

30 April 2015

Victorian Government to progress Transurban's market-led proposal for the Western Distributor

Transurban Group (ASX: TCL) has welcomed a Victorian Government announcement to progress Transurban's market-led proposal to deliver a new Melbourne motorway that provides an alternative route to the West Gate Bridge and moves trucks off local roads in the city's inner west.

Transurban's full media release, outlining details of the Western Distributor, is attached along with a copy of the statement issued by the Victorian Government.

The concept for the Western Distributor was submitted to the State Government earlier this year under Victoria's new Market-led Proposals Interim Guideline. Transurban will now work with public officials through Stage 3 of the Government's process, which is expected to take up to six months.



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Classification

Public

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Media Release

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VICTORIAN GOVERNMENT AND TRANSURBAN TO PROGRESS WESTERN DISTRIBUTOR PROPOSAL

Transurban has welcomed a Victorian Government announcement to progress its market-led proposal to deliver a new Melbourne motorway that provides an alternative route to the West Gate Bridge and moves trucks off local roads in the city's inner west.

While today's announcement does not commit the parties to a project, the Victorian Government will work with Transurban to develop a detailed proposal, investment case and procurement plan to significantly improve travel times and reliability as well as providing a new, direct freight route to the Port of Melbourne.

Transurban CEO, Scott Charlton, advised the concept for the Western Distributor was submitted to the State Government earlier this year under Victoria's new Market-led Proposals Interim Guideline. Transurban will now work with government through Stage 3 of the process, which is expected to take up to six months, whilst also commencing discussions with the local community and stakeholders.

"Our proposal minimises impacts on local communities, removes the need to acquire any homes and supports motorists and trucks looking for alternative connections to the city," said Mr Charlton.

"It is a project that will evolve as we discuss potential transport solutions with the local community and work continues with the State Government."

The current proposal, which would deliver 3500 construction jobs and 4500 indirect jobs, incorporates the delivery of three key sections:

- **Western Distributor** – a proposed tunnel and elevated motorway that connects the West Gate Freeway with the Port of Melbourne, CityLink and the CBD, providing an alternate river crossing and easing pressure on the West Gate Bridge. This is estimated to increase the river crossing capacity by 60 per cent.
- **West Gate Freeway widening** – two additional lanes from the M80 Ring Road to the West Gate Bridge, boosting capacity of the corridor by approximately 50 per cent.
- **Webb Dock access improvements** – upgrading Cook Street and the West Gate Freeway-to-Bolte Bridge ramp to complement works already underway and improve safety and access from Webb Dock.

The proposal includes the roll out of a state-of-the-art freeway management system to manage the flow and entry of vehicles on the motorway, such as overhead lane use signs, electronic on road message boards, ramp metering, CCTV and automatic incident detection systems. This would complement existing managed motorways along the M1 corridor in the south east and the M80 corridor in the west.

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Media Release

The Western Distributor would nearly halve travel times for trips to the city from the M80-West Gate Freeway interchange during the morning peak and help wipe around 15 minutes off trips to the city from Geelong and Ballarat.

Truck trips into the Port of Melbourne would be up to three times faster and the proposal would take up to 50 per cent of trucks off local roads in the inner west, improving liveability.

"Trips into the city and the port precinct are getting longer and less reliable and one incident on the West Gate can leave motorists stranded for hours. When the M1 stops, Melbourne stops," Mr Charlton said.

"This job-creating proposal will boost liveability in the inner west, tackle congestions, drive our economy and support one of the country's fastest growth corridors.

"Transurban was founded in Melbourne and we are tremendously excited about the possibility of building and operating new, city-shaping infrastructure here."

The Western Distributor proposal is currently expected to cost between \$5 billion and \$5.5 billion, with an independently verified benefit cost ratio of 1.6 and more than 2.0 when wider economic benefits are included.

Transurban's proposed funding structure for the Western Distributor does not require any direct funding from the State and would likely include tolls for motorists using the new tunnel, tolls for heavy vehicles using the upgraded West Gate Freeway/new tunnel corridor and an extension of the current CityLink Concession Deed.

"No State funds are required, freeing up investment for other vital infrastructure projects, including new public transport connections," said Mr Charlton.

"The proposal also ensures there will be no tolls on the West Gate Bridge.

"Transurban is in a unique position to integrate the Western Distributor with the existing road network so motorists have a seamless journey.

"This includes toll caps for trips using both the Western Distributor and CityLink, integrating services with our existing back office channels and quickly managing on-road incidents.

"We believe the proposal ticks all the boxes for a level of Federal Government support as a project of national significance, which reduces pressure on the West Gate Bridge, provides more efficient freight movements to the nation's busiest container support and supports local economic growth."

Subject to negotiations and approvals processes, some early works could start this year and it is anticipated all works could be complete by late 2020.

Information about the proposed Western Distributor can be found at www.transurban.com.

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WesternDistributor



01

Additional lanes from the M80 Ring Road will boost capacity by 50%

02

Proposed tunnel takes significant traffic volumes off local roads with no expected acquisition of homes or parklands

03

Proposed elevated freeway will provide direct connections to the Footscray Road and the Port precinct and adds 60% additional river crossing capacity

04

Connections to CBD and CityLink providing choice

05

Proposed improvements to further enhance access and safety to Webb Dock

06

Providing more options for those travelling to and from the northern and south eastern suburbs

Media Release

The Hon Daniel Andrews MP
Premier



Thursday, 30 April, 2015

NEW PROJECT TO REDUCE CONGESTION ON WEST GATE BRIDGE PROGRESSES

Premier Daniel Andrews today joined Minister for Roads, Luke Donnellan, to announce that the Western Distributor – an innovative new road project proposed by Transurban – has progressed to Stage Three of the Government’s Market-led Proposals Guideline.

The Transurban proposal would connect the West Gate Freeway to CityLink via a tunnel, a second river crossing and an elevated freeway along Footscray Road, and would relieve pressure on the West Gate Bridge, improve truck access to the Port of Melbourne and significantly reduce truck numbers in the inner west.

Transurban estimates that the project would generate 3,500 new construction jobs, cost \$5-5.5 billion and have a cost benefit ratio of 1.6. If agreed to by the Government, it would start at the end of this year and be completed by 2020.

The new proposal is being assessed by the Department of Treasury and Finance and reviewed by external consultants. The assessment process to date has been reviewed by an independent panel of Dr Kerry Schott and Tony Canavan, who support the Stage Two assessment findings and the recommendation to proceed to Stage Three.

The Panel notes that the proposal has the potential to add strong long-term strategic value to Melbourne’s future. The proposal will be assessed against other Government plans, including the West Gate Distributor.

The Department of Treasury and Finance will undertake a thorough assessment of the project through the Stage Three process. The Government will then decide whether to proceed with Transurban’s proposal, modify it, or opt for another option.

The Government’s consideration of this proposal will be predicated on the Victorian taxpayer getting value for money.

The Andrews Labor Government promised to be open and transparent on all new projects, and the project is being disclosed as a requirement of progression under the new Market-led Proposal Interim Guideline.

Quotes attributable to Premier of Victoria, Daniel Andrews

“The Government recognises and appreciates the effort Transurban has gone to in bringing forward this proposal. The Government will now consider it seriously and in accordance with the Market-led Proposal Interim Guideline.”

“Building a direct link to the Port of Melbourne and a tunnel alternative to the West Gate Bridge would cut travel times for workers and businesses across Victoria.”

Quotes attributable to Treasurer of Victoria, Tim Pallas

“We promised to be open and transparent on all new projects. Our rigorous guidelines mean this proposal can be properly and fairly assessed.”