PARLIAMENTARY BUDGET OFFICE
NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Referred by: Australian Labor Party
Proposal No:C1249
Date Referred: 27/01/2023
Date Published: 20/03/2023

Proposal Title: Charging stations across the rail network

Cluster: Transport

General Government Sector Impacts

	2022-23 $'000	2023-24 $'000	2024-25 $'000	2025-26 $'000	4 year Total $'000
Expenses (ex. depreciation)	-	3	10	17	30
Depreciation	-	-	13	44	57
Less: Offsets	-	-	-	-	-
Revenue	-	-	-	-	-
Net Operating Balance:	**-**	**(3)**	**(23)**	**(61)**	**(87)**
Capital Expenditure	-	78	183	209	470
Capital Offsets	-	-	-	-	-
Net Capital Expenditure:	**-**	**78**	**183**	**209**	**470**
Net Lending/(Borrowing):	**-**	**(81)**	**(192)**	**(226)**	**(500)**

Total State Sector Impacts

Net Lending/(Borrowing):	**-**	**(81)**	**(192)**	**(226)**	**(500)**

Notes and costing assumptions:

The policy proposes to allocate $500,000 over the three years from 2023-24 to 2025-26, towards planning and installation of mobile phone charging stations across the rail network.

The policy assumes that planning will cover assessment for best placement of charging stations across the Sydney Trains station network.

Key assumptions

- The policy assumes that charging stations will be between 8 dock and 24 dock size.
- Transport for NSW has advised that the capital cost of installing a mobile charging station (and a security camera) at a train station is $26,100 per unit (excluding a 25% contingency).
- Transport for NSW has also advised that ongoing annual operating and maintenance costs would be around $968 per unit.
- Considering the above, the PBO estimates 18 charging stations could be acquired for a total spend of $500,000 (Table 1).
- The charging stations are assumed to have a useful life of 6 years, and depreciation is applied using the straight-line method.

Notes and costing assumptions continued:

- Depreciation, operation and maintenance costs would extend beyond the forward estimates, regardless of how many charging stations are installed.

The costing requested nominated a spend of $200,000 in 2023-24 and 2024-25, followed by $100,000 in 2025-26. Due to the cost per charging unit being $26,100, it is not possible to follow this spending profile and also to reach the targeted spend of $500,000 over the forward estimates. As such, the PBO has based this costing on a revised spending profile (Table 1).

Table 1. Adjustment of the proposed spending profile based on estimated costs

	2023-24	2024-25	2025-26	2025-26	4 year Total
Request annual profile ($'000)	-	200	200	100	500
Revised annual profile ($'000)	-	81	193	226	500

Using the revised annual profile, the breakdown of charges is identified in Table 2, approximating $500,000 over the forward estimates.

Table 2. Annual cost profile to deploy a fleet of 18 charging stations

	2023-24	2024-25	2025-26	2025-26	4 year Total
New charging units deployed	-	3	7	8	18
Capital costs for new chargers ('000)	-	78.3	182.7	208.8	469.8
Operational costs, fleet of chargers ('000)	-	2.9	9.7	17.4	30.0
Annual cost ('000)	**-**	**81.2**	**192.4**	**226.2**	**499.8**

If the spending was to closely follow the annual spending profile nominated in the costing request, total spending over the forward estimates would result in an under- or over-spend in relation to the proposed $500,000 spend. An example is included in Table 3 below.

Table 3. Policy-proposed annual cost profile to deploy fleet of charging stations

	2023-24	2024-25	2025-26	2025-26	4 year Total
New charging units deployed	-	7	7	3	17
Capital costs for new chargers ('000)	-	182.7	182.7	78.3	443.7
Operational costs, fleet of chargers ('000)	-	6.8	13.5	16.5	36.8
Annual cost ('000)	**-**	**189.5**	**196.2**	**94.8**	**480.5**