



Notice

9 June 2020

Arc Infrastructure

Amended Costing Principles and Over-payment Rules

The ERA has approved amendments to Arc Infrastructure's Costing Principles and Over-payment Rules. These instruments provide assurances about the way Arc will cost railway infrastructure services and the manner in which over-recoveries will be reimbursed.

These instruments were last updated in 2011.

Arc Infrastructure submitted proposed amendments to these instruments to bring them into line with changes made to other railway owners' instruments and ERA conventions adopted since 2011.

The amendments include:

- To replace references to floor and ceiling costs with the updated terminology of incremental and total cost.
- To correct usage of some terms defined under the Railways (Access) Code 2000, such as "access" and "operator".
- To update provisions for indexation of costs for the purposes of administering Overpayment accounts. The updates include an expansion of indexation from three years to five years, and consideration of changes in the Weighted Average Cost of Capital.

Arc Infrastructure's amended <u>Costing Principles</u> and <u>Over-payment Rules</u> are published on the ERA website

Further information

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