

NOTICE

Invitation for public submissions on the draft determination on the weighted average cost of capital for The Pilbara Infrastructure's Railway

The Economic Regulation Authority has released its draft determination for the 2009 weighted average cost of capital (WACC) for the Pilbara railway built and operated by The Pilbara Infrastructure Group (TPI), a subsidiary of Fortescue Metals Group Ltd.

The Authority is inviting public submissions on the draft determination, which proposes a 2009 real pre-tax WACC value of 10.25 per cent.

The draft determination is available on the Authority's [web site](#).

Background

The *Railways (Access) Code 2000* requires the Authority to make an annual determination of the WACC to be applied in calculating the floor and ceiling costs for rail networks covered under the code.

On 4 September 2008, the Authority published an issues paper and invited submissions from interested parties. The Authority also commissioned a report by CRA International to provide advice on the TPI WACC. The Authority considered all the information provided in the preparation of its draft determination.

The [public submissions](#) received on the Authority's issues paper and the [draft CRA report](#) are available on the Authority's web site.

The Authority will issue its final determination on or before 30 June 2009.

Public submissions

All submissions on the Authority's draft determination should be in hard copy and electronic form (where possible) and must be received by **4:00pm (Western Standard Time) on Friday 20 February 2009**.

Written submissions should be mailed to:

Mr Russell Dumas
Director – Gas and Rail Access
Economic Regulation Authority
PO Box 8469
Perth BC WA 6849

Electronic submissions should be made to: TPIWACC@era.wa.gov.au

In general, submissions made to the Authority will be treated as in the public domain and placed on the Authority's web site.

Where an interested party wishes to make a submission in confidence, it should clearly indicate the parts of the submission for which confidentiality is claimed and specify in reasonable detail the basis for the claim. Any claim of confidentiality will be considered in accordance with the Section 50 provisions of the access code.

The publication of a submission on the Authority's web site shall not be taken as indicating that the Authority has knowledge either actual or constructive of the contents of a particular submission and, in particular, whether the submission in whole or part contains information of a confidential nature and no duty of confidence will arise for the Authority.

For further information contact:

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LYNDON ROWE
CHAIRMAN

9 January 2009