



NZUAG Submission

New Zealand Infrastructure Commission Bill

May, 2019

Summary

The New Zealand Utilities Advisory Group (NZUAG) supports the establishment of the New Zealand Infrastructure Commission as proposed by the New Zealand Infrastructure Bill (the Bill), but seeks clarification on the Government oversight of the ***National Code of Practice for Utility Operators' Access to Transport Corridors*** (the Code) under the new arrangements.

Background

The Code is a nationally mandated Code established under the provisions of the Utilities Access Act 2010 (the Act). It governs the process which must be followed by utility operators seeking to access transport corridors for infrastructure work, and by corridor managers who grant that access.

The NZUAG is the industry-approved guardian of the Code, and is responsible for its oversight, implementation and review. NZUAG is governed by a board comprising equal representation of corridor managers (NZTA, Kiwi Rail, the Road Controlling Authority Forum and Local Government NZ) and utility operators (electricity, gas, water, and telecommunications) with oversight by an independent chair.

The Code of Practice for Utility Operators' Access to Transport Corridors

The purpose of the Code, as outlined in the Act, is to enable access by utility operators' to transport corridors to be managed in such a way that maximises the benefit to the public, while ensuring all utility operators are treated fairly, disruptions are kept to a minimum, safety is maintained and a nationally consistent approach to access is applied.

The Code contains a set of general principles that must be applied when utility operators are seeking access to transport corridors. These principles require parties to work together, to apply consistent and efficient procedures, to foster technical excellence and quality, to ensure equity and fairness, to respect others' assets and property rights and to promote safety.

The NZUAG is required to report annually to the Minister and industry on the performance of the Code. The report is based on data collected from the parties to the Code, including the number of requests from utility operators to access transport corridors (Corridor Access Requests), and the number of third party strikes on utility assets. The NZUAG is currently compiling its report on the activity for the previous year, and early indications are that infrastructure activity remains strong throughout the country.

The Code must be reviewed every three years. Proposed amendments, which are developed through an extensive consultation process, must be approved by the Minister. The Treasury Infrastructure Unit currently provides advice to the Minister on all Code related matters, including the application of the Code, and any proposed amendments.

It is important, therefore, to clarify where Government oversight of the Code will lie during the deliberations on the Bill.

Government Oversight of the Code

The NZUAG notes that there is alignment between the purpose of the Code and the main function of the proposed Infrastructure Commission which is “to coordinate, develop and promote an approach to infrastructure that encourages infrastructure, and services that result from infrastructure, that improve the well-being of new Zealanders”.

The NZUAG also notes that one of the support functions of the proposed Infrastructure Commission is “to provide and co-ordinate information about current and proposed infrastructure projects”. It will be essential that the Infrastructure Commission and the NZUAG work cooperatively together to avoid duplication of data and information collection and to ensure mutually beneficial outcomes for both organisations.

Further, the annual reporting on activity undertaken in compliance with the Code will provide the proposed Infrastructure Commission with valuable information.

Consequently, the NZUAG submits that, given this alignment, the responsibility for Government oversight of the Code be transferred to the proposed Infrastructure Commission. This responsibility could either be outlined in Schedule 1, or described in documentation that is made available once the legislation has been passed.

Conclusion

The NZUAG supports the Bill, and recommends that the responsibility for Government oversight of the Code be transferred to the Infrastructure Commission.

The NZUAG would like to present an oral submission on the Bill if appropriate.

Regards,

A handwritten signature in blue ink that reads "Paul Swain".

Hon Paul Swain
Independent Chair
NZUAG