

2005/2006 NSW Lease Annual Condition Report

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Executive Summary

In accordance with the lease this document presents the Annual Condition Report for NSW Lease Assets. This second report covers the period July 2005 to June 2006. September 2004 being the commencement of the lease.

(a) Material Changes in Condition

There have been no adverse changes in the general condition of the Land, the Infrastructure and the ARTC Infrastructure during the period covered by this Annual Condition Report.

(b) Performance against KPI

Total Transit Time Delay, by KPI region, by month (Schedule 7, CI 2.2(a))

The final Annual Limit was met for the KPI Network for all train categories excluding the following:

- West KPI Region - XPT
- Hunter - XPT

Force Majeure incidents, including a derailment and washaways due to heavy rain, increased transit time delays in the West; removing the effect of these events would have brought the actual performance below the KPI limit.

The KPI limit for the Hunter was exceeded due to a higher level of maintenance works, which were completed in October. The average for the remainder of the year was below the KPI limit.

Five Year Rolling Average of Total Transit Time Delay (Schedule 7, CI 2.2(b))

As this is only the second year of the lease, the Five Year Rolling Average of Total Transit Time Delay will not yet be reported.

Track Geometry (Schedule 7, CI 2.2(c))

No Geometry measures for Top, Twist, Line and Gauge exceeded the agreed Annual Limits, calculated as per Schedule 7, section 4.1 and 4.2.

As this is only the second year of the lease, the Five Year Rolling Average of the Track Geometry measures will not yet be reported.

Three-Year Rolling Average of Large Rail Defects (Schedule 7, CI 2.2(d))

The Three-Year Rolling Average for Large Rail Defects was 34.3. This is within the limit of 48.86, calculated as per Schedule 7, section 11.4

New Sleepers on KPI Network, excluding the Hunter Valley (Schedule 7, CI 2.2(e))

A total of 200,262 sleepers (Wood – 181,872; Steel – 6,768; Concrete – 11,622; Other - 0) were installed during the reporting period. The Network including the sleepers replaced, now consists of Wood 67.3%, Steel 11.0%, Concrete 21.7% and Other 0.0%.

Bridges (Schedule 7, CI 2.2(f))

5 steel bridges totalling 28.0m have been replaced with 5 concrete culverts totalling 47.2m during the reporting period. This has resulted in a net change to the bridge type and length, from the original list supplied at the date of commencement of the lease.

Currently 5 Bridges are under restriction, which is below the Bridge Limit of 20

Signals (Schedule 7, CI 2.2(g))

The total number of signal failures on the KPI network for each month has been provided.

Percentage of Healthy Trains Achieving On-Time Exit, by month (Schedule 7, CI 2.2(h))

As required by clause 5.2, ARTC has measured the full journey performance of services on the ARTC network (including the NSW Lease network).

The measurement of ARTC's service reliability has been calculated to reflect -

1. the full journey performance of all services (including performance on the CRN network); and
2. the full journey performance of all services (excluding those originating or terminating on the CRN Network)

The YTD Monthly Average % of Healthy Services Achieving On-time Exit (July 2005 – June 2006) is:

1. 94.2% (including CRN Network performance) against a Service Reliability limit of 91.6%. This limit is calculated as per lease schedule 7.3 (a) 'Service Reliability Limit' as being the monthly average of Percentage of Healthy Trains Achieving on Time Exit for the year ending 12 months after the lease commencement date (September 2004 to August 2005).
2. 95.5% (excluding CRN Network originating/terminating services) against a Service Reliability limit of 94.0%. As above, the limit is calculated as per lease schedule 7.3 (a) 'Service Reliability Limit'.

Maximum allowable speed and axle load combinations applying to the KPI Network (Schedule 7, CI 2.2(i))

Since the commencement of the Lease there has been no change in the maximum allowable speed and axle load combination on the KPI network.

Permitted Permanent Speed Restrictions (Schedule 7, CI 2.2(j))

No new Permanent Speed restrictions were added between July 2005 and June 2006.

(c) Register of ARTC Infrastructure

Building Works

During the reporting period, a total of \$4,049,498 of Building Works was commenced of which \$183,500 has been completed and the balance is substantially completed.

Infrastructure Investment Programme and Major Works

A total of \$83,518,000 was invested on the Major Works Investment Program during the reporting period. The following Projects are included in the total spend and were commenced during the period covered by this report;

- North Coast Improvement Works
- Main South Improvement Works
- Hunter Valley Improvement Works
- Train Control Consolidation

A total of \$141,128,000 has been invested in Corridor Works (including RCRM, MPM and Corridor Capital Works) during the reporting period.

A further \$1,123,978,000 will be invested on Major Works in future years.

Summary of Major Works Investment and Corridor MPM & Capital since lease commencement			
	2004 / 05 (from Lease Commencement Date)	2005/06	Total
Major Works Investment	\$5,695,500	\$83,518,000	\$89,213,500
Corridor MPM & Capital	\$58,869,000	\$97,234,000	\$156,103,000
Total	\$64,564,500	\$180,752,000	\$245,316,500

1. Material Changes in Condition


There have been no adverse changes in the general condition of the Land, the Infrastructure and the ARTC Infrastructure during the period covered by this Annual Condition Report.

2. Performance Against KPI's.

(a) Total Transit Time Delay, by KPI Region, by month

This section deals with transit time reporting as required under Schedule 7, section 2.2(a) of the lease. The information has been presented in two tables. The first table includes all Temporary Speed Restrictions. The second table excludes abnormal events identified as Force Majeure and Increased Maintenance.


Including Force Majeure and Increased Maintenance Events															
Category	Jul-2005	Aug-2005	Sep-2005	Oct-2005	Nov-2005	Dec-2005	Jan-2006	Feb-2006	Mar-2006	Apr-2006	May-2006	Jun-2006	Previous Report Period Avg 04/05 (excl Force Majeure)	Report Period Avg 05/06	Annual Limit*
Hunter Valley															
Freight	21.3	25.1	10.5	13.4	0.0	0.0	2.4	9.1	0.8	0.8	0.8	5.1	9.6	7.4	12.2*
Super Freight	28.3	35.0	11.8	16.2	0.0	0.0	4.1	16.2	2.0	2.0	2.0	9.7	17.3	10.6	21.6*
XPT	16.8	18.9	9.2	11.4	0.0	0.0	0.0	4.2	0.0	0.0	0.0	1.9	5.8	5.2	3.7*
North Coast															
Freight	18.4	23.5	12.1	14.7	13.2	8.9	6.5	8.7	10.7	11.2	12.7	5.9	20.7	12.2	42.6*
Super Freight	30.5	36.4	21.2	25.2	22.8	15.7	15.4	16.7	21.4	21.7	22.7	12.6	33.3	21.9	68.1*
XPT	11.3	14.0	7.4	8.7	8.3	5.7	5.9	6.0	8.0	8.3	7.9	5.0	12.0	8.1	21.0*
South															
Freight	6.3	6.9	5.2	5.2	6.2	9.0	35.0	13.1	17.0	10.6	8.4	14.0	12.6	11.4	16.4*
Super Freight	10.2	11.3	9.4	15.9	16.0	16.6	55.6	28.1	33.7	22.3	14.9	20.6	23.0	21.2	30.5*
XPT	2.9	2.3	2.6	9.5	8.4	7.8	33.2	11.0	16.6	10.9	5.4	3.9	8.0	9.5	10.1*
West															
Freight	0.4	0.4	7.5	9.2	17.6	3.8	29.4	32.6	42.7	47.6	29.3	30.1	23.5	20.9	27.0*
Super Freight	5.7	1.5	14.6	24.4	33.8	11.8	60.5	65.1	86.4	93.9	55.0	57.0	49.7	42.5	45.2*
XPT	3.9	0.5	0.2	13.7	26.1	7.5	18.2	17.8	33.6	41.5	20.7	20.1	15.7	17.0	14.6*
Totals															
Freight	46.4	55.9	35.3	42.5	36.9	21.7	73.3	63.4	71.2	70.2	51.2	55.1	66.3	51.9	98.1*
Super Freight	74.7	84.2	57.1	81.7	72.6	44.1	135.6	126.1	143.5	140.0	94.6	100.0	123.3	96.2	165.4*
XPT	35.0	35.8	19.4	43.3	42.8	21.0	57.3	38.9	58.2	60.7	34.0	30.9	41.5	39.8	49.4*

 Indicates months that have been affected by a Force Majeure & Increased Maintenance Event

* Final Annual Limit as agreed between ARTC and RIC.

Excluding Force Majeure and Increased Maintenance Events

Category	Jul-2005	Aug-2005	Sep-2005	Oct-2005	Nov-2005	Dec-2005	Jan-2006	Feb-2006	Mar-2006	Apr-2006	May-2006	Jun-2006	Previous Report Period Avg 04/05 (excl Force Majeure)	Report Period Avg 05/06	Annual Limit*
Hunter Valley															
Freight	21.3	25.1	10.5	13.4	0.0	0.0	2.4	9.1	0.8	0.8	0.8	5.1	9.6	7.4	12.2*
Super Freight	28.3	35.0	11.8	16.2	0.0	0.0	4.1	16.2	2.0	2.0	2.0	9.7	17.3	10.6	21.6*
XPT	16.8	18.9	9.2	11.4	0.0	0.0	0.0	4.2	0.0	0.0	0.0	1.9	5.8	5.2	3.7*
North Coast															
Freight	18.4	23.5	12.1	14.7	13.2	8.9	6.5	8.7	10.7	11.2	12.7	5.9	20.7	12.2	42.6*
Super Freight	30.5	36.4	21.2	25.2	22.8	15.7	15.4	16.7	21.4	21.7	22.7	12.6	33.3	21.9	68.1*
XPT	11.3	14.0	7.4	8.7	8.3	5.7	5.9	6.0	8.0	8.3	7.9	5.0	12.0	8.1	21.0*
South															
Freight	6.3	6.9	5.2	5.2	6.2	9.0	35.0	13.1	17.0	10.6	8.4	14.0	12.6	11.4	16.4*
Super Freight	10.2	11.3	9.4	15.9	16.0	16.6	55.6	28.1	33.7	22.3	14.9	20.6	23.0	21.2	30.5*
XPT	2.9	2.3	2.6	9.5	8.4	7.8	33.2	11.0	16.6	10.9	5.4	3.9	8.0	9.5	10.1*
West															
Freight	0.4	0.4	7.5	5.2	5.3	3.8	29.4	32.6	42.7	43.2	23.0	19.9	23.5	17.8	27.0*
Super Freight	5.7	1.5	14.6	11.4	17.9	11.8	60.5	65.1	86.4	84.0	42.3	37.0	49.7	36.5	45.2*
XPT	3.9	0.5	0.2	0.6	11.5	7.5	18.2	17.8	33.6	37.3	14.3	6.3	15.7	12.6	14.6*
Totals															
Freight	46.4	55.9	35.3	38.6	24.7	21.7	73.3	63.4	71.2	65.8	44.9	44.9	66.3	48.8	98.1*
Super Freight	74.7	84.2	57.1	68.7	56.6	44.1	135.6	126.1	143.5	130.1	81.9	80.0	123.3	90.2	165.4*
XPT	35.0	35.8	19.4	30.1	28.2	21.0	57.3	38.9	58.2	56.6	27.7	17.0	41.5	35.4	49.4*

 Indicates months that have been affected by a Force Majeure & Increased Maintenance Event

* Final Annual Limit as agreed between ARTC and RIC.

The Final Annual Limit (as agreed between ARTC and RIC), has been met for the KPI Network for all categories of train excluding the West KPI Region for the XPT category and the Hunter Valley KPI Region for the XPT category.

The recorded time loss in the XPT category in the West was high due to:

- Force Majeure events including a derailment and washaways due to heavy rain between Parkes and Broken Hill, and;
- Increased Maintenance events relating to the removal of steel sleeper clumps.

Removal of the Force Majeure and Increased Maintenance Events brings the XPT category on the West under the limit.

The XPT KPI limit for the Hunter was exceeded due to maintenance works of concrete re-sleepering and rerailling on the Dartbrook to Werris Creek section, which were completed in October. The average for the remainder of the year was below the KPI limit.

(b) Five Year Rolling Average of Total Transit Time Delay

As this is only the second year of the lease, the Five Year Rolling Average of Total Transit Time Delay will not yet be reported. This will be reported in later years as data is accumulated.

(c) Track Geometry

i. Geometry Values

No geometry measures exceeded the agreed Annual Limits, and track geometry improved in 12 of the 16 measures during 05/06.

South

Region	Measure	Annual Limit *	04/05	05/06	05/06 vs Annual Limit
South	Top	8.5504 *	7.7682	7.0933	TARGET MET
	Twist	7.8371 *	7.4473	7.1545	TARGET MET
	Line	10.1960 *	9.2884	8.3114	TARGET MET
	Gauge	6.4821 *	6.0684	6.0145	TARGET MET

North Coast

Region	Measure	Annual Limit *	04/05	05/06	05/06 vs Annual Limit
North	Top	7.0430 *	5.7903	5.1161	TARGET MET
	Twist	7.5391 *	6.3827	6.0237	TARGET MET
	Line	13.5179 *	11.7863	11.1522	TARGET MET
	Gauge	6.8926 *	6.7251	6.6172	TARGET MET

West

Region	Measure	Annual Limit *	04/05	05/06	05/06 vs Annual Limit
West	Top	9.0984 *	8.9812	8.4293	TARGET MET
	Twist	8.1502 *	7.7851	7.9347	TARGET MET
	Line	8.3132 *	7.7921	5.8495	TARGET MET
	Gauge	5.8283 *	4.5607	4.6174	TARGET MET

Inland Route

Region	Measure	Annual Limit *	04/05	05/06	05/06 vs Annual Limit
Inland	Top	9.9844 *	8.9850	8.1528	TARGET MET
	Twist	9.3019 *	8.7726	8.6672	TARGET MET
	Line	10.7865 *	8.9921	8.2608	TARGET MET
	Gauge	6.4624 *	5.8621	5.9684	TARGET MET

*Final Annual Limit as agreed between ARTC and RIC.

ii. **Five Year Rolling Average for each Top Value, Line Value, Twist Value, and Gauge Value.**

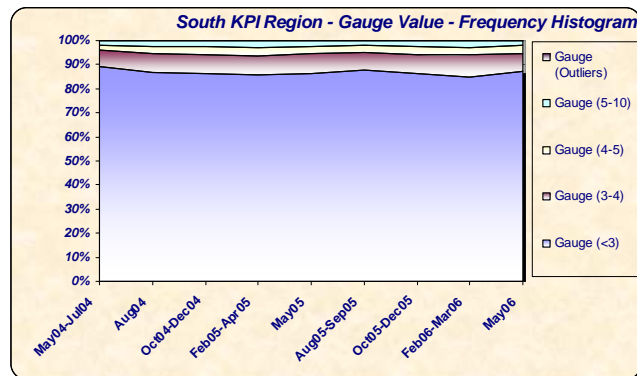
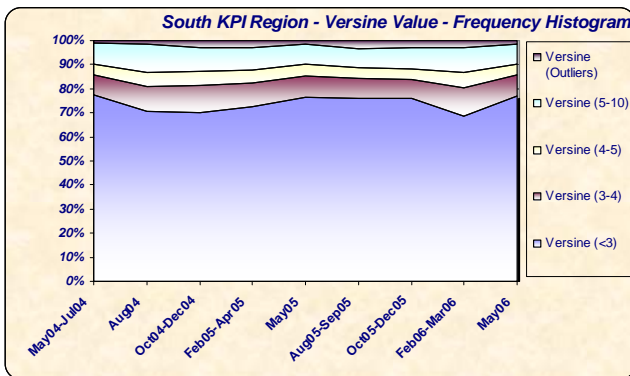
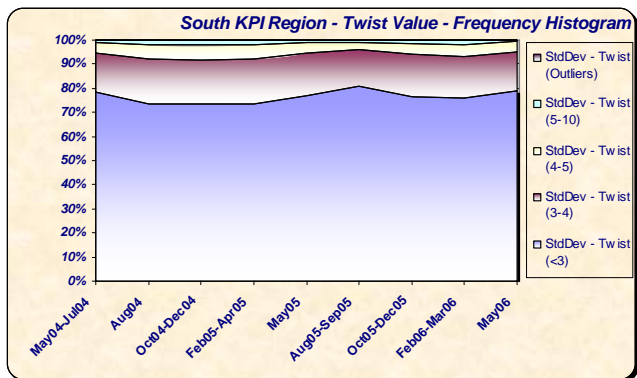
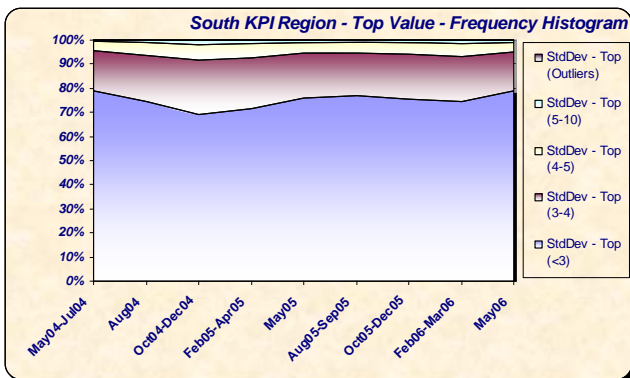
As this is only the second year of the lease, the Five Year Rolling Average of Track Geometry will not yet be reported. This will be reported in later years as data is accumulated.

iii. **Trending Graphs**

The trending graphs consist of all geometry readings taken for a KPI region up to 30 June 2006. A rising slope in the graph shows an improvement in track geometry.

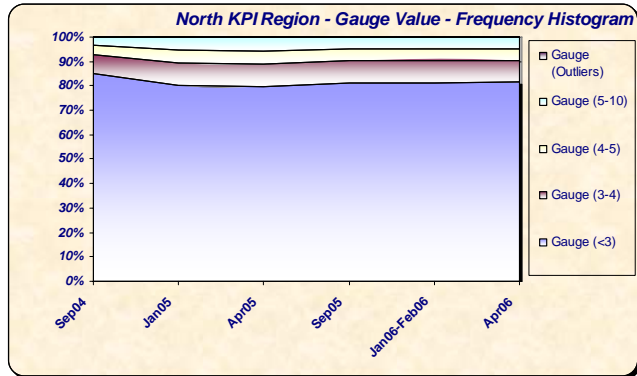
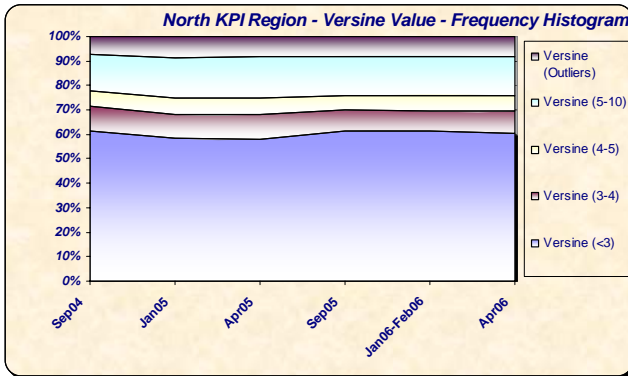
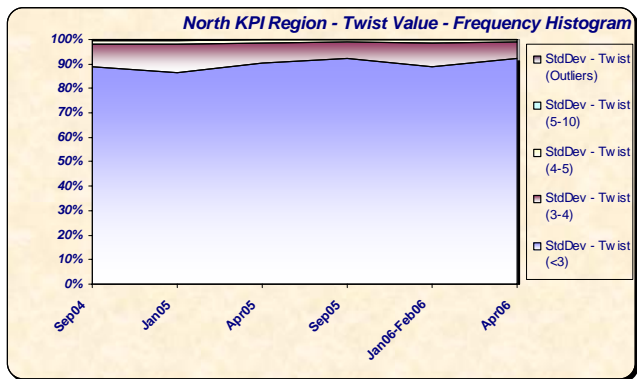
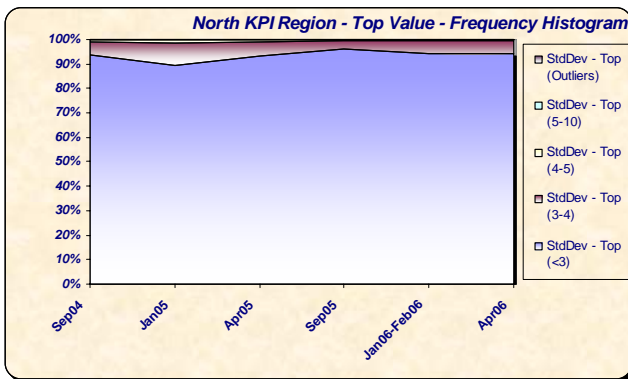
South (July 2005 to June 2006)

South (May 06)	StdDev <3	StdDev 3-4	StdDev 4-5	StdDev 5-10	StdDev Outliers
Top	78.69%	16.22%	4.30%	0.79%	0.00%
Twist	78.93%	16.41%	3.93%	0.73%	0.00%
Versine	77.19%	8.36%	4.46%	8.69%	1.30%
Gauge	87.02%	7.57%	3.05%	2.18%	0.00%



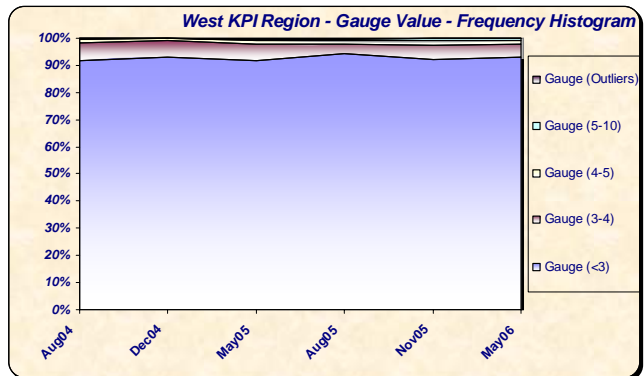
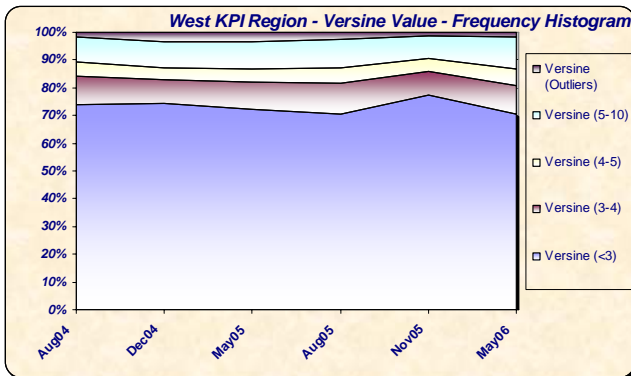
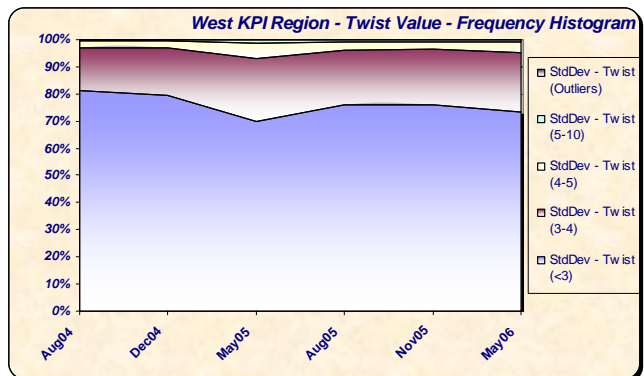
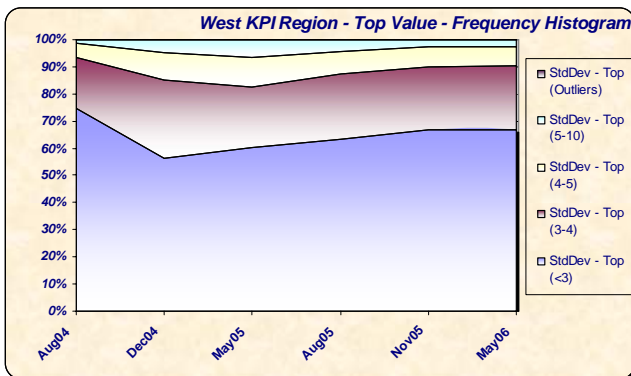
North Coast (July 2005 to June 2006)

North Coast (Apr 06)	StdDev <3	StdDev 3-4	StdDev 4-5	StdDev 5-10	StdDev Outliers
Top	94.29%	5.01%	0.58%	0.12%	0.00%
Twist	92.06%	6.84%	0.92%	0.18%	0.00%
Versine	60.49%	8.91%	6.29%	16.07%	8.25%
Gauge	81.48%	9.01%	4.83%	4.63%	0.04%



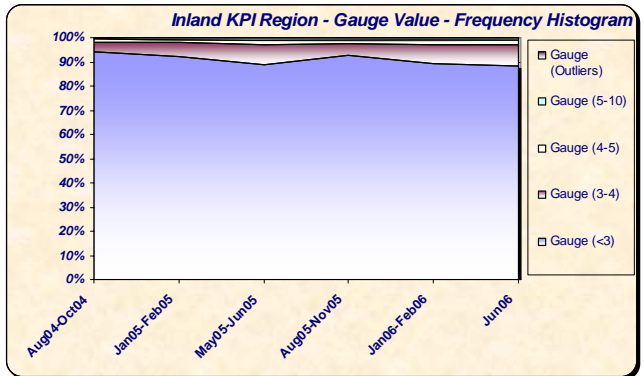
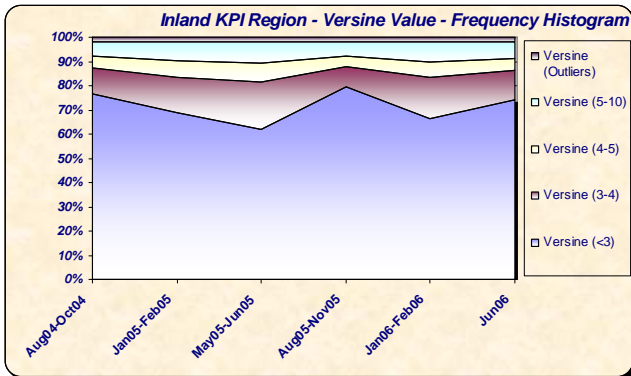
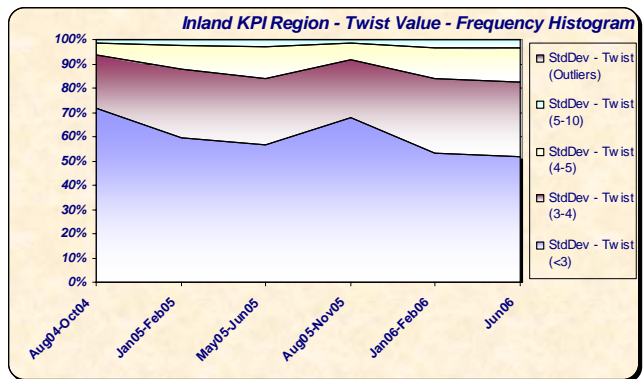
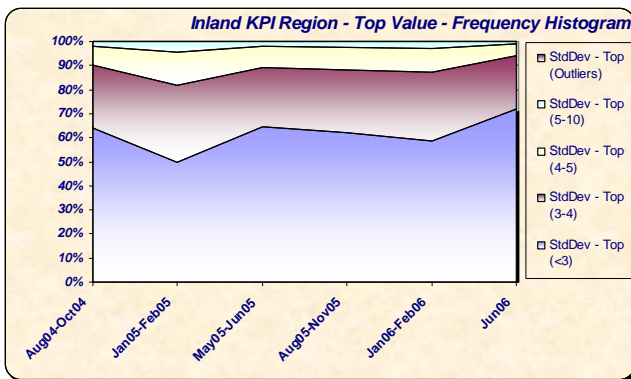
West (July 2005 to June 2006)

West (May 06)	StdDev <3	StdDev 3-4	StdDev 4-5	StdDev 5-10	StdDev Outliers
Top	66.87%	23.38%	7.22%	2.54%	0.00%
Twist	73.29%	21.76%	3.93%	1.00%	0.01%
Versine	70.61%	10.37%	5.86%	11.60%	1.57%
Gauge	93.15%	4.77%	1.16%	0.91%	0.00%



Inland Route (July 2005 to June 2006)

Inland (June 2006)	StdDev <3	StdDev 3-4	StdDev 4-5	StdDev 5-10	StdDev Outliers
Top	71.82%	22.03%	5.27%	0.88%	0.00%
Twist	51.83%	30.85%	14.04%	3.26%	0.02%
Versine	74.20%	12.15%	4.88%	6.91%	1.86%
Gauge	88.36%	8.55%	2.01%	1.05%	0.02%



(d) Three-Year Rolling Average of Large Rail Defects

Large Rail Defects

Shown below is the Three –Year Rolling Average of Large Rail Defects occurring on the four KPI regions. All years record the non-Vertical and Vertical Split Head defects. The large rail defect limit of 48.86 (as per correspondence of October 2005) was not exceeded

	2002/2003	2003/2004	2004/2005	2005/2006	3 Year Rolling Average
Inland	4	1	1	4	2
North	38	4	9	11	8
South	25	22	25	18	21.7
West	8	7	0	1	2.7
Total	75	34	35	34	34.3

The three year rolling average has reduced from 48 in 2004/2005 to 34.3 in 2005/2006

(e) Cumulative Number of Sleepers replaced

i. New Sleepers installed on the four regions of the KPI Network

	04/05	05/06
Wood	49678	181872
Steel	2618	6768
Concrete	532	11622
Other	0	0

ii. Sleeper Type on the four regions of the KPI Network on the last day of the ACR period (including sleepers replaced during the reporting period)

	04/05	05/06
Wood	67.4%	67.3%
Steel	11.1%	11.0%
Concrete	21.5%	21.7%
Other	0.0%	0.0%

(f) Bridges

i. Length of Bridges Replaced during Annual Condition Reporting period

5 steel bridges totalling 28.0m have been replaced with 5 concrete culverts totalling 47.2m during the reporting period. This has resulted in a net change to the bridge type and length, from the original list supplied at the date of commencement of the lease.

ii. Percentage of Bridges for which repair work warrants a Temporary Speed Restriction, or a reduction in permitted axle load on the last day of the ACR period.

Temporary Speed Restrictions are applied to 5 Bridges, well below the Bridge Limit of 20.

Wagga Wagga remains load restricted for steel wagons. This was not included in the historical limits and hence is not included in the Bridge Limit

Number of Speed Restricted Bridges					
	04/05 Total Length(m)	04/05 No of Bridges:	05/06 Total Length(m)	05/06 No of Bridges:	% of Bridges:
Wood	0m	0	0m	0	0.00%
Iron	145.2m	1	145.2m	1	25.00%
Masonry	0m	0	0m	0	0.00%
Steel	496.8m	3	668.92m	4*	1.15%
Concrete	0m	0	0m	0	0.00%
Other (incl. brick)	0m	0	0m	0	0.00%
Total	642.0m	4	814.12m	5	0.63%

*The numbers have been revised to include the Bellinger River bridge which was missed in the 04/05 report.

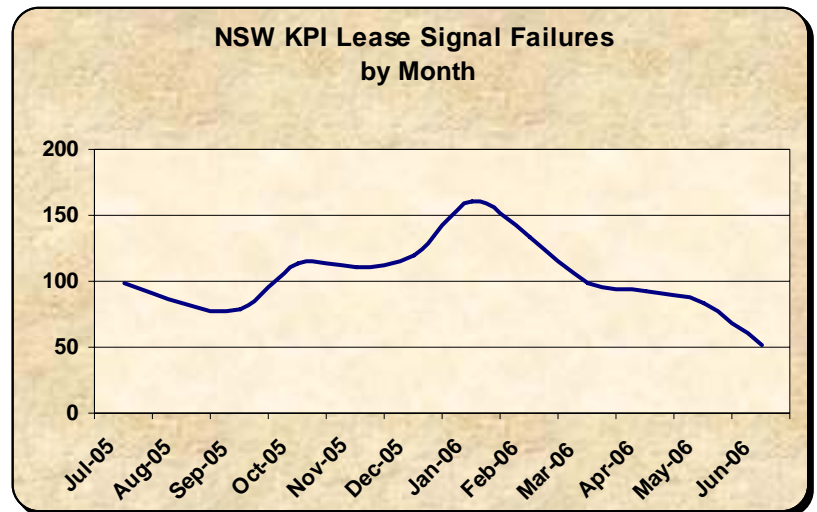
iii. Bridge Type on the entire KPI Network on the last day of the ACR period.

Summary of KPI Network Bridge Types				
	04/05 Total Length(m)	04/05 No of Bridges:	05/06 Total Length(m)	05/06 No of Bridges:
Wood	264.65	17	264.65	17
Iron	460.52	4	460.52	4
Masonry	54.85	1	54.85	1
Steel	17233.37	347	17205.37	342
Concrete	4582.75	405	4629.95	410
Other (incl. brick)	946.63	24	946.63	24
Total	23542.77	798	23561.97	798

(g) Signal failures, by month

i. Total signal failures per month for the KPI Network (excluding level crossings)

	04/05	05/06
July	-	98
Aug	-	84
Sept	45	79
Oct	95	114
Nov	97	111
Dec	142	120
Jan	128	160
Feb	84	133
Mar	65	98
Apr	53	92
May	82	84
Jun	65	52



(h) Percentage of Healthy Trains Achieving On-Time Exit, on the KPI Network, by month

i. Scope of Measured Services (5.1)

- Application of this clause 5 will be to all Trains that are contracted to a scheduled train path and which pass across a part of the KPI Network.
All scheduled ARTC services which pass across a part of the KPI Network, (ie the South, West, Inland route and North Coast regions) have been included in the report.
- Trains contracted to a scheduled train path are those that have a network entry and exit location and time specified in an Access Agreement.
ARTC contracted scheduled services that have a network entry/exit location and time specified have been included in the report.
- Trains operating under cyclic arrangements such as those carrying coal are not subject to the application of this measure.
The cyclical services referred to in clause 5.1 (c) have been excluded from the measurement.

ii. Measurement and Calculation (5.2)

- (a) For each month, ARTC will, in accordance with clause 5.2(b), identify Trains as a Healthy Train or otherwise, and Healthy Trains as achieving On Time exit or otherwise. ARTC will calculate Percentage of Healthy Trains Achieving On Time Exit in accordance with clause 5.2(f) of this Schedule 7.
Refer to the Graphs below.
- A "**Healthy Train**" means a Train that, having regard to the Daily Train Plan applicable on the day:
 - presents to the ARTC network On Time, is configured to operate to its schedule and operates in a way that it remains able to maintain its schedule;
 - or
 - is running late only due to causes within the ARTC network but only where the root cause is not due to:
 - any act or omission of an Access Purchaser; or
 - any defect, breakdown or other failure of any Train or Rolling Stock; or
 - is running On Time, regardless of previous delays.

The services measured meet the criteria of a Healthy Train service as per clause 5.2 (b).

- **"On Time"** means scheduled time at a location including a fifteen minute tolerance.
On-time performance for all services measured are in accordance with the definition of 'On-time'
- Measurement will be undertaken using ARTC's access management system.
The services measured have been calculated using ARTC's access management system
- The identification of a Train as a Healthy Train or otherwise, and the identification of a Healthy Train as achieving On Time Exit will be made having regard to performance with respect to a scheduled train path as it exists over the whole of the ARTC network, including that subject to this Deed. As such, exit performance of a Train will be measured at the location where the Train exits the ARTC network, including that subject to this Deed.
*As defined by clause 5.2 (e), ARTC has measured the full journey performance of services on the ARTC network (incl the NSW Lease network).
For example, a Sydney – Melbourne service is considered to exit the ARTC Network at Dynon and conversely will enter the ARTC Network at Dynon for Melbourne – Sydney services.*

The graphs below illustrate the KPI performance for July 2005 – June 2006.

Graph 1: shows the full journey performance of all services (including performance on the CRN network),

Graph 2: shows the full journey performance of all services (excluding those originating or terminating on the CRN Network)

- **(b) "Percentage of Healthy Trains Achieving On-Time Exit"** for a month will be calculated as:

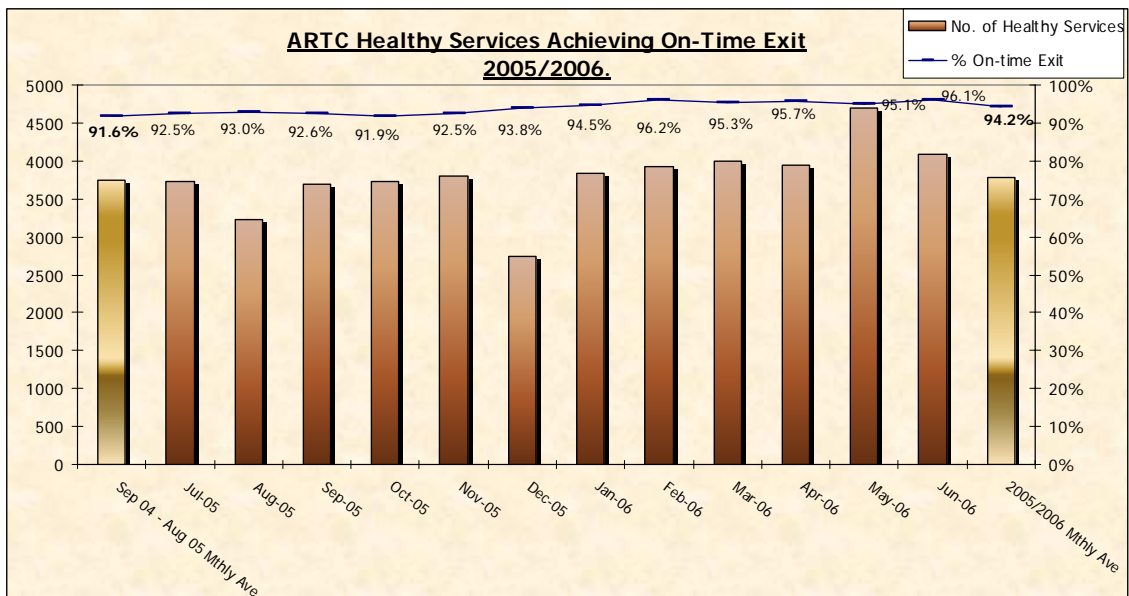
$$\frac{\text{Number of Healthy Trains achieving On Time exit for a month}}{\text{Number of Healthy Trains for a month.}} \times 100$$

The % of Healthy Services achieving On-time Exit has been calculated in line with the above formula.

- The parties acknowledge that definition of Healthy Train in this clause 5 is intended to be consistent the definition of Healthy Train as contemplated in Access Agreements. If there is a material change in the definition of Healthy Train as contemplated in Access Agreements, ARTC and the Lessor will review the definition of Healthy Train in this clause 5.
There has been no change to the definition of a Healthy Service as contemplated in clause 5 of the Access Agreement.

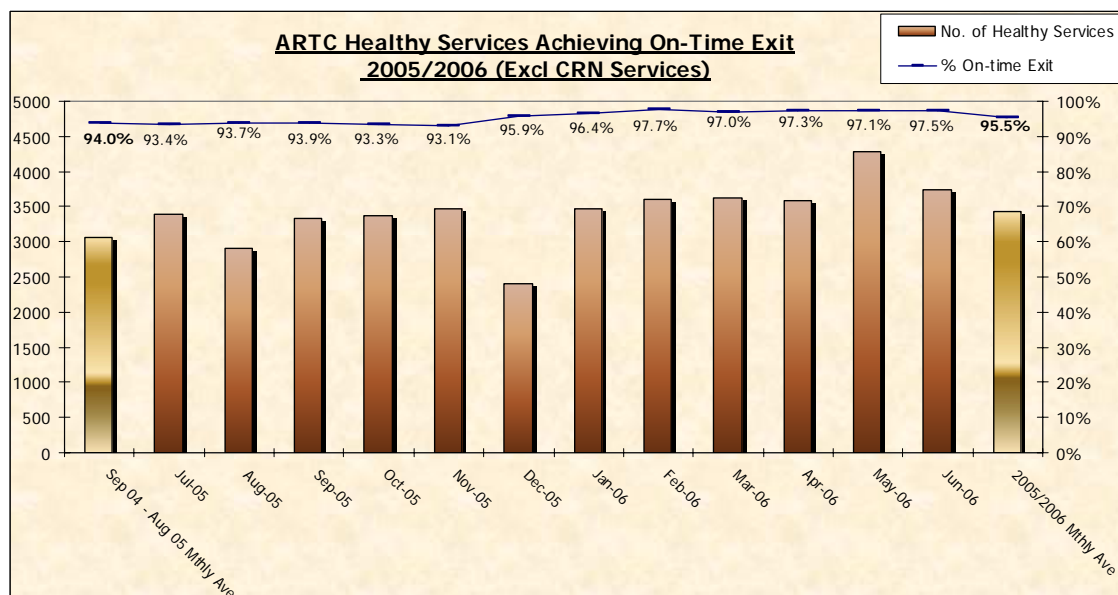
The first complete month of CityRail Southern Highlands passenger services included in the on time exit of healthy services calculation was December 2005.

Graph 1 - All Healthy Services with an On-time Exit (including CRN Network performance):



The monthly average including CRN services for 05/06 of 94.2% exceeds the Service Reliability limit of 91.6%. The limit is calculated as per lease schedule 7.3 (a) 'Service Reliability Limit as being the monthly average of Percentage of Healthy Trains Achieving on Time Exit for the year ending 12 months after the lease commencement date (September 2004 to August 2005).

Graph 2 - All Healthy Services with an On-time Exit (excluding CRN Network originating/terminating services):



The monthly average excluding CRN services for 05/06 of 95.5% exceeds the Service Reliability limit of 94.0%. The limit is calculated as per lease schedule 7.3 (a) 'Service Reliability Limit' as being the monthly average of Percentage of Healthy Trains Achieving on Time Exit for the year ending 12 months after the lease commencement date (September 2004 to August 2005).

(i) Maximum allowable speed and axle load combination applying on the KPI Network

As per lease schedule 2.1 (d) (ii), the maximum allowable speed and axle load combinations applying from the lease commencement date to five years after the commencement date are to be not less than that at commencement date.

The table below describes the maximum allowable speed and axle load combination on the KPI network as at the final business day of the reporting period.

KPI Region	Segment	General Freight	Super Freighter	XPT
Inland Route	Werris Creek to The Gap	80kph @ 23 TAL	115kph @ 19.5 TAL	160kph @ 19 TAL
North Coast	Maitland to Qld Border	80kph @ 23 TAL	115kph @ 19.5 TAL	160kph @ 19 TAL
South	Macarthur to Albury	80kph @ 23 TAL	115kph @ 19.5 TAL	160kph @ 19 TAL
South	Moss Vale to Unanderra	80kph @ 23 TAL	115kph @ 19.5 TAL	NA
West	Parkes (Goobang) to Broken Hill	80kph @ 23 TAL	115kph @ 21 TAL	145kph @ 19 TAL
West	Cootamundra to Stockinbingal, Stockinbingal to Parkes (Goobang)	80kph @ 21 TAL	100kph @ 19.5 TAL	NA
Inland Route	Parkes (Goobang) to Narromine Narromine to Dubbo Dubbo to Merrygoen Gulgong to Merrygoen	80kph @ 21 TAL	100kph @ 19.5 TAL	NA
Inland Route	Merrygoen to Binnaway Binnaway to The Gap	80kph @ 21 TAL	100kph @ 19.5 TAL	100kph @ 19 TAL

Maximum allowable speed and axle load combinations for the KPI network are not less than that as at the commencement date.

(j) Permitted Permanent Speed Restrictions

No New Permanent Speed restrictions were added or removed between July 2005 and June 2006.

3. Register of ARTC Infrastructure.

(a) Building Works added to Assets Register during 2005/06

Location	Asset No	Asset	Cost
Casino - Grafton	0007799	Shed	\$16,828
Casino - Grafton	0007800	Building	\$2,727
Maitland - Telarah	0007801	Slab concrete	\$10,040
Casino Prov Centre	0007802	Buldings	\$31,035
Maitland - Telarah	0007816	asphalt	\$7,427
Casino - Grafton	0007818	Slab concrete	\$73,818
Coffs Harbour Prov Centre	0007824	painting of institute build	\$4,297
Coffs Harbour Prov Centre	0007829	Painting coffs harbour depot	\$5,142
Coffs Harbour Prov Centre	0007830	Sewer repairs	\$507
Coffs Harbour Prov Centre	0007834	Carpets in coffs harbour	\$3,172
Taree Provisioning Centre	0007851	Slab	\$13,636
Coffs Harbour Prov Centre	0007857	Glass security grills	\$1,089
Coffs Harbour Prov Centre	0007866	Asphalt surfacing Coffs Harbour Yard	\$18,100
Goulburn		New Provisioning Centre	\$200,000
Broken Hill		New Provisioning Centre	\$100,000
Newcastle		New Provisioning Centre	\$550,000
Muswellbrook		New Provisioning Centre	\$15,000
Wagga Wagga		New Provisioning Centre	\$1,800,000
Coffs Harbour Prov Centre	0008045	Security Equipment - checked/ tested and reported.	\$1,471
Taree Provisioning Centre	0008046	Plumbing Female Toilets Taree	\$5,606
Casino - Grafton	0008047	Asphalt Surface Upgrade - Grafton depot	\$13,050
Casino - Grafton	0008048	Asphalt Yard - Grafton Depot	\$45,000
Casino - Grafton	0008050	Shed Repairs and upgrades - Grafton	\$2,425



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Casino - Grafton	0008051	Upgrade side of building - Grafton	\$7,472
Casino - Grafton	0008052	Concrete 150mm thick, F72 mesh, 25mpa	\$8,500
Coffs Harbour Prov Centre	0008054	Complex - manufacture and deliver, one 13.8*10.5m complex	\$99,785
Casino - Grafton	0008061	Storage shed - 10*36*4.5m, Open front, BHP Colour Bond	\$45,420
Casino - Grafton	0008066	Ranbuild Shed / Modification to ARTC Shed	\$16,746
Coffs Harbour Prov Centre	0008067	Industrial Roller Door, Solid Core entrance door, new panels	\$3,995
Taree Provisioning Centre	0008070	Office Alterations and Additions - Taree	\$80,550
Casino Prov Centre	0008073	Asphalt laying and Road Preparation	\$20,662
Casino Prov Centre	0008074	Asphalt laying - New Entrance and Turning area	\$14,365
Coffs Harbour Prov Centre	0008075	Concreting for new shed - Coffs Yard	\$27,123
Coffs Harbour Prov Centre	0008079	Submains - 16mm Three Phase Neutral and Earth Submains	\$1,540
Coffs Harbour Prov Centre	0008086	Asphalt Surfacing to maintenance Yard	\$18,100
Casino Prov Centre	0008136	Internal Office Renovations	\$13,383
Coffs Harbour Prov Centre	0008137	Roofing - Removal and replacement of Asbestos	\$10,901
Coffs Harbour Prov Centre	0008141	Plumbing (new gang shed at Coffs)	\$2,800
Taree Provisioning Centre	0008142	Shed (Taree Provisioning Centre)	\$13,427
Casino Prov Centre	0008143	Fencing and Gates (Casino Depot)	\$6,586
Casino - Grafton	0008144	Refurbish Grafton Offices	\$4,500
Coffs Harbour Prov Centre	0008145	Refurbish Coffs Harbour Offices	\$8,975
Parkes Prov Centre	0008257	Shed - 12500mm wide* 27285mm long* 4000mm High	\$26,163
Taree Provisioning Centre	0008259	Carpet Imperial 006	\$2,245



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		Honey - Supply and lay 2m wide	
Casino Prov Centre	0008265	Building Extension - Supply and erect covered area to existing building	\$20,454
Taree Provisioning Centre	0008378	Gliderol Roller Door 4000 x 3650 Woodland Grey	\$1,426
Taree Provisioning Centre	0008516	FINAL PAYMENT FOR BUILDING RENOVATIONS AT TAREE DEPOT	\$8,950
Yass-Demondrille	0008604	Bowning Station Master's Residence Upgrade	\$56,028
Junee- The Rock	0008605	Junee Station Reroofing	\$132,425
Junee- The Rock	0008610	Junee Roundhouse - Supply and Lay waterpipes	\$38,000
Coffs Harbour Prov Centre	0008633	Coffs Harbour Provisioning Centre	\$215,573
Yass-Demondrille	0008687	Verandah - Railway Institute, Harden	\$10,217
Ulan - Gulgong	0008901	Access Walkway	\$11,980
Parkes Prov Centre	0008922	Parkes Provisioning Centre Refurbishment	\$200,837
TOTAL			\$4,049,498

4. Infrastructure Investment Program - Major Works

(a) Major Works Investment Program

Major Project	2004/05	2005/06	Future Expenditure	Total Budget
North Coast Improvement Works	\$55,000	\$7,027,000	\$168,450,000	\$175,532,000
Main South Improvement Works	\$96,000	\$17,754,000	\$281,187,000	\$299,037,000
Southern Sydney Freight Lines	\$259,000	\$2,989,000	\$188,752,000	\$192,000,000
Western NSW Improvement Works		\$1,079,000	\$19,621,000	\$20,700,000
Hunter Valley Improvement Works	\$4,541,000	\$45,921,000	\$295,928,000	\$346,390,000
Train Control Consolidation		\$3,386,000	\$56,838,000	\$60,224,000
Wayside	-\$2,500	\$1,508,000	\$5,301,000	\$6,806,500
Communications Upgrade			\$12,010,000	\$12,010,000
Contingency			\$69,275,000	\$69,275,000
Australian Land Transport Development Funding	\$747,000	\$3,854,000	\$5,616,000	\$10,217,000
Plant & Equipment			\$21,000,000	\$21,000,000
Major Works Program Total	\$5,695,500	\$83,518,000	\$1,123,978,000	\$1,213,191,500

(b) Corridor Works Summary

	2004/05 (from Lease Commencement Date)	2005/06
Corridor RCRM	\$30,976,000	\$43,894,000
Corridor MPM	\$49,293,000	\$64,184,000
Corridor Capital	\$9,576,000	\$33,050,000
Corridor Works Program Total	\$89,845,000	\$141,128,000

(c) Major Works Underway - Indicative Cash Flow

The indicative year to year cash flows for the Major Works Investment Program is detailed in the following table:

Project	2006/07	2007/08	Beyond 2008	Total Forecast
Hunter				
Ulan Line CTC	\$13,455,000	\$1,234,000		\$14,689,000
Ardglen Tunnel	\$277,000			\$277,000
Muswellbrook loop and junction	\$8,006,000	\$1,604,000		\$9,610,000
Loop Enhancements	\$6,498,000	\$9,822,000	\$13,072,000	\$29,392,000
Newdell Junction		\$6,391,000		\$6,391,000
Sandgate Grade Separation	\$31,425,000			\$31,425,000
Third Track Prov Sig – Minimbah & Nundah		\$7,056,000	\$60,452,000	\$67,508,000
Ulan Line Crossing Loops	\$12,076,000	\$4,861,000	\$23,013,000	\$39,950,000
St Helliars to Muswellbrook duplication	\$14,300,000	\$7,600,000		\$21,900,000
Antiene to Grasstree Stage 1 Duplication		\$5,900,000	\$15,040,000	\$20,940,000
Bi-Dir. Sig - Maitland to Branxton		\$511,000	\$12,300,000	\$12,811,000
Ardglen to Kankool		\$2,000,000	\$10,000,000	\$12,000,000
Bi-Dir. Sig - Whittingham to Newdell		\$511,000	\$10,400,000	\$10,911,000
Bi-Dir. Sig - Newdell to Drayton		\$511,000	\$6,100,000	\$6,611,000
Drayton Junction Remodelling & Upgrade -		\$3,937,000		\$3,937,000
Bridge Strengthening - Hunter Valley		\$3,500,000		\$3,500,000
Allandale bank for 8 min headway			\$1,000,000	\$1,000,000
80km approach - Sig - Minimbah	\$933,000			\$933,000
Noise and Vibration Amelioration Works	\$100,000	\$400,000		\$500,000
10-minute Headway	\$1,100,000	\$543,000		\$1,643,000
Hunter Valley Total	\$88,170,000	\$56,381,000	\$151,377,000	\$295,928,000
North Coast				
Bridge Rehabilitation - Leeville Bridge	\$6,056,000	\$-		\$6,056,000
Bridge Rehabilitation - Two Mile Creek		\$3,842,000		\$3,842,000
Resilient Fastening	\$801,000	\$2,695,000	\$11,000	\$3,507,000
Weld Straightening - Border L - Casino	\$789,000	\$857,000	\$131,000	\$1,777,000
Crossing Loop Upgrades - Kungala	\$918,000	\$32,000		\$950,000
Crossing Loop Upgrades - Glenapp		\$620,000	\$330,000	\$950,000
Crossing Loop Upgrades - Bromelton	\$911,000	\$39,000		\$950,000
Speed Boards	\$556,000		\$213,000	\$769,000
Crossing Loop Upgrades - Paterson	\$16,000	\$707,000		\$723,000



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Crossing Loop Upgrades - Killawarra	\$31,000	\$656,000		\$687,000
Crossing Loop Upgrades - Rappville	\$655,000	\$32,000		\$687,000
Crossing Loop Upgrades - Taree	\$211,000	\$475,000		\$686,000
Crossing Loop Upgrades - Johns River	\$320,000	\$366,000		\$686,000
Crossing Loop Upgrades - Kempsey	\$479,000	\$206,000		\$685,000
Bridge Rehabilitation - Kalang Bridge	\$336,000	\$348,000		\$684,000
QLD Border to Grafton Level Crossings	\$553,000	\$88,000		\$641,000
Grafton to Kempsey Level Crossings	\$203,000	\$438,000		\$641,000
Kempsey to Craven Level Crossings		\$641,000		\$641,000
Craven to Maitland Level Crossings		\$466,000	\$175,000	\$641,000
Bridge Rehabilitation - Repton Bridge	\$512,000			\$512,000
Crossing Loop Upgrades - Wallarobba			\$423,000	\$423,000
Crossing Loop Upgrades - Stroud Road			\$423,000	\$423,000
Crossing Loop Upgrades - Bulliac		\$50,000	\$373,000	\$423,000
Crossing Loop Upgrades - Telegraph Point		\$262,000	\$161,000	\$423,000
Crossing Loop Upgrades - Nambucca Heads		\$420,000	\$3,000	\$423,000
Crossing Loop Upgrades - Boambee Beach		\$423,000		\$423,000
Crossing Loop Upgrades - Lawrence Road		\$423,000		\$423,000
Crossing Loop Upgrades - Kyogle		\$423,000		\$423,000
Crossing Loop Upgrades - Eungai		\$19,000	\$403,000	\$422,000
Concrete re-sleeping	\$15,741,000	\$20,397,000	\$8,499,000	\$44,637,000
Cant and super elevation	\$4,007,000			\$4,007,000
North Coast CTC	\$2,658,000			\$2,658,000
Gauge clearance	\$1,850,000	\$11,80,000	\$6,346,000	\$19,996,000
Crossing Loop Extensions	\$23,951,000	\$35,906,000	\$6,774,000	\$66,631,000
North Coast Total	\$61,554,000	\$82,631,000	\$24,265,000	\$168,450,000
Main South				
Concrete re-sleeping	\$14,806,000	\$28,766,000		\$43,572,000
Concrete sleeping - balance of curves		\$15,557,000	\$12,824,000	\$28,381,000
Murrumbidgee River Bridge Wagga	\$14,330,000			\$14,330,000
Re-railing	\$2,941,000	\$4,627,000	\$758,000	\$8,326,000
Entry / exit speeds - Upgrade to 80 km/h	\$3,594,000	\$3,746,000	\$621,000	\$7,961,000
Passing Lanes - Harden to Wallendbeen	\$7,820,000			\$7,820,000
Removal of Speed Restrictions	\$3,065,000	\$2,819,000	\$672,000	\$6,556,000
Passing Lanes - Mossvale	\$6,401,000			\$6,401,000
Passing Lanes - Picton to Maldon	\$3,637,000			\$3,637,000
Perway sidings	\$846,000	\$881,000	\$146,000	\$1,873,000
Passing Lanes - Goulburn	\$1,746,000			\$1,746,000
Reposition speed boards	\$1,574,000			\$1,574,000



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Dynamic turnout indicators	\$423,000	\$441,000	\$73,000	\$937,000
Change cant and superelevation	\$112,000	\$75,000		\$187,000
Gauge Clearance Improvements	\$8,473,000	\$10,260,000		\$18,733,000
Gerogery – Table Top	\$14,988,000			\$14,988,000
Henty – Culcairn	\$17,009,000			\$17,009,000
The Rock – Yerong Creek	\$14,988,000			\$14,988,000
Wagga – Uranguinty	\$14,987,000			\$14,987,000
Harefield – Bowen	\$15,855,000	\$154,000		\$16,009,000
Main south Refurbishment	\$14,686,000	\$5,858,000		\$20,544,000
Maintenance Crossovers	\$2,990,000			\$2,990,000
Resilient Fasteners	\$12,433,000	\$10,161,000	\$989,000	\$23,583,000
Weld Straightening	\$2,761,000	\$1,294,000		\$4,055,000
Main South Total	\$180,465,000	\$84,639,000	\$16,083,000	\$281,187,000
TCC				
TCC – North	\$16,633,000	\$1,072,000		\$17,705,000
TCC - South	\$35,085,000	\$4,048,000		\$39,133,000
TCC Total	\$51,718,000	\$5,120,000		\$56,838,000
TOTAL	\$381,907,000	\$228,771,000	\$191,725,400	\$802,403,400