

[REDACTED]

16 June 2022

Dear [REDACTED]

Re: Official Information Act Request – Electric ferries in Auckland

I refer to your request for information under the Official Information Act 1982 (OIA), transferred to the Energy Efficiency and Conservation Authority (EECA) on 18 May 2022. Specifically, you requested:

“Was a tender process undertaken in deciding which company would build these electric ferries, and if so, how many tenders were received?”

Specifically in response to your OIA request the answer is No. However, by way of background the following additional information is provided.

In April 2020, in the middle of New Zealand’s COVID-19 lockdown, the Government tasked the Infrastructure Reference Group (IRG) to seek out infrastructure projects that were ready to start as soon as the industry returned to normal in order to reduce the economic impact of the COVID-19 pandemic (the Shovel Ready Project application process).

The shovel ready projects process was not undertaken as a formal tender but as an open market request for proposals through a project application process. The IRG assessed and put forward to Ministers projects from the private and public sectors that met certain criteria. Projects were assessed on construction readiness; public/regional benefit; employment benefits; and overall benefits and risks.

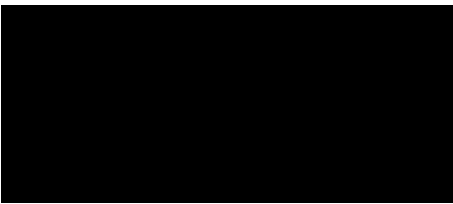
Consequently, a tender process was not undertaken to decide which company would build the ferries for the Electric Ferry shovel ready project. The final recipient of the funding took some time to determine given a range of risks associated with the project including:

- the demonstration nature of the project with a technology application that had very little New Zealand application at the scale proposed (i.e. size of the vessels)
- the cost escalation of the project and the ability of the recipient to meet their share of the costs (given the cap on Government funding) and to accept the full risk of further cost increases
- the operational deployment of the vessels onto publicly funded public transport routes
- the specific design configurations of the vessels given their intended use.

Once agreement had been reached with Auckland Transport (AT), as the most appropriate recipient of the funding, a vessel build contract was directly negotiated, by AT, on a sole source basis with one of the applicant parties (being EV Maritime who had carried out considerable due diligence on the feasibility of building battery electric vessels prior to the lodgement of their application to the IRG) as well as McMullen & Wing.

You have the right, by way of complaint to the Ombudsman, to seek an investigation and review of the Energy Efficiency and Conservation Authority's response to your information request. You can do this by email to info@ombudsman.parliament.nz or by writing to the Office of the Ombudsman, PO Box 10152, Wellington 6143.

Yours sincerely



Andrew Caseley
Chief Executive