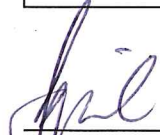


## 2016 Policy Commitment – ACT Greens

<b>Name of Commitment:</b>	ACTION Bus Bio Diesel Trial	<b>Reference Number:</b> GRN031
<b>Request Submitted by:</b>	Shane Rattenbury MLA, ACT Greens	
<b>Date Request Received:</b>	05-Oct-16	
<b>Additional Information Requested (details and date)</b>	N/A	
<b>Additional Information Received (details and date)</b>	N/A	

Financial Implications					
Impact On:	2016-17	2017-18	2018-19	2019-20	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues <sup>(a)</sup>	0.0	0.0	0.0	0.0	0.0
Expenses <sup>(a) (b)</sup>	-43.9	-60.1	-31.1	-31.9	-167.0
- Employee Expenses	-28.9	-29.7	0.0	0.0	-58.5
- Other Expenses	0.0	0.0	0.0	0.0	0.0
- Cost of Financing	-15.0	-30.4	-31.1	-31.9	-108.4
Expenses - Depreciation	0.0	0.0	-60.0	-60.0	-120.0
<b>Net Operating Balance</b>	<b>-43.9</b>	<b>-60.1</b>	<b>-91.1</b>	<b>-91.9</b>	<b>-287.0</b>
<b>Capital Requirement</b>	<b>-600.0</b>	<b>-600.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-1,200.0</b>
<b>Cash Surplus/Deficit</b>	<b>-643.9</b>	<b>-660.1</b>	<b>-31.1</b>	<b>-31.9</b>	<b>-1,367.0</b>
<small>(a) A negative number indicates a decrease in revenue or an increase in expenses.</small>					
<small>(b) Excludes depreciation expenses.</small>					

Other Information
<b>Costing Methodology Used:</b>
<b>- Costing Technique:</b>
Treasury has costed this commitment based on agency estimates of the cost of new fuelling equipment and the cost of converting bus engines for the use of bio-diesel.
<b>- Proposal Parameters:</b>
The trial would run over two years from 2016-17 to 2017-18.
The trial would involve upgrading the fuel systems of various diesel engine configurations in the current bus fleet, up to 15 buses in total.
Depreciation has been calculated on a straight-line basis over a 20-year period.
The cost of capital has been calculated at 2.5 per cent per annum.
The costing includes employee expenses at 0.25 Full-Time Equivalent at the ASO6 level.
Any additional administrative expenses, including environmental management and monitoring of the trial, would be absorbed by the Transport Canberra and City Services Directorate (TCCS).
<b>Caveats or qualifications to the costing:</b>
Capital costs include the design and construction of a bio-diesel fuel facility at an existing depot. This also includes the supply and installation of a fuel tank, fuel pumps, surrounding safety structures and necessary environmental management plans.
The costing assumes that the fuelling equipment could be used for diesel refuelling and therefore continue operating in the event that the trial was unsuccessful. It has therefore been depreciated over 20 years.
<b>Other Comments:</b>
N/A
<b>- Statistical Data Used:</b>
TCCS estimates.
Salary costs have been calculated using the 2016-17 Average Salary Costing Template, plus standard salary on-cost rates.

  
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 David Nicol  
 Under Treasurer  
 11 October 2016