



19 October 2009

Adelaide Rail Freight Movements Study
Department of Infrastructure, Transport
Regional Development and Local Government
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Dear Sir

Adelaide Rail Freight Movements Study – Discussion Paper

Comments on the Discussion Paper are attached. Please advise if I can be of further assistance.

Yours faithfully

Malcolm Cameron

15 October 2009

Adelaide Rail Freight Movements Study

Comments on Discussion Paper

- 1) **Double Stacking** is listed as a consideration in Section 2.1 although the Adelaide Hills is only one restriction on the Melbourne-SA route. Unless it is linked with a wider project, double stacking in the Adelaide Hills alone cannot be costed as a benefit.

- 2) **Adelaide-Perth Double Stacking Process:** Islington is used as the location to combine Adelaide-Perth and Melbourne-Perth freight for double stacking Adelaide-Perth. If Islington is bypassed by Melbourne-Perth trains then the Adelaide-Perth train would have to be either:
 - double stacked by itself at Islington (less efficiently due to reduced potential double stack combinations) and shunted to Two Wells (adding an extra shunt cost), or,
 - shunted single stacked to Two Wells for subsequent efficient double stacking.or
 - Melbourne-Perth hauled back to Islington

- 3) **Two Wells Terminal:** Extra costs arise in all operational options:
 - 3.1) Abolish Islington Terminal**
 - Incurs additional pick-up & delivery costs for Adelaide intermodal container freight to/from **all** locations (Brisbane, Sydney, Melbourne, Darwin, Perth) by pick-up/delivery to/from Two Wells including devaluation of existing customer facilities now optimally located in the Islington area. This makes rail less cost competitive. (Pick-up/delivery cost is about \$70 per hour so is an important cost component in intermodal container rail.)
 - Longer pick-up/delivery times effectively mean earlier cut-off times at Adelaide customers and later delivery times to Adelaide customers making rail less service competitive
 - Extra transit time for ex Melbourne Australia Post and other freight roaded Melbourne to Adelaide for Perth. Freight available after a 20:00 cut-off in Melbourne is often roaded to Adelaide catch the Adelaide-Perth train eg Australia Post.

 - 3.2) Islington Terminal plus Two Wells Terminals**
 - Duplicates equipment, terminal, staff and overhead costs making rail less competitive.

 - 3.3) Islington Terminal Only.**
 - most likely would drag the train back to Islington increasing distance and losing transit time advantage.

3.4) Return Perth to Melbourne & Perth to Adelaide Freight

- Perth terminals would have greater loading restrictions to enable Adelaide freight to go separately to Islington & Melbourne freight to bypass Islington.

- 4) **Separate Freight & Passenger Lines:** There is additional total track length for the same task. The total costs of the new line would be allocated to the relatively small volume of Melbourne-Perth freight being only up to four trains/day over six days (up to 2 x Pacific National, 1 x SCT, 1 x QR trains). Capital cost/train + maintenance cost/train would be astronomical compared with sharing the existing line which must be maintained to passenger standard in any case.

[Comparatively Australia has small freight flows over extraordinary distances – hence unnecessary infrastructure has to be deleted not added e.g. the Lithgow-Broken Hill link is unnecessary. For Adelaide Hills the land value including cuttings etc of the existing line is essentially costed as \$0 being historically allocated as a “land right” to rail. This is definitely not the case for a new bypass line.]

5) Gains of Separate Freight Line

- Melbourne/Adelaide train length restricted to 1500 metres & 3500 tonnes (if correct) are not great restrictions. Melbourne-Albury is also restricted to 1500mm. (Actually, the ARTC “Code of Practice for Operations & Safeworking Network Interface Co-ordination Plan” Section 14, page 29 gives a Maximum Trailing Load of 5000 tonnes Mile End to Taillem Bend not Total Train Weight of 3500 tonne.)
- Saving of one hour is not great in a three day Melbourne-Perth transit. It could be lost at Two Wells in shunting/double stacking from the Adelaide train to the Melbourne-Perth train compared to the Islington operation where the truck takes the container to the exact terminal location where it is needed for double stacking.
- There are plenty of lower cost options to save one hour in the total transit time Melbourne-Perth than this project.
- Double stacking Melbourne to Perth is only a gain if the larger project is tackled as discussed above.

6) Conclusion

- Upgrading the existing line is the most viable option.
- While the content of the Discussion Paper is generally factually correct the above considerations need to be added to the decision making.

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15 October 2009