

UPDATE: AUGMENTATION PROCESS

Sydney Metro's priority is to get the best outcome for customers and the best value for taxpayers from this \$20 billion-plus infrastructure investment.

Transport for NSW has signed a commitment deed with Northwest Rapid Transit – the consortium delivering Stage 1 of Sydney Metro – for the potential augmentation of their contract to take into account the delivery of extra trains and some key rail systems for Stage 2 of Sydney Metro, as well as the operations and maintenance of the entire line.

The original Operations Trains and Systems (OTS) PPP contract for Stage 1 of Sydney Metro, the \$8.3 billion Sydney Metro Northwest project, was set up in 2014 specifically to allow it to be varied, so that any future changes and expansion to the Sydney Metro line could be accommodated.

The augmentation provisions in the original OTS contract were approved by the NSW Government as part of a competitive public tender process in 2014. Since then, industry has been briefed several times about these augmentation provisions available to the NSW Government as part of the Sydney Metro City & Southwest delivery strategy.

Even though the two stages of Sydney Metro are being procured under different contracts and several years apart, the OTS augmentation provisions allow it to operate as one integrated line.

This means the OTS contract for Stage 1 of Sydney Metro can be altered to include elements of the design, construction, testing, commissioning, integration and operations and maintenance for Stage 2.

This has the potential to deliver significant savings for taxpayers. However, it will only ultimately proceed if the NSW Government is satisfied that it provides value for money.

In 2018, the next steps in the augmentation process will include a joint procurement process with Transport for NSW and NRT for key rail and communications systems, including technology like platforms screen doors.

NRT and Transport for NSW will also undertake an open debt market process to enable PPP financing of the potential augmentation process.

NRT will then provide Transport for NSW with an updated augmentation proposal in late 2018.

The commitment deed was signed on 7 December 2017 between TfNSW, NRT, MTR Corporation, Plenary Group and Alstom to formally agree these next steps in the augmentation process.