



Economic Regulation Authority

WESTERN AUSTRALIA

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*Promoting fair prices, quality services and choice.*

## NOTICE

### 2009 Weighted Average Cost of Capital Determination

#### THE PILBARA INFRASTRUCTURE RAILWAY

The Economic Regulation Authority has published its [Final Determination](#) on the 2009 Weighted Average Cost of Capital (WACC) for The Pilbara Infrastructure's (TPI) railway in the Pilbara.

The Authority has determined that the 2009 WACC, to apply to TPI's railway from 1 July 2009 to 30 June 2010, is 11.09 per cent (real pre-tax).

The *Railways (Access) Code 2000* requires the Authority to make an annual determination, as at 30 June, of the WACC to be applied when calculating the floor and ceiling costs for each of the rail networks covered under Schedule 1 of the access code.

The access code does not require public consultation for WACC determinations, except for that in 2003 and every fifth year thereafter. However, as TPI's railway was new when included in the access code on 1 July 2008, the Authority decided to undertake a public consultation process in determining the WACC for it.

Public consultation was conducted over a six-week period following release of the Authority's issues paper on 4 September 2008. A second round of public consultation was undertaken over a six-week period following release of the Authority's draft determination on 9 January 2009.

The Authority has considered all submissions received in preparing its final determination.

For further information contact:

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22 June 2009