

CONNECTEAST OPENING STATEMENT TO SENATE INQUIRY ON OPERATIONS OF EXISTING AND PROPOSED TOLL ROADS

Statement by ConnectEast Managing Director Charles Griplas

We appreciate the opportunity to attend this hearing.

ConnectEast is the concessionaire of the EastLink tollway until 2043.

In April 2003, the Victorian Government announced that EastLink would need to be delivered as a tollway.

Following a competitive tender process, in October 2004 ConnectEast was awarded the concession to construct, operate and maintain EastLink and the un-tolled Ringwood Bypass, as well as to construct the un-tolled Dandenong Bypass.

ConnectEast opened Dandenong Bypass in December 2007, and then opened EastLink and Ringwood Bypass in June 2008.

Construction was on budget and completed 5 months earlier than contracted.

This new infrastructure benefited communities and businesses much earlier than would otherwise have been possible, had EastLink not been constructed as a tollway.

ConnectEast privately funded the construction costs of \$2.5 billion.

There was no Government funding contribution to these costs.

The tolls agreed under the concession are relatively low, with annual changes limited to CPI.

Alternative routes such as Springvale Road and Stud Road have not been restricted.

There was no guarantee of traffic volumes on EastLink.

So this has been a **high value, high risk** and **commercially challenging** undertaking for ConnectEast.

However, the results speak for themselves.

EastLink is a vital part of Melbourne's freeway network, as it is the only freeway connection between the Eastern, Monash, Frankston and Peninsula Link Freeways.

EastLink is the quickest and safest freeway in Melbourne.

Traffic on EastLink has increased from 135,000 vehicles per day in 2008, to 250,000 vehicles per day, making it Australia's second busiest tollway.

Each business day, EastLink carries more than 20,000 heavy commercial vehicles, increasing efficiencies for vehicle operators, taking these large vehicles off local roads and away from schools and residential areas.

EastLink has made possible a range of economic developments, including 265 hectares of new industrial parks adjacent to EastLink and Dandenong Bypass, and the \$655 million redevelopment of the Eastland shopping centre adjacent to EastLink and Ringwood Bypass.

Property values have been boosted throughout the EastLink corridor.

EastLink contributes to the region's identity through tunnels that protect the environmentally sensitive Mullum Mullum valley, 480 hectares of landscaping, 4 million native trees, shrubs and plants, 60 wetlands, the 35km EastLink Trail, distinctive public architecture and a dozen public artworks.

The high quality of EastLink – its design, features, operations and maintenance – would not have been achieved had EastLink been an un-tolled freeway.

Looking to the future, we anticipate hands-free driving will become possible on EastLink and other freeways in the next few years, subject to legislative changes, and using vehicles with the latest automated vehicle technologies.

These technologies will improve road safety, and over time will increase the capacity of existing freeways.

To prepare for this, ConnectEast has partnered with VicRoads, Australian Road Research Board, LaTrobe University and RACV to trial the latest vehicle technologies on EastLink and other VicRoads freeways.

One of the objectives of this program is to identify opportunities to improve the compatibility between the latest technologies and our freeways, so that they can be addressed by vehicle manufacturers and freeway operators.

To assist this program, vehicles have already been provided by seven major vehicle manufacturers, and further manufacturers will be providing vehicles shortly.

It's envisaged that freeway operators will need to communicate directly to autonomous vehicles, for example to communicate a change in conditions or operating environment (e.g. emergency incident, congestion event, or lane closure).

Connected vehicle transceivers are being installed at three of EastLink's tolling gantries, to create a section of EastLink for trialling V2X communications.

This demonstrates that EastLink is likely to make the necessary infrastructure changes to assist with the introduction of hands-free driving earlier than un-tolled freeways.

Thank you.