Business Case Program for local heavy vehicle trials

Trialling elements of Heavy Vehicle Road Reform at the local level

Heavy Vehicle Road Reform

Heavy Vehicle Road Reform aims to establish a regulated market for the provision and use of heavy vehicle road infrastructure. The current Pay As You Go (PAYGO) national heavy vehicle charging system is characterised by poor links between the needs of users, the charges they pay and the services they receive.

A more direct user charging system and a series of reforms to the ways governments plan, fund, invest in and deliver road infrastructure is needed to establish this market and improve these links.

The economic benefits of Heavy Vehicle Road Reform are estimated to be between $8 billion and $22 billion over 20 years, depending on the system adopted.

About the Business Case Program

The Australian Government is establishing the Business Case Program to support the development of heavy vehicle charging trials on particular routes or networks, to address location-specific issues.

For example, proposals could be developed where industry has indicated a willingness to explore paying an additional charge (above the national PAYGO charges) for additional investment and higher levels of service and/or access on a particular route or network.

Key features of the Business Case Program

- The Business Case Program will be open to trial proposals from states and territories, working in partnership with local governments, industry and communities.
- The support of local industry will be a key prerequisite for trial proposals.
- Proposals will need to demonstrate how a trial will contribute to Heavy Vehicle Road Reform objectives, including how it can build local industry and community support for reform.
- Australian Government funding support for business case development does not guarantee future funding support for the operation of trials.
Other types of heavy vehicle trials

In addition to the Business Case Program, the Australian Government is establishing a National Heavy Vehicle Charging Pilot. The National Pilot is a structured way to trial the replacement of the current heavy vehicle charging system (PAYGO) with a national direct user charging system.

The National Pilot will trial the feasibility of Heavy Vehicle Road Reform at the national level, complementing proposals developed under the Business Case Program, which will test elements of Heavy Vehicle Road Reform at the local level.

What happens next?

The Australian Government will work with state and territory governments and industry stakeholders to progress the National Pilot and the Business Case Program for local trials.

In early 2018, the Australian Government will approach the market for expert advice on Stage 1 (Desktop Research) and Stage 2 (Simulated Charging) of the National Pilot.

In the first half of 2018, the Australian Government will convene a workshop with industry peak bodies to discuss and refine the guidelines for the Business Case Program.

The Business Case Program will open for applications in mid-2018.

Potential implementation of trial proposals is subject to the outcomes of the Development stages of the Business Case Program and to future agreement by governments.

<table>
<thead>
<tr>
<th>Development stages</th>
<th>Implementation stages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-design of program with stakeholders</td>
<td>Potential implementation of location-specific trials with state, territory and industry partners</td>
</tr>
<tr>
<td>Business Case Development</td>
<td>Subject to future agreement by governments</td>
</tr>
<tr>
<td>Evaluation &amp; Review</td>
<td></td>
</tr>
</tbody>
</table>

2017-18 2018-19 2019-20 2020 onwards

For more information on heavy vehicle charging trials, visit infrastructure.gov.au/roads/heavy/charging-trials/index and for more information on Heavy Vehicle Road Reform visit transportinfrastructurecouncil.gov.au