



Responses to post-hearing questions

Portfolio Committee No. 6 - Transport and the Arts

Impact of the Rozelle Interchange

Hearing date – 30 May 2024

SUPPLEMENTARY QUESTIONS

Decision making

QUESTION 1.

During your employment in senior roles at the former TfNSW (December 2015 to April 2021) as A/Secretary and Deputy Secretary, and as CEO of Sydney Motorway Corporation (September 2014 – November 2015) and as Chief Finance Officer, WestConnex Delivery Authority, were you advised that the Anzac Bridge was operating at peak capacity during the morning weekly peak periods and that the design of the Rozelle Interchange could not be accommodated without adding to the level of traffic congestion in the inner west of Sydney?

ANSWER:

I refer to my evidence on page 7-8 of the Transcript that, while I was not involved in the final design decisions made by Government at the time, traffic models for connections to the north and the south were done on a broader network basis as a part of a long-term strategy to connect the western bypass via the Western Harbour Tunnel. The *2015 WestConnex Updated Strategic Business Case* at page 138 refers to strategic analysis which evaluated the options based on expected traffic outcomes on Parramatta Road, the broader road network (the impact on the Anzac Bridge in particular), and the impact on Stage 3 itself.

I was not involved in the detailed analysis of the road network impacts and potential mitigations under consideration when the design of Rozelle Interchange was publicly exhibited in August 2017 as part of the overall *M4-M5 Link Environmental Impact Statement* (EIS) which was then approved in April 2018. Chapter 8 of the EIS outlined the potential traffic and transport impacts associated with the M4-M5 Link project.

QUESTION 2.

In 2015, you moved from the CEO role with project responsibility for WestConnex to become Chief Finance Officer of TfNSW with investment as part of your remit. Major changes were made in 2016 to the objectives of WestConnex with, amongst other changes, connections to WHT and access to the CBD, which have added to the operational congestion experienced in the inner west. Did you have a role in instructing those changes with the purpose of maximising the asset sale price of WestConnex?

ANSWER:

I refer to my opening statement that in 2015, I was CEO of Sydney Motorway Corporation (SMC) to the middle of that year, then becoming Chief Financial Officer and Deputy CEO of SMC until I joined Transport for NSW in December 2015 as Deputy Secretary Finance and Investment. To the best of my recollection, no changes were made during that time to WestConnex design, or for a connection to WHT, for the purposes of maximising the asset sale price.

Business Case

QUESTION 1.

During your employment at TfNSW, SMC, and WDA was a cost benefit analysis undertaken for WestConnex?

- a. If yes, what was the benefit cost ratio for the project?

ANSWER:

The *2015 WestConnex Updated Strategic Business Case* refers to an assessment of the economic viability of the WestConnex which had been undertaken by KPMG, using Cost Benefit Analysis and wider economic impacts analysis. The benefit cost ratio results are outlined on page 41 of the Updated Strategic Business Case.

Modelling

QUESTION 1.

In your role as CEO of Sydney Motorway Corporation and Chief Finance Officer did you meet with the traffic modellers from RMS and/or their consultants to discuss the traffic implications of the design options for the Rozelle Interchange?

ANSWER:

During my roles at SMC, I met with the traffic modellers from RMS and SMC as well as external traffic modelling advisers. The *2015 WestConnex Updated Strategic Business Case* from page 38 and at Chapter 10 refers to the strategic traffic demand modelling which forecasted the expected changes to traffic numbers on the broader road network due to WestConnex.

After I left SMC in November 2015, work on the detailed design of Rozelle Interchange was assessed by RMS and approved in 2018 as part of the overall *M4-M5 Link Environmental Impact Statement*.

QUESTION 2.

Did you have access to the traffic models for the Rozelle Interchange? If so:

- a. Did they forecast increased levels of traffic congestion for the inner west?
- b. What initiatives did you explore to relieve the level of traffic congestion that the modelling indicated was going to occur by the Rozelle Interchange?

ANSWER:

I refer to my evidence on page 3 of the Transcript that my primary involvement during my roles in Treasury, then WDA and then at the SMC was in the overall financing structure and strategy for the WestConnex program and, in particular, the procurement and financing of Stages one and two. These roles did not include accountabilities for traffic forecasting on WestConnex Stage 3 (including the Rozelle interchange) or the broader road network.

When I moved from being WDA Chief Financial Officer to CEO of SMC, WDA was the government “client”. In mid-2015, when SMC assumed the project procurement functions of WDA, the government client functions of WDA were transferred to RMS. WDA, and then RMS, as the government client undertook extensive work on network impacts. Detailed

options and analysis on WestConnex and the broader road network were taken to Government by WDA/RMS and decisions were made in Cabinet by the Government at the time.

QUESTION 3.

Did the traffic model for the Western Harbour Tunnel make assumptions about the tolling regime for the WHT, Sydney Harbour Bridge and Sydney Harbour Tunnel?

- a. If yes, what were the tolling assumptions made on the level of tolls for inclusion in the traffic model?

ANSWER:

I refer to my opening statement and evidence at page 8 of the Transcript which noted that the *2015 Updated Strategic Business Case* (at page 192) outlined that the tolling assumptions applicable to WestConnex were consistent with the Government's 10 tolling principles which were to also be applied to the Western Harbour Tunnel and Beaches Link. A range of tolling assumptions and scenarios were considered at the time and through the development phase of those projects.

I refer you also to the Western Harbour Tunnel EIS lodged in January 2020 which outlines tolling considerations, including that the primary change in terms of tolling as a result of delivery of the Western Harbour Tunnel would be the introduction of a consistent single-price toll on all Sydney Harbour crossings in each direction. The EIS also noted that this change was subject to a decision of Government. A detailed traffic and transport assessment prepared for RMS was included at Appendix F of the EIS.

QUESTION 4.

Did the traffic model assume that Beaches Link (BL) would be built and was the traffic predicted to use BL included in the model?

ANSWER:

I was not involved in the detailed traffic modelling and final decisions made by Government on the Beaches Link.

However, I refer to the *2015 Updated Strategic Business Case*:

- At page 209 noted that one of the objectives of WestConnex was to facilitate the future Western Harbour Tunnel and Beaches Link program, which was subject to its own business case at the time.
- At Chapter 11 which noted that in addition to the strategic traffic modelling undertaken for WestConnex (Chapter 10), simulation modelling was used to investigate operational effects at interchanges and intersections. Micro-simulation and micro-analytical traffic models had been used to test traffic operations on WestConnex motorways to inform acceptable designs for access to the surface road network and the proposed Western Harbour Tunnel and Beaches Link.

I refer you also to Chapter 9 and Appendix F of the EIS for Western Harbour Tunnel which evaluated operational traffic modelling scenarios with and without Beaches Link, and noted Beaches Link was subject to a separate assessment and approval process.

Project delivery

QUESTION 1.

In your evidence you mentioned that one of the options analysed as part of the many options considered as part of the WestConnex stage 3 Review was “the Regan Curve”. Can you describe this option and how it differed from the stage 3 - Rozelle Interchange option?

- a. Was it a connection for traffic from the west to head north at an interchange in the area of Forest Lodge?
- b. Is it correct that analysis in 2014 concluded that Anzac Bridge is put under additional stress by this “Regan Curve” when compared to a target outcome of not exceeding current 6,600 vehicles per hour?
- c. What was your involvement that lead to that option?

ANSWER:

I refer to my evidence at page 10 of the Transcript in response to the Committee’s question, that I do not recall reference to the Rozelle Interchange option being called the “Regan option”. My recollection is at that time the “Regan curve” colloquially referred to a curve which was not the Rozelle Interchange itself, but I do not recall the specific details of the curve. I do note however the strategic rationale and objectives of the Western Bypass of the CBD facilitated by the Northern and Southern Extensions to WestConnex included enabling traffic to and from the West on the extended M4 to utilise that north-south connection as part of that bypass.

I also refer to my opening statement that pages 138-139 of the 2015 Updated Strategic Business Case outlined an evaluation of 16 options which informed the Government decision in late 2014 to incorporate the northern extension into the Stage 3 alignment.

QUESTION 2.

The Camperdown ramps were deleted as part of the 2016 review.

- a. What involvement did you have in that decision?
- b. What was the basis of that decision?

ANSWER:

In 2016, in my Transport for NSW (TfNSW) role as Deputy Secretary Finance and Investment at the time, I attended regular WestConnex Steering Committee meetings, along with senior representatives from TfNSW, RMS, NSW Treasury, Department of Premier and Cabinet, Department of Planning and Environment, and the Commonwealth Department of Infrastructure and Regional Development. Along with regular project monitoring and assurance by Infrastructure NSW, the Steering Committee provided overall cross-government oversight for WestConnex.

I refer to my evidence at page 10 of the Transcript that, to the best of my recollection, there were further decisions in 2017 made and taken to Government by RMS around subsequent changes, Camperdown ramps and north-south links.

I refer you also to both the publicly available *WestConnex M4-M5 Link State Significant Application Report Addendum 2* report dated March 2017 and to the *M4-M5 Link EIS* exhibited in August 2017 which outline how the decision to remove the Camperdown ramps was informed by consideration of the functionality and potential impacts of the proposed

interchange, as well as feedback received from stakeholders and communities. The documents state the review identified issues “including spatial constraints, heritage impacts, traffic congestion, future public transport integration and tunnel queuing”. The EIS also notes an assessment of the redistribution of traffic and the impact on traffic volumes resulting from the removal of the Camperdown interchange was undertaken.

QUESTION 3.

You mention in your evidence that RMS was responsible for the design of WestConnex, that many agencies were involved as well as consultants/advisers and that RMS was integrated into TfNSW. Considering this:

- a. Who was ultimately responsible for the design of WestConnex?
- b. Who was ultimately responsible for the design of the Rozelle Interchange?
- c. Who authorised the WestConnex tunnel and surface road alignments that were ultimately put to tender?

ANSWER:

I refer to my opening statement that a number of Government organisations had a role in the planning, delivery and financing of WestConnex, and there were changes in roles and remits of those organisations through the development and delivery of the program. However, at all times governance structures were in place, and the ultimate decision makers for WestConnex were the Cabinet and Minister of the Government of the day.

At all times there was a “client” agency with the overall responsibility for the impacts on the broader road network and the ultimate scope of WestConnex, and making recommendations to the Government of the day. WDA was the government client until it was dissolved in the middle of 2015 and the government client functions were transferred to RMS.

I refer to my evidence at page 4 of the Transcript, my understanding is that after I left SMC, SMC continued to work closely with RMS and as each of the stages of WestConnex were progressively contracted, concession agreements were entered into between RMS and the SMC.

In 2019, RMS was dissolved and integrated into Transport for NSW.