



24 May 2019

Chair
Finance and Expenditure Select Committee

Thank you for the opportunity to present the NZUAG submission on the New Zealand Infrastructure Commission/Te Waihanga Bill.

At the end of our submission we were asked about how congestion of transport corridors is managed, or could be managed in the future. An example was given of new telecommunications infrastructure being rolled out in the National Broadband Initiative, the need to accommodate additional infrastructure and the likelihood of additional electricity infrastructure being required in the future to support new innovations such as electric vehicles.

Infrastructure congestion in transport corridors is acknowledged as a growing problem due to, among other things, ageing infrastructure that needs replacing, increasing demand for infrastructure and the emergence of more players in the market as a result of deregulation.

The NZUAG Code National Code of Practice for Utility Operators' Access to Transport Corridors recognises this issue and provides that this is something that must be resolved through communication and negotiation between transport corridor managers and utility operators impacted by the congestion. In general terms, the Code anticipates that, in congested corridors, abandoned or redundant infrastructure will be removed in order to install new or higher capacity infrastructure.

Where agreement cannot be reached, the Code provides for a dispute resolution to be instigated by one of the parties.

The process of resolving infrastructure congestion is an operational issue which best sits with the affected road corridor manager and local infrastructure owners, with the process for resolution being set out in the Code. The NZUAG does not see a role for the proposed Infrastructure Commission in resolving these issues, but it might be an issue which the NZUAG could report to the Commission if the Commission had broad oversight of the Code, as proposed by the NZUAG in its original submission.

Please get back to me if you have any further queries.

Regards,

Paul Swain

A handwritten signature in blue ink, reading "Paul Swain".

Independent Chair,
NZ Utilities Advisory Group