

NEW ZEALAND UTILITIES ADVISORY GROUP

Notes of Meeting, Thursday 24 July 2008

EEA premises, IPENZ, Wellington.

Items for sharing

- **the Code has been amended to incorporate many of the suggestions made by submitters and is going through final technical and legal audits**
- **NZUAG is currently developing an implementation plan to enable it to be released for voluntary implementation later this year. Mandatory implementation will follow when the required legislation has been passed.**
- **Summary of submissions and responses to them will go on NZUAG website shortly**

Action list

Who	What	When
Peter WF/Fiona	Complete the Code as agreed in the meeting, and get legal audit undertaken	Mid August
Ian/Peter Berry	Finalise clause 6.23	Mid August
Fiona/Ian	Prepare brief for legal audit, circulate to NZUAG	1 August
Fiona	Write to MED re KPIs	1 August
Stephen, Ian, Phillip, Peter Berry	Develop implementation plan for roll-out of Code for review by NZUAG	End August
Fiona	Tidy up Summary of Submissions, put on website and advise submitters	End July
Stephen, Ian, Phillip, Peter Berry	Develop brief for SNZ for review by NZUAG	8 September
Fiona	Finalise Annual report, put on website, email weblink and prepare hard copies for stakeholder CEOs	1 August

1 ATTENDANCE

David Fraser	Hastings DC (chair)
Phillip Eyles	LGNZ
Steve Kerr	Telecom
Weng Kei Chen	Christchurch City
Des Hughes	Auckland City
Tanya Ashby	ENA
Stephen Parker	GANZ
Peter Berry	EEA
Jack Hansby	Transit NZ
Joe Boyle	AUOG / TelstraClear
Peter Winefield	Participate
Mike Sim	MED
Lyndon Hammond	Land Transport NZ
Kerry Wood	MoT
Fiona Knight	NZUAG

Apologies

Ian Cox	Transit NZ
Mark Larsen	Telecom
Phil Consedine	North Shore City
Geoff Swainson	LGNZ
Peter Whitehouse	NZWWA
Ewan Gebbie	Vector NZ,
John Moore	AUOG
Andrew Dixon	Timaru DC

2 Notes of last meeting - 8 April 2008

Peter Berry clarified the difficulty of changing an NZ Standard which has been cited in legislation. When an NZS is changed, it may retain the same name but the year it was produced changes. This means that the legislative reference is then incorrect.

The minutes were confirmed as amended.

3 National code

Peter Winefield presented his report, noting that the Code was completed apart from one last change to clause 6.23. Ian Cox and Peter Berry are addressing this. Feedback from submitters had been positive and constructive with approximately 2/3 of suggestions being taken on board. The tangible cost was close to the budgeted \$250,000 but the contribution of time from about 100 people was closer to about \$2million.

It was pleasing to note such a degree of consensus on the content that the Directors group had not had to prepare a report detailing what they had been unable to agree on. This was achieved despite some difficult moments in discussions, and Peter appreciated every-one's positive input and assistance.

Next steps are to complete the Code, making any minor amendments as agreed at this meeting, undertake the legal audit, and get the Code available for implementation. There have already been several requests for copies of the Code to implement and the 7 Auckland councils have already programmed a meeting for 14 August to initiate the new corridor access procedures.

MED advised that the proposed legislation was being drafted and was still scheduled for introduction to the House by December 2008.

The Code was reviewed chapter by chapter and some amendments identified for Fiona to input and areas for Peter to check with those authors not present at the NZUAG meeting.

Fiona to prepare the brief for the legal audit and circulate this around NZUAG members for comment within 24 hours. It would include matters such as:

- ensuring the code was not ultra-vires any legislation,
- that it was legally possible to implement the Code now,
- references to statutes are correct
- the Rail chapter was in accordance with the law, recognizing that a Rail Amendment Bill is currently on the Order paper
- identifying any clauses that cannot be implemented at present
- checking disputes procedures against the latest legislation

In discussions, various points were noted:

- on Chapter 4 it was noted that the code was not mandating a national system, but that these requirements could feasibly be incorporated into systems such as RAMM.
- The proposed changes in the transport sector are heading towards a regional planning approach
- Changes had been agreed to clause 5.8 subsequent to the Code being circulated to NZUAG members. Fiona to circulate these changes separately.
- Where there are regional conditions developed across more than one Corridor Manager, these should be publicly available, using the Internet and website links
- The Code was developed to apply to utility access to the road and rail corridors, not to road manager's access to the road corridor. This to be considered as a separate project by NZUAG, as to how some works could be included in the processes specified in the Code. This was particularly important when road levels are lowered and thereby reduce the cover to utilities.
- The first re-draft of Chapter 14 had contained some KPIs but it was deemed not the appropriate place for these.
- The language that the Code is written in – apparently GML or XML aid the searchability of the document. The editor advises that the Code has been written in Word as her instruction from NZUAG was to prepare for a PDF file to be placed on the website.

Before being rolled-out for implementation now, there needs to be a paragraph indicating how the Code will be managed as a voluntary code until the legislation is passed. The Code is to be presented as a document developed by the sector for the sector and includes best practice. Peter Winefield to manage this. .

Agreed:

- Code to be amended as discussed and made available on request
- Code to be sent for legal audit ASAP
- Stephen to lead team developing full implementation plan
- Chapter 9 to be given to Auckland Councils for discussion on 14 August
- Fiona to circulate memo to all who attended the workshops advising of this process. Same memo to be used by NZUAG members to update their constituents

Discussed KPIs for the new Code. Agreed it was appropriate for NZUAG to develop these but that clarification was needed from MED as to their requirements. Fiona to write to Mike Sim.

David proposed a vote of thanks to Peter Winefield and his team of Directors for the sterling work on the development of the new Code. Fiona to ensure that this message is conveyed to all Directors.

4 Implementation of amended Code

Agreed to develop an implementation plan for the wider introduction of the Code. Stephen to lead the team of Peter Berry, Ian Cox and Phillip Eyles.

5 Analysis of submissions on the draft Code

Reviewed the 2 documents, the written report and the table of suggested amendments. Agreed to publish the reports on the NZUAG website only. Fiona to advise submitters, and NZUAG members of the weblink.

6 Review of NZUAG

Received Fiona's paper on options for restructuring NZUAG. Noted that this had not addressed the issue of liability of individual members of NZUAG.

David advised his intention of standing down as chairman, timing to fit with the new role/structure of NZUAG.

Issues discussed included the following:

Role of NZUAG:

- The Code was not the total expression of the work of NZUAG
- Need to agree what is to be delivered in relation to the Code before deciding structure
- The agreed role will determine the funding model
- KPIs for the Code may be an important feature for the future
- CDEM still an important issue along with the 17 CDEM regions
- Local authority sector will likely always want some access to the utilities sector for higher level discussions
- How to manage the two roles of operationalising the Code and policy issues

Structure:

- Does size matter when all members meet their own costs of involvement in NZUAG?
- Smaller groups require a real commitment from the representatives to report back to their constituents
- Whether the Telecommunications Carriers Forum (TCF) should represent the telco sector
- Can always contract in skills/ additional people as required

Agreed to have a special meeting to discuss governance issues, role, funding model and strategic planning. Members needed to discuss these issues within their own sectors prior to this meeting

7 Attendance by Standards NZ

(a) Discussion before SNZ arrived

In preparation for the visit by SNZ various issues were noted:

- Many of the organizations represented around the table did not use SNZ for producing their own Codes and documents
- SNZ has raised the issue of copyright - how much of the NZ Handbook 2002:2003 is copied into the new Code
- That if NZUAG wishes, it can develop a brief for SNZ to prepare a proposal to produce the Code
- The code already has wide industry involvement and buy-in

A specific topic discussed was how the Government might recognize the Code in the proposed legislation. MED advised that it would be a “stakeholder developed Code”, not an MED document. It did not have to be an NZ Standard, but could be if that was what the industry wanted – there are precedents for non-NZ Standards cited in legislation as agreed industry codes. The legislation would provide for the Minister of Economic Development, in consultation with the Ministers of Transport, Communications and Information Technology and Local Government to approve and enforce the use of a stakeholder-developed code of practice. If the industry cannot achieve this, the legislation would include back-stop powers for the government to do that itself.

Concerns were raised about contradictions in the Electricity Act that might inhibit the mandating of the code in other legislation. Members were reminded that the proposed Utilities Access Amendment Bill would be providing for amendments to several Acts, including the Electricity Act.

MED have since confirmed that under the proposed Utilities Access Amendment Bill existing legislation will be amended so that Ministers will approve the stakeholder developed Code under all the different Acts and it will be enforceable under all the Acts.

Agreed that the Code should be freely available, free for downloading from a website, but at cost of printing for hardcopy.

(b) Presentation by SNZ

Attendance by Rob Warner (Government and Strategic Engagement Manager) and Angela Henderson (Business Relations Manager).

SNZ is a not for profit, not for loss organisation, producing standards and other documents on request.

Rob spoke to a flier about SNZ, noting their core strengths are:

- Process is consensus based using industry experts
- SNZ has strong project management capability
- There are about 3000 NZ Standards
- SNZ is also involved in the deployment and implementation of standards
- SNZ can run projects on behalf of other agencies who then retain their own IP
- Standards are authorised by the SNZ Council

Issues raised by NZUAG included:

- How to retain flexibility for amendments?
 - Reviews are the same as developing a new standard. They ensure that the document is still fit for purpose from cover to cover
 - Amendments are usually for minor wording changes or fixing technical errors
- How costly would cost recovery of activities be?
 - Overall project management is usually sponsored
 - Participants on committee contribute in kind
 - Revenue is gained from the sale of products
 - Costs and revenue must balance for each project
- It takes on average 12 months to develop a standard
- In that the Code is developed by the industry, how much of the standard SNZ process could be cut out?

(c) Discussions following SNZ departure

Following SNZ departure, agreed Stephen Parker to develop a brief for SNZ to submit a proposal and identify the costs of doing these 2 tasks:

1. to manage the Code as a document
2. develop the Code as a NZ Standard

Stephen will use the subgroup of Peter Berry, Ian Cox and Phillip Eyles to assist.

8 Review of Annual Report

Discussed the draft Annual report. Agreed to include a paragraph on the future implementation of the Code.

Hard copies of the Code would be made available for CEOs of key stakeholder groups and these would be circulated with a covering letter. Fiona to put the PDF file on the NZUAG website, and circulate the weblink to NZUAG members to distribute amongst their own membership.

9 General Business

Noted that the NZUAG accounts are finally in a comprehensible format and accurate. Recorded thanks to Wayne Newman for undertaking this with the NZUAG accountant.

10 Date of next meeting

The next meeting will be held on Friday 12 September 2008. Des Hughes tenders his apologies. Venue will be the Paua Room at LGNZ.