

# Facilitating innovation in Australia's heavy haul rail operations

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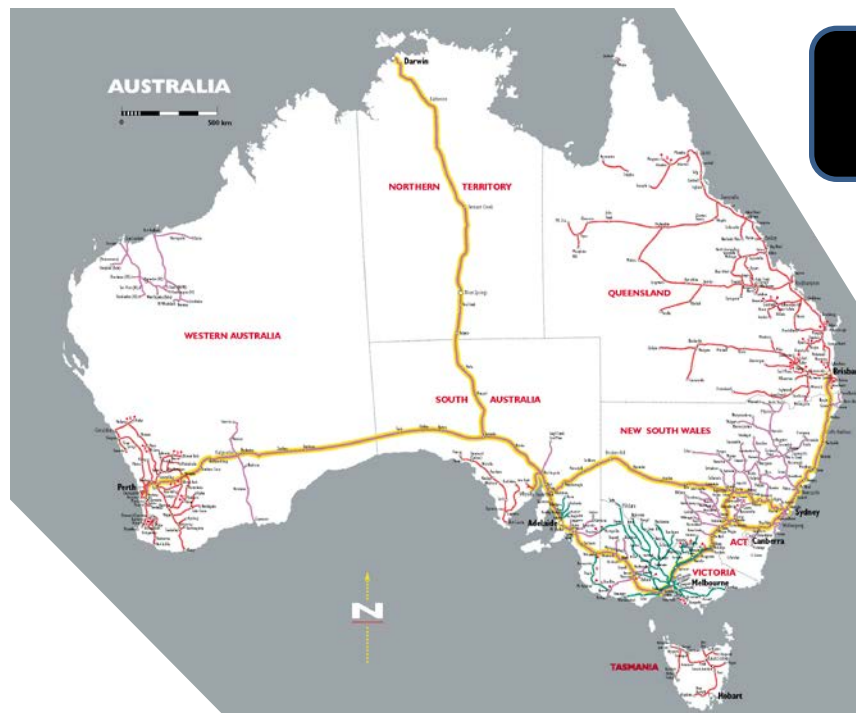
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# Australian Railway Operations

44,000 km track  
Australia-wide

16b passenger  
kms/yr

291b tonne-km/yr  
of freight carried



Rail contributes  
\$10b to the GDP

Rail employs  
110,000 people

# Transport Reform

- **COAG Rail Reform Agenda (2009) sought:**
- One National Rail Safety Regulator
- One National Law – RSNL (South Australia) Act 2012
- ONRSR and Jurisdictions may agree to regulation via a Service Level Agreement
- All Jurisdictions to either adopt or mirror Rail Safety National Law (RSNL)

# The National Regulator

- ONRSR commenced on **20 January 2013**
- We are an **independent authority**, funded by industry and government
- Current regulatory oversight of rail operations in **NSW, Victoria, South Australia, Tasmania and Northern Territory**
- Head Office and Central Branch in Adelaide - branches in Sydney and Melbourne

# ONRSR so far

- Currently 110 staff in 5 locations
  - Adelaide, Sydney, Melbourne, Hobart and Darwin
- 145 separate accreditations become 95 accredited operators
- Over 100 National Policies, Processes and Procedures
  - Regulatory approval
  - Safety improvement policy
  - Compliance and enforcement policy

# Key functions of ONRSR

- **administer, audit and review** the accreditation regime under the *Rail Safety National Law* and Regulations
- **work with** rail transport operators, rail safety workers and others involved in railway operations **to improve rail safety** nationally
- **conduct** research, **collect and publish** information relating to rail safety



# Key functions of ONRSR

- **provide**, or facilitate the provision of, advice, **education and training** in relation to rail safety
- **monitor, investigate** and **enforce** compliance with the RSNL
- **engage in, promote** and **coordinate** the sharing of information to achieve the objects of the RSNL



# Co-regulation

- Rail safety regulation in Australia is administered under a co-regulatory framework
  - Regulation is shared between Government and regulated parties
- Underpinned by Rail Safety National Law
  - Set and monitored by Governments
  - Enforced by ONRSR as an independent authority



# Co-regulation

- Rail Safety National Law imposes a shared responsibility for safety on all parties
  - Rail transport operators
  - Rail safety workers
  - Other persons involved in the rail industry
  - ONRSR
  - The public

# Co-regulation

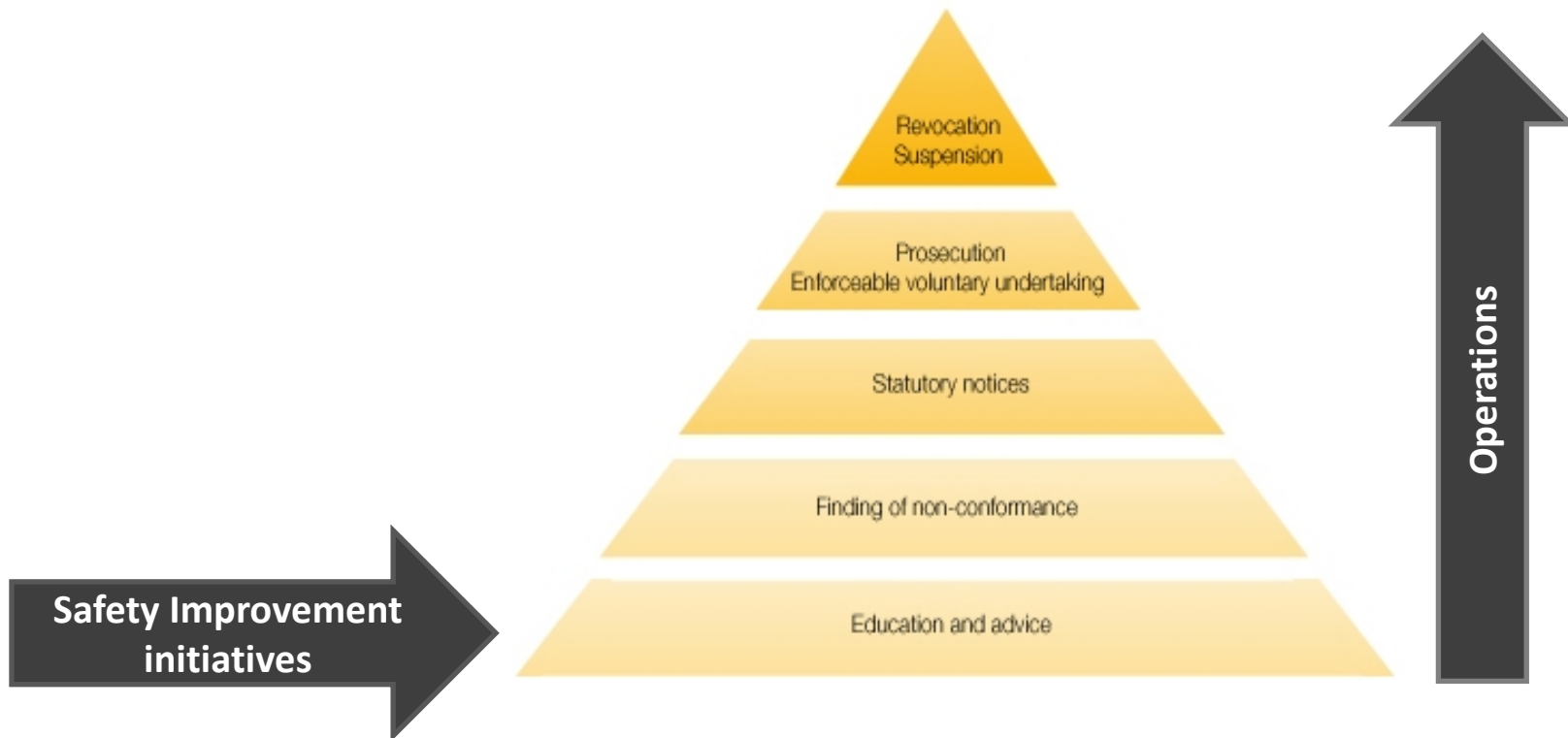
- Specific safety duties are imposed on those who have control over rail activities
  - Includes the primary duty imposed on rail transport operators **to ensure the safety of their railway operations so far as is reasonably practicable (SFAIRP)**

# Co-regulation

- ONRSR has a range of tools and powers to deliver its functions and ensure compliance with the law
  - Advice
  - Education and training
  - Guidelines, Fact sheets, Safety Alerts, Seminars,
  - Findings of non-conformance
  - Statutory Notices
  - Prosecution, Enforceable Voluntary Undertakings
  - Revocation or suspension of accreditation / registration

# Co-regulatory approach

ONRSR supports operators to deliver on their obligations and enforces the Law where this has failed



# Characteristics of 'innovation' projects

- Multi-disciplinary activity
- Complex contractual structures
- Intricate organisation structures
- Sophisticated funding models
- Risk mitigation through various contract arrangements

# ONRSR's facilitation of innovation

- ONRSR recognises there are multiple stakeholders that can influence safe outcomes
- Structures used by industry to deliver major projects are generally based on value for money drivers
- It is not appropriate or practical for ONRSR to mandate project delivery structures
  - ONRSR's role is to react appropriately to project delivery mechanisms to ensure the effective applications of Rail Safety National Law

# The regulatory challenges for ONRSR

- Ensuring the concept design minimises macro risk
- Identification of who holds effective management and control
- Demonstration of effective management and control
  - Identification of the accredited party/s
  - Ensure safety risk is appropriately managed

# The regulatory challenges for ONRSR

- Assuring safe outcomes
  - Confidence that safety risk is managed in a manner appropriate to the complexity of the project
  - The entity delivering the project has the competence and capacity to manage safety risk (*RSNL s65*)
  - Independent Safety Assessment
  - Good practice engineering safety management



# Project delivery

**There are multiple ways in which projects can structure delivery**

- Definitive guidance by ONRSR as to who should be accredited is problematic as each project is unique
- However, there is one common theme:-
  - Projects are ultimately delivered to a Rollingstock Operator or Rail Infrastructure Manager, that is, a Rail Transport Operator (RTO)

# Project delivery

- In ONRSR's experience, there is merit in a delivery model that has the operator or infrastructure manager RTO as the accredited entity
  - This supports the management of safety risk in a manner consistent with how the assets will be used through their service life

# Project delivery

- The actual RTO may not be known at concept and design
  - Some major projects adopt a “shadow operator” concept
  - The project develops with focused input on operations and maintenance needs
  - A “shadow operator” assists the project in assuring itself that the safety risks in operations and maintenance are being addressed

# What does RSNL require on Asset Management?

Rail Safety National Law (**RSNL**) specifically requires all accredited Rail Transport Operators, as part of a Safety Management System to have:

- *An asset management policy and processes that address all phases of the asset lifecycle of the rail infrastructure or rollingstock operations*

(National Regs, Schedule 1, cl 21)

# What we look for in an AM system



Assurance that rail infrastructure and rolling stock assets are **systematically** managed in a way that promotes **risk based** safe railway operations and complies with the *RSNL*

Trending against the life expectancy, with a **clear decision point for renewal** and the **provisions** for this renewal



Sufficient detail in the SMS, including records of risk management, that **address the risks across this lifecycle**

# References

## Guidelines

- Regulatory Approach
- Meaning of duty to reduce risk SFAIRP
- Preparation of a rail SMS
- Effective control and management of railway operations

## Policies

- Compliance and Enforcement Policy
- Safety Improvement Policy

**[www.onrsr.com.au](http://www.onrsr.com.au)**



# Advice on regulatory requirements

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