Contact:

Mr Chris Lock Deputy Director General Transport for New South Wales PO Box K659 Haymarket NSW 1240

Dear Mr Lock

Nation Building Program, Freight Rail Upgrades between Sydney and Newcastle – Epping to Thornleigh Third Track NSW

I refer to previous correspondence from Transport for NSW including the Project Proposal Report (PPR) seeking project and funding approval for the above project.

I am pleased to advise that the Hon Anthony Albanese MP, Minister for Infrastructure and Transport, has approved the project and funding of \$374.6 million in accordance with the *Nation Building Program (National Land Transport) Act 2009* (the Act). Enclosed is a copy of the Project Approval Instrument No. NPT34409.

Projects approved under the Act must comply with the mandatory conditions imposed under the Act and any other State/Territory laws where applicable. This includes the Building and Construction Industry Occupational Health and Safety Accreditation Scheme. The funding conditions, reporting requirements and performance indicators set out in the National Partnership Agreement and Notes on Administration (NoA) apply to this project.

I would also like to take this opportunity to remind you of the NSW Government's agreement to adhere to the National Code of Practice for the Construction Industry and the associated Australian Government Implementation Guidelines for all applicable Nation Building Program projects. Transport for NSW is to ensure that, where applicable, this requirement is met.

This funding approval reflects the agreed proportion of the P50 cost estimate detailed in the PPR.

The project is funded on the basis that NSW Government will meet the balance of the project costs in accordance with the Memorandum of Understanding for the Northern Sydney Freight Corridor.

Within six months of the physical completion of the project, Transport for NSW is to provide a post completion report (refer Appendix J in the NoA) including performance indicators identified in the PPR of the extent to which the project has achieved the following:

- Construction of approximately 6km of track between Epping and Thornleigh, including approximately 5.3km of new track and upgrading of approximately 0.6km of existing track;
- Major modifications to two existing stations, and minor modifications to two other stations;
- Approximately 400m of new bridge & viaduct structures including a new rail bridge over the M2 motorway;
- Widening of cuttings and embankments and construction of new retaining walls;
- Track, signalling, electrical, overhead wiring and associated civil works;
- Relocation of existing signalling, high voltage and communications equipment that clashes with the proposed works; and
- Third-party utility relocation.

Transport for NSW is to have arrangements in place for capturing and reporting on project performance to assist in any future joint project evaluation as described in Section 7 of the NoA.

I draw your attention to the requirements of the *Environment Protection and Biodiversity Conservation Act 1999*, and the need for Transport for NSW to liaise with the relevant environmental agencies to identify any environmental and/or heritage issues that need to be addressed. Any matters of national environmental or heritage significance must be referred to the Australian Government Minister for Sustainability, Environment, Water, Population and Communities.

Yours sincerely

Richard Wood General Manager

Rail and Intermodal Branch

Nation Building Infrastructure Investment Division

✓ July 2012

Enclosure: Approval Instrument No. NPT34409