

Report on the Performance of the

National Code of Practice

for

Utility Operators' Access to Transport

Corridors

For the year 2022 / 2023

Prepared by the NZUAG

May 2024

Introduction

The Utilities Access Act 2010 requires utility operators and corridor managers to comply with a national code of practice. The *National Code of Practice for Utility Operator's Access to Transport Corridors*, (the **Code**) regulates access to transport corridors for the efficient and effective provision of transport and utility services to New Zealanders.

The New Zealand Utility Advisory Group (**NZUAG**), made up of representatives of the various infrastructure sectors, administers the code on behalf of the Minister for Infrastructure.

Under the provisions of the Code, the NZUAG is required to report to the Minister on the performance of the Code on an annual basis. The NZUAG is required to analyse the Code's performance, and to identify whether "Code compliance, operational understanding or quality control processes need attention and whether any amendments to the Code are necessary" (Code 8.2.3).

This report provides an analysis and interpretation of the 2022/2023 Key Performance Data (Code 8.2.2) collected from industry in the latter part of 2023.

Summary

As reported in previous year's reports, the response rate continues to be below a level that would allow meaningful detailed analysis and multi-year comparisons to be made, despite the mandatory reporting requirement contained in the Code. Response rates varied from 60% for the gas sector (100% in past years), down to only 10% for the water sector, although this could be in part be due to the focus of attention being on the level of uncertainty around the future shape of the water sector during the reporting period.

The following table presents response rates by sector over the five years return data has been being requested. Such analysis does need to be treated with caution, as the variability of responses rates makes cross-yearly comparisons and trend analysis uncertain. This is an area that NZUAG is continuing to work on, through investigations into the use of existing datasets to reduce data collection costs.

Sector	2018/19	2019/20	2020/21	2021/22	2022/23
Corridor Managers	55%	78%	49%	37%	34%
Electricity	38%	77%	58%	39%	19%
Gas	100%	80%	83%	100%	60%
Telecommunications	40%	46%	33%	27%	17%
3 Waters	36%	46%	30%	5%	10%

BACKGROUND

The *National Code of Practice for Utility Operator's Access to Transport Corridors* is a mandatory Code of Practice established under the provisions of the Utilities Access Act 2010. All corridor managers, and utility operators seeking to access transport corridors, are governed by its provisions. NZUAG is the industry-approved guardian of the Code, and is responsible for its oversight, implementation, and review. To assist in monitoring the Code's effectiveness, a set of key performance measures are specified in the Code, against which all corridor managers and utility operators are required to report annually.

The list of required measures is contained in section 8.2.2 of The Code:

- **Corridor Managers** are required to report on:
 - The number of Corridor Access Requests (CARs) submitted each year.
 - The number of completed Works Completion Notices (WCN's) received each year.
 - The number of non-conformance notices (NCN's) issued each year.
- **Utility Operators** are required to report the number of known third party damages incidents during that year.

The 2022/23 report on Code performance represents the sixth year of formal reporting.

Methodology

All corridor managers and utility operators were asked to provide data relating to the mandatory reporting requirements, as well as a Voluntary section based on some of the Code Effectiveness Working Group recommendations. The questions used to collect the data are set out in Appendix 1.

CORRIDOR ACCESS REQUESTS (CARs):

To allow a comparative analysis between Territorial Local Authorities (TLA's), and to account for variability between respondents and the fact that the number and identity of responses vary between years, a derived measure of *Total individual utility operator CAR equivalents per 1000km of network* has been introduced. This is an amalgamation of:

- the reported number of single utility operator CARs submitted.
- respondent estimates of the number of individual CARs that would have been required had utility operator global cars not been available; and
- respondent estimates of the number of individual CARs that would have been required for the number of Multiple Street utility operator CARs issued.

These numbers were then divided by the centre-line length of each TLA's road network to allow comparability between different TLAs.

WORKS COMPLETION NOTICES (WCN's):

While the analysis of CARs used a measure of total equivalent CARs, (including allowances for Global CARs and Multiple Street CARs), reported WCNs that relate to individual CARs have been used as there is a 1:1 correspondence between CARs and WCNs. This comparability is difficult if Global CARs and multiple street CARs are included in the analysis.

STRIKES:

Utility Operators of water, electricity, gas, and telecommunications assets were asked to provide the total number of strikes on their assets for 2020/21. These numbers are normalised by dividing total strikes by the total network length for each utility sector, allowing cross-utility sector comparisons.

Survey Results and Analysis

CORRIDOR MANAGER CAR NUMBERS

Table 1 below shows the total number of CARs reported by respondents for the previous 5 years. These figures would suggest that overall activity levels have returned to around what they were pre-Covid, and in terms of single CARs, remaining at similar levels to last year.

	2018/19	2019/20	2020/21	2021/22	2022/23
Single CARs submitted	46,314	38,924	71,355	41,608	40,706
Equivalent individual Global CARs	59,221	103,599	134,660	122,791	67,996
Equivalent individual Multiple Street CARs	19,165	59,288	70,014	25,398	10,088
Total:	124,690	201,811	276,029	189,797	118,790
Total equivalent CAR's per 1,000km of roading centreline	3.2	2.9	3.7	2.9	3.4

Table 1

WORKS COMPLETION NOTICES (WCN's)

Table 2 following provides a comparison of WCN to utility operator CARs submitted for the previous 5 years. What is positive and encouraging is the improvements in this ratio, suggesting that more work sites are being formally closed off with Corridor Managers, with flow-on impacts for warranty provisions.

	2018/19	2019/20	2020/21	2021/22	2022/23
Utility operator CAR WCN's/ utility operator CARs	0.44	0.43	0.46	0.54	0.59

Table 2

STRIKES ON UTILITY OPERATOR ASSETS

Table 3 shows the comparative reported strike numbers by sector, alongside strikes per 1000km of network length for the previous five years.

The very low response rate from Three Waters Utility Operators is disappointing, however it is acknowledged that the sector is significantly impacted by the current Water Reforms. This very low response rate though does mean the level of strikes reported is likely very unreliable.

Sector	Reported Utility Strikes				
	2018/19	2019/20	2020/21	2021/22	2022/23
3 Waters	2,084	2,435	1,102	158	210
Electricity	375	1,151	456	1,667	84
Gas	970	558	325	663	198
Telecommunications	10,133	8,501	7,265	4,992	3,751
	Utility Strikes per 1000 network Km's				
3 Waters	58	52	68	15	25.1
Electricity	14	17	8	32	2.4
Gas	73	43	24	46	0.4
Telecommunications	77	58	36	24	19.3

Table 3

LIAISON MEETINGS

Excluding what appear as 3 outlier values, a total of 75 liaison meetings were held (343 if all included), with an average of 3.6 per Corridor Manager. What remains concerning is that 4 out of the 24 Corridor Manager responders, or 17%, reported holding no liaison meeting at all during the year. This is an area where additional education on the benefit and value of liaison meetings could be beneficial, as such meetings are a key avenue for information sharing, which is central to the overall success of the Code.

VOLUNTARY SECTION (SECTION B)

Voluntary questions were again included as part of the survey this year. The aim of the questions was to test some of the recommendations made by the Code Effectiveness Working Group in their report tabled in May 2020. Net Promoter Score (NPS) is a common way to measure customer experience and can be used to predict business growth. Respondents are grouped in the following manner:

- Promoters (score 9-10) are loyal enthusiasts who will keep buying and refer others, fuelling growth.
- Passives (score 7-8) are satisfied but unenthusiastic customers who are vulnerable to competitive offerings.
- Detractors (score 0-6) are unhappy customers who can damage your brand and impede growth through negative word-of-mouth.

Subtracting the percentage of Detractors from the percentage of Promoters yields the NPS score, which was 68, up from 53 last year. While the Corridor Managers score was higher at 73, and the Utility Operators lower at 57, low response rates mean not too much should be read into the differences between groups.

The number of staff working in areas covered by the Code continues to be patchy, with 68% of all organisations having less than 20% of their staff trained in its use. Levels of training are better for Corridor Managers, with 27% having 80% or more staff trained, while no Utility Operators are in this category. It is

hoped that NZUAG's new *Introduction to the Code* on-line training course, introduced during the reporting period will help improve training levels. This initial course focuses on improving safety and awareness for those working in transport corridors, with over 80 people having completed it to date. Additional courses are being considered for development in the future, as funding allows.

Conclusion

The collection and reporting of the Key Performance Data is to measure the performance of the Code, however as previously reported the low return rate (Table 1) and the subjectiveness of the returns has made any detailed analysis difficult and thus any meaningful conclusions on the effectiveness of the Code.

While response rates to the annual return remain low, the NPS has increased, suggesting low engagement with the returns process is not due to a rejection of the overall value of the Code. Investigations into ways to obtain the necessary data from back-end systems, at least for Corridor Managers, would seem a sensible way forward, and something that NZUAG will pursue in advance of the 2023-24 reporting round. This would have the benefits of reducing compliance costs on contributing organisations, while at the same time providing a more comprehensive data set that would facilitate enhanced analysis and identification of trends.

As highlighted in previous reports, there is evidence that the Code is effective in some areas, such as the use of Global CARs, while in others like Utility Operators working without WAPs and the rate of project sign-offs, there remain areas for improvement. Uptake The key feedback received both through this survey and at liaison meetings is education is key.

With the triennial review of The Code now in its final stages of checking, following comprehensive industry input and consultation, NZUAG is hopeful that the Code will continue to provide a guide to best practice activity for Utilities seeing to access and work within transport corridors, along with providing the basis for improved process efficiencies and reductions in utility strikes across the sector.

The NZUAG board has expressed concerns with the continued relevance, accuracy, and meaningfulness of the report's measures, as well as a marked decline in reporting returns. The Board's Code Performance, Interpretation, and Disputes sub-Committee will address these concerns as part of our next review cycle.

Appendix 1 – Annual Return Questions

SECTION A: Mandatory

Corridor Manager Questions

Number of Corridor Access Requests (CARs)

- How many Utility-Operator-submitted CARs were submitted for the period 1 July 2022 - 30 June 2023?
- What percentage of these were submitted as Global CARs under the provisions of the National Code of Practice (s4.3.1.3)?
- Please estimate how many individual site CARs would have had to have been submitted instead of these Global CARs
- Have you received any CARs for multiple streets? Yes/ No
- Please estimate how many individual CARs would have been required if they were submitted for each individual street

Number of Works Completion Notices (WCNs)

- How many of these WCN's were related to Utility-Operator-submitted CARs for the period 1 July 2022 - 30 June 2023?

Number of non-Conformance Notices

- How many non-Conformance notices were issued for the period 1 July 2022 - 30 June 2023?
 - How many Utility-Operator-submitted CAR inspections required remedial actions?
- How many liaison meetings did you facilitate for the period 1 July 2022 - 30 June 2023, in accord with the provisions of the National Code of Practice (s2.7.2)?
- What is the total centre-line km length of your transport corridor?

Utility Operator Questions

- What utility type are you responding for? (*1 only per return*) Electricity, Gas, Telecoms, Water
- How many Utility Strikes did you record against your own underground assets within transport corridors for the period 1 July 2022 - 30 June 2023?
- In how many of these incidents had plans been requested?
- How long is your distribution network within transport corridors (total km)?

SECTION B: Voluntary

For Corridor Managers

- How likely are you to recommend the National Code of Practice for Utility Operator's Access to Transport Corridors to fellow Corridor Managers as a means of managing access to the road or rail corridor? (0 = not at all; 10 = definitely)
- What % of people involved in working with the Code in your organisation are trained in its use?
- What barriers, if any, would you see to more people accessing training on the Code?

The Code allows for the setting of Reasonable Conditions (s4.5) where these are consistent with requirements within the Gas Act, the Electricity Act, Auckland Council Act, and the Telecommunications Act. These can be set as either General, Local, or Special Conditions.

- Are there conditions being regularly specified in WAPs that could better be covered within the Code or Schedule B to the Code? If yes, examples would be appreciated.
- What system do you currently use to manage CAR Applications?
- Is your organisation currently a member of NZUAG? If not, what barriers are there to becoming a member?
- Are you aware of the current Code Review underway? More details can be found on our website <https://nzuag.org.nz/code-review/>.
- Are you planning to submit on the 2nd round which closes Friday 29th September?

For Utility Operators

- How likely are you to recommend the National Code of Practice for Utility Operator's Access to Transport Corridors to fellow Utility Operators as a means of managing access to the road or rail corridor? (0 = not at all; 10 = definitely)
- What % of people involved in working with the Code in your organisation are trained in its use?
- What barriers, if any, would you see to more people accessing training on the Code?

The Code allows for the setting of Reasonable Conditions (s4.5) where these are consistent with requirements within the Gas Act, the Electricity Act, Auckland Council Act, and the Telecommunications Act. These can be set as either General, Local, or Special Conditions.

- Are you regularly presented with conditions that are not General, Local, or Special as defined in the Code? If yes, any examples would be appreciated.
- Is your organisation currently a member of NZUAG? If not, what barriers are there to becoming a member?
- Are you aware of the current Code Review underway? More details can be found on our website <https://nzuag.org.nz/code-review/>.
- Are you planning to submit on the 2nd round which closes Friday 29th September?