

INFORMATION SHEET # A06

SIGNIFICANCE OF THE OUYEN INTERMODAL



The significance of the Ouyen Intermodal

Ouyen Intermodal is a truly community initiated project, that started in 2015 as a ‘local’ prospect of putting 3,000 containers p.a. on the existing Merbein train until **two rail sidings were removed at Ouyen, without consultation, as part of the Murray Basin Rail Project works in Dec. 2017.** At the request of the Victorian Department of Transport (DoT), Ouyen Inc organised a **stakeholder meeting in March 2018 (chaired by the DoT) where there was a show of support for 16,000 containers p.a. and the overwhelming need for a standalone intermodal and rail service at Ouyen.**

Today the Ouyen Intermodal is not just a project for Ouyen, but for all-in North-West Victoria and beyond, and is looking at the vicinity of 30,000 containers p.a. before including the future millions of tonnes of mineral sands. The project has the full support of Mildura Regional Development and large road transport operators.

How does the Ouyen Intermodal compare with other intermodals? What infrastructure implementation cost is required to move one shipping container a distance of one kilometre on rail?

The comparison is a ‘freight on rail – infrastructure cost’ only perspective and includes the St Mary’s Intermodal west Sydney NSW, the existing Dooen – Horsham WIFT

Ouyen Intermodal and St Mary’s – west Sydney NSW

30,000 containers p.a. at Ouyen, at first glance, may not seem that significant when compared to, say the new intermodal to be constructed at St Mary’s, west side of Sydney, where they anticipate 300,000 containers p.a. But, if one were to also take into account the distance that the containers are travelling, i.e. container numbers multiplied by the number of kilometres travelled, it soon becomes clear that purely from a ‘freight on rail perspective’, the two projects are not that far apart; St Mary’s; 18 million container kms and Ouyen is 15 million container kms. Then bring in the infrastructure cost of implementing the respective intermodals: St Mary’s is \$40 million, and Ouyen is \$16 million. **By dividing the infrastructure cost by the container kms, you immediately gain a measure of return on investment.** From the table below, St Mary’s infrastructure cost for every container km comes to \$2.22 whereas for Ouyen it is \$1.07

	a. Containers p.a.	b. Rail Kms to Port	c. Container kms (a. x b.)	d. Infrastructure cost to Implement	Infrastructure cost per container km (d. /c.)
Ouyen Intermodal	30,000*	498	15 million	\$24 million	\$1.60
St Mary’s Intermodal	300,000	60	18 million	\$40 million	\$2.22
Dooen – Horsham WIFT	30,000	305	9.2 million	\$22 million	\$2.39

**Ouyen container volumes do not include the potential millions of tonnes of mineral sands*

Conclusion: From a ‘freight on rail perspective’ for every dollar invested in infrastructure, the Ouyen Intermodal will provide an excellent outcome. The significant volume of product exported & imported in shipping containers and the extensive kms from port together with future mineral sands logistics, will result in Ouyen Intermodal being one of the most important intermodal facilities in regional Victoria.

Note: all above references to containers are twenty foot equivalent units – TEUs