

OC230233

5 April 2023



I refer to your email dated 20 March 2023 requesting the following briefings under the Official Information Act 1982 (the Act):

"Wood OC230021 8/02/2023 Declaration of a major maritime event – SailGP

Wood OC230044 8/02/2023 Quarter 2 Output Plan Report

Wood OC230085 10/02/2023 Meeting with Disabled Persons Assembly NZ on transport issues

Wood Woods OC230088 2223-2556 10/02/2023 Meeting with Danusia Wypych, Damon Birchfield, present and former CEOs of ChargeNet, on EV Charging infrastructure

Wood OC230048 14/02/2023 Official Information Act request from [Name withheld] for information relating to Wellington having a salvage tug

Wood Nash OC221027 BR/23/14 15/02/2023 Advice on next steps following Police procurement process for oral fluid testing devices

Wood OC230049 15/02/2023 2023 March Baseline Update for Vote Transport

Wood OC230050 15/02/2023 Vote Transport Contingent Assets and Liabilities sign off as at 31 December 2022

Wood OC230111 16/02/2023 Visit to Wellington International Airport

Wood cc: Allan OC230091 17/02/2023 Budget 2023 Bilateral Meeting Advice

Wood OC230102 17/02/2023 Sustainable Biofuels Obligation - Impact of decision to discontinue

Wood OC230108 21/02/2023 New Zealand Freight and Supply Chain Strategy Draft"

Of the 12 briefings you requested:

- nine are released with some information withheld or refused
- three are withheld in full.

Certain information is withheld under the following sections of the Act:

6(a) as release would be likely to prejudice the security or defence of New Zealand or the international relations of the New Zealand Government

9(2)(a) to protect the privacy of natural persons

9(2)(b)(ii)	to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person
	who supplied or who is the subject of the information
9(2)(f)(iv)	to maintain the constitutional conventions for the time being which protect
	the confidentiality of advice tendered by Ministers of the Crown and officials
9(2)(g)(i)	to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or
	members of an organisation or officers and employees of any public service
	agency or organisation in the course of their duty
9(2)(h)	to maintain legal professional privilege
18(d)	the information requested is or will soon be publicly available

The above information is summarised in the document schedule at Annex 1.

With regard to the information that has been withheld under section 9 of the Act, I am satisfied that the reasons for withholding the information at this time are not outweighed by public interest considerations that would make it desirable to make the information available.

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman's website www.ombudsman.parliament.nz

The Ministry publishes our Official Information Act responses and the information contained in our reply to you may be published on the Ministry website. Before publishing we will remove any personal or identifiable information.

Nāku noa, nā

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Hilary Penman

Manager Ministerial Services

Annex 1 - Document Schedule

Doc#	Reference	Document	Decision on release
1	OC230021	Declaration of a Major Maritime Event – SailGP	Released with some information withheld under Section 9(2)(a).
2	OC230044	Quarter 2 Output Plan Report	Released with some information withheld under Sections 9(2)(a) and 9(2)(f)(iv).
3	OC230085	Meeting with Disabled Persons Assembly NZ on Transport Issues	Released with some information withheld under Section 9(2)(a).
4	OC230088 2223-2556	Meeting with Danusia Wypych, Damon Birchfield, Present and Former CEOs of ChargeNet, on EV Charging Infrastructure	Released with some information withheld under Sections 9(2)(a) and 9(2)(f)(iv).
5	OC230048	OIA Briefing: Information Relating to Salvage Tug	Released with some information withheld under Sections 9(2)(a) and 9(2)(b)(ii).
			One of the annexes is refused under Section 18(d) and is available from page 47 of this link: https://www.transport.govt.nz/assets/Uploads/TwelveBriefingsfromOctober2022PartOneofTwo.pdf
6	OC221027 BR/23/14	Advice on Next Steps Following Police Procurement Process for Oral Fluid Testing Devices	Withheld in full under Section 9(2)(f)(iv).
7	OC230049	2023 March Baseline Update for Vote Transport	Released with some information withheld under Section 9(2)(a).
8	OC230050	Vote Transport Contingent Assets and Liabilities Sign Off as at 31 December 2022	Released with some information withheld under Section 9(2)(a).
9	OC230111	Visit to Wellington Airport	Released with some information withheld under Sections 6(a), 9(2)(a) and 9(2)(f)(iv).
10	OC230091	Budget 2023 Bilateral Meeting Advice	Withheld in full under Section 9(2)(f)(iv).
11	OC230102	Sustainable Biofuels Obligation - Impact of Decision to Discontinue	Released with some information withheld under Sections 9(2)(a), 9(2)(f)(iv), 9(2)(g)(i) and 9(2)(h).
12	OC230108	New Zealand Freight and Supply Chain Strategy Draft	Withheld in full under Section 9(2)(f)(iv).



Document 1

13 February 2023 OC230021

Hon Kiritapu Allan Action required by:

Associate Minister of Transport

Wednesday, 15 February 2023

DECLARATION OF A MAJOR MARITIME EVENT - SAILGP

Purpose

To sign the attached notice declaring the SailGP in Lyttelton Harbour/Whakaraupō as a major maritime event. We request your signature by 15 February 2023 to allow lead-in time to the event setup commencing on 13 March 2023.

Key points

- The Environment Canterbury Regional Council (ECan) has requested that you declare
 the New Zealand leg of the SailGP in Lyttelton Harbour/Whakaraupō to be a major
 maritime event. The SailGP is an international sailing competition, with each event
 made up of multiple races.
- Declaring a major maritime event triggers special enforcement powers under the Maritime Transport Act 1994 (the Act) which will allow enforcement officers to properly control and manage the event by maintaining public order within the designated area.
- On Wednesday 7 December 2022, former Associate Minister Hon Kieran McAnulty published notice of his intention to declare a major maritime event, as required by the Act.
- Seventeen submissions have been received in response to the notice (attached with our responses). Sixteen of these submissions objected to the race being held because it may impact on the breeding season of Hector's dolphins.
- The impact on Hector's dolphins is outside of the scope of what the Act provides for, as it does not relate to public order or the safety of people and vessels. Race organisers have developed a Marine Mammal Management Plan in partnership with representatives from the Department of Conservation (DOC), ECan, the University of Otago, Christchurch City Council, Live Ocean, Lyttelton Port Company and Black Cat Cruises. We consider this is the appropriate way of ensuring the protection of Hector's dolphins.
- We recommend you now make the declaration by signing the attached *New Zealand Gazette* notice (the **Notice**).

The Notice contains the information required by section 200A(2) of the Act. We believe
that you can be satisfied as to the matters set out in section 200A(3) of the Act, which
are prerequisites to you giving notice.

Recommendations

We	recomm	nend y	you:

			,	Yes / No
1	sign the attached notice declaring the New Zealand Harbour/Whakaraupō to be a major maritime event	leg of the SailGP i	n Lyttelton	
2	note that, if you agree to recommendation 1, we will notice in the <i>New Zealand Gazette</i>	arrange publicatio	n of the	Yes/No Yes/No
3	note that the Ministry of Transport will provide responsive been received on the proposed declaration.	onses to the submis	and the same of th	165/110
B	(ZoA)	3 10)	<u></u>
		on Kiritapu Allan		
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Com	ments			
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Nan	ne	Telephone	First contact	
Pho	ebe Moir, Legal Adviser	s 9(2)(a)	1	
Rog	er Brown, Special Adviser – Regulatory Policy			
Bre	ndan Booth, Chief Legal Adviser			

DECLARATION OF A MAJOR MARITIME EVENT - SAILGP

The SailGP

Event information

- 1 The SailGP is an international sailing competition, with each event made up of multiple races.
- The SailGP (the **Event**) will be held on Lyttelton Harbour in waters adjacent to Lyttelton Port's Cashin Quay and cruise ship berth with practice and racing from Monday 13 March 2023 to Sunday 19 March 2023, comprising:
 - 2.1 **Set up and informal practice days**: Monday 13 March through to Wed esday 15 March 2023;
 - 2.2 **Practice days on the official racecourse**: Thursday 16 March and Friday 17 March 2023; and
 - 2.3 Race days: Saturday 18 March and Sunday 19 March 2023.
- Race activity on the harbour will generally be active from 1000 to 2100 hours (subject to changes determined on a daily basis by the Harbournaster's Office). The specific hours of operation will be announced daily by public broadcasting, on the event website and by marine communication channels
- The catamarans will also be on the water in the harbour during the week leading up to the Event. However, they will be spread out over the whole harbour with no dedicated racecourse set up normal maritime rules and bylaw regulations will apply during this time and no special maritime powers are required.
- The operating company for the Event is F50 League NZ Ltd, a company incorporated in New Zealand.

Environment Canterbury has requested you declare a major maritime event

- The Environment Canterbury Regional Council Regional Harbourmaster (the **Harbourmaster**) has requested a declaration that the event is a major maritime event under section 200A of the Maritime Transport Act 1994 (the **Act**).
- On 18 November 2022, former Associate Minister Hon Kieran McAnulty agreed to publish notice of intention to declare the event as a major maritime event in the *New Zealand Gazette* (the *Gazette*; OC221011 refers). The publication of the notice of intention is a requirement under section 200A of the Act.
- 8 Subsequently, a notice of the intention was published in the *Gazette* on Wednesday 7 December 2022. A copy of the notice was also published in the local Christchurch newspaper *The Press*.

Submissions on notice of intention to declare a major maritime event

Pollowing publication of the former Associate Minister's intention to declare a major maritime event, there was a 16-day period for public consultation, which ended at 5pm on 23 December 2022. Seventeen submissions were received (attached). A summary of the submissions is provided below for your reference. No submissions received raised concerns about the specific conditions contained in the proposed Notice.

Subn	nission from <mark>s 9(2)(a)</mark>
10	made a submission on behalf of the Resource Management Group Ltd requesting a map of the race. We referred them to the map attached to the Notice.
Subm	nissions regarding Hector's dolphins
11	Sixteen submissions were received objecting to the race being held because of its potential impact on Hector's dolphins. These submissions came from \$9(2)(a)
	on behalf of Project Jonah, s 9(2)(a) on behalf of Māui and Hector's Dolphin Defenders Inc, and
	s 9(2)(a)
12	Twelve of the 16 submissions were very brief, and expressed general concerns abour races being held within a Marine Mammal Sanctuary, the timing of the race coinciding with the breeding season and dolphins being vulnerable to boat strike.
13	Eleven submissions asked that the race be cancelled or moved to a different time of year or location.
14	One submission proposed that changes be made to the conditions of the notice to protect Hector's Dolphins.
Subs	tantive submissions regarding Hector's dolphins
15	Four of the 16 submissions explained their concerns more thoroughly, as outlined below.
	15.1 s 9(2)(a) is a marine ecologist specialising in Hector's dolphins. s 9(2)(a) requested that we:
	reconsider the conditions of the SailGP to provide for the protection of Hector's dolphins;
	move the race to a date later in the year; and
	put some of the money gained from the race towards conservation.
	15.2 s 9(2)(a) is a marine biologist and s 9(2)(a) at the University of Otago. s 9(2)(a) requested that we:
	 provide detailed information to the public on the yacht race, with open and transparent public consultation; and

- Conduct public consultation on moving the yacht race to a different time and location.
- 15.3 s 9(2)(a) made a submission on behalf of Project Jonah, a marine mammal welfare charity. s 9(2)(a) asked us questions about:
 - whether organisers of the event have been provided instruction on legislation regarding marine mammals;
 - whether a plan has been received from event organisers which ensures that all competitors have read and understood the applicable legislation; and
 - whether a Marine Mammal Impact Assessment or similar has been carried out by the event organiser which provides for marine mammal observers and other mitigations.
- 15.4 s 9(2)(a) made a submission on behalf of Maui and Hector's Dolphin Defenders Inc, an incorporated society. s 9(2)(a) asked that we consider giving additional powers and enforcement responsibility to DOC, the Harbourmaster and others to further protect the dolphins.

Our response to matters raised in the submissions

Moving the date of the race

- We consider that the proposal to move the date of the race is outside the scope of your powers and purpose of the Notice.
- In issuing the Notice, you would be allowing additional navigational powers to be made available for the duration of the race rather than allowing the race to happen.
- The power to move the race dates is held by ECan and the race organisers. By extension, conducting further consultation about moving the time or location of the race would also be outside your powers.

Reconsidering the conditions of the notice

- We consider that it would not be necessary or appropriate to include conditions for the protection of Hector's dolphins in the Notice.
- The purpose of the Notice is to enhance navigational safety, and as such we consider that the matters raised by submitters are more appropriate to be addressed by DOC as administrators of the Marine Mammals Management Regime.¹
- 21 Race organisers have also developed a Marine Mammal Management Plan in partnership with representatives from DOC, ECan, the University of Otago, Christchurch City Council, Live Ocean, Lyttelton Port Company and Black Cat Cruises. This plan is summarised on their website and includes mitigations such as on-land surveys, passive and active acoustic monitoring, aerial surveys, marine mammal

¹ This regime includes the <u>Marine Mammals Protection Act 1978</u> and the <u>Marine Mammals Protection</u> Regulations 1992.

- sighting apps, and potentially underwater acoustic deterrent devices. The plan was made available to the public on 22 December 2022.
- DOC considers the plan is robust and has been involved in providing technical and operational advice to the working group which developed the plan since March 2021. DOC acknowledged that all parties involved have worked hard to consider and mitigate the effects on Hector's dolphins and other marine mammals.
- DOC has further advised that under the Marine Mammals Protection Act and Marine Mammals Protection Regulations, it is illegal to harm, harass, injure or kill marine mammals. All vessels involved in the SailGP, including any support boats or spectators, are expected to abide by this legislation. DOC has made it clear to race organisers that DOC's role is to advocate for the protection of marine mammals, and to carry out compliance functions if any incidents involving protected wildlife were to occur

Reallocating the proceeds of the race

- Similar to the request to move the date of the race, we consider reallocating the proceeds from the race would be outside your powers and purpose of the Notice.
- Having said this, we have been advised that the race has ongoing contributions to conservation, which include raising awareness of Hector's dolphins, training marine mammal observers, developing new technology, and education of the boating public in best practice marine mammal observation and reporting methods.

Releasing further information

- 26 s 9(2)(a) has requested that we provide detailed information to the public regarding the race, including the Marine Mammal Management Plan.
- A redacted Marine Mammal Management Plan has been made available to the public on SailGP's website. Our proposed response letter to the submitter suggests that the request for information be directed to the race organisers, ECan and DOC as authors of this information.

Draft response letters to submitters for consideration

- Based on the above analysis, we do not consider that it is necessary or appropriate to make any changes to the Notice based on the submissions that we have received.
- In conjunction with DOC, we have prepared a stock response letter that outlines the purpose and limitations of a major maritime event declaration under the Act and refers submitters to the obligations that will apply to the SailGP event under the marine mammal protection legislation which DOC administers.
- The Ministry's draft response letters to the submitters are **attached** for your reference.

Declaration of a major maritime event

Statutory requirements

- You can declare a major maritime event by publishing a notice in the *Gazette*. However, before doing so you have to be satisfied that the requirements under section 200A(3) of the Act have been met. These requirements are that:
 - 31.1 the application is reasonable;
 - 31.2 the harbourmaster has provided any necessary information to:
 - describe the event and waters to which the declaration applies;
 - specify the period for which the declaration applies;
 - set out the requirements for the purposes of navigation safety and to enable the event to be properly managed;
 - authorise the Harbourmaster to determine which ships may enter the designated area and to specify conditions for the day-to-day management of the event within the designated area;
 - determine whether any other information should be included to explain the effect of the notice;
 - 31.3 the application of section 200B is in the interests of navigation safety or is an appropriate way to manage and control the event (section 200B contains the special enforcement powers that may be used when a major maritime event is declared), and
 - 31.4 the harbourmaster has considered the needs of commercial shipping.
- Under section 200A(3) you also must be satisfied that a notice of your intention to declare the event as a major maritime event has been published in the *Gazette* and such daily newspapers as you consider appropriate. In addition, you have to allow no less than 10 days for representations and must consider all representations received within those 10 days.

Our advice regarding the statutory requirements

- We consider that the statutory requirements have been met through the Notice as well as information provided by the Harbourmaster that a notice under section 200A of the Act is in the interests of maritime safety:
 - 33.1 The area covered by the application will be extremely busy during the event and there will be an increased risk of collision amongst both recreational and commercial vessels.
 - 33.2 It is also vital that the racecourse is kept clear of other vessels so as to be able to conduct the racing in a safe and timely manner. The setting out of buoyed transit lanes around the course will allow transiting vehicles to navigate outside the course.

- 33.3 The declaration of a major maritime event would give an increased ability to put in place safety measures such as speed limits or limiting the types of vessels, which may navigate in the designated area. These types of measures will help limit the risks of having so many vessels on the water.
- Section 200A(3)(c) requires you to be satisfied that the applicant has considered the needs of commercial shipping before you make a declaration of a major maritime event.
- The Harbourmaster advises that ECan has considered the needs of commercial shipping:
 - 35.1 When the event was initially announced in early 2021, the Harbourmaster established a commercial water users' group which ran for five months until it was announced that the event was postponed in September 2021.
 - 35.2 The group met monthly at the Lyttelton Port Company (LPC) building in Lyttelton and was chaired by the Deputy Harbourmaster. The main objective in establishing the group was to make sure the commercial users of the port and harbour were consulted and aware of the event as well as enabling the Deputy Harbourmaster to gather information required for this application that best suited the local water users.
 - 35.3 The group is still meeting but has been renamed the 'On Water Operations Committee' and is now organised and chaired by SailGP itself.
 - 35.4 The Harbourmaster's Office is in contact with LPC. The Event is a fixed item on the agenda of the regular monthly meeting between LPC Marine operations, Maritime New Zealand (MNZ) and the Harbourmaster's Office.
 - 35.5 Early on in the initial organising of the Event, LPC committed to, and remains committed to, stopping marine operations for the duration of the races. This helps considerably with mitigation of navigation safety risks.
- In making this application, the Harbourmaster has also consulted with NZ Police, which is aware of the Event plans, and will maintain liaison with the Harbourmaster prior to commencement of the Event. In addition, the Harbourmaster has gained agreement from the local iwi on the area designated in the application.
- The impact on Hector's dolphins is outside of the scope of what the Act provides for, as it does not relate to public order or the safety of people and vessels. As noted above, we consider that the matters raised by submitters relating to Hector's dolphins are more appropriate to be addressed by DOC as administrators of the Marine Mammals Management Regime.
- 38 Based on the information provided, we consider that the declaration would be reasonable and meets the statutory requirements in section 200A the Act.

Risks and impacts

- The declaration is being made to support the safe conduct of the event and provides for controls of a similar nature to those under previous declarations in New Zealand.
- However, as with every such declaration, there is a risk that people could perceive movement restrictions as heavy-handed or a limitation on people's freedom of movement.

41 The submissions we have received further indicate that there is a risk that the public may perceive this declaration as permitting a race which may pose an increased risk to marine wildlife, even though the notice is not permitting the race nor related to the protection of marine wildlife.

Consultation

42 We have consulted with MNZ on the Notice attached to this briefing and were advised



MARITIME TRANSPORT ACT 1994

DECLARATION OF A MAJOR MARITIME EVENT

Pursuant to section 200A(1) of the Maritime Transport Act 1994, and on the application from the Environment Canterbury Regional Council, I declare the Lyttelton SailGP to be an event to which section 200B of the Maritime Transport Act 1994 applies for:

Monday 13 March 2023 to Sunday 19 March 2023 inclusive

Designated area

General designated area

The area of tidal waters inside a line drawn from the Western end of Magazine Bay to the easternmost point of Ōtamahua / Quail Island; then by a straight line to Pauaohinekotau Head; then by a straight line to the northern headland of Stoddart Point; then by a straight line to the northernmost point of Ripapa Island; then by a straight line to the western headland of Te Pōhue / Camp Bay; then by a straight line to the point on the southern shore of the harbour intersected by longitude 1720 48.0'; then northwards along longitude 1720 48.0' until meeting the northern shore of the harbour in Mechanics Bay; then in a westerly direction around the water's edge, including the Lyttelton Inner Harbour returning back to the Western end of Magazine Bay.

Conditions and requirements

Within the designated area defined above, the following conditions and requirements apply.

- 1. The racecourse to be used on any given day will be publicly announced by 1200 hours on the day of the race by public broadcasting, on the event website and by marine communication channels. Buoyed transit lanes, as may be required, will allow transiting vessels to navigate outside the course.
- 2. On race days, only power driven vessels may use the transit lanes or restricted areas. No sails may be hoisted while in transit lanes or restricted areas. Vessels must be able to maintain a proper speed of 5 knots during transit and must not stop, turn around or anchor within a transit are.
- 3. Charts showing the location of the racecourses and transit lanes will be widely promulgated prior to the event period as part of the event's overall public education programme.
- 4. Once a racecourse is designated, the perimeter of the course, and designated areas will be conspicuously marked with buoys and stake boats, as appropriate, by the event organiser, F50 League NZ Limited.
- 5. Once the racecourse is designated and marked, only competing yachts, vessels used by the race committee, umpires, marshals, emergency vessels, Lyttelton Port Company and vessels accredited by the event organiser and Harbourmaster's Office may navigate within the marked perimeter until the Harbourmaster's Office, or delegate, has announced on VHF Ch16 that the day's races have been concluded.

- 6. The Harbourmaster's Office may vary conditions for the day-to-day management and conduct of activities within the designated areas (as per section 200A(2)(e) of the Maritime Transport Act 1994) as required for the proper management and conduct of vessels and activities within the designated areas or for the purposes of maritime safety. This includes the ability to set speed limits, reduced wake zones and restricted access areas.
- 7. Except where expressly authorised by the Harbourmaster's Office, all vessels must be navigated in accordance with Maritime Rules Part 22: Collision Prevention.
- 8. All vessels are to remain in compliance with the Canterbury Regional Council Navigation Safety Bylaw 2016 and Controls as well as Harbourmaster's Directions.
- 9. No vessel over 40m length overall may navigate within the designated area on race days from one hour before the initial estimated race start time (as estimated at the start of the day by the race officials) to when racing has concluded without prior written approval of the Harbourmaster's Office. The Harbourmaster's Office will closely coordinate commercial shipping movements with Lyttelton Port Company.
- 10. No vessel over 40m length overall may anchor or hold position within the designated area during the applicable period without prior written approval of the Harbourmaster's Office.
- 11. The Harbourmaster's Office may introduce restrictions on vessels or classes of vessels including those operating without motorised propulsion during the applicable period. Notification of these restrictions will be promulgated on the day of the race by public broadcasting, on the event website and by marine communication channels.
- 12. From one hour before the initial estimated race start time (as estimated at the start of the day by the race officials) to when racing has concluded, and if determined by the Harbourmaster, no vessel may enter into or exit from the Inner Harbour without calling Harbour Radio on VHF Ch12 and obtaining their permission to enter into or exit from the Inner Harbour. The Harbourmaster's Office may restrict access to the Inner Harbour area or introduce restrictions on vessels or classes of vessels, including those operating without motorised propulsion, within the area
- 13. The Harbourmaster's Office may order the suspension or abandonment of racing operations if, in the opinion of the Harbourmaster's Office or having received advice from Police, adequate levels of public safety cannot be guaranteed or for any other Harbour emergency/situation that may occur. This power will be exercised in consultation between the New Zealand Police, Harbourmaster's Office, the event organiser and Lyttelton Port Company.

Hours of operation

The declaration will apply in all areas from 1000 to 2100 hours (subject to changes determined on a daily basis by the Harbourmaster's Office). The specific hours of operation will be announced by public broadcasting, event website and marine communication channels on a daily basis.

Means of enforcement

Compliance with the above conditions and requirements will be enforced by appointed enforcement officers, as defined in section 200B(6) of the Maritime Transport Act 1994:

- 1. All constables; and all police employees who are not constables authorised for the purpose by the Commissioner of Police
- 2. All members of the New Zealand Defence Force authorised for the purpose by the Chief of Defence Force

- 3. Harbourmasters employed or engaged by any harbour controlling authority
- 4. Such other persons as may for the time being be authorised for the purpose by the regional council within whose region the event or occasion is being held, including the event marshals, who will be employed or engaged by F50 League NZ Ltd and appointed by Environment Canterbury Regional Council
- 5. The event organiser is responsible for the management of the race courses and on-water spectator areas. It is also responsible for all movement of team boats, media, spectators and other event related vessels, including to and from the race courses (for competition and training), the on-water media areas and the on-water spectator areas
- 6. Under section 200B(5) of the Maritime Transport Act 1994, any person in charge of a ship, craft or seaplane who contravenes this notice commits an infringement offence and is liable to the relevant penalty prescribed in the Maritime Transport (Infringement Fees for Offences Relating to Major Maritime Events) Regulations 1999.

Application to enforcement officers

Enforcement officers are exempt from the rules or conditions contained in this notice where necessary to execute their duties, but must at all times navigate in accordance with Maritime Rule Part 22: Collision Prevention.

I make this declaration in accordance with the requirements set out in section 200A(3) of the Maritime Transport Act 1994.

Dated at	this day of	2023.
. 1	SKOPIN	
Hon Kiritapu Allan Associate Minister of Transp	port	
PCA		
OX		

Appendix 1 – Map of designated area



Attachment 1 – Submissions (for reference)

Submission from \$ 9(2)(a)

8th December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

Maritime Event - Lyttleton Harbour - March 2023

Kia ora,

I have received notice Pursuant to section 200A(3)(d) of the Maritime Transport Act 1994, for and acid for the application from the Environment Canterbury Regional Council for the Lyttelton SailGP event in March 2023.

Can you please supply a map outlining the area in question.

Regards

s 9(2)(a)

s 9(2)(a)

Resource Management Group Ltd

s 9(2)(a)

W www.rmgroup.co.nz

12th December 2022.

From:s 9(2)(a)

To: sailgp2023@transport.govt.nz

Hectors,' Dolphin habitat not suitable for a Sail race



15th December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

SailGP at Lyttelton Harbour an additional threat to endemic endangered Hector's dolphins

Tēnā koutou,

and I am a marine ecologist with 10+ years of My name is \$ 9(2)(a) experience working with marine mammals in different parts of the world. I am writing to vou with regards to the SailGP race that will take place in Lyttelton Harbour in 2023 and 2025. Even though I am originally from South America (Chile), I feel a strong connection with Horomaka, Banks Peninsula, after spending five years in the area while doing my PhD research on Aotearoa's only endemic dolphin species, the Hector's dolphin (Cephalorhynchus hectori). During that time, I was out on a boat conducting standardised surveys as part of one of the world's longest running marine mammal research programmes. More than 30 years of data from this programme (held by the marine mammal research group at the University of Otago) show that Lyttelton Harbour is an important habitat to this species, with consistent dolphin sightings over the years - including mothers and calves. Moreover, this species is known to have a seasonal distribution, with more animals distributed near shore in the warmer months. Summer is also when birthing occurs. Mothers and their calves use the sheltered bays and harbours extensively. If you haven't seen a baby Hector's dolphin picture this: a tiny dolphin roughly the size of a rugby ball. When they are born, their mothers help them surface for air as they are not great swimmers, their fins haven't straightened and haven't gained strength yet. They are very clumsy and slow, and are at high risk of boat strike

How is it possible that Aotearoa New Zealand, a nation admired by the world due its "greenness" and care for the Taiao, allows an event of the magnitude of SailGP to take place in a Marine Mammal Sanctuary during the dolphin's breeding season? Not only these dolphins are the only endemic dolphins to Aotearoa - as Kiwi as the Kiwi, but they are endangered and amongst the rarest marine dolphins in the world (IUCN, 2013). They have low population growth rates (Slooten and Lad, 1991) they are very vulnerable to anthropogenic threats (Dawson, 1990, Slooten and Lad, 1991, Baker et al. 2002, Hamner et al. 2012). Currently these animals face countless cumulative threats to their survival including pollution, bycatch, coastal development, diseases, climate change, vessel traffic, disturbance, noise, changes in their prey availability, aquaculture, among others (DOC, 2020). Furthermore, there are records of mortality due to boat strikes (DOC, 2022). Even though sailboats would not cause disturbance due to noise, their high speed creates a huge risk for boat strike, especially for calves and juveniles. It is very likely that there will be more than three vessels within 300 metres of a dolphin group and that vessels will cut through a group or obstruct the dolphins' movements. It will be a source of stress and very likely cause displacement, therefore adding an additional threat to their already extensive list of cumulative threats previously mentioned.

Marine mammals in Aotearoa are protected through the Marine Mammals Protection Act (1978) and Marine Mammal Protection Regulations (1992), where it is clearly stated that within 300 metres of the dolphin, you must travel no faster than idle or 'no wake' speed (<=5

knots), there cannot be more than three vessels within 300 metres of the dolphin (or group of dolphins). Dolphins can only be approached from a direction that is parallel and slightly to the rear. Vessels cannot circle the marine mammals, obstruct their path or cut through any groups and muse idle slowly away, among other rules. Moreover, rules state "do not disturb, harass or make loud noises near marine mammals" and to "cease contact if marine mammals show signs of being disturbed or alarmed". As a skipper myself I know for a fact there is no way you can respect those regulations while travelling on a vessel at high speed. Skippers will be focused on the race and unable to manoeuvre to avoid collisions with wildlife. Even for experienced marine mammal scientists/observers it is hard to spot Hector's dolphins due to their small size and the fact that they don't lift much of their body out of the water when they surface. It is even harder to spot them when there is wind and white capps (which will be the conditions for the sail race). Mitigation plans for SailGP include having marine mammal observers, however, it is not likely that the race will be stopped in time when dolphins are dangerously close to vessels travelling at high speeds

As a marine ecologist with experience working with Hector's dolphins in Banks Peninsula, I would like you to reconsider the conditions of the SailGP and at least move it to a date later in the year to make sure that fewer dolphins are exposed and that this summer's dolphin calves are older and better and swimming to have a higher survival chance. I am utterly disappointed at the NZ Government, ECan and Transport NZ for allowing an event of this magnitude to take place in a Marine Mammal Sanctuary which is the stronghold in Aotearoa for this endemic endangered species. I really hope there are no dolphin (or other wildlife) mortalities due to the event. I also hope that part of the money that this event will bring to the region gets utilised for the conservation of this taonga species, keystone of marine ecosystems. I don't think anyone in Aotearoa would be happy if there was a Rally through a national park where kiwi birds live. Why is the ocean any different? Why are you risking one of the world's most endangered dolphins for money?

Please take this submission into consideration, and more importantly please include Professors Liz Slooten and Steve Dawson in the design and implementation of mitigation measures, as they are the most knowledgeable experts on this species and have been working in Lyttelton Harbour and the rest of Banks Peninsula for nearly 40 years.

Feel free to contact me for further information,

Best regards,

s 9(2)(a)

Marine Ecologist

Baker, A. N., Smith, A. N. H. & Pichler, F. B. 2002. Geographical variation in Hector's dolphin: Recognition of a new subspecies of Cephalorhynchus hectori. Journal of the Royal Society of New Zealand 32:713–717.

Dawson, S. M. 1990. Polychlorinated dibenzo-p-dioxins and dibenzofurans in New Zealand's Hector's dolphin. Chemosphere, 20: 1035-1042.

Department of Conservation (DOC). 2020. Hector's and Māui Dolphin Threat Management Plan 2020 ISBN 978-1-99-115299-2.

Department of Conservation (DOC). 2022. Hector's and Māui Dolphin Incident Database. Wellington: Department of Conservation.

Hamner, R., Pichler, F., Heimeier, D., Constantine, R. and Scott Baker, C. 2012. Genetic differentiation and limited gene flow among fragmented populations of New Zealand endemic Hector's and Maui's dolphins. Conservation Genetics. 13 (4): 987 - 1002. Slooten, E. and Lad, F. 1991. Population biology and conservation of Hector's dolphin. Canadian Journal of Zoology. 69: 1701-1707.



21st December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

Dolphins

Hi, please do not subject these amazing mammals to a fast pace boat race in their habitat!! This is their breeding time and there are SO few of them anyway. We need – especially at this time of global warming to put money aside and make a conscious decision to help any cetaceans and not hinder their lives, breeding or natural habitat. When they are gone what SEELE INTO PRINTER OF THE SEELE IN THE SEELE will you tell your grandchildren?? I helped these mammals or I helped killed their population?? Which would they be most proud of you for??

Please think sensibly.

Thank you

s 9(2)(a)

22nd December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

Race in Littleton harbour

To whom it may concern,

I oppose this race and all future races in littleton harbour.

Races must not be held in Hector's dolphin habitat, at all. The proposed date of the race is THE REPORT OF THE SECOND SECTION AND THE SECOND also during their breeding season which will obviously be extremely disruptive. We must all do our part to protect and save this precious, dwindling species.

Regards

s 9(2)(a)

22nd December 2022.

From: js 9(2)(a)

To: sailgp2023@transport.govt.nz

Major Maritime Event 7th December

Dear Sir.

I have just read about the intention to race yachts through the Lyttleton Inner Harbour and through Hector Dolphin Habitat and worse than that during breeding season. If I have understood these facts correctly then this is beyond selfish and irresponsible. Careless beyond belief really.

I implore you to make the changes necessary to ensure the Hector Dolphins are not disturbed by humans having some fun! Anyone with a conscience would find a way to avoid



22nd December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

(no subject)

Hello there, I have taken the time to request that we respect the very small number of hector dolphins that exist have space to exist without a race passing them by or running them down. A race in waters where these animals live is a ludicrous idea. Is it the intention of the organisers to net the dolphins or create a safety boundary for them? If not then this race should be cancelled or denied.

Thank you.

I hope Christchurch can show to care more about the dolphins than the mere minutes of pleasure this race brings to the participants.

s 9(2)(a)

22nd December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

Stop the race

Please stop the Grand Prix and safe the dolphins!!

s 9(2)(a)



22nd December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

sailing hector breeding season Lyttelton Harbour

Please do not allow a race to take place during hector dolphin breeding season in their habitat. This causes unnecessary stress to these animals.

JELLER SED LINDER THE TABLE AND SERVICE OF THE TABLE OF T Thank you and Merry Christmas,

22nd December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

complaint to Lyttelton SailGP

Hi,

I'm just writing to voice my concern over the proposed yacht race starting from Magazine Bay; environmentalists and fans of the native wildlife of New Zealand believe it could be harmful towards the sensitive population of Hector's dolphins and I implore your organization to seek alternative locations away from vulnerable species at a critical point in their breeding season. Increased boat activity at any speed could severely impact their ability to maintain the population.

ation m are a safe k Hoping in the spirit of the holiday season your organization may reconsider and work in partnership with local environmental groups to ensure a safe boat race for both humans and creatures alike.

Best regards,

s 9(2)(a)

22nd December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

Objection to boat race

Seriously?

Why would you do this in breeding season when hectors dolphins are already so rare

Seems unreasonable, unthoughtful, unnecessary, unethical and irresponsible.



22nd December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

No to Sail Race During Breeding Season

Hi there.

Writing to express concern about a sailing race taking place in Lyttelton Harbour during hector dolphin breeding season.

I follow a group on facebook that shares sightings of dolphins and whales, there are 1-2 times a week sightings of pods of dolphins, hectors and others in the Lyttelton Harbou We can move the timing and location of racing; they aren't able to shift where they live and breed.

agy. A sions of agy. A sions o Protecting Aotearoa's biodiversity is incredibly important; actions like these indicate that the government isn't prioritising Aotearoa's biodiversity strategy. Thanks.

s 9(2)(a)

22nd December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

Sail GP Lyttleton Harbour - Notice Number 2022-go5092

Kia ora Roger,

I am writing in with regard to the proposed Major Maritime Event for Lyttleton Harbour from Monday 13 March 2013 to Sunday 19th March 2023 inclusive (https://gazette.govt.nz/notice/id/2022-go5092).

Project Jonah is a marine mammal welfare charity, working to create a world whe e marine mammals and their homes are respected and protected. In Aotearoa New Zealand, we are incredibly lucky that many species visit our shores, or call our waters home. This includes the smallest species of marine dolphin, Hector's dolphin, known to frequent the waters of the Akaroa peninsula. Sadly these small, nationally vulnerable dolphins spend their lives in shallow waters, often on the surface, and as a result are prone to injury and death through fisheries bycatch and vessel strike (https://www.doc.govt.nz/nature/native-animals/marine-mammals/dolphins/hectors-dolphin/).

Whilst the Notice of Intention to Declare a Major Maritime Event listed on gazette.govt.nz gives guidance to those vessel operators whose activities might be restricted by the event, it gives no information as to the restrictions being placed on the event organiser for their impacts on the environment they might be operating in.

For instance, what guidance has been given to the event operators to ensure all operators of vessels in this area during this event, remain compliant with the vessel operating guidance given in the Marine Marine Regulations 1992, most notably, part 3, section 20:

Special conditions applying to dolphins or seals

In addition to complying with the conditions set out in <u>regulation 18</u>, any commercial operation and any person coming into contact with dolphins or seals shall also comply with the following conditions:

(a)no vessel shall proceed through a pod of dolphins:

(b)persons may swim with dolphins and seals but not with juvenile dolphins or a pod of dolphins that includes juvenile dolphins:

(c)commercial operators may use an airhorn to call swimmers back to the boat or to the shore:

(d)except as provided in paragraph (c), no person shall make any loud or disturbing noise near dolphins or seals:

(e)no vessel or aircraft shall approach within 300 metres (1 000 feet) of any pod of dolphins or herd of seals for the purpose of enabling passengers to watch the dolphins or seals, if the number of vessels or aircraft, or both, already positioned to enable passengers to watch that pod or herd is 3 or more:

(f)where 2 or more vessels or aircraft approach an unaccompanied dolphin or seal, the masters concerned shall co-ordinate their approach and manoeuvres, and the pilots concerned shall co-ordinate their approach and manoeuvres:

(g)a vessel shall approach a dolphin from a direction that is parallel to the dolphin and slightly to the rear of the dolphin.

My points for consideration with a focus on our unique marine mammals in their home environment are:

- 1) Have the organisers of this event been provided instruction of the legislation regarding marine mammals as stringent as the instructions gazetted to other vessel operators?
- 2) Has a plan been received from the event organisers that ensures all competitors in the event have read and understood the applicable legislation?
- 3) In the Seismic Surveys Code of Conduct (https://www.doc.govt.nz/our-work/seismic-surveys-code-of-conduct/overview/), administered by the Department of Conservation, a Marine Mammal Impact Assessment is required from those wishing to conduct an exercise before doing so. In the instance of the gazetted event, has a similar assessment been carried out by the event organiser, with a view to providing observers to look out for marine mammals in the gazetted area, as well as stand down periods for competitors whilst the marine mammals are in the restricted area?

I am sure that our supporters, as well as the many millions of people passionate about the welfare of marine mammals both here in Aotearoa New Zealand and around the world, would want to know that an event of this magnitude was doing everything possible to minimise its impact on the marine environment and the creatures that call it home.

I look forward to receiving confirmation that this event, it's organisers and competitors will be in full compliance with the legislations relevant to the operation of vessels around our magnificent megafauna.

Kia noho haumaru,



Project Jonah New Zealand

PO Box 8376 Symonds Street Auckland 1150 New Zealand

W. www.projectjonah.org.nz

24 Hour Emergency Stranding Hotline 0800 4 WHALE (0800 494 253)

Project Jonah respects privacy and encourages you to do the same. Since internet communications Jeffeld In Stephen Ste are not secure, Project Jonah does not accept responsibility for changes made to this message after it was sent. Although we have checked this e-mail for viruses, it is not guaranteed to be virus free and it is your responsibility to scan the message and attachments prior to opening them. We do not accept any responsibility for the consequences of passing on any virus. Any personal information in this email must be handled in accordance with the 1993 New Zealand Privacy Act.

22nd December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

LYTTLETON HARBOUR HECTORS DOLPHINS

Is there any truth that you will be holding yachting races in Lyttleton Harbour when it is the habitat for Hectors dolphins during breeding season?

VERY QUESTIONABLE if so especially when New Zealand team are 'LIVEOCEAN' J. Cean.
Orts scient and bringing awareness worldwide for the Champions of ocean health. Protecting and restoring the ocean for future generations. Live Ocean supports scientists, iwi and environmental groups.

Would appreciate your feedback. Regards

22nd December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

Hectors dolphins in Lyttleton

Good evening,

Regarding Sail GP racing in Lyttelton in March.

My support is for the protection of Hectors dolphin and therefore the cancellation of the planned yacht racing.

Thank you,

Regards,

s 9(2)(a)



Submission from Dolphin Defenders

23rd December 2022.

From: <u>defenderdolphinsouth@gmail.com</u>

To: sailgp2023@transport.govt.nz

SailGP - submission

Tēnā koutou,

This submission is on behalf Māui and Hector's Dolphin Defenders, an incorporated society formed to promote further protection and preservation measures for New Zealand's only endemic dolphin species - the Māui and Hector's.

We are utilising the email within the NZ gazette notice to show our increasing concerns with the major maritime event, of SailGP, set to take place in Lyttelton Harbour in March 2023 and again, in 2025.

Banks Peninsula is a unique stronghold for the South Island Hector's dolphin, with more than 30 years of research, data and distribution information held by the University of Otago, and others.

Data shows that Lyttelton Harbour is an important habitat to this population, with consistent dolphin sightings recorded and verified over the years including of mothers and their calves.

They are known to have a seasonal distribution, with more animals distributed near shore in the warmer months.

Summer is also when birthing occurs.

Mothers and their calves use the sheltered bays and harbours extensively, including within Lyttelton harbour.

Mothers help newborns surface for air, are slow through the water, putting them both at high risk of boat strike.

They are some of the rarest marine dolphins in the world (IUCN, 2013), have low population growth rates (Slooten and Lad, 1991) and are very vulnerable to anthropogenic threats (Dawson, 1990, Slooten and Lad, 1991, Baker et al. 2002, Hamner et al. 2012).

Currently these animals face countless cumulative threats to their survival including pollution, bycatch, coastal development, diseases, climate change, vessel traffic, disturbance, noise, changes in their prey availability, aquaculture, among others (DOC, 2020).

Furthermore, there are records of mortality due to boat strike (DOC, 2022).

Even though sailboats, in general, would not cause disturbance due to noise, the fast hydrofoiling catamarans used for SailGP, could.

They also create a huge risk for boat strike, especially for calves and juveniles.

It is very likely that there will be more than three vessels within 300 metres of a dolphin group and that vessels will cut through a group or obstruct the dolphins' movements.

The event will also be a source of stress and at the very least, cause displacement of individuals and groups.

Marine mammals in Aotearoa are protected through the Marine Mammals Protection Act (1978) and Marine Mammal Protection Regulations (1992).

The Act clearly states, you must travel no faster than idle or 'no wake' speed (<=5 knots), there cannot be more than three vessels within 300 metres of a dolphin, or group of dolphins.

It also states, that dolphins must only be approached from a direction that is parallel and slightly to the rear, vessels cannot circle the marine mammals, obstruct their path or cut through any groups and muse idle slowly away, among other rules.

Most importantly, it includes rules that state: "do not disturb, harass or make loud noises near marine mammals" and to "cease contact if marine mammals show signs of being disturbed or alarmed".

With regards to spotting or observing dolphins before and during the event itself, even for experienced marine mammal scientists/observers it is hard to spot Hector's dolphins due to their small size and the fact that they don't lift much of their body out of the water when they surface. It is even harder to spot them when there is wind and white caps (which will be the conditions for the race).

Mitigation plans for SailGP include having marine mammal observers, however, it is not likely that the race will be stopped in time when dolphins are dangerously close to vessels travelling at high speeds.

There are a few main points we wish to address:

March is within peak calving season - which makes the timing of this event, high risk to the dolphins.

The marine mammal mitigation plan has not been available for public feedback or consultation.

We are disappointed that the Canterbury regional coastal plan is behind in both its planning, and implementation, as we would hope that an updated plan would also include restrictions for events such as this, and at the very least, give the harbourmaster a far greater ability to engage, enforce and restrict within the rules of a robust and up-to-date Plan that is fit for purpose. We would also expect that an event planned for within the habitat of an endangered marine mammal, be considered a non-permitted activity, and at the very least, require stringent processing for resource consent.

But as it stands, this event is being held within both a Marine Mammal Sanctuary, and a Mataitai.

If there are any marine mammal injuries, or mortalities due this event, we ask with urgency, who will take ownership of this, and ultimately, full responsibility?

Please take this submission into consideration, and more importantly, consider giving additional powers and enforcement responsibility to DoC, the harbourmaster, and others, in the absence of an

up-dated robust coastal plan that reflects the modern day accumulative effects these animals face, and ultimately, prohibit such activities.

We do invite you to contact us for further information, and comment.

Best regards,

s 9(2)(a)

SELERSED UNDER THE TAPOS

PREIER SED UNDER THE TAPOS

PREIER INFORMATION ACT

SELER INFORMA Māui and Hector's Dolphin Defenders Inc.

mauihectorsdolphins.org

Sent from my iPhone

Submission from \$ 9(2)(a)

23rd December 2022.

From: s 9(2)(a)

To: sailgp2023@transport.govt.nz

Proposed SailGP race on Lyttleton Harbour

Thank you for the opportunity to comment on the proposed SailGP race.

I am a marine biologist with 39 years of experience studying marine mammals, including Hector's dolphins. I am very concerned about the SailGP race proposed to be held in Lyttelton Harbour in 2023. Our 39 year dataset (marine mammal research group at the University of Otago) shows that Lyttelton Harbour is an important habitat, with consistent Hector's dolphin sightings including mothers and calves. Seasonal changes in the distribution of Hector's dolphins means more dolphins close to shore and inside harbours in the warmer months. Summer is also when these dolphins give birth to their calves. Mothers and young calves use the sheltered bays and harbours of Banks Peninsula extensively. When they are born, Hector's dolphins are only about 60 cm long. Their mothers help them surface for air as they are not great swimmers, their fins haven't straightened and haven't gained strength yet. Young calves are very clumsy and slow, and are at high risk of boat strike. Hector's dolphins, calves in particular, have been hit by boats and killed around Banks Peninsula.

Aotearoa New Zealand's reputation is at stake. This reputation would suffer badly if we allowed an event like SailGP to take place in a Marine Mammal Sanctuary. Especially, if the event were to take place during the dolphin's breeding season.

These are the only dolphins endemic to Aotearoa as Kiwi as the Kiwi. In addition, they are endangered and the rarest marine dolphin in the world (IUCN, 2013). They have low population growth rates (Slooten and Lad, 1991) and are very vulnerable to human activities (Dawson, 1990, Slooten and Lad, 1991, Baker et al. 2002, Hamner et al. 2012). Currently these dolphins face a range of threats to their survival including fishing, aquaculture, pollution, coastal development and vessel traffic (DOC, 2020, 2022).

The speed of these sailing vessels would cause a very high risk of boat strike, especially for calves and juveniles. The number of vessels on Lyttelton Harbour (sailing vessels, support boats, spectators, etc) will make t virtually impossible to abide by the Marine Mammals Protection Act and Marine Mammal Protection Regulations. The proposed race would be a source of stress and dolphin displacement, adding an additional threat to the list of cumulative impacts on this species.

The first step should be to provide detailed information to the public on this yacht race, and begin open and transparent public consultation. This race can not happen in autumn 2023. An efficient public consultation process is needed urgently. This needs to include a "winter" option, to see if the public would prefer the race to take place in Lyttelton in winter 2023, and a "different location" option with the race taking place in another location altogether. The best option at this stage would be to move the event to another location. Obviously, the new location should avoid the habitat of Hector's and Maui dolphins, therefore avoiding endangered dolphin species found only in New

Zealand. There are many suitable locations in New Zealand waters, with relatively low numbers of marine mammals, and a complete lack of marine mammals that are both endemic and endangered.

I have seen a redacted copy of the marine mammal management plan. As I understand it, this has only been distributed to people who have requested it under the Official Information Act. This is an appalling process. Whole pages of the document are redacted, and this document completely fails to assure the public that the impact on dolphins will be carefully managed. If anything, this document indicates that the organisers are hiding information from the public. The document was released, to a limited number of people, just before Christmas. For a race that the organisers hope will happen in March. The process, as well as the content of the document, are extremely unprofessional.

Most of the research proposed in the document is impractical. I have carried out many dolphin surveys, using visual and acoustic methods, from boats, planes and drones. It is simply not poss ble to detect more than a small proportion of the dolphins present, at any one time. One of the most worrying aspect of the plan is the use of Acoustic Harassment Devices (page 6; last bullet point in section 3.4). As the name indicates, these devices are designed to harass. They are most commonly used to try to keep seals away from salmon farms, with limited success. Acoustic harassment devices clearly violate the Marine Mammals Protection Act and Marine Mammal Protection Regulations. The function of these is to harass dolphins and make them leave the area. I have seen no indication that DOC has approved the use of these harassment devices. The use of AHDs clearly requires approval from DOC under the MMPA. This contradicts public statements about SailGP not needing DOC approval.

I look forward to hearing from you about a credible public consultation process.

Thank you,

s 9(2)(a)

University of Otago

Dunedin

Baker, A. N., Smith, A. N. H. & Pichler, F. B. 2002. Geographical variation in Hector's dolphin: Recognition of a new subspecies of Cephalorhynchus hectori. Journal of the Royal Society of New Zealand 32:713–717.

Dawson, S. M. 1990. Polychlorinated dibenzo-p-dioxins and dibenzofurans in New Zealand's Hector's dolphin. Chemosphere, 20: 1035-1042.

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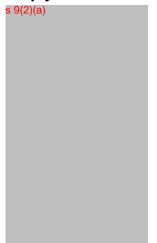
Hamner, R., Pichler, F., Heimeier, D., Constantine, R. and Scott Baker, C. 2012. Genetic differentiation and limited gene flow among fragmented populations of New Zealand endemic Hector's and Maui's dolphins. Conservation Genetics. 13 (4): 987 - 1002.

Slooten, E. and Lad, F. 1991. Population biology and conservation of Hector's dolphin. Canadian Journal of Zoology. 69: 1701-1707.



Attachment 2 – Submission replies (for reference)

Reply to submissions from:



Tēnā koe

Thank you for your response to the Notice of Intention to Declare the SailGP racing in Lyttelton Harbour as a major maritime event under section 200A of the Maritime Transport Act 1994.

Please note that the proposed declaration of the SailGP races as a major maritime event is not necessary for the event to go ahead. Such a declaration would enable the use of special enforcement powers to be exercised to manage public order and the safety of people and vessels during an event. The event can proceed regardless of whether a declaration has been made, and we cannot require the race organisers to change the timing or location of the event.

You have raised concerns about the impacts the race may have on Hector's dolphins in your submission. This is outside of the scope of what the Maritime Transport Act provides for, as it does not relate to public order or the safety of people and vessels.

We have shared your concerns with the Department of Conservation (DOC), which administers the Marine Mammals Protection Act 1978 and Marine Mammals Protection Regulations 1992. DOC has advised us that under that legislation, it is illegal to harm, harass, injure or kill marine mammals. All vessels involved in the event, including any support boats or spectator craft, are expected to abide by this legislation.

The race organisers have developed a marine mammal management plan for the event, which outlines the steps that race organisers are going to take to minimise any impacts on marine mammals. The plan is publicly available here:

https://www.christchurchnz.com/media/cchm0w4h/sailgp-mmmp-public-release-dec-22 redacted.pdf

DOC has advised that the race does not need a permit under the Marine Mammal Protection Act or Regulations to run. Certain proposals within the Marine Mammal Management Plan may require a permit if they were to be used, and DOC is working through this with race organisers.

If you have any further questions or concerns in relation to possible impacts on marine mammals, please contact Abby Lawrence, DOC Senior Community Ranger Mahaanui District at: alawrence@doc.govt.nz

Reply to submission from \$9(2)(a)

Tēnā koe s 9(2)

Thank you for your response to the Notice of Intention to Declare the SailGP racing in Lyttelton Harbour as a major maritime event under section 200A of the Maritime Transport Act 1994.

Please note that the proposed declaration of the SailGP races as a major maritime event is not necessary for the event to go ahead. Such a declaration would enable the use of special enforcement powers to be exercised to manage public order and the safety of people and vessels during an event. The event can proceed regardless of whether a declaration has been made, and we cannot require the race organisers to change the timing or location of the event.

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We have shared your concerns with the Department of Conservation (DOC), as the agency that administers the Marine Mammals Protection Act 1978 and Marine Mammals Protection Regulations 1992. All vessels involved in the event, including any support boats or spectator craft, are expected to abide by that legislation.

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DOC has advised that the race does not need a permit under the Marine Mammal Protection Act or Regulations to run. Certain proposals within the marine mammal management plan may require a permit if they were to be used, and DOC is working through this with race organisers.

If you have any further questions or concerns in relation to possible impacts on marine mammals, please contact Abby Lawrence, DOC Senior Community Ranger Mahaanui District at: alawrence@doc.govt.nz

Reply to submission from Dolphin Defenders

Tēnā koe s 9(2)(a)

Thank you for your response to the Notice of Intention to Declare the SailGP racing in Lyttelton Harbour as a major maritime event under section 200A of the Maritime Transport Act 1994.

Please note that the proposed declaration of the SailGP races as a major maritime event is not necessary for the event to go ahead. Such a declaration would enable the use of special enforcement powers to be exercised to manage public order and the safety of people and vessels during an event. The event can proceed regardless of whether a declaration has been made, and we cannot require the race organisers to change the timing or location of the event.

You have raised concerns about the impacts the race may have on Hector's dolphins in your submission. This is outside of the scope of what the Maritime Transport Act provides for, as it does not relate to public order or the safety of people and vessels.

We have shared your concerns with the Department of Conservation (DOC), which administers the Marine Mammals Protection Act 1978 and Marine Mammals Protection Regulations 1992. All vessels involved in the event, including any support boats or spectator craft, are expected to abide by this legislation.

The marine mammal management plan that the race organisers have developed for the event outlines the steps that they are going to take to minimise any impacts on marine mammals. Any questions you may have regarding feedback and consultation on the marine mammal management plan should be directed to the race organisers. The plan is publicly available here:

https://www.christchurchnz.com/media/cchm0w4h/sailgp-mmmp-public-release-dec-22 redacted.pdf

DOC has advised that the race does not need a permit under the Marine Mammal Protection Act or Regulations to run. Certain proposals within the Marine Mammal Management Plan may require a permit if they were to be used, and DOC is working through this with race organisers.

Finally, you have asked that, in the absence of an updated coastal plan that addresses impacts on the Hector's dolphin, we consider giving additional powers and enforcement responsibility to DOC, the harbourmaster, and others.

No authority exists under the Maritime Transport Act to confer such additional powers or enforcement responsibility. The only additional powers available are those that the declaration of a major maritime event under section 200A makes available to manage public order and the safety of people and vessels.

Reply to submission from \$9(2)(a)

Tēnā koe s 9(2)(a)

Thank you for your response to the Notice of Intention to Declare a Major Maritime Event SailGP event as a major maritime event under section 200A of the Maritime Transport Act 1994.

Please note that the proposed declaration of the SailGP races as a major maritime event is not necessary for the event to go ahead. Such a declaration would enable the use of special enforcement powers to be exercised to manage public order and the safety of people and vessels during an event. The event can proceed regardless of whether a declaration has been made, and we cannot require the race organisers to change the timing or location of the event.

You have raised concerns about the impacts the race may have on Hector's dolphins in your submission. This is outside of the scope of what the Maritime Transport Act provides for, as it does not relate to public order or the safety of people and vessels.

We have shared your concerns with the Department of Conservation (DOC) in its capacity as the agency that administers the Marine Mammals Protection Act 1978 and Marine Mammals Protection Regulations 1992. All vessels involved in the event, including any support boats or spectator craft, are expected to abide by this legislation.

We have noted your request that the public be provided with detailed information about the race, including the marine mammal management plan that SailGP has developed for the event. The plan is publicly available here:

https://www.christchurchnz.com/media/cchm0w4h/saiigp-mmmp-public-release-dec-22 redacted.pdf.

Questions regarding the provision of other information should be directed to the event organisers, Environment Canterbury and DOC as the bodies most directly involved at an operational level.

As you have pointed out in your submission, certain proposals within the Sail GP marine mammal management plan may require a permit if they were to be used. DOC is working through this with race organisers.

If you have any further questions or concerns in relation to possible impacts on marine mammals, please contact Abby Lawrence, DOC Senior Community Ranger Mahaanui District at: alawrence@doc.govt.nz

Reply to submission from \$9(2)(a)

Replied, 16 December 2022:

Kia ora

A map of the area was appended to the Press and NZ Gazette notices, as per the link below. Did you have a different type of map in mind?

https://gazette.govt.nz/notice/id/2022-go5092





Document 2

8 February 2023 OC230044

Hon Michael Wood Action required by:

Minister of Transport Tuesday, 21 February 2023

QUARTER 2 OUTPUT PLAN REPORT

Purpose

Provides an update on agreed projects from the Output Plan.

Key points

- The Ministry previously agreed to provide you with quarterly updates against identified initiatives from the Output Plan. The Quarter 2 (Q2) Output Plan Report is attached (Appendix A refers).
- The Ministry has also, today, provided you with a briefing on the 'Quarterly report on implementation progress of the ERP Transport actions' (OC230000 refers). These briefings, together, constitute the Ministry's Q2 reporting to you.
- Three projects are assessed as being amber', meaning there is some risk to the Ministry achieving the forecasted September 2023 position. Resourcing and the availability of subject matter expertise are key issues for these initiatives. The initiatives are:
 - Rapid Rail Hamilton to Auckland Corridor
 - Transit Framework
 - Inter-Regional Passenger Rail Select Committee Inquiry.
- The other five initiatives are assessed as being 'green', meaning the Ministry expects to achieve the forecasted September 2023 position.
- The Ministry has recently commenced discussions with you to confirm your key
 priorities to June 2023. This will enable the Ministry to ensure that resources are
 focused on those priorities. We will recommend amendments to the Output Plan in
 response to your priorities to June 2023.

Recommendations

We recommend you:

Contacts

Robyn Smith

Hilary Penman, Manager Ministerial Services

Robert McShane, Principal Adviser, Ministerial Services

Name

1 **Review** the attached Quarter 2 Output Plan Report and discuss any issues that you may have on progress-to-date for individual initiatives with officials.

Yes / No

Polimen	-	K 1982
Robyn Smith		Hon Michael Wood
Deputy Chief Executive, Corporat	e Services	Minister of Transport
8 February 2023		
Minister's office to complete:	□ Approved	☐ Declined
	☐ Seen by Min	nister □ Not seen by Minister
	□ Overtaken b	ov events
Comments	Overtaken b	by events
	N.	

S

Telephone

s 9(2)(a)

First contact

Appendix A

Reports Against Agreed Output Plan Projects

Project

- Project 2B: Rapid Rail Hamilton to Auckland Corridor
- Project 2C: Transit Framework
- LEICH INDER THE AGRO Project 2E: Inter-Regional Passenger Rail Select Committee Inquiry
- Project 3A: GPS 2024
- Project 3B: Budget 2023
- Project 3C: Future of the Revenue System
- Project 4E: Northland Dry Dock
- Project 4J: Manukau Harbour Feasibility Study

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Progress against last quarter report

- We completed one of the two deliverables due this quarter. We provided advice to you on options for progressing this project now the Indicative Business Case (IBC).
- The other deliverable the opportunity for you to present the IBC to the Future Proof Implementation Committee – has been postponed until March 2023. The December 2022 meeting was cancelled.

Key focus for next quarter

- We have advised you further analysis is needed before proceeding to a Detailed Business Case.
- s 9(2)(f)(iv)
- Ensuring you have the information you need to decide the future of this project is critical to success next guarter.
- Resourcing remains a risk, particularly due to the limited time to develop the advice and the loss of a key member of the project team. We have reprioritised resource to ensure this work can continue.

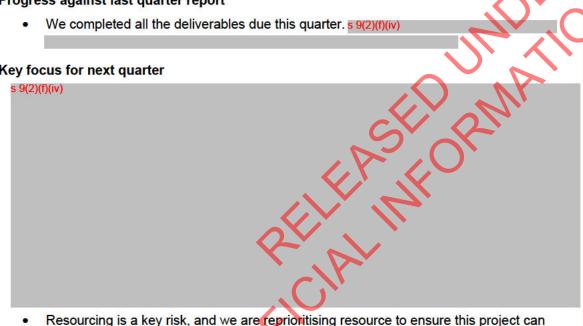
Due date/ Timeframe	Deliverables/milestones	Status (RAG)
Nov 22	Advice to you on how to progress the project	
Mar 23	Presenting the IBC findings to the Future Proof Committee	
s 9(2)(f)(iv)		

Project 2C: Transit Framework Quarter 2 2022/23 Overall Status RAG: Director: Siobhan Routledge, s 9(2)(a) **Key Contacts:** Manager: Jessica Ranger Planning for mass rapid transit projects in Auckland, Wellington, and Christchurch is underway, but each has bespoke Project arrangements and lacks consistent central government guidance on key issues. We are designing a framework for Purpose: decision-makers that will reduce friction in the system and support more clarity and consistency in decision-making when progressing mass rapid transit. **Forecasted Sep** A framework will be in place to guide decision-makers in Auckland, Wellington, and Christchurch as they plan and deliver their mass transit projects. 2023 Status:

Progress against last quarter report

We completed all the deliverables due this quarter. s 9(2)(f)(iv)

Key focus for next quarter



proceed at pace.

Due date/ Timeframe	Deliverables/milestones	Status (RAG)
Dec 22	Provide draft framework to Minister for feedback	
Mar 23	Cabinet consideration of draft framework	
Mar 23	Public engagement on the draft framework	
July 23	Implementation of framework underway	

Key Contacts:	Director: Siobhan Routledge, s 9(2)(a) Manager: Jessica Rang	ger	<u>-</u> 0.	Overall Status	RAG:
Project Purpose: The Transport and Infrastructure Committee (the Committee) is holding an inquiry into the future of inter-regional passenger rail in New Zealand. It seeks to gain insights into the viability of passenger rail and investigating potential rail expansions and investments in specific areas. The inquiry will also look at the climate and emissions reduction possibilities of passenger rail.					
Forecasted Sep 2023 Status: The Inquiry should be completed by September 2023. Any recommendations resulting from the inquiry are not yet known and will be dependent on the Transport and Infrastructure Committee's approach to the inquiry and findings.					
Progress against	last quarter report	Progress aga	ninst current & future delive	erables/milesto	nes
We completed all the deliverables due this quarter. The public submissions process and oral hearings have finished. \$ 9(2)(f)(iv) Deliverables/milestones Timeframe					Status (RAG)
Key focus for nex	t quarter	Oct 22	Initial briefing to the Comm	ittee	
S 9(2)(f)(iv) Oct 22 Public submissions				s undertaken	
Oct			Oral hearings begin		
Ensuring sufficient resourcing will be critical to success next quarter. There are some Oral hearing constraints, particularly around our rail expecting. Oral hearing constraints, particularly around our rail expecting.					
constraints, particularly around our rail expertise.					

Project 3A: GI	Project 3A: GPS 2024 Quarter 2 2022/23			
Key Contacts:	DCE: Bryn Gandy, s 9(2)(a) Manager: Tim Herbert	Overall Status RAG:		
Project Purpose:	To develop the Government Policy Statement 2024 on Land Transport. The GPS 2024 will reflect the latest Government priorities for transport. It will ensure available funding from both the National Land Transport Fund and Crown sources are used efficiently and effectively to meet these priorities.			
Forecasted Sep 2023 Status:	The GPS 2024 project will be completed with expected publication of the final draft by mid-2024.			

Progress against last quarter report

- · We completed all of the deliverables that were due this quarter.
- We provided the Minister with a range of possible options around establishing activity class funding levels and his preferred option has been included in the draft GRS:
- The strategic priorities document and associated cabinet paper were provided (and subsequently approved for release). Key stakeholders have now been provided with the document and a more general release will occur in the early New Year.
- The Minister has now been provided with a draft GPS, for his comment/direction in the early New Year.

Key focus for next quarter

- Key deliverables will be incorporating the Minister's feedback and further developing content for the consultation draft in March 2023
- Alongside the release of the consultation draft, planning has also begun for the roadshow and wider engagement process with the sector as part of the release.

Due date/ Timeframe	Deliverables/milestones	Status (RAG)
Dec 2022	Draft GPS submitted to the Minister for consideration	
Mar 2023	Provide Cabinet paper seeking release of draft GPS for consultation	
Mar 2023	Draft GPS published and engagement roadshows	
Jun 2023	Final GPS and Cabinet paper provided for consideration	

Project 3B:	3B: Budget 2023 Quarter 2 2022/23			
Key Contacts:	Key Contacts: DCE: Bryn Gandy, s 9(2)(a) Manager: Tim Herbert			
Project Purpose:	Project Purpose: Support the Minister of Transport to develop the Budget 2023 Vote Transport package (including the Climate Emergency Response Fund), for the Minister of Finance and Treasury's consideration.			
Forecasted Sep 2023 Status:	Vote Transport Budget 2023 initiatives agreed by Cabinet (in April 2023) will have begun implementation, and strategic planning for Budget 2024 will have commenced.	*		

Progress against last quarter report

- · We completed all of the deliverables that were due this quarter.
- The Vote Transport 2023 package was provided to the Minister in early December and with his approval submitted to Treasury on 16 December.

Key focus for next quarter

- Providing any additional and/or supporting material as requested by Treasury in relation to any of the specific bids or packages.
- Preparing material and/or briefing material to support the Minister in budget bi-laterals, meetings etc.
- Continuing work on any budget initiatives as needed (i.e., CERF, Rail and Resilience).

Progress against current & future deliverables/milestones			
Due date/ Timeframe	Deliverables/milestones	Status (RAG)	
s 9(2)(f)(iv)			
Oct 22	Receive Minister's feedback and permission to progress		
Nov 22	Minister receives advice on the cost pressures envelope for Vote Transport and the initiatives that will be included		
Dec 22	Minister receives advice on full Vote Transport Budget 2023 package (including new spending, CERF, and cost pressure initiatives)		
Feb-Mar 23	Budget bilateral		

Project 3C: Fu	Project 3C: Future of the Revenue System Quarter 2 2022/23			
Key Contacts:	DCE: Bryn Gandy s 9(2)(a) Manager: Marian Willberg	Overall Status RAG:		
Project Purpose:	To develop and implement a new, or renewed, transport revenue system by 2030 that will be fit for purpose for the next 30 to 50 years. This project is both in response to and in support of the Emissions Reduction Plan to ensure that we can pay for the land transport system we need in the future.			
Forecasted Sep 2023 Status:	By September 2023 we will have provided advice to the Minister on options to consider for the future revenue system. We will be in the process of planning the next phase of the project - preparing to test and consult on options from early 2024 in wider public engagement.			

Progress against last quarter report

- We completed 2 of 2 deliverables that were due this quarter.
- The Polis digital conversation about 'who should pay for what', was completed and
 has provided information to feed into the next phase of the Koi Tū work.
- The Minister has been provided with summer reading on project progress and some initial thinking on principles and purposes.

Key focus for next quarter

- We are resetting the next phase to be best placed to engage with key stakeholders to meet quarter 4 deliverables. A key focus for the next two quarters is the refinement of problem definition and development of options.
- Communication will be critical for this next stage of work. Being secure and
 consistent in our messaging, with a clear parative will be important, as well as
 aligning with other Ministry work. A strategic engagement plan is currently being
 prepared.

Due date/ Timeframe	Deliverables/milestones	Status (RAG)
Nov 2022	Run <i>Polis</i> deliberative conversation – contract with Koi Tū	
Dec 2022- Feb 2023	Engage with stakeholders on problem definition	
Q1 2022	Update to Minister on stakeholder engagement on issues and challenges	
Dec 2022	Briefing to Minister on potential Purposes and Principles of future System	
Mar 2023	Run <i>mini-public</i> deliberative workshops – contract with Koi Tū	
Mar- Apr	Engage with stakeholders to help identify potential options	
Jun 2023	Advice to Minister on future options	

Progress against last quarter report

 We have selected a preferred supplier from the six bids received and are working through the contract award process with PwC. We expect the contract to be signed in the near future.

Key focus for next quarter

- Establishing the project advisory group with relevant government agencies in the new year. We will establish monthly meetings that will feed into the business case development process.
- This is an approximately 21-week business case process, so need to ensure the PwC team can hit the ground running in January. May require Ministry visits to Northland to meet with key stakeholders.

Due date/ Timeframe	Deliverables/milestones	Status (RAG)
Dec 2022	Consultants procured and work commenced.	
Jan 2023	Regular project advisory meetings with government agencies. We may invite commercial interests to these meetings if required (e.g., Bluebridge, and the NZ Shipping Federation).	
Mar/Apr 2023	Formal status update to Minister Wood, potentially with any early findings, if possible	
June 2023	Delivery of business case and policy advice to Ministers, recommending next steps. Could also include a presentation from the consultants if requested.	

Progress against last quarter report

We have selected a preferred supplier from the three bids received and are working through the contract award process with Tokin and Taylor. We expect the contract to be signed in the near future.

Key focus for next quarter

- Project advisory group with relevant agencies formed in the new year. We
 expect Auckland Council to form part of the group given their involvement
 in the 2015 Port Future Study and ownership of Ports of Auckland. This is
 particularly important with the appointment of Mayor Wayne Brown who
 has a particular interest in the future of Ports of Auckland.
- Stakeholder engagement is critical. We intend to engage with several agencies and mana whenua. We will have the consultants develop an engagement strategy.

Due date/ Timeframe	Deliverables/milestones	Status (RAG)
Dec 2022	Contract in place	
Jan 2023	Regular project advisory meetings with agencies. A key stakeholder we want to include is Auckland Council.	
Jun 2023	Delivery of interim report to Minister	
Late 2023 / early 2024	Completion of work and delivery of final work to incumbent Government with policy advice	



Document 3

10 February 2023 OC230085

Hon Michael Wood Minister of Transport

MEETING WITH DISABLED PERSONS ASSEMBLY NZ ON TRANSPORT ISSUES

Snapshot

The Chief Executive of Disabled Persons Assembly New Zealand (DPA), Prudence Walker, has requested this meeting to discuss transport issues. You last met with the DPA in August 2022 to discuss the Total Mobility scheme with a particular focus on issues with availability of taxis and funding for adapting vehicles to be wheelchair accessible.

Time and date	12.00-12.30 pm, 15 February 2023
Venue	Zoom
Attendees	Prudence Walker, Chief Executive, DPA
Officials attending	Anjela Frost, Senior Adviser Mobility and Safety
Talking points	Talking points are attached at Annex One

Contacts

Name	Telephone	First contact
Anjela Frost, Senior Adviser Mobility and Safety	s 9(2)(a)	✓
Jacob McElwee, Acting Manager Mobility and Safety	s 9(2)(a)	
CFF1C1		

Meeting with Disabled Persons Assembly NZ on transport issues

Background information

- The DPA is a disabled persons' organisation that advocates for "an equitable society, where all disabled people are able to direct their own lives". The DPA works to improve social indicators for disabled people and advocates for the New Zealand disability community at a local and national level.
- You received a letter from the DPA on 6 July 2022, highlighting the mobility taxi service shortage and requesting a meeting with you. The letter indicated that people were experiencing a shortage of mobility taxi services and difficulties in getting services at short notice or times people wanted.
- You then met with the DPA on 30 August 2022 where you discussed some of the issues with Total Mobility and funding to adapt vehicles to be wheelchair accessible. The key issue discussed was the unavailability of Total Mobility services. There are currently long wait times and people have difficulty accessing the service at short notice, leading to disabled people being unable to fully participate in society.

The Total Mobility review is now resourced and being progressed

- The Total Mobility scheme provides subsidised transport options to ensure people with disabilities can travel in a safe and dignified manner. The scheme is administered by public transport authorities (PTAs) and is co-funded by PTAs and Waka Kotahi through the National Land Transport Fund. Eligible users of the scheme are provided a 50 percent discount on the fares for taxi/mobility van services. The fare discount is capped at an amount that varies across regions. Total Mobility services are included in the half price fares initiative, which provides a further 50 percent discount to users.
- We have recommenced the review of Total Mobility following successful recruitment. Officials are continuing to engage with stakeholders on the draft Terms of Reference, including re engaging with the Disabled People's Organisations (DPO) coalition, local councils and the Office for Disability Issues.
- Following engagement, we will share with you a finalised version of the Terms of Reference for your agreement. We expect the review to be completed in the second quarte of 2024.

Cabinet has agreed to a permanent extension of half price fares for Total Mobility

- 7 On 5 December 2022, the Cabinet Economic Development Committee agreed that half price fares for Total Mobility are to be extended indefinitely [CAB-22-MIN-0554 refers]. This decision has been announced to the public.
- The decision to extend half price fares for Total Mobility indefinitely will help to make the scheme more affordable, and put money back in the pockets of users. This is particularly important during the current cost of living crisis.
- 9 Although the permanency of half price fares assists with affordability for users, there are also some possible negative impacts of this Cabinet decision. For example:

IN CONFIDENCE

- This may exacerbate some of the issues with availability of Total Mobility services. Recently, the trips taken by Total Mobility users have been increasing in distance, which is likely impacted by the reduced fares. Longer trips are preferred by operators as they are more economical and provide more immediate revenue as reimbursement of fares from public funds takes time. This means that although those who can afford longer trips will likely have increased availability, there is the potential that this will make taxis less reliable for those seeking to undertake shorter trips.
- This may contribute to increasing costs for PTAs. We understand Total Mobility
 usage has increased following the half price fares initiative, which means PTAs
 will need to pay more to cover their share of the increased fares. There will also
 be an initial increase in implementation costs for PTAs if they are to advertise the
 permanent fare reduction.
- The Ministry will be providing you with further advice on these policy and funding impacts of permanent half price fares for Total Mobility in the next formight.

Biographies



Prudence Walker, Chief Executive, DPA

Prudence Walker is the Chief Executive of the DPA and has been with the DPA since July 2019. Prior to her appointment with DPA, she spent 11 years working for CCS Disability Action in a variety of roles including service provision, disability awareness education, training, and disability leadership. Prudence has experience as a facilitator and an advocate,

advoci well as peo, well as peo

Annex 1: Talking Points

MEETING WITH DISABLED PERSONS ASSEMBLY NZ ON TRANSPORT ISSUES

The Disabled Persons Assembly NZ (DPA) may wish to discuss the Cabinet decision that half price fares for Total Mobility be made permanent

- I understand that continuing half price fares for Total Mobility will help to make the scheme more affordable for users.
- I appreciate that continuing half price fares for Total Mobility will not solve all current issues with the scheme. This shorter-term initiative aims to put money back in the pockets of Total Mobility users during this cost of living crisis.
- Officials are currently working on a review of the Total Mobility scheme that will assess current issues with the scheme and recommend longer-term improvements.

The DPA may wish to discuss progress with the Total Mob lity review, and how Te Manatū Waka will be working with the disability community throughout the review process

- Officials have informed me that Te Manatū Waka has recently secured resource to progress the Total Mobility review.
- I appreciate that the review is a longer-term piece of work that will take time to address the immediate issues with the scheme.
- Officials are currently engaging with stakeholders on a draft Terms of Reference for the review, including the Disabled People's Organisations (DPO) coalition, local councils, the Office for Disability Issues (ODI) and Total Mobility service providers.
- The draft scope of the review has been informed by research commissioned by Waka Kotahi that was published in August 2022 <u>Transport experiences of disabled people in Aotearoa New Zealand</u>. This research included surveys and workshops with disabled people that resulted in over 15,000 responses. I understand the DPA were involved in this research
- I have asked officials to ensure they work closely with Disabled Person's Organisations and the wider disability community throughout the review.
- In your view, what changes to the Total Mobility scheme would make the greatest difference to the effectiveness of the scheme?

The DPA may wish to discuss concerns about service availability and the supply of wheelchair accessible vehicles, which they have raised with you previously

Availability of taxis

 In our last meeting, we discussed the current shortage of mobility taxi van providers and services, difficulty getting services at short notice and long wait times. I understand that little has changed to improve these issues since our last meeting.

IN CONFIDENCE

- Officials advise me that mobility van/taxi providers have been going out of business because the services have not been financially viable. The COVID-19 pandemic has made the environment for these operators more difficult, as fewer disabled people have been using these services.
- I appreciate that disabled people currently face transport disadvantage and any
 reduction in mobility taxi services will likely increase this disadvantage. Access to
 mobility taxi services is crucial for disabled peoples' participation in all areas of society
 including work, leisure, shopping, medical appointments, and involvement in our
 communities.
- As a shorter-term measure, the introduction of permanent half price fares for Total Mobility will help to increase usage of Total Mobility services, which will in turn support providers.
- Te Manatū Waka has secured resource to progress the review of Total Mobility, and the scope of this review is currently being finalised. This review will focus on longerterm changes to the scheme, including the issues with availability.

Funding for adapting vehicles

- I understand the Total Mobility funding for adapting vehicles is not currently used to its
 full capacity in many regions. Councils hold responsibility to prioritise these
 adaptations, to encourage wheelchair accessible services to operate in their
 respective regions. Waka Kotahi, via the National Land Transport Fund, funds 50
 percent of the costs of these upgrades.
- However, there may be a better way to make this funding available for service providers. Officials are considering this as part of scoping the Total Mobility review.





10 February 2023

OC230088 / 2223-2556

Hon Michael Wood Minister of Transport

Hon Dr Megan Woods Minister of Energy and Resources

MEETING WITH DANUSIA WYPYCH, DAMON BIRCHFIELD, PRESENT AND FORMER CEOS OF CHARGENET, ON EV CHARGING INFRASTRUCTURE

Snapshot

ChargeNet wrote to you both on 11 October 2022, requesting a meeting to discuss three points that it argues are barriers to further electric vehicle (EV) charging infrastructure development: the priorities of investments in the Energy Efficiency and Conservation Authority's (EECA's) Low Emissions Transport Fund, the cost of establishing new connections to the grid, and the costs of electricity.

Time and date	3:30pm – 4:00pm, 16 February 2023
Venue	(EW7.4)
Attendees	Danusia Wypych, Chief Executive ChargeNet
	Damon Birchfield, Fmr Chief Executive ChargeNet
Officials attending	Holly Walker, Manager Environment and Emissions Strategy (MOT)
	Justine Cannon, GM Energy Resource Markets (MBIE)
2	Tamara Linnhoff Manager Energy Generation, Infrastructure and Markets Policy (MBIE)
Agenda	N/A
Talking points	Talking points attached in Annex 1

Contacts

Name	Telephone	First contact
Holly Walker, Manager Environment and Emissions Strategy, MOT	s 9(2)(a)	✓
Tamara Linnhoff, Manager Energy Generation, Infrastructure and Markets Policy, MBIE		

MEETING WITH DANUSIA WYPYCH, DAMON BIRCHFIELD, PRESENT AND FORMER CEOS OF CHARGENET, ON EV CHARGING INFRASTRUCTURE

Key points

Damon Birchfield, former CEO of ChargeNet wrote to you on 11 October 2022 to request
a meeting. He and the new CEO of ChargeNet, Danusia Wypych would like to discuss
the challenges that ChargeNet is facing in deploying electric vehicle (EV) charging
infrastructure.

ChargeNet has a network of EV Chargers across New Zealand

- ChargeNet has 282 public and private EV Chargers across New Zealand, and includes a range of output capacities. ChargeNet has recently started deploying 300kW "hyperchargers".
- ChargeNet has worked closely with the Energy Efficiency and Conservation Authority (EECA) to develop charging stations across the country and has seen significant funding from the Low Emissions Transport Fund (LETF) and the Low Emission Vehicle Contestable Fund (LEVCF) that preceded it. EECA has allocated \$4.77 million in direct funding to ChargeNet for 76 chargers, in addition another \$4.72 million has been allocated via third parties or where ChargeNet was the co-applicant for another 258 chargers. This makes ChargeNet the single largest direct recipient of funding from the LETF/LEVCF since it began in 2017

ChargeNet wants to continue to expand its charging network...

- ChargeNet outlines that a competitive market for EV Charging is developing, with some new entrants emerging, but the provision of charging services is not always economic. It argues that continued investment in charging infrastructure is critical to ensure the growth in EV demand is met with supporting charging infrastructure.
- ChargeNet supports EECA's work in co-investment in the public charging network, and supports the continuation of the LETF, but argues for "a long-term and strategic approach". This speaks to the tension between the private sector's interest in harnessing maximum demand, thereby focusing on high traffic areas, and the Government's objectives in building a comprehensive network across New Zealand, including in areas with lower traffic and demand. Government is also keen to see investment ahead of demand to prevent queuing, and to provide a coordination role (through EECA), as well as supporting consistency to customer facing elements across charging providers (including potential for the creation of centralised billing methods).

...but is facing challenges to deploy chargers without public co-investment

ChargeNet's letter raises three challenges:

IN CONFIDENCE

- the cost of establishing new connections to the grid can cost up to two-thirds of the total cost of installing a charger
- those connections to the grid (which are dependent on Electricity Distribution Companies) can take up to a year to be established in some places.
- the cost of electricity accounts for about 80 percent of revenue in some sites.

Comments on the cost and time to connect to the grid

- Te Manatū Waka Ministry of Transport and Ministry of Business, Innovation and Employment (MBIE) have prepared a draft EV Charging Strategy, which is currently scheduled to be released for public comment on 23 February 2023. The draft Strategy has the following relevant actions:
 - Work with lines companies to identify opportunities, mitigate risks, and elarify responsibilities in developing EV charging infrastructure.
 - Ensure the network connection process and pricing for firms wishing to connect public EV chargers to distribution networks is efficient and enabling. Investigate changes to the current system that could reduce 'first mover disadvantage'
 - Use vehicle and electricity supply data to identify and plan for electricity network requirements (i.e. avoid inefficient network upgrades).
 - Work with investors, charge point network operators and providers, and other key parties to support investment in public chargepoints.
- Officials will engage ChargeNet and other industry players to ensure that it has the
 opportunity to provide comment on the EV Charging Strategy, including the actions.
- Officials have met with firms investing in public charging infrastructure, and with key EDBs, to discuss the costs faced by these investors. Essentially, electricity distribution businesses (EDBs) have argued that they are passing through costs that they face but do not control.
- s 9(2)(f)(iv)
- The Electricity Authority (EA) is assessing and addressing any significant first mover disadvantage issues facing customers connecting to distribution networks, with a view to removing barriers to new and expanding connections. The EA also recently issued guidance to distributors on how to appropriately pass-through charges under the new transmission pricing methodology, including to new and expanding connections.
- The Commerce Commissions (the Commission) is reviewing the rules and processes that underpin key aspects of price-quality regulation and information disclosure applied to

s 9(2)(f)(iv)

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EDBs. The review of price-quality regulation for EDBs will consider any barriers to creating new connections in a timely and cost-effective manner.

•	The targeted review of information disclosure could support increased transparency to
	allow the Commission and stakeholders to assess and monitor the performance of EDBs
	in providing new connections. s 9(2)(f)(iv)



Comments on the cost of electricity

- Electricity is traded via a wholesale spot market in New Zealand, which reflects the realtime costs of supplying electricity. Wholesale electricity prices rise when demand is higher, like in the evening peaks, or when supply is lower, such as when the hydro lakes are lower.
- Some large electricity users choose to purchase electricity direct from the wholesale spot market and have the option to manage risk of future price volatility in the wholesale spot market through financial hedges.
- The majority of customers choose to purchase their electricity from an electricity retailer, and enter into contracts where he retailer can manage some or all of the price risk on the customers behalf.
- Ensuring the electricity system is ready to meet future needs is a key action under the
 emissions reduction plan. Work is underway by MBIE to investigate the need for
 electricity market measures to support the transition to a highly renewable electricity
 system and investigate options for electricity storage in dry years. This includes
 considering provision of affordable electricity, as well as secure supply through the
 transitional phase as larger gas and coal fired thermal plats retire and are replaced by
 renewables.
- The EA is undertaking a comprehensive review of competition in the wholesale electricity market. The Authority is currently working on the second phase of the review, which is a forward looking assessment of what changes to market setting maybe be required to promote competition for the longer-term benefit of consumers in the transition towards 100 percent renewable electricity generation.
- The 2019 Electricity Price Review (EPR), undertaken by MBIE, investigated whether the electricity sector is delivering fair and equitable prices to consumers. It also considered whether the electricity market and the regulatory framework will continue to be appropriate in the future, particularly with the emergence of new technologies and our goal of moving to a low-emissions economy. The Government is progressing a number of initiatives in response to the EPR findings on energy hardship and consumer advocacy.

Biographies

Danusia Wypych - Chief Executive Officer, ChargeNet

(Pronounced Dah-nu-sha Vih-pik)

Danusia took up the role of CEO of ChargeNet in November 2022. She has experience across energy and transport sectors in New Zealand, and most recently served as Head of New Ventures and Transformation at Transpower.

Danusia has held roles across the fuels and energy sectors, including at Z Energy, where she was the company's first Sustainability Manager.

Damon Birchfield-West - Director, ChargeNet (and former Chief Executive)

Damon has been a Director with Charge Net since November 2021.

He draws his experience from Local Government at Auckland Council, and its former iterations, where he has had a range of lead roles from Housing Quality Lead, to Grants and Funding.

Damon is also the co-founder and director of Deemon Creative Limited – an eco-tourism firm in Matakana, Auckland.

ANNEX 1: TALKING POINTS

On the Low Emissions Transport Fund (LETF)

- I recognise the pioneering role of ChargeNet in kicking off New Zealand's public charging network, even at a time when EV's were a rare site on the roads.
- I appreciate your comments about the importance of the government co-funding of charging infrastructure, through the LETF and Low Emission vehicles Contestable Fund that preceded it. I assure you that we intend for the LETF to continue its work.
- You will be aware that in Round 5 of the LETF, EECA is piloting a new approach of co-funding large public EV charging hubs. This seems to be the approach that both EV drivers and charging providers see as a key part of the future public charging network. The successful applicants for round 5 will be announced soon.
- I would welcome your comments regarding the provision of charging infrastructure in areas where customer usage of chargers is low (for example rura areas). I recognise that these locations would be more commercially challenging, but are essential to providing a comprehensive and equitable charging network. This is one of the reasons why Round 4 of the LETF was focussed on filling some of the most challenging remaining gaps in the public charging network, providing an increased government funding contribution to do so.

On the cost of connecting to the electricity grid

- I understand energy regulators across government are considering this issue.
- I understand the Electricity Authority (EA) is considering this issue and how it can use its levers to remove barriers to new connections.
- Electricity distribution businesses are natural monopolies, so are regulated by the Commerce Commission (the Commission) to ensure their revenues and quality of service are reported and to support pricing that drives towards efficient and reliable outcomes.
- The Commission is reviewing the rules and processes that underpin key aspects of information disclosure and price-quality regulation applied to distributors.
- The targeted review of information disclosure could support increased transparency to allow the Commission and stakeholders to assess and monitor the performance of distributors in providing new connections.
- The review of price-quality regulation for distributors will consider any barriers to creating new connections in a timely and cost-effective manner.
- Government will publish a draft EV Charging Strategy shortly. The draft Strategy will seek feedback on actions to support further development of EV charging infrastructure, including the increasing role for commercial players.

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- While this work by energy regulatory agencies will take some time, in the meantime, while not ideal, EECA is prepared to continue to include connection costs as part of co-funding a public charger. Importantly however, to receive funding these chargers will need to align with the LETF criteria and the general strategy for journey and destination charging.
- I would recommend that ChargeNet continue to engage with EECA in the first instance. EECA is willing to do what they can within the existing regulatory environment to reduce the pain of connections to the network.

On the cost of electricity

- Providing affordable and secure electricity supply as we transition to a highly renewable electricity system is crucial to support electrification of transport and other parts of our economy and work is underway across government to enable this.
- This Government is working with the electricity sector to enable an orderly reduction in the use of fossil fuels, so that consumers continue to get affordable and reliable electricity supply during the transition to renewable energy.
- The EA is undertaking a comprehensive review of the wholesale electricity market and is currently exploring what changes to market setting maybe be required to promote competition for the longer-term benefit of consumers in the transition towards 100 percent renewable electricity generation.
- The Government will also investigate the need for electricity market measures to support affordable and reliable electricity supply, while accelerating the transition to a highly renewable electricity system over time.
- Additionally, this Government is investigating ways to solve the dry year issue without the need for fossil fuels through the New Zealand battery project. The New Zealand Battery Project will consider lower wholesale electricity prices as one of the criteria when assessing options to address New Zealand's dry year risk.



OIA BRIEFING

14 February 2023 OC230048

Hon Michael Wood Minister of Transport

Action required by: Tuesday, 28 February 2023

INFORMATION RELATING TO SALVAGE TUG

Purpose

Seek your agreement to the proposed response to an Official Information Act 1982 request.

Name of Requester	s 9(2)(a)	
Request	"Can I get all correspondence, internal and external, from the last 5 years held by the Transport Minister's office MOT, and/or Maritime NZ relating to Wellington having a salvage tug."	
Statutory deadline	Tuesday, 28 February 2023	
Risks	There is a risk that the information released will be used to suggest that by not funding an emergency towage vessel, the Government failing to manage a maritime safety risk. Noting that the requester is a reporter. This is mitigated by the information disclosure also setting out the reasons why a publicly funded emergency towage vessel would no be a cost-effective intervention to manage the low likelihood risk of vessel losing power offshore.	

Recommendations

We recommend you:

- 1 consider the proposed response to the request under the Official Information Act 1982
- 2 sign the attached letter to \$ 9(2)(a)

Yes / No

Nick Paterson **Acting Manager, Resilience and Security**

14 / 02 / 22

Hon Michael Wood **Minister of Transport**

..... / /

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Minister's office to complete:	☐ Approved	□ Declined
	☐ Seen by Minister	☐ Not seen by Minister
	☐ Overtaken by events	
Comments		

Contacts			
Name	Telephone First contact		
Rory Sedgley, Principal Adviser, Resilience and Security	s 9(2)(a)		
Nick Paterson, Acting Manager, Resilience and Security	s 9(2)(a)		
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INFORMATION RELATING TO SALVAGE TUG

Five documents fall within the scope of the request

- Table 1 below sets out the documents that fall in the scope of request and our proposed response.
- There is a risk that the information released will be used by the requestor to suggest that by not funding an emergency towage vessel, the Government is failing to manage a maritime safety risk. Noting that the requester is a reporter.
- This is mitigated by the information disclosure also setting out the reasons why a publicly funded emergency towage vessel would not be a cost-effective intervention to manage the low likelihood risk of a vessel losing power offshore.

Table 1

	Document	Description of information withheld	Previously released?
1	OC220878 - Meeting with the Transport Accident Investigation Commission's Chief Commissioner and Chief Executive - 12 October 2022	Refused under section 18(d) – already available here	Yes
2	MoT email correspondence with office of Minister Wood – January 2023	Withhold some material under section 9(2)(a)	No
3	Internal email correspondence October 2022	Withhold some material under section 9(2)(a)	No
4	Correspondence between Minister and member of the public – August 2020	Withhold some material under section 9(2)(a) and section 9(2)(b)(ii)	No
5	Internal email correspondence – May 2018	Withhold some material under section 9(2)(a)	No

Consultation

4 Maritime New Zealand has been consulted on our proposed response as the requestor has also submitted a duplicate request for the same information from Maritime New Zealand.



Dear s 9(2)(a)

I refer to your email dated 30 January 2023, requesting the following under the Official Information Act 1982 (the Act):

"Can I get all correspondence, internal and external, from the last 5 years held by the Transport Minister's office, MOT, and/or Maritime NZ relating to Wellington having a salvage tug."

Five documents fall within the scope of your request and are detailed in the document schedule attached as Annex 1. The schedule outlines how the documents you requested have been treated under the Act.

Certain information has been refused or withheld under the following sections of the Act:

s18(d) that the information requested is or will soon be publicly available

s9(2)(a) to protect the privacy of natural persons

s9(2)(b)(ii) to protect information where the making available of the information

would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information

With regard to the information that has been withheld under section 9 of the Act, I am satisfied that the reasons for withholding the information at this time are not outweighed by public interest considerations that would make it desirable to make the information available.

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman's website www.ombudsman.parliament.nz

Yours sincerely

Annex 1 - Document Schedule

Document Number	Document Title / Subject	Decision on release
1	OC220878 - Meeting with the Transport Accident Investigation Commission's Chief Commissioner and Chief Executive - 12 October 2022	s18(d) – available <u>here</u>
2	MoT email correspondence with office of Minister Wood – January 2023	s9(2)(a)
3	Internal email correspondence – October 2022	s9(2)(a)
4	Correspondence between Minister and member of the public – August 2020	s9(2)(a) s9(2)(b)(ii)
5	Internal email correspondence – May 2018	s9(2)(a)
	CED ONATIO	

From: Tony Frost (Parliament)
To: Nick Paterson

Cc: <u>Brent Johnston</u>; <u>HanLing Petredean</u>

Subject: FW: Commission from Minister: Tugs with selvage capacity in Wellington Harbour

Attachments: Appendix One - Reply from TAIC - September 2022.pdf

Appendix One - Letter from John Burton - August 9 2022.pdf

Hi Nick

In light of the Kaitaki incident over the weekend, can MOT provide the office with any further information on the underlying analysis that they developed to arrive at the position below please?

Brent – CC'ing you but please forward to the relevant DCE if not you.

Ngā mihi

Tony Frost (he/him) | Private Secretary (Transport) tony.frost@parliament.govt.nz | \$ 9(2)(a)

Office of Hon Michael Wood

Minister of Immigration | Minister of Transport | Minister for Workplace Relations and Safety

Private Bag 18041 | Parliament Buildings | Wellington 6160 | New Zealand Office Phone: \$ 9(2)(a) | Email: michael.yood@parliament.govt.nz

From: HanLing Petredean

Sent: Monday, 30 January 2023 2.21 AM

To: Tony Frost < Tony. Frost@parliament.govt n.>

Subject: FW: Commission from Minister: Tugs with selvage capacity in Wellington Harbour

Hi Tony

As discussed of ase see below for MOT advice on tugs, which was provided in Oct last year. I sent this to the Minister Whox directly at this time but may be of use now given the recent Kaitaki incident.

MoT advice:

- Modern harbour tugs (which includes the tugs for Wellington Harbour), unlike their older predecessors, are highly specialised and designed for optimal manoeuvrability, operational efficiency and economy. That specialised capability would be compromised if the tugs also had to be ocean towage capable.
- However, we are aware that there are some tugs in New Zealand, open water capability, which could be deployed if need be we are aware that least one business (Heron Construction, in Whangarei) operates two smallish ocean-going tugs and Northport subsidiary NorthTugz also has a couple of tugs with some open water capability.
- Having additional open water tug capability would likely introduce costs that outweigh the

- Having harbour tugs with dual harbour and open water capability would compromise existing harbour operational efficiency and functioning.
- Having additional specialised tugs with open water capability in other locations is likely of little benefit compared to the cost, noting:
 - The incident requiring a tug would need to occur close to where the tug is located to provide additional benefit, and the incident would need to be one which a tug is appropriate to respond to: we note for example in the case of the Rena an emergency towage vehicle or an ocean towage capable tug, even if immediately available, would have been of no help because the ship was stuck hard and fast on a reef, and attempting to tow it free would have torn its hull apart.
 - We consider an incident occurring (where there is a salvage need), that would meet the conditions above, as unlikely to occur officials note there is no incident they are aware of in the past 50 years of which an open water tug would have provided substantial salvage benefit. Noting a tug would not have provided benefit in the case of the Rena (2011) and open water capability was not required in the case of the Mikael Lermontov (1986).
 - Additionally, while we agree that there could be some situations of engine failure where an open tug could of benefit (as mentioned in the letter), we note these situations can be satisfactorily resolved in most cases without such a vesser – and in any event additional tugs would only be useful if the happened to be located near the area of the vessel that had suffered engine failure.
 - While it is possible to add open water tug capability at most ports around NZ (which would address the point of location above), and these tugs could be useful in the event of engine failure or in the unlikely incident of event requiring salvage where towage was an option, the cost would be significantly disproportionate to the benefit. We note below examples of sountries with higher maritime risk profiles that only have minimal dedicated emergency towage capability due to the disproportionate costs (with supplementary open water tug capability available through contracting commercial operators):
 - The UK reduced its emergency towage vessel capability from four to one in 2011, as these vessels were very rarely needed and their cost was disproportionate to any potential benefit
 - South Africa also reduced its emergency towage vessel capability from two to one, for similar reasons
 - Australia has only one dedicated emergency towage vessel for the highly sensitive Great Barrier Reef and Torres Strait regions.

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From: Sam Jaffe

To: <u>HanLing Petredean</u>; <u>Tony Frost (Parliament)</u>

Cc: Travis Mills

Subject: RE: Commission from Minister: Tugs with selvage capacity in Wellington Harbour

Thanks – can MOT provide the office with any of the underlying analysis that they developed to arrive at their stated position below please?

Alternatively, I can have a conversation with someone

Thanks,

Samuel Jaffe | Ministerial Advisor to Hon Michael Wood

M: s 9(2)(a) | E: samuel.jaffe@parliament.govt.nz

Parliament Buildings, Wellington, New Zealand

Authorised by Michael Wood, Parliament Buildings, Wellington

From: HanLing Petredean

Sent: Monday, 30 January 2023 9:21 AM

To: Tony Frost <Tony.Frost@parliament.govt.nz>; Sam Jaffe <Samuel.Jaffe@parliament.govt.nz>

Subject: FW: Commission from Minister: Tugs with selvage capacity in Wellington Harbour

Hi Tony and Sam,

As discussed, please see below for MOT advice of tugs, which was provided in Oct last year. I sent this to the Minister's inbox directly at this time but may be of use now given the recent Kaitaki incident.

MoT advice:

- Modern harbour togs (which includes the tugs for Wellington Harbour), unlike their older predecessors, are highly specialised and designed for optimal manoeuvrability, operational efficiency and economy. That specialised capability would be compromised if the tugs also had to be ocean towage capable.
- However, we are aware that there are some tugs in New Zealand, open water capability, which could be deployed if need be we are aware that least one business (Heron Construction, in Whangarei) operates two smallish ocean-going tugs and Northport subsidiary NorthTugz also has a couple of tugs with some open water capability.
- Having additional open water tug capability would likely introduce costs that outweigh the risks, noting:
 - Having harbour tugs with dual harbour and open water capability would compromise existing harbour operational efficiency and functioning.
 - Having additional specialised tugs with open water capability in other locations is likely of little benefit compared to the cost, noting:

The incident requiring a tug would need to occur close to where the tug is located to provide additional benefit, and the incident would need to be one which a tug is appropriate to respond to: we note for example in the case of the Rena an emergency towage vehicle or an ocean towage capable tug, even if immediately available, would have been of no help because the ship was stuck hard and fast on a reef, and attempting to tow it free would have torn its hull apart.

- We consider an incident occurring (where there is a salvage need), that would meet the conditions above, as unlikely to occur officials note there is no incident they are aware of in the past 50 years of which an open water tug would have provided substantial salvage benefit. Noting a tug would not have provided benefit in the case of the Rena (2011) and open water capability was not required in the case of the Mikael Lermontov (1986).
- Additionally, while we agree that there could be some situations of engine failure where an open tug could of benefit (as mentioned in the letter), we note these situations can be satisfactorily resolved in most cases without such a vessel – and in any event additional tugs would only be useful if the happened to be located near the area of the vessel that had suffered engine failure.
- While it is possible to add open water tug capability at most ports around NZ (which would address the point of location above), and these tugs could be useful in the event of engine failure or in the unlikely incident of event requiring salvage where towage was an option, the cost would be significantly disproportionate to the benefit. We note below examples of countries with higher maritime risk profiles that only have minimal dedicated emergen of towage capability due to the disproportionate costs (with supplementary open water tug capability available through contracting commercial operators):
 - The UK reduced its emergency towage vessel capability from four to one in 2011, as these vessels were very rarely needed and their cost was disproportionate to any potential benefit
 - South Africa also reduced its emergency towage vessel capability from two to one, for similar reasons
 - Australia has only one dedicated emergency towage vessel for the highly sensitive Great Barrier Reef and Torres Strait regions.

Ngā mihi,

HanLing Petredean (she/her) | Private Secretary (Transport) hanling.petredean@parliament.govt.nz | \$9(2)(a) From: Rory Sedgley
To: Ministers Office

Cc: James Macleod; Nick Paterson; Jono Reid; Paul Fistonich

Subject: For info: media response salvage tug in Wellington

Date: Monday, 30 January 2023 11:00:40 am

Attachments: image002.png

FW Commission from Minister Tugs with selvage capacity in Wellington Harbour.msg

Hi Tony, HanLing,

I thought you ought to be aware that we are planning a short response to a media enquiry (see **below**) received this morning in relation to a proposal for Crown funding of tugs with salvage capabilities in Wellington. There has been some public commentary about the suitability of the Centreport tugs used to support the Kaitaki incident response on Saturday.

We intend to respond with a statement attributable to a Te Manatū Waka spokesperson:

Te Manatū Waka is aware of historic proposals for Crown funding of salvage tug capability. The matter has been kept under review with Maritime New Zealand, and port companies remain responsible for the provision of tug capability.

To give you some background, concerns about the lack of tugs with salvage capability have most recently been raised in a letter to the TAIC Chief Commis lioner in August 22 from John Burton, a Partner at Izard Weston Lawyers who specialises in maritime law. We understand that TAIC discussed this issue, and the correspondence with Mr Burton, a la meeting with the Minister in October 22.

The Minister requested some advice from us, which is m **reattaching** now, and which remains current.

Please let me know if you have any concerns, or would like additional information. Rory



From: (2)(a

Sent: Monday, 30 January 2023 9:30 am

To: Vince Cholewa (Maritime NZ) < <u>Vince.Cholewa@maritimenz.govt.nz</u>>; Media Mailbox < <u>media@transport.govt.nz</u>>

Subject: Salvage tug in Wellington

Hi MoT and Maritime NZ,

I am told that CentrePort was asked for funding from Maritime NZ and MOT to upgrade the current Wellington tugs to have salvage capabilities. Can I get confirmation of this and an

explanation of why this was declined? Cheers



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From: Jono Reid

To: Tom Forster; Harriet Shelton; Roger Brown
Cc: HanLing Petredean; Sarah Polaschek; Megan Moffet

Subject: Commission from Minister: Tugs with selvage capacity in Wellington Harbour

Date: Wednesday, 12 October 2022 10:42:33 am

Attachments: RE Query - Tugs with selvage capacity in Wellington Harbour.msg
Appendix One - Reply from TAIC - September 2022.pdf

<u>Appendix One - Reply from TAIC - September 2022.pdf</u> <u>Appendix One - Letter from John Burton - August 9 2022.pdf</u>

image001.png

Hi Tom, Harriet and Roger,

The Minister met with the Transport Accident Investigation Commission just before. At the meeting, the Chief Commissioner raised the **attached** letter she received from John Burton. I had sought some information around the matter from Roger last week (**attached**), and this discussion was conveyed to the Minister. He also recalled receiving a similar letter from Mr Burton.

The Minister was keen for the Ministry to explore the matter further, including some general advice around selvage capacity in Wellington Harbour and risks. He was keen to understand more about who is the responsible agency for leading procurement and any resilience issues, as well as understanding the wider capacity across NZ (**Hanking, Sarah** – please add if I missed anything).

Not sure who the best lead on such advice would be can we have a chat to work this through?

Cheers,

Jono Reid

Kaitohutohu Mātāmua, Kawanatanga Principal Adviser, Governance Te Manatū Waka Ministry of Transport



From: Nick Paterson
To: Roger Brown

Subject: RE: Emergency towage

Date: Tuesday, 18 October 2022 10:39:00 am

Attachments: <u>image001.png</u>

Thanks Roger

Nicolaas Paterson

| E: n.paterson@transport.govt.nz | www.transport.govt.nz



From: Roger Brown <r.brown@transport.govt.nz>

Sent: Tuesday, 18 October 2022 10:27 am

To: Nick Paterson < N.Paterson@transport.govt.nz>

Cc: Jono Reid < J.Reid@transport.govt.nz>; Tom Forster < t.forster@transport.govt.nz>

Subject: Emergency towage

A few things to draw on for your purposes:

Until 2011, the UK Marine and Coastguard Agency operated four Emergency Towage Vessels (ETVs) as a risk mitigation measure for counter-pollution purposes. The four vessels were commissioned in the aftermath of the 1996 Sea Empress oil-spill at Milford Haven, to provide dedicated, strategically located capability a ound the UK coast. The reduction in 2011 to a single vessel, stationed near the North Sea oil fields reflected that retaining four ships that were rarely, if ever, called into action was disproportionately expensive relative to the risk, while commercial tugs would potentially be available on the spot market. This was despite UK waters being very heavily trafficked (the UK Maritime Accident Investigation Branch has questioned this approach in light of the multiple collision sequence in the Dover Strait in 2016).

South Africa commissioned two ETVs in the 1970s (the model for the UK initiative, as it happens), also in response to a major tanker incident, but in due course reduced that to a one vessel and now appears to rely on commercial vessel availability – for similar reasons. It would be fair to assume that the costs of maintaining standby capability that stood idle was also a driver for this scaled back approach.

The Australian Maritime Safety Authority has one dedicated ETV for the highly sensitive Great Barrier Reef and Torres Strait regions and has contracted towage capable of open water towage around some 11 major ports, as well as the potential to contract or direct vessels of opportunity to assist, if required. This is in no small measure a reflection of the huge scale of bulk shipping of coal and minerals from ports all around the Australian coast and the attendant risks, given the size of the ships, the amount of fuel they carry, and the pollution potential from a major casualty. NZ has no remotely comparable risk profile.

While NZ has also experienced an oil spill by courtesy of the *Rena* grounding, an ETV or an ocean towage capable tug, even if immediately available, would have been of no help because the ship was stuck hard and fast on a reef, and attempting to tow it free would have torn its hull apart.

Given the length of New Zealand's coastline and the distances between the main ports, installing emergency towage capability at a single location is always liable to be fraught unless an emergency fortuitously (so to speak) happens nearby. At the same time, addressing that problem by having capability at multiple locations would be disproportionate to the volume of shipping traffic and relative risk level.

The alternative of having a port company, or port companies, acquire harbour tugs capable of open water towage would be problematic operationally, so even if the cost difference of sourcing a dual-purpose tug were to be paid for by a fairy godmother, this would be disadvantageous. That aside, there might well be potential for competing interests where a port's immediate operational imperatives happened to coincide with a potential emergency response.

Modern harbour tugs, unlike their older predecessors, are highly specialised and designed for optimal manoeuvrability, operational efficiency and economy. That specialised capability would be compromised if the tugs also had to be ocean towage capable. At the same time, the vessels' open water capability would be compromised by the need still to perform harbour towage — effectively they would be perpetuating the drawbacks inherent to the older generation of tugs.

At least one other business (Heron Construction, in Whangarei) operates two smallish ocean-going tugs and Northport subsidiary NorthTugz also has a coup e of tugs with some open water capability.

Otherwise, as was the case with the *Rena* salvage operation, suitable vessels had to be brought in from overseas.

Finally, with reference to a passenger ship losing power, you would expect that the first response would be to drop the anchors to prevent the ship drifting into further trouble pending resolution of the problem or evacuation of the passenger, though of course Murphy's Law might see this happening in a navigation channel or heavy weather.

From: <u>Tristan Culpan</u>
To: \$ 9(2)(a)

Subject: M201098 Reply from Hon Julie Anne Genter, Associate Minister of Transport

Date: Wednesday, 19 August 2020 11:20:00 am

Tēnā koe s 9(2)(a)

On behalf of Hon Julie Anne Genter, Associate Minister of Transport, please find below a reply to your correspondence.

Dear ^{s 9(2)(a)}

Thank you for your email to Hon Twyford of 14 July 2020 regarding the purchase of an emergency response vessel (ERV). Your correspondence has been referred to me as the matter you have raised falls under my portfolio of responsibilities.

The main challenge with this issue is to provide an effective capability at a reasonable cost, given New Zealand's 14,000 km long coastline. Studies have shown that of the wide variety of types of maritime incidents, only an extremely small sub-set would have had improved outcomes if an ERV or out-of port capable tug was immediately available.

Where vessels encounter issues such as loss of power or loss of steering, then any response vessel must be sufficiently ready and sufficiently close so as to be able to render assistance before a resulting incident (such as a grounding or collision) occurs. Where the vessel in distress might benefit from preventative services (such as pumps) before any accident occurs then the services must be sufficiently ready and sufficiently close. Response vessels need to be available continuously with rapid response times and also be closely located to the scene of the incident if any preventative action is to be feasible. This requires multiple vessels to cover a long coastline.

Unfortunately, suitable vessels are expensive and the level of crewing and support required (for example salvage and towage capabilities, and 24/7 availability) make the on-going support costs high. Given the constrained economic climate as a result of COVID-19, we have had to consider the allocation of funding for various initiatives even more carefully than usual. While we are not currently considering financial support for an ERV we remain committed to safety in the maritime sector.

I appreciate your concern for the complexities surrounding the environment and your wish to respond to potential incidents such as vessel groundings.

Thank you again for taking the time to write with your concerns.

Nāku noa, nā

Hon Julie Anne Genter
Associate Minister of Transport

Ngā mihi koe, Tristan



Tristan Culpan | Hēkeretari Matua | Office of Hon Julie Anne Genter | Associate Minister of Transport

Level 6.C Bowen House | Parliament Buildings | Wellington | New Zealand



s 9(2)(a)

To: <u>Tristan Culpan</u>

Subject: M201098 EMAIL 1/2 - FW: NEW ZEALAND - EMERGENCY RESPONSE VESSEL (ERV) 2020 - FOLLOW UP

Date: Tuesday, 14 July 2020 2:59:47 pm

From: s 9(2)(a), s 9(2)(b)(ii)

Sent: Tuesday, 14 July 2020 2:59 PM

To: P Twyford (MIN) < P.Twyford@ministers.govt.nz>

Cc: S Jones (MIN) <s.jones@ministers.govt.nz>; J Genter (MIN) <j.genter@ministers.govt.nz>

Subject: NEW ZEALAND - EMERGENCY RESPONSE VESSEL (ERV) 2020 - FOLLOW UP

Dear Ministers, I haven't had any response as yet to me previous correspondence (below) and just wanted to follow up in light of the recent near miss with the Funing vessel at Port of Tauranga which ran aground.

"Dual investigations have been launched after a log carrier's engine silled at the entrance to Port of Tauranga this morning.

The Singaporean-registered log carrier, Funing-9690913, was bound for China when it lost power at the entrance to the Port of Tauranga about 12.30 m.

Without power, it could not steer and drifted to the edge of the charnel at the base of Mauao. It is believed to have snagged a marker buoy".

As per my note below, I would like to try and arrange a meeting with the relevant people in Government. Could you please let me know how best to go about this.

Kind regards

s 9(2)(a), s 9(2)(b)(ii)

Director

From: s 9(2)(a), s 9(2)(b)(ii)

Sent: Tuesday, 21 April 2020 2:32 pm **To:** p.twyrord@ministers.govt.nz

Cc: s.jones@ministers.govt.nz; j.genter@ministers.govt.nz

VILL.

Subject: NEW ZEALAND - EMERGENCY RESPONSE VESSEL (ERV) 2020

Dear Ministers,

I am writing to you in what is a revisit to my previous correspondence with Government in the pre and post RENA days. \$9(2)(a), \$9(2)(b)(ii)

s 9(2)(a), s 9(2)(b)(ii)

To the present day; since the RENA, we have been advocating for NZ to have it's own ERV, as in the event of a similar maritime incident, or response requirement, there is currently no ERV capability. We work closely with Maritime NZ in other areas, but I understand their budgets are not geared for something of this significance.

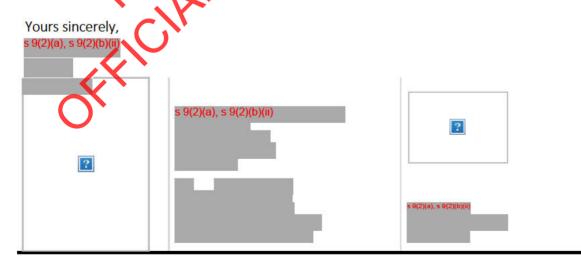
I am of the opinion, that there is presently a unique opportunity to re-explore the NZ FRV strategy and as such, second to be permitted to present a business case to Government (in confidence).

There are certain current market factors that I believe clearly say now is the time. The key factor is a severely distressed Offshore Support Vessel market, and vessel values have been plummeting for the last 12 months. Now in the C19 environment, this has been exacerbated, a suitable high end vessel could be acquired for a fraction of its rew build costs.

This would not only be a cornerstone business, and help manage and protect NZ coastline; it would generate 50-60 full time positions both maritime, and technical / management support, the employment would surely be welcomed as the country seeks to develop new and sustainable initiatives coming out of C13. This entire operation could be implemented within 3-6 months.

The funding for the vessel would come from us; we will actually buy the vessel, however this would be based in entering a long term contract with the Government.

Thanks in advance and I look forward to hearing from either of you in due course.



From: <u>Natasha Rave</u>

To: <u>Tom Forster</u>; <u>Ken Hopper</u>; <u>Shelley Tucker</u>

Cc: Nick Paterson

Subject: RE: Minister meeting with the Maritime Union National Council at 9.00 – 9.45am on Wednesday 9 May

Date: Monday, 7 May 2018 10:41:30 am

Hi Tom and Ken.

Please find our proposed responses for items relating to offshore oil and gas exploration and the importance of establishing a fast response rescue vessel for NZ coast outlined below:

Offshore oil & gas exploration e.g. future of industry

Recent Government announcements on the future of offshore oil and gas

- Offshore oil and gas is the responsibility of the Hon Dr Megan Woods, Minister of Energy and Resources.
- In April 2018, Government announced its long-term direction for offshore oil and gas exploration, in particular that it will not grant new deep-sea oil and gas exploration permits.

Financial security regime for offshore oil and gas installations

- Officials from the Ministry of Transport, Maritime New Zealand and the Ministry of Business of Innovation and Employment are together working to ensure operators of offshore installations have an appropriate level of financial assurance to cover the costs in the instance of a significant oil spill. This area of work falls under the responsibility of the Hon Julie Anna Genter, Associate Minister of Transport.
- Under the Maritime Transport Act 1994, operators of offshore installations are required to obtain certificates of insurance to demonstrate that they have sufficient financial assurance to cover their liabilities in the event of a spill. The issuing of certificates is the mechanism through which the financial risks of costs falling to third parties or to the Crown are reduced. Marine Protection Rules Part 102 (Part 102) sets out the requirements that owners must meet to obtain this Certificate.
- Part 102 currently requires owners to have insurance or financial security that covers statutory liabilities to a maximum of 14 million International Monetary Fund units, equating to approximately NZ\$27 million. Modelling indicates this figure is insufficient to cover third party clean-up and compensation costs in the event of a significant oil spill.
- In 2017, the previous Government sought to adjust the financial assurance regime for offshore installations by amending Part 102 to:
 - o provide a scaled framework for identifying the assurance amount required for clean-up and compensation, ranging from NZ\$25 million to NZ\$600 million to better reflect the risks posed by a significant oil spill;
 - o refine the scope of assurance to align with the availability of insurance products on the international market, whilst maintaining the full liability of operators; and
 - o make a provision for the Director or Maritime New Zealand to consider well containment in assessing the total assurance requirements.
- In February, Cabinet noted the intention to consult on increasing the maximum amount under the scaled framework from \$600 million to \$800 million to better address the

- financial risk associated with a potential oil spill. The previous government originally consulted on the \$800 million maximum.
- This consultation process returned fifteen submissions on the proposed amendment. Officials are now working on options for Ministers' to consider in order to implement the amended Rule, including a feasible implementation timeframe

Importance of establishing a fast response rescue vessel for NZ coast to deal with disasters such as Rena

- Government has been asked to support the provision of this type of vessel on several occasions. The challenge is to provide an effective capability at a reasonable cost given New Zealand's 14,000 km long coastline.
- New Zealand has a reasonable level of Search and Rescue capability to address the safety-of-life aspects of incidents. The assumption is that the topic relates to vessels to support salvage and towage operations - typically known as Emergency Towage vessels (ETVs).
- Studies have shown that of the wide variety of types of maritime incidents only a small sub-set would have improved outcomes if a fast response rescue vessel or ETV was available. If a vessel faces a threat such as loss of power or loss of steering then the ETV must be sufficiently ready and sufficiently close so as to be able to render assistance before the vessel strikes.
- For a scenario where the ETV could supply the vessel in distress with preventative services (such as pumps) before any accident occurs then the services must have very high availability, that is be sufficiently ready and sufficiently close.
- ETV coverage needs to be available 24/7 with lapid response times and closely located to the scene of the incident if any preventative action is to be feasible. This requires multiple vessels to cover a long coastline. Suitable vessels are expensive and the level of crewing and support required (salvage and towage capabilities, 24/7 availability etc.) make the on-going support costs high. The UK had four ETVs on permanent standby but has reduced this to one due to operating and maintenance costs. The one retained was a political decision after pressure from the Scottish Parliament.
- The RENA incident is a good example of a scenario where an ETV would have made no difference whatsoever to the outcomes; in that case the vessel was heavily grounded and badly damaged immediately the accident occurred. An ETV could not have towed the vessel or undertaken any meaningful salvage or pollution prevention activities.
- Maritime NZ commissioned independent expert studies into this issue in 2005 and again in 2015. The studies highlighted the challenges of the substantial costs of providing a full, comprehensive capability given the very low likelihood of an incident where the availability of an ETV would make a meaningful difference.
- The studies considered that optimising the capabilities of assets that are already available and working jointly with Ports to support improved tug capabilities offered more cost effective capability given the risk level.
- New Zealand does have a small number of potentially suitable vessels already in commercial operations, for example the off-shore support vessel in Taranaki and the

ocean going tug in Wellington. Maritime NZ has been working with the operators of these vessels to establish the potential to use them in any future incidents.

- Maritime NZ does not consider that there is a justifiable case for the provision of a group of dedicated ETVs (minimum number required to give meaningful coverage is estimated to be four) but does consider that the latent capability of vessels in New Zealand now and planned for the future should be optimised/maximised.
- Maritime NZ is developing a funding proposal for overall Maritime Incident Response Capability. This proposal includes funding to improve the capabilities of a number of existing tugs and support vessels.

Cheers Ken. Let me know if you require anything else.

Tash ©

Dr Natasha Rave

Principal Adviser | Resilience & Security | Regulatory and Data Group

Ministry of Transport – Te Manatū Waka

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From: Tom Forster

Sent: Friday, 4 May 2018 7:07 PM

To: Peter Mee (Parliament) < Peter. Mee@parliament.gov nz

Cc: Erin Wynne <e.wynne@transport.govt.nz>; Shelley Tucker <s.tucker@transport.govt.nz>; Natasha Rave <N.Rave@transport.govt.nz>; Ken Hopper <k.hopper@transport.govt.nz>

Subject: RE: Minister meeting with the Maritime Union National Council at 9.00 – 9.45am on Wednesday 9 May

Hi Peter,

Most of the issues are really not in my patch. I am happy to get someone to put together the final briefing but can Erin's team and Shelley's team please provide the content (i.e your write up that goes into the briefing rather than providing us with other briefings that we have to wade through to get relevant stuff).

Given the tight timeframe we would need this by say lunchtime or latest 2 pm on Monday.

Cheers Tom

From: Peter Mee [Reter.Mee@parliament.govt.nz]

Sent: Friday, 4 May 2018 5:11 p.m.

To: Tom Forster
Cc: Erin Wynne

Subject: Minister meeting with the Maritime Union National Council at 9.00 – 9.45am on Wednesday

9 May

Evening Tom

The Minister is meeting with the Maritime Union National Council at **9.00 – 9.45am on Wednesday 9 May**. He will be speaking with the National Council on the Government's transport strategy, and how ports and coastal shipping factor in the strategy. Issues the Council would like to discuss include:

- The Labour Party's SeaChange document Rail & Freight
- Cabotage possibility of a feasibility study Rail & Freight
- Safety enforceable maritime regulations ICT
- Support for NZ shipping industry re overseas competition Rail & Freight (this I believe may be related to section 198)

- Offshore oil & gas exploration eg future of industry, RAS
- Explain Just Transition & who pays for it (not sure what this is about)
- Creation of a Sovereignty fund for the future (Not sure what this is about)
- Importance of establishing a fast response rescue vessel for NZ coast to deal with disasters such as Rena - RAS
- State owned shipping line possibility of a feasibility study Probably Rail and Freight
- The much needed Govt funding for sea-service component of maritime training, and maritime training in general - ICT

Can we please have the usual meeting briefing prepared for this one: background on the organisation, attendees, and information on the subjects the Council would like to raise. Can this be in the office by 4pm Tuesday 8 May? Happy to discuss.

Cheers.

Peter Mee

Private Secretary – Transport

Office of Hon Phil Twyford | Minister of Transport

igtor 618 Private Bag 18041 | Parliament Buildings | Wellington 6160 | New Zealan



Document 7

15 February 2023 OC230049

Hon Michael Wood Action required by:

Minister of Transport Monday, 20 February 2023

2023 MARCH BASELINE UPDATE FOR VOTE TRANSPORT

Purpose

Seek your approval of the 2023 March Baseline Update (MBU) Submission for Vote Transport, prior to submitting it to the Minister of Finance. The submission needs to be signed before **1pm on Monday**, **20 February 2023** to meet the Treasury deadline for this process. One soft copy of the submission needs to be delivered to the Minister of Finance's office.

Key points

- The MBU submission updates the Vote Transport figures in the Treasury's financial system for any Cabinet decisions and other adjustments that have been agreed since the 2022 October Baseline Update submission was finalised in November 2022. MBU is important as it enables the Treasury to make the correct in-year revisions and ensure that the Economic and Fiscal Updates are as accurate as possible.
- While MBU is a technical update, with its contents designed to require no approval by Cabinet, it does provide an opportunity to seek joint Ministers' agreement to make changes to baselines that joint Ministers have the authority to approve and to adjust the future spending profile of multi-year appropriations.
- All changes in the update are explained in the submission except for any prior Cabinet or joint Minister decisions which are summarised in this briefing.
- Vote Transport has 8 tagged contingencies that need to be monitored and managed, with total funding over \$3.2 billion over the next five financial years. Tagged contingencies are not included in MBU as the funding has not been appropriated. Given the number and size of the tagged contingencies, a table listing each tagged contingency, expiry dates, and the expected phasing across financial years is provided in this briefing.

Recommendations

We recommend you:

sign the attached 2023 March Baseline Update submission for Vote Transport to the Minister of Finance

Yes / No

deliver one soft copy of the signed submission to the Minister of Finance's office by 1pm on Monday, 20 February 2023.

Yes / No

Malexa

Paul Laplanche
Chief Financial Officer

15 / 02 / 2023

Hon Michael Wood Minister of Transport

Minister's office to complete: ☐ Approved

☐ Seen by Minister

Not seen by Minister

☐ Declined

□ Overtaken by events

Comments

Contacts

Somuots		
Name	Telephone	First contact
Alice Kavwenje (Acting Financial Controller)	s 9(2)(a)	■
Paul Laplanche (Chief Financial Officer)		
OFFICIAL IN		

2023 MARCH BASELINE UPDATE FOR VOTE TRANSPORT

The March Baseline Update is a technical update to the Vote Transport figures in the Treasury's financial system

- The March Baseline Update (MBU) submission updates the Vote Transport figures in the Treasury's financial system (CFISnet¹) for any Cabinet decisions and other adjustments that have been agreed since the 2022 October Baseline Update submission was finalised in November 2022. MBU is important as it enables the Treasury to make the correct in-year revisions and ensure that the Economic and Fiscal Updates are as accurate as possible.
- While MBU is a technical update, with its contents designed to require no approval by Cabinet, it does provide an opportunity to seek joint Ministers' agreement to make changes to baselines that joint Ministers have the authority to approve and to adjust the future spending profile of multi-year appropriations.
- 3 The adjustments fall into the following categories:
 - 3.1 Cabinet or joint Minister decisions already made since the last update (which are described in this briefing, not in the MBU submission)
 - 3.2 expense or capital transfers transfers of appropriations between years
 - 3.3 fiscally neutral adjustments transfers of funding between appropriations that do not affect the overall commitment of funding
 - 3.4 forecasting changes some appropriations may be altered if their source funding is forecast to change
 - 3.5 other technical changes
 - 3.6 extension of tagged contingencies tagged contingencies cease to exist on 1 February of the following year, unless joint Ministers agree to extend the expiry date
- Adjustments of types 3.2 to 3.6 above may be made with the approval of joint Ministers (you and the Minister of Finance) as permitted by Cabinet Office Circular (18) 2 or section 9 of the Land Transport Management Act 2003. Your signature on the attached submission and the Minister of Finance's letter notifying the outcome of the update constitutes approval in this case.
- Attached to the submission will be two tables showing the MBU adjustments. These are the standard reports generated from the Treasury's CFISnet system.
- This briefing includes an annex (Annex 1: Appropriation Amounts). This shows the amount of each appropriation in Vote Transport per year from 2022/23 to 2026/27 after the MBU changes are made, as well as the 2022/23 appropriation from the 2022 October Baseline Update (i.e. prior to MBU changes). Appropriation amounts affected

¹ CFISnet consolidates financial information from all departments, Crown entities and other Crown-controlled entities, for all of Government budgeting and reporting.

- by MBU changes are highlighted in green. A summary of the total changes from the 2022 October Baseline Update to MBU for 2022/23 to 2026/27 has also been provided at the end of each of the two tables. This is for your information only and is not included with the MBU submission to the Minister of Finance.
- The submission to the Minister of Finance includes a recommendation that appropriation changes be included in the 2022/23 Supplementary Estimates, and increases be met from Imprest Supply in the interim. This is important, as the 2022/23 Supplementary Estimates will be an Act that will validate changes made to appropriations since the 2022/23 Estimates, and Imprest Supply is the mechanism to facilitate the changes until the 2022/23 Supplementary Estimates Act is passed.

There are no unusual items in the submission

- There are no unusual items in this submission and the Te Manatū Waka Ministry of Transport (the Ministry) has followed the template format provided by the Treasury.
- All changes in the update are explained in the submission, excep for any prior Cabinet or joint Minister decisions, which are not required in the written submission. However, the fiscal impacts of these prior decisions are included in the tables attached to the submission. For completeness, these prior decisions are summarised below:
 - 9.1 Cabinet approved a further extension of the temporary reductions to Fuel Excise Duty, Road User Charges, Public Transport fares and Track User Charges to 30 June 2023, including approving funding of \$718 million to top up the National Land Transport Fund for the land transport revenue losses caused by the temporary reductions [CAB-23-MIN-0009].
 - 9.2 Cabinet approved the reallocation of Northern Pathway funding under the New Zealand Upgrade Programme (held within the New Zealand Upgrade Programme tagged contingency) to two new projects:
 - 9 2 1 \$80 million capital expenditure for the Ngauranga to Petone Shared Pathway Project [DEV-22-MIN-0297, CAB-22-MIN-0564]; and
 - 9.2.2 \$200 million operating expenditure to contribute to Auckland Transport's share of the Eastern Busway Project [ENV-22-MIN-0042, CAB-22-MIN-0462].
 - 9-3 Cabinet approved the drawdown of the \$131.000 million tagged contingency for strategic land acquisition for Auckland Light Rail, provided for through Budget 2022 decisions [DEV-22-MIN-0298, CAB-22-MIN-0564].
 - 9.4 Cabinet approved funding to Air Chathams and Intercity to support transport connectivity to the Chatham Islands and the West Coast by establishing the *Transport Connectivity with Isolated Communities* appropriation, transferring a \$2.500 million underspend from the *Maintaining Essential Transport Connectivity* MYA [DEV-22-MIN-0310, CAB-22-MIN-0587].
 - 9.5 Joint Ministers approved a request from Waka Kotahi for the use of land transport revenue to fund \$116.610 million over five years for Waka Kotahi's

- regulatory functions through section 9(1A) of the Land Transport Management Act 2003 [OC220881].
- 9.6 Joint Ministers approved increased funding for the search and rescue sector for 2023/24 (\$11.750 million) and 2024/25 (\$12.702 million), funded through section 9(1) of the Land Transport Management Act 2003. This funding was provided as an interim measure to continue to support the sector while the Recreational Safety and Search and Rescue Review continues [OC220931].
- 9.7 Joint Ministers (including the Minister for Economic and Regional Development) approved a fiscally neutral adjustment of \$4 million from the *Regional State Highways* MYA to the *Supporting Regional and Infrastructure Projects* (\$1 million) and *Infrastructure Projects* (\$3 million) categories of the Tuawhenua Provincial Growth Fund as part of reprioritisation within the Supporting Regions Programme [OC220944].
- 9.8 You approved a transfer of \$1.873 million from the *Public Transport Concessions* category to the *Administration* category of the *Community Connect Programme* multi-category appropriation. This is to meet the increased costs of implementation of the scheme by public transport authorities [OC220982].

Land transport revenue forecasting is still to be finalised

- The Ministry is classified as a forecasting department, as it is responsible for forecasting land transport tax revenue.
- The Treasury will provide the economic data used for forecasting purposes in February 2023, and results of the forecasting exercise will be finalised by late March 2023. Preliminary revenue forecast results will be entered into the Treasury's CFISnet system on 15 February 2023 but will not be included in the attached submission or tables to the Minister of Finance.
- Any changes to land transport revenue will be matched by changes to the National Land Transport Programme appropriations. The Land Transport Management Act 2003 provides a permanent legislative authority (PLA) for such changes to these appropriations, so the changes do not require the approval of joint Ministers.
- Information about the forecast land transport revenue and its effect on the delivery of the current Government Policy Statement on land transport will be included in a separate briefing to you and the Minister of Finance. The Ministry will advise you immediately of any concerns with the levels of actual revenue compared to forecast.

This briefing provides an update on the tagged contingencies within Vote Transport

There are 8 tagged contingencies within Vote Transport, with a large number created through Budget 2022 decisions. The total funding available in these tagged contingencies is more than \$3.2 billion over the next five financial years.

- 15 Tagged contingencies are not reported in the Treasury's financial system as the funding has not been appropriated. However, it is important that they are managed effectively and expiry dates are extended where appropriate.
- 16 To increase the visibility of the tagged contingencies within Vote Transport a table listing each tagged contingency, expiry dates, and the expected phasing across financial years is provided in this briefing (Annex 2: Tagged Contingencies in Vote Transport).

Consultation

and agree to the state of the s 17 The entities affected by these changes have been consulted and agree to them,

ANNEX 1: APPROPRIATION AMOUNTS

Items highlighted green are amounts that have changes since the 2022 October Baseline Update. All numbers are in \$000s.

Departmental appropriations

	OBU	MBU 2023					
	2022	22/23	23/24	24/25	25/26	26/27	
Output expenses					<u>.</u> 0.		
Search and Rescue Activity Coordination PLA	6,843	5,863	5,026	4,046	3,580	3,580	
Search and Rescue Training	1,587	1,587	700	- 1	8.5	-	
Transport – Policy advice, ministerial servicing, governance, and other functions	66,852	64,897	57,561	46,926	45,926	45,926	
Auckland Light Rail Unit MYA	57,132	10,000	7		10.75	.50	
Total departmental appropriations	132,414	82,347	63,287	50,972	49,506	49,506	
			7				
Full OBU 2022 forecast	. 5	132,414	59,386	50,506	49,506	49,506	
Change from OBU 2022		(50,067)	3,901	466	82	20	

Non-departmental appropriations

	OBU	MBU 2023						
	2022	22/23	23/24	24/25	25/26	26/27		
A. CLASSES OF OUTPUTS TO BE SUPPLIED BY ORGS OTHER THAN THE DEPT	1/1							
Accident or Incident Investigation and Reporting	7,247	7,247	7,865	7,199	7,199	7,199		
Weather Forecasts and Warnings	25,724	25,724	25,724	25,724	25,724	25,724		
Land Transport Regulatory Services	8,173	5,473	10,873	8,173	7,923	7,923		
SuperGold Card – Administration of the Public Transport Concessions Scheme MCA	95	95	95	95	95	95		
Maritime Regulatory and Response Services	9,299	9,299	9,299	9,299	9,299	9,299		
Road User Charges Investigation and Enforcement	6,986	6,986	3,779	3,779	3,779	3,779		
Road User Charges Refunds	3,120	3,120	3,010	3,012	3,012	3,012		
Clean Car Standard - Operation	14,908	14,908	11,842	11,842	11,842	11,842		
Health and Safety at Work - CAA	1,201	1,201	1,201	1,201	1,201	1,201		
Health and Safety at Work - Maritime	10,544	10,544	10,814	11,124	11,244	11,244		

	OBU			MBU 2023		
	2022	22/23	23/24	24/25	25/26	26/27
PGF - Supporting Regional and Infrastructure Projects MCA	984	984	1,000	-	1-	-
Protection Transport Agency Functions MYA (AvSec)	117,968	83,548	34,420		-	-
Protection Transport Agency Functions MYA (CAA)	23,593	17,800	5,793		1=:	-
Protection Transport Agency Functions MYA (MNZ)	31,745	22,330	9,415	1=1	1	=
Restoration SH1 between Picton and Christchurch MCA	5,144	5,144	.5	18.1	0	=
Administration of the Automatic Dependent Surveillance- Broadcast Transponders Rebate Scheme	272	272		<	1081	.
COVID-19 - NLTF Operating Cost Pressure and Revenue Shortfall Funding MCA	44,533	43,533	1,000		1-	-
Capital Investment Package - Operating costs MCA	25,690	2,000	23,690	-	1-	-
Civil Aviation and Maritime Security Services	2,624	2,624	2,142	1,924	1,924	1,924
Clean Vehicle Discount Scheme – Administration MYA	8,000	8,000	8,000	8,000	8,000	8,000
Rail – Grants MYA	42,906	41,884	38,810	11,363	11,552	13,359
Funding for temporary decreases in Fuel Excise Duty, Road User Charges, Public Transport fares and Railway Track User Charges MYA	900,781	1,618,781	Ħ	¥	æ	¥
Community Connect - Administration of Community Connect MCA	3,934	5,807	317	211	211	211
Public Transport Bus Decarbonisation MYA	4,290	4,290	8,965	13,695	13,695	13,695
Ground-based navigation aids (GBNAs) for aviation safety	-	-	400	400	400	400
Rail - Maintenance and Renewal of the Rail Network MYA	537,425	456,579	530,841	389,975	Œ	<u> </u>
Clean Vehicle Discount Administration Costs PLA	8,000	8,000	8,000	8,000	8,000	8,000
Mode Shift - Mode-Shift Operating Costs MCA	22,000	22,000	24,500	(2)	-	=
Administration of the Clean Car Upgrade MCA	7,865	7,865	8,958	(2)	-	=
Retaining and Recruiting Bus Drivers MYA	13,000	13,000	15,000	16,000	17,000	-
Social Leasing Scheme Trial	1,950	1,950	-	=1	i=	-
Auckland Light Rail – Detailed Planning Phase MYA	20,095	82,302	70,443	720	100	-

	OBU			MBU 2023		
	2022	22/23	23/24	24/25	25/26	26/27
National Land Transport Program PLA	2,282,463	1,567,643	3,584,516	3,799,707	3,864,212	3,594,705
Search and Rescue and Rec Boating Safety Act PLA - CE	13,659	15,159	13,459	13,459	13,459	13,459
Search and Rescue and Rec Boating Safety Act PLA - 3rd parties	10,766	10,766	15,834	16,737	5,193	5,193
Waka Kotahi Regulatory Functions PLA		3,850	31,350	34,870	34,870	11,670
Sub-total	4,216,984	4,130,708	4,521,355	4,396,509	4,059,834	3,751,934
B. OTHER EXPENSES				1,	081	
Membership of International Organisations	863	863	863	863	863	863
Bad Debt Provision – MVR/ Licencing and RUC	4,000	4,000	4,000	4,000	4,000	4,000
SuperGold Card – Public Transport Concessions for Cardholders MCA	35,777	36,021	36,021	37,021	37,021	37,021
PGF - Enabling Infrastructure Projects (NZTA) MCA	9,681	9,681	'O'-	-	65	-
PGF - Enabling Infrastructure Projects (KiwiRail) MCA	5,700	150	5,550	184	(I .a.	=
KiwiRail Holidays Act Remediation	1,129	1,129	-	554	(5.	=
Waka Kotahi NZ Transport Agency Palmerston North	1,500	1,500	-	-	-	-
Maintaining international air services MYA	203,874	203,874	-	-		-
Maintaining essential transport connectivity MYA	6,171	3,671	=	=	=	=
Automatic Dependent Surveillance-Broadcast Transponders Rebate Scheme MYA	7,778	7,778	Œ	The state of the s	œ	=
Water Search, Rescue and Safety Frontline Services	15,145	15,145	15,145	15,145	15,145	15,145
Auckland City Rail Link Targeted Hardship Fund MYA	2,142	2,142	2,206	587	NE.	_
Auckland City Rail Link - Operating MYA	3,019	3,019	4,227	1,900	1-	-
Clean Vehicle Discount Scheme – Rebates MYA	82,513	147,172	-	-	11-	-
Recreational Aviation Safety Activities PLA	370	370	-	-	11-	-
Housing Infrastructure Fund - Fair Value Write Down	22,419	22,419	-)=·(11-0	-
Community Connect - Community Connect Concessions MCA	24,249	22,376	24,349	24,335	24,335	24,335

	OBU			MBU 2023		
	2022	22/23	23/24	24/25	25/26	26/27
Capital Investment Package - Third party projects MCA	1,000	:-	1,000	-	1-	-
Clean Vehicle Discount Rebates PLA	123,687	176,431	154,984	133,101	114,184	107,977
Mode Shift - Mode-Shift Third- Party Activities MCA	86,000	45,000	278,000	1=1	l=i	-
Supporting a Chatham Islands Replacement Ship	6,000	6,000	-	-	i.e.i	-
Clean Car Upgrade – Grants MCA	7,644	7,644	6,692		0	<u>-</u>
Transport Connectivity with Isolated Communities	,-	2,500	-	-	081	-
Eastern Busway Project	N=11	200,000		() =	Y = 1	2
Sub-total	650,661	918,885	533,037	216,952	195,548	189,341
C. CAPITAL INVESTMENTS IN ORGS OTHER THAN DEPTS			2	20		
Civil Aviation Authority – Capital Injection MYA	66,160	49,408	60,071	-		-
Clean Car Standard - Capital	12,426	11,426	1,000	-		<u> </u>
Rail - KiwiRail Holdings Limited	834,987	723,372	1,047,843	751,786	470,226	93,828
NLTF Borrowing Facility for Short- Term Advances	750,000	750,000	750,000	750,000	750,000	750,000
Regional State Highways MYA	30,293	22,293	4,000	-		-
Rail - KiwiRail Equity Injection	32,449	4,960	7,500	4,000	2,500	7,500
Rail - NZ Railways Corp Equity Injections MYA	49,088	52,550	126,338	-	12	=
COVID-19 - NLTF Capital Cost Pressure Funding MCA	1,000	1,000	-	141	114	-
COVID-19 Equity Injection to Waka Kotahi NZ Transport Agency MCA	1,000	1,000	ä	-	E	<u>u</u>
JV Airports	-	-	500	500	500	500
Auckland City Rail Link MYA	448,000	472,000	386,500	14,647		=
Rebuild SH1 between Picton & Christchurch MCA	431	431	-	H	-	-
Housing Infrastructure Fund Loan MYA	301,500	301,500	-		III	-
Waka Kotahi NZ Transport Agency Regulatory Loans MYA	30,000	30,000	14,000	:=1	11=	-
PGF - Rail projects MCA	2,459	5,450	3,841	10,366	Ξ	=
PGF - Infrastructure Projects MCA	20,170	20,170	26,540	-	(-)	-
National Land Transport Programme Loan 2021 – 2024 MYA	880,000	740,000	1,060,000		-	-

	OBU			MBU 2023		
	2022	22/23	23/24	24/25	25/26	26/27
Capital Investment Package - Funding for Crown Assets MYA	844,730	586,837	874,748	770,861	880,945	723,209
Clean Vehicle Discount Scheme – Capital costs and equity injection into Waka Kotahi NZ Transport Agency	500	500	-	-1	1-	-
Maritime New Zealand – Capital Injection	1,000	1,000	100	ā.	-	-
Mode Shift - Mode-shift Crown Assets MCA	1,000	.=	1,000	5-	Ō	=
Auckland Light Rail Limited – Capital injection	25,698	25,698	302	-	00-	-
Auckland Light Rail Strategic Land Acquisition MYA	1=	38,400	92,600	/	100	=
Ngauranga to Petone Shared Pathway Project	-	80,000			=	H
National Land Transport Programme - New Infrastructure for and Renewal of State Highways PLA	619,215	617,835	17,060	20,380	76,310	487,940
Maritime NZ Capital Expenditure PLA	205	205	105	105	105	105
Joint Venture Airports - Crown Contribution MYA	7,830	7,830	-			-
Sub-total	4,960,141	4,543,865	4,474,048	2,322,645	2,180,586	2,063,082
(
Total Non-Departmental Appropriations	9,827,786	9,593,458	9,528,440	6,936,106	6,435,968	6,004,357
Full OBU 2022 forecast	7,	9,827,786	9,211,767	6,834,319	5,892,909	5,834,327
Change from OBU 2022		(234,328)	316,673	101,787	543,059	170,030
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ANNEX 1: TAGGED CONTINGENCIES AS AT 14 FEBRUARY 2023

Tagged contingencies	Туре	Entity	Expiry	2022/23 (\$000s)	2023/24 (\$000s)	2024/25 (\$000s)	2025/26 (\$000s)	2026/27 (\$000s)	Total	Comment
Transmission Gully (Vote Finance)	Operating	Waka Kotahi	1/04/2024	130,600	-	>		2	130,600	Tagged contingency sits in Vote Finance
Supporting a Chatham Islands Replacement Ship to Enable Critical Transportation Services	Operating	Ministry of Transport	30/06/2023	5,020	24,080	2	7 V		29,100	An extension to the expiry is requested in this submission
Supporting Implementation of Initiatives Detailed in the Enabling Drone Integration Package	Operating	Civil Aviation Authority	30/06/2023	1,590	2,255	1,635	1,637	1,637	8,754	An extension to the expiry is requested in this submission
Supporting Implementation of Initiatives Detailed in the Enabling Drone Integration Package	Capital	Civil Aviation Authority	30/06/2023	1,000	500	250	-	-	1,750	An extension to the expiry is requested in this submission
Enabling Timely Delivery of City Rail Link by Addressing Project Cost Pressures	Capital	City Rail Link Limited	30/06/2023		180,000	100,000	80,000	1	360,000	An extension to the expiry is requested in this submission
Cleaner Vehicles for Low- Income New Zealanders - Social Leasing Scheme	Operating	Waka Kotahi	30/06/2023	8,050	10,000	-	-	-	18,050	An extension to the expiry is requested in this submission
Cleaner Vehicles for Low- Income New Zealanders - Vehicle Scrap and Replace Scheme	Operating	Waka Kotahi	30/06/2024	-	-	242,900	294,050	-	536,950	

Tagged contingencies	Туре	Entity	Expiry	2022/23 (\$000s)	2023/24 (\$000s)	2024/25 (\$000s)	2025/26 (\$000s)	2026/27 (\$000s)	Total	Comment
Auckland Light Rail - Progressing the Next Phase of Project Delivery	Capital	Auckland Light Rail Limited	30/06/2024	-	-	-	<	108	_	The tagged contingency has been fully drawn down – refer to section 9.3 above.
Project iReX	Capital	KiwiRail	1/02/2026	-	-	142,121	145.335	12,544	300,000	
New Zealand Upgrade Transport Projects	Capital	KiwiRail	1/02/2030	-	-	16,000	200,000	55,000	271,000	
New Zealand Upgrade Transport Projects	Capital	Waka Kotahi	1/02/2030	12,000	347,000	360,000	395,000	200,000	1,314,000	\$280 million was drawn down for the Eastern Busway and Ngauranga to Petone projects – refer to section 9.2 above.
New Zealand Upgrade Transport Projects	Capital	Joint Ministers	1/02/2030	240,000	M.	-	-	-	240,000	
Total				398,260	563,835	862,906	1,116,022	269,181	3,210,204	
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	(5KX								

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Document 8

15 February 2023 OC230050

Hon Michael Wood Action required by:

Minister of Transport Thursday, 23 February 2023

VOTE TRANSPORT CONTINGENT ASSETS AND LIABILITIES SIGN OFF AS AT 31 DECEMBER 2022

Purpose

Seek your Ministerial certification of the register of contingent assets and liabilities for Vote Transport as at 31 December 2022 by 23 February 2023.

Key points

- Te Manatū Waka must maintain a register of Vote Transport's contingent assets and liabilities. This register covers both Crown and departmental (Ministry) contingencies.
- Six-monthly Ministerial certification of the contingencies is part of the financial reporting requirements for Crown reporting entities. The Ministry provides a copy of your certification to the Treasury.
- By signing the attached certificat on of contingent assets and liabilities, you are certifying that you are not aware of any omissions from the register.
- There are two new entries on the register from the previous six-monthly sign-off (30 June 2022) These relate to Transmission Gully and Pūhoi to Warkworth Public-Private Partnership cost claims, primarily due to delays and costs caused by COVID-19, and City Rail Link Limited COVID-19 additional cost claims. While both meet the reporting requirements as contingent liabilities, neither can be quantified at this stage.
- Four other Crown contingent liabilities remain on the register from the previous sixmonthly sign-off. Only one Crown contingent liability meets the reporting requirements as it is not considered remote. This is the emergency guarantee of up to \$10 million provided to the Transport Accident Investigation Commission if it needs to obtain specialist recovery equipment for use after a major marine, air or rail accident.

Recommendations

We recommend you:

note the two new entries in the Vote Transport register of contingent assets and liabilities as at 31 December 2022, relating to Transmission Gully and Pūhoi to

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Warkworth Public-Private Partnership cost claims and City Rail Link Limited COVID-19 additional cost claims

2 agree that you are not aware of any contingent assets or liabilities that have been omitted from the Vote Transport register of contingent assets and liabilities as at 31 December 2022

Yes / No

3 sign the attached certificate of contingent assets and liabilities to that effect by Thursday, 23 February 2023, for Te Manatū Waka to forward on to the Treasury no later than Friday, 24 February 2023

Melale

Paul Laplanche
Chief Financial Officer

15 / 02 / 2023

Hon Michael Wood Minister of Transport

....1.....1.....

Minister's office to complete: ☐ Approved

☐ Seen by Minister

Not seen by Minister

☐ Declined

☐ Overtaken by events

Comments

Contacts

Name	Telephone	First contact
Alice Kavwenje, Financial Controller	s 9(2)(a)	✓
Paul Laplanche, Chief Financial Officer		
OFFICIAL IN		

VOTE TRANSPORT CONTINGENT ASSETS AND LIABILITIES SIGN OFF AS AT 31 DECEMBER 2022

A register of contingent assets and liabilities is required to be maintained

- Te Manatū Waka must maintain a register of Vote Transport's contingent assets and liabilities. This register covers both Crown and departmental (Ministry) contingencies.
- The definition of a contingency, for accounting purposes, is where there is a possible asset or liability arising from a past event, but the existence of this asset or liability will be confirmed only by the occurrence of uncertain events not wholly within the control of the entity.
- Contingencies are not recognised in the financial statements. However, an entity is required to disclose information in its financial statements about any contingencies, unless the possibility of the triggering event is remote.
- Six-monthly Ministerial certification of the contingencies is part of the financial reporting requirements for Crown reporting entities. The Ministry provides a copy of your certification to the Treasury, with the 31 December 2022 sign-off required to be provided to the Treasury no later than Friday, 24 February 2023.
- By signing the attached certificate of contingent assets and liabilities, you are certifying that you are not aware of any omission from the register.

There are two changes to the Crown contingency register since the previous sign-off was completed

- The Ministry has included two new contingent liabilities to the register since the previous sign-off was completed (as at 30 June 2022). The new contingent liabilities are for:
 - 6.1 Public Private Partnership claims, primarily due to COVID-19: Waka Kotahi is a party to two public-private partnerships (PPPs), Transmission Gully and Pūhoi to Warkworth. Both are subject to disputes and settlements, largely related to COVID-19 impacting progress and causing delays. Waka Kotahi is currently working through these disputes with the contractors, including using independent reviewers, but has not been presented with evidence to indicate an amount of the claim with any certainty to allow a liability to be measured and recognised.
 - 6.2 City Rail Link Limited (CRLL) COVID-19 additional cost claims: The Link Alliance is delivering the biggest package of works for the Auckland City Rail Link. CRLL has received claims from Link Alliance for COVID-19 costs. These claims cover the period 30 June 2020 to 30 June 2022 and are currently being reviewed by an independent estimator appointed by Link Alliance participants. The claims are material and complex, and until CRLL and the other Link Alliance participants have received and considered the work of the independent estimator it is not possible to provide a reliable estimate or robust guidance on the likely outcome of such claims or the quantum of any settlement. CRLL still anticipate settlement of the claims will occur in 2022/23.

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The four other contingent liabilities are entries that have been on the register for a number of years. Only one of them meets the criteria to be disclosed in the financial statements. None of the contingencies have been called upon to date.

Transport Accident Investigation Commission (TAIC)

- An emergency guarantee of up to \$10 million if TAIC needs to obtain specialist recovery equipment for use after a major marine, air or rail accident. The occurrence must be beyond TAIC's normal range of capabilities, and the usual channels for accessing emergency funding cannot be used. This guarantee has been in place since December 2001.
- It is not possible to judge whether the likelihood of an event that would trigger the liability is remote or not, and so the contingency is disclosed in the financial statements.

New Zealand Oil Pollution Fund (NZOPF)

- An indemnity for costs of a rapid response to an oil spill. The indemnity only applies if the reserves of the NZOPF are less than \$2 million, and is for the amount by which the reserves are less than \$2 million. This has been in place since November 2013.
- The Ministry and Maritime New Zealand (as the organisation administering the NZOPF) consider the likelihood of an event that would trigger the liability to be remote, and so the contingency is not disclosed in the financial statements.

Waka Kotahi, in respect of the Transmission Gully project

- An indemnity for an unquantified amount to give financiers assurance that the Crown will meet any repayment obligations should Waka Kotahi default on its commitments. The Crown provided the guarantee in July 2014.
- The Ministry and Waka Kotahi consider the likelihood of an event that would trigger the liability to be remote, and so the contingency is not disclosed in the financial statements

Waka Kotahi, in respect of the Puhoi to Warkworth project

- An indemnity for an unquantified amount to give financiers assurance that the Crown will meet any repayment obligations should Waka Kotahi default on its commitments. The Crown provided the guarantee in November 2016.
- The Ministry and Waka Kotahi consider the likelihood of an event that would trigger the liability to be remote, and so the contingency is not disclosed in the financial statements.

Contents of the Ministry of Transport's Register

There are no contingent assets and liabilities in the Ministry's register as at 31 December 2022.

Hon Michael Wood

MP for Mt Roskill

Minister of Immigration Minister of Transport Minister for Workplace Relations and Safety



CONTINGENT LIABILITIES AND CONTINGENT ASSETS – 31 DECEMBER 2022

In accordance with Cabinet Expenditure Control Committee minute ECC(91) M21/4 of 7 May 1991, I hereby certify that I am unaware of any contingent liability or asset that has been omitted from the Statement of Contingent Liabilities and Contingent Assets as SELECTION OF THE SECONDARY OF THE SECOND reported in the register at 31 December 2022 prepared by the Ministry of Transport.

Name of Ministry: Ministry of Transport

Minister: Hon Michael Wood, Minister of Transport

Signed:

Date:



16 February 2023 OC230111

Hon Michael Wood Minister of Transport

VISIT TO WELLINGTON AIRPORT

Snapshot

You will meet with Matt Clarke, Chief Executive, during a visit to Wellington International Airport.

Time and date	Monday, 20 February 2023
Venue	Wellington International Airport
Attendees	Matt Clarke, Chief Executive
Officials attending	None
Agenda	Aviation sector COVID-19 recovery and response. Decarbonisation of aviation, including the future of electric and zero emissions flights. The aviation sector's plans for meeting future traveller demand.
Talking points	s.6(a), s 9(2)(f)(iv)

Contacts

Name	Telephone	First contact
Tom Forster'	s 9(2)(a)	
Manager, Economic Regulation		
Ken Hopper		
Senior Licensing Adviser		

Visit to Wellington Airport

Aviation sector COVID-19 recovery and response

- A group of aviation sector Chief Executives, including Matt Clarke of Wellington Airport, wrote to Ministers Wood, McAnulty (when he was Associate Transport Minister), and Verrall (as Minister for COVID-19 Response) in late December 2022, to update Government on the significant operational pressures facing New Zealand's aviation sector during the holiday period.
- A reply has been prepared and was about to be sent by Minister McAnulty on behalf
 of Ministers Wood and Verrall. This has been paused due to the recent Cabinet
 reshuffle, and will now be sent by Minister Allan once the delegations are confirmed.
- The aviation sector is under pressure from a sharp increase in travel volumes against
 the backdrop of our international borders reopening in 2022, coupled with significant
 resource constraints, including staff shortages across the system, as a result of the
 pandemic.
- We have moved from COVID-19 response to recovery, though there are still some COVID related measures in place. The aviation sector would like to see a reduction, or removal, of the mandate for COVID cases to isolate for 7 days, and would welcome any move to a test-to-return for asymptomatic cases. The aviation sector believes this will help address the current staffing pressures across the system.
- Manatū Hauora regularly reviews public health measures and provides advice to Government on potential changes. Cabinet is due to review COVID-19 settings on 20 February 2023.
- Longer-term recovery efforts for the aviation sector are part of the global issue of workforce constraints across a range of sectors and skill shortages.
- There may be a quest on about immigration settings, particularly the median wage threshold for the Accredited Employer Work Visa. This is addressed in the reply to the aviation sector CE's letter that, as Minister of Immigration, you are not currently considering a sector agreement for the aviation industry, and that you encourage the sector to take a collective approach to workforce planning and development to identify what can be done within the current settings. This should be done in consultation with unions and other workforce representative groups.

Decarbonisation of aviation, including the future of electric and zero emissions flights

- Aviation accounts for six per cent of our domestic transport emissions.
- The Emissions Reduction Plan includes multiple actions to begin reducing our domestic aviation emissions and the 2022-2025 decarbonising transport action plan (DTAP) sets out in more detail the work needed to deliver these actions.
- One action from the DTAP is to form a sector leadership group to reduce aviation emissions. The Sustainable Aviation Aotearoa (SAA) group was established at the end of last year which you endorsed at the ministerial level.
- Jenna Raeburn (General Manager of Wellington Airport) is a member of SAA and attended the inaugural meeting in November 2022.

- Officials are now in the process of scoping and standing up working groups within SAA – with one looking specifically at zero emissions aviation (including electrification and hydrogen).
- This working group will explore zero-emissions aviation infrastructure, regulation, and zero-emissions aviation technologies.
- Another SAA working group is taking a more strategic view of sustainable aviation in New Zealand to establish the best mix and phasing of different fuel types in order to help inform the necessary infrastructure, as well as what regulatory changes may be needed to enable sustainable aviation.

The aviation sector's plans for meeting future traveller demand

- There is no economic regulation of domestic aviation. Domestic airlines can operate
 freely throughout the country, subject only to civil aviation safety and security rules.
- Most international airlines with rights to operate to New Zealand have the right to operate to Wellington. Among the exceptions are, e.g., Indian airlines, which can currently operate to Auckland only.
- An issue for airlines already operating to New Zealand is that the addition of a Wellington service could lead to fewer passengers on their existing Auckland and/or Christchurch services.
- Air New Zealand, Fiji Airways, Jetstar and Qantas currently operate international services at Wellington Airport. Prior to COVID 19, Singapore Airlines operated a Singapore service via Melbourne. Virgin Australia may look to resume its Wellington service.
- The Ministry is ready to negotiate for any international air rights that Wellington Airport considers necessary to its growth.
- By 2040, Wellington Airport anticipates catering to 12 million passengers per year (double its current numbers).
- One means being considered to cater for this growth is an extension of the runway to allow for larger and longer-range aircraft. This would likely take place at the Lyall Bay (southern) end of the runway.



Biography



Matt Clarke, Chief Executive

Matt has over 20 years' experience in the airport industry having first joined Infratil's airport team in Europe after serving as the Chief Executive of Rotorua Airport. He has been at Wellington Airport since 2010 as Chief Commercial Officer, playing a key role in the strategic development of the business before taking over as Chief Executive in 2022. He holds a Bachelor of Commerce degree from the University of

Business School and the New Zealand Institute of Directors.

at Accutive at Melbourne at Mel



Document 11

17 February 2023

OC230102

Hon Michael Wood Minister of Transport Action required by: Monday, 20 February 2023

SUSTAINABLE BIOFUELS OBLIGATION - IMPACT OF DECISION TO DISCONTINUE

Purpose

This briefing outlines the likely impact of the decision to discontinue the Sustainable Biofuels Obligation on the transport sector's ability to meet its expected emissions reductions. While the impact of the Biofuels decision will not be able to be fully offset within the transport sector alone, we suggest some options for how transport could contribute to filling the gap left by Biofuels in current and future emissions budgets.

Key points

- As you know, the Sustainable Biofuels Obligation was an important component of the
 policies and actions outlined in the transport chapter of the ERP. The decision not to
 proceed with the obligation will have an impact on both transport's ability to meet our
 estimated emissions reductions and the overall emission budgets for New Zealand.
- Biofuels was a particularly important ERP action in the short-term because it is one of the
 few transport actions with the potential to rapidly reduce emissions while we transition
 away from internal combustion engine vehicles, and as such, serve as an interim source
 of emissions reductions until longer-term benefits from mode-shift and fleet transition
 actions can be felt.
- Biofuels was expected to make up around half of transport's quantified contribution to the
 first three emissions budgets. Removing Biofuels without replacing its impact means
 transport is estimated to fall short of its estimated emissions reductions for the first
 emissions budget and make it more challenging to meet the second and third emissions
 budgets § 9(2)(g)(i)

•	s 9(2)(h)		

s 9(2)(h)	
s 9(2)(f)(iv)	2
Recommendations	CAN NOO
We recommend you:	
note that the Sustainable Biofuel Obligation was significantly towards estimated transport emission area targets	estimated to contribute ns reductions and the focus
9(2)(f)(iv)	
Genevieve Woodall	Hon Michael Wood
Manager, Emissions Programme Office, Ministry of Transport	Minister of Transport
1 1	11

Minister's office to complete:	☐ Approved	□ Declined
	☐ Seen by Minister	☐ Not seen by Minister
	☐ Overtaken by events	
Comments		
Contacts		

Name	Telephone	First contact
Genevieve Woodall, Manager, Emissions Programme Office	s 9(2)(a)	\(\sigma_0^2\)
Holly Walker, Manager, Environment and Emissions Strategy		105
Ella Sparrow, Senior Adviser, Emissions Programme Office		
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SUSTAINABLE BIOFUELS OBLIGATION - IMPACT OF DECISION TO DISCONTINUE

Part 1: Understanding the impact of the decision not to progress the Sustainable Biofuels Obligation

The Emissions Reduction Plan (ERP) establishes targets to ensure delivery against our long-term climate change commitments

- To drive New Zealand's contribution to the global effort of limiting warming to 1.5°C, Aotearoa has adopted a series of **domestic emissions reduction targets** in legislation. The Climate Change Response Act 2002 (CCRA) requires:
 - 1.1 all greenhouse gases, other than biogenic methane, to reach net zero by 2050
 - 1.2 a minimum 10 percent reduction in biogenic methane emissions by 2030, and a 24 to 47 percent reduction by 2050 (compared with 2017 levels)
- To ensure New Zealand is on track to meet our long-term targets, a series of interim targets, called **emissions budgets** have been established. Emissions budgets specify the amount of greenhouse gas emissions permitted over a five-year period, or four years in the case of the first emissions budget. Emissions budgets will get smaller over time, helping Aotearoa to step progressively towards our 2050 target. The first three emissions budgets for Aotearoa have been set by the Minister of Climate Change.
- Sub-sector targets were also established in the first ERP to track progress across key sectors over each emissions budget period. Meeting these sub-sector targets is not a requirement of the CCRA and it was expected that across sectors there would be both under and over achievement for meeting the sub-sector targets. An adaptive management approach to meet the legislated targets will be used to help Government respond to unforeseen changes and seize any opportunities to reduce emissions faster or change focus if required.
- The transport sub sector targets published in the ERP for the first three emission budgets were based in part on the Climate Change Commission's recommendations for the level of emissions reduction transport could achieve. However, transport officials estimated that transport was in a better position to decarbonise quicker than some other sectors and could therefore contribute more to emissions budget one than the Climate Change Commission recommended.
- New Zealand's ability to achieve the first emissions budget across all sectors was therefore based on an assumption that transport would achieve this higher level of emissions reduction (referred to going forward as the **estimated emissions reduction from transport**).

The estimated emissions reduction from transport were quantified based on policies and commitments that were already made at the time of publication. These policies and commitments were expected to enable transport to overachieve in the first emissions budget period, get us a significant way towards meeting the second emissions budget and less than half of the way to meeting the third emissions budget.

Table 1 Contribution of quantified commitments as at ERP publication

Contribution of current commitments to emissions reduction in MTCO2-e	Emissions budget 1	Emissions budget 2	Emissions budget 3
Level of abatement estimated by the CCC that informed the transport subsector target	1.0	8.7	24.5
Estimated abatement impact from all transport ERP initiatives (mid-point) – our emissions reduction goal	1.7	6.3	19,4

- As well as setting estimated emissions reductions, the transport chapter of the ERP set four transport targets that align with the three focus areas that guide our approach to reducing transport emissions. We refer to these as the **focus area targets**.
- The focus area targets provide guidance on how much effort is required to reduce transport emissions across the system and shape our policy and investment decisions to support the scale and pace of change required.
 - Target 1: Reduce total vehicle kilometres travelled by the light fleet by 20 percent by 2035 through improved urban form and providing better travel options.
 - Target 2: Increase zero-emissions vehicles to 30 percent of the light fleet by 2035.
 - Target 3: Reduce emissions from freight transport by 35 percent by 2035.
 - Target 4: Reduce the emissions intensity of transport fuel by 10 percent by 2035.
- Achieving the four focus area targets would enable transport to also meet its subsector target for emissions budget two and get very close to achieving emissions budget three.

The Sustainable Biofuel Obligation contributed significantly towards estimated transport emissions reductions and the focus area targets

- The transport chapter of the ERP outlined a suite of actions that would enable us to overachieve in the first emissions budget period and set the foundation for achieving our focus areas targets over the longer-term.
- Implementing the Sustainable Biofuels Obligation was estimated to contribute 58%, 48%, and 47% of our estimated emissions reductions for the three emissions budgets respectively (see table 2).

Part of the reason for the large contribution from biofuels, particularly in the short-term, is that while the ERP sets targets for a 20% light VKT reduction target by 2035 and establishes an expectation that freight mode shift will help to reduce emissions from heavy transport, internal combustion engine (ICE) vehicles are expected to remain a large component of the vehicle fleet in Aotearoa New Zealand for some time. Biofuels were expected to play an important transitional role (a short-term Improve mechanism) while the foundations for longer-term Avoid and Shift mechanisms (such as integrated land use planning and the creation of a National VKT reduction plan and programmes) were embedded.

Table 2 Estimated impact of Sustainable Biofuels Obligation

ERP analysis (MT CO2-e)	Emissions budget 1	Emissions budget 2	Emissions budget 3
Estimated emissions reductions from all transport ERP initiatives (mid-point)	1.7	6.3	9.4
Estimated emissions reduction impact from Biofuels (mid-point)	1.0	3.0	4.4
Biofuels share of total estimated transport emissions reduction	58%	48%	47%

Of all the transport commitments and policies quantified. Biofuels was estimated to have the biggest impact on emissions reduction. The different commitments and policies quantified and their relative contribution to the estimated reduction impact from transport are outlined in the graph below.

Estimated emissions reductions impacts from individual policy measures for Transport in Emissions Reduction Plan (central estimates only)



14 Biofuels was also a significant initiative to enable transport to meet focus area targets 3 and 4. Based on our analysis and current options available, focus area target 4 would be unachievable without Biofuels and achieving focus area target 3 would be considerably more difficult.



Part 2: Mitigating the impact of the Biofuels decision

