) a reference to a law or statute includes regulations, rules, codes and other instruments under it and consolidations, amendments, re-enactments or replacements of them;
- (e) where a word is defined, other grammatical forms of that word have a corresponding meaning;
- (f) a reference to a day is to a calendar day;
- (g) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation), replacements and assigns;
- (h) a reference to an officer includes a reference to the officer which replaces it or which substantially succeeds to its powers or functions;
- (i) a reference to a body, whether statutory or not:
 - (1) which ceases to exist; or
 - (2) whose powers or functions are transferred to another body,

is a reference to the body which replaces it or which substantially succeeds to its powers or functions.

2.2 Explanatory notes, simplified outline, worked examples and clarification notice

- (a) Explanatory notes, simplified outlines and worked examples do not form part of this determination, but in the case of uncertainty may be relied on for interpretation purposes.
- (b) IPART may publish a clarification notice in the NSW Government Gazette to correct any manifest error in or to clarify any part of this determination. Such a clarification notice is taken to form part of this determination.

2.3 Prices inclusive of GST

Prices or charges specified in this determination include GST.