

Proactive Release

This document is proactively released by Te Manatū Waka the Ministry of Transport.

Some information has been withheld on the basis that it would not, if requested under the Official Information Act 1982 (OIA), be released. Where that is the case, the relevant section of the OIA has been noted and no public interest has been identified that would outweigh the reasons for withholding it.

Listed below are the most commonly used grounds from the OIA.

<u>Section</u>	<u>Description of ground</u>
6(a)	as release would be likely to prejudice the security or defence of New Zealand or the international relations of the New Zealand Government
6(b)	as release would be likely to prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by <ul style="list-style-type: none"> (i) the Government of any other country or any agency of such a Government; or (ii) any international organisation
6(c)	prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
9(2)(a)	to protect the privacy of natural persons
9(2)(b)(ii)	to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information
9(2)(ba)(i)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public
9(2)(ba)(ii)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
9(2)(f)(ii)	to maintain the constitutional conventions for the time being which protect collective and individual ministerial responsibility
9(2)(f)(iv)	to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials
9(2)(g)(i)	to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty
9(2)(h)	to maintain legal professional privilege
9(2)(i)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities
9(2)(j)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

Te ripoata o te wiki mō te Minita o Te
Manatū Waka |
Weekly Report to the Minister of
Transport

For the week ending 1 September 2023

PROACTIVELY RELEASED BY
TE MANATŪ WAKA MINISTRY OF TRANSPORT

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1 ACTIONS FROM TRANSPORT OFFICIALS' MEETING

1 Actions from transport officials' meeting

Meeting with Te Manatū Waka Ministry of Transport (the Ministry) and Waka Kotahi NZ Transport Agency (Waka Kotahi)	Due date
<p>At the officials' meeting on 21 August 2023, you directed us to provide more information on options to support the Milford Opportunities Project Masterplan recommendation to manage access to the Milford Road, which could involve legislative change. We are currently assessing potential pathways to achieve the Masterplan objectives and will brief you on the key options and possible sequencing in the week ending 15 September 2023. Meanwhile, the Unit will continue to assess alternative options to manage access to Milford Road alongside the Masterplan recommendation as directed by Cabinet in June 2023.</p> <p><i>Responsibility: Nick Potter, Acting Manager, Placemaking and Urban Development</i></p>	<p>We will provide you with a briefing in the week ending 15 September 2023.</p>

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2 UPCOMING BRIEFINGS

2 Upcoming briefings

Briefings to Minister Parker	Due date
<p>s 9(2)(f)(iv)</p> <p><i>Responsibility: Chris Gulik, Acting Director, Auckland Light Rail</i></p>	Week ending 8 September 2023.
<p>Aide Memoire: Correspondence from North Shore Aero Club [Legally Privileged]</p> <p><i>Responsibility: Brendan Booth, Chief Legal Adviser and Manager, Procurement</i></p>	Week ending 8 September 2023.
<p>Proactive release of Cabinet material on transport recovery and rebuild following the severe weather events</p> <p><i>Responsibility: Nick Paterson, Manager, Cyclone Recovery</i></p>	Week ending 8 September 2023.
<p>Draft Transport Orders-In-Council to Be Submitted to Review Panel and Consulted With Party Leaders (Tranche 6)</p> <p><i>Responsibility: Carmen Mak, Director, System and Regulatory Design</i></p>	Week ending 15 September 2023.
<p>Ministerial Direction to Waka Kotahi to Collect Tyre Product Stewardship Fees</p> <p><i>Responsibility: Helen White, Manager, Mobility and Safety</i></p>	Week ending 15 September 2023.
<p>Official Information Act Request from s 9(2)(a) Regarding the Emerging Preferred Option for the Waitematā Harbour Connections Project</p> <p><i>Responsibility: Karen Lyons, Director, Auckland</i></p>	Week ending 15 September 2023.
<p>Official Information Act Request from s 9(2)(a) Regarding the Emerging Preferred Option for the Waitematā Harbour Connections Project</p> <p><i>Responsibility: Karen Lyons, Director, Auckland</i></p>	Week ending 15 September 2023.
<p>Proactive Release of Policy Advice on Government Policy Statement 2024</p> <p><i>Responsibility: Tim Herbert, Manager, Investment</i></p>	Week ending 15 September 2023.
<p>Air Navigation System Review: Initial Actions</p> <p><i>Responsibility: Tom Forster, Manager, Economic Regulation</i></p>	Week ending 15 September 2023.

2 UPCOMING BRIEFINGS

Briefings to Minister Parker	Due date
Managing Access to The Milford Road <i>Responsibility: Nick Potter, Acting Manager, Placemaking and Urban Development</i>	Week ending 15 September 2023.
New Zealand – Solomon Islands: Outcome of Air Services Negotiations <i>Responsibility: Tom Forster, Manager, Economic Regulation</i>	September TBC.
Draft Government Policy Statement 2024 Summary of Feedback from Consultation <i>Responsibility: Tim Herbert, Manager, Investment</i>	September TBC.

Briefings to Minister O'Connor	Due date
Recreational Safety and Search and Rescue Review Report – Findings and Recommendations <i>Responsibility: Bev Driscoll, Director, Recreational Safety and Search and Rescue Review</i>	Week ending 8 September 2023.

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3 KEY PRIORITIES

3 Key priorities

Minister Parker

New Zealand – India air services upgrade

On 29 August 2023, New Zealand’s air services arrangements with India were upgraded with the signing of a Memorandum of Understanding during the visit to India by the Minister for Trade and Export Growth. Of most significance, the new arrangements permit Air New Zealand to code-share to New Delhi with its preferred partner Singapore Airlines. Until now, code-sharing to New Delhi was limited to with Air India, an option Air New Zealand chose not to exercise. Air New Zealand currently code-shares to six other Indian cities with Singapore Airlines – Bangalore, Chennai, Hyderabad, Kochi, Kolkata and Mumbai.

We expect Air New Zealand will seek your approval, as the licensing authority under the Civil Aviation Act 1990, to vary its Licence to reflect the new code-share rights at New Delhi.

The new arrangements also include an expanded route schedule providing for more non-stop flight options between New Zealand and India. As the route schedule forms part of the Air Services Agreement, an amendment to it is a treaty action requiring the approval of ministers.

Responsibility: Tom Forster, Manager, Economic Regulation

Next steps:

We will prepare a submission to you and the Minister of Foreign Affairs seeking approval of the new route schedule.

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Minister Parker

Draft Government Policy Statement 2024 summary of feedback from consultation

Consultation on the draft Government Policy Statement 2024 (GPS) closes on 15 September 2023. As at 29 August 2023, we have:

Email submissions:

- Numbers received total: 1

Online survey responses:

- Numbers received total: 29
- Agreement with the strategic priorities and direction of GPS 2024:
 - Agree or strongly agree: 20 (69%)
 - Disagree or strongly disagree: 7 (24%)
- Agreement with the funding increases:
 - Agree or strongly agree: 19 (66%)
 - Disagree or strongly disagree: 7 (24%)

Some key themes arising from all feedback:

- Mentions of specific projects (particularly roads)
- Interest in emissions reduction (including Public Transport, Vehicle Kilometres Travelled plans)
- Interest in roads (e.g. resilience)
- Comments about the number of priorities and difficulty in knowing which is a priority

Responsibility: Tim Herbert, Manager, Investment

Next steps:

We will provide a briefing to your Office in September.

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3 KEY PRIORITIES

Ministers Parker and O'Connor

Cyclone Recovery

Policy function (excluding legislation)

Following Cabinet decisions on the transport recovery and rebuild following the severe weather events (which included agreement to release the \$160 million tagged operating contingency for rail network reinstatement announced in Budget 23), we are preparing the Cabinet material for proactive release. We will provide this material to your Office with a cover briefing in the week ending 8 September 2023.

We continue to work with the Treasury and Waka Kotahi on funding proposals for local road recovery in Phase 2 of the National Resilience Plan (NRP). Cabinet decisions on Phase 2 NRP are expected on 18 September 2023.

Legislation function

The Order in Council (Oic) modifying the Land Transport Management Act (LTMA) 2003 was considered by Cabinet on 28 August 2023.

We are continuing to work on the draft Oic's (for Waka Kotahi and KiwiRail works), including liaising with other agencies to provide Parliamentary Counsel Office (PCO) with final drafting instructions.

Finance function:

Further to the claims mentioned in the Weekly Report for the week ending 25 August 2023, Waka Kotahi have submitted an amended claim request that claimed for a further \$2.3m for works undertaken on State Highways against the \$275 million Cyclone Gabrielle: National Land Transport Fund (NLTF) operating cost pressure funding appropriation. This claim request has been approved and paid. This brings the total claims approved and paid against the FY 23/24 Cyclone Gabrielle: National Land Transport Fund (NLTF) operating cost pressure funding appropriation to \$10.5 million for works undertaken by Councils on local roads, and \$6.9 million for State Highway maintenance works.

Next steps:

Provide you with a briefing on the proactive release of Cabinet material on the transport recovery and rebuild (which included the decision to release the \$160 million tagged contingency to KiwiRail).

s 9(2)(f)(iv)

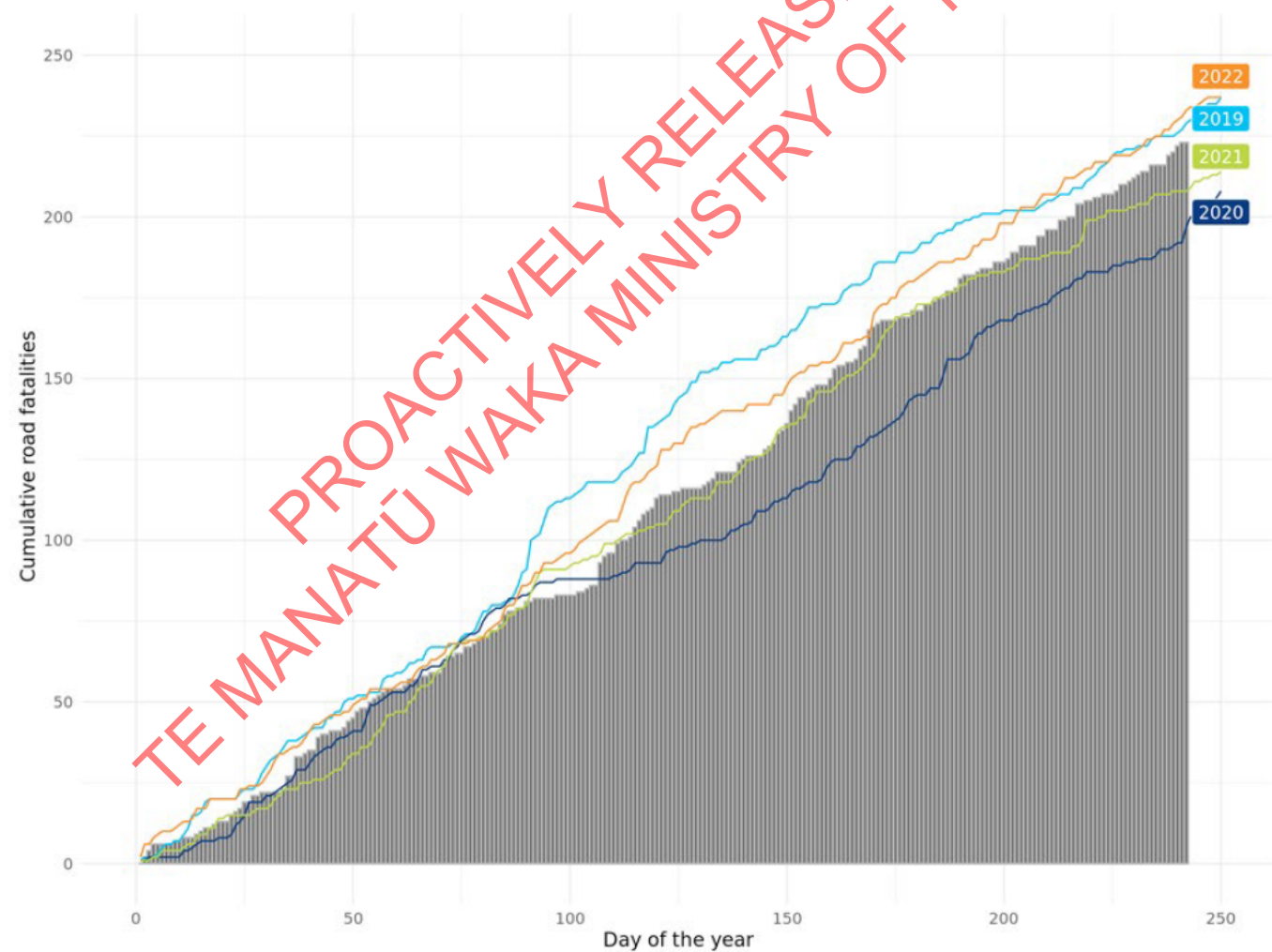
We will also provide you with a briefing on 11 September 2023 to approve the two Oic's for Waka Kotahi and KiwiRail works, for submission to the Review Panel and consultation with the party leaders, as per the Tranche 6 timeframes.

Responsibility: Nick Paterson, Manager, Cyclone Recovery

Year to date road fatalities

As at 30 Aug 2023 provisional road fatalities are **223** for the year, this is 8 fewer fatalities than the same date in 2022. A year-to-date comparison is shown in the table below:

crash month	2019	2020	2021	2022	2023
Jan	32	21	18	29	22
Feb	26	32	28	25	32
Mar	33	31	34	32	27
Apr	45	9	25	37	32
May	29	23	31	27	27
Jun	27	29	37	32	31
Jul	14	32	16	25	25
Aug	21	20	19	24	27
Total	227	197	208	231	223



3 KEY PRIORITIES

Year to date road fatalities

The chart below provides a comparison of fatalities by mode and region for the last five years. The map show fatalities for 2023 by mode and location, highlighting fatalities from the last seven days with larger circles.



Responsibility: Dan Jenkins, Manager, Analytics and Modelling

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Clean car and electric vehicle registrations

Summary of registrations by CCD Band for week ending 27 August, 2023

Total registrations

total registrations this week	delta prev week	last full month (Jul)	delta prev month	year to date	delta prev year to date
4499	398	13,745	-28,214	181,185	-17,438

This week's registrations by emissions band and vehicle type

CCD.band	Heavy	Light	Motorcycle	Total	delta_prev_wk	Weekly trends this year	
						Low	High
Zero (0g/km)	0	257	17	274	-5	78	1816
Very low (1-49g/km)	0	208	0	208	92	7	607
Low (50-99g/km)	0	1010	0	1010	133	187	1758
Moderate (100-149g/km)	0	1108	0	1108	-8	284	4210
High (150-199g/km)	0	711	0	711	54	204	6903
Very high (200-249g/km)	0	462	0	462	75	78	7220
Extremely high (over 250g/km)	0	319	0	319	-3	49	3637
Unknown	238	10	159	407	60	88	913

This week's registrations for ZERO EMISSION BAND (0g/km) battery electric vehicles

Vehicle type	New	Used	Total	delta_prev_wk	Weekly trends this year	
					Low	High
Car	166	88	254	6	19	1195
Bus	0	0	0	-11	1	20
Van	3	0	3	-4	1	36
Truck	0	0	0	0	1	3
Motorcycle	16	1	17	5	1	45
Other	0	0	0	-1	1	36

EV (Battery electric) LIGHT vehicle Fleet (inc. motorcycles, ATV, etc.)

CCD.band	Vehicle_gp	Fleet size 2018	long-term trend	Fleet size today	% of total fleet
Zero (0g/km)	Car	3869		58288	1.271
Zero (0g/km)	Motorcycle	323		2600	0.057
Zero (0g/km)	Other	16		178	0.004
Zero (0g/km)	Van	653		1540	0.034

EV (Battery electric) HEAVY vehicle Fleet

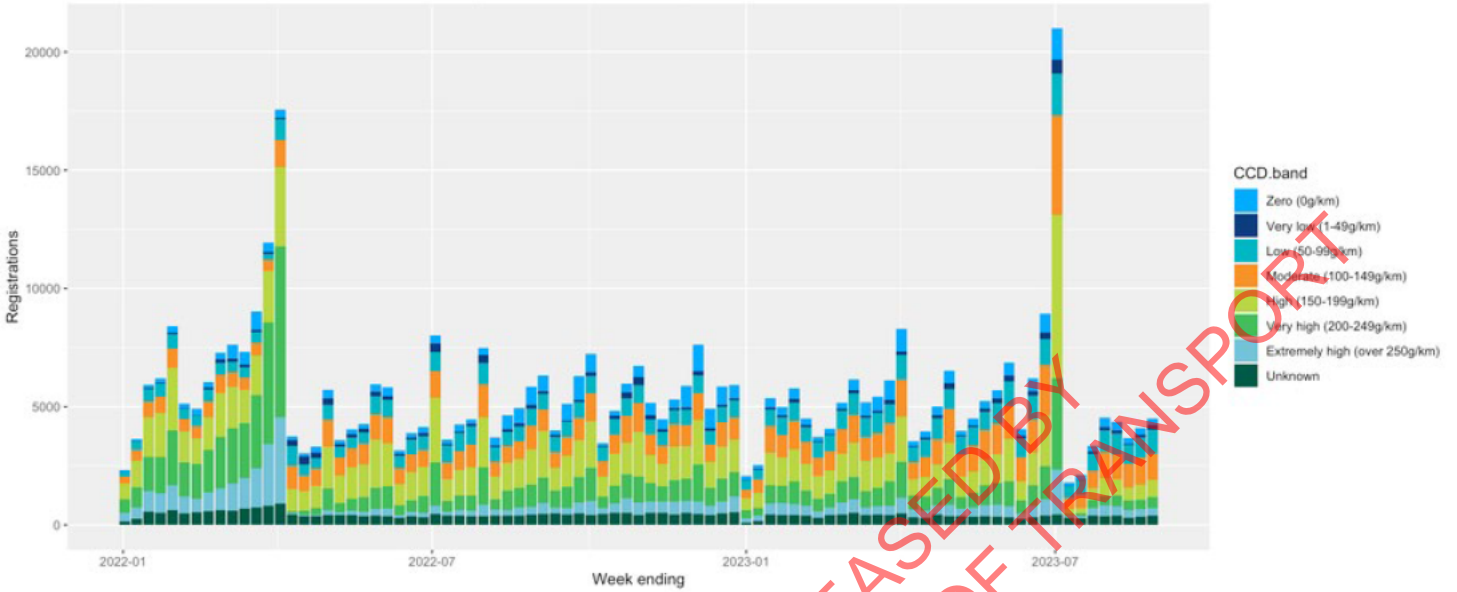
CCD.band	Vehicle_gp	Fleet size 2018	long-term trend	Fleet size today	% of total fleet
Zero (0g/km)	Bus	11		329	0
Zero (0g/km)	Other	2		51	0
Zero (0g/km)	Truck	11		141	0

3 KEY PRIORITIES

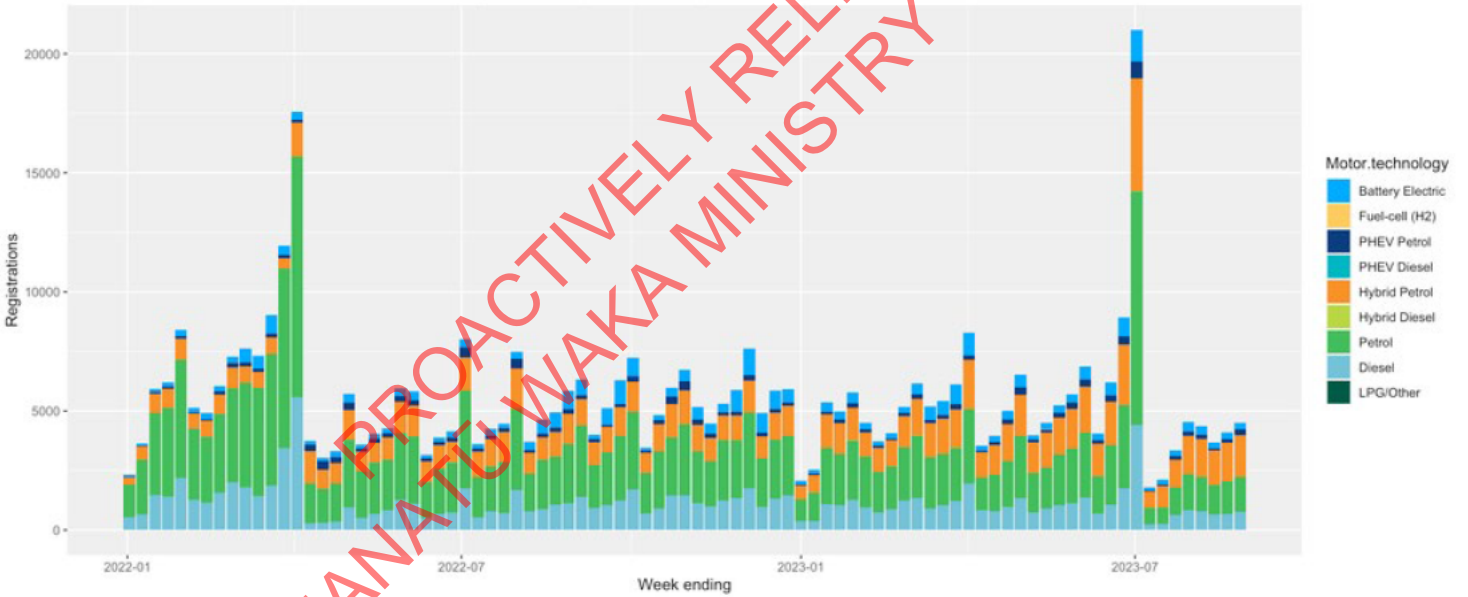
Clean car and electric vehicle registrations

Graphical summary of registrations:

Summary of zero, low and moderate emission registrations since January 2022



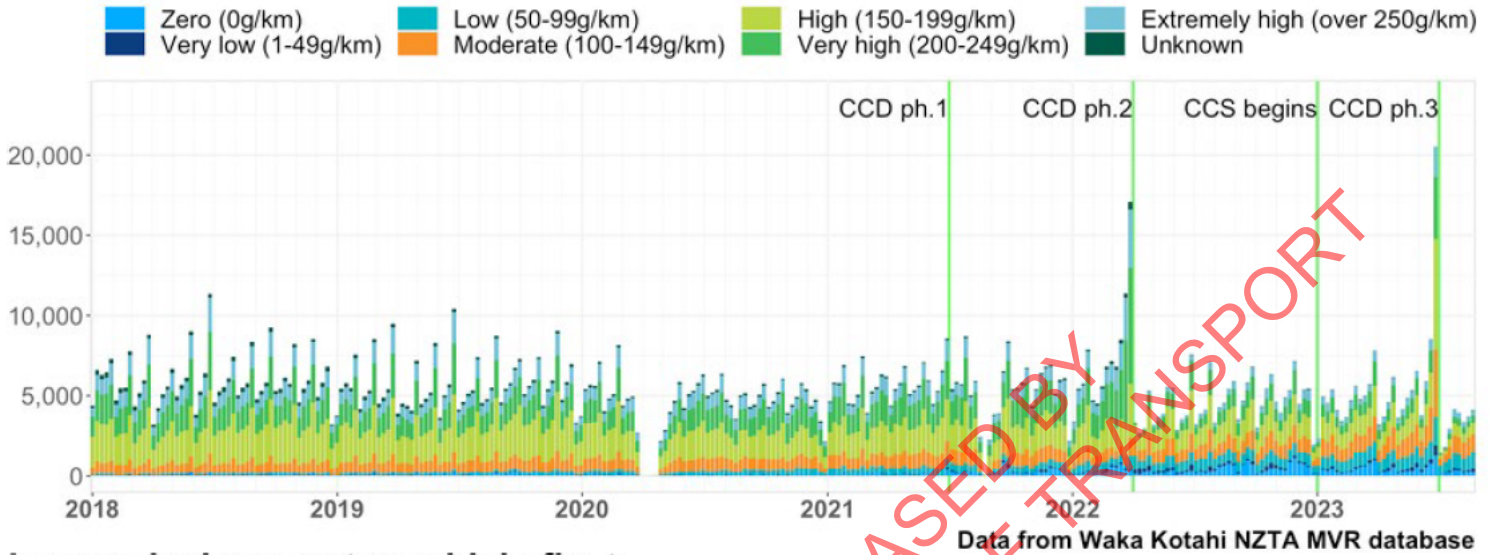
Summary of zero, low and moderate emission registrations by propulsion type since January 2022



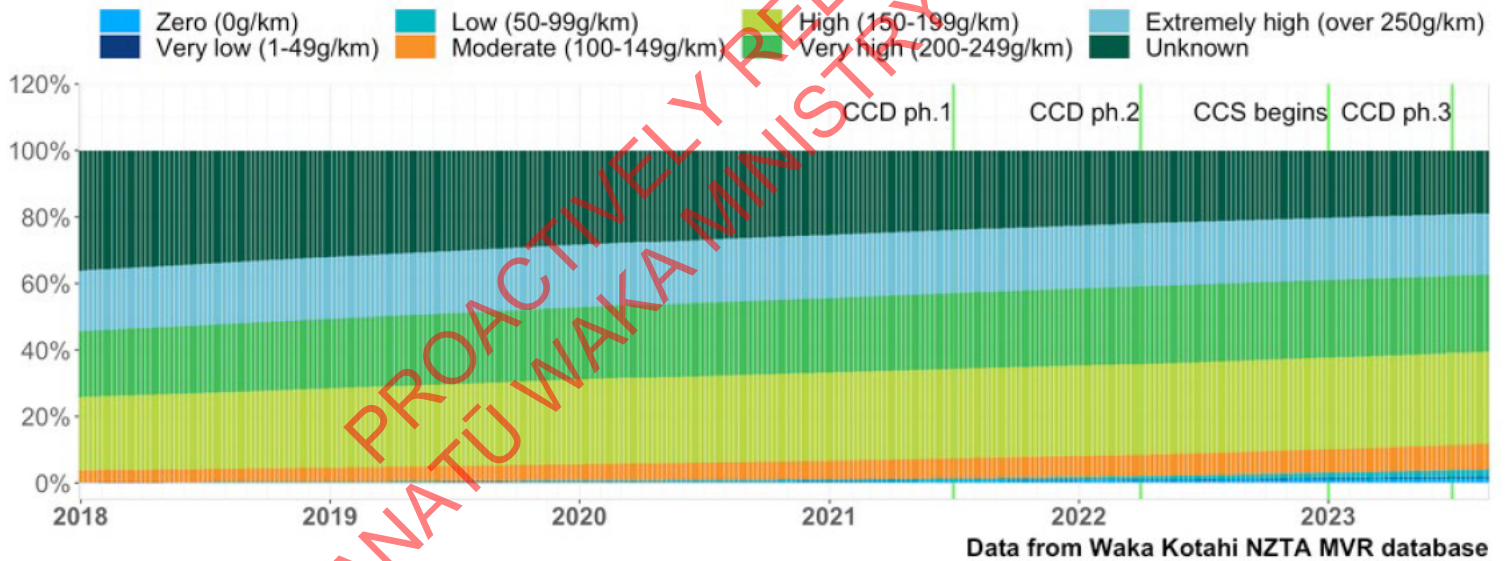
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Clean car and electric vehicle registrations

Weekly registrations of low-emissions motor vehicles



Low-emissions motor vehicle fleet
As a proportion of all light motor vehicles



More detail of the weekly registrations and fleet size can be found at the link below:

<https://www.transport.govt.nz/statistics-and-insights/fleet-statistics/weekly-electric-vehicle-report/>

Responsibility: Dan Jenkins, Manager, Analytics and Modelling

4 CABINET PAPERS

4 Cabinet papers

Minister Parker		
Paper	Committee	Status
<p>s 9(2)(b)(ii), s 9(2)(f)(iv)</p> <p><i>Responsibility: Jacob Ennis, Acting Manager, Supply Chain</i></p>	<p>Cabinet</p> <p>18 September 2023.</p>	<p>We provided you with an updated Cabinet paper on 31 August 2023 for your consideration.</p>
<p>Outcome of the consultation on moving to the Euro 6/VI vehicle noxious emissions standards</p> <p>This paper proposes to amend the Land Transport Rule: Vehicle Exhaust Emissions 2007 following public consultation on a draft rule amendment.</p> <p><i>Responsibility: Matt Skinner, Manager, Environment and Emissions Policy Design</i></p>	<p>Cabinet Business Committee (CBC)</p> <p>18 September 2023.</p>	<p>We have completed Departmental Consultation and will provide you with a draft Cabinet paper in the week ending 8 September 2023.</p>
<p>Orders in Council for Waka Kotahi and KiwiRail works</p> <p>This paper seeks agreement to submit the Orders in Council (OiCs) to the Executive Council for approval. The timeline for this paper is consistent with the timeline for Tranche 6 OiCs.</p> <p><i>Responsibility: Carmen Mak, Director, System and Regulatory Design</i></p>	<p>Cabinet</p> <p>2 October 2023.</p>	<p>We intend to submit the draft Cabinet paper to you by 18 September 2023. Departmental and Ministerial consultation is scheduled to take place in parallel from 20 - 22 September 2023.</p>

Minister O'Connor

None this Week

5 CABINET PAPERS LED BY OTHER AGENCIES

5 Cabinet papers led by other agencies

None this week.

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6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

6 Transport Crown entity and state-owned entity (SOE) updates



Aviation Security Service
Kaiwhakamaru Rererangi

Communications and External Engagement 28 August 2023

Media plan – 7 days from Sunday 3 September 2023

Date (planned)	Item	Description	Targeted media
No date	Statement	Reactive statement prepared relating to near miss incident at Whangarei on 27 August 2023, which will be investigated by TAIC.	n/a

Media mentions – 7 days to Wednesday 30 August 2023

Date	Activity	Channel
24 August 2023	<p>Person taken to hospital after plane crash in Otago</p> <p>A pilot was taken to hospital on 24 August 2023 after a microlight crash in Mosgiel. CAA provided comment acknowledging the accident.</p>	Stuff
25 August 2023	<p>Greg Foran on Mike Hosking Breakfast</p> <p>Air New Zealand CEO Greg Foran briefly mentioned AvSec in an interview in the broader context of Auckland Airport – the interviewer appeared to hold a largely negative view of the airport and operations, and Foran acknowledged that flight scheduling is a challenge but makes a commitment to “get this right” for Christmas.</p>	Newstalk ZB
25 August 2023	<p>The 94-year-old pilot who has walked away from multiple crashes</p> <p>A story about the pilot who crashed in Mosgiel on 24 August 2023. CAA was approached for comment but treated the request under the Official Information Act (OIA).</p>	Stuff

6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

Date	Activity	Channel
25 August 2023	Another airline is asking passengers to weigh-in before their flights CAA was briefly mentioned in a piece about Korean Air, which is conducting a passenger weigh-in survey similar to that which Air NZ did in June 2023.	Stuff
28 August 2023	Bird strikes are a known airplane hazard – and more common than you think Story based on data provided by CAA under the OIA.	Stuff

Upcoming communications and engagement

Planned release/publish	What	Type	Why
September	Becoming a licensed aircraft maintenance engineer.	GAP booklet (update).	Minor update and then reprint.
11-12 September 2023	Aerospace Summit.	Face-to-face event.	Emerging Technologies Unit exhibiting at the summit.
July - September (multiple dates)	Airworthiness and maintenance.	Face-to-face event.	Education for owners and operators to increase their understanding of the requirements for maintaining their aircraft.
September	Vector Spring Issue.	Aviation industry magazine.	A way of getting relevant information to industry in an easy-to-read format.
September - November (multiple dates)	Plane Talking.	Face-to-face event.	This series of seminars, as part of the Work Together, Stay Apart campaign, serves the aerodrome communities and will be held in aero clubs and flying schools throughout New Zealand. There are 21 dates in total.

6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

Planned release/publish	What	Type	Why
September	Plane Talking.	GAP video.	To educate the aerodrome community about standard radio calls. This video is the first educational product to be released as part of the Work Together, Stay Apart campaign.
July - December (multiple dates)	Dangerous Goods (DG).	Face-to-face event.	To provide training and qualification for the carriage of DG.
October	Weight and balance.	GAP booklet (update).	Business as usual (BAU) version update.
October	Vector special issue: accidents that have common causes.	Aviation industry magazine.	To highlight the most common causes of fatal accidents that safety investigators go to.
TBC	In, Out and Around Queenstown.	GAP booklet (update).	BAU version update.
TBC	In, Out and Around Christchurch.	GAP booklet (update).	BAU version update.
TBC	In, Out and Around Manawatū.	GAP booklet (update).	BAU version update.

6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

**Next steps following consultation on Maritime and Oil Pollution Levies**

The public consultation on our review of Maritime Levies and Oil Pollution Levies funding closed on 16 August 2023. The levies rates changes consulted on are consistent with a return to full cost recovery from 1 July 2024, as Cabinet has directed. Putting these changes in place from 1 July 2024 would remove the need for further Crown liquidity funding.

Last week we met with the Ministry to go through the submissions, identify themes and discuss our initial response to matters raised in relation to each of the proposals. We received a total of 40 submissions within the feedback deadline. Overall, there is strong support for the proposals, with those in full or partial support exceeding 90% on average. We were pleased to see the key industry organisation groups supporting the proposals like the Shipping Federation, New Zealand Maritime Transport Association and Port Chief Executives Group.

We have a meeting planned in September 2023 with the Oil Pollution Advisory Committee (OPAC), where we will seek their views on any changes to the Oil Pollution Levies methodology and rates we intend to recommend to the Minister. Under the Maritime Transport Act there must be consultation with OPAC ahead of recommending to the Minister the imposition of, and the rate or rates of oil pollution levies.

We will then finalise and present the Cost Recovery Impact Statement (CRIS) to the Regulatory Impact Assessment panel, organised by the Ministry. This ensures the impact analysis meets the quality assurance criteria before a Cabinet paper is drafted. We expect to complete the CRIS process by the end of October 2023.

Maritime in the media

A freelance reporter has pitched a story to *The Listener* about the safety of cruise ships in Milford Sound. We are drafting a response about what is done to reduce the risk of incidents involving large vessels in the area. The response will cover local bylaws, work Maritime NZ undertakes nationally and what the mass rescue plan looks like. In developing this response we are liaising with Environment Southland as the territorial authority to ensure our messaging is aligned. We expect to be sending our response to the reporter in the week ending 8 September 2023.

An Australian reporter is working on a story about the third anniversary of the sinking of livestock carrier, **Gulf Livestock 1**, off Japan. Forty-one people and all of the almost 6,000 heifers on board died after the vessel sailed into a hurricane and capsized. The reporter asked about interest in retrieving the data recorder from the vessel, and if Maritime NZ would support pushing the Panamanian and Japanese authorities to re-look at the incident. The reporter has been referred to the Transport Accident Investigation Commission.

6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

**New inquiries / International Assistance****A new aviation inquiry, A0-2023-008 opened by the Commission**

The Civil Aviation Authority notified the Commission on 28 August 2023 of a serious incident that occurred at about 10:00 the same day, involving a Q300 passenger aircraft and a Beech 78 Duchess aircraft while operating outside controlled airspace near Brynderwyn. The Beech 78 Duchess aircraft, registered ZK-JED was inbound to Whangarei from Auckland while the Q300 passenger aircraft, registered ZK-NES, operated by Air New Zealand, was enroute from Whangarei to Auckland on a scheduled passenger flight.

The circumstances reported to date are that both aircraft were on reciprocal tracks when a close proximity event occurred. This resulted in the flight crew of ZK-NES receiving a Traffic Alert and Collision Avoidance System (TCAS) Traffic Advisory, requiring them to take avoiding action. There was no collision, no damage, and nobody was injured.

The Commissioner has opened an inquiry under Section 13(1) of the TAIC Act and appointed Barry Stephenson as Investigator In Charge. Barry will be supported by Captain Graham Thomas.

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TE MANATŪ WAKA



INTERISLANDER

***Kaitaki* weather related damage**

Interislander cancelled *Kaitaki* sailings for two days on 22 August 2023 as a safety precaution after the starboard bow door was impacted by a large wave while crossing from Picton to Wellington the previous afternoon.

The impact damage did not affect the safety of the ship, however during pre-departure preparation the door could not re-align before closing. As a safety precaution, we cancelled these sailings while the damage was assessed and repaired.

Aratere ran three additional return sailings to accommodate disrupted customers, and the *Kaitaki* returned to service on the evening of 23 August 2023. The disruption to customers was managed through alternative sailings and continued safe operations and prompt resolution of the issue was our priority.

This was a good example of how our refined asset management procedures came together to quickly identify the issue, produced a solution, implemented it and obtain regulatory sign-off within 48 hours. Meanwhile, as noted our Staff engaged with customers, managed very full yards and big loads, while others worked reallocated space on ferries. We will review our performance with this disruption to continue to look at how we can improve.

Dry Dock

The dry dock is progressing at pace and is currently on track to have the *Kaiarahi* returning to service as scheduled, leaving Singapore on 1 September 2023 for a late September return.

The work has included the approximately 350 separate statutory surveys (compulsory tasks) that are being done, many in parts of the ship normally inaccessible without cutting holes in the hull. KiwiRail is also initiating its own repairs and maintenance to keep *Kaiarahi* healthy and functioning. This includes cutting a new access point on the port side for the interim Picton gangway.

Some additional work has been identified over what was envisaged and this has included the need to replace a diesel generator on the ferry. That work is now underway, and there is enough redundancy within her systems to be able to sail home without this work being completed. The replacement can be finalised while the ship is in service.

New passenger refund form

A new passenger refund form is now live for our Interislander retail customers. During the *Kaitaki* disruption earlier in the year, the refund processing time was a pain point. One of the key factors that slowed us down was the previous form did not enable us to collect all the required information that was needed to process the refund, resulting in the need for multiple interactions with customers.

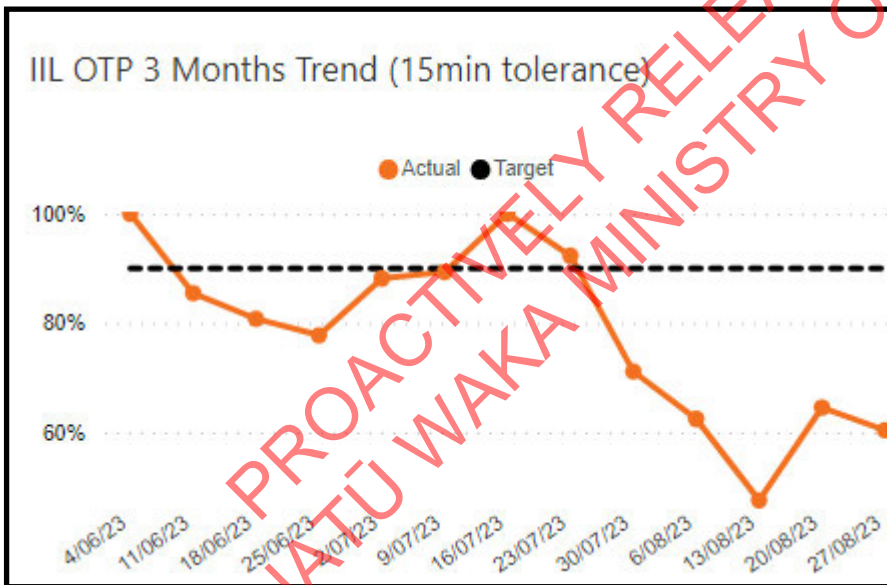
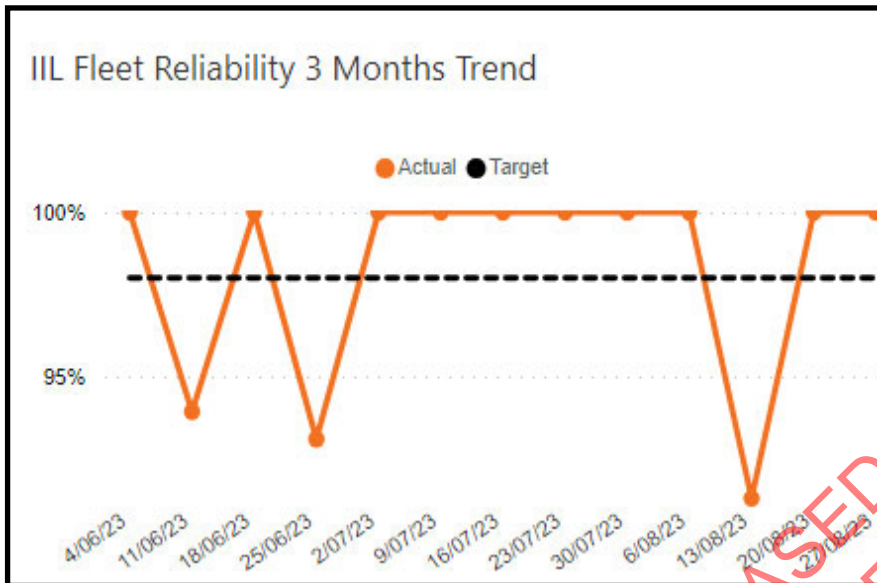
The new form now prompts customers to provide us with the information that is needed for us to process the refund based on how they paid. This means for most of the refund requests, the refunds team will be able to start and complete their process right away.

Performance

On Time Performance and sailings have been affected by weather events and the *Kaitaki* weather related disruption. A key consideration here is that we have been using the Northern Entrance into the Sounds, and this adds a significant delay onto our journey times.

6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

The below shows the trend data for OTP and reliability:



TE MANATŪ WAKA MINISTRY OF TRANSPORT PROACTIVELY RELEASED BY

The weekly breakdown of the relevant statistics is shown in the table below:

6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

Date range	On Time Performance (15min Tolerance) OTP Target 88%	Reliability (Excl. Weather) Reliability Target 98%	Reliability (Incl. Weather)
31 Jul 2023 – 06 Aug 2023	62% Aratere - 65% Kaiarahi - not sailing Kaitaki - 58% Valentine - not sailing	100%	92% 4 sailings cancelled due to weather
07 Aug 2023 – 13 Aug 2023	46% Aratere - 74% Kaiarahi - not sailing Kaitaki - 23% Valentine - not sailing	91%	91% 0 sailings cancelled due to weather
14 Aug 2023 – 20 Aug 2023	65% Aratere 95% Kaiarahi not sailing Kaitaki 38% Valentine not sailing	100%	100% 0 sailings cancelled due to weather
21 Aug 2023 – 27 Aug 2023	60% Aratere 50% Kaiarahi not sailing Kaitaki 78% Valentine not sailing	100%	86% 8 sailings cancelled due to weather

KiwiRail benchmarks Interislander against Air New Zealand's quarterly On-Time Performance. The table below shows Air New Zealand's On-Time Performance results for the 4 months ending 31 March 2023 (please note we are waiting for the next set of data to be released).

Month	International Long Haul %	International Short Haul %	Domestic Jet routes %	Regional routes %
December 2022	44.6	46.1	76.2	75.3
January 2023	59.2	59.3	80.1	80.7
February 2023	62.4	54.7	72.6	77
March 2023	70.8	56.3	75.4	82.8

6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

s 9(2)(h), s 9(2)(i)

IREX UPDATE**Terminals update***Wellington*

The new passenger vehicle marshalling yard on Kaiwharawhara Point has been handed over to the Downer HEB Joint Venture (JV) team, who are completing the 'furniture fit out' (installing toilets, motorcycle shelter etc). Work is also scheduled to start shortly on the new commercial vehicle marshalling yard. The 'switch' for both private and commercial vehicle drivers to the new yards is planned for mid-October.

The JV is scheduled to start work shortly on a site compound and temporary jetty on Kaiwharawhara Point; the latter will be used to transport material by barge to the main wharf construction site.

Mana whenua Taranaki Whānui and Ngāti Toa Rangatira are providing leadership to the iReX project on natural environment and wildlife protection, including kororā (little penguins) and mokomoko (lizards). A pest management programme is underway. We are also liaising with Sanctuary to Sea and Forest and Bird.

Waitohi Picton

Overnight on 27 August 2023, the construction team installed pipes under the railway lines near the corner of Dublin and Auckland Streets. We knew the work would be noisy, so KiwiRail organised overnight accommodation, which most residents within 100 metres of the site took up and say they appreciated.

iReX project meets two-weekly with Waka Kotahi and Marlborough Roads, who are progressing plans for roading improvements at the Dublin / Auckland Street intersection, Lagoon / Kent, and Kent / Wairau intersections. We will soon have enough information to begin talking with the community about these plans and how they will improve traffic flow, especially through the busy months. Preparatory work on Dublin Street bridge is already underway, with full construction due to start in October.

6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

A handful of local people in Picton are voicing their concerns about constraints on local housing stock, and the project potentially pushing up rental prices and availability for locals and visitors. The numbers of project personnel in the region are relatively low, involve people for our contractors and sub-contractors who already live and work in the region, and are unlikely to be entirely living within Picton township. Further, the economic benefits of employed people within the region are a key consideration for the council.

iReX is contacting Destination Marlborough, local real estate agents, and Marlborough District Council to ensure they have accurate information. Currently there are around 75 people in town working on the project. Our information is that there is no shortage of accommodation at present and Downer HEB JV will ensure a plan is in place if additional worker accommodation is needed – by the end of 2024 at the earliest.

LONG DISTANCE COMMUTER TRAINS

The FY23 Customer Survey has been completed for Te Huia by Waikato Regional Council. Overall satisfaction is at 98%, up from 94% last year. This is a great result. The main positive contributor is customer satisfaction, which is driven by the outstanding service from our teams. Of the reasons provided for the overall satisfaction, the lowest score was 85% meaning all features received strong positive assessments from customers. The highest positive related to the quality of the on-board crew, who are KiwiRail employees.

Passenger numbers

Following the disruption earlier in the month, passenger numbers have recovered, and the service is playing host to a weekly average of around 1,800 passengers. The weekday average in August was 318 passengers, which is higher than for June/July and around 100 passengers more on average per day compared to August 2022.

Additional services

The regulator has approved the safety case variation to enable a shift from a double-locomotive consist to a carriage-lead consist. This approach makes more efficient use of the contracted locomotives, allowing Waikato Regional Council to fund an additional third return service on Thursdays and Fridays and a second return service on Saturdays. KiwiRail will shift to the carriage-lead consist in early October 2023, however additional services will not be able to start until KiwiRail's training of new Locomotive Engineers is further progressed.

We have committed to signalling in October 2023 'when' we will be in a position to roster additional Locomotive Engineers to Waikato Regional Council. Once a date has been agreed between parties, an announcement will be made to the public and, prior to this, we will inform your Office.

MAJOR PROJECTS**Waltham Mechanical Hub**

The build for the Waltham Mechanical hub is progressing well, with the recent installation of solar panels on its roof.

Stage 1 (main building) is due for completion in December 2023. This building will centralise all KiwiRail rolling stock maintenance (i.e. all scheduled checks and component replacement excluding daily servicing and heavy project work) and will provide KiwiRail with a suitable modern maintenance locomotive facility to replace the Linwood facility demolished after the Canterbury earthquakes.

With a budget of \$99.5m, this is a significant project, and the 9,400 square metre building will house 25 maintenance berths, an underfloor wheel lathe (to replace the very old lathe at Addington) and other specialist rail maintenance equipment. The existing maintenance building is being refurbished into an inventory building.

6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

KiwiRail is installing 32 track turnouts in the yard (a mixture of new and refurbished), five kilometres of track in the yard and one km in the building.

There are also some significant sustainability benefits with the roof of the building covered by a solar array which is approximately 1,600 metres squared and includes 774 panels.

The array generates 356 kw/hour of power when the sun is shining meaning that it could potentially generate 453,375kWh per year. This will create an emissions saving of approximately 40 to 60 tonnes of CO₂e per year. Most of the time this will provide all the power that the building needs. At times the array will produce excess power which can be fed back into the grid.

There has also been a focus on reusing contaminated materials on site and recycled construction materials (such as steel, concrete and asphalt) which has created savings for the project of at least \$2 million, compared to the cost of disposing in landfill.

Reusing materials contributes to a circular economy, reducing the energy and embodied carbon required to produce and transport fresh materials. It reduces waste to landfill – this is important since the construction industry contributes around 40-50% of all NZ waste to landfill.

An efficient design process using steel piles reduced the volume of contaminated fill that needed to be excavated and transported off-site (as above).

Removing elements of the design that were not essential, such as the turntable, also reduced costs and embodied carbon required for materials and excavation.



Progress shot of the solar panel install – credit Calder Stewart

6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES



Interior progress shot.

Palmerston North Freight Hub

KiwiRail's Regional Freight Hub in Palmerston North has taken a step forward, with its designation being confirmed.

The planned 175 hectare rail-road hub on the northern edge of the city is an important part of Te Utanganui, the Central New Zealand Distribution Hub – a unique multi modal freight distribution hub consisting of rail, road, air and sea connections. Te Utanganui is already home to major distribution warehouses and development of the KiwiRail rail hub is expected to further increase the desirability of businesses locating within the area.

KiwiRail had received \$40 million seed funding through the Government's Provincial Growth Fund in 2018, which has allowed us to get to this stage. We are working on an investment case to build the Hub, which could be built in stages over the coming decades. KiwiRail is aiming to start enabling works for the first stage from 2027.

NETWORK UPDATE

Cyclone Recovery Update

North Auckland Line (Swanson - Whangarei) – closed

The geology in Northland is complex, with fragile soils that are very prone to slips. Unlike Hawkes Bay, where track and other structures were washed away, damage to many sites on the North Auckland Line (NAL) are not immediately obvious. It is not until geotechnical assessments have been done and the below-ground conditions understood that the true extent of the damage is revealed. In addition, ongoing rainfall in Northland over the course of this year has resulted in slips continuing to move. These factors contribute to the time it is taking for the NAL to reopen.

Work is completed repairing more than 50 kilometres of line north of Swanson (to near Makarau), including repairs to washouts in north Auckland.

At Tahekeroa (86km mark), where a 35,000 cubic metre slip fell across the road and rail line, works have continued to progress despite continued wet weather during August, though there have been two dry periods of four to five days during the month.

6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

Construction of the road embankment, with a finished level of nearly four metres over the culverts, is now complete. Only final surfacing and water table trimming remains to be done. Laying new rail formation is 90% complete and track installation will start in the first week of September.

The road at Tahekeroa is expected to reopen in mid-September. Auckland Transport, with KiwiRail, will be putting out a press release about this.

There have been more than 200 damage sites along the NAL, including over-slips, slumps, washouts and under-slips, and ongoing weather has seen some sites worsen.

More than 100 minor sites along the NAL have been repaired, and inspections to approve those repairs are 50 per cent complete.

Around 60 sites require moderate repairs, and KiwiRail has appointed a number of civil contractors (to 15 construction packages covering the moderate sites). Work is expected to begin in September.

35 more damage sites require an engineering response to remediate. Civil contractors have been appointed, geotechnical assessments are underway and engineering design options are being developed for each site.

Where possible KiwiRail is aiming to undertake temporary repairs, to allow the NAL to reopen faster. However, for 10 of the 35 sites temporary repairs may not be possible. Permanent repairs will take longer to complete so could delay the line reopening.

At this stage we still expect the NAL to remain closed until at least the end of this year. We are developing a work programme and expect to have a clearer idea of reopening timeframes once geotechnical investigations and the responding designs have all been completed – likely around late October 2023.

Work on the NZ Upgrade Programme funded renewals of the line north of Whangārei to Kauri, where Fonterra have a dairy plant, continues to make good progress and is close to 75 per cent complete. So far 14,600 new concrete sleepers have been laid to replace life expired timber sleepers and 9.5km of new rail laid. This work will raise the standard of the track to handle heavier trains (18 tonne axel loads).

Palmerston North – Gisborne Line (Hastings – Wairoa) – closed

The line from Palmerston North – Hastings is open and freight services are running. KiwiRail continues to assess and make permanent repairs at some sites along the line.

Work with the Transport Rebuild East Coast (TREC) Alliance is continuing. The execution of the full Project Alliance Agreement occurred on 11 July 2023. A tender for professional services to be utilised by TREC has gone to market on behalf of KiwiRail, via Waka Kotahi. KiwiRail is continuing to share information with TREC to improve on the concept thinking currently in place for reopening Napier to Wairoa.

The Hastings – Napier section of the line is expected to reopen on 19 September 2023.

We have made excellent progress in the badly flood damaged Awatoto area. Substantial amounts of debris have been cleared, damaged sections of rail removed, and earthworks to rebuild the embankment between Bridge 217 and Bridge 216 (100 metres to south) are complete. Ballast is being delivered from Clive, while KiwiRail's Napier track gang have been busy laying track sets between the bridges. Embankment works south of Bridge 216 are also complete with ballast and track in place. Embankment works on the northern end of Bridge 217 are now underway.

The temporary rebuild of Bridge 217, which lost a number of concrete piers and spans during the cyclone, is nearing completion. All temporary spans have been successfully craned into place.

6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

All sleepers on the existing southern end of Bridge 217 have been removed and replaced with new hardwood sleepers. Removal of the scaffolding working platforms is underway, so that demolition works of the original concrete piers can commence. There is a test train scheduled to run over for Bridge 217 on 12 September 2023.

On 15 September 2023 an event is being held at the Bridge 217 site to mark the reopening of the line between Hastings and Napier. The first scheduled freight service is expected to run to Napier on 19 September 2023.

KiwiRail has already begun a rail safety campaign to raise public awareness about trains once again running on the line to Napier. It has started warning about high-rail vehicles being on the line currently, then over the coming weeks will focus on awareness of test trains, and finally the resumption of freight services. The campaign includes radio advertising, billboard signage, social media and media, stakeholder updates, and proactively providing information for local schools.

We cannot currently provide a timeframe for the reopening of Napier – Wairoa. Initial assessments to damage on the line are complete – with more than 300 damage sites now identified. The majority of these are minor damage.

We have established a specific team which will focus on understanding and quantifying the time, cost and material requirements for repairing the line. They have undertaken site visits, building off the experience they gained in doing the damage inspections.

“Make Safe” works between Napier and Wairoa are ongoing. There are over 100 sites, and we have work happening on nearly half of them to date. These works include culvert clearing, slope trimming, debris removal, cutting suspended track and hydroseeding. The majority of the Make Safe works are carried out by KiwiRail’s Napier track gangs, with some of the larger sites being allocated to contractors such as United Civil and Titans.

Shannon Train Station

Shannon station, one of the stops for the Capital Connection train has been raised as part of the upgrades required for the new carriages. However, since the work has been completed, the Rail and Maritime Transport Union requested a risk assessment occur over the platform length. The scope of the project allowed for the platform to be lifted to be at grade with one carriage, from which passengers can board or disembark. The full length was not required given the low numbers of passengers at the Shannon Station.

This arrangement is reasonably common. To ensure the relevant carriage is aligned with the platform, a stop sign is placed on the track so Locomotive Engineers know where to stop. This was deemed to be sufficient, but in good faith stops at the station have been suspended until the risk assessment requested by the Union has been completed. This is expected to take weeks, not months.

In the meantime, passengers are being transported to Levin station to catch the service.

Kaikōura Dark-Sky Trust

KiwiRail is supporting the work of the Kaikōura Dark-Sky Trust, enabling the district of Kaikōura to apply to the International Dark-Sky Association to become a Dark-Sky Sanctuary. This is expected to attract more tourists to Kaikōura (similar to the offerings at Lake Tekapo) and is seen as complimentary to our Scenic packages.

KiwiRail operates the iconic Coastal Pacific scenic journey which passes through the district between Picton and Christchurch during daylight hours. We also operate several freight trains with one passing through during the night.

6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

Although a very small section of the track is required to be lit as it passes through the yard, these lights have now been fitted with adaptive controls which are operated by the driver and are placed on a timer for a maximum of one hour. All lights are oriented to avoid unnecessary light spill and have been dimmed by 50% to minimize as much light pollution as possible whilst still providing a safe workspace.

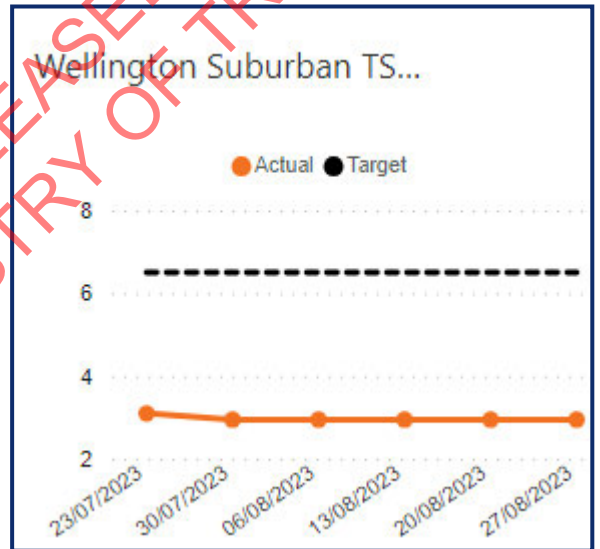
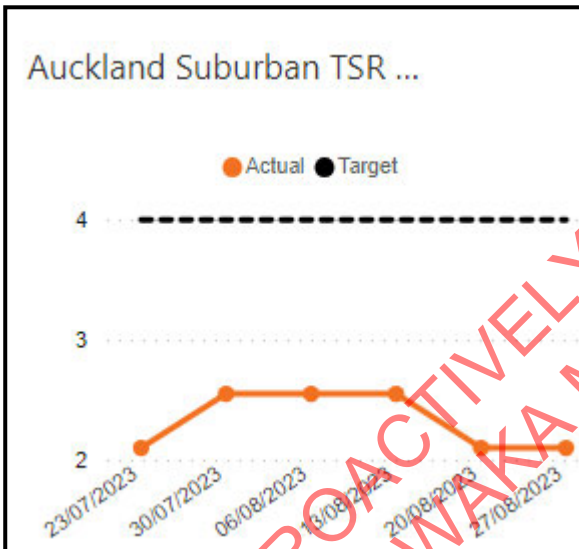
We are fully in support of this initiative and are glad to have been able to make our contribution to help maintain Kaikōura’s incredible night skies.

Temporary Speed Restrictions (TSR)

Overall, the number of speed restrictions on our network are trending down, leading to better on-time performance and fewer network delays.

The tables below show the trend for the last six months on our two key metropolitan networks. We are exceeding our target for TSRs for these networks, supporting our commuter partners to run a reliable train service.

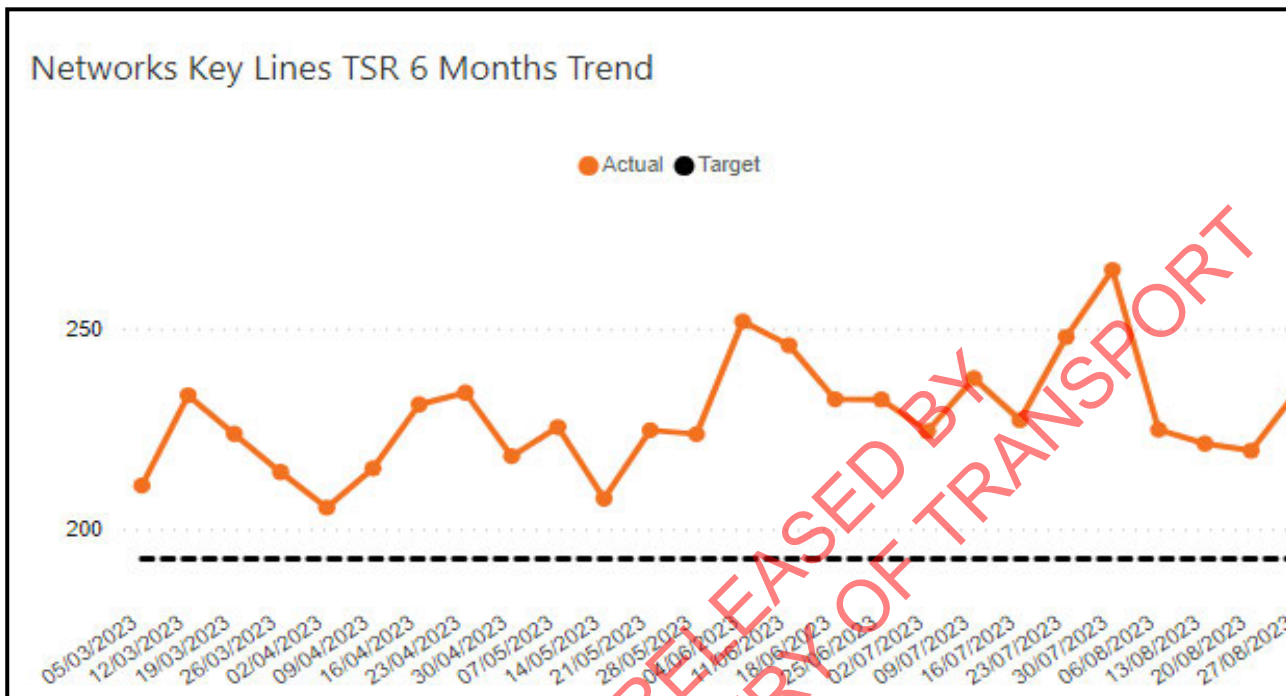
The two graphs below show the six-week trend for the two key metropolitan networks.



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6 TRANSPORT CROWN ENTITY AND STATE-OWNED ENTITY (SOE) UPDATES

For our key lines across the whole of our network the below graph shows a trend back down towards target as the network recovers from the series of weather disruptions earlier in the year.



UPCOMING MEETINGS/EVENTS

1 September 2023 – Adrian Rurawhe, (attending as President of New Zealand Business and Parliament Trust) is visiting KiwiRail sites to learn more about our business.

15 September 2023 – Event is being held at the Bridge 217 site to mark the reopening of the line between Hastings and Napier. Hon Kieran McAnulty has been invited to attend.

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