



Notice

16 May 2024

Arc Infrastructure

Proposed costing principles - ERA approval decision

The Economic Regulation Authority has published its [approval decision on Arc Infrastructure's proposed costing principles](#).

The ERA has approved Arc's proposed costing principles with 20 amendments, largely related to definitional and detail refinements and clarification of some technical matters.

Arc is required to update its costing principles to reflect these amendments, and provide its approved costing principles for publication by 31 May 2024.

Costing principles are a statement of the rules and practices that Arc will follow when determining the costs which apply to floor and ceiling price tests. These tests are used to guide negotiations when a party seeks access to Arc's network.

The *Railways (Access) Code 2000* was amended in December 2023 to require existing railway owners to submit costing principles to the ERA. The ERA is required to approve proposed costing principles, with or without amendment, or determine what are to constitute the costing principles.

Arc provided its proposed costing principles on 19 March 2024. The ERA published the proposed costing principles and called for public submissions on 20 March 2024.

The ERA received five submissions, including two supporting documents from Arc. These submissions, along with a consultant's report commissioned by the ERA to provide advice on the costing principles, have been published with the approval decision.

Further information

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