

26 January 2026

Committee Secretariat
Transport and Infrastructure Committee
Parliament Buildings
Wellington

Dear Committee Members,

Public Works Amendment Bill (Bill No. 230-1)

1. Thank you for this opportunity to make a submission on the Public Works Amendment Bill (the *Bill*) which proposes amendments to the Public Works Act 1981 (the *PWA*).

Summary of Submission

2. Orion New Zealand Limited (“*Orion*”) supports the Bill, but we ask that one change is made, to give better effect to the Bill’s purpose of streamlining land acquisition powers and processes to make it easier to deliver infrastructure projects that provide wider public benefit.
3. Currently, network utility operators (NUOs) that are requiring authorities only have access to the PWA through section 186 of the Resource Management Act 1991 (*RMA*) and only after an application to the Minister for Land Information who would exercise his/her powers. This structure has significant drawbacks.
4. The new Part 2B (Acquisition or taking of land for Transpower works) of the Bill recognises that Transpower New Zealand Ltd is a Crown entity and so is unlike many other NUOs who are often private commercial entities, for whom direct PWA access would be inappropriate.
5. However, Transpower is not the only NUO that is owned by the public sector. Orion, for example, is wholly owned by Christchurch City Council and Selwyn District Council. In our view, this puts Orion in a substantially similar position as Transpower, as distinct from privately-owned NUOs. We

therefore seek the amendment of Part 2B so that it also applies to all NUOs which are Crown entities or Council Organisations. This change recognises that such entities are public rather than private in nature, and have sufficient accountability systems in their ownership and governance that they should have direct access to the PWA.

6. In Orion's case, direct access to the provisions of the PWA, under local authority ownership, is essential to meeting the region's development needs in an effective and efficient manner. This approach enables timely delivery of infrastructure to service the mid Canterbury region's growing capacity requirements, driven by intensification and decarbonisation initiatives. It reflects a commitment to co-operation, partnership, and collaboration with the wider Council "family", ensuring that strategic objectives for growth and sustainability are achieved in a way that benefits the community and supports long-term resilience.
7. Orion supports the submission of the Electricity Network Aotearoa (ENA). EA Networks, Aurora Energy, and Alpine Energy also support this submission.

Background

8. Orion is responsible for the electricity distribution network across Central Canterbury, covering both rural and urban areas, including Christchurch. The network spans over 8,000 square kilometres, serving more than 229,000 homes and businesses, making Orion the third largest Electricity Distribution Business (EDB) in New Zealand.
9. Orion is a Lifeline Utility for the purposes of the Civil Defence Emergency Management Act 2002. Orion has a statutory duty under this legislation to ensure it is able to function to the fullest possible extent, even though this may be at a reduced level, during and after an emergency. Orion is also a network utility operator and a requiring authority within the meaning of section 166 of the RMA.
10. Orion is a Council-owned company, with its shareholders being the Christchurch City Council (via Christchurch City Holdings Ltd) and the Selwyn District Council. Orion also owns Connetics, an industry service provider, and together they form the Orion Group.
11. Central Canterbury is experiencing rapid growth and change, with Christchurch at its centre. Electricity distribution is fundamental to the wellbeing and economic prosperity of the region. Orion's services are crucial for both residents and businesses, and Orion is playing a key role in New

Zealand's transition to a low carbon economy.

12. In this context Orion's Group Purpose of "Powering a cleaner and brighter future with our community" is central to all we do. As Aotearoa New Zealand transitions to a low carbon economy, the energy sector has a critical part to play, primarily through electrification. Orion has established its purpose to be a vital player in that transition for our community and our region. We are focused on helping our community realise its dreams for a future that is new, better, and more sustainable over the long term.
13. Looking ahead, Orion faces a rapidly evolving energy landscape, shaped by climate change, technological advancements, and increasing electricity demand. This demand is driven by the need for decarbonization and population growth.
14. With that background in mind, we now set out our comments on the Bill and new Part 2B.

Clause 23 - New Part 2B acquisition or taking of land for Transpower works

15. Orion supports the inclusion of new Part 2B of the Bill, but we also ask that the Committee considers extending that regime to NUOs that are owned by the Crown or local authorities. This would mean that NUOs such as Orion would be able to access the PWA regime directly. For NUOs that are already requiring authorities, this would mean they no longer need to seek the involvement of the Minister for Land Information under section 186 of the RMA. We agree with the comments of the Expert Advisory Panel in its report on the PWA that

"38. We heard that the Section 186 RMA process is too slow and uncertain for some NUOs, and presents a risk to delivery of critical national linear infrastructure. Barriers to NUO use of the PWA creates opportunities for landowners to delay acquisitions, resulting in unfairness and a lack of consistency in how landowners are compensated."¹

16. While those statements apply to all NUOs that are requiring authorities, we consider that the approach taken in relation to Transpower should be extended to other NUOs which are Crown or Council organisations, and are appropriate to have direct PWA access because of the governance and

¹ See <https://www.linz.govt.nz/sites/default/files/2025-03/BRF%202025-110%20Attachment%201%20Public%20Works%20Act%20Expert%20Advisory%20Panel%27s%20advice%20paper.pdf>

accountability regimes that are inherent in their public sector ownership.

17. In the context of the electricity sector, where Orion operates, there are several EDBs which are also Council organisations:²
 - Alpine Energy Ltd – majority owned by Timaru (47%), Waimate (7.54%) and Mackenzie (4.96%) District Councils;
 - Aurora Energy Ltd – owned by Dunedin City Council (100%);
 - Electricity Ashburton Ltd (EA Networks) – majority owned by Ashburton District Council (94.25%); and
 - Electricity Invercargill Ltd – owned by Invercargill City Council (100%).
18. Orion, Alpine Energy, Aurora Energy, Electricity Ashburton, and Electricity Invercargill represent approximately 65% of connections in the South Island when analysing the performance summaries for electricity distributors using 2024 figures.³
19. In the context of the electricity industry, we also consider that broadening access to the PWA regime will better enable certain participants in the electricity sector to meet the Government's goals as set out in the Government Policy Statement on Electricity.⁴ It also reflects the approach in the recently amended National Policy Statement for Electricity Networks 2008 where the Statement was expanded to include electricity distribution as well as electricity transmission⁵ giving greater weight to the benefits of EDBs and their role in supporting electrification, resilience and energy security.
20. In the Government Policy Statement on Electricity, the Government notes that

"1. An efficient electricity system is vital for a competitive, growing economy, environmental sustainability, and social well-being. In particular, New Zealand should have abundant and affordable energy at internationally competitive prices.

² Aurora Energy Ltd and Electricity Invercargill also hold requiring authority status.

³ See [Performance summaries for electricity distributors | Commerce Commission](#)

⁴ See <https://www.beehive.govt.nz/sites/default/files/2024-10/Government%20Policy%20Statement%20on%20Electricity%20-%20October%202024.pdf>

⁵ See <https://environment.govt.nz/assets/publications/RMA/Amendment-2025-NPS-Electricity-Networks-v2.pdf>

2. *The Government therefore expects the electricity system to deliver reliable electricity at lowest possible cost to consumers. It should serve the interests of all electricity consumers, including through the provision of sufficient electricity infrastructure to ensure security of supply and avoid excessive prices.*

...
4. *Over the coming 30 years, electrification of transport and process heating across the economy, combined with underlying growth, is expected to result in a major increase in demand for electricity.*
5. *To meet this huge increase in demand, New Zealand's renewable generation is expected to double, and this will be a major contributor to achieving our Net Zero 2050 target."*

21. Specifically, with respect to electricity distribution networks, the Government Policy Statement also provides that

"13. Electrification of the economy will require significant investment in strengthening transmission and distribution networks. It is critical that this investment is economically efficient, which means (among other things) that it reflects demand and optimises new capacity in a manner that avoids unnecessary cost increases for consumers, while ensuring network reliability."

22. We have recently completed or currently have underway a number of projects involving new Orion infrastructure (primarily zone substations⁶) where the projects have become unnecessarily complex, expensive and/or delayed because of land ownership issues. Direct access to the PWA regime will make (or would have made) the process faster, simpler and a more effective and responsible utilisation of public funds.
23. Recent examples include:
 - Land acquisition for a new zone substation to support transmission and distribution infrastructure. Orion purchased the whole site and transferred a portion to the transmission provider. Negotiations with the landowner involved considerable time and expense, which could

⁶ Zone substations are critical hubs in the Orion network, housing high voltage infrastructure that typically serves multiple suburbs. We currently have 52 zone substations in service.

have been reduced had Orion had direct access to the PWA regime.

- Land acquisition for a new zone substation to allow for increased loads for a substantial redevelopment of a Crown-owned site and decarbonisation outcomes. Presently, Orion will need to apply under section 186 of the RMA so that we are able to use the section 50 PWA transfer process between the parties. This will likely add considerable time and expense to the process. Direct access to the PWA regime would enable this to be completed much more efficiently.
- Land acquisition for a new zone substation within the Selwyn District Council area to service increasing demand. The land acquisition costs are comparatively low but the acquisition of the land from the vendor requires compliance with section 40 of the PWA, and incurs the associated consultancy costs. Direct access to the PWA regime would enable this to be completed much more efficiently if the subsequent transfer of the land could be made using section 50, and without the need for an application to the Minister for Land Information under section 186 of the RMA.

24. More generally we note that mid Canterbury, and particularly Selwyn District, is experiencing unprecedented population growth. The latest census data shows that Waikirikiri Selwyn is the fastest growing district in the country with a 29% increase in resident population between 2018 and 2023. The district's population is projected to hit 140,000 as early as 2050.⁷ Population growth at this level requires the provision of infrastructure quickly and efficiently. However, we are finding that resolving land acquisition issues for local distribution network infrastructure is taking considerable time. This hinders our ability to deliver the capacity requirements to our community.

25. Recent amendments to the Christchurch District Plan, particularly Plan Change 14, permit significant housing intensification—where a single dwelling site may now accommodate up to six units.⁸ This increased density has a corresponding impact on electricity demand, and the only practical means of meeting the additional capacity requirements is through acquiring more land for the construction of additional kiosk substations.

⁷ See <https://www.selwyn.govt.nz/your-council/future-selwyn>

⁸ See <https://www.ccc.govt.nz/consents-and-licences/resource-consents/before-you-apply/planning-zones-and-maps>

High Density Residential zoning was introduced around 10 commercial centres, and Medium Density Residential zoning around some 30 other commercial centres. Changes were also made to the commercial zones.

26. In all of these examples, we consider that Orion, with our local authority ownership structure, is similar to a local authority which exercises powers under the PWA. **Our submission is that NUOs with local authority ownership should have direct access to Part 2 powers under the PWA, akin to Transpower.** We think there are sufficient transparency and accountability controls in place for NUOs such as ourselves to have access to these powers.
27. We have strong on the ground relationships with landowners, and we have community engagement processes in place such as our community power panels, customer advisory panels, powerful conversations forum, and the Orion Have Your Say engagement space to further discuss issues and gauge views of our customers.⁹
28. Orion operates within a framework that ensures robust oversight and accountability regarding the use of powers under the PWA. As a company owned by local authorities, we are subject to regular reporting requirements to our shareholders under the Energy Companies Act 1992. This oversight ensures that our actions remain transparent and aligned with the interests of the communities we serve.
29. In addition to shareholder oversight, our activities are closely monitored by key industry regulators, including the Electricity Authority and the Commerce Commission. The electricity sector in New Zealand is highly regulated, with multiple agencies scrutinising our operations. These layers of regulation provide assurance that any exercise of powers under the PWA would be conducted responsibly, with appropriate checks and balances in place to protect the interests of all stakeholders, including landowners.
30. Providing for direct access to the powers to acquire and/or transfer land under the PWA, will reduce potential delays to project timeframes and reduce costs for all parties involved. It will also support the Government's priorities with respect to the electrification of the economy. Whilst transmission has a size and cost that requires scale of use to access it, it will not be an appropriate solution to all electricity access needs. Regional utility scale solar farms and industrial food processing demand/decarbonisation relies on distribution networks to bring capacity to the locations of new generation or demand, and this may involve new distribution lines or cables requiring private land

⁹ See <https://www.oriongroup.co.nz/your-energy-future/community-engagement> and <https://www.haveyoursay.oriongroup.co.nz/>

access, or new substation land access on private land.

31. Finally, providing for direct access to the powers to acquire and/or transfer land under the PWA will also allow Orion to service the capacity needs of the city that has resulted from intensification changes to the district plan.

Concluding comments

32. Thank you again for the opportunity to provide this submission. We wish to be heard in relation to this submission.
33. If you have any questions please contact Vivienne Wilson, Policy Lead, Vivienne.wilson@oriongroup.co.nz, (03) 363 9898.

Yours sincerely

Vivienne Wilson

Policy Lead