



Sunraysia Mallee Port Link Business Case

Mission

Support the growth of a local community through a viable business case for a significant regional rail facility.

Client

Ouyen Inc
Melbourne, Australia

Date

December 2019 – April 2021

Value

Approximate Construction Value:
AUD 42 Million

The challenge

By 2023, the volume of intermodal freight from far North-Western Victoria is expected to be greater than one million tonnes or 65 - 75,000 shipping containers. Currently, 80 percent of this freight is transported across 400 km via the road network.

By shifting to rail, the proposed Sunraysia Mallee Port Link (SMPL) is seeking to fill the gap in rail freight services, supporting a large proportion of the freight.

Commensurate with the scale of investment, the project was subject to detailed demand assessment and rail modelling. The challenge was to underpin the progression of the business case through strategic, operational, and financial case stages.

Our response

We were commissioned to create a business case for the proposed SMPL.

Our team worked collaboratively with Ouyen Inc and local stakeholders to prepare a business case including:

- Examination of regulations and government policies
- Exploration of the economic and social benefit for the Victorian region
- Consideration of existing projects and outline of all available options to drive the success of this project
- A comprehensive cost-benefit analysis evaluating the port link
- Demonstration of the positive impacts expected to arise in the delivery.

Through our enquiry driven approach to business casing, we identified a wide range of qualitative and quantitative benefits to support the SMPL.

The impact

We expect the implementation of our business case will result in the following:

Economic benefits:

- Up to AUD 11.3 million per annum economic injection
- Decreased operating/transport costs, environmental externalities, road maintenance and vehicle collision costs
- Decreased annual net maintenance costs, accident costs and greenhouse gas emission costs
- Increased employment opportunities with up to 75 new jobs to be created
- Increased logistics opportunities and competition will provide improved returns to growers.

Community benefits:

- Support several export industries and local businesses
- Decreased risk of vehicle accidents through a reduction in vehicle freight movements

- Decreased road congestion
- Increased cost efficiencies for farmers exporting produce

Our work will help contribute to up to **AUD 11.3 million per annum and provide up to **75 jobs.****

We're working to reduce maintenance costs and reduce annual greenhouse gas emissions from road freight.

The business case and development of the facility provide significant opportunity for a region with growing export outputs and a need for efficient transport options to port.

