

Australian Rail Track Corporation

Access Undertaking

Issues Paper

March 2001

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1. INTRODUCTION

1.1 Background

On 22 February 2001, the Australian Rail Track Corporation Ltd (ARTC) lodged an access undertaking with the Australian Competition and Consumer Commission (ACCC). The undertaking sets out the terms and conditions of providing access to the interstate mainline standard gauge track linking Kalgoorlie in Western Australia, Adelaide, Wolseley and Crystal Brook in South Australia, Broken Hill in NSW and Melbourne and Wodonga in Victoria.

Part IIIA of the *Trade Practices Act 1974* (TPA) requires the ACCC to assess the undertaking. If the ACCC accepts the undertaking then the services covered by the undertaking cannot be declared. This removes the opportunity for access seekers to have the ACCC arbitrate access disputes in relation to services covered by the undertaking, as a first option. Acceptance of the undertaking means that the undertaking forms the basis for access.

1.2 The Issues Paper

In assessing the undertaking the ACCC seeks comments and feedback from interested parties on the undertaking and invites submissions. The ACCC will assess the undertaking drawing on the submissions.

The purpose of this Issues Paper is to assist interested parties in preparing submissions to the ACCC. It aims to provide information on the undertaking, the ACCC's assessment processes and on the issues that are likely to be relevant to the ACCC's decision to accept/not accept ARTC's access undertaking.

The Issues Paper is structured as follows. Following a general introduction to the ARTC undertaking and the purpose of this Issues Paper in Section 1, general background information on access undertakings and an overview of the ACCC's assessment of undertakings is presented in Section 2. Section 3 summarises each part of the undertaking and identifies issues the ACCC considers will be relevant to its assessment of the undertaking, and about which interested parties may wish to express views to the ACCC. Section 4 describes the assessment process the ACCC will adopt for the ARTC undertaking. Finally, details of the ACCC's mailing and electronic mail addresses for the lodging of submissions are provided in Section 5.

Submissions on the issues raised in this paper are required by Friday 27 April 2001.

2 ABOUT PART IIIA of the TRADE PRACTICES ACT and ACCESS

UNDERTAKINGS

Part IIIA was introduced in 1995 as part of the competition policy reforms adopted by the Council of Australian Governments. The purpose of Part IIIA is to provide a statutory basis for access on reasonable terms and conditions to services provided by a limited class of facility. Facilities covered by Part IIIA will exhibit the following features:

- natural monopoly characteristics;
- strategic position in an industry; and
- national significance in facilitating interstate or international trade¹.

The service defined in Part IIIA is a service provided by means of a facility, not the facility itself. Included in the definition is the use of an infrastructure facility such as a railway line.

Part IIIA defines a role for regulatory agencies only after a process of private negotiations between the parties fails to resolve an access dispute. Part IIIA contains three main avenues for dealing with access issues:

- *Declaration, arbitration and enforcement.* Applications for a service to be declared, that is to be made available for access, can be lodged with the National Competition Council (NCC) by any person. Once declared, if the facility owner and access seeker can not reach agreement on terms and conditions for access, either directly or through a private arbitrator, then the matter may be referred for arbitration to ACCC or another arbitrator. Arbitration determinations by the ACCC are enforceable through the courts.
- *Undertakings.* The owner of a facility can offer an undertaking to the ACCC stipulating the terms and conditions upon which it is willing to provide access to third parties. Once an undertaking is accepted by the ACCC, the service in question can not be declared and the undertakings are enforceable through the courts. The purpose of the undertakings provisions of Part IIIA is to give the facility owner the opportunity to remove the uncertainty inherent in a declaration/arbitration process as to what access conditions may apply.
- *Effective regimes.* Part IIIA allows for States and Territories to have their own access regimes recognised as “effective” and thus exempted from the further provisions of Part IIIA. To clarify whether the National regime or a State regime governs access to a particular service, the TPA permits State and Territory governments to ask the NCC to recommend to the Federal Treasurer that their regimes are certified effective. If the Treasurer decides that a particular access regime is effective, the terms of access will be governed by that regime rather than a national access regime.

¹ Assessment of applications for access to services of a facility must also take account of public interest considerations, including the public interest in having competitive markets.

The provision of access undertakings provides a mechanism, as an alternative to declaration of particular services. Undertakings have the advantage that they ‘provide a means by which the owner or operator of a facility can obtain certainty about access arrangements, before a third party seeks access’². Undertakings can also avoid the possibility of time consuming and expensive disputes about whether to declare a service and the terms and conditions on which to grant access.

2.1 Assessment of Access Undertakings

Following the receipt of submissions and other information, the ACCC will analyse the undertaking, guided by the legislative criteria for assessing an undertaking and the comments of interested parties.

In deciding whether to accept or reject the proposed undertaking the ACCC is required under section 44ZZA to take into account the following:

- the legitimate business interests of the service provider;
- the public interest, including the public interest in having competition in markets (whether or not in Australia);
- the interests of the persons who might want access to the service;
- whether access to the service is already the subject of an access regime; and
- any other matters the ACCC thinks relevant.

To assist the Commission in its assessment of an undertaking, submissions from interested parties should as far as practicable include references to the legislative criteria.

Acceptance by the ACCC of an access undertaking removes from third parties the right or potential right to gain access under Part IIIA to the service as a declared service. The rights of third party access to a declared service are substantial rights. Accordingly, the ACCC in considering an undertaking is likely to be concerned to ensure that the proposed undertaking provides a clearly enforceable basis by which third parties can gain access to such services on reasonable terms and conditions (whether set out in the undertaking or to be negotiated).

The ACCC’s general approach to the assessment of an access undertaking is set out in its publication ‘Access Undertakings’. The Access Guide sets out the matters that an undertaking should cover in order to provide an effective third party right of access.

In particular, the Access Guide notes that:

The ACCC needs to be satisfied that the undertaking is sufficiently detailed to be court enforceable. Thus the boundaries to negotiations specified in an undertaking must be clearly defined.

As a starting point for negotiations undertakings should:

² Second Reading Speech accompanying the *Competition Policy Reform Bill 1995*.

- *clearly specify what services are subject to the undertaking;*
- *specify what terms and conditions are open to negotiation;*
- *provide a framework for negotiations including clearly defined boundaries for the negotiations;*
- *provide relevant information necessary for meaningful negotiations;*
- *include effective provisions for dispute resolution;*
- *provide for potential third party users to be fully informed about non-negotiable terms and conditions; and*
- *specify an expiry date for the undertaking.*

Negotiations could cover a range of issues, which might include:

- *access prices;*
- *service standards;*
- *connection and disconnection arrangements;*
- *capacity constraints and extension of capacity;*
- *trading and queuing policies; and*
- *review and expiry.*

3. ISSUES

This section describes the key features of the ARTC undertaking and poses questions which may assist interested parties develop views about the undertaking. The objective is to highlight for comment and discussion issues that the Commission has identified as important. However, it is not intended to limit the debate to these issues. Comments on other matters of relevance to the assessment of the undertaking are welcome.

3.1 Part 1 'Preamble'

This section of the undertaking provides background information on ARTC, its objectives and functions pursuant to the Intergovernmental Agreement of November 1997, under which it was established. It outlines the reasons why ARTC is submitting an undertaking to the ACCC under Part IIIA of the TPA and the general objectives of the undertaking.

The relevant points in Part 1 of the undertaking are:

1. ARTC was established to manage the process of granting access to the Interstate Rail Network.
2. The undertaking covers terms and conditions of access to that part of the Interstate Rail Network which comprises the Network, ie tracks which ARTC either owns or leases and for which it has responsibility for the granting of access. The Network comprises the interstate mainline standard gauge track linking Kalgoorlie in WA, Adelaide, Wolsley and Crystal Brooke in SA, Broken Hill in NSW and Melbourne and Wodonga in VIC.
3. ARTC intends to price access to the services in an equitable, transparent and non-discriminatory manner in order to encourage growth of the rail freight market.
4. The undertaking seeks to achieve outcomes which strike a balance between the interests of ARTC, potential access seekers and the public.

Question: Is the ARTC undertaking accommodating of possible moves by other States or Territories to establish an appropriate interface with their respective access regimes?

3.2 Part 2 'Scope and Administration'

This section defines the scope of the undertaking and notes that it applies only to services defined in the undertaking. The undertaking does not apply to parts of the interstate network not included in the definition of the Network or to extensions of the network or tracks that other

track owners may connect to the Network. The undertaking does not affect existing access agreements.

Part 2 of the undertaking also sets out the term of the undertaking which is five years from one month after approval of the undertaking by the ACCC. There is provision for variations to the undertaking at ARTC's discretion and subject to consent from the ACCC.

Questions: *Does the undertaking clearly define the relevant terms and conditions which enable a prospective operator to be sufficiently well informed before making a specific access request?*

Is the proposed term for the undertaking appropriate given the nature of the services in question and of the industry more generally? Would a longer term be more appropriate?

3.3 Part 3 'Negotiating for Access'

This section sets out the framework within which ARTC intends to deal with operators wishing to have access to services provided by its Network. It covers matters such as the initial negotiation procedures, issues relating to confidentiality, the actual application of request for access, negotiations following the lodgment of an application, the finalisation of an access agreement and dispute resolution.

The principle issues of Part 3 of the undertaking are the following:

1. **Parties to Negotiation.** Part 3 of the undertaking stipulates that ARTC will only deal with Accredited Operators or applicants who acquire the services of an Accredited Operator in providing the services. The applicant must meet certain criteria to commence negotiations, including that it is solvent. ARTC may refuse to negotiate with the applicant if it considers that the applicant has failed to meet these criteria. The matter may be referred to arbitration if the applicant considers that ARTC has unreasonably refused to negotiate. Likewise ARTC may request arbitration if it considers the applicant's request for access frivolous and wishes to cease negotiations.

Questions: *Are the processes for the initial phase of negotiations reasonable? Are the criteria that ARTC intends to use to "screen" applicants appropriate? Do these criteria encourage potential operators to apply for a request for access? Does the undertaking provide adequate detail on what is expected of an Accredited Operator?*

2. **Indicative Access Proposal.** Within 30 days of acknowledging the applicant's request for access ARTC undertakes to provide an Indicative Access Proposal stating, among other things:

- The extent of available capacity;
- Details of the nature and cost of additional capacity that may be required to meet the demands of the applicant in the case of insufficient existing capacity;
- Whether access applications exist from other operators which may reduce available capacity for the applicant;
- A copy of ARTC's standard terms and conditions of access;
- Access charges; and
- Indicative train path availability.

***Questions:** Does the Indicative Access Proposal contain sufficient information and details to enable the access seeker to adequately evaluate the proposal? Does the Indicative Access Proposal provide an adequate basis for meaningful negotiations?*

3. **Negotiation.** Negotiations towards an access agreement may commence as soon as the applicant notifies ARTC of its intention to do so following receipt of the Indicative Access Proposal by the applicant. The applicant may request that the Indicative Access Proposal be revised if it considers that ARTC has not prepared it in terms of the undertaking. If the applicant considers that the revised Indicative Access Proposal is not satisfactory it can refer the matter to arbitration. Continuation of negotiations is conditional upon several factors, including that available capacity is not reduced as a result of an access agreement reached with another operator. Where two or more applicants are seeking mutually exclusive access rights, ARTC intends to grant access to the applicant which potentially provides "the highest present value of future returns to ARTC after considering all risks associated with the Access Agreement". [Undertaking, clause 3.9(d)(ii)]

***Questions:** Are the various negotiation steps reasonable? Do they define the framework for negotiations and allow meaningful negotiations to occur? Are they likely to lead to outcomes that are beneficial to both ARTC and access seeker?*

4. **Dispute Resolution.** The undertaking provides for a four-step approach to dispute resolution:
 - **Negotiation** between the parties;
 - **Mediation** by a person appointed by agreement between the parties or by the President of the Law Society of South Australia if the parties can not agree on a mediator;
 - **Arbitration** by a person appointed by agreement between the parties or by the President of the Institute of Commercial Arbitrators if the parties can not agree on an arbitrator. The arbitration is to be conducted in accordance with the Commercial Arbitration Act 1986 (SA). The arbitrator must take into account the

objectives and principles in Part IIIA of the TPA and the Competition Principles Agreement.

- **Determination by the ACCC** in case where one of the parties to the dispute considers that the arbitrator's decision contains a "manifest error". If the ACCC finds there has been manifest error, then the parties may refer the matter to another arbitrator or to the ACCC for resolution. In making a determination, the ACCC is to be bound by Division 3 of Part IIIA, sections 44V, 44W and 44X of the TPA and Subdivision D of Part IIIA of the TPA.

The undertaking provides for a number of notification/grace periods as part of the dispute resolution process such that a period of 90 days can elapse prior to the appointment of an arbitrator.

***Questions:** Are the dispute resolution processes reasonable, appropriate and adequate? Does the undertaking clearly describe the various stages of the process for resolving disputes? Is there sufficient detail on the nature of issues that may be subject to the dispute resolution process?*

Are the powers, functions and jurisdictions of the dispute resolution bodies appropriate and clearly defined? Are the enforcement mechanisms adequate and clearly defined?

Are the time frames involved at each stage of the process of an appropriate length? Does the overall approach provide an appropriate balance between the need for timeliness, on the one hand, and efficient and fair outcomes, on the other?

3.4 Part 4 'Pricing Principles'

This section of the undertaking sets out the principles used by ARTC to derive access charges. The stated objective is to apply access charges which aim to achieve a practical balance between the legitimate business interests of ARTC, the interests of operators wishing to have access to the services provided by ARTC and the interests of the public. In doing so, access charges are designed to achieve the following ends:

- Recover reasonable costs incurred by ARTC in providing access and a fair and reasonable return on investment which reflects the risks involved;
- Promote efficient use and investment in the Network; and
- Stimulate customer confidence and growth of the rail industry.

Access charges will be based on an Indicative Access Charge that ARTC publishes for services in specific segments and which have the following characteristics:

- Axle load of 21 tonnes;

- Maximum speed of 110km/h and an average speed of 80km/h; and
- Length not exceeding 1500 metres east of Adelaide and 1800 metres west of Adelaide.

Departures from these indicative charges will take account of the characteristics of individual services, including technical aspects, the particular segments of the Network to which access is sought, the opportunity costs to ARTC, the impact on other traffic on the Network (including system capacity and flexibility) and the market value of the particular time path being sought.

In other respects, access pricing will be uniformly applied and will not differentiate between types of operators or type of service operating within the same market segment.

Access charges will be structured as a two-part tariff comprising a fixed component and a variable component. The fixed component will be levied on a \$/km basis and be specific to each train service type and segment. The variable component will be related to distance and mass and be levied in terms of \$/gkm. Both components of the access charge will be open to negotiation, however, the fixed component is proposed to be levied irrespective of usage.

Access pricing will be subject to floor-ceiling revenue limits. The floor is given by the incremental or avoidable costs of providing a service, excluding depreciation and a return on assets employed. The ceiling is defined as the full economic cost of providing a service including the costs specific to a service, depreciation and an allocation of indirect costs, and a return on assets employed. ARTC claims that costs are forward looking and include planned efficiency improvements.

Returns on assets are calculated by applying ARTC's weighted average cost of capital (WACC) to the value of the assets employed, based on a DORC valuation (depreciated optimised replacement cost).

ARTC's assets have been independently valued by Booz, Allen and Hamilton. The optimised replacement cost for ARTC's assets was assessed at \$2.5 billion while the discount for the current condition of the assets was estimated at 44 per cent giving a DORC of \$1.4 billion.

The key operational cost items are Infrastructure Maintenance, Train Control and Systems Management and Administration. Infrastructure maintenance is sub contracted with unattributable costs allocated 60 per cent on a gross tonne kilometre basis and 40 per cent on a track kilometre basis. Maintenance Contract Management, Train Control and other expenses including System Management and Administration, are resourced internally and allocated on a track kilometre basis.

ARTC has opted for a straight line method of depreciation applied to the DORC value of the asset base. In calculating an annual depreciation charge, ARTC has taken into account both the useful life and the economic life of its physical assets bearing in mind the economic life of businesses using the infrastructure and technological obsolescence. The useful life of ARTC's assets is kept at a "steady state standard in perpetuity" through regular maintenance which is expensed and passed on to operators as part of the access charge. As the assets do not decay,

the component of the depreciation charge which is intended to reflect the gradual erosion of the assets' physical capabilities is zero. As for the economic life of the asset base, ARTC considers that neither loss of rail freight business nor technological changes are likely to render the tracks "stranded". As such, track assets are deemed to have an infinite economic life and thus no depreciation is required. However, some assets are deemed to have a limited economic life due to the possibility of technological obsolescence, viz signalling and train control assets, communications equipment and cabling. A depreciation charge of \$6.8 million is included in the revenue ceiling limit in respect of these assets.

The WACC for ARTC was assessed by Equity and Advisory. The real pre-tax WACC was estimated to be within a range of between 6.8% and 8.4% with a mid point of 7.5%. The parameters and final WACC numbers for ARTC are as follows:

	ARTC (Feb 2001)	
	Low	High
Cost of Equity		
Risk Free Rate of Return	5.5%	5.5%
Market Risk Premium	5.5%	6.0%
Beta	0.9	1.0
Gamma	50%	40%
Cost of Equity	8.60%	9.80%
Cost of Debt		
Borrowing Margin	1.2%	1.2%
Borrowing Rate	6.7%	6.7%
Tax Rate	30%	30%
Debt as % of Debt plus Equity	50%	40%
Cost of Debt	4.70%	4.70%
WACC nominal post tax	6.60%	7.70%
WACC real pre tax	6.80%	8.40%

ARTC's WACC has been estimated using the Capital Asset Pricing Model. The nominal post-tax WACC is given by the following formula:

$$WACC = K_e \frac{(1-T_c)}{1-T_c(I-y)} \frac{E}{V} + K_d(1-T_c) \frac{D}{V}$$

Where,

K_e = after tax cost of equity = {(Market Risk Premium x B) + Risk Free Rate of Return}

B(beta) = systematic risk of equity

K_d = nominal pre tax debt rate = (Risk Free Rate + Borrowing Margin)

T_c = corporate tax rate

D = market value of interest bearing debt

E	= market value of equity
V	= market value of entity ($V=D+E$)
$y(\gamma)$	= franking credit utilisation

The risk-free rate has been set at 5.46 per cent which was equivalent to the yield to maturity on ten year Commonwealth bonds as at 23 January 2001. The market risk premium is a measure of the risk involved in investing in equity in Australia and has been set at a range of 5.5 per cent to 6 per cent. The beta is a measure of the risk that can not be diversified away and has been applied at a range of 0.9 to 1.0. The borrowing margin applicable to ARTC over the risk-free rate has been estimated at 1.2 per cent. The gearing ratio used has a range of 50 per cent to 40 per cent. The corporate tax rate is ARTC's effective tax rate which is 30 per cent. The range for the gamma is 40 per cent to 50 per cent.

ARTC's Indicative Access Charges are such that revenues are at the low end of the floor-ceiling range for each of the specified segments. ARTC claims that the Indicative Access Charges are market based rather than cost based and are designed to promote use of its infrastructure in view of competition from road transport.

There is provision in the undertaking for Indicative Access Charges to be adjusted annually by a factor which is the greater of CPI-2% or 2/3rds of CPI.

ARTC considers that its access pricing policy contains incentives for operators to seek efficiencies in the way they provide rail freight services and effectively reduce the cost of access.

***Questions:** Does the general approach to access pricing achieve the stated objective of striking a balance between the business interests of ARTC, access seekers and the general public?*

Are the definitions of "floor" and "ceiling" revenues appropriate? Are ceiling revenues defined in such a way that ARTC can not exercise market power?

Do the pricing principles contain sufficient incentives for the economically efficient use of tracks by operators and efficient maintenance and investment in the infrastructure by ARTC? If access prices are only approximately set on the basis of costs, does this mean that ARTC has little incentive to seek efficiencies and reduce costs over time?

What is the likely effect of the proposed approach to access pricing on intra and inter modal competition? Are there any elements that could hinder competition?

Does the Indicative Access Charge provide a reasonable basis for the setting of indicative access prices? Is there sufficient clarity about how ARTC will deal with deviations from the Indicative Access Charge?

Are the fixed and variable components of the access charge set appropriately? Is the allocation of unattributable costs soundly based and does it contribute to efficient outcomes?

Has the Capital Asset Pricing Model been properly used to arrive at the Weighted Average Cost of Capital for ARTC? How appropriate are the assumptions that have been used to derive the various parameters?

Is DORC the appropriate valuation methodology to apply in the case of ARTC's assets? Is there sufficient detail provided to assess the methodology employed to arrive at a DORC valuation and does the evidence suggest that the methodology is appropriate? Are there other models that should be used to value ARTC's assets, such as historical cost, replacement cost or reproduction cost?

Does the proposed method for determining depreciation realistically reflect the expected decline in the economic value of assets? For those assets for which depreciation has been calculated, is there sufficient detail on the valuation approach used?

3.5 Part 5 'Management of Capacity'

This section of the undertaking sets out the processes that ARTC will follow in dealing with capacity issues. ARTC's initial Indicative Access Proposal will include an assessment of capacity to ascertain the extent to which the applicant's requirements can be met within existing capacity constraints.

Where two or more applicants seek access to mutually exclusive access rights, ARTC undertakes to grant access to the operator which offers the most favourable terms and conditions. In such a case ARTC will base its decision on the basis of "the highest present value of future returns" that an access agreement will produce having regard to the relevant costs and risks.

Access rights to train paths may be cancelled by the operator or assigned to another party, subject to certain conditions including the approval of ARTC. The undertaking also provides for ARTC to withdraw assigned access rights to specific train paths where these have been underutilised.

Questions: *Does the undertaking provide sufficient detail on how ARTC proposes to assess capacity? Can operators be satisfied that the approach taken by ARTC to assess capacity is appropriate?*

Is there sufficient transparency about the process that ARTC will use to assign access rights in the case of applications for mutually exclusive rights? Is the proposed method of granting access on the basis of the "highest present value of future returns" appropriate?

Are sufficient details provided about the circumstances in which ARTC will withdraw access rights?

3.6 Part 6 - 'Network Connections and Additions to Capacity'

Where additional capacity is necessary to meet the demands of an access seeker, ARTC will consider building the extra capacity provided the addition to capacity is in ARTC's interests bearing in mind its overall business and the economic and technical feasibility of the extra capacity created. Alternatively, ARTC will consent to the provision of the extra capacity if:

- The applicant meets the costs directly, or through increased access charges or through other means such as periodic payments, subject to approval of ARTC; and
- The extension is consistent with the operational, engineering, and safety requirements of ARTC as well as its overall business interests.

The addition to capacity is ultimately owned and managed by ARTC.

The undertaking also provides for owners of other tracks to connect to ARTC's Network, subject to the following conditions:

- The connections do not reduce capacity in other Parts of ARTC's Network;
- The connections interface satisfactorily with ARTC's requirements on procedural, physical, technical, operational, engineering and safety standards;
- The onus is on track owners to ensure that all users of the connection comply with the directions of ARTC's train controllers regarding entry and exit from the Network; and
- The costs of building and maintaining the connections are borne by the other track owners.

***Questions:** Is there sufficient detail provided on how ARTC proposes to determine the need for additional capacity to meet an operator's needs as opposed to new investment to meet ARTC's own overall requirements?*

Is the undertaking clear on whether the access pricing principles that will apply in respect of additional capacity will be the same as for existing facilities?

3.7 Part 7 - 'Network Transit Management'

This section sets out ARTC's objectives in train management which is to exit trains according to

their contracted exit time. In the case of conflicting between trains in transit, the Network Management Principles set out in Schedule F will apply.

***Questions:** Are the Network Management Principles clearly stipulated and likely to be well understood by operators? Are they generally conducive to efficient management of traffic movements?*

3.8 Schedules

There are a number of schedules presented as part of the undertaking. These are:

- Schedule A – Access application
- Schedule B – Information to accompany access application
- Schedule C – Essential elements of access agreement
- Schedule D – Indicative track access agreement as at commencement date
- Schedule E – Network
- Schedule F – Network management principles
- Schedule G - Segments

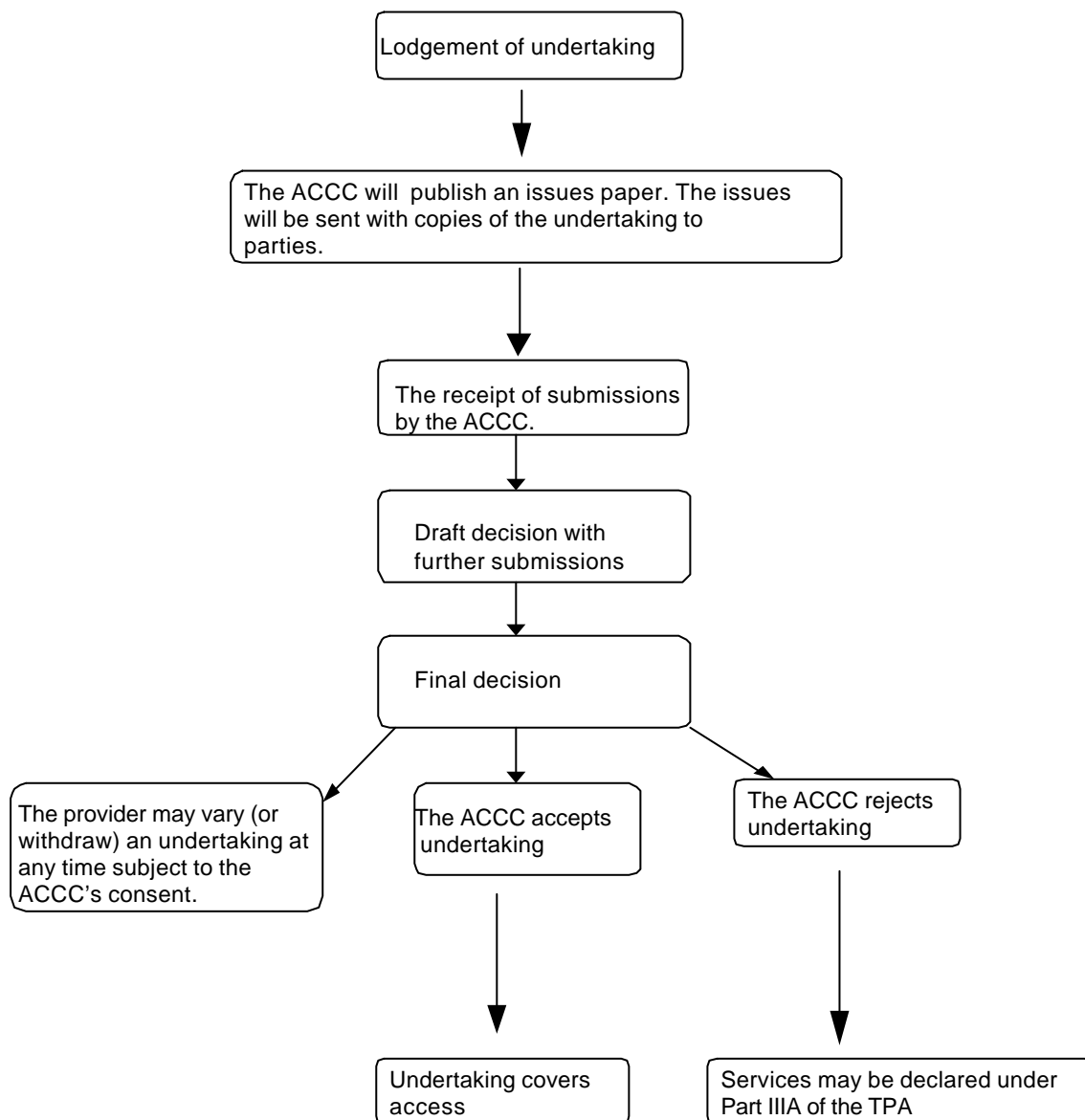
In addition, the undertaking includes material providing details on asset valuation and WACC as well as other supporting documentation.

Questions: *Are the terms and conditions in the Indicative Track Access Agreement appropriate and consistent with the access undertaking? Is it appropriate for the Indicative Track Access Agreement to be part of the undertaking?*

4. ASSESSMENT PROCESS FOR ARTC UNDERTAKING

Figure 1 provides a summary of the procedures involved in the ACCC's assessment of the ARTC undertaking. The process is designed to be transparent and public, relying on input from interested parties as well as the lodger of the undertaking.

Figure 1: Assessment Procedure for ARTC Undertaking



4.1 ACCC Time Lines

The legislative regime does not set any specific time periods in which the ACCC is expected to complete an assessment of an access undertaking. The length of time taken to assess the undertaking will depend on the complexity of the issues involved and whether or not the ACCC publishes a Draft Decision. The ACCC received the ARTC Access Undertaking on 22 February 2001. For the purposes of the ARTC undertaking, the ACCC has developed the following indicative timetable:

- publication of the undertaking and an issues paper on Thursday 29 March;
- receipt of submissions by Friday 27 April;
- ACCC draft decision by mid June; and
- ACCC final decision by end of July.

4.2 Interested Parties

The ACCC has compiled a list of parties who may have an interest in the undertaking and has sent copies of the Issues Paper and a copy of ARTC's Access Undertaking to those parties to assist them prepare submissions. The ACCC will also make the material available to other parties on request. A copy of the Issues Paper will also be made available on the Commission's web site www.accc.gov.au.

Copies of submissions will be made available on request to interested parties, unless the author of the submission has sought confidentiality for the submission. ARTC may be asked to comment on submissions where this would assist the ACCC's evaluation of the undertaking.

In addition to submissions the ACCC may seek information through inquiries, usually by interview, with interested parties and others who may be able to provide information to assist the ACCC in its assessment of an undertaking.

5. SUBMISSIONS

Submissions should be forwarded by Friday 27 April 2001 to:

Margaret Arblaster
General Manager – Transport
Regulatory Affairs Division
ACCC
GPO Box 520J
MELBOURNE VIC 3001

Further inquiries:

Renato Viglianti Telephone (03) 9290-1847

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Email: margaret.arblaster@accc.gov.au

Unless a submission is marked confidential, it will be made available to any person or organisation on request. The sections of submissions that are confidential should be clearly identified.