

Network Capacity Statement December 2024

Transnet Rail Infrastructure Manager

Applicable for the 2024/25 timetable

NOTE: Applicants use as a guide to apply for capacity allocation in the 2025/26 timetable period subject to tariff adjustments by the Department of Transport.

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1. PURPOSE

This Network Capacity Statement (NCS) is published with and as part of the IM the Network Statement to which it is annexed as **Annexure 29b**. This Network Capacity Statement is issued by the IM in order to meet the requirements of the National Rail Policy (NRP) and the ERT Act, and sets out the criteria followed and applied by the IM in relation to: (i) the determination of the total rail capacity of the Network as declared by the IM taking into account asset condition assessments of the Network and other relevant factors; and (ii) the allocation of capacity in the Network to successful Applicants. Train Operating Companies (TOCs) may approach the IM for details of the reports on the relevant network assessment reports.

The Network Statement (Chapter 4.5.1) provides details of the principles and criteria that the IM will apply in allocating capacity to successful Applicants.

2. VALIDITY

Applications for slots for the remainder of the 2024/25 timetable will open with the publication of the Network Statement. Applications for slots will open from date of publishing the Network Statement for allocation of capacity on the 2025/26 timetable, which takes effect from 1 April 2025, even though the Network Statement for the 2025/26 year will be published in the first quarter of 2025. The IM can allocate capacity on the 2024/25 where an applicant successfully meets all the requirements for the current timetable period.

3. INTRODUCTION

Existing framework capacity refers to capacity in the Network that is contractually committed and allocated by the IM to existing access holders, both prior to and as at the effective date of the ERT Act and thereafter. As such, capacity comprises existing capacity in the Network that is already contractually committed and allocated to existing access holders including: (i) existing customers of Transnet who, prior to and as at the effective date of the ERT Act, had concluded short, medium and long term rail transportation agreements with Transnet; (ii) short, medium and long term concession agreements or other agreements concluded by Transnet with concessionaires; and (iii) short, medium and long agreements (likely also in the form of concession agreements or other agreements) concluded by Transnet with Branch

Line operators / concessionaires, and which agreements remain in force (“**Existing Agreements**”). The rights of such rights holders under Existing Agreements are protected contractually and in terms of section 5(2) of the ERT Act. In addition, and going forward, existing committed capacity (and thus “Existing Agreements”) will also include Rail Access Agreements that are concluded by the IM with TOCs under the current access regime managed by the IM. Naturally and to the extent that any such existing and future agreements are terminated prematurely and lawfully, the rail capacity associated with such agreements will be added to and become part of the existing available uncommitted capacity.

The Network Statement must be consulted for details on how existing concessionaires that seek access to mainline network will be accommodated.

Through this NCS, the IM seeks to provide clarity and transparency regarding (i) the total rail capacity of the Network as declared by the IM (as envisaged above); and (ii) the total existing committed capacity in the Network. This in turn will enable prospective Applicants seeking new or additional capacity in the Network to identify and assess the existing available uncommitted rail capacity in the Network and in respect of which they may elect to submit applications for Access to the Network to the IM.

4. EXISTING CAPACITY IN THE NETWORK

a. Routes

The IM's rail infrastructure constitutes a multitude of routes. By definition, a route is hereby defined as *a train path that a train can take from a known origin point to a known destination point conveying a known commodity as informed by the current traffic patterns*. For example, the line from Rustenburg to Richards Bay holds that Rustenburg is a known origin point where a chrome train departs from and follows the path through Pyramid South and Ermelo to its destination point in Richards Bay.

b. Scope of Infrastructure covered

Attention is drawn to the applicants, all other rail users and industry stakeholders to the fact that IM does not own, nor does IM operate PRASA rail infrastructure, therefore, infrastructure that belongs to PRASA and other Infrastructure Managers (including concessioned parts of the network, where the relevant concessionaires shall be regarded as Infrastructure Managers) is excluded from this NCS. The information contained in this NCS is therefore based solely on the infrastructure owned and operated by the Transnet IM.

c. Congested Network

Paragraph 4.5, specifically paragraph 4.5.2 under Chapter 4 of the Network Statement delineates the principles and guidelines the IM will follow in allocating capacity to Access Seekers when confronted with a Congested Network situation.

5. NETWORK CAPACITY

a. Network Capacity

The capacity the IM declares as available for the entire Network is informed by: (a) the condition of the Network, especially in cases where the Network condition has degraded versus its original design (such as where a double line track has been reduced to a single line track due to various reasons and track condition or where the section speed of the track has reduced as a result of a Temporary Speed Restriction being imposed for safety reasons,

leading to the section's headway increasing and therefore reducing the Network's capacity): (b) operating conditions (e.g., where abnormal operating conditions have been implemented due to the change in the condition of the Network, such as where the method of train control and authorisation has changed to manual as a result of the signalling system being vandalised and therefore rendered inoperable); and (c) the associated trains' configurations such as where the length of said trains meant or anticipated to traverse a given section of track are taken into account, to establish the impact of longer trains on passing loops and therefore impact on section headways. For all routes (see definition of route provided in section 2.1.1 of this NCS), the section with the longest running time (headway) is the bottleneck section and therefore sets the capacity limitation for the route.

In addition to the above, the IM considered the capital investment needed to conduct routine maintenance to sustain operations on the Network and/or to restore the condition of the Network and therefore free up capacity eroded by the degraded Network condition in specific parts or sections of the Network.

The result of the analysis undertaken by the IM reflects that the IM Network capacity for FY2025/26 amounts to 209 mil tons (see table 3.1 below).

b. Capacity allocated in Existing Agreements

Existing Agreements and or contracts are defined in paragraph 4.5.1 of the Network Statement.

Table 3.1 below depicts the breakdown between the IM's total capacity of 209 mil tons, versus TOCs' actual and anticipated contractual commitments, and what constitutes existing uncommitted capacity in the Network which, potentially, can be made available to successful Applicants based on their applications for Access.

Table 3.1.: IM Capacity vs Forecasted Demand (Note: all Slots/Week are indicating Slots per Week per direction)

Region	Corridor	TRIM Capacity (Mil Tons)	TRIM Slot Capacity (Slots/Week)
Western Region	Cape	24,3	132,00
	Ore	66,9	49,00
Eastern Region	North-East	25,9	117,00
	North	80,9	166,00
Central Region	Container	8,2	118,00
	Central	2,9	49,00
Total TFR		209,2	631,00

Given the backlog in maintenance and the condition of the Network, the IM requires R 8,2 bn in capital funding to maintain the Network so as to sustain the 209 mil tons declared capacity (Refer to Annexure 17), as well as to render the Network stable and reliable. Additionally, in order to enable TOCs and access holders to execute their respective train services against their allocated slot capacities, the IM requires that some of the “spare capacity” depicted in table 3.1 above be prioritised for: (a) planning redundancy purposes, as well as; (b) for recovery purposes given the highly unstable and unreliable nature of the Network in its current condition owing mostly to externalities such as the theft and vandalism of the IM’s rail infrastructure. Access to the Network in terms of the slot/s is on an “as is basis” as regards the extent and condition of the Network as set out in the Network Statement.

Notwithstanding the above, applications for access can be expressed for the different parts of the Network by access seekers or potential TOCs. It is understood that Access Seekers or TOCs may be interested in applying for capacity in unique combinations or permutations of origin-destination pairs, such as an application for capacity between Springfontein and Blaney (one example of a worst-case scenario). Since the said permutations or combinations of the desired routes and requirements are unknown and extremely large and impractical to contemplate, it is therefore practically impossible to identify and adequately quantify them or to depict them in this NCS or any platform whatsoever.

Hence, it is anticipated that by expressing their unique requirements for capacity, applicants will enable the IM to have a firm understanding of the type of capacity required. With this knowledge, and in line with the capacity application and allocation process and principles detailed in the Network Statement, the IM will accordingly allocate capacity where same exists and where applicants meet the requirements

6. FUTURE DEVELOPMENTS & ONGOING CONSULTATIONS

Future declaration of the total capacity, by route and section, by the IM

Annexure 33 provides further capacity on a route-by-route basis, along with the designed and actual travel times per logical route. The details of this addendum and contents shall be in line with the depiction of the information in table 3.1 above.

For details on capital investments and maintenance interventions to increase network capacity and create more slots, please refer to **Annexure 17**.

Ongoing Consultations

The IM remains open to consultations with all rail industry stakeholders, the aim of which is to receive as much input from all relevant stakeholders that aims to improve all applicable approaches, guidelines, procedures and principles necessary for the IM to develop a workable NCS, as well as other relevant aspects that pertain to capacity applications and its allocation to rail users. Platforms such as the Route Logistics Forum (see the Network Statement for details around the anticipated purpose of the Route Logistics Forum), for example, will play an integral role in aiding the IM and rail users alike to improve the associated capacity application and allocation processes and principles.