

**From:** [Edghill, Duncan](#)  
**To:** [Barton, Kim](#); [Driscoll, Jamie](#)  
**Cc:** [Polglase, David](#); [Pulford, Nikki](#)  
**Subject:** RE: 1(b)  
**Date:** Tuesday, 25 November 2014 4:41:00 PM  
**Attachments:** [image001.png](#)  
[image002.png](#)

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On 1(d):

The *Full Business Case* did not require or ask the Government to make a decision regarding the cost of parking after light rail is operational, and nor has the ACT Government made any decisions regarding the cost of parking after light rail is operational.

Future decisions regarding parking charges will no doubt be shaped by a range of factors, from community needs, the supply of parking spaces, demand for parking in different locations, and parking costs at non-Government facilities. The impact of parking charges on public transportation, including buses and light rail, may be but one of many considerations Government takes into account in the future when considering parking charges.

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**From:** Barton, Kim  
**Sent:** Tuesday, 25 November 2014 3:29 PM  
**To:** Edghill, Duncan; Driscoll, Jamie  
**Cc:** Polglase, David; Pulford, Nikki  
**Subject:** RE: 1(b)

Just to confirm – you are going to provide some words around 1(d)?

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**From:** Edghill, Duncan  
**Sent:** Tuesday, 25 November 2014 2:08 PM  
**To:** Driscoll, Jamie  
**Cc:** Polglase, David; Pulford, Nikki; Barton, Kim  
**Subject:** 1(b)

- Financial analysis within the business case does indeed contemplate financing costs. Financing costs are embodied within the PPP Proxy figure contained within Table 45 on page 134.
- References to the PPP Proxy containing financing costs are contained on *Full Business Case* pages:
  - o P. 124 in section 9.1.1 in the definition of PPP Proxy
  - o P. 125 in section 9.1.4
  - o P. 132 in section 9.3 in a discussion of the PPP Proxy, which states “The PPP Proxy model therefore incorporates the following key elements: .... financing costs (including capitalised interest during construction, and debt interest during

operations); and Equity distributions.

- It is exceptionally unusual for Governments to release details the net present cost outcome of their PPP Proxy model. Given PPP Proxy models are not usually in the public domain, it is perhaps understandable that one might not appreciate that it includes a finance component (even though it is explicitly stated in the business case to include financing costs).

Two further notes:

- The economic analysis does not include interest costs, as it has been calculated in accordance with industry standard practice. Note that interest is not applied to either the costs or the benefits.
- The Government has released a great deal of information – capital delivery estimates, operating cost estimates and the net present cost of availability payments. Government does not intend to make publicly available financing assumptions or possible availability payments on an annual basis during the Capital Metro procurement process. Such information is highly confidential and Government does not wish to precondition the market with respect to such information.

Thanks  
Duncan

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