ROUNDTABLE FOR OIL AND GAS PROJECTS IN SA
STRZELECKI TRACK UPGRADE
(WORKING GROUP 2)

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Goal

- Identify road/rail/air transport options and cost estimates that can be considered by the Roundtable.

- To inform the prospects to create a Joint Venture for Joint Ventures (or similar) to manage supply-chain infrastructure.
The problems (Lyndhurst – Qld Border):

- Existing unsealed road condition and configuration has deficiencies that reduce travel speed
- Lack of drainage and an all-weather surface makes travel times unpredictable during wet events (i.e. closures due to flooding)
- Not sufficient to accommodate productive heavy vehicles such as PBS Level 4 (triple road trains)
- Condition, alignment and configuration contributes to higher risk of road crashes
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Proposed scope of works:

- Upgrade and seal road between Lyndhurst and Innamincka (472km) and Qld border (26km)
- One lane each direction (3.5m lane width) and 1.0m sealed shoulders
- Generally on existing alignment
- Targeted floodway works
- Improved delineation

Road to be available sooner after closures but not ‘flood proof’
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- DPTI submission to Infrastructure Australia (IA) - February 2014
  - Estimated cost $450 m (outturn)
  - Seeking Commonwealth Govt funding
- Supplementary information provided to IA in May 2014, September 2014 and May 2015 to refine the submission
- NPV $1.3 billion and BCR 4.9 of a fully sealed Strzelecki Track
- Project funding not approved to date (needs a mix of State/Commonwealth/Private)
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Benefits

Who?

• Oil and gas industry from direct freight productivity improvements (long haul and intra-basin)
• Pastoralists
• Tourists

What?

• Faster travel times (5.8 hrs at 90km/h vs 14.2 hrs at 35km/h for CV’s), less short term delays, lower operating costs, reduced crash costs, and reduced damage to freight
• Good benefits for range of petroleum sector growth scenarios
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What’s happening?

• Discussions with SACOME
• Significant investor interest
• Infrastructure Australia project assessment expected
• Impact of reduced oil and gas price
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Project webpage established July 2015:

- [http://www.dpti.sa.gov.au/infrastructure/content/strzelecki_track_upgrade_and_sealing_project](http://www.dpti.sa.gov.au/infrastructure/content/strzelecki_track_upgrade_and_sealing_project)

- Fact sheet

- Summary of benefit components