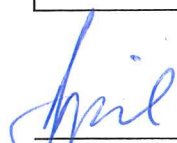


2016 Policy Commitment – ACT Greens

Name of Commitment:	Trialling an ACTION Hybrid Bus	Reference Number: GRN032
Request Submitted by:	Shane Rattenbury MLA, ACT Greens	
Date Request Received:	05-Oct-16	
Additional Information Requested (details and date)	N/A	
Additional Information Received (details and date)	N/A	

Financial Implications					
Impact On:	2016-17	2017-18	2018-19	2019-20	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues ^(a)	0.0	0.0	0.0	0.0	0.0
Expenses ^{(a) (b)}	-56.6	-150.3	-254.7	-35.2	-496.8
- Employee Expenses	-30.7	-31.6	-32.5	0.0	-94.7
- Other Expenses	-7.9	-100.2	-203.3	-15.8	-327.3
- Cost of Financing	-18.0	-18.5	-18.9	-19.4	-74.7
Expenses - Depreciation	0.0	-36.0	-36.0	-36.0	-108.0
Net Operating Balance	-56.6	-186.3	-290.7	-71.2	-604.8
Capital Requirement	-720.0	0.0	0.0	0.0	-720.0
Cash Surplus/Deficit	-776.6	-150.3	-254.7	-35.2	-1,216.8
<small>(a) A negative number indicates a decrease in revenue or an increase in expenses.</small>					
<small>(b) Excludes depreciation expenses.</small>					

Other Information
<p>Costing Methodology Used:</p> <p>- Costing Technique:</p> <p>The costing has been completed using a price by quantity methodology, based on similar works undertaken by the ACT Government.</p>
<p>- Proposal Parameters:</p> <p>The trial is anticipated to commence in 2016-17 and take two years to complete.</p> <p>The cost of financing has been calculated at 2.5 per cent.</p> <p>Depreciation has been calculated on a straight-line basis over a 20-year period.</p> <p>No indexation has been applied.</p> <p>Repairs and maintenance expenses are costed at 2.2 per cent of the capital cost each year.</p> <p>The purchased hybrid bus is assumed to remain in the fleet after the trial has finished.</p>
<p>Caveats or qualifications to the costing:</p> <p>The capital cost of this commitment would be sensitive to fluctuations in foreign exchange rates.</p> <p>Capital costs may vary depending on finalisation of the bus selection.</p> <p>Costs associated with recharge facilities have not been included.</p>
<p>Other Comments:</p> <p>The variance in capital requirement between the request and the costing is due to the request including capitalised staff costs, which have been expensed in the costing.</p>
<p>- Statistical Data Used:</p> <p>Transport Canberra and City Services Directorate and Treasury estimates.</p> <p>Salary costs have been calculated using the 2016-17 Average Salary Costing Template, plus standard salary on-cost rates.</p>



David Nicol
Under Treasurer
7 October 2016