

RISSB/OUT/2008/31

29 May 2009

Executive Services Officer  
Public Transport Safety Victoria  
PO Box 2797  
Melbourne Victoria 3001

Dear Sir/Madam

**PTSV DRAFT GUIDELINE ON ROLLING STOCK PROCUREMENT**

Thank you for the opportunity to comment on the subject document. The Rail Industry's comments are attached.

The Industry's point of contact for this matter is Mr Steven Rykers. His email address is [Steven.Rykers@qr.com.au](mailto:Steven.Rykers@qr.com.au) and his phone number is (07) 32351629.

Yours Sincerely



Kevin Taylor  
General Manager  
Rail Industry safety and Standards Board

**Rail industry comments to Public Transport  
Safety Victoria on the Draft Rolling Stock  
Procurement Guideline**

**29 May 2009**

## **1. Introduction**

This submission to Public Transport Safety Victoria (PTSV) on the draft Rolling Stock Procurement Guideline is made on behalf of the rail industry by the Australasian Railway Association (ARA) which represents all rail operators and track owners in Australia.

Industry considers there are some fundamental aspects and some particular parts of the draft rolling stock procurement guideline that require review and revision before the guideline is finalised. Industry representatives are available to discuss any concerns PTSV might have on this submission.

Importantly the draft procurement guideline appears to have been developed for use in Victoria but this is not clear in the document. Industry recommends this matter be clarified in the Introduction to the guideline.

## **2. General Matters**

Industry accepts that a well constructed guideline can be a useful tool as an advisory document to assist an operator function within the regulated environment. However, industry is concerned that it was not consulted in the drafting of this guideline particularly noting that it was drafted by a regulatory agency that may chose to legislate and/or mandate the content of the document.

If the policy intent underpinning the need for such a guideline document is predominately aimed at government procurement of passenger rolling stock in Victoria, it makes sense that much of its content belongs in internal government processes and contractual arrangements with the selected operators of the rolling stock.

In practical terms, an operator addressing provisions written in a “guideline” always looks to interpret those aspects which could be described as ‘mandatory’ (prescribed in the legislation) and those aspects described as ‘desirable’ (as envisaged by the regulator or operator). This draft guideline has the standard disclaimer in paragraph 1.2, page 1 and various cross-references in the text. Industry encourages the greatest clarity in this regard.

## **3. Scope**

The scope of the document should be clarified. The title is too general – it should be called something like “Guideline for Passenger Rolling Stock Procurement by the Victorian Government”. This document is not covering non-passenger rolling stock types at this stage and therefore should clearly show its current focus and not cause distraction to industry about its relevance for other operators. There are two basic circumstances to be considered 1) the government is the procurer and 2) an operator is the procurer. The scope needs to be clear in what is being covered. The document is meant to cover case 1) but some text appears to be written around case 2), such as Sections 4.1 and 4.2.

## **4. Processes**

### **General Comments**

This document does not appear to address the fundamental problem triggered by the Victorian government procuring rolling stock for a separate entity – the operator. The draft guideline appears to describe a generic process as would be expected under rail safety legislation whereby the operator is normally the procurer and the onus is on them to ensure the rolling stock is adequate for the purpose and safe. The draft document does not describe how the government procurement process needs to ensure that the intent of the rail safety legislation is met for whoever is the operator (private or Government). The document does not describe what to do, for example, when the franchise is open for re-tendering and there may be a new operator who has historically had nothing to do with the rolling stock or Victorian operations.

To be of practical value this document should probably be a Victorian government document describing how it as the purchaser can ensure that for any of the (passenger) rolling stock it buys that there is appropriate systems/processes/documentation/liaison involving the key stakeholders (in particular the existing and potential future operators and the track managers) so that the stakeholders can then meet their obligations under legislation.

### **Specific Comments**

Page 1 paragraph 3 - Industry considers that this section should be reviewed to assist in explaining the particular rail ownership/regulatory structures in Victoria that this draft guideline seeks to address. A reader should understand that the Victorian government purchases the rail equipment for a particular purpose and then provides it to an operator who the government selected. The (government) regulator (through the guideline) asks that the operator demonstrate that the rail equipment is safe to operate, and by permission for adjustment to their accreditation/SMS, the operator has the equipment registered to operate on the government owned network.

Section 1.3 - Second last paragraph: Why does the guideline only address the first three phases of the life cycle? Some rolling stock contracts are supply and maintain. If maintenance is covered by a separate document it should be cross-referenced.

Section 1.3 of the draft guideline refers to AS4292.3 – 2006 (rolling stock life cycle) and indicates that the guideline addresses the first three phases of this standard, namely design, construction and implementation and commissioning. From a design and construction perspective there are industry developed standards and codes of practice which should be used during this phase because they ensure compatibility between rolling stock and the Australian rail network. The guideline should recognise compatibility issues. Therefore it is recommended that the guideline acknowledge industry

standards and codes and recommend their use when rolling stock is procured in Victoria.

Sections 1.4 and 2.1.6 - The draft expresses a PTSV view in these sections that new or substantially changed rolling stock represents a significant change in rolling stock operations, so much so it should trigger an application for change. This is not necessarily correct - it may be a similar item of rolling stock which has no change required to a SMS.

The introduction of rolling stock into revenue services has processes, procedures, instructions and infrastructure manager requirements included in the operators Safety Management System (SMS). The SMS identifies that the operator should assess and mitigate risk, provide appropriate training and ensure appropriate maintenance. If during the risk assessment process it is identified that the change or introduction of new equipment is a significant change to the accredited operators SMS, then and only then should an application for change be submitted; if minor changes are required a notification should be submitted.

Sections 4.1 & 4.1.1 – There are issues listed here that cannot be known during the planning phase eg. properties of the new vehicle relating to recovery, support and infrastructure. Importantly existing interface requirements and their verification and validation requirements are included in the procurement specifications. It would be expected that rolling stock is to be compliant with these requirements and that generally infrastructure is not to be changed to suit the rolling stock (unless it is more cost-effective than changing the rolling stock and the track manager agrees).

Section 4.4 – It is not essential that drivers be consulted at the project planning phase.

Section 4.10.2 – How are “lessons learned” to be obtained, particularly from interstate procurements?

Section 5 - Preparation of Tender Documentation – Why is this in the draft guideline? It should be Government policy and be subject to government procedures not in a guideline for the industry. Each organisation will have their own commercial arrangements in place to cover off their method of tendering or obtaining pricing etc.

Section 6 – The draft guideline proposes modelling the proposed bogie/suspension design and the existing condition of the track during the procurement process. This is not sufficient. Modelling should be more comprehensive and include the electromagnetic interference effect of the proposed vehicle systems on existing infrastructure, including signalling, and vice-versa, the infrastructure against the proposed rolling stock. It should be conducted during the design stage (otherwise all tenderers have to do it which may deter potential tenderers as it adds considerably to their bid cost). It is important that the specifications describe what is required and how it is to be assessed (with appropriate modelling, type and routine testing during the

design, construction and commissioning phases) and that the compliance against these requirements is actually determined during the contract.

## **5. Miscellaneous**

Section 1.5 - Best practice: These are not necessarily new practices and may be widely used. This term requires benchmarking in order to establish what best practice is. "Good practice" should be sufficient to achieve the objectives of the procurement. It is not exclusively used to deliver on safety and suggest all references to best practice are removed from the document and replaced by good practice. Moreover achieving 'best practice' is an expensive exercise.

Section 4.10.1 – The RISSB Rolling Stock Hazard Trees, available at [www.rissb.com.au](http://www.rissb.com.au), describe most foreseeable rolling stock related hazards.