

Fiona



Premier of New South Wales
Australia

Dr Michael Keating AC
Chairman
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB Post Office NSW 1230

11 JUL 2007

Dear Dr Keating

I am writing in relation to the Independent Pricing and Regulatory Tribunal's ("the Tribunal's") standing reference for the determination of CityRail fares.

As you are aware, on 18 May 2004 the former Premier wrote to the Tribunal requiring that specified matters arising from the 2003 *Ministerial Inquiry into Sustainable Transport in New South Wales* be considered by the Tribunal when making its investigations into passenger transport fares.

Given the Tribunal's new reference to review the CityRail regulatory framework, I am writing to clarify that, in respect of the Tribunal's current and future passenger rail fare reviews, the requirement to consider the matters set out in the 18 May 2004 letter does not apply.

I also require, pursuant to section 13(1)(a) of the Act, that the Tribunal provide its report on the current CityRail fare determination to the Premier by 31 October 2007.

If your officers wish to discuss these matters, they should contact Ms Angela Woo, A/Policy Manager, Economic Development Branch, Department of Premier and Cabinet on (02) 9228 4930.

Yours sincerely

John Watkins MP
Acting Premier