

Marija Bakulich

From: Wayne Heerdegen
Sent: Friday, 19 June 2015 4:18 p.m.
To: Dave Brash; Lyndon Hammond
Subject: RE: HVL Reliability_Assessment_Memo_June_2015.docx - urgent

Hi Dave, information in response for your consideration.

1. What is the total investment needed to get the LoS back to 95%?

Previous information advice from Kiwirail on investment to address Hutt Valley Line reliability is that there is \$11.1m of deferred expenditure for Track renewals (\$3.2m per year for Track shortfall and \$0.5m per year for Track formation), which is significant component to addressing LoS for Hutt Valley Line.

There is further expenditure for replacement of Peruvian Decayed Sleepers (\$5m) and replacement of remaining wooden bridges (\$1.6m)

2. What is the share of track access costs between KRL freight and GW PT?
 Several components form track access costs, components and shares are:

| | KRL Freight (%) | GW PT (%) |
|--------------------------|-----------------|-----------|
| Track | 28.1 | 61.9 |
| Traction and overhead | 0 | 100 |
| Signals and Interlocking | 10.4 | 89.6 |
| Structures | 25.1 | 64.9 |

3. What is the total investment for and GW, and shares in the enhanced track access?

Current Track Access Agreement funded under PT Rail Services is \$19m (\$7m in renewals, \$11m other components). NZTA FAR appears to be 56% and therefore \$10.6m, but this may need to be checked. Increase of \$2m at 100% FAR would create a new TAC for 2015/16 and an effective FAR of 60.2% (12,640,00 NZTA share and 8,360,000 GW share).

Greg's Issues

KRL freight share – A quick calculation based on the share in the table above for track indicates that if GW invested \$2m in for Track, KRL's equivalent Freight funding is 560,000 (being 28.1% of \$2,560,000).

Regards

Wayne

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From: Dave Brash
Sent: Friday, 19 June 2015 3:04 p.m.
To: Lyndon Hammond; Wayne Heerdegen
Subject: RE: HVL Reliability_Assessment_Memo_June_2015.docx - urgent

Lyndon and Wayne – this was most useful. I have a couple of questions and then Greg has raised another problem.

Questions:

- What is the total investment needed to get the LoS back to 95%?
- What is share of these track access costs between KRL freight and GW PT?
- What is the would be the total investment be for us and GW, and shares, in the enhanced track access?

Greg's Issue

- Greg says that we won't get the improvement in reliability unless somebody fronts up with the freights share of the extra track costs ie: the \$2 mill is only for PT share and KRL don't have their share
- Therefore we need to put \$2.6mill in to make this happen
- Feels to me like we are being bidded up
- I am trying to get a hold of Dave Gordon to get his understanding.

Cheers db

From: Lyndon Hammond
Sent: Thursday, 18 June 2015 3:47 p.m.
To: Dave Brash
Subject: FW: HVL Reliability_Assessment_Memo_June_2015.docx

Hi Dave

First cut but we can tidy up and work out who signs. Wayne notes we need to sort delegations re 100% FAR.

Essentially from a benefits perspective

At present an average loss of travel time of 10 minutes generates negative travel time benefits of approximately \$5 million per annum, based on an average travel time value of \$5 per hour (combined peak and off peak values), delay of ten minutes and 6,381,948 passenger trips on the Hutt Valley Line.

Cheers
Lyndon

From: Wayne Heerdegen
Sent: Thursday, 18 June 2015 3:42 p.m.
To: Lyndon Hammond
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Updated version

Done with 100% FAR and inclusion of Travel Time benefits (disbenefits) of approx. \$5m per annum for the HVL (6 million passengers with average PT travel Time Value of \$5, delay of 10 mins – average across users – noting distribution of that Travel time loss varies with at what point passenger joins the HVL).

Note a 100% FAR is outside delegations for a regional manager.

Regards
Wayne

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