



INFORMATION

The Pilbara Infrastructure – Determination of Floor and Ceiling Costs

SUSPENSION OF REVIEW

The Economic Regulation Authority has suspended the current review of Floor and Ceiling Costs for The Pilbara Infrastructure's (TPI) Cloudbreak- Port Hedland railway.

Since the submission of its proposed Floor and Ceiling Costs, TPI has completed construction of a further spur connecting the Cloudbreak- Port Hedland railway with FMG's mine at Christmas Creek.

The Christmas Creek spur comprises a new route section which must now be included in Appendix C of TPI's Costing Principles, as a route section to which the Costing Principles apply.

Under the arrangements outlined in Section 2 of TPI's Costing Principles, inclusion of the new route section will then require TPI to submit a revised floor and ceiling cost proposal covering all route sections of its railway, making the Authority's current review redundant.

The Authority has therefore decided to suspend the current Review of TPI's proposed Floor and Ceiling Costs for its Cloudbreak-Port Hedland railway.

Further, the Authority is reconsidering the requirements for Railway Owners to submit Floor and Ceiling Cost proposals prior to these being required under Clauses 9 or 10 of Schedule 4 of the Railways (Access) Code 2000. These clauses contemplate situations where an access proposal is expected by the Regulator to be made (Clause 9), or an access proposal is received by the Railway Owner (Clause 10).

The Authority will be publishing a background paper outlining this issue and calling for public submissions in order to inform its consideration of this matter.

For further information contact:

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