

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2013

Infrastructure and Transport

Question no.: 74

Program: n/a

Division/Agency: (ARTC) Australian Rail Track Corporation

Topic: Yarraman Creek

Proof Hansard Page/s: 59 (29/05/2013)

Senator Williams asked:

Senator WILLIAMS: Thank you for your presence here, Mr Fullerton. You know where I am going to take you. We will go to the Yarraman Creek. Can I thank you for the action and what you have done already. I really appreciate it because it has been a long-term problem, ongoing, and I think many out there are thinking, 'At last we might find a solution soon.' Just to run through a bit of history: the ARTC met with landholders and representatives from the New South Wales Office of Environment and Heritage on 13 March. Following estimates, the ARTC has confirmed replacing the culvert will be part of the 2013-14 works program. I have got a note here saying that the worry from the landholders is that the plans will be based on the hydrology study of 2005 and 2006 and will not take into account land use patterns, et cetera. From your initial observation at Yarraman Creek railway crossing, what do you see as a solution to the flooding issue, besides drought?

Mr Fullerton: We like to have some drought sometimes. Thank you for those comments. We have got a team of people looking at the design of the floodways, and the preliminary review is to replace that culvert. In our budget it is around about \$1 million that has been provided for in the 2013-14 budget. In terms of your technical question, I would need to take that on notice and come back to you. The design relates to construction of new culverts in that area.

Senator WILLIAMS: You have engaged an engineering firm to come up with options, so when would you expect something to be table in terms of recommendations from that engineering firm?

Mr Fullerton: I would need to come back and confirm that time. We have got people working to make this happen as quickly as we can, given that we are about to enter our financial year. We will need to move as quickly as we can to get those works completed. I will come back to you with the detail and the time frame to do that technical work, and also when we expect that culvert to be installed.

Answer:

The hydrology studies in question are based on a large catchment area, and the hydrology models created contain detailed information on geographical layout, ground type, and local weather conditions. The hydrology models were also calibrated to previous flood events prior to 2005, therefore they provide a very accurate account of the sites hydrological characteristics in both a historical and present state.

Hydrology studies are not usually updated more often than every 10 to 15 years. Nor are they required to be updated to suit alterations to land patterns. Hydrology studies are typically updated to account for more significant changes, such as a change in stormwater catchment area, or a dramatic change in land use (for example, making pervious land impervious or vice versa).

ARTC engaged an environmental consultant to carry out a hydraulic assessment on the options for the culverts with regards to erosion, scouring and flooding within Yarraman Creek within the vicinity of the road and rail culverts.

ARTC has consulted with, and provided the hydraulic assessment and options reports to relevant agencies – Liverpool Plains Shire Council, Gunnedah Shire Council, Namoi Catchment Management Authority, Office of Environment and Heritage, NSW Office of Water, NSW Department of Primary Industry (NSW

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Fisheries) to ensure any options presented to landholders meet the legislative requirements of those agencies.

ARTC representatives, working with the assistance of Ms D Hockey have met with landholders upstream and downstream of the culverts.

An on-site meeting with Senator John Williams, Ms D Hockey and ARTC representatives will occur on 9 October to inspect the site, discuss the progress of investigations and the way forward.

Following this meeting an invited landholder forum is proposed to provide landholders the opportunity to have the options presented and discussed, including the pros and cons of each of the options. ARTC consultants will be present to answer questions.

Following this forum ARTC will require sign off from all affected landholders, including those downstream, given the potential impact of any changes to the current configuration of the culverts. Once all landholders have agreed and signed off on the preferred option, ARTC will progress to detailed design and schedule the works to take place.

State and Federal Members of Parliament have been briefed.

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Question no.: 75

Program: n/a

Division/Agency: (ARTC) Australian Rail Track Corporation

Topic: Railway creek crossing

Proof Hansard Page/s: 60 (29/05/2013)

Senator Williams asked:

Senator WILLIAMS: I have a note here from a friend of mine, Di Hockey, who owns a property right on it. I have known her for many years, a very decent lady. She was telling me that they held their first group meeting on Tuesday, 9 April 2013, and that, because of damage incurred predominantly by the diversion of water at the railway creek crossing, landholders see a need to repair the creek in conjunction with the culvert upgrade. All at the meeting agreed that because of the increased speed of water flows downstream to define a protected channel with an adequate riparian zone will be required. What they are saying is that there has been damage to the creek as well. Do you know if in your budget to upgrade this project, would it not only allow the construction of a new bridge but also some repair work of the creek for damage which has obviously been caused by the blockages?

Mr Fullerton: I think all of those things would have been taken into account. In terms of that earlier question, I can come back with full details of the scope of works.

Senator WILLIAMS: Can you take that on notice? We just do not want a new, higher culvert, we want to have it where water can flow during decent rainfall events and not just make a flood area of good farming country. You have seen areas yourself; have you been up there?

Mr Fullerton: I have, yes.

Senator WILLIAMS: Can you see the enormous damage it has done to the properties upstream from the railway line?

Mr Fullerton: I have not seen the specific problems that occurred with this flooding event. I have been in the region, obviously, but not to do with that specific problem. If I could take those queries on notice I will come back with a response.

Answer:

In regards to the damage to the creek, our focus has been on the culvert flooding issues and finding a solution. ARTC will liaise with Liverpool Shire Council, NSW Office of Water, NSW Office of Environment & Heritage and the Local Landowner about this matter in the near future.

As noted in Question 74, the impact of each option will be considered against the requirements of the FMP, landowners and ARTC. All stakeholders must be fully aware that any increase in flow to help an upstream issue does not have a detrimental effect downstream by accelerating the flood peak. The final design will improve the current situation but it must be agreed between all affected parties.

The FMP identifies the replacement of the existing culvert with wider cells as a high priority together with a number of other high priority actions that are required throughout the floodplain. The replacement of the culvert will improve the current situation but as noted above the final design must be agreed between all parties. "ARTC has made a commitment to replace the culvert and work with the local community to reduce the impact of flooding".

In relation to the cost of the culvert replacement, the likely preferred options as identified in the report are costed at approximately \$1 million. ARTC's immediate focus is the replacement of the culverts as per the floodplain management plan to allow larger debris to pass through the culvert without blocking the cells as

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is currently the case. Debris screens and debris deflection walls are also being investigated to reduce the likelihood of culvert blockages.

Any change to the existing culvert must be agreed by all affected landowners, including those downstream, given the impact it will have on water flow through the area.

ARTC understands the increased run off within the Yarraman Creek catchment is a result of changed land management practices within the catchment over a number of years. ARTC is acting on its identified actions within the floodplain management plan and understands that a catchment based approach to natural resource management is required to address the increased run off into Yarraman Creek. This is a broader water management issue.

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Question no.: 76

Program: n/a

Division/Agency: (ARTC) Australian Rail Track Corporation

Topic: Hunter Valley Coal Chain & Access Undertaking

Proof Hansard Page/s: Written

Senator Rhiannon asked:

1. Is there any, and if so what is the interaction between ARTC's Hunter Valley Access Undertaking(HVAU) and the Capacity Framework Agreements between PWCS, Newcastle Coal Infrastructure Group and Newcastle Port Corporation?
2. What charges does ARTC apply to coal transported and penalty charges under its long-term take or pay contract?
3. Are the take or pay contracts under the HVAU consistent for all Hunter valley coal producers?
4. Are all Hunter Valley Coal Chain (HVCC) coal producers locked into HVAU take and pay contracts?
5. What are the terms of the HVAU take or pay contracts?
6. When does ARTC expect HVCC coal loading capacity will exceed existing approved capacity?
7. Considering coal dust and its potential health impacts have been identified as a significant community concern in Newcastle, what would the estimated cost be for retrofitting solid covers to all HVCC coal wagons to reduce airborne dust particulates from escaping from coal wagons along the Hunter Coal Chain?
8. What would be the estimated cost of replacing the HVCC current hopper wagons with tilt wagons to reduce even greater levels of airborne dust particles from escaping coal wagons?

Answer:

1. ARTC's HVAU does recognise a number of coal chain principles which include the importance of aligning capacity on the ARTC network with that available through terminals at the Port of Newcastle.

While this principle is contained within the HVAU it is a standalone document that has independent ACCC oversight. In considering approval of the HVAU a factor that the ACCC considered was alignment between the Capacity Framework Agreement and the HVAU, however they are separate legal instruments.

As noted in the question ARTC is not a party to the Capacity Framework Agreement and the HVAU contains obligations on ARTC only.

2. ARTC's access charges that are applicable to coal transported on the Hunter Valley network are published on ARTC's website as required under the HVAU.
<http://www.artc.com.au/Content.aspx?p=229>
3. ARTC's access contracts are based on a standard form of contract that was approved by the ACCC as part of ARTC's HVAU.

As specified in the HVAU, these contracts contain the following

- elements that are not able to be negotiated and must be common in all agreements,
- and elements that must be included in agreements but are able to be negotiated.

In the event that ARTC agrees or negotiates terms and conditions in a contract that vary from the standard then it is required to publish these variations on its website.

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4. All coal producers that transport coal on the Hunter Valley rail network have take or pay contracts with ARTC.
5. The term of the standard access agreement for coal as stipulated in the HVAU is a rolling ten year term.
6. ARTC publishes on its website the Hunter Valley Corridor Capacity Strategy with the most recent version being made available on 29th June 2013. This document provides ARTC's most recent understanding of forward volume and capacity projections as necessary to consider future track investments. <http://www.artc.com.au/library/2013%20HV%20Strategy%20-%20Final.pdf>
- 7 & 8. ARTC is not aware of the cost to undertake this work.