

## Question on Notice

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**The Hon. JOHN GRAHAM:** How many vehicles are using the M4 at the moment?

**Mr CLICHE:** I would have to take the exact number on notice but it would be circa 160,000.

More than 100,000 vehicles a day use the M4, which experiences congestion for up to 13 hours a day.

**The Hon. JOHN GRAHAM:** WestConnex is due to open in a short time, how many vehicles a day do you expect to be using the widened M4 once the toll is being charged?

The traffic volumes on the M4 are well-known, with more than 100,000 vehicles per day already using the motorway. As shown in the updated strategic business case, 163,800 vehicles are expected to use the widened M4 on an average weekday by 2031.

**The Hon. JOHN GRAHAM:** So in the 2031 figure when the toll comes on in the first year how many vehicles are you expecting?

The traffic volumes on the M4 are well-known, with more than 100,000 vehicles per day already using the motorway. As shown in the updated strategic business case, 163,800 vehicles are expected to use the widened M4 on an average weekday by 2031.

**The Hon. JOHN GRAHAM:** The toll is set between \$1.77 and \$4.56. What are you forecasting for the average daily toll revenue?

This is commercially sensitive information which if released would impede the Government's ability to achieve best value when it launches a competitive trade sale later this year by calling for expressions of interest to acquire at least 51 per cent of Sydney Motorway Corporation and its subsidiaries.

**The Hon. JOHN GRAHAM:** What I am getting to is what are you forecasting to collect on the widened M4 in the first year?

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**The Hon. DANIEL MOOKHEY:** What is the total amount of revenue that is expected to be collected from the WestConnex over its project life?

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**Mr CLICHE:** I think that is carry on from the earlier question.

**The Hon. DANIEL MOOKHEY:** It is an additional question. To be fair, the question Mr Graham asked was per day. I am asking you: Over the 43-year concession period what is the level of revenue that the WestConnex is meant to collect?

**Mr CLICHE:** Again, I will have to take that on notice and come back to you.

**The Hon.**

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**The Hon. DANIEL MOOKHEY:** But your business case provided a business model in which all of this was prepared. In fact, you called it a discount cash flow model, and we have gone through this before in budget estimates. The Sydney Motorway Corporation has submitted this model for assessment to, presumably, Roads and Maritime Services and the wider assurance frameworks. You have published it in your business case but you have redacted it. So my question is pretty straight forward: How much money will you expect to be collecting and why shouldn't the people of New South Wales know that?

**Mr CLICHE:** As I mentioned, I will take that question on notice. I presume it was redacted for a reason.

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**The Hon. DANIEL MOOKHEY:** What is the internal rate of return that you are meant to deliver to the people of New South Wales, because that is relevant for us to be able to assess whether or not the tolling model is (a) likely to deliver it, and (b) whether it is fair?

**Mr CLICHE:** Again, you are asking the same question in different ways. I have told you that I will take it on notice

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**Dr MEHREEN FARUQI:** Please bear with me as I try to understand a little bit about how Sydney Motorway Corporation [SMC] operates because it is such a unique arrangement. What is the budget of the SMC?

**Mr CLICHE:** Do you mean the annual budget?

**Dr MEHREEN FARUQI:** Yes, the annual budget.

**Mr CLICHE:** Given that we are about to embark on a sales process I will defer that question and take it on notice.

Please refer to the SMC's Director's Report and Audited Financial Statements for the year ended 30 June 2016 available on the [www.sydneymotorway.com.au](http://www.sydneymotorway.com.au) website.

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**Dr MEHREEN FARUQI:** What is the percentage contingency within the project?

**Mr CLICHE:** It depends on the complexity of the project. Some have more and some have less.

**Dr MEHREEN FARUQI:** Stage 1B?

**Mr CLICHE:** Again, that is very specific information that I would have to take on notice.

**Dr MEHREEN FARUQI:** Could you take it on notice for 1A and 2 as well?

**Mr CLICHE:** Yes.

All construction contracts with our Contractors contain confidentiality provisions that treat this information as commercially confidential to the parties.

The cost for each stage of WestConnex is outlined within the updated Strategic Business Case and includes any associated risk costs.

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**The Hon. JOHN GRAHAM:** Can I ask about one of those things it is contracted to do, and that is the travel times that we spoke about earlier. Mr Cliche, do you stand by the claims that there will be a 40 minute time travel saving between Parramatta and the airport as a result of WestConnex?

**Mr CLICHE:** When the project is completed, yes.

**The Hon. JOHN GRAHAM:** That is despite the business case in that technical paper number two that the savings look much smaller. We heard evidence this morning that, looking at those examples in the technical paper, they might actually be 10 minutes,

**Mr CLICHE:** That is why I was asking for clarity on your question. They vary throughout the day and the time. We take averages, but at a high level, yes.

**The Hon. JOHN GRAHAM:** It could be as low as 10 minutes as it is in that technical paper?

**Mr CLICHE:** I would have to look at which technical paper you are referring to.

**The Hon. JOHN GRAHAM:** Sure. You may want to take that on notice.

WestConnex will deliver more than \$20 billion in economic benefits to NSW including significant travel time savings for motorists.

From opening of the widened section of the M4 motorists will benefit from reduced travel times and this benefit will increase as each section of the motorway is completed.

By 2031, with the benefits of a completed WestConnex, travel times for an average peak journey between Parramatta and Sydney Airport will be 40 minutes faster than what they would be without WestConnex, and motorists will be able to bypass up to 52 sets of traffic lights.

By 2031, WestConnex will provide travel time savings of about:

- 40 minutes between Parramatta and Sydney Airport
- 20 minutes between Burwood and Sydney Airport
- 30 minutes between Liverpool and south Sydney employment area
- 30 minutes from Port Botany to Silverwater.