

ACCESS ARRANGEMENT *[insert date]*

made by

ESSENTIAL SERVICES COMMISSION VICTORIA (“ESC”)

in respect of **V/LINE PTY LIMITED** ABN 29 087 425 269

of
Level 9,
750 Collins Street,
Docklands VIC 3008 (**“V/Line”**)

Table of Contents

| | |
|---|-----------|
| Part 1 | 4 |
| 1. Preamble | 4 |
| Part 2 | 6 |
| 2. Scope and administration of Access Arrangement | 6 |
| 2.1. Scope | 6 |
| 2.2. Grant and duration of Access Arrangement | 6 |
| 2.3. Review of Access Arrangement | 6 |
| 2.4. Access Agreements | 7 |
| 2.5. V/Line's provision of Services to its related bodies corporate..... | 7 |
| 2.6. Contact details | 7 |
| Part 3 | 9 |
| 3. Negotiation process | 9 |
| 3.1. Good faith negotiations..... | 9 |
| 3.2. Information provided by V/Line to Access Seekers..... | 9 |
| 3.3. Access Seeker application process..... | 10 |
| 3.4. Negotiation protocol..... | 11 |
| 3.5. Procedure for assessment of works to provide additional capacity | 12 |
| 3.6. Interconnection | 13 |
| Part 4 | 16 |
| 4. Pricing | 16 |
| 4.1. Description of Services | 16 |
| 4.2. Prices and charging | 17 |
| 4.3. Revenue Cap | 19 |
| 4.4. Freight pricing structure and task differentiation | 19 |
| 4.5. Price escalation..... | 20 |
| Part 5 | 21 |
| 5. Management of capacity and Network | 21 |
| 5.1. General | 21 |
| 5.2. Network Service Plan and Master Train Timetable..... | 21 |
| 5.3. Capacity allocation in response to Access applications..... | 21 |
| 5.4. Variation and surrender of a Train Path | 21 |
| 5.5. Protocols and capacity allocation protocols | 22 |
| 5.6. Reporting of actual Train Path utilisation..... | 22 |
| Part 6 | 22 |
| 6. Account keeping | 22 |
| 6.1. Preparing, maintaining and keeping accounting records and accounts | 22 |
| Part 7 | 22 |
| 7. Performance Indicators | 22 |
| Part 8 | 24 |
| 8. Ring Fencing | 24 |
| Appendix 1..... | 25 |

| | |
|---|-----------|
| Pricing | 25 |
| Appendix 2..... | 28 |
| Information to accompany an Access application | 28 |
| Appendix 3..... | 30 |
| Access agreement | 30 |
| Appendix 4..... | 31 |
| Ring fencing separation arrangement | 31 |
| Appendix 5..... | 32 |
| Definitions | 32 |
| Appendix 6..... | 39 |
| Track standard by corridor..... | 39 |
| Appendix 7..... | 40 |
| Cost Allocation Policy | 40 |
| Appendix 8..... | 41 |
| Dispute resolution during negotiation process | 41 |
| Appendix 9..... | 42 |
| Normal Signal Box & Signalled Locations: Operating Hours at the Commencement Date.... | 42 |
| Appendix 10..... | 43 |
| Procedures for handling Access Seeker Information | 43 |
| Appendix 11..... | 44 |
| Annual variation of access fees..... | 44 |
| Annexure A..... | 45 |
| Location diagrams | 45 |
| | 46 |
| Annexure B..... | 47 |
| Geelong Grain Loop | 47 |

Part 1

1. Preamble

- 1.1.a. V/Line is a corporation owned by the State of Victoria.
- 1.1.b. V/Line operates passenger train services in Victoria and has been the operator of the Network since 4 May 2007.
- 1.1.c. V/Line's previous Access Arrangements were:
 - (i) the Access Arrangement made by the ESC for PN on 29 June 2006 as varied on 24 April 2007 to substitute V/Line for PN, the previous below rail operator; and
 - (ii) The Access Arrangement made by the ESC for V/Line dated 17 June 2009
- 1.1.d. V/Line applied to the ESC under section 38ZR of the RMA for renewal of the 17 June 2009 Access Arrangement in March 2012.
- 1.1.e. The ESC made a final decision under section 38ZF of the RMA to approve the renewal of that Access Arrangement in June 2012.
- 1.1.f. V/Line applied in June 2015 to the ESC under section 38ZO of the RMA for extension of the 28 June 2012 Access Arrangement.
- 1.1.g. The ESC made a final decision under section 38ZO of the RMA to approve the extension of that Access Arrangement on 22 June 2015.
- 1.1.h. V/Line applied in June 2016 to the ESC under section 38ZO of the RMA for extension of the 28 June 2012 Access Arrangement.
- 1.1.i. The ESC made a final decision under section 38ZO of the RMA to approve the extension of that Access Arrangement on 29 June 2016.
- 1.1.j. V/Line applied in December 2016 to the ESC under section 38ZO of the RMA for extension of the 28 June 2012 Access Arrangement.
- 1.1.k. The ESC made a final decision under section 38ZO of the RMA to approve the extension of that Access Arrangement in December 2016.
- 1.1.l. V/Line applied in December 2017 to the ESC under section 38ZO of the RMA for extension of the 28 June 2012 Access Arrangement.
- ~~1.1.k.~~1.1.m. The ESC made a final decision under section 38ZO of the RMA to approve the extension of that Access Arrangement in December 2017.

Part 2

2. Scope and administration of Access Arrangement

2.1. Scope

- 2.1.a. This Access Arrangement provides for the negotiation and supply of Access required for the operation of freight and passenger trains by Operators and V/Line (in its capacity as a provider of passenger train operations) on the Network.
- 2.1.b. Access for passenger trains does not constitute a Reference Service under this Access Arrangement.
- 2.1.c. For clarification, this Access Arrangement:
 - (i) includes its annexures; and
 - (ii) does not address the provision of Access to parts of the Victorian rail network outside the Network, or to the rail infrastructure of other track owners or track managers.

2.2. Grant and duration of Access Arrangement

- 2.2.a. V/Line (in its capacity as an Access Provider) shall comply with the processes specified in this Access Arrangement in relation to the grant of Access:
 - (i) to Operators on the Network for Scheduled Services and Unscheduled Services; and
 - (ii) to V/Line (in its capacity as a provider of passenger train operations),and will comply with the terms and conditions specified in this Access Arrangement in relation to the provision of Scheduled Services and Unscheduled Services to Operators.
- 2.2.b. This Access Arrangement takes effect on the Commencement Date and will continue until the earlier to occur of the:
 - (i) ~~31 December 2017~~; ~~31 December 2018~~^{or}
 - (ii) withdrawal of this Access Arrangement in accordance with the RMA.

2.3. Review of Access Arrangement

- 2.3.a. V/Line may, during the Access Period, apply pursuant to section 38ZO of the RMA for the approval of the ESC to vary this Access Arrangement.

- 2.3.b. If the ESC seeks information in relation to matters that may be relevant to the ESC's exercise of its rights pursuant to section 38ZP of the RMA, V/Line shall provide such information available to it as directed by the ESC.

2.4. Access Agreements

- 2.4.a. This Access Arrangement applies to the negotiation of new Access Agreements. It is not intended to interfere with rights and obligations under existing access agreements in force at the Commencement Date, but it shall apply to extensions, renewals or amendments of such existing access agreements.
- 2.4.b. The form of Access Agreement in Appendix 3 is intended to reflect the needs of an Operator, and represents standard terms and conditions of Access for Operators.

2.5. V/Line's provision of Services to its related bodies corporate

- 2.5.a. At the Commencement Date, V/Line was not an Operator. If V/Line (or a related body corporate) becomes an Operator during the Access Period, it shall provide Access to Scheduled Services and Unscheduled Services to itself or to its related bodies corporate:
- (i) on the terms and conditions specified in the Access Agreement set out in Appendix 3; and
 - (ii) at the prices specified in Appendix 1 or at lower prices.
- 2.5.b. If lower prices are charged by V/Line in accordance with clause 2.5.a(ii), such lower prices shall be deemed to replace the relevant prices in Appendix 1 as reference prices for all Operators.
- 2.5.c. If lower charges are charged by V/Line in accordance with clause 2.5.b V/Line must:
- (i) publish the revised reference price schedule on the V/Line website; and
 - (ii) notify the ESC in writing immediately.

2.6. Contact details

- 2.6.a. Persons wishing to contact V/Line for further information or to apply for Access to the Network should contact V/Line at the following address:

Chief Executive Officer

Attention: Enterprise Governance and Risk
V/Line Pty Limited
Level 9, 5750 Collins Street
Docklands Victoria 3008

- 2.6.b. V/Line shall publish information relevant to this Access Arrangement on its web site at <http://www.vline.com.au> including:
- (i) The Operating Handbook;
 - (ii) A narrative description of the Network;
 - (iii) The prices for Scheduled Services and Unscheduled Services as set out in Appendix 1;
 - (iv) Prices for which Access has been granted to Operators together with a general description of the Services to which such prices relate;
 - (v) The Access Agreement as contained in Appendix 3;
 - (vi) The Track Standard by corridor; and
 - (vii) An Information Pack

Part 3

3. Negotiation process

3.1. Good faith negotiations

3.1.a. V/Line shall negotiate in good faith with each Access Seeker.

3.2. Information provided by V/Line to Access Seekers

3.2.a. Information pack

(i) V/Line has an Information Pack that is available:

- 1) free of charge from its website: www.vline.com.au; or
- 2) can be mailed upon request. (A fee of \$250.00 plus GST payable in advance will apply for hard copies).

3.2.b. Further Information

V/Line where it is reasonably possible to do so, shall respond to requests for further information within fourteen days of receiving a written application for Access and payment of \$750.00 plus GST. This response shall include:

- (i) A statement of whether any requested capacity is available, and, if not, what capacity is available and how additional capacity could be made available by way of upgrade or any other alternative options;
- (ii) If the terms and conditions for the Access for which the application is made are to vary from the standard terms and conditions in the Access Agreement in the information pack, details of the varied terms and conditions will be provided;
- (iii) A description of any reasonably required upgrades of the Network necessary to grant the Access, if necessary;
- (iv) Standard sectional running times for a typical Train Path for the line sections over which the Access Seeker is requesting Access;
- (v) Protocols for assessing works required for creating additional capacity to meet the Access Seeker's request;
- (vi) An estimate of the charges for the particular Access for which the request is being made, if that Access is to require a higher infrastructure standard than applies under Appendix 6 or if any Services entail Out of Hours Pricing, together with details of how that varied charge was determined; and
- (vii) A response to any further information reasonably requested by the Access Seeker.

3.2.c. Master Train Timetable, Network Map and Train Path Surrender

Further information about the Master Train Timetable, the Network Map and variation or surrender of a Train Path is set out in the Operating Handbook.

3.3. Access Seeker application process

3.3.a. Access Seekers must apply for Access in writing. An access application should contain:

- (i) Information regarding those matters set out in Appendix 2; and
- (ii) Such additional information that the Access Seeker considers may assist V/Line to assess the application.

3.3.b. Acceptance of application

- (i) V/Line shall acknowledge the application within five (5) Business Days of its receipt. For complex applications, V/Line may request the Access Seeker to agree to an extension of the application assessment period and shall advise indicative timeframes for that assessment.
- (ii) Within ten (10) Business Days of receipt of the application, V/Line shall:
 - A.) Confirm that a complete application has been received and shall be progressed; or
 - B.) Advise that an incomplete application has been received and shall not be progressed until the prescribed information has been received in accordance with Appendix 2. V/Line shall advise in writing what further information is required.
- (iii) If V/Line does not provide a response within ten Business Days of receipt of the application in accordance with clause 3.3.b(ii)B.) V/Line shall be deemed to have accepted a completed application in accordance with clause 3.3.b(ii)A.)

3.3.c. The process for assessing an accepted application

- (i) Within twenty (20) Business Days after V/Line's notification under clause 3.3.b that a completed access application has been received, V/Line shall advise the Access Seeker:
 - A.) If there is sufficient capacity on the Network for V/Line to grant Access to the Access Seeker in accordance with its application and, if so, shall offer terms and conditions for the requested Access in the form of an Indicative Access Proposal; and
 - B.) If sufficient capacity is only available if additional operating costs are incurred, the nature and approximate magnitude of these costs shall be specified; or
 - C.) That there is not sufficient capacity on the Network to grant Access.

(ii) If V/Line notifies the Access Seeker of insufficient capacity, V/Line shall, no later than twenty-five (25) Business Days after issuing notice accepting an application under clause 3.3.b, provide a further notice to the Access Seeker that shall include:

A.) Reasons why there is insufficient capacity on the Network; and / or

B.) If there is some capacity available, the terms and conditions on which part of the request can be granted; and / or

C.) An offer to provide an assessment of any works required to upgrade the Network necessary to grant the Access and the indicative cost of those works in accordance with the process specified in clause 3.5.

3.3.d. Rejection of an application

(i) Within twenty-five (25) Business Days of an application being acknowledged V/Line may reject the application on any of the following grounds:

1) The Access Seeker does not have, or will not have, all necessary accreditation to operate lawfully the Service proposed in the Access application;

2) The Access Seeker's rolling stock does not comply with V/Line's requirements as supplied in the information pack;

3) The Access Seeker did not demonstrate that either:

A.) the management and staff of the Access Seeker have the necessary knowledge and experience to carry out the proposed rail operations; or

B.) the Access Seeker will be able to engage the services of other person(s) who have such knowledge and experience; and

4) The Access Seeker did not demonstrate that it has the financial capacity to meet its financial obligations to V/Line.

(ii) V/Line shall advise why the application is rejected within twenty-five (25) business days of an application being acknowledged by V/Line.

3.4. Negotiation protocol

3.4.a. V/Line's standard terms and conditions are specified in the standard Access Agreement in Appendix 3.

3.4.b. An offer by V/Line to the Access Seeker made under clause 3.3.c(i)A.) and if applicable 3.3.c(i)B.), will be open for a period of thirty (30) days from the date of issue. If the Access Seeker wishes to pursue that offer, the Access Seeker shall either:

- (i) accept in writing the Indicative Access Proposal subject to the finalisation of the schedules; or
 - (ii) notify V/Line in writing that the Access Seeker wishes to negotiate alternative terms and conditions. This notice must contain:
 - 1) a statement indicating the terms and conditions that the Access Seeker proposes to alter and an explanation for the proposed alteration;
 - 2) a draft of any text proposed to be amended; and
 - 3) agreement to comply with the dispute resolution procedures contained in Appendix 8 during the negotiation of the altered terms and conditions.
- 3.4.c. In the event that the Access Seeker seeks to negotiate alternative terms and conditions (as per clause 3.4.b(ii)), V/Line shall notify the Access Seeker of the timeframe for the conduct of the negotiation, which shall be:

- (i) one (1) month in respect of negotiations where no changes to the Network's infrastructure are required by the Access Seeker's proposal; or
- (ii) If changes to the Network's infrastructure are required, the negotiations shall be conducted in accordance with clauses 3.5 and 3.6 (as relevant), and having regard to the need to conduct negotiations in good faith and in a timely manner. V/Line shall notify the Access Seeker of the timeframe for negotiations within ten (10) Business Days of receiving notice from the Access Seeker.

V/Line shall be prepared to commence negotiations with the Access Seeker by means of formal meetings upon V/Line's issue of its notice of receipt and advice of indicative timeframes.

- 3.4.d. The Access Seeker, if not satisfied with the progress of the negotiation and dispute resolution processes, may notify a dispute to the ESC.

3.5. Procedure for assessment of works to provide additional capacity

- 3.5.a. Where additional capacity is necessary to meet an Access Seekers requirements V/Line shall advise the Access Seeker (clause 3.3.c(i)C.)). Upon receiving written advice from the Access Seeker of its intention to pursue increasing capacity as an option, V/Line shall arrange a scoping meeting within seven (7) Business Days or as agreed.
- 3.5.b. At the scoping meeting, V/Line will provide the Access Seeker with copies of the protocols developed for the purposes of section 4.4 of the Negotiation Guidelines.
- 3.5.c. V/Line shall involve the Access Seeker in all aspects of assessing works required to provide additional capacity to the Network. There may be several technical options for the delivery of additional capacity. V/Line will

consult with the Access Seeker in relation to how the preferred option should be identified. Costs and a schedule of payments will also be negotiated and agreed during discussions between the parties.

- 3.5.d. V/Line shall provide project management for the implementation of the additional capacity solution in consultation with the Access Seeker.
- 3.5.e. Before any scoping, assessing works or the project proceeds as per clauses 3.5.b, 3.5.c and 3.5.d, the Access Seeker will undertake to reimburse V/Line for its reasonable project costs.
- 3.5.f. Any change to configuration of the Network is subject to the approval of the Public Transport Development Authority.

3.6. Interconnection

3.6.a. General

V/Line shall assist Access Seekers where it is necessary to install physical infrastructure to connect to the Network. V/Line shall be responsible for operating and maintaining all mainline rail infrastructure at the interconnection at the relevant Access Seeker's expense.

3.6.b. Information provided to assist interconnection

- (i) Upon receipt of an expression of interest V/Line shall provide within fourteen (14) days:
 - 1) An Information Pack.;
 - 2) a description of the physical infrastructure at the location of the proposed interconnection;
 - 3) procedural and physical interface arrangements at the site of the proposed interconnection;
 - 4) applicable engineering and operational standards of V/Line;
 - 5) reliability and safety guidelines, standards and operating procedures; and
 - 6) a template Safety Interface Agreement.
 - (ii) Each interconnection application will be treated separately to an Access application and will incur fees to cover V/Lines reasonable costs of assessment of the interconnection application.
- 3.6.c. Information to be provided by the Access Seeker for interconnection rights.

In order for the proposed interconnection to be formally assessed, an Access Seeker must submit an application to V/Line that:

- (i) either demonstrates that the installation has been type approved for operation on the Network, or provides sufficient information for V/Line to undertake a engineering assessment adequate to obtain type approval of the installation for use on the Network;
- (ii) includes a commissioning plan;
- (iii) includes a fully-costed maintenance plan for maintaining the interconnection, including the proposed annual fee payment to V/Line for that part of the interconnection that is rail infrastructure located on the Network;
- (iv) certifies that the Access Seeker has obtained and shall maintain all necessary approvals, other than approvals of, or required from external parties by, V/Line itself, in relation to the construction, commissioning, operation and maintenance of the interconnection; and
- (v) provides a draft agreement with V/Line that provides for:
 - 1) V/Line to operate and maintain that part of the interconnection that is rail infrastructure located on the Network;
 - 2) the Access Seeker to be liable to pay for all scoping and delivery of the construction costs of the interconnection;
 - 3) the Access Seeker to pay a fee to V/Line for the ongoing operation and maintenance of that part of the interconnection that is rail infrastructure located on the Network, such fee to be set by V/Line, following its review of the Access Seeker's fully costed maintenance plan, at a level that represents V/Line's reasonable estimate of the costs of such operation and maintenance, plus the operating margin of 8.0% permitted under this Access Arrangement;
 - 4) the Access Seeker to agree that if requested by V/Line it will remove that part of the interconnection that is rail infrastructure located on the Network on termination of the maintenance agreement; and
 - 5) the Access Seeker to provide a guarantee acceptable to V/Line in respect of its obligation under item 3.6.c(v)4). V/Line must not unreasonably withhold its acceptance of the guarantee on the basis of its form.

3.6.d. V/Line shall provide the Access Seeker, within thirty (30) Business Days of receipt of the Access Seeker's interconnection application, with notice of:

- (i) V/Line's acceptance of that proposal, conditional on all approvals being obtained; or
- (ii) V/Line's rejection of the proposal, together with reasons for the rejection.

3.6.e. V/Line shall provide project management for the implementation of the interconnection in consultation with the Access Seeker.

- 3.6.f. In relation to any proposed interconnection before any scoping, assessing works or the project proceeds as per clauses 3.6.b, 3.6.c, 3.6.d and 3.6.e, the Access Seeker will undertake to reimburse V/Line for its reasonable project costs.

- 3.6.g. Any change to configuration of the Network is subject to the approval of the Public Transport Development Authority.

Part 4

4. Pricing

4.1. Description of Services

- 4.1.a. V/Line shall offer the following Scheduled and Unscheduled Services to Operators.
- (i) Scheduled Services during Normal Hours, which services are Reference Services;
 - (ii) Unscheduled Services during Normal Hours, which services are Reference Services;
 - (iii) Unscheduled Services at times that are Out of Hours, which services are Non-Reference Services.
- 4.1.b. Scheduled Services and Unscheduled Services shall be provided at a standard which is no lower than the Performance Standard.
- 4.1.c. Notwithstanding the provisions of clause 4.1.b, where an Access Seeker has made an application in accordance with 3.4.c(ii) for Scheduled Service/s or Unscheduled Service/s to be supplied at a higher performance standard than the Performance Standard and the Access Seeker and V/Line have reached agreement in accordance with clause 4.2.c. the Scheduled Service/s and Unscheduled Service/s shall be supplied to that Access Seeker at the higher standard.
- 4.1.d. Unscheduled Services may not be requested more than two (2) weeks in advance.
- 4.1.e. The Performance Standard as at the Commencement Date is set out in Appendix 6.
- 4.1.f. A line may be booked out of service or the Performance Standard may be varied from time to time in accordance with the process set out in clauses 4.1.g to 4.1.j to reflect the annual funding available for the maintenance of the network, if approved by the Essential Services Commission.
- 4.1.g. V/Line must consult with Access Holders prior to applying to the Essential Services Commission to book a line out of service or vary the Performance Standard.
- (i) V/Line's consultation process must provide Access Holders with relevant information relating to the track, maintenance requirements to maintain existing standards and information about the proposed change to the Performance Standard.
 - (ii) V/Line must ensure that information provided to Access Holders is sufficient to allow network users to understand the likely impact of any proposed change on their access entitlement.
 - (iii) V/Line must provide Access Holders with a reasonable time frame in which to submit a response to the proposed change to the Performance Standard.

- (iv) V/Line must have regard to all submissions provided by stakeholders in determining its proposed Performance Standard.
- 4.1.h. Following consultation with Access Holders, and prior to submitting an application to the Commission, V/Line must obtain the agreement of the Public Transport Development Authority that its proposed Performance Standard is consistent with available funding and existing parameters of the Regional Infrastructure Lease.
- 4.1.i. V/Line must apply to the Essential Services Commission to book a line out of service or vary its Performance Standard. In its application:
 - (i) V/Line must provide a written endorsement from the Public Transport Development Authority that the proposed Performance Standard is consistent with available funding and existing parameters of the Regional Infrastructure Lease;
 - (ii) V/Line must provide copies of any submissions received from stakeholders during its consultation process, and a statement that it had regard to these submissions in determining its proposed Performance Standard; and
 - (iii) V/Line must detail the expected impact on Access Holders of the proposed change to the Performance Standard.
- 4.1.j. Following any decision by the Essential Services Commission on an application by V/Line to book a line out of service or vary the Performance Standard:
 - (i) V/Line must advise all Access Holders of the Essential Services Commission's decision;
 - (ii) V/Line must provide all Access Holders any details on the timing of implementation of any change to the Performance Standard; and
 - (iii) V/Line must publish any revised Performance Standard on its website and include it in its Information Pack
- 4.1.k. V/Line may temporarily book a line out of service or vary the Performance Standard if it reasonably believes that it is necessary to ensure the safety of passengers, Access Seekers, Operators or the public. V/Line must notify the Essential Services Commission if this occurs.

4.2. Prices and charging

- 4.2.a. V/Line charges for Services according to whether or not Access is provided in Normal Hours or Out of Hours.
- 4.2.b. In respect of Scheduled Services during Normal Hours or Unscheduled Services during Normal Hours sought by an Access Seeker for which the required performance standard of rail infrastructure is the Performance Standard, the applicable charges are set out in Appendix 1.

- 4.2.c. In respect of Scheduled Services during Normal Hours or Unscheduled Services during Normal Hours for which the Performance Standard sought by an Access Seeker is higher than the Performance Standard, charging will be based on the applicable charges as set out in Appendix 1 as modified by prior agreement between V/Line and the Operator so as to reflect the “Operator pays incremental costs” principle set out in clause 4.2.h.
- 4.2.d. If an Access Seeker applies for Access for a Scheduled Service to operate outside Normal Hours (as in place at the time the application is made), the Access Seeker should request that Normal Hours be extended. In such circumstances, if approved, V/Line shall make available Access for such Service during Normal Hours (as amended), provided that the Operator provides V/Line with at least one (1) month’s notice.
- 4.2.e. For clarification, V/Line must not reduce the Normal Hours without the prior approval of the ESC where:
- (i) that reduction would prejudice an existing Scheduled Service; and
 - (ii) the applicable Operator has not consented to that reduction.
- 4.2.f. If an Operator seeks an Unscheduled Service on an Out of Hours basis, the charging will be based on the charges as set out in Appendix 1, and further adjusted as modified by prior agreement between V/Line and the Operator so as to reflect the “Operator Pays Incremental Costs” principle set out in clause 4.2.i.
- 4.2.g. If an Operator does not use an Unscheduled Service, the Operator must pay the flagfall element of the applicable price and any other incremental costs contemplated under clause 4.2.i, unless:
- (i) the Operator surrendered or cancelled the Unscheduled Service with sufficient notice to V/Line (such notice being received by V/Line before 10am of the Business Day preceding the date of the Unscheduled Train Path); or
 - (ii) the Operator’s failure to use the Unscheduled Service was caused by an act or omission of V/Line (for example, possession of the relevant line), other than a direction which has been given as the result of the act or omission of the Operator.
- 4.2.h. Unscheduled Services will be provided Out of Hours following application to V/Line by an Operator, and mutual agreement between V/Line and the Operator. V/Line will use reasonable endeavours to provide a signaller at manual signal box locations. Charging will be based on the applicable charges as set out in Appendix 1, and further adjusted as modified by prior agreement between V/Line and the Operator so as to reflect the “Operator Pays Incremental Costs” Principle set out in Clause 4.2.i.
- 4.2.i. Each Out of Hours Pricing arrangement, and the pricing arrangement for each Scheduled Service or Unscheduled Service for which the performance standard of rail infrastructure sought by an Access Seeker is higher than the Performance Standard, will be the sum of:
- (i) the corresponding Normal Hours pricing, as set out in Appendix 1; plus

- (ii) either:
- 1) the incremental costs incurred by V/Line in providing that Service;
or
 - 2) the reasonably anticipated costs (as agreed between the parties) of providing that Service; plus
- (iii) the operating margin of 8.0% permitted under this Access Arrangement on the incremental cost in paragraph (ii) above.

For the purposes of this Access Arrangement, the calculation of charges on this basis is referred to as the “**Operator Pays Incremental Cost Principle**”. If there is no agreement between the parties for the purposes of clause 4.2.i(ii)2) then 4.2.i(ii)1) shall apply.

4.3. Revenue Cap

- 4.3.a. As at the Commencement Date, the Revenue Cap that applies in respect of the provision of declared rail transport services under this Access Arrangement is \$30 million per annum which is the estimated 2012/13 forecast cost of providing declared rail transport services.

4.4. Freight pricing structure and task differentiation

- 4.4.a. V/Line’s pricing for Reference Services, as set out in Appendix 1, includes:
- (i) a flagfall charge (in \$ per TK) and a variable charge (in \$ per GTK);
and
 - (ii) task differentiation between Bulk Grain Freight and other freight.
- 4.4.b. V/Line shall not charge:-
- (i) for Access to silo sidings and regional loading facilities. Occupation of these sidings and facilities will be made available to Access Seekers by agreement with the loading facility operator (see Information Pack);
 - (ii) other than as set out in Appendix 1, for Access to yards for freight storage, loading and make up / break up of trains. However, the above-rail operator of these yards may charge the Access Seeker for freight storage, shunting and marshalling;
 - (iii) for Access for an Ancillary Movement, provided it extends no further than one kilometre. V/Line will charge for any movements in excess of one kilometre as a Scheduled Service or Unscheduled Service as applicable; and
 - (iv) the Flagfall Charge for Trip Trains. In other words, Trip Trains may be charged on the basis of the Variable Rate only.
- 4.4.c. Operators may be required to make their own arrangements in respect of stabling. However, in the event of a need for stabling by an Operator to

which V/Line has provided or is about to provide Scheduled Services or Unscheduled Services, V/Line will make available temporary storage to that Operator for no additional consideration, provided doing so will not adversely affect either the provision of Access by V/Line to other Operators or V/Line's maintenance of the Network.

- 4.4.d. Notwithstanding the provisions of clauses 4.4.a, 4.4.b and 4.4.c the Public Transport Development Authority may direct V/Line to lower from time to time all or some of the charges payable by Access Seekers. On the expiration of any such period of direction all charges lowered by the direction will from that time be payable as calculated in accordance with clauses 4.4.a, 4.4.b and 4.4.c unless a further direction is given.

4.5. Price escalation

Access pricing during the term of an Access Agreement will be adjusted annually according to the formula set out in Appendix 11.

Part 5

5. Management of capacity and Network

5.1. General

- 5.1.a. V/Line shall comply with the Capacity Use Rules.
- 5.1.b. V/Line shall comply with the Network Management Rules.

5.2. Network Service Plan and Master Train Timetable

- 5.2.a. V/Line's Network Service Plan contains separate sections for passenger and freight timetables that have been developed with the respective train operators in accordance with their Access requirements and the procedures contained in this Access Arrangement and the Operating Handbook.
- 5.2.b. As outlined in the Operating Handbook, V/Line's Master Train Timetable shall be updated to reflect grants of Access for Scheduled Services. If practicable, V/Line's Daily Train Plan (which is updated on a weekly basis) shall be updated to reflect grants of Access to Unscheduled Services.

5.3. Capacity allocation in response to Access applications

- 5.3.a. Available Paths in Normal Hours are available to Operators at the prices as stated in clause 4.2.b.
- 5.3.b. Available Paths in Out of Hours times are available on the terms stated in clauses 4.2.f, 4.2.g and 4.2.h. If two Operators require the same Available Path, priority will be determined in accordance with the Operating Handbook.

5.4. Variation and surrender of a Train Path

- 5.4.a. All permanent changes to the passenger timetable are dealt with as set out in the Operating Handbook.
- 5.4.b. As outlined in the Operating Handbook, V/Line shall assist Operators in dealing with the metropolitan and standard gauge access provider to achieve full journey train paths.
- 5.4.c. Permanent and temporary variations of the timing of Scheduled Services will be conducted in accordance with the Operating Handbook.

5.5. Protocols and capacity allocation protocols

- 5.5.a. Network procedures and work procedures apply to all passenger and freight train operators and are varied in accordance with the processes provided for in the Network Management Rules and the Capacity Use Rules in consultation with all affected operators and, where required contractually, upon approval by the Public Transport Development Authority.
- 5.5.b. The Protocols and Work Procedures are available at V/Line's office located at Level 9 at 750 Collins Street Docklands and will be published on the V/Line web site.

5.6. Reporting of actual Train Path utilisation

- 5.6.a. V/Line will record Train Path utilisation in a train management and billing computer system. V/Line will provide a report on Train Path utilisation to the ESC for each quarter on or before the 20th day of the month following the end of the calendar quarter to which the utilisation report relates.

Part 6

6. Account keeping

6.1. Preparing, maintaining and keeping accounting records and accounts

- 6.1.a. V/Line will prepare annual accounts in accordance with the Account Keeping Rules. These accounts audited and submitted to the ESC.
- 6.1.b. The cost allocation policy that is prepared by V/Line under the Account Keeping Rules will be annexed to this Access Arrangement following its approval by the ESC. V/Line shall comply with the cost allocation policy when carrying out its obligations under the Account Keeping Rules.

Part 7

7. Performance Indicators

- 7.1.a. V/Line shall publish on its website:
 - (i) the Average Maximum Operating Speed on each Line Section; and
 - (ii) the maximum speed on each Line Segment,on a basis directly comparable with the relevant Performance Standard set out in Appendix 6.
- 7.1.b. V/Line shall also publish on its website on a quarterly basis, separately for the freight only rail lines and for the rail lines carrying passenger services, V/Line's performance against the following indicators:

- (i) the number of kilometres of track affected by temporary speed restrictions on a moving six monthly basis; and
- (ii) the average number of kilometres of track on each day during the year affected by temporary speed restrictions.

7.1.c. V/Line shall also report its performance against the following indicators:

- (i) Separately for the freight only rail lines and for the rail lines carrying passenger services:
 - 1) the percentage of granted paths varied for the purpose of track possessions;
 - 2) the number of sleepers replaced each year;
 - 3) the number of safety incidents reported to the relevant safety regulators (Director, Transport Safety and the Office of Chief Investigator, Transport and Marine Safety Investigations); and
- (ii) the number of broken rails and “pull aparts” for the Network as a whole in each year.

7.1.d. The performance indicators specified in clauses 7.1.a, 7.1.b and 7.1.c must be reported to the ESC in the manner requested by the ESC.

Part 8

8. Ring Fencing

8.1.a. As at the Commencement Date, the ESC has not applied the Ring Fencing Rules to V/Line. The obligations under this Part 8 are intended to address requirements in Part 2A, Division 2 of the RMA.

8.1.b. If after the Commencement Date the obligations under the Ring Fencing Rules are applied to V/Line by the ESC, the Separation Arrangement that is prepared by V/Line under the Ring Fencing Rules will be annexed to this Access Arrangement following its approval by the ESC.

8.1.c. **Access Seeker Information**

Access Seeker Information shall be kept confidential and shall be handled in accordance with the system and business rules to be established under section 38ZZB of the RMA and to be approved by the ESC. The system and business rules for handling Access Seeker Information will be annexed to this Access Arrangement following its approval by the ESC.

8.1.d. **Training**

Training for relevant V/Line staff and contractors in V/Line's information handling (and if applicable, ring fencing) obligations and procedures will be conducted.

8.1.e. **Complaints**

Complaints from Operators to V/Line in connection with a belief that V/Line has not complied with V/Line's obligations under the RMA with respect to information supplied by the Operator to V/Line in confidence, will be dealt with in accordance with the dispute resolution procedures contained in the standard Access Agreement in Appendix 3 (whether or not such agreement has been entered into by the Operator and V/Line).

Appendix 1

Pricing

Introduction

The prices specified in this Appendix 1 are V-Line's maximum standing offer prices for reference services.¹

The pricing set out in this Appendix 1:

- (i) apply in respect of Scheduled Services in Normal Hours and Unscheduled Services in Normal Hours as detailed in Clause 4.2.b ; and
- (ii) forms the basis of pricing for Unscheduled Services in Out of Hours; and
- (iii) Clause 4.2.f, 4.2.g and 4.2.h sets out further details of pricing for Unscheduled Services in Out of Hours.

For clarification:

- (i) the liability of Operators to pay the charges specified in this Appendix 1 will arise pursuant to an Access Agreement when a Scheduled Service or Unscheduled Service is applied for and granted, subject to the operation of clauses 4.2.b, 4.2.f, 4.2.g and 4.2.h; and
- (ii) notwithstanding that the prices in this Appendix 1 are standing offer prices, V/Line and an Access Seeker may agree to different prices, subject to the RMA, the Negotiation Guidelines and this Access Arrangement.

A. Bulk Grain Freight Access

V/Line will charge Operators the sum of:

- (1) the Flagfall Rate as shown below; and
- (2) the Variable Rate as shown below,

in each case as set out below for the financial year in question.

| Year | Flagfall rate, \$/TK | Variable rate, \$/GTK |
|---------|---|---|
| 2012/13 | To be calculated by Multiplying March CPI by 2011/12 current rates of | To be calculated by multiplying March CPI by 2011/12 current rates of |

¹ For all access agreements signed under this access arrangement, V/Line proposes to charge the access prices as outlined in this Appendix 1. The access prices in Appendix 1 are V/Line's maximum standing offer prices for reference services. These are acceptable as they fall below the maximum efficient price of \$22.60 per '000 GTK determined by the Essential Services Commission in its 2012 decision. In practice, the actual access prices charged to operators by V/Line will reflect the directions of the Department of Transport and the extent of Government financial assistance to each market. Where the Department of Transport does not direct V/Line to charge a lower price, the access prices as set out in this Appendix will apply.

| | | |
|----------------|------------|------------|
| | \$5.719 | \$7.607 |
| 2013/14 | (A) | (A) |
| 2014/15 | (B) | (B) |
| 2015/16 | (C) | (C) |
| 2016/17 | (D) | (D) |
| 2017/18 | (E) | (E) |
| <u>2018/19</u> | <u>(F)</u> | <u>(F)</u> |

(A) Based on 2013/14 price, as adjusted according to the mechanism in Appendix 11.

(B) Based on 2014/15 price, as adjusted according to the mechanism in Appendix 11.

(C) Based on 2015/16 price, as adjusted according to the mechanism in Appendix 11.

(D) Based on 2016/17 price, as adjusted according to the mechanism in Appendix 11.

(E) Based on 2017/18 price, as adjusted according to the mechanism in Appendix 11.

(F) Based on 2018/19 price, as adjusted according to the mechanism in Appendix 11.

B. All Other Freight Access

V/Line will charge Operators the sum of:

(1) the flagfall rate as shown below; and

(2) the variable rate,

in each case as set out below for the financial year in question.

| Year | Flagfall rate, \$/TK | Variable rate, \$/GTK |
|---------|---|---|
| 2012/13 | To be calculated by multiplying March CPI by 2011/12 current rates of \$0.876 | To be calculated by multiplying March CPI by 2011/12 current rates of \$1.646 |
| 2013/14 | (A) | (A) |

| | | |
|----------------|------------|------------|
| 2014/15 | (B) | (B) |
| 2015/16 | (C) | (C) |
| 2016/17 | (D) | (D) |
| 2017/18 | (E) | (E) |
| <u>2018/19</u> | <u>(F)</u> | <u>(F)</u> |

- (A) Based on 2013/14 price, as adjusted according to the mechanism in Appendix 11.
- (B) Based on 2014/15 price, as adjusted according to the mechanism in Appendix 11.
- (C) Based on 2015/16 price, as adjusted according to the mechanism in Appendix 11.
- (D) Based on 2016/17 price, as adjusted according to the mechanism in Appendix 11.
- (E) Based on 2017/18 price, as adjusted according to the mechanism in Appendix 11.
- (F) Based on 2018/19 price, as adjusted according to the mechanism in Appendix 11.

C. Other Access

V/Line will charge Operators:

- (1) for non-exclusive access at the applicable prices in this Appendix 1 for movements into and out of Somerton, Melbourne Arrival Sidings and those parts of Tottenham Yard not leased to PN, but no further fee for the first 24 hours only, after which an additional fee of \$12.82 (excluding GST) per vehicle per day or part thereof (or such other rate as determined by the ESC from time to time) will apply; and
- (2) for non-exclusive track access to the Geelong Grain Loop at the rate of \$78.04 (excluding GST) per Train (or such other rate as determined by the ESC from time to time).

Charges for Other Access will be adjusted according to the mechanism in Appendix 11.

Interpretation

In this Appendix **Train** means any rolling stock operated as a single unit or coupled together.

Appendix 2

Information to accompany an Access application

The applicant must provide the following information with an Access application:-

Applicant Details

- Company details.
- Company address and contact details.
- Company number and Australian Business Number.

Description of Service(s) including

- Origin and destination of each Service sought.
- Frequency of Service(s) (estimated number of services: per day, days of operation, days of operation per year.)
- Indicative departure time and arrival time for each Service.
- Whether or not the Service requires a change to the currently applicable Normal Hours.
- Description of any other special conditions required to operate the Service e.g. required performance standards.

Details of the rolling stock and freight

- Details of freight to be transported including: type, estimated annual tonnage, seasonal variation, handling requirements (including hazardous substance details) and any specific operational requirements.
- Typical consist for each Service, including loaded weight, empty weight and tare weight.
- Acknowledgement that the Operator will be required to provide the list of all wagons and types of wagon being operated (including technical details such as axle load, loaded weight and tare weight, together with certification from a qualified engineer that the rolling stock conforms to the Rolling Stock Standards supplied in the information pack).
- Acknowledgement that the Operator will be required to provide the list of all locomotives and types being operated (including axle load, fully fuelled weight and performance characteristics together with certification from a qualified engineer that the locomotives comply with the Rolling Stock standards supplied in the information pack).

Term of agreement proposed

- Details of the term of the agreement sought and any special provisions.
- Commencement date for the proposed agreement.

Financial capacity

- Evidence of financial capacity.
- Acknowledgement that the Operator will be required to provide the public liability insurance for \$250 million.

Competency and capacity

- Acknowledgement that the Operator will be required to provide evidence of the appropriate accreditation to operate Services.
- Confirmation that the Operator's drivers who are to operate Services on a Train Path have the requisite experience and training to operate those Services on that Train Path.

Additional Information requirement for interconnection or upgrade applications

- The need for conditional or surge capacity based on historical usage patterns, market characteristics or other constraints such as shipping.
- Anticipated change in demand associated with a commitment to upgrade or expand capacity,

Form of Application

V/Line will make available an application form on request which may be completed and lodged in either electronic or written form and which clearly states:

*“This is an application made in accordance with the Access Arrangement made by the Essential Services Commission of Victoria, in respect of V/Line, dated **[insert date]**.”*

Appendix 3

Access agreement

Appendix 4

Ring fencing separation arrangement

[Note: If at any time the obligations under the Ring Fencing Rules are applied to V/Line by the ESC, the Separation Arrangement will be appended here.]

Appendix 5

Definitions

Any capitalised term used in this Access Arrangement that is not defined in this Appendix 5 or elsewhere in this Access Arrangement, but is defined in the RMA, has the meaning given in the RMA.

| | |
|---------------------------|---|
| Access | As the context requires, either: <ul style="list-style-type: none">(a) the access sought by an Access Seeker from V/Line or the access provided by V/Line in its capacity as the manager of the Network to an Access Seeker pursuant to an Access Agreement; or(b) the access sought and Provided by V/Line in its capacity as an operator on the Network. |
| Access Agreement | An agreement between V/Line as Access provider and an Operator in relation to Access to the Network, either on the basis of the standing offer terms and conditions in Appendix 3, or on other terms agreed between the parties. |
| Access Holders | Means an Operator or Operators who has a current Access Agreement entered with V/Line which includes access rights to that part of the Network which is subject to the application of clause 4.1.f |
| Access Period | The term of this Access Arrangement commencing on the Commencement Date and ending on that earlier date as provided for in clause 2.2.b. |
| Access Seeker | As the context requires, either an Operator seeking to enter into an Access Agreement with V/Line or an Operator that has entered into an Access Agreement with V/Line. |
| Access Seeker Information | Information provided to V/Line by an Operator and which the Operator identifies as being confidential. |
| Account keeping Rules | Those account keeping rules made in accordance with section 38R of the RMA attached at Appendix 7. |
| Ancillary Movements | Mainline movements associated with the make up or break up of trains and loading and unloading operations. |

| | |
|---------------------------------|--|
| Annual Works Plan | The annual works plan agreed between the Public Transport Development Authority and V/Line under the Regional Infrastructure Lease |
| Available Path | Has the same meaning as is contained in the Operating Handbook |
| Average Maximum Operating Speed | <p>The distance-weighted average of the maximum speeds calculated:</p> <ul style="list-style-type: none"> • excluding the impacts of terrain and curve speed restrictions; • for a train travelling in a direction towards Melbourne; and • taking into consideration the impact of any Temporary Speed Restrictions imposed due to track condition, infrastructure signal failure or level crossing sighting; <p>at which a train with a 19-tonne axle load can operate over each Line Segment as specified in the Network Operating Requirements or the Operating Handbook.</p> |
| Bulk Grain Freight | Being grain transported loose across the Network in bulk wagon hoppers. |
| Business Day | A day that is not a Saturday or Sunday or a day appointed under the <i>Public Holidays Act 1993 (Vic)</i> as a public holiday in the place which the act or thing is to be or may be done. |
| Capacity Use Rules | Being those rules made in accordance with section 38T of the RMA |
| Commencement Date | 29 June 2012, pursuant to section 38ZR(5) of the RMA. |
| Cost Allocation Policy | The policy approved by the ESC in accordance with section 5 of the Account Keeping Rules and attached at Appendix 7 of this Access Arrangement. |
| CPI | <p>For a particular Review Date:</p> <p>(a) Consumer Price: All Groups Index Number Melbourne published by the Australian Bureau of Statistics (Bureau) for the March quarter immediately preceding the start of the relevant Review Date,</p> <p>divided by:</p> <p>(b) Consumer Price: All Groups Index</p> |

Number Melbourne published by the Bureau for the March quarter immediately preceding the March quarter referred to in paragraph (a).

In this definition:

(a) the references to the Consumer Price: All Groups Index Number Melbourne means:

(i) the same index number but with a different name at any time; and

(ii) the same numbers adjusted mathematically to take account of a change at any time in the base year provided that indices of the same base year are used throughout the calculation; and

(b) the references to the Bureau include a reference to the Bureau but with a different name at any time.

Daily Train Plan

The timetable maintained by V/Line in accordance with the Operating Handbook that sets out all planned train movements on the Network on a particular day.

Geelong Grain Loop

The area coloured red, blue and green on the diagram set out in Annexure B.

GST

As defined in *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

GTK

Gross tonne kilometres, being the total gross weight (in tonnes) of a train multiplied by the distance travelled (in kilometres).

Indicative Access Proposal

V/Line's initial offer of access based on its standard terms and conditions as reflected in Appendix 3.

Information Pack

Being that information as specified in section 2(c) of the Negotiation Guidelines including copies of:

(a) the Access Arrangement; and

(b) the Operating Handbook; and

(c) the Network Service Plan; and

(d) the Master Train Timetable; and

(e) the form for making an access application; and

(f) an Access Agreement.

Line Section

The line sections of the Network, as described in Appendix 6.

| | |
|--------------------------------|---|
| Line Segment | A segment of rail track on the Network designated as a “line segment” by V/Line in its Network Operating Requirements or its Operating Handbook (or both), and which has specific operating requirements. For example, a 100km Line Section might comprise 6 different Line Segments (the combined length of which total the length of the Line Section), and each have different operating speed limits. |
| Master Train Timetable | Is that permanent timetable as referenced in the Operating Handbook |
| Melbourne Arrival Sidings | The area so indicated on the diagrams set out in Annexure A. |
| Negotiation Guidelines | Being those negotiation guidelines made by the ESC in accordance with Section 38V of the RMA. |
| Network | That part of the land and rail infrastructure that is both: (a) operated or managed by V/Line; and (b) declared under section 38I of the RMA, including Somerton, Melbourne Arrival Sidings, those parts of Tottenham Yard not leased to PN and, for such period as V/Line continues to act as access manager of the Geelong Grain Loop pursuant to its appointment to do so by the Victorian Rail Track Corporation, the Geelong Grain Loop. |
| Network Management Rules | Those rules made in accordance with section 38U of the RMA. |
| Network Map | The set of maps of the Network. |
| Network Operating Requirements | That part of the Network Service Plan entitled “Network Operating Requirements” and “Addenda”, as published by V/Line from time to time. |
| Network Service Plan | The network service plan as amended from time to time by V/Line in accordance with the Operating Handbook, and showing passenger train paths, Scheduled Services and Available Paths on the Network. |

| | |
|--|---|
| Normal Hours | The normal signalbox operating hours (“block working hours”) for the relevant corridor of the Network. Normal signalbox hours as at the date of this Access Arrangement are contained in Appendix 9, and changes will be published in Operating Handbook |
| Operator | A freight train operator, and includes an Access Seeker. |
| Operating Handbook | The current version of the handbook of procedures and protocols as approved by the ESC, that sets out how train schedules and authorised working in the Network will accommodate customer needs, access requirements and resource availability. The handbook includes the Network Map and protocols required under the Network Management Rules and the Capacity Use Rules. |
| Out of Hours | All times outside Normal Hours. |
| Out of Hours Pricing | Being that pricing as calculated in accordance with the Operator Pays incremental costs Principal detailed in clause 4.2.i |
| Performance Standard | The Average Maximum Operating Speed performance standards across the Network from time to time, being those standards specified in Appendix 6 as at the Commencement Date, and as subsequently varied pursuant to clause 4.1.f and 4.1.g. |
| Public Transport Development Authority | The Public Transport Development Authority established under the Transport Integration Act 2010 (Vic). |
| PN | Pacific National (Victoria) Limited. |
| Protocols and Work Procedures | Those protocols and procedures contained in V/Line’s : <ul style="list-style-type: none"> • Network Service Plan • Network Operating Requirements (Network Infrastructure) • Network Service Plan Addenda (Includes authorised rolling stock) • Operating Handbook • Emergency Management Plan |

- Rolling Stock Approval Form

| | |
|----------------------------|---|
| RMA | means Rail Management Act 1996 (Vic) |
| Revenue Cap | Is the amount as detailed in clause 4.3. |
| Review Date | 1 July of each year of the Access Period. For the avoidance of doubt, the first Review Date (to determine prices for 2013/14) will be 1 July 2013. |
| Rolling Stock Standards | means the specifications and requirements for Rolling Stock set out in the Network Operating Requirements |
| Safety Interface Agreement | Means a safety interface agreement as may be required under the Rail Safety Act. |
| Scheduled Services | The provision by V/Line of Access for which an Operator gains an entitlement to use the applicable Train Path(s) on a recurrent basis upon entry into, or by amendment of, its Access Agreement. |
| Separation Arrangement | The ring fencing separation arrangement described in section 5 of the Ring Fencing Rules. |
| Services | The provision of Access by V/Line in the form of Scheduled Services, and/or Unscheduled Services. |
| Somerton | The area so indicated on the diagrams set out in Annexure A. |
| TK | The number of kilometres that a train travels on the Network. |
| Tottenham Yard | The area so indicated on the diagrams set out in Annexure A. |
| Track Standard | Is the indicator of the track standard as contained in Appendix 6. |
| Train Path | The particular time interval, including an entry time and day and an exit time and day, through which a train may travel over a segment of the Network from an origin to a destination and may include stopping points and intermediate times and locations that V/Line considers necessary or appropriate to define the pathway. |
| Trip Trains | Train movements of rakes of a larger freight train (e.g. Tottenham Yard to Dynon Terminal/Port of Melbourne). |
| Unscheduled Services | The provision by V/Line of Access for which an Operator gains an entitlement to |

use the applicable Train Path(s) by means of the process of nomination and allocation, both on a short-term basis, under its Access Agreement.

Variable Rate

Is the rate described as the Variable Rate in Appendix 1

Appendix 6

Track standard by corridor

The table below sets out the Performance Standard as at the Commencement Date, which is defined as having an Average Maximum Operating Speed for each Line Section no lower than the corresponding speed for that Line Section as indicated in the table below.

| Line Section | Average Maximum Operating Speed no lower than (km/h) |
|---|--|
| Maryborough – Dunolly (via Maryborough), | 70 |
| Dunolly – Mildura | 70 |
| Shepparton – Tocumwal | 55 |
| Toolamba – Echuca | 50 |
| Korong Vale – Boort | 60 |
| Inglewood – Wycheproof | 60 |
| Dunolly – Inglewood | 55 |
| Gheringhap – Ballarat | 70 |
| Melbourne Freight Mainlines | 20 |
| Shepparton – Dookie | Booked out |
| Echuca – Deniliquin | 40 |
| Barnes to Moulamein | Booked out |
| Swan Hill – Piangil | 45 |
| Boort – Manangatang | 50 |
| Wycheproof – Sea Lake | 50 |
| Eaglehawk – Inglewood | Booked out |
| Mildura – Yelta | 40 |
| Ouyen – Murrayville | 35 |
| Murrayville - Panitya | Booked out |
| Murtoa – Hopetoun | 40 |
| Dimboola – Rainbow | 30 |
| Warrnambool – Dennington | 25 |
| Moolort – Maryborough, | Booked out |
| Maryborough to Ararat | Booked out |
| Sidings (other than Sidings that are not connected to the Network whether by being disconnected, spiked out, or otherwise closed) and Terminals | 5 |
| Sidings that are not connected to the Network whether by being disconnected, spiked out, or otherwise closed | Booked out |

Interpretation

In this Appendix 6:

Siding means Tracks on the Network connected to a running line or to another siding on which Rolling Stock can be placed clear of the running line;

Terminal means a facility at which freight is loaded or unloaded from Rolling Stock, or stored, and includes locomotive maintenance facilities, hard stands, equipment and other infrastructure used for the loading or unloading of freight from Rolling Stock at the facility;

Track means any single line between two turnouts, or from a turnout to the baulks.

Appendix 7

Cost Allocation Policy

Appendix 8

Dispute resolution during negotiation process

- a) If a dispute arises between V/Line and the Access Seeker in connection with the negotiations for the provision of access pursuant to this Access Arrangement ("Dispute") then either party may give a notice ("Dispute Notice") to the other specifying the Dispute and requiring it to be dealt with under this Appendix 8.
- b) V/Line and the Access Seeker shall use reasonable endeavours and act in good faith to settle the dispute as soon as practicable.
- c) The Chief Executive Officers of the Access Seeker and the Chief Executive of V/Line must, within 10 Business Days from the date of receipt of a Dispute Notice, attempt to resolve the Dispute.
- d) If a Dispute is not resolved in accordance with clause (c), V/Line and the Access Seeker may agree to jointly choose and appoint an independent expert to provide a report containing a recommendation as to the basis on which the Dispute should be resolved.
- e) If the parties agree to appoint an independent expert in accordance with clause (d), then:
 - i) in the absence of agreement as to the independent expert within 10 Business Days the independent expert will be appointed on the application of V/Line by the President of the Institute of Arbitrators and Mediators Australia;
 - ii) the independent expert must provide his report as soon as practicable and, if possible, within 20 Business Days of the Dispute being referred to the expert;
 - iii) the independent expert will act as an expert and not an arbitrator and may adopt such procedures as he/she thinks fit;
 - iv) the costs of the independent expert will be borne equally by V/Line and the Access Seeker; and
 - v) V/Line and the Access Seeker will use their best endeavours to resolve the dispute on the basis set out in the expert report obtained under this clause (e), within 10 Business Days of receipt of the expert report.
- f) If either V/Line or the Access Seeker refers the Dispute to the ESC, either party may provide the ESC with a copy of the expert report obtained under clause (e).

Appendix 9

Normal Signal Box & Signalled Locations: Operating Hours at the Commencement Date

Appendix 10

Procedures for handling Access Seeker Information

Appendix 11

Annual variation of access fees

On each Review Date during the term of an Access Agreement, the access fees will be varied in accordance with the following formula:

$$A(n) = A(n-1) \times \text{CPI}$$

where

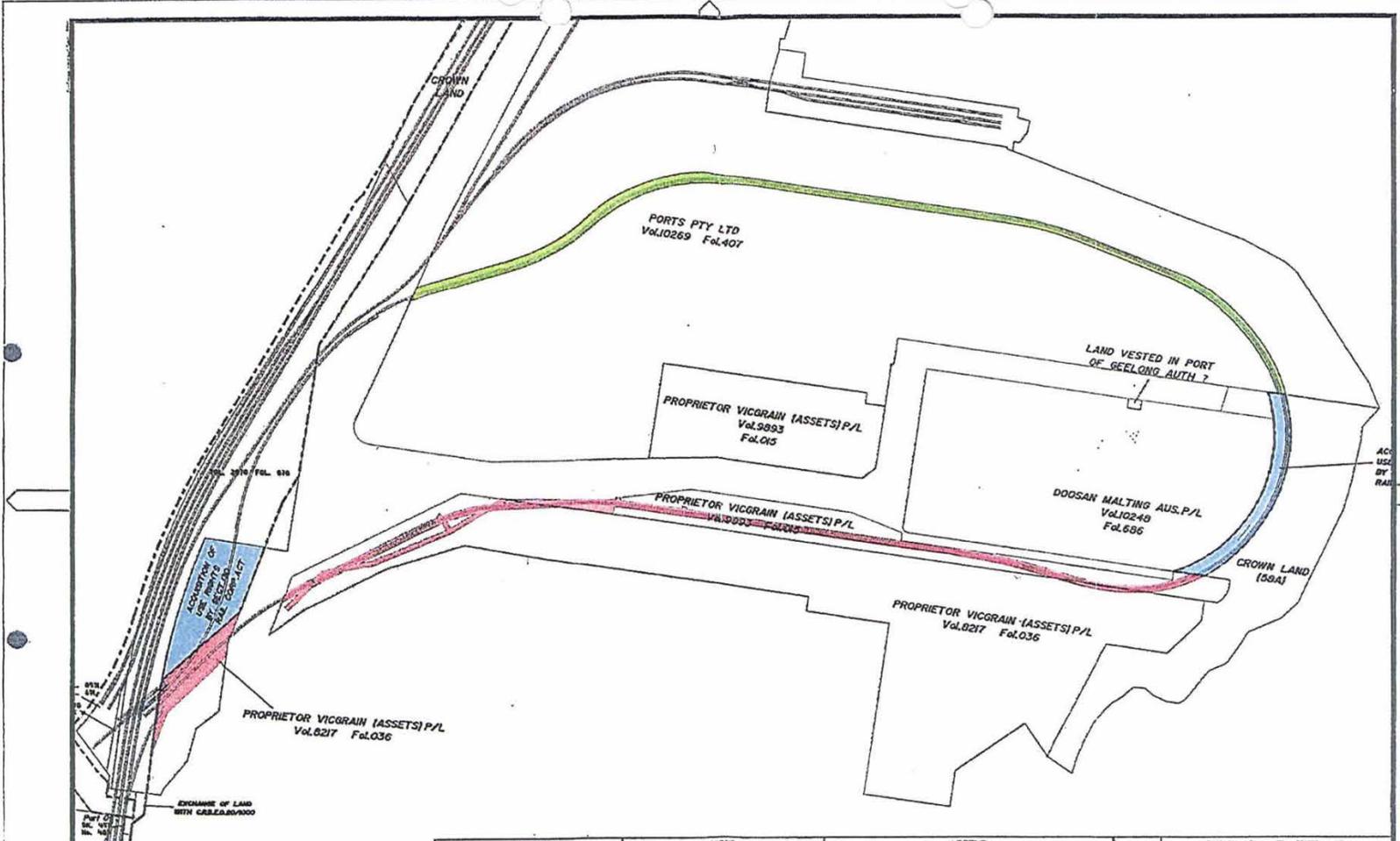
$A(n)$ = The access fees to apply from the year from the relevant Review Date;
and

$A(n-1)$ = The access fees that applied in the year prior to the relevant Review Date.

Annexure A

Location diagrams

Annexure B
Geelong Grain Loop



LEGEND

- RAILWAY PURPOSES EASEMENT ON VICGRAIN PTY LTD LAND
- VICTRACK USE RIGHT OVER CROWN LAND
- VICTRACK LEASE OF PORTS PTY LTD LAND

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Plan prepared by:
Property Department
10th Floor,
329 Collins Street,
Melbourne 3000

NOTE

This plan has been compiled using information from a number of sources and some plan elements may not be shown accurately. Independent verification is recommended before reliance is placed on using the plan information.

Victorian Rail Track will not accept any liability for any use to which this plan may be put and gives no guarantee as to its accuracy.

LEGEND

45

854

SCALE / LARGE LETTER NO.

1:1000

1:2000

1:4000

1:8000

1:16000

1:32000

1:64000

1:128000

1:256000

1:512000

1:1024000

1:2048000

1:4096000

1:8192000

1:16384000

1:32768000

1:65536000

1:131072000

1:262144000

1:524288000

1:1048576000

1:2097152000

1:4194304000

1:8388608000

1:16777216000

1:33554432000

1:67108864000

1:134217728000

1:268435456000

1:536870912000

1:1073741824000

1:2147483648000

1:4294967296000

1:8589934592000

1:17179869184000

1:34359738368000

1:68719476736000

1:137438953472000

1:274877906944000

1:549755813888000

1:1099511627776000

1:2199023255552000

1:4398046511104000

1:8796093022208000

1:17592186444416000

1:35184372888832000

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