

Support for Implementing Measures for the South East Core Regional Transport Network Multi Annual Plan (EuropeAid/125783/C/SER/MULTI)

THE ROLE OF THE REGULATORY AUTHORITY FOR ACCESS TO NETWORK AND RELEVANT ACCESS CHARGES

prepared by
Georg Fürnkranz
Schienen-Control GmbH, Austria

Railway Liberalisation

The beginning:
91/440 – 1st Railway package

- Principles:
- Open access to railway Infrastructure
 - Separation IM from RU
 - Fair competition
 - Monitoring by regulatory body



Players in Austrian Railways

- 12 Infrastructure managers (ÖBB Betrieb AG, Privatbahnen')
- 24 Railway undertakings (ÖBB-PV and RCA, new entrants)
- Licensing and safety authority (Ministry, SCHIG)
- Regulatory body (SCG/SCK)



Purpose of Railway Regulation in Austria

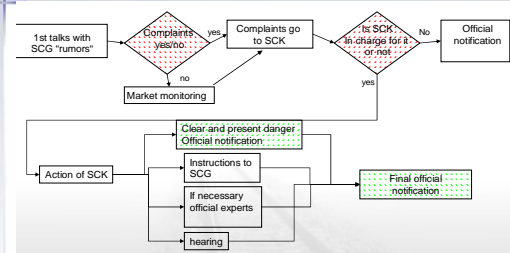
- §54 Railway Act 1999:
...to ensure the economic and efficient use of railways in Austria by
- creating fair and effective competition between railway undertakings
 - promoting the entry of new railway undertakings
 - assuring access to railway infrastructure by railway undertakings
 - establishing a competition regulation against abuse of dominant market position

Structure of Regulatory Body (SCK/SCG)

- Regulatory Body Art. 30 2001/14
- Appeal RB in case of discrimination
 - Ex officio action in case of discrimination
 - International cooperation of RBs

- Austria: 'Schienen Control Kommission' (SCK)
- established in 1999
 - like an independent administrative court
 - one judge and two railway experts (plus substitutes)
 - independent from IMs, RUs and government
 - run and supported by 'Schienen Control GmbH' (SCG)

Formal procedure by SCK



Practical work

During the last 9 years the Austrian regulatory body

- Dealt with about 250 topics
- Performed about 50 formal procedures
- Brought up many more solutions by conciliation

Outlook: Number of procedures/complaints is increasing rapidly



Main Problems / Examples

- Access to feeder lines/terminals
- (Infrastructure) charge on feeder lines/terminals
- Problems along national borders (historic agreements consider only incumbents)
- Scrapped locomotives
- Training of staff
- Tariffs on power
- Closed lines
- Train-path allocation
- International coordination



Regulatory issues – examples from Austria

Technical inspection of wagons:

The incumbent railway undertaking refused to sell this service to a new entrant. It also refused to offer training courses in this field for staff of the new entrant.



"Last mile" across international borders:

A non-EU railway operator insisted that according to an agreement only the incumbent is entitled to operate the cross-border section. The incumbent asked an exaggerated price for this service.



Regulatory issues – examples from Austria

Discrimination by customs service:

A new entrant was refused to take part in a simplified customs procedure because this procedure is based on a clearing system run by the incumbents. The latter were unwilling to let new entrants participate in this system.



This issue could not be solved by the regulatory body because customs issues are outside its scope of work. The problem was later solved on European level.



Regulatory issues – examples from Austria

Sales of second hand locomotives:

The incumbent railway undertaking prefers to sell redundant locomotives for scrap instead of accepting offers by new entrants to buy these locomotives.



Such locomotives have better economics than new ones if they are just used to serve small sidings. The unavailability of second hand locomotives prevents new entrants from offering such services. This situation has now been improved by cross-acceptance of vehicle homologation which eases imports of second hand locomotives.



Regulatory issues – examples from Austria

Last miles and sidings:

Last miles and sidings are often operated by the incumbent who is granted exclusive operating rights by the infrastructure owner. Until 2006 sidings were outside the regulatory framework.



Since 2006 sidings and last miles are included in the Austrian regulatory framework if they have branches. They have to provide a network statement unless they apply for exemption from the rule which can be given until further notices if the stakeholders involved agree.



Regulatory issues – examples from Austria

Last miles and sidings:

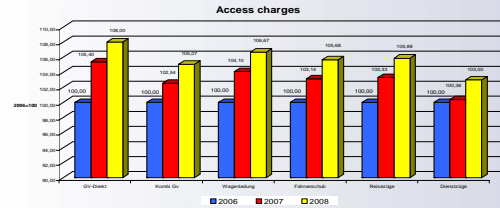
In the case of sidings with branches there is also the issue of infrastructure usage fees. The regulatory body has to be informed on the level of access fees and has to judge if they are in line with regulations.



RWR/RSA Consultant: WVG – TRADEMCO – VIENNA CONSULT – TRL



Access Charges 2006-2008 (ÖBB)



1000t, 50 km, 'Westbahn'	FT-block trains	Combined FT	FT-wagonload	Feeder	PT	Service runs
2006	177,50 €	160,50 €	160,50 €	130,00 €	155,50 €	161,00 €
2007	187,08 €	164,58 €	167,08 €	134,08 €	160,68 €	161,58 €
2008	191,70 €	168,64 €	171,20 €	137,38 €	164,64 €	165,83 €

RWR/RSA Consultant: WVG – TRADEMCO – VIENNA CONSULT – TRL



Timetabling

- Small number of complaints
- No competition in passenger transport – no problems
- Congested lines cause some problems
- Freight operators use increasingly ad hoc train paths
Ad hoc allocation: 2200/month
50% within 3 days, 30% within 10 days

RWR/RSA Consultant: WVG – TRADEMCO – VIENNA CONSULT – TRL



Results in Austria

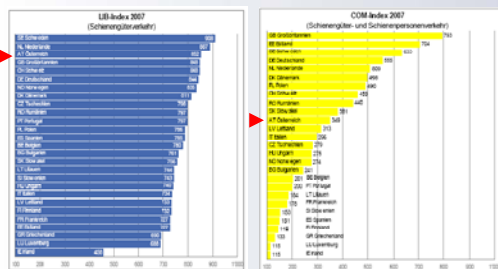
- Open access: no restrictions in freight, passenger transport only to int. groupings and domestic RUs
- One of the lowest barriers in licensing in EU
- Hardly any competition in passenger transport
- Modal share of rail in freight transport: about 30%
- Market share of incumbent about 93%
- Modal share of rail in passenger transport: about 8%
- Market share of incumbent about 92%

RWR/RSA Consultant: WVG – TRADEMCO – VIENNA CONSULT – TRL



Liberalisation Index 2007

Source: IBM/DB AG



RWR/RSA Consultant: WVG – TRADEMCO – VIENNA CONSULT – TRL



Conclusion

- Austria's railway undertakings are successful
- Liberalisation did not endanger the dominant position of the incumbent
- Competition helped to increase quality and to lower prices of railway services
- Regulation helps to develop sound competition

RWR/RSA Consultant: WVG – TRADEMCO – VIENNA CONSULT – TRL



Thank you for attention!

For further information please visit :
www.scg.gv.at



RWR/RSA Consultant: WVG - TRADECO - VIENNA CONSULT - TRI

