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| At a glance | **1** | This document provides additional context around the information requested in the RfI Response Template AA. |

CONFIDENCE GRADES

1. This RfI includes a confidence grading system which requires each Local Authority to apply a level of confidence to each request.
2. The confidence grade system has been developed to provide a reasoned basis for Local Authorities to qualify information in respect to reliability and accuracy. It is essential that proper care and a high level of application is given to the assignment of confidence grades to data requiring such annexation.
3. There are two elements to the confidence grades:
* Reliability bands (A to D); and
* Accuracy bands (1 to 6).
1. The reliability bands are assigned according to the source of the information.

| **Reliability Band** | **Description** |
| --- | --- |
| A | Sound textual records, procedures, investigations or analysis properly documented and recognised as the best method of assessment. |
| B | As A but with minor shortcomings. Examples include old assessment, some missing documentation, some reliance on unconfirmed reports, some use of extrapolation. |
| C | Extrapolation from limited sample for which Grade A or B data is available. |
| D | Unconfirmed verbal reports, cursory inspections or analysis. |

1. Accuracy bands provide the margin of error around the central estimate.

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| --- | --- | --- |
| **Accuracy Band** | **Accuracy to or within +/-** | **but outside +/-** |
| 1 | 1% | - |
| 2 | 5% | 1% |
| 3 | 10% | 5% |
| 4 | 25% | 10% |
| 5 | 50% | 25% |
| 6 | 100% | 50% |
| X | Accuracy outside +/- 100 %, zero or small numbers or otherwise incompatible, see example below. |

1. The X grade is generally only likely to be appropriate where a zero has been entered.
2. The overall confidence grade is a combination of the reliability and accuracy band. For example:
* A2: Data based on sound records etc. (A, highly reliable) and estimated to be within +/- 5% (accuracy band 2);
* C4: Data based on extrapolation from a limited sample (C, unreliable) and estimated to be within +/- 25% (accuracy band 4);
* AX: Data based on sound records etc. (A, highly reliable) but value too small to calculate any meaningful accuracy percentage.
1. The table below provides a list of compatible confidence grades.

|  |
| --- |
| **Compatible Confidence Grades** |
| **Accuracy Band** | **Reliability Band** |
|  | A | B | C | D |
| 1 | A1 |  |  |  |
| 2 | A2 | B2 | C2 |  |
| 3 | A3 | B3 | C3 | D3 |
| 4 | A4 | B4 | C4 | D4 |
| 5 |  |  | C5 | D5 |
| 6 |  |  |  | D6 |
| X | AX | BX | CX | DX |

1. As shown in the table above, certain reliability and accuracy band combinations are considered to be incompatible – for example, D1 or D2.
2. When selecting a confidence grade from the drop-down boxes provided in the template, it would be appreciated if each Local Authority could add explanatory comments for responses with lower confidence levels in the Comments field.

SECTION AA: QUALITATIVE

Purpose

1. The qualitative information requested will allow DIA to better understand the current state of the three waters related asset base and condition of the assets, the operating environment and commercial and financial arrangements.

Summary of information requested

1. The qualitative information requested can be grouped into the following categories:
	* Commercial arrangements e.g., current charging arrangements, methods for collecting charges, current insurance arrangements etc.
	* Asset valuations e.g. land assets, three waters assets, liabilities and contingent liabilities etc.
	* Consents e.g. consents/permits held for the three waters, number of designations held for WTPs etc.
2. We are conscious that the qualitative information requested will be available in a variety of formats, ranging from contractual documents, local plans, policy documents and Excel spreadsheets. Please provide the information in a suitable format for understanding the information. For example, information pertaining to financial arrangements would be best received in an Excel document. However, for commercial and operational arrangements, a summary of the key commercial aspects of that arrangement (as opposed to forwarding relevant contracts) would be more helpful than providing the whole document.
3. If the Local Authority believes that the information should be passed on in its current form, then please engage with DIA to ask whether this is suitable.

TABLE AA1: COMMERCIAL ARRANGEMENTS

1. Please provide written descriptions in response to the requests below.
2. For each of the requests, please provide additional detail if there is any variance between water, wastewater and stormwater.

BLOCK 1: CURRENT CHARGING ARRANGEMENTS

|  |  |  |
| --- | --- | --- |
| **AA1.1** | **Can you please provide a description of the current charging arrangements for water, wastewater (including tradewaste) and stormwater? Please describe how these arrangements vary across different user groups.** | **General** |
| *Definition:* | If different regimes apply to different water users, please provide a breakdown of those user groups including a description of the group/category, charging method (e.g., fixed/variable/capacity), per unit pricing, and any other specific charging arrangements that apply. Please provide: 1) a written description of how customers are charged (e.g. types of charges and how charges differ across user groups) 2) a list of water/wastewater user groups used and a brief description of each  |
| *Processing Rules:* | Input |

BLOCK 2: METHOD FOR COLLECTION OF CHARGES

|  |  |  |
| --- | --- | --- |
| **AA1.2** | **How is revenue collected (e.g. through general rates, target rates, direct charges etc)? How do you communicate revenue collection methods to customers?** | **General** |
| *Definition:* | State the collection mechanism used to collect water, wastewater and stormwater revenues. |
| *Processing Rules:* | Input |

BLOCK 3: COMMERCIAL ARRANGEMENTS CURRENTLY IN PLACE FOR THE ASSET MANAGEMENT AND/OR MAINTENANCE OF WATER, WASTEWATER AND STORMWATER INFRASTRUCTURE

|  |  |  |
| --- | --- | --- |
| **AA1.3** | **Please provide a high level description of contracts with a remaining term longer than 2 years including:*** **Scope**
* **Counterparty**
* **Start and end dates**
* **Contract value**
* **Other relevant terms**
 | **General** |
| *Definition:* | Provide a high-level summary including the information outlined above. |  |
| *Processing rules* | Input field |  |

BLOCK 4: CURRENT INSURANCE ARRANGEMENTS

|  |  |  |
| --- | --- | --- |
| **AA1.4** | **Please provide a high-level overview of current insurance arrangements that apply to water, wastewater and stormwater assets including:*** **The amount of cover (i.e. dollar value)**
* **Whether the assets covered are above or below ground**
* **The type of events covered (e.g. 1 in 500-year earthquake event)**
* **The source (e.g. self vs external insurer)**
* **Major exclusions**
 | **General** |
| *Definition:* | Provide a high-level summary including the information outlined above. |  |
| *Processing rules* | Input field |  |

|  |  |  |
| --- | --- | --- |
|  |  |  |
| **AA1.5** | **How does the insured amount compare to reinstatement costs for the insured water, wastewater and stormwater assets?** |  |
| *Definition:* | Provide the most recent valuation report undertaken for water, wastewater and stormwater assets.The expectation is that the valuation of multiple assets will be covered by a small number of valuation reports. Where a large number of valuation reports exist, please engage with DIA to discuss the appropriate information to provide. |
| *Processing Rules:* | Input field |

BLOCK 5: EXISTING COMMERCIAL ARRANGEMENTS

|  |  |  |
| --- | --- | --- |
| **AA1.6** | **Please provide a summary of existing material commercial arrangements/relationships that each Local Authority has,** **including neighbouring Local Authorities, regional Local Authorities and iwi with respect to water, wastewater and stormwater assets, supply and service delivery.** | **General**  |
| *Definition* | Provide a high-level summary of the information outlined above. |
| *Processing rules* | Input field |

BLOCK 6: CURRENT STRUCTURE FOR MANAGEMENT OF THREE WATERS ASSETS AND RELATED INFRASTRUCTURE

|  |  |  |
| --- | --- | --- |
| **AA1.7** | **Please provide an organisation chart, headcount, FTE details and any vacancies.** | **General** |
| *Definition:*  | Provide a high-level summary of the management structure. Include the organisation chart, headcount and FTE details. Please also note any vacancies. |
| *Processing Rules:* | Input |

BLOCK 7: BORROWING ARRANGEMENTS

|  |  |  |
| --- | --- | --- |
| **AA1.8** | **Please provide a high level summary of debt arrangements (and any hedging arrangement(s)) for the Local Authority as a whole. If actual figures are not known, please provide estimates and explain the underlying assumptions or rationale for the estimates.** | **General** |
| *Definition:* | Provide a high-level summary of debt/hedging arrangements and an excel spreadsheet with value, tenor, pricing etc. For debt (and any hedging arrangement), please provide information for the Local Authority as a whole. |
| *Processing Rules:* | Input field |
| **AA1.9** | **Please provide a high level summary of debt arrangements (and any hedging arrangement(s)) for the Local Authority specifically relating to drinking water assets including details of value, tenor and pricing. If actual figures are not known, please provide estimates and explain the underlying assumptions or rationale for the estimates.** | **General** |
| *Definition:* | Provide a high-level summary of debt/hedging arrangements for drinking waters assets and an excel spreadsheet with value, tenor, pricing etc.  |
| *Processing Rules:* | Input field |
| **AA1.10** | **Please provide a high level summary of debt arrangements (and any hedging arrangement(s)) for the Local Authority specifically relating to wastewater assets including details of value, tenor and pricing. If actual figures are not known, please provide estimates and explain the underlying assumptions or rationale for the estimates.** | **General** |
| *Definition:* | Provide a high-level summary of debt / hedging arrangements for wastewater assets and an excel spreadsheet with value, tenor, pricing etc.  |
| *Processing Rules:* | Input field |

|  |  |  |
| --- | --- | --- |
| **AA1.11** | **Please provide a high level summary of debt arrangements (and any hedging arrangement(s)) for the Local Authority specifically relating to stormwater assets including details of value, tenor and pricing. If actual figures are not known, please provide estimates and explain the underlying assumptions or rationale for the estimates.** | **General** |
| *Definition:* | Provide a high-level summary of debt / hedging arrangements for stormwater assets and an excel spreadsheet with value, tenor, pricing etc.  |
| *Processing Rules:* | Input field |

BLOCK 8: STORMWATER ASSETS

|  |  |  |
| --- | --- | --- |
| **AA1.12** | **Are the stormwater assets in roads recorded as part of roading assets or stormwater assets?** | **General** |
| *Definition:* | The purpose of this question is to understand whether Local Authorities combine stormwater infrastructure in roads, with the dedicated stormwater network.  |
| *Processing Rules:* | Input  |
| **AA1.13** | **Please provide a high-level summary (if available) of the rate of expansion of the stormwater network or any information on how much is being built by private development.** | **General** |
| *Definition:* | This information is required to build an understanding of the size, condition and investment profile of the stormwater network. |
| *Processing Rules:* | Input  |

BLOCK 9: INFRASTRUCTURE STRATEGY

|  |  |  |
| --- | --- | --- |
| **AA1.14** | **Can you please provide the latest (draft or final) 30 year Infrastructure Strategy (2021-2051), if available** | **General** |
| *Definition:* | Please state whether you can provide the latest, finalised 30-year Infrastructure Strategy (2021-2051) via the supplied yes/no selector. |
| *Processing Rules:* | Yes/No |

TABLE AA2 – LAND ASSETS, WATER, WASTEWATER AND STORMWATER ASSETS AND LIABILITIES

Overview

1. In Table AA2, Local Authorities are requested to provide information for land, water, wastewater and stormwater assets as well as liabilities and consents.

Guidance

1. For Table AA2 please take into consideration the following:
	* For this approach we have assumed the proposed entity to be tax-exempt. Please indicate if otherwise.

BLOCK 1: WATER, WASTEWATER AND STORMWATER ASSETS AS WELL AS LAND ASSETS ASSOCIATED WITH THREE WATERS ASSETS

|  |  |  |
| --- | --- | --- |
| **AA2.1** | **Please provide any readily available valuation documentation related to water, wastewater and stormwater assets as well as land assets associated with three waters assets from 30 June 2016 to current** | **Attachment** |
| *Definition:* | Please state whether you can provide the supporting valuation documentation via the supplied yes/no selector. |

BLOCK 2: LIABILITIES ASSOCIATED WITH WATER, WASTEWATER AND STORMWATER ASSETS

|  |  |  |
| --- | --- | --- |
| **AA2.2 – AA2.32** | **Please provide details in respect of financial liabilities (including contingent liabilities) as at 30 June 2020** | **NZ$'000** |
| *Definition:* | * Please disclose all reported (or off-balance sheet) financial liabilities (including contingent liabilities) as defined per the financial reporting purposes relating to the three water assets.
* Please select from the drop-down list whether the liability is related to water, wastewater, stormwater or multiple allocations. If there are multiple allocations (including non-three waters liabilities), please provide the proportion of three water related liabilities in the comments field. For example, if the liability is related equally to both water and wastewater please put water 50%, wastewater 50% in the comments field. Alternatively, if the liability is related equally to stormwater and roading please put 50% stormwater in the comments field.
* Please provide the liability amount in the liability column in NZ$’000. If liabilities can’t be measured reliably, please leave the value cell blank or else please provide the best estimate.
* Please provide the date that the liability is measured.
* Please identify whether the liability is recognised on the balance sheet in the Yes/No drop-down list.
* Please identify whether the liability is contingent in the Yes/No drop-down list.
* If the liability is contingent, please identify what the contingency is in the in the details field. For example, events such as an environmental issue raising a requirement for a restoration provision which could impact the future cashflow position of the operator. Alternatively, litigation of a claim in relation to the water services.
 |

BLOCK 3: CONSENTS

*COLUMN DEFINITIONS*

|  |  |  |
| --- | --- | --- |
| **Col. 1** | **Description** | **General** |
| *Definition:* | Summary description of consent/designation |
| *Processing Rules:* | Input field: |
| **Col. 2** | **Consent Number** | **Nr.** |
| *Definition:* | Consent Number. |
| *Processing Rules:* | Input field |
| **Col. 3** | **Duration** | **Nr. years** |
| *Definition:* | The reference number of the consent/designation stated. |
| *Processing Rules:* | Input field |
| **Col. 4** | **Expiry date** | **Date** **(xx/xx/xxxx)** |
| *Definition:* | Expiry date of the stated consent/designation. |
| *Processing Rules:* | Input field |
| **Col. 5** | **Regulatory Authority** | **General** |
| *Definition:* | Regulatory Authority that provided the stated consent/designation. |
| *Processing Rules:* | Input field |
| **Col. 6** | **Purpose** | **General** |
| *Definition:* | Purpose of the stated consent/designation. |
| *Processing Rules:* | Input field |

*COLLUMN DEFINITIONS - A*

|  |  |  |
| --- | --- | --- |
| **Col 1a** | **Number of designations** | **Nr** |
| *Definition:* | Number of designations. |
| *Processing Rules:* | Input field |
| **Col 2a** | **Description** | **General** |
| *Definition:* | Summary description of number of designations. |
| *Processing Rules:* | Input field |

*COLUMN DEFINITIONS - B*

|  |  |  |
| --- | --- | --- |
| **Col 1b** | **Number of consents** | **Nr** |
| *Definition:* | Number of consents. |
| *Processing Rules:* | Input field |
| **Col 2b** | **Description** | **General** |
| *Definition:* | Summary description of number of consents. |
| *Processing Rules:* | Input field |

LINE ITEMS

CONSENTS

|  |  |  |
| --- | --- | --- |
| **AA2.33** | **Will a consent register be provided by the Local Authority? (If yes, the questions below do not require a response.)** | **General** |
| *Definition:* | Please state whether a consent register has been provided via the supplied yes/no selector.  |
| *Processing Rules:* | If No, then proceed to the following questions. If Yes, please skip the following questions and proceed to the next Table. |

CONSENTS - WATER

|  |  |  |
| --- | --- | --- |
| **AA2.34** | **Please provide a high-level description of the water supply take consents/permits held (including the source of the take e.g. from a river, lake, spring, storage dam or groundwater bore), consent number, the duration of the consent/permit and the expiry date, Regulatory Authority and purpose.** | **General** |
| *Definition:* | As above. Please complete columns 1 – 6.  |
| *Processing Rules:* | Input field |
| **AA2.35** | **Please provide a summary description and number of designations held for WTPs and other key water supply infrastructure (e.g. trunk water pumping stations, trunk pipeline corridors, river crossings, reservoirs).** | **General** |
| *Definition:* | As above. Please complete columns 1a and 2a. |
| *Processing Rules:* | Input field |
| **AA2.36** | **Please provide a summary description and number of land use consents held for WTPs and other key water supply infrastructure (e.g. trunk wastewater pumping stations, trunk pipeline corridors, river crossings, storage tanks).** | **General** |
| *Definition:* | As above. Please complete columns 1b and 2b. |
| *Processing Rules:* | Input field |

CONSENTS - WASTEWATER

|  |  |  |
| --- | --- | --- |
| **AA2.37** | **Please provide a high-level description of the wastewater discharge consents/permits held (including where the discharge outfall is e.g. to ocean; river, lake, to land (irrigation, wetland), or please specify if elsewhere), consent number, the duration of the consent/permit and the expiry date, Regulatory Authority and purpose.** | **General** |
| *Definition:* | As above. Please complete columns 1 – 6. |
| *Processing Rules:* | Input field |
| **AA2.38** | **Please provide a summary description and number of designations held for WWTPs and other key wastewater infrastructure (e.g. trunk water pumping stations, trunk pipeline corridors, river crossings, reservoirs).** | **General** |
| *Definition:* | As above. Please complete columns 1a and 2a. |
| *Processing Rules:* | Input field |
| **AA2.39** | **Please provide a summary description and number of land use consents held for WWTPs and other key wastewater infrastructure (e.g. trunk wastewater pumping stations, trunk pipeline corridors, river crossings, storage tanks).** | **General** |
| *Definition:* | As above. Please complete columns 1b and 2b. |
| *Processing Rules:* | Input field |

CONSENTS - STORMWATER

|  |  |  |
| --- | --- | --- |
| **AA2.40** | **Do you have a network consent for stormwater discharge?**  | **General** |
| *Definition:* | Please state whether a consent for storm water discharge is held via the supplied yes/no selector.  |
| *Processing Rules:* | Input field |