

WHAT

The Independent Pricing and Regulatory Tribunal of NSW (IPART) has begun a review to **determine** maximum fares for **four years** from 1 January 2018 to 31 December 2021 for seven private ferry operators that hold service contracts with Transport for NSW (TfNSW) under the *Passenger Transport Act 1990*.

WHO

The private ferry services covered by this review include:

- ▼ Brooklyn Ferry Service
- ▼ Central Coast Ferries
- ▼ Church Point Ferry Service
- ▼ Clarence River Ferries
- ▼ Cronulla and National Park Ferry Services
- ▼ Matilda Cruises, and
- ▼ Palm Beach Ferries.

Each operator services a distinct route or routes in the Sydney, Central Coast and North Coast areas of NSW.

HOW

For this Issues Paper, we assessed the level of competition on the routes each ferry operator services. In May, we invited each ferry operator to submit a pricing proposal with the level of information varying depending on our assessment of the level of competition. To date we have received pricing proposals from six

operators, which are summarised in Table 1. We have appointed a consultant, The CIE, to investigate and provide advice on the efficient costs of providing private ferry services in NSW.

For the Draft Report due for release in September, we propose to assess whether each pricing proposal is reasonable, and to make maximum fare determinations. We will also determine a mechanism to manage risks over the determination period.

WHAT NEXT

This Issues Paper is the first step in our public consultation process. It explains our proposed approach for determining fares, summarises ferry operators' pricing proposals, and identifies the key issues on which we seek stakeholder input. We are seeking submissions by 10 August 2017.

We prefer to receive submissions online, or alternatively via email or post:

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The review timetable is outlined below.

Proposed timing	Key milestone
25 May 2017	Invite ferry operators to propose fares
22 June 2017	Pricing proposals received
29 June 2017	Release Issues Paper
10 August 2017	Submissions to Issues Paper close
September 2017	Release Draft Report
October/November 2017	Public Roundtable
October/November 2017	Submissions to Draft Report close
December 2017	Release Final Report

Table 1 Ferry operators' proposed maximum fares from January 2018 to December 2021 (\$nominal, including GST)

	Current maximum fare	2018	2019	2020	2021
Brooklyn Ferry Service	\$7.30	\$7.60	\$8.00	\$8.40	Not provided ^a
Central Coast Ferries	\$7.80	ΔCPI	ΔCPI	ΔCPI	ΔCPI
Church Point Ferry Service	\$8.30	\$8.65	\$9.00	\$9.40	\$9.70
Clarence River Ferries	\$8.30	Did not propose fares			
Cronulla and National Park Service	\$6.40	\$6.50	\$6.60	\$6.70	\$6.80
Matilda Cruises – Circular Quay to Darling Harbour	\$7.40	ΔCPI	ΔCPI	ΔCPI	ΔCPI
Matilda Cruises – Circular Quay to Lane Cove	\$7.40	ΔCPI	ΔCPI	ΔCPI	ΔCPI
Palm Beach Ferries – Palm Beach to the Basin	\$8.10	\$8.60	\$8.90	\$9.20	\$9.50
Palm Beach Ferries – Palm Beach to Ettalong and Wagstaffe	\$11.60	\$12.10	\$12.40	\$12.70	\$12.90

^a Brooklyn Ferry Service did not provide a fare proposal for 2021.

Source: Ferry operators' pricing proposals.