



Premier of New South Wales

Dr Peter Boxall
Chair
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB Post Office NSW 1230



5 OCT 2012

Dear Dr Boxall

Peter

I am writing with regard to the Independent Pricing and Regulatory Tribunal conducting a review of the rental arrangements for communication towers on Crown lands.

Please find enclosed Terms of Reference under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992* for the Tribunal to perform this service.

If your officers wish to discuss this matter, they should contact Mr Tim Hurst, Executive Director, Economic Development and Transport Policy, Department of Premier and Cabinet on (02) 9228 5493.

Yours sincerely

Barry O'Farrell

Barry O'Farrell MP
Premier

TERMS OF REFERENCE

REVIEW OF RENTAL ARRANGEMENTS FOR COMMUNICATION TOWERS ON CROWN LANDS

I, Barry O'Farrell, Premier, approve the provision of services by the Independent Pricing and Regulatory Tribunal under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992* to the Department of Trade and Investment, Regional Infrastructure and Services (DTIRIS), the Office of Environment and Heritage and Forests NSW in accordance with these 'terms of reference'.

The services to be provided by the Tribunal are a review of the rental arrangements for communication towers on Crown Lands.

In particular, the Tribunal is to review the fee schedule published in its report *Review of Rental Arrangements for Crown Land Communication Tower Sites* (October 2005) and advise on any revisions or amendments to ensure that it reflects fair market-based commercial returns, including:

- the level of the current fees having regard to:
 - recent market rentals agreed for similar sites;
 - relevant land valuations; and
 - any additional requirements that the land management agency is required to take into account under relevant legislation (for example, principles in section 143(1) *Crown Lands Act 1989*);
- the definitions and applications of the high, medium and low density location categories;
- the types of use classifications; and
- the potential inclusion of an additional classification of use to cover National Broadband Network infrastructure.

In addition, the Tribunal is to recommend principles to guide rental rates for sites considered by the Tribunal to be of strategic or high value.

In providing these services, the Tribunal is to consider:

- the policy objective of the New South Wales Government to achieve fair market-based commercial returns on publicly owned land occupied for the purposes of telecommunications, data transmission or broadcasting;
- the Government's preference for a fee schedule that is as simple, transparent, and cost reflective as practicable; and
- any other relevant matters.

The Tribunal should consult with key stakeholders including agencies responsible for the management of Crown Land sites, owners of communication infrastructure that occupy Crown Land sites and access seekers (including other government agencies that purchase access).

The Tribunal is requested to present a final report to the Deputy Premier, Minister for Trade and Investment and Minister for Regional Infrastructure and

Services within nine months of receipt of these terms of reference with a view to a revised fee schedule being applied by land management agencies before the end of 2013.

A handwritten signature in blue ink, appearing to read "Barry O'Farrell".

The Hon Barry O'Farrell MP
Premier

Dated at Sydney...5 October.....2012