



Notice of Inquiry Review of prescribed port services 2014

The *Port Management Act 1995* (Vic) (PMA) establishes the economic regulatory framework for Victoria's commercial ports.

Purpose of Inquiry

Under the PMA, every five years, the Essential Services Commission (ESC) must conduct an inquiry (a review) and make a recommendation to the Minister administering the *Essential Services Commission Act 2001* (ESC Act) whether certain prescribed services (defined below) should continue to be subject to price regulation and if so, the form of that price regulation. The current form of price regulation applied to prescribed services is price monitoring. This is given effect through the ESC's Price Monitoring Determination (PMD) available at <http://www.esc.vic.gov.au> (go to: implementation of the ports price monitoring regime).

Scope of the Inquiry and Prescribed Services

The prescribed services subject to review are defined in section 49(c) of the PMA. As the Port of Melbourne Corporation (PoMC) is the only provider of prescribed services, the scope of the review is confined to the Port of Melbourne.

The prescribed services currently price monitored are:

- shipping channels in the port of Melbourne, including the shared channels used by ships bound either for the port of Melbourne or the port of Geelong;
- berths, buoys or dolphins for the berthing of vessels carrying container or motor vehicle cargoes in the port of Melbourne; and
- short term storage or cargo marshalling facilities for the loading or unloading of vessels carrying container or motor vehicle cargoes in the port of Melbourne.

Matters the review will cover

Section 53 of the Port Management Act 1995 (PMA) requires that the review address the following matters:

- whether or not prescribed services should be subject to price regulation and the form of that regulation
- any transitional matters if the ESC recommends changes to the form of regulation.

Timing and request for submissions

The review will start in February 2014 and must be completed by 30 June 2014.

Stakeholders are invited to provide their written submissions in relation to whether the prescribed services should be price regulated and if so, the form of the regulation. Submissions should be sent to portsreview2014@esc.vic.gov.au. Submissions should be made on or before 14 March 2014. Submissions will be published on the ESC's website.

The ESC will publish a draft report by 30 April 2014 and seek stakeholder comments on its draft findings. Stakeholders will be provided four weeks to make a submission to the ESC in response to the draft report. The ESC will also hold a public hearing where interested parties may present their views on relevant matters. Details of the public hearing will be advertised in the press and on the ESC's website. A final report with the ESC's recommendations will then be provided to the Minister for Finance by 30 June, 2014.

Further information is available from Dominic L'Huillier, A/Director -Transport on (03) 9032 1365.