Facilitating innovation in Australia’s heavy haul rail operations

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Australian Railway Operations

- 44,000 km track Australia-wide
- Rail contributes $10b to the GDP
- 16b passenger kms/yr
- Rail employs 110,000 people
- 291b tonne-km/yr of freight carried
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 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
  - 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

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Advice on regulatory requirements

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