

NSW Government Submission to Infrastructure Australia

Templates for Summaries of Further Priority Projects

July 2010

western Sydney to areas of employment and education.

A 2007 report forecasted that, in 2009, transport congestion would cost Sydney approximately \$4.58 billion and increase to \$7.76 billion by 2020.¹ The PERL is an important project to improve cross-regional journeys between Sydney's major employment centres, and will:

- improve access to public transport;
- provide more efficient and environmentally sustainable transport;
- assist to reduce congestion and associated costs; and
- improve the productive capacity and efficiency of Sydney and Australia.

The PERL will contribute to achieving the objective stated in the NSW *Metropolitan Transport Plan* to grow the cities within Sydney and renewing support for Parramatta as the second CBD. Parramatta is a priority for economic development and is a focus for better planning and better transport infrastructure. The PERL will help ensure transport to and from Parramatta is efficient and sustainable. Increased land use densities are planned in and around Parramatta, and in nearby centres such as Westmead and Rosehill.¹¹

Patronage forecasts

Patronage forecasting for the rail link was completed by the Transport Data Centre in 2003, with subsequent modeling and review undertaken by Parsons Brinkerhoff. This work predicted that by 2011, 15,600 new trips would be generated on the rail network per day (based on a timetable of four trains per hour travelling from Parramatta to Chatswood). Following the opening of the line, patronage growth is forecast to be consistent with the growth rate for the overall rail network.

The land use based patronage assumptions used in 2003 will have changed, as further development has occurred in Macquarie Park and the Parramatta CBD. Also the NWRL and Western Express projects were not included in the previous demand forecasts, as they have only been recently outlined in the *Metropolitan Transport Plan*.

Furthermore there are opportunities for Transit Oriented Development (TOD) at stations along the Carlingford Line which would benefit patronage projections for the project. The impact of these changes needs to be assessed by undertaking revised patronage forecast modeling, incorporating the goals of the revised *Metropolitan Strategy*.

Design & planning status

Existing planning approval

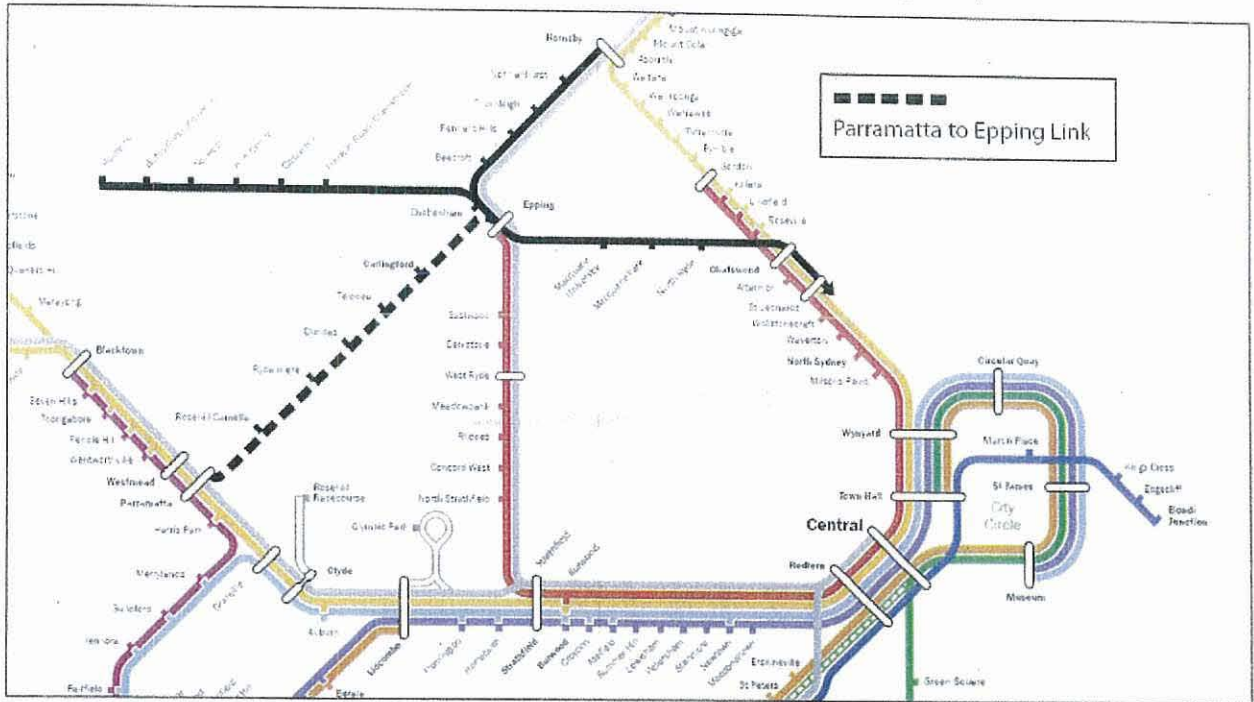
The environmental impact statement for the Parramatta Rail Link was lodged with the NSW Department of Planning in early 2000. In February 2002 the NSW Government granted planning approval for the entire 27km of the line, including the now completed Epping to Chatswood section, plus the section between Parramatta and Epping. Under this approval there was a condition that specified any section which had not commenced construction by the end of the first quarter of 2007 would require an updated environmental impact assessment (EIA) be undertaken, to the satisfaction of the Director-General of the Department of Planning.

Modified Alignment & Operation

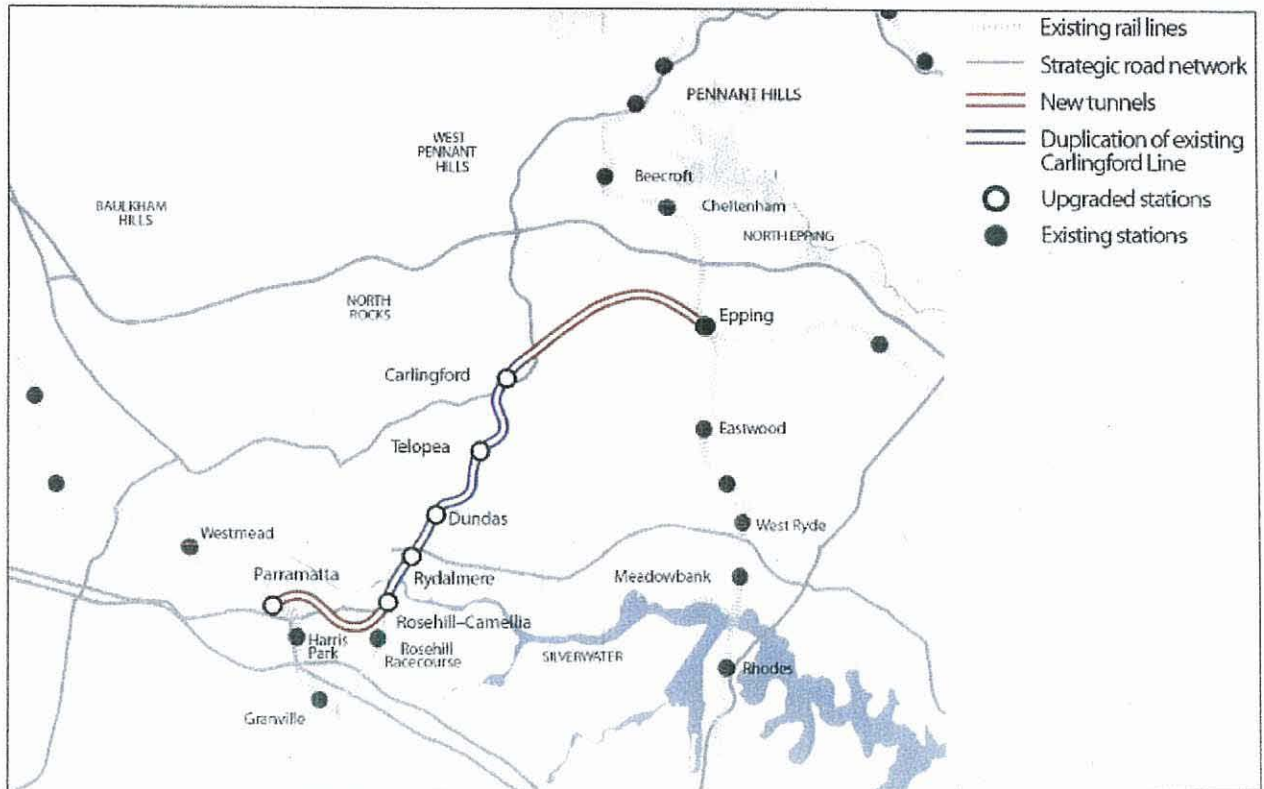
The tunnel alignment through the Parramatta CBD from the Carlingford Line, as approved in 2002, was designed for an east-west oriented underground station box at the Parramatta Transport Interchange. The line then proceeded to a connection with the existing Western Line near Westmead. The current PERL plan has a revised specification that initially involves passenger services shuttling between Parramatta and the North Shore Line at St Leonards. In the longer term there is a vision to extend the line further, towards the south.

In order to achieve this extension to the south in the future the configuration of the proposed tunnels from the Carlingford Line into Parramatta would need to be substantially realigned and the station box at Parramatta oriented in a north-south direction. The feasibility of this revised alignment needs to be investigated, including appropriate geotechnical investigation. Further investigation of this route is necessary to determine if there is a more appropriate location for the connection to the Carlingford Line than the previous location at the proposed

Map 1 - Context of the PERL within the CityRail Network (including NWRL)



Map 2 - Detail of alignment linking Parramatta to Epping



ⁱ Bureau of Transport and Regional Economics - Working Paper 71 (2007)

ⁱⁱ NSW Transport and Infrastructure - Metropolitan Transport Plan (February 2010) p 27

From: O'Connell Lyn
Sent: Friday, 17 September 2010 12:02
To: Deegan Michael
Cc: Mrdak Mike; Mojica Cristina
Subject: FW: Epping to Parramatta [SEC=UNCLASSIFIED]

Michael

A copy of letter being sent from Minister Albanese to Premier Keneally on the Epping to Parramatta rail link, very early stage letter.

I should be in a position to send you a draft of the proposed IGA early next week.

Lyn



The Hon Anthony Albanese MP

Minister for Infrastructure and Transport
Leader of the House

Reference: 05648-2010

Ms Kristina Keneally MP
Premier of NSW
Minister for Redfern Waterloo
GPO Box 5341,
Sydney NSW 2000

Dear Premier

I write with regard to the Australian and New South Wales Governments' commitment to construct the \$2.6 billion Parramatta - Epping Rail Link, announced on 11 August 2010.

The Prime Minister, the Hon Julia Gillard MP, has made it clear that the Australian Government wants to enter into an inter-governmental agreement (IGA) with the NSW Government as soon as possible, and for pre-construction work on the project to commence in 2011.

The IGA need to embody the following arrangements and policy principles:

- New South Wales funding of \$520 million will be profiled over the forward estimates (to 2013-14) to enable the commencement of pre-construction works in 2011;
- Australian Government funding of \$2.08 billion for the major construction of the rail link will be profiled as part of the Nation Building Program 2 commencing in 2014-15; and
- the project be delivered by Transport NSW under terms set out in the "National Partnership Agreement on Implementation of Major Infrastructure Projects in New South Wales, 2009-2014" (the MOU).

I understand my Department and Infrastructure Australia has already had their first meeting with Transport NSW to ensure the timely development of the IGA and commencement of works. They will continue working with Transport NSW in developing the IGA to ensure it is ready for signing as soon as possible and to ensure preconstruction activities can commence in 2011.

My Department will also work to include the Parramatta to Epping Rail Link project to the Nation Building Program MOU.

I look forward to working closely with you and Transport Minister John Robertson in the delivery of this important project for the people of Sydney.

Yours sincerely

ANTHONY ALBANESE
CC Minister for Transport, John Robertson

Alchin Stephen

From: Deegan Michael
Sent: Friday, 24 September 2010 12:40 PM
To: O'Connell Lyn
Cc: Mojica Cristina; Mrdak Mike; Alchin Stephen; Austen John
Subject: RE: Draft Epping MOU between Cth and NSW [SEC=UNCLASSIFIED]

Lyn

We have a broad range of comments which we will finalise Monday.

Michael Deegan

From: Sommariva Marie **On Behalf Of** O'Connell Lyn
Sent: Wednesday, 22 September 2010 16:17
To: Deegan Michael
Cc: Mojica Cristina; O'Connell Lyn; Mrdak Mike
Subject: Draft Epping MOU between Cth and NSW [SEC=UNCLASSIFIED]

Michael

Following our meeting with NSW Transport (Les Welinga and Rodd Staples) last week, attached is the draft IGA on the Parramatta to Epping Rail Link.

I welcome your views before I send it to NSW Transport.

Thanks

Lyn O'Connell
Deputy Secretary
Department of Infrastructure and Transport
p: 02 6274 7656 | f: 02 6274 7301

Executive Assistant: Karren O'Shea 02 6274 7690

**INTERGOVERNMENTAL
AGREEMENT**

INTERGOVERNMENTAL AGREEMENT IN RELATION TO THE PROPOSED
PARRAMATTA TO EPPING RAIL LINK

Commonwealth of Australia

State of New South Wales

INTERGOVERNMENTAL AGREEMENT

INTERGOVERNMENTAL AGREEMENT IN RELATION TO THE PROPOSED PARRAMATTA TO EPPING RAIL LINK

Date

This Intergovernmental Agreement is dated [^]day(numeric) month(name)
year(numeric) in full[^].

Parties

This Intergovernmental Agreement is made between the following parties:

1. **Commonwealth of Australia** (the **Commonwealth**)
2. **The Crown in right of the State of New South Wales** (**New South Wales or NSW**)

Context

This Intergovernmental Agreement (IGA) is made in the following context:

- A. The Prime Minister, the Hon Julia Gillard MP, together with NSW Premier, the Hon Kristina Keneally MP on 11 August 2010, announced a joint commitment to build a \$2.6 billion rail link between Parramatta and Epping.
- B. Prime Minister Gillard also stated the Australian Government's commitment to the negotiation of an inter-governmental agreement in late 2010 with NSW and for pre-construction work to commence in 2011.
- C. The Commonwealth and New South Wales agree that improving Sydney's transport network requires long term investment in transport infrastructure
- D. Work will be done in accordance with the terms of the *Nation Building Program (National Land Transport) Act 2009* (Cth) and associated Notes on Administration for the National Partnership Agreement On Implementation Of Major Infrastructure Projects, the Commonwealth intends to commit capped funding of \$2.1 billion for the construction of the rail link.
- E. It is envisioned that Commonwealth funding for this commitment would come from Nation Building Program 2 commencing in 2014-15.
- F. For its part, New South Wales intends to commit \$520 million for the project to enable the commencement of pre-construction works in 2011.
- G. It is intended that the respective funding commitments will be encapsulated in the Head MOU between NSW and the Commonwealth known as the Nation Building MOU.
- H. This IGA embodies the understanding of the parties and policy principles pursuant to which the parties intend to proceed with the formalisation of arrangements to implement the Project.

Operative provisions

1. Interpretation

1.1. Definitions

1.1.1. Unless the contrary intention appears, a term in bold type has the meaning shown opposite it:

Parramatta to Epping Rail Link	means an approximately 14 kilometre rail line from Parramatta to Epping. This includes: <ul style="list-style-type: none">- a new underground terminus station at the Parramatta Transport Interchange;- new twin rail tunnel from the Parramatta CBD to a connection with the Carlingford Line at Camellia- a new station at Rosehill-Camellia- a new underground station at Carlingford; and- twin rail tunnels connecting Carlingford into the existing underground platforms at Epping Station.
Project	Means the construction of the Parramatta to Epping Rail Link;
Parramatta to Epping Rail Link Steering Committee	means the committee established under clause 4.1 of this IGA;
Formal Agreement	means an agreement entered into by the parties pursuant to the Head MOU that sets out the respective commitments of the parties in relation to the Parramatta to Epping Rail Link Project.
Head MOU	means the memorandum of understanding titled 'National Partnership Agreement on Implementation of Major Infrastructure Projects in New South Wales, 2009-2014' between the Commonwealth and New South Wales, dated ^6 March^ 2009 and as varied on 12 June 2009;
Nation Building Program Act	means the <i>Nation Building Program (National Land Transport) Act 2009</i>
Objectives	means the objectives for the Parramatta to Epping Rail Link set out in clause 2.1.

1.2. Interpretation

1.2.1. In this IGA, unless the contrary intention appears:

-
- a. words in the singular include the plural and words in the plural include the singular;
 - b. clause headings are for convenient reference only and have no effect in limiting or extending the language of the clauses to which they refer;
 - c. a reference to dollars is a reference to Australian dollars;
 - d. a reference to any legislation or legislative provision includes any statutory modification, substitution or re-enactment of that legislation or legislative provision;
 - e. if any word or phrase is given a defined meaning, any other part of speech or other grammatical form of that word or phrase has a corresponding meaning; and
 - f. references to the words 'include' or 'including' are to be construed without limitation.

1.2.2. Any variation to this IGA must be in writing and signed by the parties.

1.2.3. This IGA is not intended to be, and is not, a legally binding and enforceable document, and does not create or impose any additional legally binding enforceable obligations, duties or responsibilities on the parties. However the parties will act and cooperate in good faith in accordance with the terms of this IGA.

1.3. Purpose and term of IGA

1.3.1. The purpose of this IGA is to set out the intention of the parties with respect to:

- a. the entering into of the Formal Agreement;
- b. the securing of funding; and
- c. governance arrangements for the conduct of the Parramatta to Epping Rail Link Project.

1.3.2. This IGA will have effect until the Formal Agreement is signed by both of the parties.

2. Purpose of the Parramatta to Epping Rail Link Project

2.1. Objectives

2.1.1. The Australian Transport Council's (ATC) Vision for Australia's transport future is:

Australia requires a safe, secure, efficient, reliable and integrated national Transport system that supports and enhances our nation's economic development and social and environmental well-being.

2.1.2. In support of the ATC's Vision, the parties will seek to achieve the following specific objectives with respect to the Project:

-
- a. directly link Sydney's second CBD of Parramatta with employment centres such as Macquarie Park, North Ryde, Chatswood, St Leonards, North Sydney and vice-versa;
 - b. reduce the journey time to Chatswood from Parramatta, by rail, by about 25 minutes, with flow on benefits to commuters on the Northern and North Shore lines; and
 - c. improve capacity on the Western Line and consequently, facilitate the development of Western Express Services between Western Sydney and the City.

2.2. Scope of the Parramatta to Epping Rail Link Project

- 2.2.1. The parties acknowledge that all Commonwealth funding for the Project will be provided under the Nation Building Program Act, and that the Project is to be undertaken in accordance with that Act.

2.3. Implementation of the Parramatta to Epping Rail Link Project

- 2.3.1. The parties intend that implementation of the Project will be formalised in an agreement signed by both parties that is entered into pursuant to the Head MOU (the Formal Agreement).

3. Funding arrangements for the Parramatta to Epping Rail Link Project

3.1. General

- 3.1.1. The parties agree to provide funding according to the following profile:

2011-12	(NSW)
2012-13	(NSW)
2013-14	(NSW)
2014-15	(Commonwealth)
2015-16	(Commonwealth)
2017-1	(Commonwealth)

- 3.1.2. The parties acknowledge that the total cost of the Project may change from that anticipated at the commencement of this IGA and that NSW will contribute any additional funds required to complete the Project if the project cost, as expressed in 2010 dollars, exceeds \$2.6 billion.

3.2. Commonwealth funding

- 3.2.1. The Commonwealth will secure funding that will enable it to contribute approximately 80% of the estimated project cost of \$2.6 billion up to a maximum of \$2.1 billion towards the Project by way of payments under the Nation Building Program Act.

3.2.2. It is foreshadowed that funding under the Nation Building Program 2 will commence in 2014-15.

3.3. New South Wales funding

3.3.1. NSW will secure funding that will enable it to contribute \$520 million for the Project by way of State counterpart payments pursuant to the Head MOU between the Commonwealth and NSW.

3.3.2. Initial work will commence in 2011 with the NSW funding contribution being provided between 2011-12 and 2013-14.

4. Governance arrangements in relation to the Parramatta to Epping Rail Link Project

4.1. Parramatta to Epping Rail Link Steering Committee

4.1.1. The parties will work together cooperatively to establish a Parramatta to Epping Rail Link Steering Committee to oversee the Project. It is intended that this Committee will comprise the Chief Executive Officers or their equivalent (and their agreed designated alternates) of:

- a. the NSW Department of Transport (Chair);
- b. the Commonwealth Department of Infrastructure and Transport;
- c. the Office of the Infrastructure Co-ordinator
- d. other agencies as may be determined by agreement between the Commonwealth and NSW.

4.1.2. The Steering Committee will have overall responsibility for the coordination and management of the Project including responsibility for establishment and approval (as appropriate) of:

- a. program scope, schedule and milestones;
- b. individual project budgets and cash flow (including variations), within the limits set by Ministerial approvals under the Nation Building Program;
- c. procurement strategy or strategies for program and project delivery; and
- d. processes for accountability and reporting.

4.1.3. The Steering Committee will meet at quarterly or as otherwise agreed between the parties, throughout the implementation of the Project.

Signatures

SIGNED for and on behalf of the)
Commonwealth of Australia by the)
Minister for Infrastructure and)
Transport,

^Name of Minister^

Signature

In the presence of:

^Name of witness^

Signature of witness

SIGNED for and on behalf of the)
State of New South Wales by the)
Premier:)

^Name of Minister^

Signature

In the presence of:

^Name of witness^

Signature of witness

Alchin Stephen

From: Deegan Michael
Sent: Monday, 27 September 2010 4:46 PM
To: O'Connell Lyn
Cc: Mojica Cristina; Mrdak Mike; Austen John; Alchin Stephen
Subject: RE: Draft Epping MOU between Cth and NSW [SEC=UNCLASSIFIED]

Lyn

Thanks for the opportunity to comment on the intergovernmental agreement for Parramatta to Epping. I regret the delay but I was keen for Stephen Alchin to be involved as I value his input. Stephen is back in the office today.

As discussed with the Minister and the Secretary last week the real value of a rail line from Epping to Parramatta is if Parramatta is considered genuinely as the second Sydney CBD.

In addition if the Commonwealth support Parramatta as the second city of Sydney the rethink of the infrastructure services and linking road and rail with land use is a great opportunity. In terms of rail this may mean a greater focus on linking the southwest and northwest as well as Penrith and reducing the number of Sydney CBD trips. For roads this could take pressure from the M2, M4 and M5 and possibly defer some of the expensive infrastructure demand before us. The linkage from Parramatta to the Macquarie Park high tech region is particularly important for rail and jobs for Sydney's west.

It would be useful to have the draft IGA set out some of this context rather than a linear project as is presented currently.

While the document focuses on construction the more important issue will be the operational and service benefit of this line and they should be considered part of the funding picture (as properly done there may be substantial savings in the construction side e.g. the Granville option).

Happy to discuss

Michael Deegan

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Sent: Wednesday, 22 September 2010 16:17
To: Deegan Michael
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Lyn O'Connell
Deputy Secretary
Department of Infrastructure and Transport
p: 02 6274 7656 | f: 02 6274 7301

Executive Assistant: Karren O'Shea 02 6274 7690

From: Deegan Michael
Sent: Thursday, 7 October 2010 13:31
To: Chouiefate Michael; Lee Janice
Subject: FW: Draft Epping MOU between Cth and NSW [SEC=UNCLASSIFIED]

Michael and Janice

As discussed.

Thanks

Michael Deegan

From: Deegan Michael
Sent: Monday, 27 September 2010 16:46
To: O'Connell Lyn
Cc: Mojica Cristina; Mrdak Mike; Austen John; Alchin Stephen
Subject: RE: Draft Epping MOU between Cth and NSW [SEC=UNCLASSIFIED]

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