

Response to questions on Request for Information: Road User Charges – services for vehicle owners

This document sets out the Ministry of Transport’s responses to questions received on the Request for Information (RFI) released via GETS on 21 November 2025.

The answers are primarily based on the Bill currently before Parliament. As such, the Bill is subject to the Parliamentary process and the subsequent development of regulations and code(s) of practice. Given that, nothing in this document should be interpreted as a final statement of regulatory requirements.

In accordance with our usual practice for RFIs, we have removed any information that could directly identify the questioner.

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Question set one – General questions

- 1. Will NZTA continue to offer Direct Connect for approved transport operators and motor vehicle industry agents to carry out RUC licencing activities?**

Direct Connect provides approved transport operators and motor vehicle industry agents direct access to the NZTA system and access to some vehicle data. Direct Connect users can apply for licences and print RUC labels immediately, avoiding the postal delays associated with standard online purchasing. While the Bill does not prevent this service arrangement, NZTA will review its future services given the changes that the legislation would make (for example, printed RUC labels/licences will no longer be needed).

- 2. When will paper RUC licences become obsolete?**

The Bill does not set a specific date. Instead, display and carriage requirements are repealed when Part 2 of the Bill commences. The Bill provides for the government to set this date by Order in Council. If no date is set by Order in Council, these provisions would automatically come into force six months after Royal Assent.

The Bill is currently being considered by Parliament's Transport and Infrastructure Committee. Public submissions are due on 8 January 2026. As select committees typically consider legislation for six months, we expect that the Bill could pass in mid-to-late 2026.

Question set two – System design

- 3. We are exploring a model similar to modern payments infrastructure, where a single certified backend platform provides the regulated RUC collection, settlement, audit trail, and NZTA integration functions, while multiple approved retail providers build their own customer-facing RUC services on top of that backend via API.**

The Bill seeks to regulate RUC providers. A RUC provider is an individual or body approved to issue RUC licences and collect revenue. RUC providers can engage third-party technology partners. The Bill does not create a separate category or approval power for a "backend operator". Instead, any shared backend system is assessed and certified as part of the RUC provider's application. We welcome submissions to the Select Committee on whether a separate approval process for backend operators has merit.

- 4. Will an approved organisation be permitted to operate a centralised certified RUC backend that multiple approved retail providers can use to deliver their RUC services?**

The Bill envisages RUC providers will provide services to vehicle owners. Still, we are open to different models and ideas, and you may wish to submit them to the Select Committee. Under the Bill, a RUC provider could apply to have a third-party backend considered as part of their system. The provider would be responsible for issuing licences, collecting revenue and complying with their obligations as a RUC provider. Please refer to the answer to question 6 below.

- 5. Will retail providers be allowed to rely on the technology and infrastructure of such a certified backend platform, while still meeting their own approval, registration, and compliance obligations as retail providers?**

See answer above.

- 6. This model removes the need for every retail provider to independently build and certify complex RUC infrastructure, allowing them to focus on customer experience while maintaining full compliance and system integrity. Can you please confirm whether this structure is within scope of the intended regulatory framework?**

In the draft Bill, the intended framework requires that any entity dealing with the public - by issuing licences or collecting and forwarding revenue - must be approved as a RUC provider (new section 43). While the Bill does not currently provide for a standalone "backend operator" approval, any technical infrastructure used by a provider is vetted as part of their application to ensure the system is secure, reliable, and capable of reporting failures or tampering. This means a retail-focused provider can partner with a technical specialist, but the retail provider remains the primary accountable entity. This may be something you may wish to submit on to the Transport and Infrastructure Select Committee before 8 January 2026.

Question set three – Fees and margins

7. To help us understand the commercial settings under the proposed RUC framework, can you please clarify how fees and margins will be regulated for RUC Retailers?

There is no clause in the Bill or the Road User Charges Act 2012 that limits a RUC provider's ability to charge a service fee or margin to the customer.

8. Will approved RUC retailers be permitted to charge users a service fee or margin for facilitating the purchase of RUC on behalf of a customer?

The Bill seeks to enable a more competitive market for RUC services. We anticipate RUC providers may differentiate based on service and price. No clause in the Bill or the Road User Charges Act 2012 prohibits a RUC provider from charging a service fee or margin to the customer.

9. Will NZTA set caps, limits, or pricing rules on these provider fees or retail margins, or will commercial pricing be determined by the market?

The Bill does not set retail price controls or fee caps on the service fees charged by RUC providers to their customers. The government continues to set regulated RUC rates by vehicle type and regulates the RUC transaction fees charged by NZTA. In contrast, the market determines the service fees a RUC provider charges for its specific commercial offerings, and the Bill does not regulate these prices.

10. Will NZTA reimburse providers for costs associated with RUC transactions, or is the expectation that providers recover costs through their own fee structures?

The Bill creates a new power for regulations to set incentives and rewards for RUC providers that meet specified levels of performance. We welcome views on the form that such incentives or rewards could take.

Question set four – Billing and settlement processes

11. To support the design of compliant billing and settlement processes, can you please clarify the Ministry's expectations regarding when RUC payments must be remitted to NZTA following a customer transaction?

The Bill does not mandate immediate settlement at the point of purchase. While a core function of a RUC provider is to collect and forward revenue, the Bill does not specify a rigid settlement cycle, such as daily or weekly remittance. Under section 43(4)(b), the RUC collector (NZTA) may set the terms and conditions for each provider's approval. These individual conditions will define the specific billing and settlement requirements. Additionally, NZTA may issue a code of practice under section 43(5).

This approach allows NZTA to design settlement processes that protect the integrity of land transport revenue while accommodating various business models. You may wish to submit feedback to the Transport and Infrastructure Select Committee by 8 January 2026 on whether the Bill should include specific parameters for these cycles, or if they are best managed through individual approval conditions.

- 12. Will approved providers be required to settle RUC payments with NZTA immediately at the point of customer purchase, or will settlement be based on a defined billing cycle (e.g. daily, weekly, or monthly)?**

See answer above.

- 13. If RUC is bundled with other goods or services at the point of sale, does the settlement timing for the RUC portion differ in any way from the settlement of the other components of the transaction?**

The Bill does not regulate the non-RUC portion of a commercial bundle. The RUC provider has a statutory obligation to forward road user charges revenue to the RUC collector, and the provider's approval conditions will govern the timing for this under Section 43(4)(b). This settlement requirement applies regardless of how the provider manages the commercial components of the bundle.

- 14. Does the Ministry anticipate prescribing a standard settlement cycle for all providers, or will this be defined through future regulatory instruments or NZTA operational guidance?**

The Bill envisages that specific settlement cycles will be established through secondary instruments and terms and conditions rather than the Act itself. Section 89(1)(m) grants broad powers to make regulations regarding performance standards for RUC providers. In contrast, section 43(5) allows the RUC collector to issue a code of practice to assist providers in meeting these requirements. These operational details could be defined through a combination of regulations, codes of practice, and the individual terms and conditions of approval issued under Section 43(4)(b).

Question set five – Payment flows and reconciliation

- 15. To support the design of compliant settlement and reconciliation systems, can you please clarify how NZTA intends to handle RUC payment flows between approved retailers and the Crown under the new framework.**

The Bill creates a direct statutory relationship between the RUC collector (NZTA) and a RUC provider. At this stage, NZTA has not determined which terms and conditions will apply to payment flows, as these may differ between RUC providers.

- 16. Will NZTA support a settlement model where a single approved backend operator receives a consolidated statement or invoice covering RUC transactions generated by multiple approved retailers, and then allocates settlement accordingly?**

Under new section 43, the RUC provider is the specific individual or incorporated body approved to collect and forward revenue. The legal obligation to pay sits with that specific entity.

- 17. If a consolidated model is not anticipated, will NZTA instead issue separate settlement statements or invoices for each individual retailer, even if those retailers rely on a shared backend service?**

There is a provision for applying to be a RUC provider under the new section 43. Each RUC provider is a regulated entity. The RUC collector's monitoring powers (new section 46) and enforcement powers (new section 47A) apply to the specific RUC provider. Financial reconciliation will likely mirror regulatory liability.

18. Does the Ministry expect the settlement architecture (for example, consolidated vs. retailer-specific flows) to be defined through legislation, regulations, or NZTA operational policy?

The Bill does not prescribe the mechanics of invoicing. Section 43(4)(b) states that an approval may be on the terms and conditions that the RUC collector thinks fit. NZTA may also issue a Code of Practice under a new section 43(5). We envisage that such matters will be specified in the code or terms and conditions of approval, which are yet to be developed.

19. Clarity on the intended settlement structure is essential for designing compliant financial systems and managing settlement risk across multiple retailers.

See above.

Question set six – Market structure, commercial settings, fees, service delivery and user access, and transition planning

20. NZTA's Retail Role: The RFI mentions separating NZTA's regulator and service provider roles. Will NZTA continue to operate as a retail payment provider after 2027, and if so, what competitive advantages or relationship models (if any) will they retain over private providers?

It is anticipated that NZTA may continue to sell/issue RUC licences. Section 44 of the Bill clearly states that the RUC collector may approve NZTA as a RUC provider.

If approved, NZTA would have the legal authority to operate as a retail service provider alongside a private market entrant. By separating NZTA's retail and regulatory roles, it is anticipated that, when operating as a retailer, NZTA would be required to meet the same statutory criteria as private providers.

A party will only be approved if the collector is satisfied it meets the requirements of section 43(2) (the same fitness and capability standards applied to third parties). The Bill does not grant any special privileges to NZTA in its role as a RUC provider.

The Government currently has no intention of investing in or expanding NZTA's retail offering beyond responding to legislative changes (e.g., removing paper licences).

21. Phasing of Paper RUCs: Is there scope to support NZTA's current retail proposition (window display RUCs) with expanded reach of over-the-counter retailers (convenience retailers)? If so, when are paper vouchers realistically to be removed from circulation?

The Bill removes the requirement for a physical label (RUC licence) to be displayed, and for RUC licence information to be held and available online.

Part 2 of the Bill (which repeals the display requirement) comes into force by Order in Council, or if no Order in Council is made, 6 months after Royal Assent.

22. Commission vs. Direct Fees: The previous RFI noted some providers expressed interest in charging customers directly rather than receiving NZTA commission. What is the Ministry's position on different revenue models for RUC providers?

We are open to various options, including those in which providers compete on service and price. The legislation supports a model where providers are free to determine their own

commercial structures (including charging direct service fees to customers) rather than relying solely on a fixed government commission.

23. Retail Network Definition: When the RFI refers to 'over-the-counter retailers,' does this include existing retail payment networks that process prepaid transactions? Or does this refer to vehicle testing stations and fuel retailers?

Currently, agents (excluding electronic system providers) are restricted to using specific hardware that allows them to print secure physical labels (e.g., Vehicle Testing New Zealand, AA, NZ Post).

Under the Bill, the removal of the physical label requirement changes this. An over-the-counter retailer no longer needs a printer; they only need a digital connection to the RUC system. This broadens the definition to include any point-of-sale network capable of processing transactions.

Target Market & Service Scope

24. Digital-First Strategy: The previous RFI feedback indicated NZTA preference for "digital-first" solutions. Does this mean the Ministry views over-the-counter retail as a secondary or safety-net channel, or is physical retail considered equally important infrastructure?

The Government's policy is to ensure that users have a choice as to how they comply with the RUC system. While we believe electronic solutions have greater potential to make RUC more seamless for users, we know many users will prefer manual options, so over-the-counter and physical retail options are equally important.

25. Market Size for Non-Digital: What proportion of the 3.5 million transitioning vehicles does the Ministry estimate will require or prefer non-digital payment channels? Has any research been conducted on digital accessibility and preferences for some sections of the community? i.e., elderly, non-tech savvy, cash orientated, difficult rural locations, language barriers, underbanked, low decile, prepay orientated.

Please see the answer to question 27 below, which provides information on over-the-counter transaction volumes. We have not conducted social research into specific demographics (elderly, low-decile, rural).

Payment Processing & Systems

26. Payment Settlement: Currently, how does funds settlement work between NZTA and approved retailers? Would this model continue, or are different payment processing arrangements envisaged?

The specifics of the settlement cycle (daily or weekly remittance) will be defined in the individual terms and conditions between the provider and NZTA, rather than in the primary legislation.

27. Transaction Volumes: What is the current volume and value of over-the-counter RUC transactions annually? How does this compare to electronic RUC transactions?

In recent years, approximately 3.7 million RUC licences have been issued annually. Of this, over-the-counter channel transactions are now fewer than 500,000 transactions, representing roughly 13% of total transactions.

The vast majority (approximately 3.2 million transactions) are now handled via digital channels, via Direct Connect industry agents, electronic service providers, and NZTA online services.

Over the last 15 years, physical counter volumes have approximately halved, dropping from over a million transactions annually to under half a million, even as the total number of licences issued has grown by more than 60%.

28. Some parties propose to manage stored-value mobility card retail infrastructure for NZTA. Could existing stored-value card systems be used for online RUC payments as part of the Movement as a Service concept, or would this create conflicts with your vision for the system?

The legislation does not restrict the sale of RUC alongside other services. We are interested in how it might be bundled with different payment options or consumer services to broaden the ways road users can purchase RUC.

In addition, the Bill broadens the scope of Alternative Payment Schemes by removing the requirement for an electronic distance recorder, enabling more flexible payment models. If configured for road user charges, some existing or planned payment systems could potentially form part of an alternative payment scheme.

29. We see ourselves as an over-the-counter network to support funds collection/payment for NZTA and/or eRUC providers. How many eRUC suppliers or models does the Ministry envisage will be in market?

We do not have a specific target number, and the Bill does not cap the number of RUC providers. We aim to enable a competitive market offering diverse solutions to cater to a range of users.

30. Over The Counter Payments: What is MOT's "best world" scenario for Over The Counter payments?

The Government's goal is to provide convenient and user-friendly payment options for all road users, enabling the transition of the entire vehicle fleet to RUC.

Administration Fees & Economics

31. Fee Structure Changes: The current RUC administration fee covers NZTA's transaction costs plus the physical label. With labels removed, will the administration fee be reduced? How will this affect retailer commissions?

RUC transaction fees for the issue of a RUC licence differ depending on how the licence is purchased (directly from NZTA via its website, through a counter agent, or via an electronic system provider). These fees are set in the Road User Charges (Administration Fees) Regulations 2023. The current fee breakdown is as follows:

- The agent/over-the-counter fee is \$11.92 (excluding GST) or \$13.71 (including GST). This comprises \$6.44 in agent fees paid and \$5.48 for NZTA business and corporate overheads.
- Industry agent, direct connect, and eRUC - the fee is \$5.48 (excluding GST) or \$6.30 (including GST). This fee is solely for NZTA business and corporate overheads.

- Online via the NZTA website - the fee is \$10.82 (excluding GST) or \$12.44 (including GST). This fee includes \$5.48 for NZTA's business and corporate overheads, \$4.47 for Poli or credit card fees, \$0.79 for label production and mailings, and \$0.08 for staff costs.
- Phone/Fax – the fee is \$12.93 (excluding GST) or \$14.88 (including GST). This includes \$5.48 for NZTA's business and corporate overheads, \$4.47 for POLi or credit card fees, \$2.19 for staff costs, and \$0.79 for label production and mailings.

The Bill does not immediately change these fees. While the \$0.79 label and mailing cost is only itemised for online and phone transactions, NZTA advises that the costs associated with labels are shared across all channels. Removing the label requirement will require a fee review to ensure they accurately reflect the costs incurred by the RUC collector.

32. Retailer Compensation: What commission or fee structure does the Ministry envision for retail payment providers? Will this be regulated, or market-determined?

The Bill does not set a fixed government commission rate for RUC providers. Instead, the policy aims to enable a competitive market in which private providers can innovate and offer diverse service models. It is anticipated that RUC providers will compete based on the services they offer and their prices, as is currently the case with electronic service providers.

The Bill envisages a model where providers can charge customers directly for value-added services (for example, account management fees or transaction margins), similar to other utility or payment service markets.

While there is no guaranteed commission, the Bill enables regulations to prescribe incentives and rewards for RUC providers who meet specific performance levels or specified conditions of appointment. This provides a mechanism for NZTA to offer rewards to providers to influence/drive particular outcomes (e.g., high data accuracy or serving high-cost users). Still, these are discretionary rather than guaranteed entitlements.

33. Cost Recovery Model: The RFI mentions the system should be "cost-effective for users." Does the Ministry have a target cost-per-transaction or expect retail services to be provided at specific price points?

No.

Compliance & System Integration

34. Alternative Payment Schemes: The Bill expands the scope of alternative payment schemes beyond eRUC. Could a retail payment network operate as an "alternative payment scheme," or are these intended only for electronic/automated solutions?

The Bill explicitly broadens the scope of alternative payment schemes to enable innovation beyond just electronic hardware solutions. The purpose of this amendment is to enable RUC Providers to offer more convenient and user-friendly payment options (such as monthly subscriptions or post-pay plans).

35. Over the Counter Payments: Is there scope to simply collect a dollar value for RUCs where the customer can apply this value to their account? Similar to a simple mobile top-up transaction.

The Bill broadens the framework for alternative payment schemes by removing the requirement that electronic systems rely on a physical electronic distance recorder, enabling "pay-as-you-go" or subscription-style models in which providers might manage customer accounts based on dollar-value payments. Despite this, the provider remains legally obligated to ensure that road user charges are accurately identified and forwarded to the RUC collector in accordance with the terms and conditions of their approval.

36. Data Requirements: What customer data would retail payment providers need to collect, retain, and transmit to NZTA? Are there specific privacy or data minimisation requirements we should design for?

RUC providers must collect and transmit specific data to the RUC collector to issue a licence. For practical reasons, existing payment providers collect, retain, and transmit to NZTA information that includes the vehicle's registration plate, RUC vehicle type, weight, and distance readings, as these are typically needed for the RUC collector to issue a licence.

When operating as an electronic system provider or administering an alternative payment scheme, a provider must also retain customer contact and payment details. Under Section 47D, electronic system providers have a statutory obligation to monitor, retain, and report any information regarding system failures or suspected tampering.

Systems must be designed in accordance with the Privacy Act 2020 and the specific requirements for managing RUC information set out in the Road User Charges Act 2012. The RUC collector may specify further data security and retention standards through regulations made under Section 89(1)(m) or via a code of practice.

37. System Connection Requirements: What are the anticipated technical requirements for connecting to NZTA systems? Will there be APIs and are they already in use or available, and what are the expected connection/integration costs?

The RUC collector will need to be satisfied that an applicant's electronic system is secure and reliable before approving. Technical specifics (encryption standards, data formats) will likely be detailed in the new regulations and updated Code of Practice enabled by the Bill.

User Scenarios – Clarification

38. Variable Purchase Amounts: The "John" scenario describes a low-mileage driver who wants to avoid prepaying large amounts. Is the Ministry considering allowing RUC purchases in increments other than 1,000km blocks?

The Bill does not change the regulations about purchase increments for distance licences. However, the Bill amends the provision relating to alternative payment schemes to enable more convenient payment options, such as monthly subscriptions or post-pay plans. An alternative payment scheme could provide "pay-as-you-go" or dollar-based purchasing options, subject to the specific design and approval of that scheme.

39. Flexibility of Dollar Value Loads: For future purchases of RUC distance in any setting but particularly retail over-the-counter payments, can dollar value amounts be loaded in variable increments into a customer account as desired by the user vs the existing 1000km's thinking to purchase blocks as required?

As noted in the answer to question 38, the Bill does not change the provision in the regulations relating to 1,000km increments for distance licences. Instead, the Bill enables flexible payment arrangements through alternative payment schemes. This could enable a provider to provide customer accounts based on dollar-value loads or variable-distance increments.

40. Compliance Support Role: Multiple scenarios describe people who may struggle with compliance (unaware, avoidant, time-poor). What role does the Ministry see retail networks playing in compliance and education versus pure transaction processing?

The Bill enables the removal of physical licences and the transition of RUC licence information to digital data. Given this change, we expect RUC Providers to serve as key educational points and channels for users to access their RUC data. We anticipate that providers may wish to offer services such as reminders or check-and-pay facilities, rather than serving solely as processors.

The Bill's powers to prescribe performance standards and incentives provide a framework to encourage retail networks to actively support compliance formally.

Timeline & Transition

41. 2027 Readiness: What infrastructure, systems, or approvals would a retail payment provider need to have in place by 2027 to serve existing RUC vehicles (diesel, EV, heavy)?

A new party must be approved as a RUC provider by the RUC collector (NZTA). To achieve this, the provider must have a secure system capable of interfacing with the NZTA to issue digital licences and remit payments. Specifics will depend on the type of service the provider is operating.

42. Phased Transition: Beyond 2027, will petrol vehicles transition all at once, regionally, or by some other segmentation? How should we plan capacity?

The Bill does not specify transition arrangements for petrol vehicles entering RUC. The decision on the transition is separate. The Bill seeks to improve the RUC system. It does not legislate the timeline or approach for moving the 3.6 million petrol vehicles into the system.

43. Provider Approval Timeline: What is the anticipated timeline for the new RUC provider approval process? When will detailed requirements be available?

Commencement of the RUC provisions occurs either by a date specified in an Order in Council or automatically 6 months after Royal Assent. It is anticipated that during the period between assent and commencement, the Governor General will make regulations prescribing the requirements to be met "... for appointment as a RUC provider" and the information required for applications, and that the RUC collector will also be able to consult on and issue a code of practice to assist applicants in meeting these requirements.

This is expected to enable the RUC collector to accept applications for approval as a RUC provider from the date that the new provisions in the Act take effect. At present, we expect this could be at the beginning of 2027.

Strategic Clarification

44. Service Model Relationships: Does the Ministry view different service models (electronic in-vehicle, mobile app, over-the-counter retail) as complementary services serving different segments, or as competing alternatives?

Both potentially serve different segments and compete as alternatives, rather than being mutually exclusive.

45. Revenue Protection Responsibilities: Given the principle of "revenue protection," what compliance or fraud prevention responsibilities would retail payment providers have?

Under Section 47D, RUC providers must report any system failure or suspected tampering that carries a risk of revenue loss to the RUC collector within five working days. The five-day limit begins once the provider becomes aware of the failure, tampering, or suspected tampering. Providers are also required to maintain a "secure and reliable" system to ensure the integrity of the data and revenue they handle.

The Bill enables the RUC collector to set additional revenue protection and fraud prevention responsibilities through new regulations and an updated code of practice. These instruments will define specific performance standards and operational requirements that providers must meet to maintain their approval.

46. Essential Service Considerations: With 3.6 million vehicles transitioning, would RUC payment infrastructure be considered essential service infrastructure? Are there implications for geographic coverage requirements?

The Bill does not explicitly categorise RUC payment systems as essential services (or the like) under emergency legislation.

47. Does an existing NZTA relationship create any advantages, constraints, or conflicts of interest regarding RUC retail services?

The RUC collector considers each application to become a RUC provider in accordance with the statutory requirements. Existing providers will also be required to reapply for approval under the new framework to ensure they meet the same updated standards for system integrity and security as new applicants.

The Bill includes transitional provisions in Schedule 1AA to manage this process. Current electronic system providers and industry agents are treated as having temporary approval for a limited period, allowing them to continue operations during the transition.

48. Does the Ministry have data on how many RUC transactions might be suitable for retail channels to help us assess market size?

The Ministry has not developed any forecasts on this aspect, but uptake will be monitored.

Question set seven— Provider requirements, data requirements, service delivery and system implementation

Provider Approval, Certification, and Compliance

49. When does the Ministry expect to publish the draft approval framework or Code of Practice for RUC service providers? Will industry have an opportunity to review or test it prior to the 2026 procurement stage?

NZTA will issue codes of practice to help service providers meet statutory requirements. They can only be issued after the Bill is passed, which is expected around mid-2026.

50. Industry consultation is planned on the code of practice to ensure it is workable. Will certification standards for distance measurement be technology-neutral (e.g., smartphone, telematics, odometer), or will certain methods receive priority?

The Bill seeks to establish a technology-neutral framework for light vehicles. Currently, the Road User Charges Act 2012 requires electronic RUC systems to meet the same standards for all vehicles, with the only alternative being paper licences. The Bill would allow the RUC collector to approve providers that use different methods of measuring distance, electronic or otherwise, so long as they meet the performance standards set in the regulations. The regulations are likely to allow for different approaches for different classes of vehicles and varying customer needs.

51. Does the Ministry intend to outline accuracy thresholds or validation benchmarks for distance-measurement technologies?

Should any quantitative threshold benchmarks for distance measurement technologies be established, we anticipate that they will be outlined in the code of practice. The Bill enables the RUC collector to approve an electronic distance recorder if satisfied that it is fit for the purpose, and meets any requirements specified in regulations.

The current code of practice specifies an electronic distance recorder with a tolerance range of +/- 2% for wheel revolutions and positional accuracy within 5 metres of the actual physical position for GNSS/GPS. However, these benchmarks will be considered during the code of practice review.

The Road User Charges Act 2012 currently allows for a light vehicle to be fitted with any distance recorder that accurately records the distance travelled by the RUC vehicle at all times. This will remain in place under the Bill and effectively allows vehicle odometers to be used as distance recorders, except in electronic systems.

52. What compliance indicators will providers be expected to detect (e.g., tampering, non-payment, odometer anomalies), and how will responsibilities be shared between providers and the regulator?

RUC providers must detect and report any system “failure” or “tampering” to the RUC collector within five working days. This includes identifying data alterations, recording errors, or hardware anomalies that carry a risk of revenue loss to the Crown. While the provider is responsible for maintaining the integrity of the technology and data, the RUC collector (NZTA) retains the broader regulatory role of auditing and monitoring system performance.

Regarding financial compliance, the liability for customer non-payment depends on the provider's chosen business model. The specific requirements for debt management and the timing of revenue remittance will be detailed in the provider's terms and conditions of appointment or the code of practice. The Bill also enables regulations under Section 89(1)(m) to prescribe incentives and rewards for providers who exceed performance standards, encouraging proactive fraud detection and high levels of revenue security.

53. Will NZTA provide a standard compliance/enforcement API for reporting exceptions or suspected non-compliance?

No decisions have been made on this matter.

Technology, Measurement, and Data

54. Will providers have access to an authoritative dataset of private roads, or must each provider create and maintain its own filtering methods for non-public travel?

Currently, this responsibility sits with the electronic system provider to select, maintain, and pay for a suitable dataset that meets their clients' needs. No decisions have been made about a publicly provided version or one to be provided specifically to RUC providers.

55. Will providers be permitted to offer both location-based and non-location-based reporting pathways (e.g., odometer-only or photo-verified reporting) to support privacy-conscious users?

Yes, the Bill provides for non-location-based options. The Bill enables the RUC collector to approve any distance recorder that is fit for the purpose.

Removing the requirement for an electronic distance recorder enables the use of manual methods for an alternative payment scheme.

56. Will NZTA make Warrant of Fitness (WOF) odometer readings available through an API for verification purposes?

This has yet to be determined. This might be something we consider if RFI responses highlight the benefits it might provide.

57. Does the Ministry intend for the RUC measurement subsystem to be extensible to support future applications such as time-of-use or congestion charging?

Yes, however, the functionality will not be required immediately and is not provided for in the Bill.

58. Will the Ministry publish a canonical schema for distance events, metadata, and audit artifacts to ensure consistency across providers?

This will be considered through work on the code of practice, which is to be updated. The existing code of practice provides for a "eRUC data schema" (Figure 4) as a minimum starting point for electronic systems.

Access to Government Systems

59. Will third-party RUC providers receive automated access to the Motor Vehicle Register for ownership validation, plate/VIN data, odometer verification, and change-of-ownership events?

The specific level of automated access for RUC providers has yet to be determined. Under current settings, the code of practice allows electronic system providers to access certain vehicle data on the Motor Vehicle Register, including change of ownership information. Any vehicle data provided via an API from the MVR must be managed in accordance with the Privacy Act 2020.

60. Will the Ministry provide a sandbox or pre-production environment for integration testing in 2026?

This has yet to be determined and will likely be addressed during the development of the code of practice. The current code of practice provides for a type of 'pre-production environment' as part of the testing and approval process for a system. The current code of practice also requires that the system be tested to demonstrate that it is secure and reliable, and that it integrates with NZTA's systems. However, the code of practice will need to be reviewed and updated.

Market Structure, Commercial Model, and Competition

61. Will the future procurement define a regulated fee structure, a market-determined fee model, or a hybrid approach for RUC retail services?

The Bill provides for these to be market-determined. The policy goal is to establish a competitive market in which providers compete on both price and service. The legislation does not provide for price caps or fixed commissions.

62. Will providers be allowed to offer bundled services—such as tolling, parking, or mobility wallet features—within a single customer account?

Yes, the Bill supports service bundling. The intention is to foster a competitive market in which providers differentiate themselves by offering convenient, user-friendly payment options. The Bill does not prevent providers from offering complementary services. The Bill requires that the RUC component remain secure and reliable, and that revenue be accurately identified and remitted to the government. Similarly, if payment of road tolls is included in a customer account, the related revenue must be paid separately to the NZTA in accordance with the tolling legislation.

63. How does the Ministry intend to ensure a level playing field between new entrants and incumbent electronic RUC providers, particularly during early market development?

The Bill requires market participants, including existing electronic system providers and counter agents, as well as the Agency (NZTA) itself, to apply to the RUC collector for approval to be RUC providers. They will be subject to the same 'fit and proper' and 'secure and reliable' approval criteria.

64. Will transitional funding or shared-service infrastructure be considered to support new provider entry ahead of the complete fleet transition?

Measures that may be necessary to support the complete fleet transition are yet to be considered by the Government.

User Experience and Customer Support

65. Will the Ministry establish mandatory minimum user-experience requirements (e.g., monthly billing options, multi-channel support), or will providers be free to design their own UX standards?

The Bill requires that systems must be secure and reliable, but does not specify cycles or interface designs. The aim is to foster a competitive market where providers design their own systems to differentiate themselves and attract specific user segments.

66. What customer-support expectations will apply (e.g., call-centre SLAs, accessibility requirements, multilingual support)?

The Bill does not specify customer service levels, such as call centre wait times or multilingual mandates.

Under the new section 43(4)(b), every provider's approval is subject to specific terms and conditions determined by the RUC Collector. At the same time, section 89(1)(m) empowers regulations to prescribe binding performance standards.

67. Will standard rules for debt management and overdue RUC escalation be established across all providers?

Debt management rules are yet to be determined. Currently, the RUC collector (NZTA) is responsible for the compliance and enforcement of road user charges. If a vehicle does not have a valid licence, NZTA remains the authority responsible for pursuing the debt and enforcing statutory penalties.

Under existing arrangements, some debt management responsibilities sit with a provider if they choose a commercial model where they issue a licence to a customer before receiving payment. In this scenario, the provider assumes the financial risk and manages the recovery of those funds from the customer.

Under the Bill, NZTA retains the sole authority to issue formal assessments for unpaid charges and enforce penalties.

Transition Timeline and Pilot Planning

68. Does the Ministry anticipate running pilot or pre-production trials with selected providers in 2026–2027?

This is yet to be determined. However, we note that the current code of practice explicitly mandates that all electronic system providers undergo testing and an independent security review to validate system integrity before approval.

69. For heavy electric vehicles that enter RUC on 1 July 2027, must approved light-vehicle RUC providers also support these vehicles from that date?

The Bill does not require every approved RUC provider to service every vehicle class. Providers will likely define their own commercial offering in the market.

70. Will a detailed transition plan for petrol vehicles (post-2027) be published, including phasing and onboarding strategies?

No decision has yet been made on the specific arrangements for petrol vehicles entering the RUC system. The Bill does not legislate a timeline or approach for moving New Zealand's approximately 3.6 million petrol vehicles onto RUC.

While the Bill seeks to improve and modernise the RUC system to ensure it is fit for purpose, the decision on the transition itself is a separate matter for the government. Consequently, transition arrangements, including phasing and onboarding strategies, are not defined within this legislation.

Privacy, Security, and Data Governance

71. Will the Ministry issue standardised data-minimisation requirements, including retention periods and handling rules for location data?

Details about the collection, storage, and security of RUC information will be set out in regulations that have not yet been developed. Currently, the Code of Practice sets data retention periods (typically seven years for financial and audit records) to ensure statutory compliance.

72. Will providers be required to maintain specific security certifications (e.g., ISO 27001, SOC 2, NZISM compliance)?

The Bill does not legislate specific proprietary certifications, and the content of regulations and codes of practice is yet to be determined. Currently, the Code of Practice requires applicants to undergo an independent security review.

73. How will user consent management and data rights be standardised across providers?

Providers will be subject to the Privacy Act 2020. Details about the collection, storage, and security of RUC information will be set out in regulations that have not yet been developed.

Payment Systems and Settlement

74. Will the RUC system use a centralised settlement clearinghouse, or will each provider manage its own settlement and reconciliation with NZTA?

The RUC system uses a direct settlement model rather than a centralised clearinghouse model. The Bill establishes a statutory relationship between the RUC collector and RUC providers, placing the legal liability for forwarding revenue squarely on the RUC provider.

75. Will consolidated monthly billing be permitted for bundled services (e.g., RUC + tolling), or must RUC be billed separately?

Under the Bill, RUC revenue must be forwarded to the RUC collector. It doesn't mandate the specific layout of customer invoices. Providers will be free to bundle RUC charges with other charges into a monthly invoice, provided the revenue is remitted to the RUC collector.

76. Are there any mandated payment methods (e.g., A2A account-to-account payments, direct debit) that providers must support?

The Bill does not mandate specific payment methods, such as A2A or direct debit.

Questions Relating to User Personas (from the Information Memorandum)

77. For rural users who frequently travel on private roads, will the Ministry provide authoritative GIS datasets, or should providers rely on self-developed modelling or user input?

See answer to question 54.

78. For privacy-conscious users, will non-location-based reporting options be mandatory for all approved providers?

See answer to question 55.

79. For no-smartphone users, will providers be permitted to use third-party partners (e.g., fuel stations, postal agents) for in-person account support?

The Bill requires RUC providers to demonstrate that their systems are secure and reliable, but does not exclude any particular customer service model.

80. For time-poor users who prefer subscription-style arrangements, will monthly automated billing be supported within the regulatory framework?

Yes, the Bill seeks to accommodate monthly automated billing and broaden the scope of alternative payment schemes. This allows RUC providers to design more convenient options, such as “set and forget” or subscription models. Under these schemes, usage could be calculated or estimated and billed automatically on a monthly cycle.

A RUC provider may offer these models, provided they meet their own settlement obligations to the RUC collector. Any such payment option must also comply with broader legislative requirements.