



Australian Government
Department of Finance and Deregulation

Moorebank Intermodal Terminal Project

NSW Transport Summit 2012 – Sydney, Friday, 9 November



Presented by Robin Renwick

Project Director, Moorebank Project Office

Moorebank Intermodal Terminal Project



“The Australian Government has committed to facilitating the delivery of the Moorebank Intermodal project, including a freight terminal with a port shuttle to Port Botany.”

THE HON ANTHONY ALBANESE MP
MINISTER FOR INFRASTRUCTURE AND TRANSPORT
23 April 2012

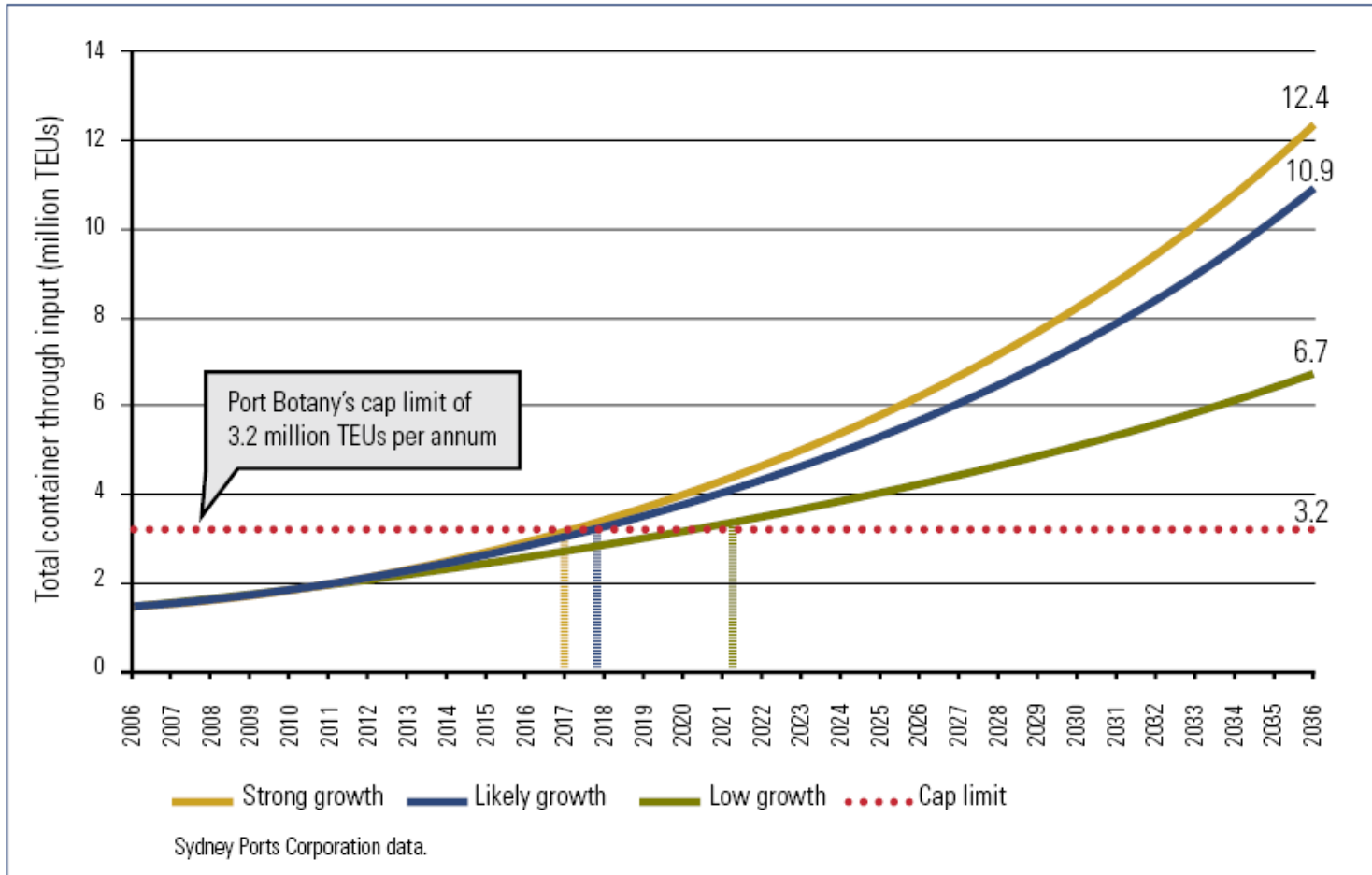
Overview



- ▶ Case for the Moorebank Intermodal Terminal (IMT)
 - ▶ \$10 billion in economic and productivity benefits
- ▶ The business model:
 - ▶ Private sector led, facilitated by Government
 - ▶ GBE
- ▶ Key elements of the Project:
 - ▶ Concept design for IMEX, interstate and warehousing
 - ▶ Streamlined federal/state approval process
- ▶ Cooperation with NSW on supporting infrastructure
- ▶ Market soundings - strong private sector interest
- ▶ Next steps

Why Is This Project Needed?

Predicted freight container growth 2006-2036



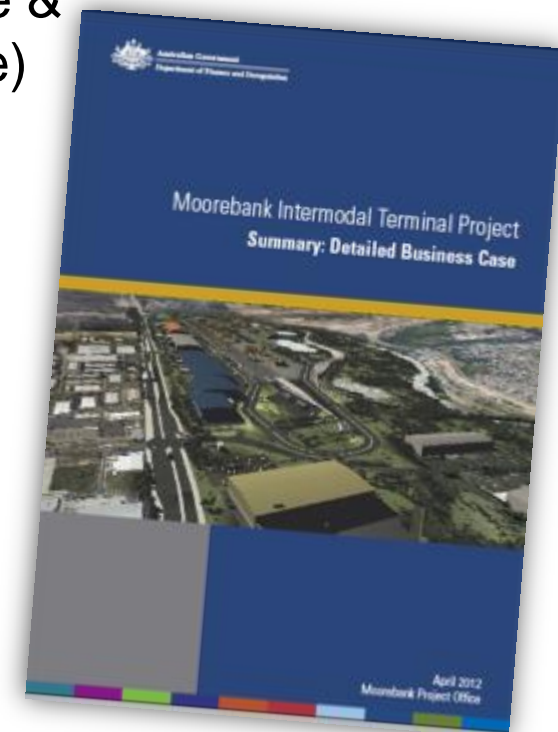
Why Is This Project Needed?



- ▶ Accommodate high growth in container volumes
- ▶ Manage congestion
- ▶ Relieve capacity limitations within the Sydney IMT system
- ▶ Enhance competitiveness of the interstate rail freight network
- ▶ Increase national productivity
- ▶ Reduce adverse environmental and social impacts of continuing to increase road freight

Project Context

- ▶ 2004 – Australian Government identifies Moorebank site (School of Military Engineering) as future IMT
- ▶ 2008 – ARTC formed as part of \$7 billion commitment to rail freight
- ▶ 2010 – Government commissions Feasibility Study by Moorebank Project Office (comprising Finance & Deregulation, Infrastructure & Transport, Defence)
 - ▶ Lead Adviser – KPMG, Deloitte, Parsons Brinckerhoff
 - ▶ Peer Review – Greenhill Caliburn
 - ▶ Legal Adviser – Ashurst
 - ▶ Communications Adviser – Kreab Gavin Anderson



NSW freight supply chain

- ▶ 90% of containers destined/originated from Sydney Greater Metropolitan Area
- ▶ Nearly two thirds (64%) of this container freight travels to or from western Sydney
- ▶ Current IMTs in Sydney

Facility	Market	Throughput TEU)	Max train length
Current			
Chullora	Interstate	300,000	1,800m
Yennora	Interstate, IMEX	115,000	800-900m
MIST (Minto)	IMEX	45,000	900m
Villawood	IMEX	15,000-20,000	900m
Cooks River	Empty container storage	150,000	600m
Under development			
Enfield	IMEX	Approx 300,000	1,000

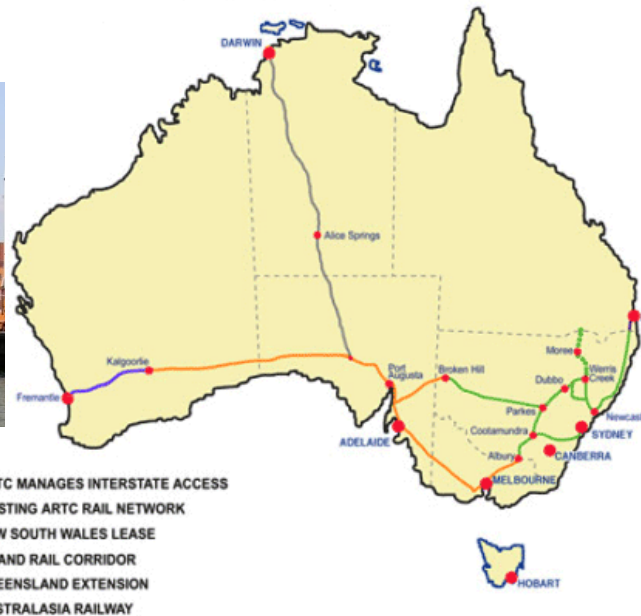
Key Elements of the IMT

Total capacity **1.7 million TEUs** (twenty-foot equivalent unit)

IMEX (1.2 million TEUs)

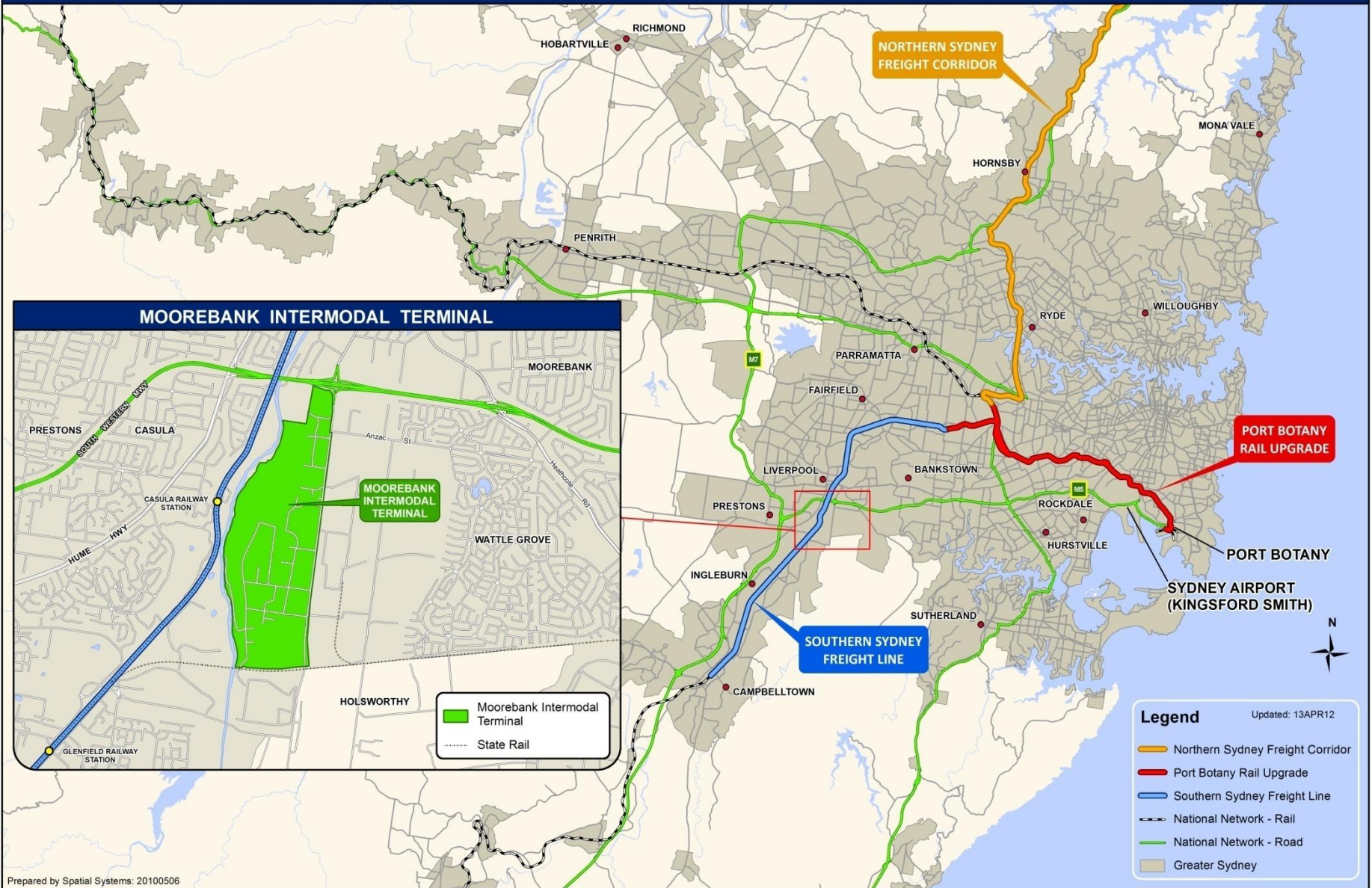
Interstate (500k TEUs)

Warehousing



- Open Access Regime

MOOREBANK INTERMODAL TERMINAL



Birdseye view of the IMT site



\$10 billion in Economic Benefits

- ▶ Benefit-cost ratio of 1.72
- ▶ 3,300 fewer trucks on Sydney roads = 1.2 million trucks per year
- ▶ Approximately \$10 billion in economic benefits
 - ▶ Reduced freight costs
 - ▶ Reduced traffic congestion
 - ▶ Reduced traffic accidents
 - ▶ Improved productivity
- ▶ Improved environmental outcomes
- ▶ Generate a high number of jobs
 - ▶ Approximately 1,650 full time staff during Stage 1 (IMEX terminal and warehousing), and 975 staff during Stage 2 (Interstate terminal)
 - ▶ The operation of both terminals, together with warehousing, could see an additional 1,700 people being employed in the region





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Private Sector Investment

Funding and Delivery Model



Private Sector Led, Government Facilitation

- ▶ The key questions we faced:
 - ▶ When the investments are large and long term, how can Government help to get the ball rolling?
 - ▶ How can you get the best, most experienced commercial minds involved in development while ensuring the focus is on advancing the national interest?
- ▶ The model:
 - ▶ Private sector leadership of design, construction, operation and investment
 - ▶ Government facilitation through making land available, de-risking the early development and planning phase and keeping a focus on national policy outcomes

Partnership Model

- ▶ Due to the significance of the Project, the Government will establish a Government Business Enterprise (GBE), protecting the interests of the taxpayer
- ▶ The GBE, as a wholly-owned entity of the Commonwealth, will enable the Landlord to have an appropriate commercial focus while maintaining effective Government oversight
 - ▶ GBE will run all procurement for design, construction and operation starting mid-2013 – this will be a competitive process open to all
 - ▶ After the facility is established, it would be able to be fully privatised
- ▶ Like other GBEs, to ensure a strong commercial focus and expertise, the Board of the GBE will be drawn from the private sector
- ▶ The GBE Board be announced shortly and GBE officially starts operations late 2012

Strong Private Sector Interest in Participation

- ▶ More than 60 Australian and international companies have sought briefings through market soundings process
- ▶ Around 50 stakeholder groups and organisations consulted
- ▶ Very strong support for:
 - ▶ The model – solves many of the problems besetting infrastructure development in Australia
 - ▶ The Government's message that it is seeking to optimise private sector investment and expertise to deliver an innovative IMT
 - ▶ Potential for significant complementary development by the private sector in the broader Moorebank area through the development of warehousing and other services

Outcomes

- ▶ An intermodal secured at Moorebank – national productivity goals achieved, relieved congestion in Sydney, job creation in south western Sydney
- ▶ Both IMEX and interstate terminals
- ▶ Integrated offering with ARTC national rail freight network
- ▶ Upgraded supporting road infrastructure
- ▶ Kick-started complementary warehousing and associated jobs
- ▶ Relocated Defence to a modern facility appropriate to current needs
- ▶ Reduced greenhouse emissions
- ▶ Best outcome for taxpayers through competitive process



Concept Design

Indicative Layout



► Final design will be determined by the private sector



Indicative intermodal site view from the north



Indicative intermodal site view from the east





Indicative rail connections over the Georges River (aerial view from west)

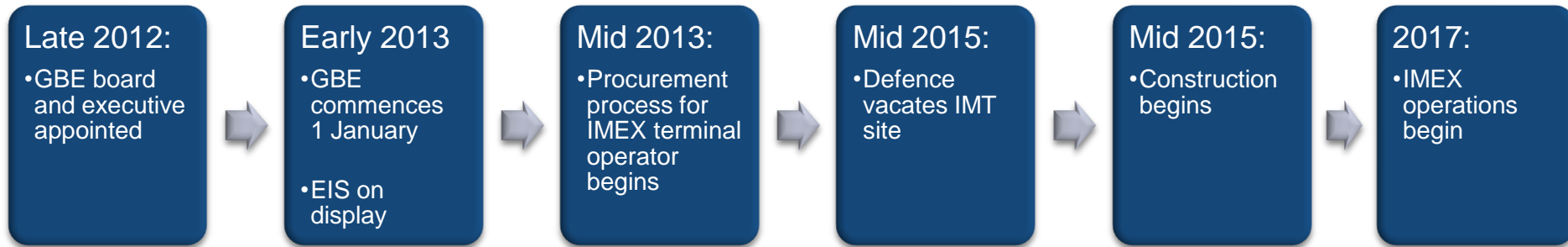


Collaboration with NSW

- ▶ *Planning Approvals and Connections Enabling (PACE) Committee* established mid 2012 - joint federal-state working group
- ▶ PACE representatives:
 - ▶ Department of Infrastructure and Transport
 - ▶ Department of Defence
 - ▶ Department of Finance and Deregulation
 - ▶ Infrastructure NSW
 - ▶ NSW Department of Planning and Infrastructure
 - ▶ Transport for NSW
- ▶ Continued engagement with both the NSW Government and ARTC



Key Milestones





Moorebank Intermodal Terminal Project

Indicative Concept Design





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Contact Us

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