

10th February 2023

Committee Secretariat
Finance and Expenditure Committee
Parliament Buildings
Wellington

(via online portal)

To whom it may concern,

Submission to Finance and Expenditure Committee Committee's inquiry on the Water Services Legislation Bill

The Electricity Networks Association (ENA) appreciates the opportunity to make a submission to the Environment Select Committee's inquiry on Water Services Legislation Bill. The ENA is the industry membership body that represents the 27 electricity distribution businesses (EDBs, sometimes called lines companies) that take power from the national grid and deliver it to homes and businesses. The ENA harnesses the collective expertise of members to promote safe, reliable and affordable power for our members' customers.

The EDBs of New Zealand own and maintain over 150,000 km of electricity lines across the country, much of these lines travel, along, under or over roads. This critical national infrastructure supports the day-to-day wellbeing of New Zealanders and is vital to the functioning of the economy.

ENA and its members are concerned that their capacity to operate and maintain their electricity infrastructure (including lines and poles), on, along, over, across and under roads will be materially impacted by the inclusion of section 211 of the Water Services Entities Act 2022 (WSEA).

At present, sections 32 and 33 of the Electricity Act 1992 empowers the local authority to require that the owner of works or fittings raise, lower or otherwise alter the position of such works or fittings that are fixed to or installed under or over any road.

Section 211 of the WSEA as drafted proposes to allow Water Service Entities (WSEs) to alter the position of, or remove any electricity infrastructure or any part of that infrastructure on, along, over, across or under any road where it considers such act necessary for the provision of water services.

ENA is concerned that empowering an unrelated third party (such as WSEs) to undertake work on a sophisticated electricity infrastructure raises significant health and safety risks, imperils network security and reliability, and will have significant cost implications as a result of unnecessary problems caused to distribution infrastructure.

The status quo reflects the understanding that the owner of works or fittings (or network operator (as the case may be)) is best positioned in both resources and knowledge to undertake works to its own electricity infrastructure.

The existing compensation framework under section 33, of the Electricity Act supports this and requires the local authority to compensate the owner of works or fittings for the reasonable costs incurred related to any works undertaken under section 32. This position also dovetails with the provisions of the National Code of Practice for Utility Operators' Access to Transport Corridors. Utility operators and corridor managers are required to comply with the Code under the Utilities Access Act 2010.

ENA recommends that section 211 of the WSEA (section 22 of the Bill) be amended to:

- a) Remove the power for WSEs to alter the position of, or remove any electricity or gas infrastructure or any part of that infrastructure on, along, over, across or under any road.
- b) Include powers for WSEs to require that the owner raise, lower or otherwise alter the position of works or fittings that are fixed to or installed under or over any road (generally in line with the drafting contained in section 32 of the Electricity Act).
- c) Include an obligation that any WSE requiring work to be done in accordance with section 211 of the WSEA compensates the utility operator for the reasonable costs incurred in undertaking such work (generally in line with the drafting contained in section 33 of the Electricity Act).

If there is any further support ENA can provide to the committee in considering this submission, please contact me on 027 66 77 400 or gpeters@electricity.org.nz.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'GP', written over a diagonal line that extends from the bottom left towards the top right.

Graeme Peters
Chief Executive
Electricity Networks Association