



25 OCT 2010

Mr Anthony Wing
General Manager
Transport and General Prices Oversight
Australian Competition and Consumer Commission
GPO Box 520
MELBOURNE VIC 3001

Dear Mr Wing

ARTC Hunter Valley Access Undertaking

I am writing with regard to the proposed Access Undertaking for the Hunter Valley Rail Network submitted by the Australian Rail Track Corporation (ARTC) on 7 September 2010.

The NSW Government is developing a comprehensive approach to managing the environmental impacts of noise and vibration from the NSW rail system. Effective management of rail noise will require the combined efforts of rail infrastructure owners and developers, rail operators, train manufacturers, regulatory and planning authorities, and the community. The key parts of this approach include:

- release of the *Interim Guidelines for the Assessment of Noise from Rail Infrastructure Projects* by the Department of Environment, Climate Change and Water (DECCW) in 2007
- preparation of a noise management manual on best practices to mitigate rail noise and vibration
- implementation of a rail noise abatement program, which aims to mitigate noise for those acutely affected by it
- release of environmental planning guidelines for new residential development alongside rail lines by the Department of Planning in 2008; and
- development of national rolling stock noise-emission standards.

DECCW is participating in the development of all of these initiatives. Currently, the ARTC and NSW RailCorp are conducting a trial study to determine the resource requirements of the rail noise abatement program, which is due to be completed in December 2010.

Earlier this year I wrote to the CEO of ARTC, Mr David Marchant, seeking a commitment to future funding of a rail noise abatement program. Mr Marchant advised me in July 2010 that the ARTC could only commit funds for the regulated Hunter Valley network with the agreement of the coal industry under the economic regulatory arrangements that operate in the Hunter Valley.

I understand that you are currently considering submissions in relation to the revised Hunter Valley Access Undertaking recently submitted by the ARTC. I am advised that Chapter 13 of the Operator Sub-Agreement for Indicative Services in the Hunter Valley includes provisions relating to environmental requirements. In particular, I note that Clause 13.6 requires operators to comply with the conditions in ARTC's Environment Licence. This will give the ARTC a mechanism to require operators accessing its network to comply with locomotive noise limits specified in ARTC's

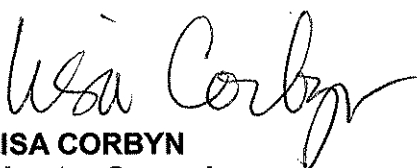
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Clause 13.8 of the Sub-Agreement also requires operators to implement and comply with the environmental management system manual developed by ARTC. A draft rail noise management manual is being prepared in NSW, which currently includes guidelines for a Rail Noise Abatement Program at Chapter 7. I will ask the ARTC to incorporate the terms of this manual, when finalised, into its environmental management system manual so that operators can fulfil their environmental obligations under the program.

As the majority of complaints about rail noise in the Hunter Valley relate to the transport of coal freight I would appreciate it if you would ensure that the need to consult with coal companies about managing the environmental impacts of coal transport is adequately addressed in ARTC's access undertaking for the Hunter Valley.

If you have inquiries in relation to this matter, please contact Ms Lorraine Phillips, Manager, Noise Policy Section, on (02) 9995 5904.

Yours sincerely



LISA CORBYN
Director General