

# Action for Public Transport (NSW)

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Dear Mr Cox,

## 2012 Review of Customer Engagement Further Comment

In our submission dated 22nd March, Action for Public Transport (APT) offered the following comments about the Public Transport Ticketing Commission.

The smart card is more than just technology – it is fares and prices.

We are aware that the PTTC is not a “regulated business” in terms of IPART’s definition, but the original T-card project began long before the PTTC was formed in 2006. It was part of the transport administration then and, despite its new corporate cloak, it is still part of the transport administration.

The PTTC web site says:

*The Public Transport Ticketing Corporation (PTTC) is a NSW Government agency under the Transport Administration Amendment Act 2010. Administratively, the PTTC is part of Transport for NSW, within Transport Services.*

<http://www.pttc.nsw.gov.au>

IPART should consider the PTTC to be a regulated business, or part of a regulated business, and request that it consult with the public transport users.

We note that Transport for NSW (TfNSW) has confirmed this view in its submission to the Ferry Fare review.

## Methodology

TfNSW notes that the Opal Card will operate very differently from the current, magnetic stripe ticket products which must be purchased in advance, based on the customer's expectations of how they will travel. Instead, customers will have the option of travelling across the network and the system will calculate the correct fare, including any discounts that will apply (such as frequency discounts to reward regular customers).

**This may require consideration of alternative approaches to setting fares.** As noted previously, the Government will make further announcements about how the Opal Card will operate before the roll out of the system commences. **This will help inform IPART's determination.**

It is clear from these statements that Opal, and the PTTC, will do more than just deliver the fares – they will play a role in setting them, and therefore should come under IPART's scrutiny.

P.S. The latest "news" on the PTTC web site is still 25th October 2011.

Yours faithfully,

Allan Miles  
Secretary  
Action for Public Transport

## APPENDIX

The main issues for stakeholder comment (Section 1.7) are:

1. Do you agree with our preliminary view as outlined in Chapter 2 of this discussion paper? If you do not agree, why?

In your response please address specific points as numbered in the chapter.

2. Do regulated businesses survey their customers about their strategic plans and service standards? How can current or future surveys by regulated businesses about strategic plans and service standards best feed into price reviews?

3. Do regulated businesses survey their customers on price/service trade-offs before submitting a price proposal to IPART? How can current or future surveys by regulated businesses about price/service trade-offs best feed into price reviews?

4. Do you believe that constructive engagement could be an option in any of the industries we are regulating?

5. Do you believe that the use of new media (digital and social) can improve the way we communicate with the public?

6. Do you agree with IPART's overall assessment of the customer engagement options?

### IPART's Preliminary View

#### Desirable Processes

1. Customer engagement is useful for businesses in delivering services that customers want and are willing to pay for.
2. Customer engagement can be done at different levels and is most effective as part of ongoing strategic planning by regulated businesses.
3. We do not advocate any particular engagement option. It is the responsibility of the regulated businesses to choose options that fit their particular circumstances, and to ensure the customer engagement is robust, cost effective and relevant to the decisions on service levels and prices.
4. Regulated businesses should demonstrate that they have adequately consulted their customers in developing their prices and service proposals.
5. Regulated businesses should consult with their consumers about service standards and price/service trade-offs before submitting a price proposal. Evidence of this should be submitted with the price proposal.
6. Regulated businesses should provide us with a plain English version of their price and service proposal aimed at consumer representatives and average households.
7. We understand that regulated businesses may need guidance regarding engagement. We are willing to discuss this early in the review process.
8. When assessing pricing submissions, we will take into account evidence of customer support for the proposal and any other factors we consider relevant.