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1. INTRODUCTION

Through ownership by Roads and Maritime Services (RMS), Transport for NSW (TfNSW) controls a network of 68 ferry wharves on Sydney Harbour and its tributaries. Of these wharves 47 are predominantly used for timetabled services, with the remaining 21 mainly used by ferry operators providing charter and tourist services. Currently, operators are able to access the wharves through a variety of mechanisms that have evolved on a largely ad-hoc basis over many years.

TfNSW is developing a new Wharf Access Policy in response to stakeholder concerns about the lack of consistency and transparency across the various agreements. The new Policy will also support the Government’s commitment to facilitate new deregulated ferry services on a cost neutral basis to taxpayers, by reducing red tape and making it easier for ferry operators to access wharves.

On 22 and 23 August 2012, TfNSW hosted Industry Workshops to gauge the initial views of operators on a range of wharf access issues. Feedback received from the workshops has helped inform the development of this Draft Position Paper.

2. LEGISLATIVE AND POLICY CONTEXT

a. Legislation

The Transport Administration Act 1988 (the TA Act) establishes TfNSW as the central agency in the transport cluster with responsibility for transport planning and policy, the delivery and management of transport infrastructure and the allocation of funding within the transport sector. Regulations can be made under the TA Act enabling TfNSW to exercise its functions, including those related to the use of and access to passenger transport facilities.

As well as being a wharf owner, RMS is currently the regulator of wharf safety. Division 5 of the Marine Safety Act 1998 (the MS Act) provides that all public ferry wharves are regulated by RMS. The MS Act defines a ‘public ferry wharf’ as a wharf or any associated facilities used for purposes of public passenger services provided by ferries.

Division 5 primarily focuses on ensuring the safety of public ferry wharves by providing RMS with the ability to inspect wharves and issue wharf owners with improvement notices and prohibition notices on safety grounds.

Under section 11 of the MS Act, RMS has the power to display notices imposing restrictions on the operation of vessels in navigable waters for the safety of the public or for the protection of vessels or other property. Under this provision, unauthorised use of a wharf may constitute an offence subject to penalty notice or court action.

b. Related Government Policies and Projects

The NSW Government is delivering a range of service improvements, infrastructure upgrades and policy changes in order grow Sydney’s ferry system and improve the level of services available to customers. Significant progress has already been made with the restoration of services, upgrades to a number of wharves and a new operator selected to run Sydney Ferries to improve value for money.

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1 The Passenger Transport Act 1990 defines a ‘public passenger service’ as the carriage of passengers for a fare or other consideration ... by vessel with any NSW waterway, and a ‘ferry’ as a vessel which seats more than 8 adult persons, and includes a vessel of any class prescribed by the regulations for the purposes of the definition.
for taxpayers. New customer service initiatives are also being introduced, such as the rollout of Opal
electronic ticket which will be progressively rolled out across the ferry network in 2013.

Franchising Sydney Ferries

On 28 July 2012, Harbour City Ferries (HCF) commenced operating the ferry services previously
provided by the Government-owned Sydney Ferries under a seven-year franchise agreement with
TfNSW. Under the agreement, the primary assets (vessels and Balmain Shipyard) remain in
Government ownership and the Government retains control over service levels, timetables and
fares. Under the contract, HCF is provided with priority access to commuter wharves for the
purposes of providing timetabled services. HCF is also provided with exclusive access to Circular
Quay wharves 3, 4 and 5 and the western sides of Circular Quay wharf 2 and Manly Wharf.

Wharf Upgrade Program

TfNSW is progressively upgrading ferry wharves across Sydney Harbour to improve facilities for ferry
customers and improve disabled access. The overall program affects 49 wharves (including Circular
Quay).

Facilitation of New Deregulated Ferry Services

To help facilitate new service proposals, peak hour berthing slots at Wharf 6 Circular Quay are now
available for commuter services and TfNSW offers operators an exemption from the contracting
requirements of the Passenger Transport Act 1990 (the PT Act). An exemption allows for services to
be provided on a fully deregulated basis, with operators able to make their own commercial
decisions about service levels and fares.

As a result of these initiatives a new deregulated service began operating in 2012 between Manly,
Milsons Point and Darling Harbour. The Government has indicated that any further proposals for
new routes will be considered.

Review of Passenger Transport Legislation

On 25 September 2012, Transport for NSW released a Discussion Paper on a review of NSW
Passenger Transport Legislation. The Discussion Paper includes a proposal to move towards a more
flexible regulatory framework which would allow commercial ferry operators to develop new
services without having to apply to TfNSW for an exemption.

For the purposes of this Draft Position Paper, the following definitions are used to differentiate
between the different types of services provided by commercial vessel operators seeking access to
public ferry wharves:

- **Charter service**: A non-timetabled service where the hirer of the vessel determines the route
  (consistent with current definition in the PT Act). This includes water-taxi services where the
  vessel seats more than 8 adults.

- **Ferry services**: Regulated or deregulated ferry services.
  - **Regulated ferry services**: Timetabled services operating under a service contract with
    TfNSW.
  - **Deregulated ferry services**: Timetabled services which have been deregulated by
    TfNSW or which are deregulated on the basis that they are tourist services (eg
    cruises, whale watching).
3. OBJECTIVES

Consistent with related Government policies and broader transport and maritime strategic priorities, the following objectives will be used to guide the development of the new Wharf Access Policy:

- Facilitate increased transport options for customers.
- Promote increased utilisation of Government infrastructure by allocating wharf capacity effectively and equitably.
- Enable RMS to perform its role as wharf owner and maintainer in a financially sustainable way.
- Minimise administrative requirements on industry and RMS.
- Increase destinations for recreational boaters on Sydney Harbour in a way that does not impact on public transport services.
- Ensure wharf access arrangements are widely accepted and easily understood by industry and other stakeholders.

4. SCOPE

The Wharf Access Policy will apply to all 68 public ferry wharves on Sydney Harbour controlled by TfNSW.

There are 47 wharves that have historically been considered commuter wharves:

<table>
<thead>
<tr>
<th>No.</th>
<th>Wharf Name</th>
<th>No.</th>
<th>Wharf Name</th>
<th>No.</th>
<th>Wharf Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Watsons Bay</td>
<td>17.</td>
<td>Drummoyne</td>
<td>33.</td>
<td>Greenwich Point</td>
</tr>
<tr>
<td>2.</td>
<td>Rose Bay</td>
<td>18.</td>
<td>Chiswick</td>
<td>34.</td>
<td>McMahons Point</td>
</tr>
<tr>
<td>3.</td>
<td>Double Bay*</td>
<td>19.</td>
<td>Abbotsford</td>
<td>35.</td>
<td>Milsons Point</td>
</tr>
<tr>
<td>4.</td>
<td>Darling Point</td>
<td>20.</td>
<td>Bayview Park</td>
<td>36.</td>
<td>Kirribilli (Jeffrey St)#</td>
</tr>
<tr>
<td>5.</td>
<td>Circular Quay 2*</td>
<td>21.</td>
<td>Cabarita</td>
<td>37.</td>
<td>Kirribilli (Beulah St)#</td>
</tr>
<tr>
<td>9.</td>
<td>Darling Harbour (King Street 3)*</td>
<td>25.</td>
<td>Meadowbank</td>
<td>41.</td>
<td>Kurraba Point</td>
</tr>
<tr>
<td>10.</td>
<td>Darling Harbour (Aquarium)</td>
<td>26.</td>
<td>Kissing Point</td>
<td>42.</td>
<td>Cremorne Point</td>
</tr>
<tr>
<td>11.</td>
<td>Pyrmont Bay</td>
<td>27.</td>
<td>Huntleys Point</td>
<td>43.</td>
<td>Old Cremorne</td>
</tr>
<tr>
<td>14.</td>
<td>Birchgrove</td>
<td>30.</td>
<td>Longueville</td>
<td>46.</td>
<td>Taronga Zoo*</td>
</tr>
<tr>
<td>15.</td>
<td>Balmain West</td>
<td>31.</td>
<td>Northwood</td>
<td>47.</td>
<td>Manly*</td>
</tr>
<tr>
<td>16.</td>
<td>Birkenhead#</td>
<td>32.</td>
<td>Greenwich</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

There are 20 wharves that have historically been considered charter wharves. As part of RMS’ recent acquisition of the Manly Wharf, RMS now also has full ownership and control over the Manly Eastern Pier taking the total number of charter wharves to 21.

<table>
<thead>
<tr>
<th>No.</th>
<th>Wharf Name</th>
<th>No.</th>
<th>Wharf Name</th>
<th>No.</th>
<th>Wharf Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Man O’War*</td>
<td>8.</td>
<td>Ives Steps</td>
<td>15.</td>
<td>King Street 6*</td>
</tr>
<tr>
<td>2.</td>
<td>Eastern Pontoon#</td>
<td>9.</td>
<td>Walsh Bay 2</td>
<td>16.</td>
<td>King Street 7*</td>
</tr>
<tr>
<td>3.</td>
<td>Circular Quay 6*</td>
<td>10.</td>
<td>Towns Place</td>
<td>17.</td>
<td>King Street 8*</td>
</tr>
<tr>
<td>4.</td>
<td>Harbour Master’s Steps</td>
<td>11.</td>
<td>King Street 1*</td>
<td>18.</td>
<td>King Street 9*</td>
</tr>
<tr>
<td>5.</td>
<td>Commissioner’s Steps</td>
<td>12.</td>
<td>King Street 2*</td>
<td>19.</td>
<td>Pier 26</td>
</tr>
</tbody>
</table>

* Wharf has two berthing faces
^ Wharf has three berthing faces
# Wharf is not currently used for contracted services
There are approximately another 240 public ferry wharves across NSW, which are predominantly owned by Local Councils. As the wharves are not controlled by TfNSW they are not within the scope of the proposed Wharf Access Policy.

5. CURRENT ACCESS ARRANGEMENTS

There are currently a variety of ways in which ferry and charter operators are able to gain access to RMS wharves. The arrangements have evolved over time on a largely ad-hoc basis in response to the market and past Government policies. The variety of arrangements make it difficult for operators seeking to develop new service proposals and has lead to concerns about inequity between operators.

Wharf Access Deed

The Wharf Access Deed (WAD) is the primary wharf access arrangement on Sydney Harbour which covers all of the commuter wharves. It is an agreement between TfNSW and RMS which provides TfNSW with the ability to provide regulated ferry operators with priority access rights to the wharves for the purposes of delivering timetabled services. It also enables TfNSW to provide exclusive access to Circular Quay wharves 3, 4, 5 and the western sides of Circular Quay Wharf 2 and Manly Wharf. HCF is able to occupy these wharves 24 hours a day, 7 days a week to the exclusion of all other operators.

The WAD was established in response to the Special Commission of Inquiry into Sydney Ferries (the Walker Inquiry) to provide certainty to Sydney Ferries regarding its access arrangements.

TfNSW currently provides access to two operators under the WAD – Harbour City Ferries and Sydney Fast Ferries.

Manly High Speed Ferry Access Contract

The Manly High Speed Ferry Access Contract is a contract between TfNSW and Sydney Fast Ferries (SFF) which provides SFF with priority access rights at Manly Wharf East and Circular Quay 2A during weekday commuter peak periods for the purposes of providing deregulated ferry services between Manly and Circular Quay. The contract has a five-year term. The wharf access fee payable by SFF was determined through a competitive bid process.

Manly Eastern Pier

Manly Fast Ferry (MFF) previously negotiated a 6-year exclusive use agreement to the Eastern Pier (Hotel Jetty) at Manly Wharf with the former commercial lessee of the wharf. RMS acquired Manly Wharf and the Eastern Pier in early 2012.

Wharf 6 Circular Quay

Previous Government policy had restricted use of Wharf 6 at Circular Quay to charter and tourist operators. Three operators have a five-year Wharf Access Agreement with RMS providing them with regular berthing slots at Wharf 6 predominantly in the off-peak periods and on weekends. The Agreements were awarded through an Expressions of Interest (EOI) process.

In late 2011, RMS and TfNSW conducted a joint EOI for additional deregulated ferry services which included the ability for operators to gain access to Wharf 6 during commuter peak periods. Two new Wharf Access Agreements were awarded through this process, with the respective wharf access fees determined on the bid price of the successful operators. The Agreements have a three-month term, renewable at RMS’s discretion.
In 2012, RMS completed an EOI for the unused berthing slots at Circular Quay Wharf 6 during the off-peak periods and on weekends. A new Wharf Access Agreement was awarded through this process with the access fees determined by the bid price of the successful operator. The Agreement has a three-month term, renewable at RMS’s discretion.

**Wharf Booking System**

RMS administers an online Wharf Booking System (WBS) which enables operators to book a 15-minute slot at any of the charter wharves as well as Milsons Point and Pyrmont Bay. Access to wharves through the WBS involves payment of a standard fee which varies according to the passenger capacity of the vessel:

- Up to 80 passengers $14.60
- 81 to 150 passengers $29.10
- Over 150 passengers $43.70

Bulk bookings of 6 months can be made at a 30% discount. RMS also offers a discounted rate for regulated ferry services that are not covered by the Wharf Access Deed. There are currently two such services, both provided by Matilda/Captain Cook Cruises.

**Other arrangements**

With the exception of the wharves subject to exclusive access arrangements, as well as Milsons Point and Pyrmont Bay, all other commuter wharves can currently be used without a booking or a payment provided that operators do not interfere with regulated ferry services.

As part of the 2011 EOI for additional deregulated ferry services, Manly Fast Ferry was also awarded regular berthing slots at Milsons Point and Darling Harbour (Aquarium) on a three-month renewable basis, with fees determined through the EOI process.

**King Street Pontoons**

Pontoons 1, 2, 4 and 6 at King Street Wharf are licensed to operators for exclusive use, including the right to permanently berth. The licences were awarded through EOI processes with rents reviewed to market rates every 5 years.

These licences are outside of the scope of the Wharf Access Policy. However, it is noted that as part of the Government’s Maritime Policy Agenda, TfNSW is separately reviewing all policies covering the leasing and licensing of RMS property.

### 6. SUMMARY OF INITIAL INDUSTRY FEEDBACK

Initial feedback received at the Industry Workshops on 22-23 August 2012 and subsequent submissions from operators and the Commercial Vessel Association have highlighted a number of key issues:

- While a slot allocation approach works well for charter services and at Circular Quay Wharf 6 it is not suitable for timetabled services which, outside of the major wharves, generally only need to “touch and go” to drop-off/pick up passengers.
- Operators are aware of the priority for Sydney Ferries services and generally avoid using the commuter wharves when a timetabled service is due to arrive, although difficulties can arise if the ferry is running late.
- Operators are generally happy with the current rules under the wharf booking system for managing competition for individual slots. However, both charter and timetabled ferry
operators need certainty of tenure and there is support for Government taking an active role to provide opportunities for longer-term agreements at the major wharves.

- Operators are concerned that the new Policy will lead to higher wharf access fees.
- There is a general view from operators that Government should take a more strategic and consultative approach in awarding wharf access agreements rather than relying solely on which operator is prepared to pay the highest access fee.
- A lack of opportunities for operators to install signage and ticketing facilities on wharves is a major issue impacting on the commercial viability of services.

7. GOVERNANCE

As wharf owner, RMS has historically had sole responsibility for managing all wharf access arrangements. However, TfNSW now has overarching responsibility for transport policy, planning, funding allocation, service delivery and infrastructure management. It will now take on the lead role in all aspects of wharf access and wharf management. In particular, TfNSW has a clear responsibility to ensure that the management of the wharf network enables public transport services to be delivered safely and in the most effective and efficient way possible.

As the service delivery agency, RMS will be continue to be responsible for maintaining and renewing the infrastructure base as required and for enforcing the safe and authorised use of the wharves consistent with relevant regulatory requirements and the conditions of the new Wharf Access Policy.

8. PROPOSED APPROACH FOR COMMUTER WHARVES

Continuing existing exclusive access arrangements for Harbour City Ferries at Circular Quay 3, 4, 5 and the eastern sides of Circular Quay 2 and the western side of Manly Wharf is considered essential to the efficient delivery of the Sydney Ferries timetable. However, it is proposed that no new exclusive access agreements be entered into on any of the other charter or commuter wharves on the Harbour.

Providing priority access to the commuter wharves is considered essential to the delivery of regulated services. The Wharf Access Deed ensures regulated ferry services (and services provided under the Manly High Speed Ferry Access Contract) have certainty by providing them with priority access to deliver their timetabled services.

Operators of deregulated ferry services also require certainty over when they can use the wharves in order to keep to their published timetables. Currently, as only two commuter wharves are on the Wharf Booking System (WBS), deregulated ferry operators can only secure guaranteed access at a particular time by booking a slot at a charter wharf.

One option raised by TfNSW at the Industry Workshops was to include all commuter wharves on the WBS. However, initial industry feedback suggests that formalising bookings through the WBS is not required at commuter wharves as operators generally only “touch and go” to pick up/drop off a small number of passengers. Operators have suggested that the current approach, where operators are allowed to use commuter wharves with no bookings provided they do not interfere with the contracted services, works effectively in most instances.

TfNSW is responsible for ensuring that the network of public transport services is delivered in the most effective and efficient way possible. TfNSW therefore has a strong interest in ensuring that the use of commuter wharves by non-contracted operators does not impact on regulated ferry services. TfNSW will therefore assume responsibility for administering access to commuter wharves.
To enable TfNSW to effectively perform this role it is proposed to introduce a regime whereby operators can only access commuter wharves if they hold a Commuter Wharf Permit. If ongoing problems arise from clashes between contracted operators and other wharf users, TfNSW will be able to restrict access to particular wharves at particular times of the day.

Charter operators will also be able to apply for the proposed Permit. However, berthing times will be limited to 5 minutes to avoid instances of operators berthing for extended periods of time and potentially disrupting timetabled services.

‘Touch and go’ use by operators still causes wear and tear and potential damage to wharves. The permit system will help ensure that all commercial operators using commuter wharves make a contribution towards the cost of maintaining the wharves. Section 9 discusses the proposed fees to be associated with the permit.

Consistent with the Government’s commitment to help facilitate the development of additional deregulated services it is proposed to introduce a second tier of priority for any deregulated services that run to a regular timetable. Operators of these services will be able to apply to TfNSW to be given priority access over other wharf users (with the exception of regulated operators) for the purposes of delivering their published timetables.

The proposed permit system will enable TfNSW to notify all permit holders of the priority arrangements that apply at each commuter wharf. TfNSW will seek to provide the affected operator(s) with as much notice as possible prior to the introduction of any timetable changes impacting on priority arrangements at individual wharves.

Managing Competition at Commuter Wharves

If instances arise where more than one deregulated operator is seeking access to a commuter wharf at the same time, TfNSW will seek to negotiate with the operators to try and accommodate all timetables. To provide certainty to operators of established services, it is proposed that existing timetables will be given preference over any new timetable.

It should be noted that there may be occasions where TfNSW changes the timetable of a regulated ferry service to a time which clashes with a timetable of a deregulated ferry service. If such a clash occurs the deregulated operator(s) will be required to change their timetable. TfNSW will seek to provide the operator(s) with as much notice as possible about timetable changes and work with affected operator(s) to facilitate continuation of their service.

**Proposed Approach**

1. **Current exclusive access arrangements for Sydney Ferries will be retained, but no new exclusive access agreements will be entered into.**
2. **Regulated ferry services will continue to be given priority access at commuter wharves for the purposes of delivering contracted services.**
3. **Transport for NSW will introduce a Commuter Wharf Permit to allow use of commuter wharves by other operators while maintaining priority for regulated services.**
4. **Operators of deregulated ferry services who hold a Commuter Wharf Permit will be given ‘second priority’ at commuter wharves.**
5. **Charter operators will be able to obtain a Commuter Wharf Permit, but berthing times will be limited to less than 5 minutes.**
6. **Transport for NSW will be able to restrict access to commuter wharves if there are instances where regulated services are continually being impacted by other services.**
Industry comment is sought to confirm the current lists of charter and commuter wharves. There are some commuter wharves that are not currently used by regulated or deregulated ferry operators (eg Birkenhead) and which could potentially be converted into charter wharves if there is sufficient demand for booking slots at these wharves.

There are also some commuter wharves (eg Aquarium and Pyrmont Bay) which are used by both charter and ferry services, where consideration could be given to deeming the wharf to be a charter wharf at certain times of the day outside of the main commuter peak periods.

9. PROPOSED APPROACH FOR CHARTER WHARVES

To ensure coordinated management of all wharf access arrangements across Sydney Harbour, TfNSW will also assume responsibility for managing access to charter wharves.

The current approach to allocating wharf access at charter wharves is based around the concept of allocating time-limited berthing slots to individual operators. Initial industry feedback suggests that the slot allocation approach generally works well for charter operators who need to offer customers flexibility on pick-up/drop-off locations as well as certainty that the wharf will be available at the times pre-booked by customers.

Initial industry feedback suggests that the WBS performs adequately in managing the various wharf access demands at the majority of the charter wharves. Consistent with the approach for managing competition at commuter wharves, it is proposed to continue with the current WBS rule which provides priority to existing slot holders. It is also proposed to continue with the current rule of processing applications in order of receipt.

The WBS also currently includes a rule which provides priority to public transport. In most circumstances this rule is not necessary as there are few instances where public transport and charter services clash. Circular Quay 6 is the most obvious exception as it attracts demand from both charter and timetabled operators.

To coincide with the commencement of the new Wharf Access Policy, it is intended that unused capacity on the eastern side of Manly Wharf will be made available to the market. The wharf is currently used by Sydney Fast Ferries which has priority access rights under the Manly High Speed Ferry Access Contract which enables it to provide up to 32 services between Manly and Circular Quay during the weekday commuter peaks. Outside of these times the wharf is currently not used at all, except as an occasional alternate for Sydney Ferries when the western side of the wharf is unavailable. Any new agreement for Manly Wharf East will include a provision requiring the operator to adjust its services to accommodate Sydney Ferries services if the western side of the wharf is unavailable.

Like Circular Quay 6 it is expected that Manly Wharf East will attract interest from both charter and deregulated ferry operators. As these wharves are the major origin/destination points on the Harbour, it is proposed to offer longer-term wharf access agreements to provide operators with greater certainty to be able to invest in their services.

It is considered that the current 5 year term for charter operators at Circular Quay 6 provides a reasonable balance between providing certainty to operators while enabling the Government to ensure value for money for taxpayers by regularly testing the market. However, industry comment is sought on the preferred length of tenure for future wharf access agreements at Circular Quay 6 and Manly Wharf East.
Comment is also sought on whether there are any other charter wharves that should be treated in the same way as Circular Quay 6 and Manly Wharf East.

Initial feedback indicates support for the Government continuing to take an active role in allocating long term access agreements at the major charter wharves, including the bundling of certain slots to enable operators to develop more commercially attractive service proposals. The Manly High Speed Ferry Access Contract is an example of an agreement offering bundled slots. Industry comment is sought on other options for bundling slots at the major charter wharves.

It is proposed to use competitive EOI processes as the primary mechanism for allocating long term agreements at the major charter wharves. Recognising the different wharf demands of timetabled and charter operators, it is proposed that the EOI processes will give priority to operators of timetabled commuter services during the commuter peak periods (6.00am – 9.30 am, 4.30pm to 8.00pm on weekdays) and priority to tourist and charter services at other times of the day and on weekends.

As Circular Quay 6 is used for tourist services on weekday evenings (eg for dinner cruises) it is proposed to continue to reserve a number of slots for such services. Industry feedback is invited to help establish an efficient balance of uses at Circular Quay 6 (and Manly Wharf East). Suggestions received so far include:

- Limiting slots to 10 minutes during commuter peak periods.
- Offering a limited number of back-to-back slots at the busiest times of the day to provide more time for larger charter vessels to load large numbers of passengers.

Operators have expressed a strong view that when evaluating competing bids during an EOI process the Government should not award slots based solely on which operator is prepared to pay the highest wharf access fee. It has been suggested that the Government should also consider qualitative aspects of service proposals to ensure that slots are allocated to operators who provide the best service to passengers. TfNSW will consider the merits of using qualitative criteria in future wharf access EOIs on a case-by-case basis, noting that such an approach would require TfNSW to establish a performance monitoring regime to ensure operators deliver the standards proposed in their bids. Decisions in this area will also need to be informed by the outcome of the review of the Passenger Transport Act 1990.

TfNSW will also seek to adopt a consultative approach to try and resolve competing bids during EOI processes. Operators have suggested that in most instances if two operators have bid for the same slot, the operators would be open to negotiations about moving to the next available slot. This would allow both operators to be accommodated at the ‘base access fee’. It is therefore proposed that for future EOIs, proponents will only be required to bid the ‘base access fee’ in the first instance. The ‘base access fee’ will be set at the equivalent of the fee that would apply if the booking was made under the WBS. Operators will only be asked to re-bid with a higher price if there are conflicting wharf access demands which cannot be resolved following consultation with each operator.

### Proposed Approach

7. **Retain 15-minutes slots for the majority of charter wharves, with bookings to be administered by RMS through the Wharf Booking System.**

8. **Retain Wharf Booking System Rules that give priority to existing time slot holders and that require applications to be processed in order of receipt.**
9. **Offer 5 year agreements for access to Circular Quay 6 and Manly Wharf East, including agreements incorporating bundled slots in response to known market preferences (eg high speed commuter services between Manly and Circular Quay)**

10. **EOI processes will provide priority to commuter services during weekday commuter peaks and tourist and charter operators during outside of the peaks and on weekends. A limited number of slots will be reserved for tourist services during evening peaks.**

11. **In future EOI processes TfNSW will consult with proponents to try and accommodate all proposals at the ‘base access fee’, with price only being used as a last resort to differentiate conflicting proposals. The need for qualitative evaluation criteria will be considered on a case-by-case basis.**

### 10. PRICING

Pricing arrangements for accessing transport infrastructure differ across transport modes and jurisdictions depending on the nature of the infrastructure, the market for its use and Government policy objectives. Examples include cost-based and market-based pricing approaches as well as approaches designed to influence demand for use of the asset (eg time-of-day tolling on roads).

Consistent with the objectives of the Wharf Access Policy and with the principles adopted in other modes in NSW (eg rail, heavy vehicles), it is proposed to use cost recovery as the main basis for setting access charges for charter and ferry operators’ use of public ferry wharves on Sydney Harbour.

A fully comprehensive pricing regime would require detailed financial and economic analysis to determine the efficient costs of maintaining and upgrading the infrastructure along with the marginal cost of each wharf berthing. Given the relatively small scale of ferry services compared to other transport modes the cost of undertaking such detailed analysis does not appear warranted. Instead it is proposed to use a relatively simple methodology to establish more cost reflective access arrangements.

RMS spends approximately $6 million per annum on wharf maintenance. This figure does not include any capital component or administrative costs. Nonetheless, it represents a reasonable proxy of the cost of maintaining the network of wharves to a safe operational standard.

The inclusion of a capital component would significantly increase the costs that would need to be recovered from wharf users, noting that the cost of upgrading a single commuter wharf to improve accessibility in line with relevant standards can exceed $5 million. The Government will continue to fund wharf upgrades as part of its Transport Access Program designed to provide modern, safe and accessible public transport facilities across all modes.

As charter wharves make up 30% of the network, it is proposed to base charter wharf access fees on a target cost recovery level of $1.8 million per annum. Current revenue received by RMS from the use of charter wharves totals approximately $1.7 million per annum, made up of the revenue received through the WBS and from access agreements in place at Circular Quay 6 and Manly Wharf East. Increasing total revenue received from charter wharves is therefore not a primary goal in determining new WBS fees.

However, it is proposed to revise the current fee categories to better align with cost recovery principles and with the methodology used for setting other commercial vessel fees. The current WBS fee scales acknowledge that larger vessels have a larger impact on the wharves and should therefore
pay a higher fee. Passenger capacity is currently used as the measure of vessel size, with three
different categories used – up to 80 passengers, 81 to 150 passengers, and over 150 passengers.

It is considered that measuring size based on vessel length provides a more accurate reflection of a
vessel’s impact on a wharf. It is also consistent with the approach used for calculating other
commercial vessel fees imposed by RMS.

The following fee scale is proposed:

- Less than 12m        $14.60
- 12m to 24m     $29.10
- Over 24m   $43.70

The current 30% discount for bulk bookings will be retained to provide an incentive for operators to
establish regular service offerings.

The remaining $4.2m in wharf maintenance costs will be attributed to commuter wharves. As a
Government-subsidised service, the franchise contract between TfNSW and Harbour City Ferries
includes free access to the commuter wharves for the purposes of delivering the timetabled services
set by TfNSW. While it is not proposed to change this policy, it is also not proposed to require other
users of commuter wharves to pay for the impact of Sydney Ferries’ services on the wharves.

Sydney Ferries currently makes approximately 550,000 berthings per year. Notionally this equates to
approximately $7.70 per berthing if full maintenance costs were recovered. It is proposed to use this
figure as the maximum fee per berthing in calculating the quantum of fees for the proposed
Commuter Wharf Permit. As with the WBS, fee levels will be based on the length of the vessel. It is
also proposed that a number of permit categories are established to reflect the different types of
users of commuter wharves, ranging from a charter operator who might use a commuter wharf a
handful of times a week, up to a deregulated ferry providing numerous commuter services every
day. Three categories are proposed:

1. Casual – up to 1,000 berthings per year
2. Regular – up to 5,000 berthings per year
3. Heavy – unlimited berthings

The following fee scale is proposed. For an operator with multiple vessels, the permit fee will be
based on the size of the largest vessel in the fleet.

<table>
<thead>
<tr>
<th>Permit category</th>
<th>Vessel size</th>
<th>Annual Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Casual</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(fee calculated on average 500 berthings)</td>
<td>Up to 12m</td>
<td>$1,100</td>
</tr>
<tr>
<td></td>
<td>12m to 24m</td>
<td>$2,200</td>
</tr>
<tr>
<td></td>
<td>Over 24m</td>
<td>$3,400</td>
</tr>
<tr>
<td>Regular</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(fee calculated on average 2500 berthings)</td>
<td>Up to 12m</td>
<td>$5,500</td>
</tr>
<tr>
<td></td>
<td>12m to 24m</td>
<td>$11,000</td>
</tr>
<tr>
<td></td>
<td>Over 24m</td>
<td>$16,800</td>
</tr>
<tr>
<td>Heavy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(fee calculated based on average 5000 berthings)</td>
<td>Up to 12m</td>
<td>$12,500</td>
</tr>
<tr>
<td></td>
<td>12m to 24m</td>
<td>$25,000</td>
</tr>
<tr>
<td></td>
<td>Over 24m</td>
<td>$38,000</td>
</tr>
</tbody>
</table>

Recognising the seasonal nature of some operations, it is proposed that quarterly and half-yearly
permits will be made available. Fee levels and permit categories will be calculated on a simple linear
basis (for example, a 3 month Casual permit fee for a vessel less than 12 metres will be available for
$275, entitling the permit holder to up to 125 berthings over the 3 month period).
On a price per berthing basis, the proposed access fee for commuter wharves is significantly less than that for charter wharves. However, the following factors need to be considered in making any comparisons between charter and commuter wharf access:

- Commuter wharves are provided primarily for the purposes of Sydney Ferries services.
- The priority provided to Sydney Ferries services limits the times commuter wharves are available to permit holders.
- Permit holders’ access to commuter wharves is limited to less than 5 minutes, compared to 15 minute bookings available for charter wharves.

As the market response to the introduction of the new Commuter Wharf Permit is not yet known, the proposed fee levels will be reviewed 12-18 months after implementation once reliable data is available regarding wharf usage and the impact on maintenance costs.

### Proposed Approach

12. *Retain existing fees for Wharf Booking System but fee categories based on vessel length instead of passenger capacity (details on page 13).*

13. *Introduce Commuter Wharf Permit fees (details on page 13). Fee levels to be reviewed 12-18 months after implementation.*

### 11. ADMINISTRATION AND ENFORCEMENT

The terms and condition of the existing Wharf Booking System will be reviewed to ensure all users comply with relevant commercial vessel regulations and are fully aware of their legal obligations when making a booking. Concerns have been raised by the industry that some operators may be taking a “tick-a-box” approach to accepting the terms and conditions with little regard to making sure they actually comply with all of their obligations.

Implementation of the proposed new policy, including the proposed Commuter Wharf Permit, will be supported by a review of enforcement mechanisms and compliance arrangements, including appropriate penalties to apply for unauthorised use of charter and commuter wharves. RMS will also explore the feasibility of introducing new technology to minimise unauthorised wharf usage by commercial vessel (eg e-tag type systems).

In the short term, RMS will rely on existing enforcement arrangements including regular patrols by Boating Safety Officers and intelligence received from other operators and the community about unauthorised wharf usage. TfNSW will also monitor published timetables of deregulated ferry operators to ensure operators are not using wharves without appropriate authorisation.

RMS will work with HCF, as the primary wharf user on the Harbour, to establish a formal process enabling HCF to report any instances of its services being disrupted due to other operators using commuter wharves. Information regarding any ongoing disruptions at a particular wharf, or involving a particular operator, will be referred to TfNSW to consider the need for introducing access restrictions through the new Commuter Wharf Permit regime.

The new Permit system will allow TfNSW to communicate any restrictions and/or changes in priority arrangements at particular wharves to all licensed operators.
12. SIGNAGE AND TICKETING FACILITIES

The industry has expressed strong concerns about the lack of opportunities available for operators to install signage and ticketing facilities on wharves. TfNSW is responsible for developing signage standards and improving ‘wayfinding’ across the wharf network. While the needs of commercial operators will be considered as part of this process, the provision of information to Sydney Ferries customers as part of an integrated public transport network will take primacy.

Where possible and where there is no impact on Sydney Ferries customers, TfNSW will seek to include signage opportunities and ticketing facilities, as part of future EOI processes at the major charter wharves. Operators have raised long-held concerns regarding a lack of opportunity for ticketing facilities on the promenade at Circular Quay. As this area falls under the responsibility of the Sydney Harbour Foreshore Authority (SHFA) it is outside of the scope of the Wharf Access Policy to include any changes to current arrangements.

However, part of the Government’s commitment in the Maritime Policy Agenda is to reduce red tape for maritime stakeholders. As part of this commitment, TfNSW will be working closely with the Department of Planning and Infrastructure (which incorporates SHFA) to review current planning controls and approval processes impacting on maritime stakeholders. Operators are invited to make detailed submissions to TfNSW to inform future discussions with SHFA on this issue.

It is also noted that the Long Term Transport Master Plan released in December 2012 notes that the upgrade of Circular Quay will be pursued over the medium term and that the “upgrade will involve better integration with private water transport providers”.

Proposed Approach

15. **Opportunities will be provided for Commuter Wharf Permit holders to post timetables or other promotional material on commuter wharves to approved standards.**

16. **Access to more substantial signage and ticketing facilities (where possible) will be included as part of future EOI processes at the major charter wharves.**

13. RECREATIONAL ACCESS

While public ferry wharves are primarily used by commercial vessel operators they are public assets and as such should be available for public use for water and land side activities, subject to relevant safety and operational considerations.

Access for Recreational Boating

As part of the Maritime Policy Agenda the Government has undertaken to develop a Sydney Harbour Boating Destinations Plan to increase the number of boating destinations on Sydney Harbour. Out of the commuter peaks, many of the commuter wharves on Sydney Harbour are used for timetabled services once or twice an hour. Several wharves are also not currently used for public transport services, or used only as back-up when nearby wharves are closed for maintenance.

Some wharves are seen as attractive pick-up/drop-off points for passengers on recreational boats. Others have facilities on or adjacent to the wharf (eg cafes, toilets) which would be attractive to recreational boaters to temporarily berth for short periods of time. The design of some wharves may even provide opportunities for small recreational vessels to tie-up at an alternate berthing face for longer periods while not impacting on the use of the main berthing face for public transport services.
As part of the Sydney Harbour Boating Destinations Plan, TfNSW will assess the potential recreational boating use of commuter wharves on a wharf-by-basis. For any wharves that are deemed suitable for recreational boating access, clear rules will be established for each wharf to ensure there is no impact on timetabled services.

**Other Recreational Use**

With the exception of the major wharves where ticket barriers limit access to ferry passengers holding a valid ticket, public ferry wharves are open to all members of the public, with recreational fishing the primary non-ferry activity.

In 2010, the Clean Safe Wharf Program was commenced by the then NSW Maritime in response to complaints about littering and antisocial behaviour at ferry wharves. Under the Program, more than $500,000 per annum from the wharf maintenance budget is allocated to keep commuter wharves clean.

Much of the waste and litter that leads to commuter complaints about wharf cleanliness is left by recreational fishers, particularly fishing hooks, scales and fish guts. Currently fishing is prohibited at all times on wharves at Circular Quay, Darling Harbour, Taronga Zoo and Cabarita. Fishing is also prohibited at Abbotsford, Chiswick and Kissing Point wharves between 5am and 10am to allow for the wharves to be cleaned before commuters arrive and to avoid situations where people fishing are competing with ferry passengers for space on the wharves during the busy morning commuter peak.

In September 2011, the Government introduced of a phased approach to ensure commuter wharf cleanliness and safety – Education, Enforcement, Exclusion “the Three E’s”. The Education phase ran from September 2011 to Easter 2012 and involved a number of initiatives designed to encourage safe and responsible behaviour from people fishing on wharves and to explain the consequences of littering and anti-social behaviour, including the penalties that can be applied.

The Enforcement phased commenced from Easter 2012 with an increased focus on policing of anti-social behaviour and a move from the issuance of warnings to infringement notices.

The Exclusion phase commenced from the October 2012 long weekend. Under this phase, further fishing exclusions and public access restrictions can be introduced if the first two phases have proven unsuccessful in addressing complaints.

RMS advises that the first two phases have been successful in reducing the incidence of complaints and no additional exclusions or restrictions are currently being considered. The Enforcement phase will therefore continue on an ongoing basis. Exclusions will continue to be an option, but will only be considered in cases where it is clear that Education and Enforcement activities have proven unsuccessful.

**14. IMPLEMENTATION**

TfNSW is seeking the views of ferry operators and customers to assist in finalising the new Wharf Access Policy. Comments on the Proposed Approach or any other aspect of the Draft Position Paper can be sent to the Office of Boating Safety Maritime Affairs in TfNSW at obsma@transport.nsw.gov.au by 19 April 2013.

Following consideration of submissions received, it is expected that a new Wharf Access Policy will be finalised by mid-2013.
If approved, it is anticipated that the new arrangements outlined in the Draft Position Paper could be put in place by the end of 2013. The new Commuter Wharf Permit system and the new fee regime for the Wharf Booking System could commence from 1 July 2013. While the initial transition to TfNSW management of the WBS would have minimal impact on operators, TfNSW would advise all WBS users of any future system or process changes.

If approved, Expressions of Interest processes for 5-year access agreements at Circular Quay Wharf 6 and Manly Wharf East could be undertaken as soon as practicable from 1 July 2013, noting that appropriate notice would need to be given to those operators currently using Wharf 6 under three-month renewable agreements. TfNSW would seek to finalise the EOI processes in order to allow operators to commence new services prior to the start of the busy summer season.

Comments received on the Draft Position Paper will help determine the extent to which any new EOI processes will involve bundles of slots on any particular routes.