

ANNUAL REPORT TO STAKEHOLDERS 2008/2009

I am pleased to present the Annual Report of the New Zealand Utilities Advisory Group for 2008/2009.

This is my first report to NZUAG stakeholders, as our previous chairman, David Fraser, stepped down in early March 2009. On behalf of you all, I thank David for leading NZUAG through the development of the new National Code. That was a very challenging task, and David's measured approach helped ensure the success of the project. We wish him well in his new role as Group Manager: Asset Management at Hastings District Council.

Our focus for the year was to refine the Code, through consultation, technical and legal reviews. Once again, the stakeholders provided valuable input and feedback which enabled us to launch the Implementation version of the Code by the end of our financial year.

I acknowledge the staff of the Ministry of Economic Development for keeping NZUAG up to date with the development of the legislation that will empower the Code, and helping to maintain a productive relationship with NZUAG and its stakeholders.

My sincere thanks to all of you who have participated in the continuing development of the Code.



Ian Cox
Chairman

National Code of Practice

The National Code is an industry-lead initiative to promote a nationally consistent approach for the management of access to the transport corridors (road and rail) by utility operators. The beneficiaries of both transport and utility services are the economy and the community. The project was initiated in 2007, following a review by the Ministry of Economic Development into issues pertaining to utilities in the road corridor and how this impacts on other infrastructure development. It is consistent with the proposed Infrastructure Bill.

The Code provides a consistent consultative framework for Corridor Managers and Utility Operators to manage the corridor while providing for the access rights of Utility Operators. It provides a set of guiding principles for Corridor Managers and Utility Operators.



An example of utility works in Berlin.

Representatives of all utilities, local authorities, the NZ Transport Agency and ONTRACK collaboratively developed the Code as the industry's own solution: a national code that would govern all aspects of utilities' access to the

road/rail corridors. While much of the development was done by a dedicated team of six people representing all sectors (the Directors' group), many others helped in working groups, and with peer and sector reviews.

The draft Code was launched in February 2008 at a series of seminars across New Zealand, attended by over 450 delegates from across all sectors. The intention of the seminars was to provide the context and rationale for the Code. Following the launch, NZUAG sought submissions on the content of the Code from the wider sector.

The Directors Group which oversaw the development of the Code was reconvened in April 2008 to review the 39 submissions received. Following their consideration, a copy of their responses to the suggestions made in submissions was released on the NZUAG website.

The Code thereafter underwent a technical review by David Hutchison of Downer EDI Works Ltd, a legal review by Chapman Tripp, and a professional edit. Following release of the Advance Copy of the new Code in December 2008, NZUAG invited further submissions, as a final quality check. Thirteen submissions were received and reviewed.

The Code was released in March 2009 for interim implementation. This provides the opportunity to identify any errors in the Code or impediments to its use throughout New Zealand prior to the enactment of the Infrastructure Bill.

A formal review will be conducted before the code is submitted to the Minister for ratification in accordance with the new legislation. This is expected to occur in 2010.

Background to NZUAG

The New Zealand Utilities Advisory Group (NZUAG) is a joint consultative group of network utility service providers (water and wastewater, telecommunications, electricity and gas), territorial local authorities, Transit New Zealand and industry bodies. It was formed in late 2001 to look at issues relating to utilities' activity in the road corridor, and to provide a forum for interface between the parties.

NZUAG is highly conscious of the need to ensure issues are not only identified and solutions are agreed, but that practical "on the ground" changes occur which achieve smooth and efficient delivery of all utilities in the roading corridor. NZUAG works collaboratively on issues.

Meetings are generally held 3 – 4 times a year in Wellington, with Wellington based representatives hosting meetings as in-kind payment equivalent to the airfares costs of out-of Wellington representatives.

Summary of NZUAG Activities

The NZUAG met in full on five occasions during 2008/2009, reflecting the importance of the development of the draft national Code and the need to ensure that the sector was fully engaged throughout its development.

Several topics were delegated for detailed consideration to a sub-group comprising Wellington based members of NZUAG under the chairmanship of Stephen Parker of GANZ. These included:

- the ongoing management of the Code
- key performance indicators
- role and structure of NZUAG

- mechanisms for funding the activities of NZUAG

On-going liaison with officials at the Ministry of Economic Development was maintained, with Mike Sim, Michelle Cave and Gareth Wilson attending regular NZUAG meetings as well as participating in other discussions as required.

NZUAG has continued to manage communications with the wider sector in a variety of ways,

- producing its third Annual Report: 2007/2008,
- maintaining the website for external communications,
- providing summaries of meetings and progress reports on the development of the Code for wider sector distribution

NZUAG continues to contribute to topical debate and policy development on a range of relevant issues, and provides assistance resolving concerns between utility operators and RCAs, presents at various meetings and conferences, as well as providing utility operator training sessions.

Its last activity for the year was the establishment of a series of implementation meetings to be held during May 2009 around the country.



Submissions on Advance Copy of Code

Following release of the Advance Copy of the new Code in December

2008, NZUAG received submissions for review.

Topics of concern to submitters included:

- Treating utilities differently and separately
- Ensuring that any party cannot abdicate from its responsibilities
- Prioritisation of space
- Designations
- Information sharing
- Marking services on roads

A copy of the suggestions made in submissions and the NZUAG response is available on the website. Decisions on some suggestions were deferred pending the review of the implementation of the Code, and will be reconsidered in the post-implementation review.

Introducing Ian Cox



Ian is a roading engineer with over 28 years experience, formerly with the Ministry of Works and Development and Transit New Zealand, and has been with the NZTA since its inception. He has worked in various parts of the country, most recently in Hamilton before moving to National Office in 2006 to take up a national operational role. Ian has been a member of NZUAG since 2006, a member of the National Code Director's Group, and was elected Chairman in March 2009.

Next actions on the Code

The Code is now being implemented in various locations around NZ. Details of the formal review of the Code will be available later in 2009 through sector representatives on NZUAG, and on the website.

The review will ensure that the Code is consistent with the legislation as enacted, so the timing will be dependent on when the Infrastructure Bill is introduced into the House. It is expected the process will include:

- formal submissions from across the sectors,
- the establishment of a small team to review submissions and make recommendations back to NZUAG,
- endorsement of the amended Code from the different sectors.

MED have advised that to achieve Ministerial approval, NZUAG will need to supply the agreed Code with supporting evidence of consultation and support from the sectors. MED will then review the development process for compliance with legal requirements stated in the Act.

Other NZUAG Activities

Other activities planned by NZUAG for 2009/2010 include how it can help those corridor managers who are less advanced in their preparations for implementing the Code. As part of the business planning process, NZUAG is also considering:

- how best to provide assistance on the disputes resolution process and the creation of a pool of knowledgeable mediators
- education, competence and training, whether for corridor managers, utility operators, consultants or contractors
- the RMA review process,
- infrastructure resilience,

- review of NZUAG's existing documents
- a half-yearly or annual forum

NZUAG Structure Review

In 2009 NZUAG will be consulting its stakeholders on what structure would best enable the sector to continue to carry out its wider functions, as well as manage the Code once it has been ratified by the Minister for mandatory implementation. Again, details will be available through sector representatives on NZUAG, and on the website.

NZUAG projects and activities are funded by the group's representatives. The willingness of each member organisation and all local authorities to fund our projects shows their commitment to the principles of NZUAG. This commitment has been vital to achieve such successful outcomes.

Engineering Excellence Award

NZUAG sponsored the Utilities and Networks Award for a fourth time. Our Awards sponsorship gives us a high profile in a key engineering infrastructure forum alongside many of our member organisations.

The award is for engineering excellence in activities associated with the reliable supply of utility services and/or their distribution networks to communities. Utilities includes water, waste, electricity, gas, oil or coal and/or communications.

For the second year running, the winner of the NZUAG sponsored Utilities and Networks Award also won the Supreme Award at the NZ Engineering Excellence Awards.

NZUAG congratulates the winners, the Arapuni Dam Foundation Remediation Project by the Arapuni Alliance, Brain Perry Civil, Damwatch Services, Mighty River Power and Trevi S.p.A on this outstanding achievement. This project was the first of its type to be undertaken while the dam remained full and operational.

The photo shows the proud representatives of the project partners, with former NZUAG chairman David Fraser at left.



In 2009, NZUAG is sponsoring the Young Engineer Award, which is awarded to a young engineer judged to have made the most excellent contribution as an engineer, as a leader, and/or through community involvement.

Contact us

This Annual Report is produced by the NZUAG, comprising representatives of Utility Network Operators and Road Controlling Authorities (including the NZ Transport Agency, Local Government NZ, and Ingenium).

Current NZUAG members are:

Chairman

Ian Cox, NZ Transport Agency

Utility network operators

Peter Berry, Electricity Engineers' Association

Tanya Ashby, Electricity Networks Association

Stephen Parker, Gas Association

Peter Whitehouse, Water NZ

Steven Kerr, Chorus

John Moore, Auckland Utility Operators Group

Road Controlling Authorities

Des Hughes, Auckland councils

Braden Austin, Ingenium (from Horowhenua DC)

Geoff Swainson, Local Govt NZ

Andrew Dixon, RCA Forum (from Timaru DC)

Weng Kei Chen, Christchurch City

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