

Request for Costing an Election Commitment

Name of policy proposal:	Trialling an ACTION Hybrid Bus
Person requesting costing:	Shane Rattenbury MLA
Date of request:	5 October 2016
Summary of proposal:	The ACT Greens commit to conducting an ACTION Hybrid Bus trial.
Issue the proposal will address:	Improved environmental outcomes by investigating the transitioning away from buses that run on 100% diesel.

What are the key assumptions that have been made in the proposal?

Note: The costing will developed on the basis of information and assumptions provided in the costing request. The professional judgment of the Under Treasurer will determine whether these assumptions are adopted in the costing of the proposal.

Costs for the trial are dollar limited, with the trial to run from 2016-17 through to 2018-19. Costs would cover the purchase of a suitable Hybrid bus for the trial, and an evaluation comparing the reliability, cost effectiveness, likely fuel savings and environmental impacts. Costs have been determined from previous advice provided by Transport Canberra and City Services Directorate. The cost of financing has been calculated at 2.5 per cent. Depreciation has been calculated on a straight line basis over a 20 year period . Staffing allocation of .25 FTE of an ASO 6 have also been factored into the costs above.

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this proposal and estimated costs each year (if available)?

	2016-17	2017-18	2018-19	2019-20	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue^(a)	0	0	0	0	0
Expenses^(a)	-47	-51	-57	-26	-181
Capital	-720	-116	-220	0	-1,056
Depreciation	0	-36	-40	-49	-25

(a) A negative number indicates a decrease in revenue or an increase in expenses. The expenses row does not include depreciation costs.

Has any specific information or data been utilised in generating the proposal?

Yes – advice received from Transport Canberra and City Services Directorate in December 2015.

Where relevant, is funding for the proposal to be demand driven or a capped amount?

Capped.

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the proposal? Does the proposal provide additional funding to, or redirect, any existing Commonwealth/State or Territory funding arrangements (for example, does an education proposal add to or redirect NERA funding).

No.

Will funding/the cost require indexation?	N/A
Who will administer the proposal?	Transport Canberra and City Services Directorate
How will the proposal be administered?	Transport Canberra to manage/monitor the trial.
Is the proposal part of a broader package?	No.
Has an allowance been made for expenses necessary to support the implementation of this proposal? <ul style="list-style-type: none"> – If no, will the government agency be expected to absorb expenses associated with this proposal? – If yes, please specify the key assumptions. 	Some staffing costs incorporated into the proposal.
Will the proposal generate savings or offsets?	No.
Has the proposal been previously costed by an external (third) party? Will a copy of this material, including any assumptions, be made available to Treasury?	Yes. Proposal is based on advice received from Transport Canberra and City Services Directorate in December 2015. Information will be made available to Treasury.
What are the community impacts associated with the proposal? Who and how many people will be affected?	Improved environmental outcomes – a more sustainable transport system.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?	No.
What is the intended implementation date of the proposal?	2016-17
When is the proposal expected to be fully operational? Please provide details such as the start and end dates, the level of commitment during each period etc?	2016-17
Will the proposal cease, and if so, when?	Review of trial to be completed by 2018-19.
Is there any additional information relevant to this proposal?	No.