



## Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Coalition  
Date Referred: 13/03/2019

Proposal No: Y095  
Date Published: 18/03/2019

Proposal Title: Electric Buses and Bus Depot for Randwick

Cluster: Transport

### General Government Sector Impacts

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	190	381	-	571
Depreciation	-	-	189	377	566
Less: Offsets	-	-	-	-	-
Revenue	-	-	-	-	-
<b>Net Operating Balance:</b>	-	<b>(190)</b>	<b>(569)</b>	<b>(377)</b>	<b>(1,137)</b>

Capital Expenditure	-	4,714	4,714	-	9,429
Capital Offsets	-	-	-	-	-
<b>Net Capital Expenditure:</b>	-	<b>4,714</b>	<b>4,714</b>	-	<b>9,429</b>

<b>Net Lending/(Borrowing):</b>	-	<b>(4,904)</b>	<b>(5,095)</b>	-	<b>(10,000)</b>
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### Total State Sector Impacts

<b>Net Lending/(Borrowing):</b>	-	<b>(4,904)</b>	<b>(5,095)</b>	-	<b>(10,000)</b>
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### Notes and costing assumptions

The policy proposes to allocate \$10 million in capped funding to test the feasibility of transitioning bus depots to partial or full electric operations. This policy is part of the Electric and Hybrid Vehicle and is not included in the NSW Budget, so it will have an impact of \$10 million over the forward estimates. The policy provides funding for 2019-20 and 2020-21.

Under the policy, Randwick Bus Depot would be subject to the feasibility testing. The funding would be used for ten electric buses and associated infrastructure (such as charging stations), maintenance and electricity costs. Five buses and their associated infrastructure will be purchased each year in 2019-20 and 2020-21.

Based on the \$10 million capped amount, the PBO estimates that the buses will cost \$7.5 million and infrastructure will cost approximately \$1.9 million over the two years. The infrastructure costs are based on a previous NSW investment of \$2 million for charging points in commuter carparks around Sydney. The remaining \$571,000 is for maintenance and electricity. The costs of the buses and infrastructure have been depreciated over a useful life of 25 years on a straight line basis.

The PBO notes that the funding profile may vary depending on the availability of buses and infrastructure. Additionally, there may be a need for supporting infrastructure such as charging stations to be purchased prior to the buses, which would vary the funding profile.

The PBO also notes there may be potential savings from the trial if older diesel buses are replaced, due to lower operating and maintenance costs for electric vehicles.