

Transport for NSW

Responses to post-hearing questions

Legislative Assembly Committee on Transport and
Infrastructure

Emission free modes of public transport

Hearing Date – Friday 19 August 2022

SUPPLEMENTARY QUESTIONS

QUESTION 1.

Is it feasible to aim to have local manufacturers involved in all stages of the bus manufacturing supply chain?

- a) What regulatory or policy changes would be needed to achieve this?
- b) What would be the benefits and costs to taxpayers of such a policy?

ANSWER:

In NSW, the planning for the zero emission buses program incorporates increasing opportunities for local investment in manufacturing, assembly, training and education by encouraging local content in zero emission buses. As the production of electric buses increases in NSW, local buses are likely to be more competitively priced and easier to maintain.

The NSW Government has promoted policies for local electric vehicle and zero emission technology development and training to incentivise private sector investment. This is demonstrated through the release of policies, such as the [NSW Electric & Hybrid Vehicle Plan](#), [NSW Hydrogen Strategy](#), [Net Zero Plan](#) and [NSW Clean Air Strategy](#).

There are a number of additional initiatives across Government to directly support the transition of the NSW bus fleet to zero emissions technology. For example, Investment NSW is looking to encourage a domestic battery supply chain, including the processing of critical minerals, to meet domestic and export demand.

QUESTION 2.

What options exist for reducing the emissions of rail transport in regional NSW?

- a) Noting that Germany has recently introduced a fleet of hydrogen-powered trains to service regional routes (rather than convert routes from diesel to electric), are hydrogen-powered passenger trains a viable option for NSW?

ANSWER:

Since 1 July 2021, emissions from Transport for NSW operations have been reduced by approximately 50 per cent through the procurement of net zero electricity for Sydney Trains and NSW TrainLink.

The new Regional Rail Fleet will be a more environmentally friendly rail service. The bi-mode technology is a diesel-electric hybrid which will allow the fleet to run on overhead power when operating on electrified sections of the train network.

This is expected to reduce carbon emissions by over 540 tonnes and diesel pollution by around three tonnes annually, while reducing fuel costs.

QUESTION 3.

What can the NSW Government do to increase competition and output among local transport manufacturers?

ANSWER:

The NSW Government released the [Transition Plan for Zero Emission Buses](#) in June 2022.

The Transition Plan provides visibility on the commitment, scale and rollout timeframes for the transition of the NSW bus fleet. This plan, combined with new local content requirements and ongoing industry engagement, will support local manufacturers to prepare and ramp up for greater local competition and output.

Transport for NSW has engaged extensively with industry, including bus manufacturers, component suppliers, financiers and bus operators in the development of the transition plan. This industry feedback is also being inputted into the procurement and delivery strategy development for at scale transition.

Transport for NSW has also maintained a [Bus Industry Collaboration portal](#), to provide an easy access platform where opportunities for local industry partnership can be explored.

QUESTION 4.

What are the projected costs of replacing the entire fleet of 8,000 buses to zero-emission buses?

a) In what year does TfNSW estimate that this will be achieved?

ANSWER:

The transition to zero-emission buses will be delivered through a staged approach with individual business cases and investments to be determined along the way. This will also create an opportunity to maximise local manufacturing, provides a sustainable investment profile and allows the adoption of new innovations,

The transition plan also considers the existing 8,000 fleet and allows for a sustainable approach to bus replacement and disposal, maximising the existing investment in diesel and compressed natural gas buses across the State.

The NSW Government recently announced a \$218.9 million investment over the next seven years to support the bus fleet move to zero emissions technology with the rollout plan prioritising sustainability and local manufacturing.

This investment includes the funding of \$84 million to enable transition planning, including electrical grid upgrades at 11 bus depots. The funding also includes \$25 million over three years for regional trials in new and emerging technologies, including hydrogen fuel cell electric buses.

The NSW Government released the [Transition Plan for Zero Emission Buses](#) in June 2022. The Transition plan outlines a full transition from diesel and compressed natural gases buses to zero emission buses in Greater Sydney by 2035, outer metropolitan regions by 2040 and Regional NSW by 2047.

Transport for NSW is developing a business case for funding consideration by Expenditure Review Committee, which is expected by the end of 2022. This will identify the costs, benefits and delivery approach.

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