**SUBJECT: Border to Gowrie Alignment: Recommended Option**

**Recommendation: That you:**

1. As discussed, four Yelarbon to Gowrie (Y2G) Inland Rail alignment options have been considered through a 'like for like' assessment process, as outlined at Attachment C. The technical report is provided at Attachment D. 

2. The ARTC has recommended the as the preferred route, see Attachment E, a position endorsed by the Inland Rail Steering Committee (ARTC, Infrastructure and Finance). This decision reflects the outcome of the Multi Criteria Analysis (MCA) overseen by Mr Bruce Wilson AM as Chair of the Project Reference Group (PRG), as well as consideration of the Inland Rail Service Offering, a construction cost comparison, and the long-term strategic merits of the Wellcamp-Charlton alignment.
3. The Department considers that there would be little advantage in conducting further analysis of two or more routes, and would further contribute to on-going community anxiety and uncertainty. Furthermore, the Office of the Queensland Coordinator-General has advised ARTC and the PRG that the Coordinator-General would not consider declaring two alignment options for progression to the Environment Impact Statement (EIS) process.

4. All alignments provide the benefit of access to the InterLinkSQ freight facility (under construction). However, all alignments have significant engineering challenges, particularly through the Condamine River floodplain, and all will impact the community significantly.

5. Based on the information available to date, the Brookstead-Pittsworth-Wellcamp-Charlton option is preferred as it has a lower capital construction cost, involves utilising wherever possible an existing rail corridor from Brookstead to Pittsworth in the area where new greenfield communities may be more adversely affected, and meets the service offerings which underpin the project business case.

6. Table 1 summarises the key differences between the alignments against the Base Case Modified alignment, including the outcomes of the Multi-Criteria Analysis (MCA).

Table 1: Relative merits of the alternative corridors against the Base Case Modified Corridor

<table>
<thead>
<tr>
<th>CORRIDOR</th>
<th>Service Offering</th>
<th>MCA Overall</th>
<th>MCA TECHNICAL</th>
<th>MCA NON-TECHNICAL</th>
<th>CONSTRUCTION COST ESTIMATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wellcamp-Charlton</td>
<td>Not significantly different</td>
<td>Not significantly different</td>
<td>Not significantly different</td>
<td>Not significantly different</td>
<td>8% more cost (i.e. $102,205,948)</td>
</tr>
<tr>
<td>Karara-Leyburn</td>
<td>Not significantly different</td>
<td>Not significantly different</td>
<td>Not significantly different</td>
<td>More favourable option</td>
<td>23% more cost (i.e. $285,385,493)</td>
</tr>
<tr>
<td>Warwick</td>
<td>Longest transit time</td>
<td>Least favourable option</td>
<td>Least favourable option</td>
<td>Least favourable option</td>
<td>34% more cost (i.e. $414,742,079)</td>
</tr>
</tbody>
</table>

Elimination of the Warwick and Base Case alignments

7. The alignment via Warwick, while potentially improving access to the Southern Downs has a significant additional estimated construction cost; an increased transit time; and may impact on a greater number of sensitive receptors (i.e. nearby properties) than other corridors. As a result, it is not recommended for further consideration.

8. While the Base Case alignment has been in the public arena since 2010 it does not include a connection to Brisbane West Wellcamp Airport, and the now determined likely need to bypass Kingsthorpe further complicates this alignment option. As a result it is not recommended for further consideration.

9. There are pros and cons associated with the remaining two options.

Wellcamp-Charlton versus Karara-Leyburn

10. In the MCA, the Karara-Leyburn corridor rated stronger on non-technical elements of the assessment criteria. This is because the Karara-Leyburn alignment has a lower number of residential receptors in floodplain areas compared with other alignments. However, it has a higher number of non-residential receptors than the Wellcamp-Charlton alignment within floodplain areas, see Table 4 in Attachment C.

11. The Wellcamp-Charlton offers the shortest transit time, which may assist in maintaining service reliability and availability by providing an additional ‘buffer’ for delays.

12. Each alignment has significant opposition from stakeholders, with no option likely to assuage the affected communities.

a) The Wellcamp-Charlton alignment is largely based on an alignment that has been the subject of extensive analysis through the initial selection process in 2010. Consequently, it could be argued that the potential for Inland Rail to be built along much of this alignment was well known. However, it is likely that many in the affected community between Yelarbon and
Brookstead would argue that there was inadequate community consultation during the early planning stages. This would be in addition to the argument that the section between Brookstead and Charlton was not previously identified as a potential Inland Rail alignment.

b) The Karara-Leyburn alignment was only identified as a potential alignment through a 2015 study that was not publically released until 2016. Some in the community along this alignment option have said to Mr Wilson that they made decisions to live or invest in this area because it had not been previously identified as an Inland Rail alignment option.

13. While cost is not the over-riding factor in decision making for the preferred alignment, particularly given the relatively preliminary stage of design and engineering assessment, it remains a relevant consideration in the context of the total cost of the Inland Rail Programme.

14. The Wellcamp-Charlton option has the lowest incremental cost compared to the Base Case Modified. ARTC has confirmed to the Inland Rail Steering Committee it considers this option could be funded from within the current cost envelope for Inland Rail based on the current level of design and cost estimation.

15. On balance, while all options appear feasible the Wellcamp-Charlton option is considered the preferred alignment.

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Community Impact

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23. There has been significant feedback from the community along other sections of Inland Rail in Queensland that they were disappointed by the lack of detail on the next steps once an announcement on the commencement of the EIS process had been made. §47C

Next Steps:

§47C

Sensitivities:

Timing of your decision

ARTC has advised the schedule for the Border to Gowrie\(^1\) section of Inland Rail could experience delays of up to eight months as a result of the alignment review, as well as delays associated with negotiations with the Queensland Government on your decision.

ARTC is scheduled to conduct required environmental studies from 1 September 2017 along the preferred alignment. In order for this occur, ARTC must have land access agreements in place. This process can take months, especially if landholders do not agree to provide access. Until you announce your decision on the preferred alignment, ARTC cannot commence negotiations with affected landholders.

The Border to Gowrie section is currently programmed to be the last section of Inland Rail for completion of construction activities. Delays along this section may result in a delay to the delivery of the Inland Rail Programme overall, with consequent impact on costs and returns on investment. The extent and impact of delay will be confirmed following further design and delivery review of this section of Inland Rail.

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\(^1\) For state planning purposes, the section of Inland Rail formally known as North Star to Yelarbon has been split into the Queensland project ‘Border to Gowrie’ (B2G, which includes Y2G) and the New South Wales project ‘North Star to Border’ (NS2B) Border to Gowrie. See MS17-0000003.
Community Concerns
Community members have expressed concern in the constructability of a rail line that is sustainable along black soil and flood plains, and are concerned that Inland Rail infrastructure will change flood patterns – affecting the management strategies that have been developed by landholders.

Attachments:
Attachment A - Draft letter to the Queensland Deputy Premier
Attachment B - Draft letter to the Prime Minister
Attachment C - Y2G Review Process and Other Considerations
Attachment D - Y2G Independent Technical Report
Attachment E - ARTC’s report on the results of the like-for-like review
Attachment F - Draft Terms of Reference for the B2G Consultative Committee