

Blayney-Demondrille Rail Line Update

22/2/2017

Progress Report

Reference:

File No. F:106.02 Y

PURPOSE

Is to update the Lachlan Regional Transport Group on continued progress to re-open the first stage of the Blayney-Demondrille line, i.e. the line from Demondrille to Maimuru, and ultimately the full line to Blayney.

REPORT

In April 2016, the former Young Shire Council applied for funding to reinstate the first stage of the Blayney to Demondrille Rail Line – Demondrille to Maimuru – in the Pilot Round of the State Government's Fixing Country Rail Program.

The funding application was successful and \$5million in funding for the project was announced by the then Minister for Roads, Maritime and Freight, Duncan Gay, at a public function at the Railway Station in Young in August 2016.

The offer of funding was based on the establishment of a proven business case for freight to make the line operation viable.

Since the funding announcement the Blayney - Demondrille Alliance (Blayney, Cowra, Weddin and Hilltops Council) have continued to work together to advance research on the freight task to make the line operational again, initially for stage 1.

They have been supported by Transport for NSW (TfNSW) in this work with the appointment Business Development Manager – Regional Cargo Movement Co-ordination Centre (CMCC), Freight and Regional Development, Brendon Reynolds, to investigate possible freight.

Mr Reynolds has revisited freight suppliers initially identified in the unsuccessful Expressions of Interest for the above and below rail operation of the Blayney-Demondrille line received by TfNSW in 2014.

He has also taken advice from members of the Alliance and contacted additional business contacts who might use the line in the future, to ascertain possible tonnages, frequency of freight etc.

Work to develop the business case is ongoing.

In tandem, the Alliance have decided to engage a third party, Lycopodium Infrastructure Pty Ltd, to perform a line re-opening study into the rehabilitation of the rail line from Blayney to Demondrille to a standard that would be fit for operation.

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It is expected that results of this study will be available to the Alliance by the end of March and that the outcome will be provided to the appropriate Minister to strengthen the case for the full re-opening of the line, or possibly the information necessary to provide a better spend of the 5 million proposed beyond Maimaru.

The Blayney-Demondrille Rail line is an important transport link providing the following benefits to the people of NSW.

- Support regional primary producers, mines and production centres.
- Lower transport costs for regional producers to improve international competitiveness.
- Increase local regional employment.
- Reduction in medium and long haul road freight task resulting in reduced pavement wear; improved road safety from less trucks; reduced truck congestion, noise and fumes in regional centres; reduced demand for upgrade to cater for escalating road freight task.
- Safer roads with the modal shift of large volumes of freight from road to rail.
- Opportunities for new business to establish along the rail corridor with a price advantage on cheaper freight rates per tonne.