



**The Hon Andrew Constance MP**  
Minister for Transport and Infrastructure

BN18/00362

Dr Peter Boxall AO  
Chair  
Independent Pricing and Regulatory Tribunal  
PO Box K35  
HAYMARKET POST SHOP NSW 1240



Dear Mr Boxall

I write to the Independent Pricing and Regulatory Tribunal (IPART) to refer the task of determining appropriate maximum fares for Opal public transport services until 30 June 2024. I am also referring additional matters for IPART's consideration.

The Premier approved this referral, as required under section 123 of the *Passenger Transport Act 2014*.

The NSW Government is investing in expanding the public transport network, with new services including Sydney Metro, new light rail networks and the introduction of on-demand services. These improvements, along with the technological developments in the ticketing system, warrant consideration.

Under section 123(2)(b) of the *Passenger Transport Act 2014*, I have included additional matters for IPART to consider as part of the IPART review.

The inclusion of additional matters will provide IPART an opportunity to provide policy advice on emerging issues and ensure they are considered in determining maximum fares.

I look forward to receiving IPART's recommendations.

Yours sincerely

 30/5/18  
THE HON ANDREW CONSTANCE MP

**Passenger Transport Act 2014**  
**Section 123(1)(a)**

**Referral**

I, the Hon Andrew Constance MP, Minister for Transport and Infrastructure, with the approval of the Hon Gladys Berejiklian MP, Premier of New South Wales and Minister administering the *Independent Pricing and Regulatory Tribunal Act 1992*, under section 123(1)(a) of the *Passenger Transport Act 2014*, refer to the Independent Pricing and Regulatory Tribunal (IPART) the following matter for investigation and report:

The determination of appropriate maximum fares for Opal Services.

In addition to the matters contained in s124 of the Passenger Transport Act 2014, in undertaking this investigation, IPART is, under s123(2)(b) of the Passenger Transport Act 2014, to consider:

1. The appropriate pricing arrangements for new 'on-demand' transport services in metropolitan, outer metropolitan and regional areas.
2. The relative contributions that customers and taxpayers should make to the cost of delivering Opal Services taking into account the costs and level of services.
3. The technical feasibility of any proposed changes put forward by IPART, given the features of the Opal system and the contracts in place for its implementation and operation;
4. The most appropriate method or methodology for determining maximum fares for Opal Services, including the need for sufficient flexibility to implement any changes to the current fare structure (where relevant).

For the purposes of this referral, Opal Services means the following services:

1. Train services operated by Sydney Trains under the authority of a passenger service contract with TfNSW
2. Train services operated by NSW Trains operated under the business name NSW TrainLink Intercity under the authority of a passenger service contract with TfNSW
3. Train services operated by Sydney Metro under the authority of a passenger service contract with TfNSW
4. Ferry services operated by Sydney Ferries under the authority of a passenger service contract with TfNSW
5. Buses, light rail and ferry services operated by Newcastle Transport under the authority of a passenger service contract with TfNSW
6. Bus services operated under the authority of a Sydney Metropolitan Bus Service Contract with TfNSW
7. Bus services operated under the authority of an Outer Sydney Metropolitan Bus Service Contract with TfNSW;
8. Light rail services operated by Sydney Light Rail, including Inner West and CBD and South East light rail, under the authority of a passenger service contract with TfNSW;
9. Light rail services in Parramatta, under the authority of a passenger service contract with TfNSW;
10. On demand services in metro and outer metropolitan areas operated under the authority of a passenger service contract with TfNSW.


For Opal services listed above the maximum fares are those payable using an Opal card, including Opal pay, and contactless transport payments.

IPART is to submit its final report and determination under this referral to the Minister for Transport and Infrastructure as soon as practicable but no later than 28 February 2020. A draft report and determination should also be publicly released during the course of the review to ensure adequate public consultation.

IPART is to determine maximum fares for Opal Services for the period to 30 June 2024. The determination should remain in force until it is varied or replaced.

Signed:  .....  
**Hon Andrew Constance MP**  
**Minister for Transport and Infrastructure**

Date: 20/6/18 .....

Signed:  .....  
**Hon Gladys Berejiklian MP**  
**Premier**

Date: 25/6/18 .....