

# Wellington Metropolitan Rail 2013/14 Annual Report

30 June 2014



Greater Wellington Rail Ltd



greater WELLINGTON  
REGIONAL COUNCIL  
Te Pane Matua Taiao





## Wellington Metropolitan Rail






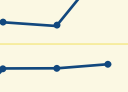
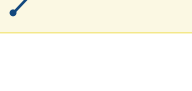
### Trends

			2010	2011	2012	2013	2014	
Passenger boardings per capita		#	23.0	23.1	23.0	23.1	23.5	
Passengers carried		# million	11.1	11.2	11.3	11.4	11.6	*
Passenger growth year on year		%	-6.30	0.98	0.28	0.72	2.54	*
Peak passenger growth year on year		%	-6.00	1.57	-2.62	1.33	1.58	*
Passenger kilometres		million km	259	262	267	269	274	*
Average fare		\$	3.04	3.12	3.37	3.56	3.72	
Operational expenditure per passenger		\$		6.08	7.13	7.15	7.31	
Punctuality		%	88.7	90.0	91.6	93.9	94.3	**
Reliability		%	98.4	98.6	98.8	99.2	99.2	**
Notifiable occurrences		#	3	6	6	7	3	
Customer satisfaction - trip overall		%					92	
Customer satisfaction - station		%					91	
Unit kilometres run		million km			5.0	5.3	5.3	
Operational expenditure per unit kilometre		\$			16.2	15.3	15.9	
Accessibility		% trains	77	77	100	100	100	

\* In 2014 there has been a slight adjustment to the way passenger numbers and passenger kilometres have been calculated. This has had the effect of reducing the 'passengers carried' by 41,000 compared to the previous method.

\*\* Punctuality was 94.7% & reliability 99.7% when normalised for the effect of the Seddon earthquakes in July & August

## Financial Trends

			2010	2011	2012	2013	2014
Fare revenue		\$ million	33.9	35.1	38.0	40.4	43.3
Rates revenue (for operational expenditure)		\$ million		14.3	17.5	19.4	18.8
NZTA funding (for operational expenditure)		\$ million		19.0	24.4	23.8	23.9
Operational expenditure		\$ million		68.3	80.4	81.2	85.1
Capital expenditure		\$ million		91.3	120.1	33.6	27.5
Capital expenditure directly funded by MoT		\$ million			11.8	10.8	28.4
Asset value		\$ million		192.4	299.3	299.6	307.7

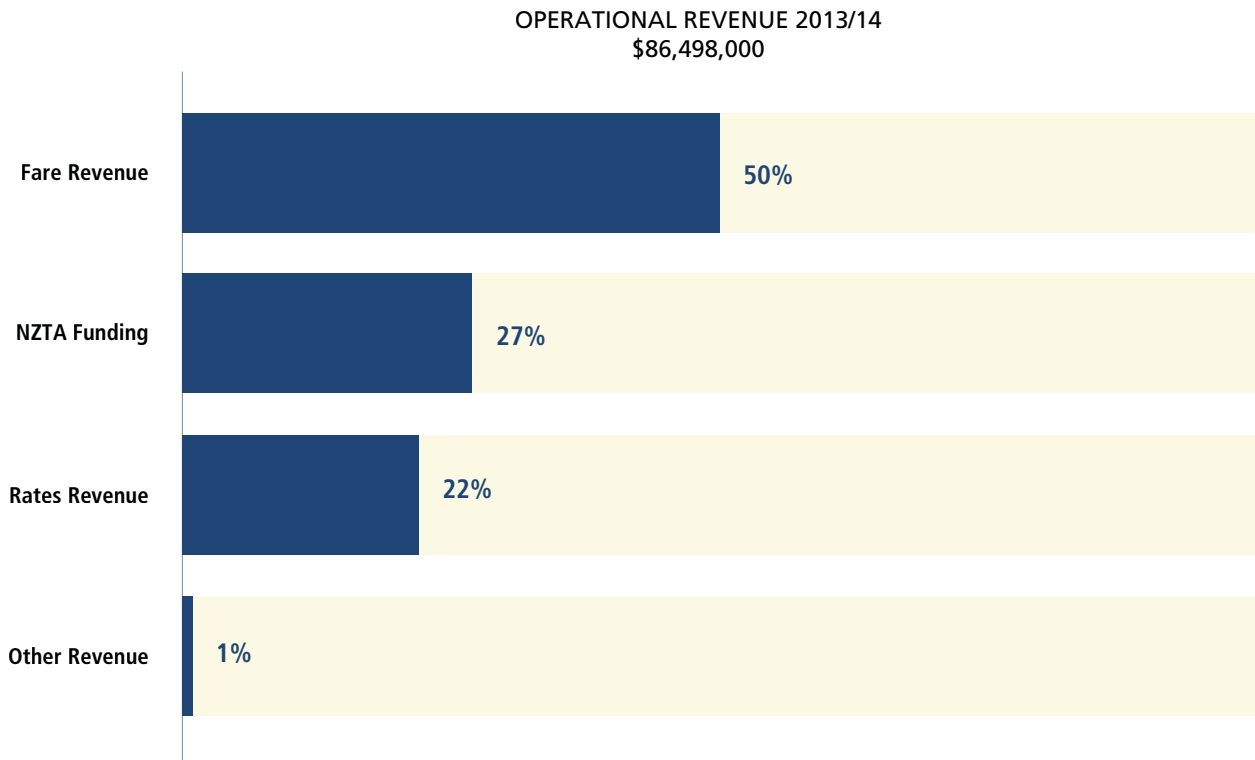
## Average Asset Condition

(1 = excellent, 5 = extremely poor)

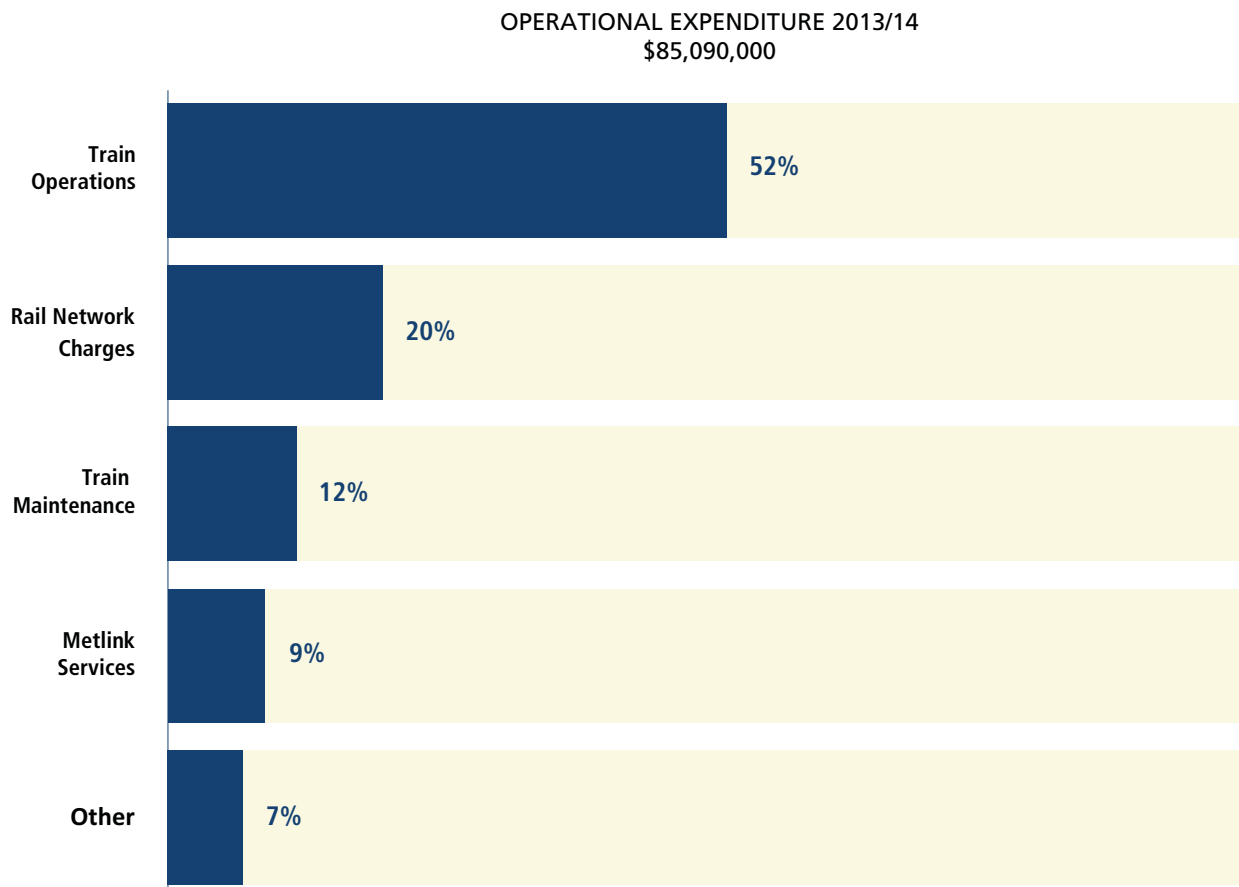
		2012	2013	2014
<b>Stations</b>				
Johnsonville Line	score	2.2	2.2	2.4
Kapiti Line	score	2.0	1.6	2.4
Hutt Valley Line	score	2.4	2.0	2.8
Wairarapa Line	score	2.0	2.0	2.3
<b>Trains</b>				
Ganz Mavag	score	3.7	3.7	3.7
Matangi	score	1.0	1.0	1.0
SW Carriages	score	2.2	2.2	2.2

\* In 2014 there was a slight decline in the average station condition ratings due to the discovery of asbestos at some stations and the results of a seismic study of stations.

## Operational Revenue



## Operational Expenditure



# YEAR AT A GLANCE

## 2013

July 2013

SE rolling stock in service on the Wairarapa Line



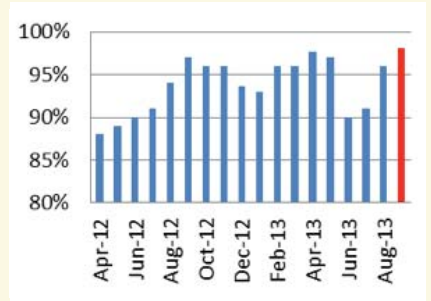
August 2013

Following the storms and the 16 August earthquake KiwiRail carried out extensive works on the Wellington Network



September 2013

Kapiti Line reached highest ever on time performance at 98%



## 2014

January 2014

New points at Petone installed



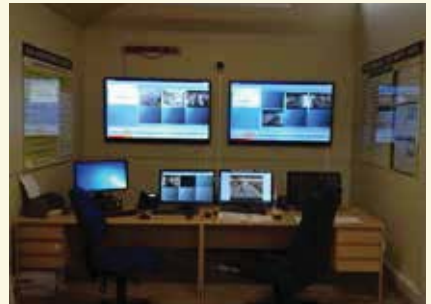
February 2014

The first Ganz Mavag trains leave NZ after being replaced by the Matangi trains



March 2014

Rail monitoring Centre CCTV and fibre network operational





# July-December

October 2013

GWRC won two awards at the Chartered Institute of Logistics and Transport in New Zealand Annual Awards for the Matangi Train project and improved service (in conjunction with KiwiRail)



November 2013

First new traction mast on the Kapiti Line



December 2013

Wairarapa Line improvements continue - Bridge 65 is replaced



# January-June

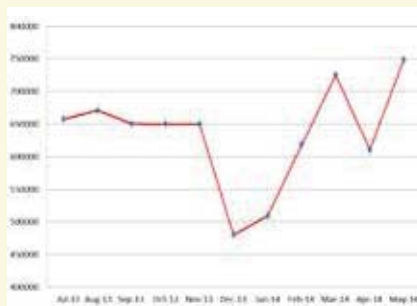
April 2014

New roof installed at Porirua Station



May 2014

Monthly patronage hits highest level for 4 years



June 2014

Construction begins on the new fleet of Matangi trains





Wellington Region map





The refurbished Thorndon Electric Multiple Unit depot

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The CILT Awards for: Public Transport Innovation, awarded to GWRC's Matangi Train Project; and for Implementation and Practice, awarded to GWRC and KiwiRail

## CHAIRPERSONS' REPORT

The 2013/14 year was one of solid progress for rail in the Wellington region.

Passengers are continuing to experience the benefits of the half a billion dollars' worth of investment in rail over the last eight years. Punctuality and reliability are continuing to trend in the right direction, with 94.3% of services arriving on time – a record level and one that we are determined to improve on over the next few years.

Passenger numbers are increasing as people find that taking the train is a much better experience now than what it was two or three years ago. The growth in patronage and associated revenue was a key contributor to the favourable financial results - particularly in the last half of the year - which enabled the Regional Council to overturn our proposal to increase fares for 2014/15.

Highlights in 2013/14 included the rollout of Real Time Information for trains in October. Train passengers can now find out when their train will arrive online, via their mobile devices or at display screens at stations.

Improvements were made to a number of park and ride facilities with the purchase of land near Porirua Station for a 250-space carpark and more parking at Silverstream and Carterton stations.

We're continuing to roll out a comprehensive asset management programme for all of our stations, including the letting of new contracts for security, maintenance and cleaning. Passengers are appreciating the improvements that are being made. In the most recent customer satisfaction survey, carried out last May, 91% of train passengers said they were satisfied with their station and 92% satisfied with their current trip.

The metropolitan rail fleet was in very good shape last year, exceeding its reliability targets. Six SE carriages, converted specially for the Wairarapa Line, began service in July 2013. Sixteen Ganz Mavag units made their way to their new African owners, with the remainder departing when the next tranche of Matangi trains begin service around July 2015. Manufacturing of the new trains is on schedule in South Korea.

Inevitably, however, the year wasn't without its challenges. Two significant earthquakes in July and August caused significant disruptions to services while the lines were checked thoroughly. The over running of a train at Melling Station, almost a year after a very similar incident, was of extreme concern. We'll work with KiwiRail, when the report from the Transport Accident Investigation Commission is released, to ensure that the recommendations are acted on.

We're committed to improving reliability of Wairarapa services and striking the right balance on the Johnsonville Line, between reducing the wheel squeal noise effectively and consistently ensuring services run smoothly and reliably.

Notwithstanding the challenges and the room for improvement, the year to June 2014 was very successful. Rail is a vital part of the region's infrastructure, enabling tens of thousands of people to get where they need to go each day safely, reliably and comfortably – and at the same time taking tens of thousands of cars off our busy roads.

I look forward to another great year for rail in 2014/15 as commissioning of the next tranche of Matangi trains gets under way, work begins on a fantastic new station at Upper Hutt, we release the tender for a new contract for rail services and rolling stock maintenance, make progress on developing an integrated ticketing system and continue to improve the day to day rail experience for customers so that more and more people take the train.



Fran Wilde

Chair, Greater Wellington Regional Council





One two-car Matangi train unit can easily carry more than all the drivers and passengers in the cars shown in this picture.

# 1 INTRODUCTION

The Wellington region covers a land area of 813,000 hectares and is home to a population of 491,500<sup>1</sup>. The region encompasses the cities of Wellington, Porirua, Upper Hutt, Lower Hutt, and the Kapiti, South Wairarapa, Carterton and Masterton districts. Greater Wellington Regional Council (GWRC) has responsibility for the provision of public transport throughout the region.

Wellington is fortunate in being one of two New Zealand regions that has a rail service as part of its public transport network. Over 11 million passenger journeys are undertaken on the rail network each year. The average trip length is 3 times greater than that of bus, as rail is the predominant mode for longer distance public transport within the Wellington region. Wellington's metro rail plays a vital role in connecting the region. In enabling the efficient transportation of people it makes a very significant contribution to the region's economic and social wellbeing.

As in most parts of the world, fare revenue does not fully cover the cost of providing Wellington's metro rail. The cost of subsidising the rail service is shared by GWRC and the New Zealand Transport Agency (NZTA). GWRC and NZTA share a strong interest in securing best value for their expenditure on rail subsidies.

GWRC's role in the region's metro rail service has grown rapidly in recent years. Up until the late 2000's, Wellington's rail services were delivered by TranzRail which owned all of the rolling stock and had exclusive rights to track access. At that time GWRC was a relatively passive funder, with little capacity to influence the quality or efficiency of the region's rail service.

GWRC's role began to change when in 2007 it signed a contract to purchase 48 new 2-car Matangi Electric Multiple Units (EMUs) from Hyundai Rotem. Further changes followed the Crown's purchase of the rail business and assets of Toll New Zealand Limited in mid-2008, and the release of the Government's 'Metro Rail Operating Model' in 2010.

In 2011 a significant step toward the implementation of the Model was achieved when GWRC, with strong Government support, acquired ownership and control of the rolling stock and most of the stations and related assets used for metro rail services.

The signing of the Wellington Network Agreement last year secures access rights to the region's rail network for GWRC's chosen metro services operator for the next 85 years. The Agreement also covers maintenance, train control and renewals and gives GWRC greater say in the management of the asset.

<sup>1</sup> (Statistics NZ, estimated provisional resident population, June 2014).

Year two of the GWRC Asset Management Plan was implemented and contracts for security, cleaning and light maintenance, rolling stock and station maintenance signed. Upgrades to station buildings and park and ride facilities were undertaken during the year, with officers working closely with the relevant councils and community parties.

The Public Transport Satisfaction Monitor report showed 92% of recent users were either satisfied or very satisfied with the metro rail service they were travelling on. The report also showed that 81% of passengers were pleased with the frequency of the service, 77% were happy with the on-time performance of the train service, while 82% felt that there were enough seats available.





## 2 PURPOSE

This report provides an overview of the performance of metro rail in Wellington in the financial year 1 July 2013 to 30 June 2014, referred to from here on as 2013/14.

Rolling stock and station assets are central to the performance of the metro rail service and hence their on-going management is also a key focus of this report.

The report is intended to give a transparent account of:

- how the service performed
- what it cost to provide the service
- how it was paid for in 2013/14
- the actions that have and are being taken to maintain and improve the service
- rolling stock and station asset management.

This is GWRC's third annual report on the performance of metro rail and consequently the performance trends presented in this report are based on a further year of accumulated performance data. Our reporting of performance trends will become increasingly useful in future years as even more data accumulates and new data sources (such as the Real Time Information System and Automatic Passenger Counts) are introduced.

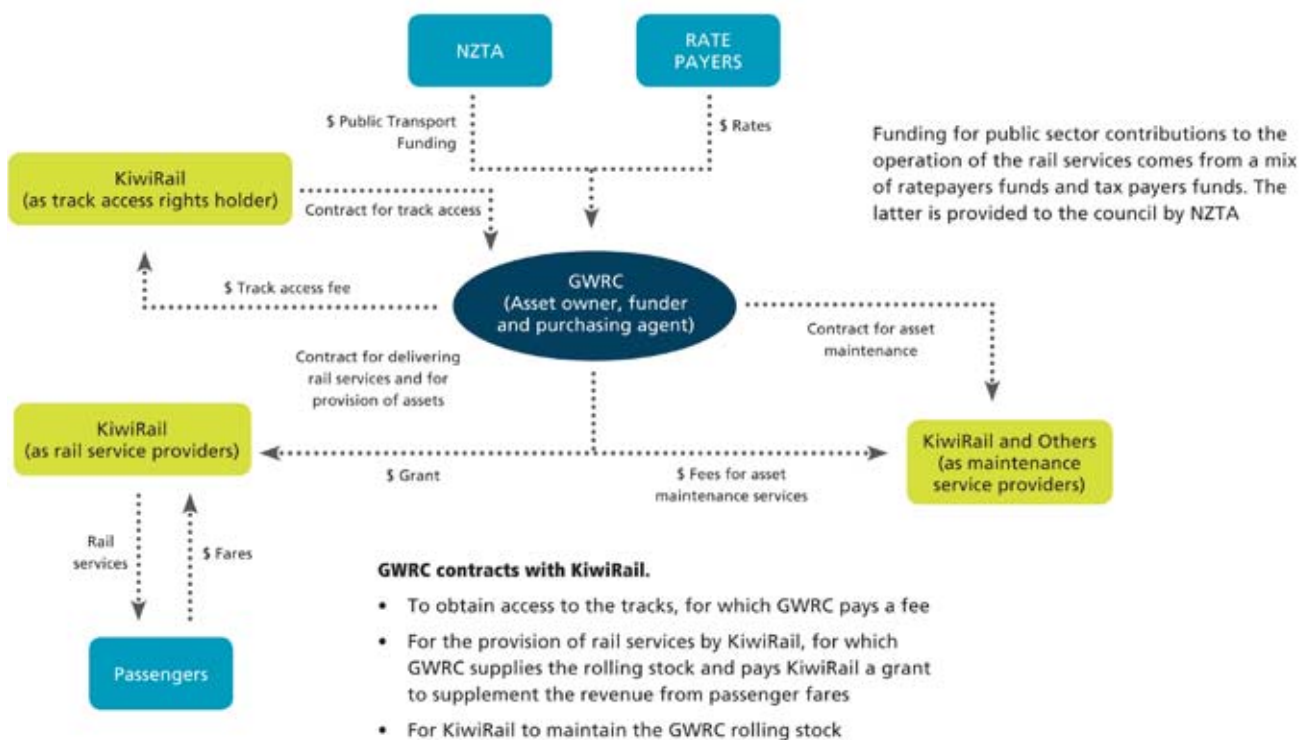




Recently refurbished waiting room at Paekakariki Station, achieved with the cooperation of the Paekakariki Station Trust.

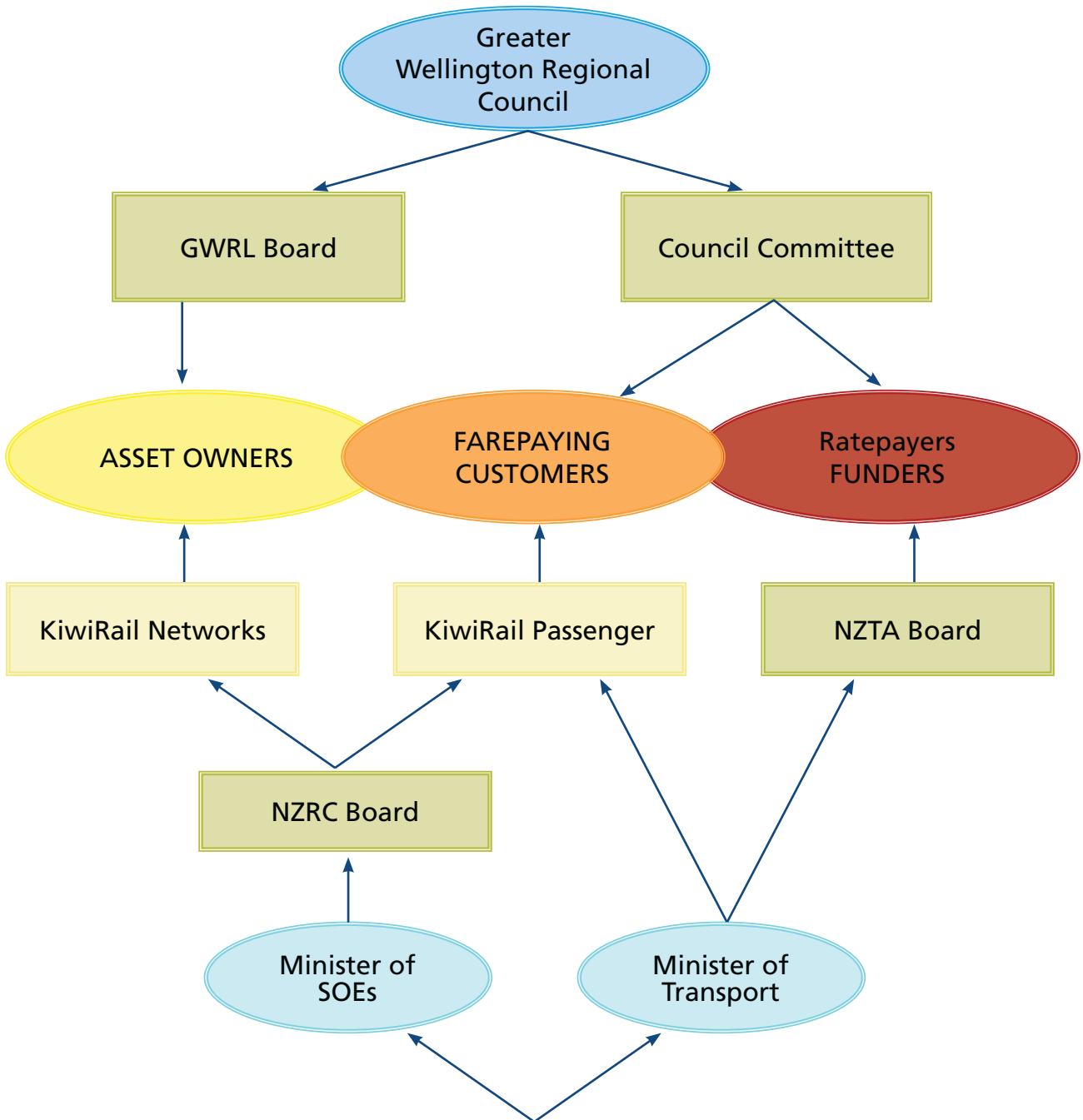
### 3 BACKGROUND

The diagram below summarises how the metro rail system in Wellington is organised.



## Governance

Governance is essential to protect the interests of stakeholders. The major stakeholders in metro rail are its asset owners, customers and funders. The governance structures that serve the interests of these various stakeholders are shown below.



## Wellington Metropolitan Rail Network

The Wellington metro rail network comprises four lines: Johnsonville, Kapiti, Hutt and Wairarapa. The Hutt line includes a short branch to Melling, and Wairarapa and Hutt services share common track through to Upper Hutt. All lines terminate at Wellington Railway station.





The Wellington network includes track, tunnels, bridges, signals and overhead electric traction, and is part of the national rail network owned by KiwiRail. With the exception of the Johnsonville line, metro rail services share the network with KiwiRail’s long distance freight services.

*Access to the Network*

The provision of the Wellington’s passenger rail service relies on GWRC holding a right of access to the rail network.

GWRC’s rights to provide the metro rail service on KiwiRail’s Wellington network are set out in the Wellington Network Agreement, signed with KiwiRail Holdings Limited in June 2013 for a term of 85 years. This term provides GWRC with the security that is necessary to continue making substantial capital investments in rolling stock and land based rail assets and provides GWRC with access rights that are sufficient to meet the foreseeable increase in demand for Wellington metro rail services. GWRC’s 85 year term is the same as agreed between Auckland Transport and KiwiRail.

The Agreement defines access rights by reference to the geographic area covered by the Wellington metro rail services, the number of train services that GWRC may operate on the Wellington Network, and the priority given to passenger rail services in relation to other services that also use the Wellington Network. Other users include KiwiRail’s freight service, scheduled long distance passenger services, charter and heritage operators.

*Operational Agreements*

Government does not require KiwiRail Holdings Limited to obtain a return on the capital invested in the rail network and consequently GWRC does not pay an access fee per se. However GWRC purchases a range of essential network services that include:

- Network Management – the development and implementation of a triennial Network Management Plan, the coordination of network service delivery, and reporting to GWRC and the Metro Service Operator (MSO)
- Network Control – train control, traction control, access control and supporting the delivery of GWRC’s RTI system for rail
- Maintenance – planned and unplanned maintenance of track, platforms, signals, telecommunication, electrical systems, bridges tunnels, protective walls and the overhead traction electricity system
- Incident Response – returning after the Wellington metro network to service as quickly and safely as possible after an incident.

GWRC is the biggest user of the Wellington metro rail network and consequently GWRC carries the largest share of the cost of that network.

*Performance Management*

Across these operational services the Agreement includes a set of 16 Performance Indicators (PIs) and performance targets and seven outcome focussed Key Performance Indicators (KPIs), and nine Asset Quality Measures that measure long term trends in the quality of the various network assets on which the Wellington’s passenger rail service depends.

The Agreement requires KiwiRail to report its performance against all PIs, KPIs and Asset Quality Measures within a regime of monthly and annual reports. This reporting regime provides GWRC and the MSO with a comprehensive insight into KiwiRail’s management of the Wellington metro network as it affects the performance of Wellington’s passenger rail service.

The Agreement includes a performance incentive regime under which actual performance against KPIs is associated with a scale of performance payments or rebates.

#### *Network Management Plan*

The Agreement provides GWRC and the MSO with the capacity to strongly influence the long term management of the Wellington metro network through the requirement for KiwiRail to obtain GWRC's consent to a comprehensive Network Management Plan.

The Network Management Plan will be produced on a triennial basis, and cover a 10 year time horizon with detailed information for the triennium and an outline for the following seven years. An updated Network Management Plan is due 30th September 2014 to come into force 1st July 2015 for the triennium covering 2015-2017.

Key components of the Network Management Plan are:

- A current assessment of the condition of the various assets making up the Wellington metro network
- An assessment of current and expected utilisation of the Wellington metro network by the MSO, KiwiRail's freight service and any other operators
- KiwiRail's philosophy and strategic plan for the management of the Wellington metro network
- KiwiRail's planned programme of maintenance and renewals work over the triennium and the associated GWRC budget
- The expected implications of the funding available from GWRC and all other sources on the condition of the Wellington metro network over the triennium (with the expectation that the available funding should be sufficient to enable the network condition to be maintained or improved).





KiwiRail carried out extensive repairs of the sea wall between Wellington and Petone.

## 4 SERVICE OUTCOMES

### 4.1 Overview

GWRC uses five measures to monitor the performance of metro rail:

- *Punctuality.* Are trains running to scheduled times? In Wellington on-time means arrival at Wellington Station within five minutes of scheduled time (a level of tolerance that is commonly adopted in other jurisdictions). Punctuality is an important driver of patronage and customer satisfaction
- *Reliability.* Are the contracted services being delivered? Reliability is measured as the percentage of timetabled services that are actually delivered
- *Safety.* Safety is a critical driver of public confidence in the service and therefore patronage
- *Customer Satisfaction.* Improving all aspects of customer satisfaction is an important goal for GWRC. Customer satisfaction is an important driver of increasing patronage
- *Patronage.* How many people are using the metro rail service and what is the average length of their journey? Achievement of GWRC's longer term transport goals depends in part on growing rail patronage over time to reduce motor vehicle use and so reduce carbon emissions and road traffic congestion.

## 4.2 Achievements

Overall performance against the service outcome measures in 2013/14 was generally good.

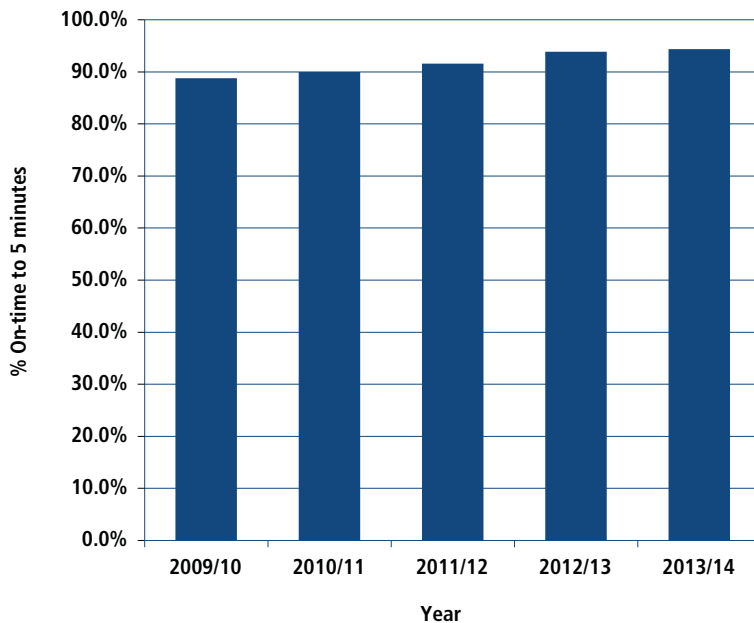
<b>Punctuality</b>	Improved to 94.3%*. This is up from 93.9% in 2012/13 and now at the highest level reported.
<b>Reliability</b>	99.2%*, the same as for 2012/13. It is again achieving levels reported in 2008/09 (99.2%).
<b>Safety</b>	392 safety events were reported during 2013/14 (an increase on last year's 169). There was a change in reporting policy in 2013/14, with minor incidents also being reported. Three events were classified as Notifiable Occurrences (decreased from seven last year).
<b>Customer satisfaction</b>	The customer survey methodology and questionnaire used in 2013/14 is substantially different to that used in previous years. Because of these differences, the results presented in this report are not comparable with those collected previously. The new survey showed that 92% of recent users were either satisfied or very satisfied with the metro rail service they were travelling on.
<b>Patronage</b>	Increased by 2.5% to 11.6 million in 2013/14. There has been a year on year increase since 2009/10, but is still below levels reported in 2008/09 of 11.9 million.
* Punctuality 94.7% & Reliability 99.7% when normalised for the effect of earthquakes in July and August 2013.	

Further insight into each of these services outcome measures is provided below.

## 4.3 Performance Measurement

### Punctuality

The overall punctuality of the Wellington metro rail service increased slightly in 2013/14, with an increase each year since 2009/10.



Factors that contributed to improved punctuality include:

- The operational use of the new Matangi fleet, which reduced delays due to mechanical breakdowns
- The completion of the first major renewals project reducing the need for blocks-of-line (BOL).

Factors that constrained punctuality improvement include:

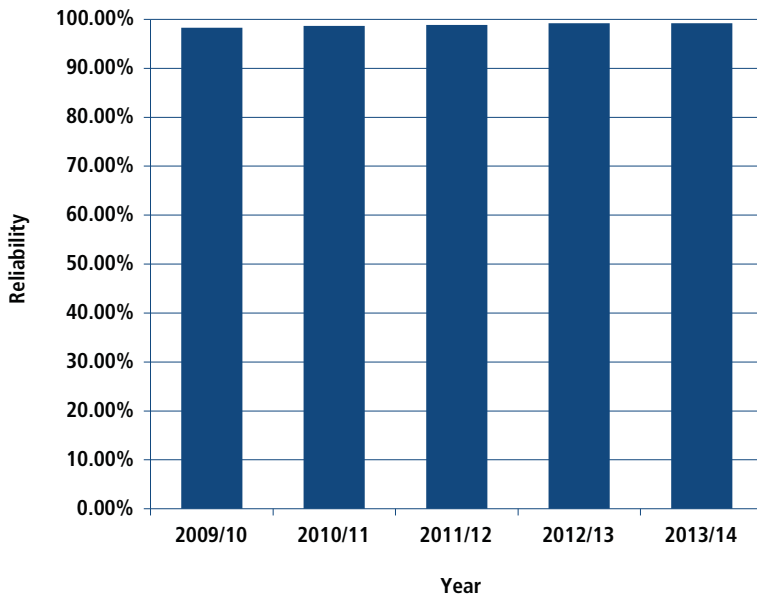
- The significant storm event on 20 June 2013 led to significant works during July and August including improvements made to the sea wall near the rail line in between Petone and Ngauranga
- Traction issues on the Johnsonville line which are a result of the introduction of various mitigations to reduce the wheel squeal being produced by the interaction between the rails and the train in tight corners.
- The July and August earthquakes led to suspension of services until the network was given safety clearance
- The incident in which a train hit the stop block at Melling Station affected services on the Hutt Line

Punctuality by line in 2013/14 is shown in the table below (results include any effect of the earthquakes in July and August):

Line	Punctuality
Hutt Valley	95.3%
Kapiti	95.4%
Johnsonville	93.3%
Wairarapa	74.5%

## Reliability

Since 2009/10 reliability has continued to improve, with reliability in 2013/14 the same as that of the previous year.



Reliability was similar across all lines.

Factors that contributed to improved reliability include:

- Ongoing network improvements including Crown funded catch-up renewals and GWRC funded ongoing renewals.
- Greater use of Matangi trains increasing overall fleet reliability.

Factors that constrained improvements in reliability were:

- High summer temperatures,
- Work to upgrade the sea wall following the significant storm event on 20 June 2013.

## Safety

Wellington's metro rail service remains relatively safe when compared to other transport modes in New Zealand and rail services in other countries. Management of operational safety on the Wellington rail network is described by a defined framework. The legislative framework for operating rail vehicles and providing the rail network is provided in the Railways Act 2005 (the Act), which is administered by the New Zealand Transport Agency (NZTA - the Rail Regulator).

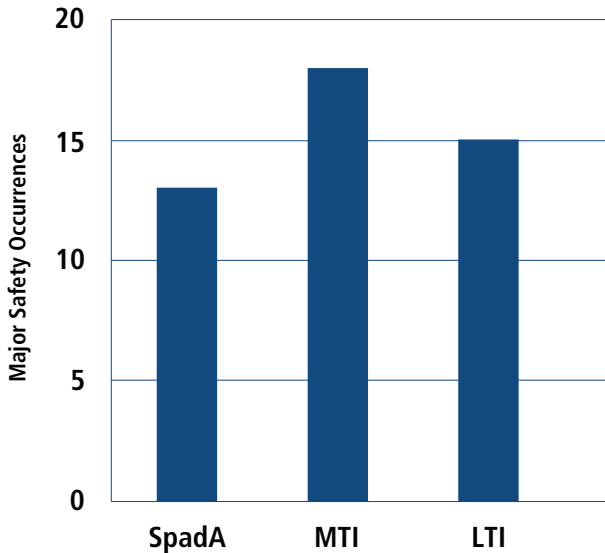
The Act requires that the providers of rail networks (Access Providers) and rail vehicle operators (Operators) must hold a Rail License. In order to obtain a Rail License, access providers and operators must provide the Rail Regulator with a Safety Case describing how safe operations will be managed. NZTA reviews the Safety Case and will issue a Rail License provided the Safety Case meets the requirements of the Act.

In the Wellington region, KiwiRail holds a Rail License both as the rail access provider and as the operator of the passenger trains under a contract with GWRC.

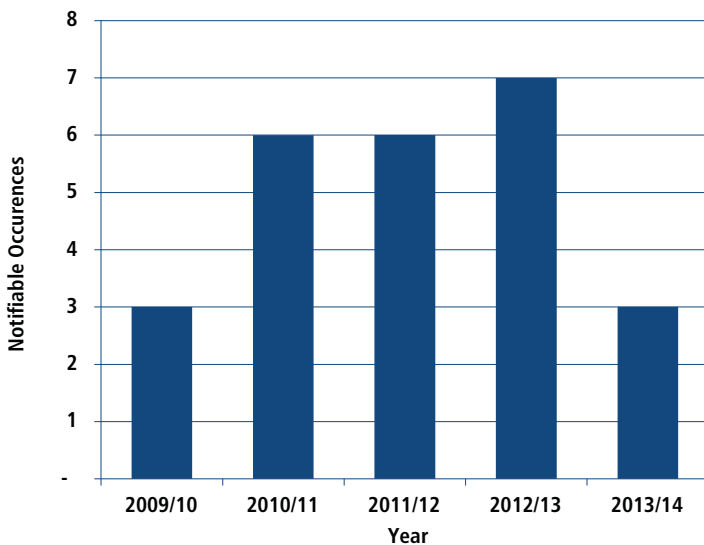
NZTA conducts an annual safety assessment of KiwiRail's safety case.

Major operating incidents are investigated by the Transport Accident Investigation Commission (TAIC). Recommendations from such investigations are made to NZTA who, although not bound by the recommendations, are responsible for their implementation.

Tranz Metro reported 392 safety events in 2013/14, a rate of 0.14 per 100,000 passenger kilometres. These events included trains passing a trackside signal without authority to do so (SpadA), minor staff injuries (including lost time injuries (LTI) and medical treatment injuries (MTI)), near misses and mechanical issues while in-service, together with the more serious events that are classified as Notifiable Occurrences. Over 2013/14, there was an increase of SpadA events at the beginning of the year, however, with the implementation of a new strategy there were no SpadA events from March onwards. A Zero Harm Manager and systems have also been put in place to capture all incidents, as such there were a significantly higher number of minor incidents reported this year.



There were three Notifiable Occurrences in 2013/14, four less than last year.



The highest profile and most significant safety incident was at Melling Station when a train hit the stop block at the end of the line. The incident was investigated by KiwiRail and the Transport Accident Investigation Commission (TAIC), the final version of the report is still to be delivered by TAIC.

The two other Notifiable Occurrences in 2013/14 comprised one magnitude 6.5 earthquake and an EMU stopping short at Wellington station resulting in passenger injury.

With an increased focus on worker and public safety, GWRC has requested and received, from KiwiRail, significantly more detailed information on incidents and reporting against key health and safety measures. Officers are still working with KiwiRail to see what further improvements can be made. As this reporting is implemented we will be able to report trend information for the majority of the items, with commentary on positive and negative trends, and any resulting actions.

Another measure of safety is the annual transport customer survey which asks customers whether they felt safe on the trip they were travelling on. Of passengers on trains 96% said they were satisfied with their personal security on the train, and 87% were satisfied with their personal security at the station they travelled from.

## Customer Satisfaction

GWRC's principal tool for measuring customer satisfaction is an annual independent survey. The most recent one was undertaken in April/May 2014. The questionnaire content was based on the list of common questions designed by NZTA. Participants were surveyed on Public Transport services. Questionnaires were distributed to every passenger aged 15 years or older on randomly-selected services and every second passenger aged 15 years or older on transit trips. The response rate was 58%<sup>2</sup> for all services combined. There were 4298 participants in the 2014 survey.

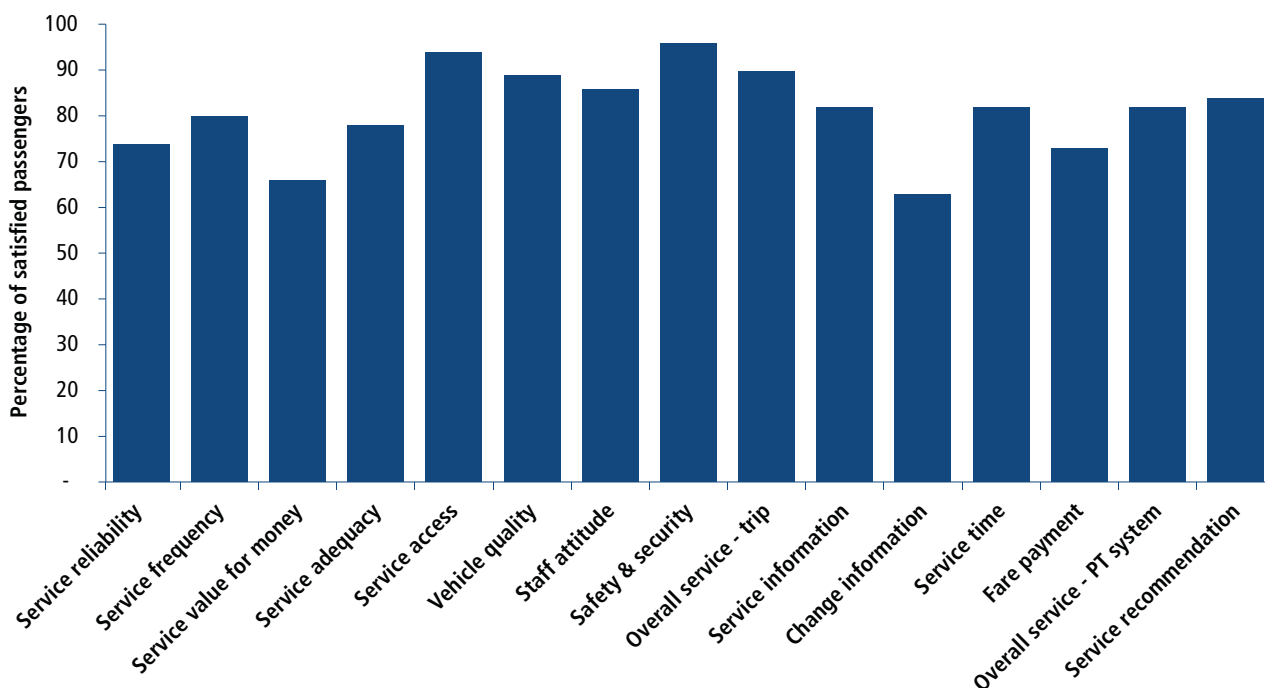
The survey participants were asked a range of questions about their views and use of public transport generally and also about the specific modes. There were also questions about the support systems, e.g. accessing information about public transport services.

Key findings of the survey were:

- 92% of recent users were either satisfied or very satisfied with the metro rail service they were travelling on. This is likely a reflection of all of the Matangi fleet entering service and punctuality and reliability subsequently improving.
- 96% of passengers were satisfied with their personal security on the trip they were travelling on while surveyed and 90% were satisfied with the helpfulness of the on-board staff.
- 81% of passengers were satisfied with the frequency of the service, 77% were satisfied with the on-time performance of the train service and 82% were satisfied that there were enough seats available.

The methodology and questionnaire used for the 2013/14 customer satisfaction survey is substantially different to that used in previous years. Because of these differences, the results presented in this report are not comparable with those collected previously, consequently no time series comparisons are provided.

The graph below shows the percentage of rail passengers satisfied with specific features of the metro rail service and the public transport service overall.



Base: on-board survey of passengers on 80 randomly selected train trips  
n=1,915 (2013/14)

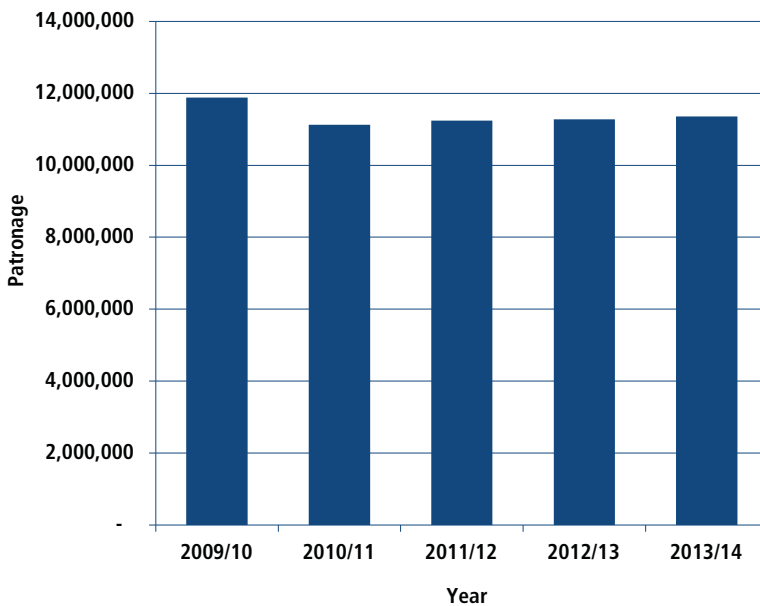
<sup>2</sup> 76% among ferry passengers, 56% for train passengers and 51% among bus passengers.



## Patronage

Metro rail patronage for 2013/14 showed an increase of 2.5% over the previous year. Patronage numbers were higher in 2013/14 than the previous four years.

In 2013/14 there has been a slight adjustment to the way rail patronage numbers have been calculated. This has had the effect of reducing rail patronage for 2013/14 by 41,000 compared to the previous method.



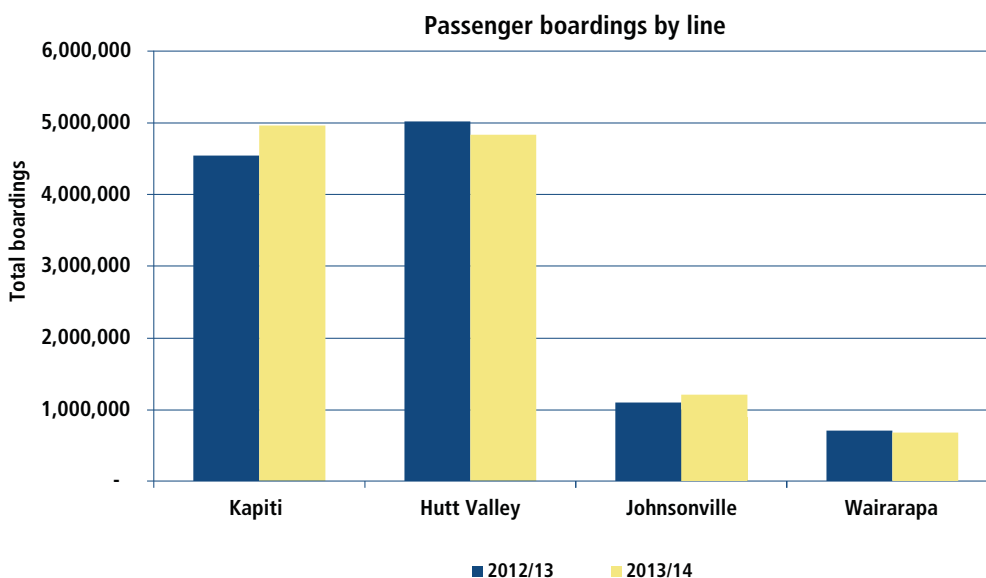
Factors that contributed towards patronage growth include:

- Improved punctuality
- Ongoing network improvements including Crown funded catch-up renewals and GWRC funded ongoing renewals.
- All of the Matangi being fully operational, which improved overall passenger amenities and rolling stock reliability.

Factors that may have constrained patronage growth include:

- Substitution of buses for train services during 'blocks-of-line'
- Fare increases in absolute terms and relative to the cost of alternatives.

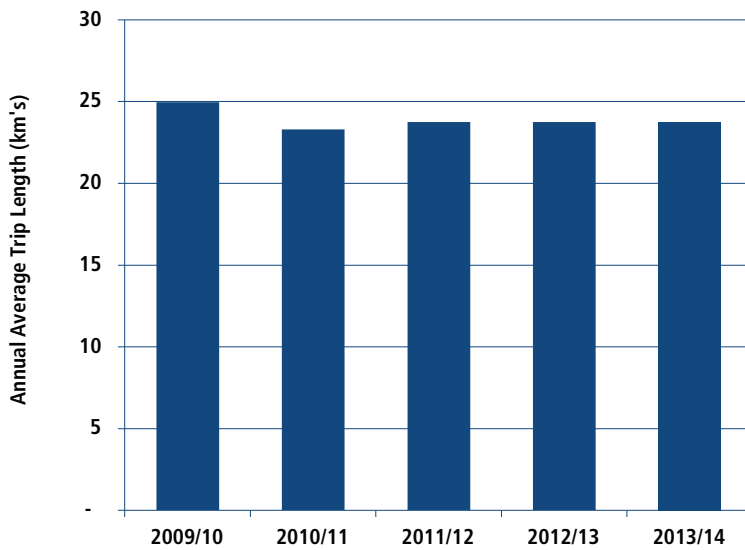
Changes in total patronage varied between lines, as seen in the graph below. There were patronage increases on the Kapiti and Johnsonville lines (9.1% and 10.0%) and decreases on the Hutt and Wairarapa lines (3.9% and 5.4%) when compared to the same period in the previous year.





The Wellington Regional Land Transport Strategy 2010–40 states that the appropriate role for passenger rail is the safe and efficient movement of many people at a time, primarily over medium to long distances. It has a key role in providing for access between regional centres and for commuter trips to and from the Wellington CBD.

The graph below shows annual average trip length over the past 5 years. For 2013/14 the average trip length was 24 km. By way of comparison, the average trip length for bus journeys is 7 km.



## 4.4 Outlook for 2014/15

Improvements in the key service outcomes are expected to continue as GWRC and KiwiRail work together.

We anticipate 2014/15 to be another busy year with significant activity to include:

- Agreement between Kiwirail and GWRC of the targets for second triennium of the Network Management Plan. A focus on efficiency and effectiveness of work schedules, will continue to see investment in network upgrades provide a more reliable rail system
- A continued improvement in reliability and punctuality due to Matangi trains being in full service.
- A continued positive effect on patronage as commuters become accustomed to a more punctual and reliable service
- Substantial investments in network upgrades and new rolling stock, together with KiwiRail's renewed focus on all aspects of rail safety, should ensure that the regional rail service remains safe for customers and staff
- The implementation of an automatic passenger count system on the Matangi trains to provide passenger loading data
- The release of the tender for procuring a new operating and maintenance contract to commence in 2016 (PTOM Wellington Rail)
- Investigation of opportunities for earning revenue from the sale of advertising rights on rail assets.





## 5 ASSET MANAGEMENT: ROLLING STOCK

### 5.1 Overview

The 2013/14 year has been the most stable for rolling stock assets for some time, with consistent fleet types and higher availability throughout the year. This has provided a better understanding of the assets and has driven activities to further improve reliability and customer satisfaction. A challenge during this period was the demolition of the 1940's section of the EMU maintenance facility. This activity included major re-modelling to the 1970's section in preparation for a full Matangi fleet. The demolition and re-modelling were undertaken while normal maintenance operations continued. Careful management ensured that impacts on availability were kept to a minimal.

Below is a breakdown of the current rolling stock assets:

Type	Quantity	Design Life	Comment
Matangi EMUs	48	2040	All 48 units are in operational service
Ganz Mavag EMUs	27	2013	25 available for passenger service 2 contingency units in storage
SW Carriages	18	2032	Currently operating on the Wairarapa line
SE Carriages	6	2018 (life extension required)	Currently operating on the Wairarapa line
AG Van	1	2032	Supports the SW and SE carriages on the Wairarapa line

Ownership of these assets carries significant responsibility for their management which includes funding their maintenance, refurbishment, disposal, and replacement with support from Government.

GWRC's rolling stock Asset Management Plan was finalised after feedback from NZTA and the Office of the Auditor General, but is a living document and is scheduled for re-issue in 2014/15. This plan articulates the required level of investment over the next 30 years.

## 5.2 Achievements

- Matangi 2 project running to plan
- Matangi modification projects completed as planned
- All fleets meeting/exceeding target reliability figures
- 16 Ganz Mavag units uplifted by the new owners
- Condition assessments carried out on Ganz Mavag and Carriage fleets
- SE carriages began revenue service on 1 July 13
- SE carriages had seating configuration changes while still delivering the planned service levels
- The southern portion (1944 building) of the EMU Depot, Thorndon, was demolished and the reconstitution of the remaining depot and stabling yard (where the 1944 building was located) was well underway, scheduled for completion in September 2014

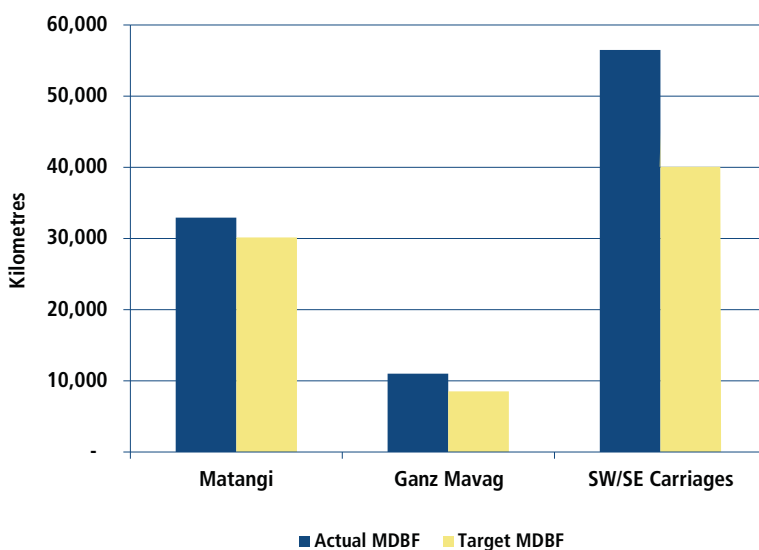
## 5.3 Performance Measurement

GWRC uses four measures to monitor the performance of its rolling stock:

- *Fleet Reliability.* The number of kilometres per service fault (Mean Distance between Failures or (MDBF)). This is a measure of fleet failures outside of the planned maintenance schedules. The higher the distance the more reliable the fleet.
- *Fleet Availability.* The number of sets available for service. This is a measure of the fleet availability required to deliver the scheduled services on a daily basis, averaged out each month over the course of the reporting period.
- *Maintainability.* Implementation of the maintenance schedules. The maintenance schedules should deliver the required levels of reliability and availability. Although a product of the design of the train, maintenance schedules should be reviewed for continuous improvement and better efficiencies.
- *Safety.* Ensuring GWRC contractual arrangements do not lead to injury. This is a measure of the safety practices of the metro service operator (MSO), the maintainer and the network provider.

### Fleet Reliability

The following graph presents the GWRC EMU fleet Mean Distance between Failure (MDBF) performances compared with the target over the previous 12 months.



The MDBF presented here looks at the total number of service cancellations and services affected by arrival delays into Wellington of more than 5 minutes caused by rolling stock asset failure.

The reliability figures for all the rolling stock assets over the 2013/14 period have been very positive, with each of the fleets not just meeting but exceeding the target figures set for this year.

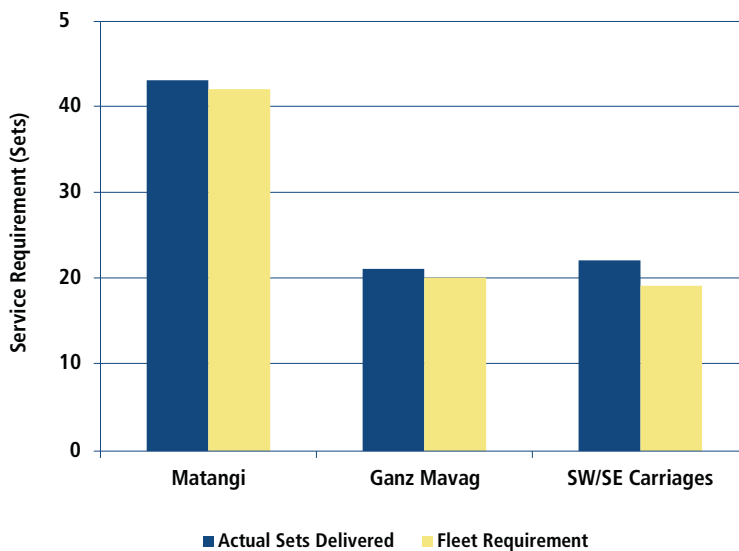
This was the first complete financial year that the Matangi fleet has been operating as a full fleet, which has allowed us to closely monitor any systemic issues having an effect on the reliability of the fleet. As issues are identified modifications can be engineered to resolve the issues and reduce in-service delays. As expected, during the 2013/14 period several issues have been identified and solutions put in place, many of these solutions have helped improve the MDBF above target levels for the year and the expectation is that the reliability of the Matangi will continue to improve.

The continued investment in the Ganz Mavag fleet maintenance continues to show positive results in reliability. It is important that these levels are maintained until the Matangi 2 fleet is introduced and the phasing out of the Ganz Mavag fleet begins.

The carriage fleets (SW and SE carriages) have shown high levels of reliability over the period. Increased pressure has been put on the maintainer to improve maintenance of the critical generator sets. It is worth noting that the MDBF figures do not include service delays due to locomotive (KiwiRail supplied) failures.

## Fleet Availability

Sixty-two EMUs and 20 carriages are required each day to meet the weekday morning and afternoon peaks. The Matangi is now the predominant EMU fleet supplying the majority of peak and all off peak services on the electrified network. The SW and SE carriages are tasked in proportion to the fleet sizes to supply capacity to the Wairarapa line. The following graph shows the average availability against the requirement for each of the fleets.



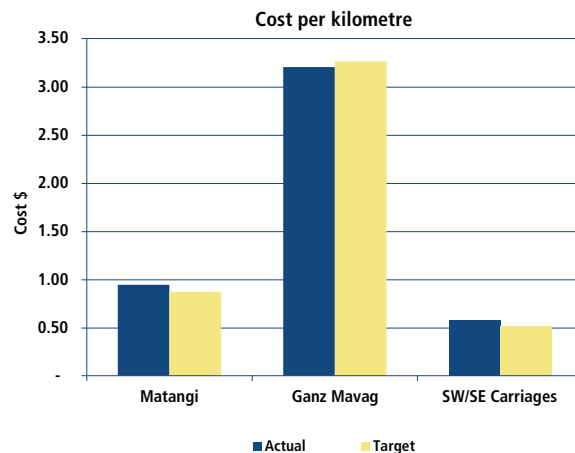
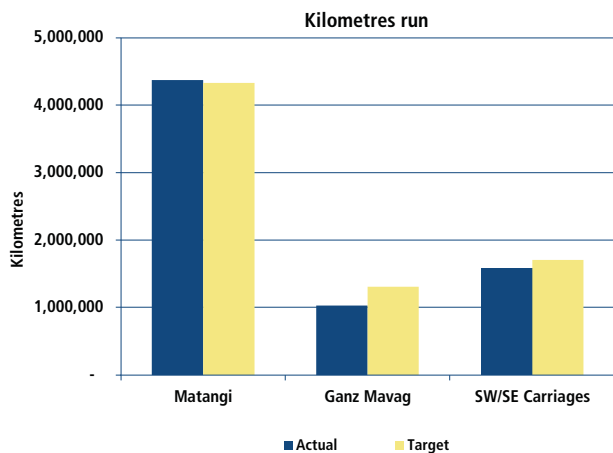
Availability across all fleets in 2013/2014 has generally been meeting and exceeding the agreed service level targets. The exception to this statement has been the discovery of issues that required urgent fleet investigations eg. semi-permanent coupler roll pin. These occurrences have been very infrequent and managed in such a way as to minimise the effect to passenger services, while resolving any immediate concerns.

Once Matangi 2 is delivered the EMU operational fleet will grow to 83 2-car units or 166 cars. As the Matangi 2 fleet is commissioned the Ganz Mavag fleet will be phased out of service.

## Fleet Maintainability

Maintenance of GWRC's rail rolling stock is carried out by KiwiRail under contract to GWRL. The contract provides for the delivery of a planned maintenance schedule, set against a pre-determined availability and reliability requirement. Unplanned maintenance is in response to unexpected equipment faults and break-downs.

How the fleet is used has a major impact on the overall costs of maintaining the fleet. The following graphs compare the kilometres run with the cost per kilometre.



The Matangi delivered the majority of the EMU services in the 2013/14 period, slightly exceeding the target (90,000km per unit). This is reflected in the underutilisation of the Ganz Fleet (50,000km per unit). The Matangi cost per kilometre was slightly above target due to a slow speed yard derailment in April 2014, which required a new bogie to enable the unit to promptly return to service while the damaged bogie is repaired.

Actual carriage fleet kilometres delivered in the period were slightly over for the SE fleet and under for the SW primarily because the SE carriages were initially performing the majority of off peak services. Cost per kilometre of the carriages is up on target, due to remedial work that was identified through an independent condition assessment completed in January 2014.

## 5.4 Outlook for 2014/15

- Commencement of Matangi 2 commissioning in Wellington
- Completion of Matangi 1 upgrade programmes to bring in line with Matangi 2 specification. Some of the key changes include:
  - Software improvements to the Train Management System
  - New longer life and brighter LED headlights and ditchlights
  - Cab desk layout changes to future proof for Driver Only Door Release
  - Automatic coupler (including pneumatic and electrical connections) to allow coupling and uncoupling from the cab.
  - Reviewing rail rolling stock maintenance practices.





Matangi and Ganz-Mavag trains in the refurbished 1970's section of GWRL's Wellington EMU Depot

## 6 ASSET MANAGEMENT: STATION-BASED ASSETS

### 6.1 Overview

GWRC's station based assets include:

Asset Group	Asset Type	Quantity
Stations	Various	47
Station Buildings	Buildings	18
Station Shelters	Shelter	44
Station Pedestrian Structures	Overbridges	14
	Subways	13
Facilities	Cycle racks & lockers, seating, litter bins	
Access	Paths, handrails, fence, stairs, barriers, ramps	
Parking Sites	Car park	34
CCTV	CCTV equipment & infrastructure	22
Rail Depot Buildings	Buildings	2
Miscellaneous	Depot equipment	
Signage	Signs	Over 250
Lighting	Lights	Over 800

## 6.2 Achievements

- The southern portion (1944 building) of the EMU Depot, Thorndon, was demolished and the reconstitution of the remaining depot and stabling yard (where the 1944 building was located) was well underway, scheduled for completion in September 2014
- 4 new CCTV installations were completed and 22 station locations were connected with fibre optic to the recently opened Rail Monitoring Centre. These developments are proving very successful in reducing crime and graffiti and have resulted in arrests and successful prosecutions.
- Approximately 250 additional car parks were added at Porirua, after the land was recently purchased from NZTA. This car park development included street style lighting and CCTV security cameras.
- Kaiwharawhara bridge was removed due to safety concerns, resulting in the closure of the station.
- Porirua station roof has been replaced with an increased pitch to resolve the ongoing leakage issues
- Repair of Waterloo roof was undertaken which will extend the residual life of the roof for 10-15 years.
- Linden bridge had a full restoration which included structural steel renewal, total replacement of all balustrades, handrails and footpath surfaces. The bridge remained open through the entire project.
- Trentham bridge had a major overhaul. The bridge span was removed for corrosion treatment, unfortunately during treatment of the bridge span it was accidentally dropped by the sub-contractor, breaking in several parts. This span will be replaced next year.
- An asbestos register and asbestos management plan for all rail assets was developed.
- Seismic assessments were completed on all station buildings, with only one being identified as below the required percentage of the New Build Standard.
- The new signage package introduced last year was implemented across three more stations: Ava, Linden and Silverstream.
- Platform lighting has been upgraded on three stations: Linden, Trentham and Kenepuru.
- Significant electrical work completed at Masterton and Upper Hutt Stations.
- Other station renewal work completed at Johnsonville, Featherston, Petone, Pomare, Linden and Paremata.

## 6.3 Average Condition Grading by Line

Greater Wellington Regional Council measures the performance of its station based assets by reference to an asset condition assessment. This grades all assets on a scale of 1 – 5 with 1 being excellent and 5 being extremely poor. The following table presents a summary of the average asset condition grading for the major assets by line.

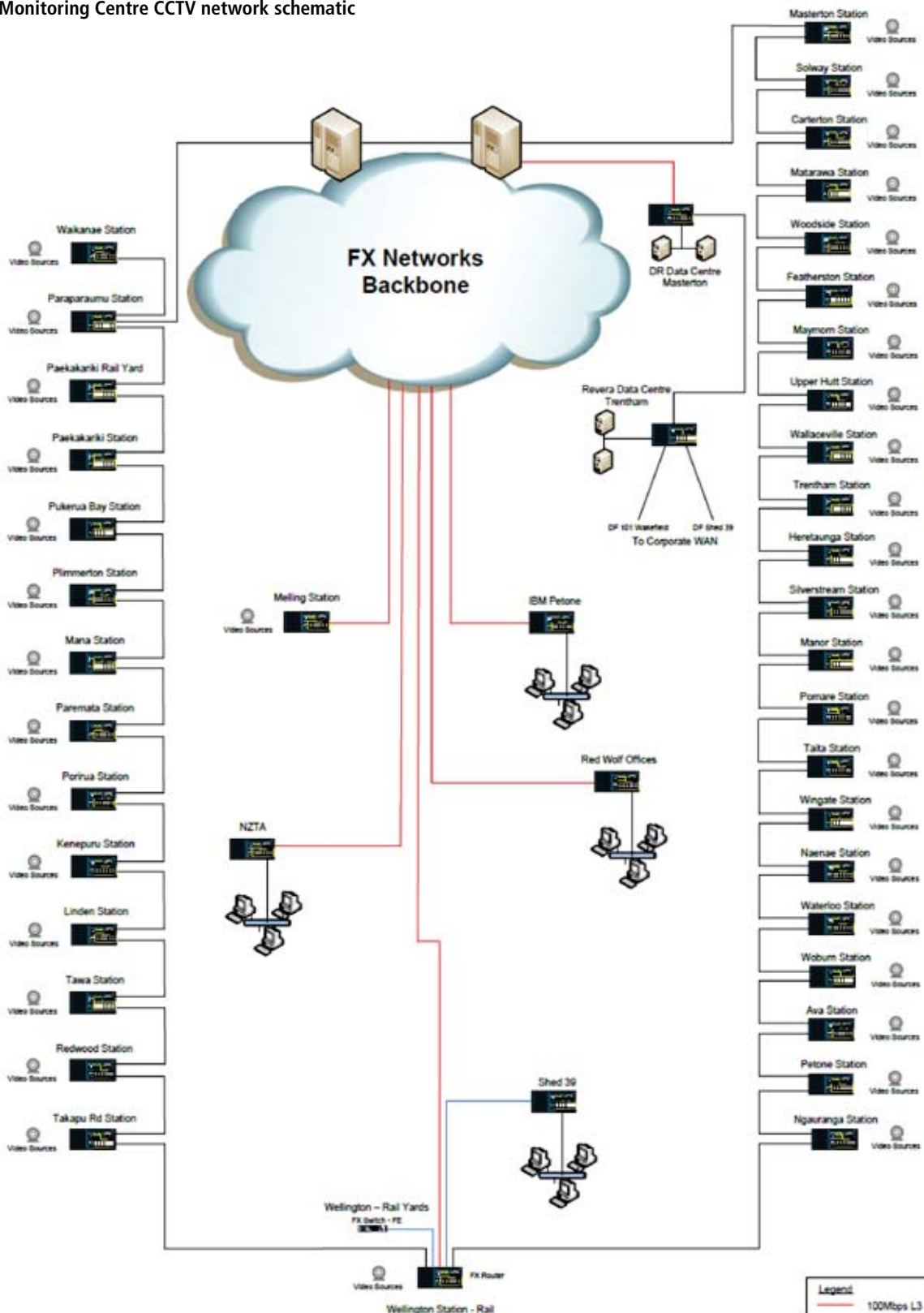
Line	Station Buildings		Station Shelters		Overbridges		Subways		Parking Sites	
	Qty	Av Grade	Qty	Av Grade	Qty	Av Grade	Qty	Av Grade	Qty	Av Grade
Johnsonville	1	2.0	6	2.5	1	2.0	-	-	5	2.2
Kapiti	6	1.9	6	3.0	4	2.3	5	2.0	11	1.6
Melling	1	3.0	1	3.0	-	-	-	-	1	2.0
Hutt Valley	7	3.3	9	2.7	7	2.9	7	2.3	10	2.1
Wairarapa	5	2.4	5	2.6	-	-	-	-	5	2.6

The purpose of the maintenance programme is to maintain the assets at a condition grade of 2.5 (good) or better. The like for like renewals and improvement programme focuses on those assets graded worse than 2.5 which need to be renewed or improved.

## 6.4 Outlook for 2014/15

- Commence the rebuild of Upper Hutt Station
- Complete reconstitution of EMU Depot and south end stabling yards
- Develop strategy to address seismic issues at Taita Station
- Develop a rail shelter design package, and install these new shelters at Mana, Takapu Road, and Upper Hutt
- Complete renewal work at Paraparaumu, Trentham, Silverstream, Woburn and Petone
- Expand the Rail Monitoring Centre monitoring hours to 24/7. Continue further roll out of CCTV systems across the Wellington Rail Network.

Rail Monitoring Centre CCTV network schematic









Porirua Carpark Extension

## 7 STRATEGIC MANAGEMENT

### 7.1 Framework for the strategic management of metro rail

GWRC's strategic management of metro rail is guided by a hierarchy of strategic plans and policy documents originating from central government and GWRC decisions. These include:

- Metro Rail Operating Model
- Wellington Regional Land Transport Strategy
- Wellington Regional Public Transport Plan
- Wellington Regional Rail Plan
- Greater Wellington Regional Council's Long Term and Annual Plans.

### 7.2 Public Transport Operating Model (PTOM)

The Government has introduced a new policy and operating framework for the procurement and management of urban bus, rail and ferry services, which is known as the Public Transport Operating Model.

PTOM seeks to build commercially based partnering relationships between procuring authorities and public transport operators. It is also designed to provide:

- Opportunities for competitors to access the public transport market
- Incentives to reduce a reliance on subsidies by promoting the increased commerciality of service provision
- A more transparent approach to service planning and procurement

In future, all public transport services (except exempt services) will be procured through performance based partnering contracts, replacing the previous mix of contracted and registered commercial services. This will create an environment where goals and objectives are aligned through collaborative planning, joint investment, performance incentives and shared risks and rewards.



Requirement	Metro rail contribution 2013/14
All of the parties involved in the purchase and delivery of metro rail services will have clear roles	Following the implementation of the Wellington rail package in 2011, the role of all parties has been further clarified and consolidated through improvement to our contracts with KiwiRail and improvements to our operational relationships with KiwiRail.
The operation of metro rail services and routine maintenance of metro rolling stock will be contestable (at the discretion of the funding region)	Planning for the implementation of a contestable procurement process and the transition to a new performance based contract has been undertaken with market soundings and the preparation of the Expression of Interest stage. Further significant steps forward occur in 2014/15, including a tender being released to the market in early 2015
There will be a strong focus on performance based contracts with appropriate transfer of risks for the delivery of metro rail services	The Wellington Network Agreement has a performance based element attached to network caused delays and cancellations.  The station cleaning and light maintenance contracts have a comprehensive performance measurement regime.
There will be a strong focus on transparency so that costs, accountability and who pays can be clearly identified	The Wellington Network Agreement has secured regular access to comprehensive information from KiwiRail on the cost of network services.  This third annual report is intended to provide increased transparency which has been enabled in part by improvements GWRC and Operator staff have made to financial reporting templates.

## Wellington Regional Land Transport Strategy

The Regional Land Transport Strategy 2010-2040<sup>3</sup> (RLTS) identifies a number of outcomes sought for the region's land transport network over the next ten years.

RLTS outcomes	Metro rail contribution 2013/14
Increased peak period passenger transport mode share	Rail patronage in peak period increased by 1.6%.
Increased mode share for pedestrians and cyclists	Free carriage of bicycles was continued, changes were made to the bike policy allowing more to be carried at peak times, bicycle storage facilities were installed at additional stations, and administration and maintenance of bicycle lockers improved.
Reduced greenhouse gas emissions	Transport-generated CO2 emissions totalled 1,064 kilotonnes in 2013/14, an increase of 0.2% compared to 2012/13, but still below the RLTS target of 1,072.
Reduced severe road congestion	Preliminary analysis <sup>4</sup> by NZTA has predicted that the impact of rail patronage being transferred to the state highway network would generate 1 hour and 42 minutes additional journey time. This is based on peak period congestion relief at Ngauranga through the reduction of 4,972 vehicles at the AM peak of 0700hrs to 0900hrs (equivalent to 6,811 rail passengers). The impact of these additional vehicles would result in the state highway network breaching full capacity prior to the peak with significant queuing occurring which spills over to breach capacity constraints through subsequent time periods.
Improved regional road safety	More peak patronage means safer travel for more people, as rail is a safer transport mode than road.
Improved land use and transport integration	More car parking at Porirua, Silverstream, Carterton and Raroa Stations,
Improved regional freight efficiency	New more reliable metro trains means the entire network is more reliable (i.e. freight trains reliability not compromised by disabled metro trains).

<sup>3</sup> <http://www.gw.govt.nz/rlts/>

<sup>4</sup> This preliminary analysis was validated by the congestion impact on SH2 caused by storm damage to the seawall undermining the railway line forcing closure between Petone and Wellington for 7 days in June 2013. Reports indicated travel times of up to 1 hour 20 minutes between Melling and Wellington. <http://www.stuff.co.nz/dominion-post/news/hutt-valley/8833240/Hutt-traffic-grinds-to-a-standstill>

## Wellington Regional Public Transport Plan

GWRC's Regional Public Transport Plan 2011- 2021<sup>5</sup> (RPTP) identifies a number of objectives sought for the region's land transport network over the next ten years.

RPTP objectives	Metro rail contribution 2013/14
Simple, easy to understand services that go where people want to go	Operational Real Time Information was implemented with electronic displays on all stations.  The four rail lines provide routes that are easy to understand and connect regionally significant centres.
An integrated network of services that makes it easy and safe to change between and within modes	A large number of bus services are scheduled to connect with the metro rail services, park and ride parking is provided at many stations and fixed bike parking/storage is provided at many stations.
A high quality, reliable public transport system that customers choose to use	The quality of the metro rail rolling stock and station assets was improved with the introduction of the SE carriages on the Wairarapa Line and station upgrades and the full operational implementation of the Matangi fleet. Service reliability and punctuality improved – refer Section 4.
Improved accessibility for communities and groups whose needs are not met by the regular public transport network	The Total Mobility Scheme is reported on separately.
Public transport operations that provide comfortable and safe travel, and minimise adverse environmental effects and improve health outcomes	With the exception of the Wairarapa line the metro rail services use electricity from renewable sources. The comfort and safety was improved through rolling stock and station upgrades.
A high standard of public transport infrastructure	The quality of the metro rail rolling stock and station assets was improved.
A fare schedule that attracts and retains customers and balances user contributions against public funding	Metro rail fares are included within the overall Metlink fare structure. Fares were increased during the year to maintain the fare recovery ratio and patronage was retained.
An integrated system of fares and ticketing that enables seamless travel between services and modes	A few integrated fare products existed during the year, but this objective will only be met when we have a full integrated fare system in the future.
A consistently branded transport system that is easy to use, offers a consistent customer experience and generates customer loyalty	Branding has become more consistent with the progressive introduction of the Matangi fleet. Signage has been improved at stations and a new network wide information and signage policy has been adopted (Tawa Station was the pilot). Customer service training is now a standard part of metro operations training.
An integrated public transport network that provides value for money	Bus services scheduled to connect with train services. Fares remain within policy targets. RTI across bus and rail services.
Effective and efficient allocation of public funding	Improved financial and management monitoring and reporting provided increased confidence that spending is effective and efficient.

## Regional Rail Plan

The Regional Rail Plan (RRP) provides for the longer term improvement of the metro rail system. It aims to maximise return on the investment of recent years and deliver a high quality rail service by addressing infrastructure issues facing the system.

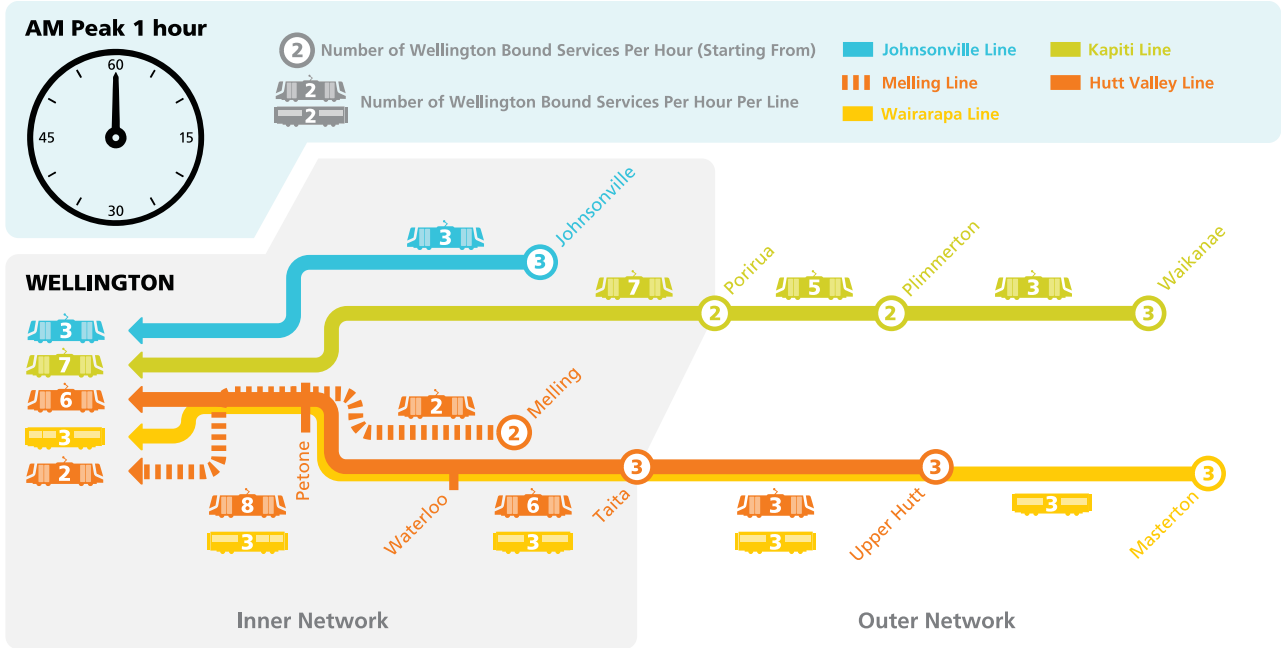
The RRP is designed to be reviewed every three years, in line with GWRC's Long Term Plan and the Regional Land Transport Programme. During 2012/13 GWRC completed the first revision to the 2010 RRP, which is subtitled 'A Fresh Look at a Better Rail Experience'.

The 2013 revision to the RRP:

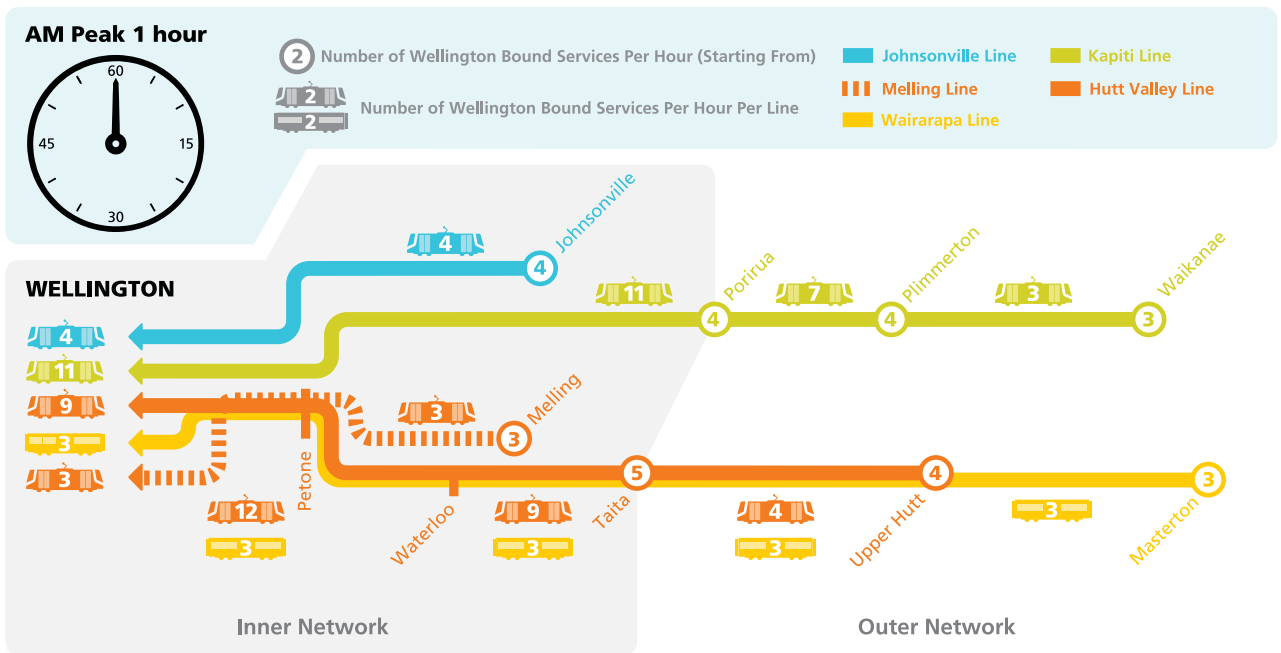
- Takes into account the significant network improvements made since 2010, the benefits they have delivered, changing patterns of use, customer and community expectations and the constraints imposed by the current economic climate
- Primarily addresses the short-medium term development of the Wellington passenger rail network to 2020 through the implementation of Rail Scenario 1 (RS1). The service pattern diagrams below illustrate the current and RS1 number of trains in the AM peak hour
- signals how the development of the network may occur from the end of RS1 in 2020 through to 2035 as set out in the diagram below.

<sup>5</sup> <http://www.gw.govt.nz/regional-public-transport-plan/>

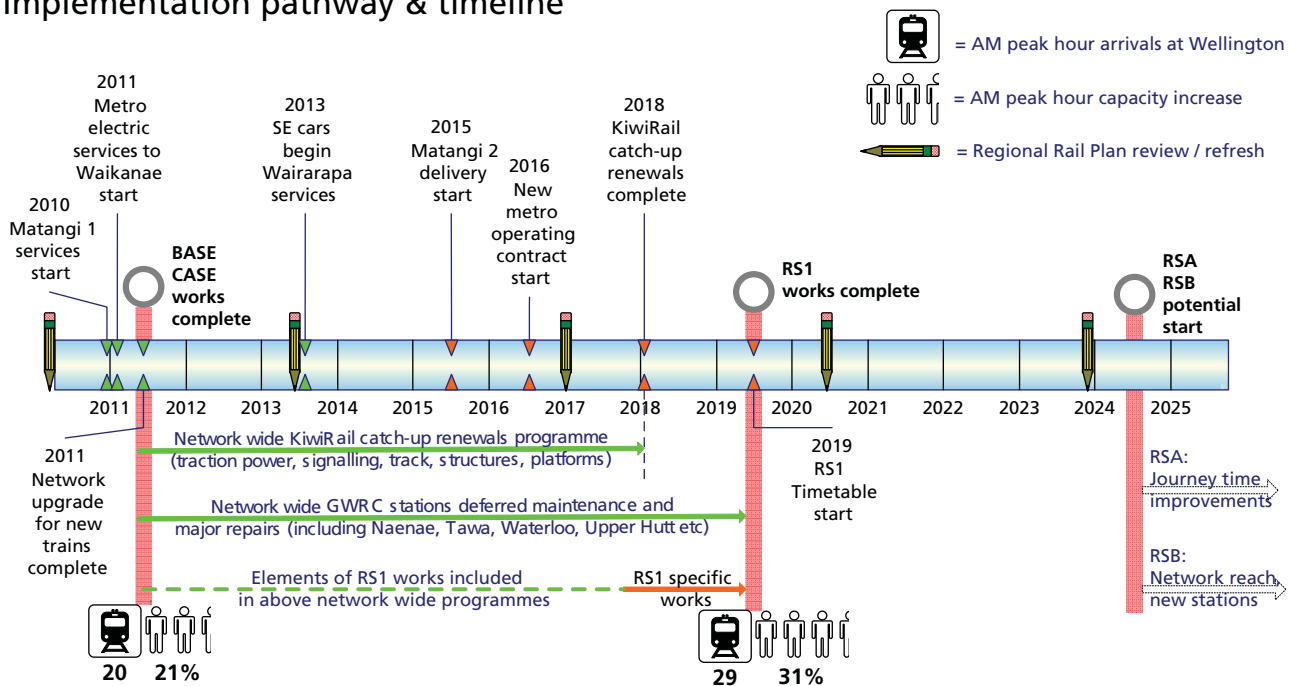
### Current operation service levels



### RS1 Service strategy diagram



## Regional Rail Plan 2013: Implementation pathway & timeline



The 2013 revision was approved as part of the RPTP consultation process in late 2013/14.

The preparation and revision of the RRP is a condition of on-going rail funding from the NZ Transport Agency (NZTA) and key elements now form part of the Regional Public Transport Plan (RPTP).

### Greater Wellington Regional Council Long Term Plan

Strategic outcomes are set out in GWRC's Long Term Plan 2012-22 (LTP). As with other public transport modes, Wellington's metro rail service contributes to several LTP strategic outcomes:

- The 'connected community' outcome, by enabling people to connect well with others in the Wellington region
- The 'strong economy' community outcome, by reducing road congestion and increasing the efficient movement of people and goods within the region.
- The 'healthy environment' outcome, by reducing private vehicle usage and the associated emissions.

The LTP identifies the following priorities for the Public Transport Group over the first three years:

Priorities 2013-2015	Results in 2013/14
Maximise the benefits of existing investments and projects, including improving the reliability and efficiency of public transport in central Wellington	Significant improvements in reliability and efficiency have been realised in 2013/14 as a result of recent investment. Specifics are reported elsewhere in this Report
Apply a layered service approach to the planning and delivery of bus services to ensure services are located where they provide the greatest benefit	N/A
Implement network-wide electronic integrated ticketing at the earliest opportunity	The investigation has commenced, with Terms of Reference and governance structures for the investigation of integrated fares and ticketing have been agreed with NZTA.
Provide public transport that is affordable for passengers and for ratepayers, while managing financial risks arising from exchange rate and oil price volatility	The fare increase that took effect in October 2013 was only 0.5% above CPI.
Ensure the best possible return from investment in public transport to maximise value for money	Return can be measured in many ways including increases in peak patronage, reductions in taxpayer and ratepayer operational subsidy and reductions in congestion and motor vehicle emissions.  Improvements in these measures in 2013/14 compared with the previous year are reported elsewhere in this Report



Upper Hutt Station Design



For Rail Operations there are targeted performance and work achievements:

Level of Service	Performance Measure	Baseline	2013/14 Performance Target	2013/14 Actual
Deliver rail services in accordance with the published timetable	Percentage of scheduled services delivered	99.1% (September 2011)	99.4%	99.2%  Results for 2013/14 were impacted by earthquakes in July and August when services were cancelled while track inspections were carried out.
	Percentage of scheduled services on-time to 5 minutes by line	Kapiti 90%	Increase on previous year 94.8%	95.4%
		Hutt 90%	Increase on previous year 96.2%	95.3%  The Hutt line performance was adversely affected by earthquakes in July and August and an issue with signals following upgrade work.
		Johnsonville 95%	Increase on previous year 92.2%	93.3%
		Wairarapa 80% (November 2011)	Increase on previous year 77.9%	74.5%  Wairarapa services were affected by maintenance worksites and speed restrictions due to overheating of the rails. Some improvements have been made, and real time information data is being analysed to see what further improvements can be made.
Maintain and improve rail rolling stock, stations, overbridges, subways and carparks in accordance with rail asset management plans	The percentage of the required fleet that is available to operate scheduled services	99.0% (2011/12)	Increase on baseline by 0.1% per year	100.0% (rounded)
	Average condition rating for buildings and structures  (1 = very good and 5 = poor)	3.0	2.7	2.9  Better information on the condition of these assets meant that there was an overall decline in the condition of buildings and structures.  Asbestos was discovered (and contained) while works were being carried out at a number of sites.  A seismic report revealed strengthening work needed on a number of assets.
	Average condition rating for carparks  (1 = very good and 5 = poor)	2.9	2.6	2.6

Specific areas of work in the next three-year period	2013/14 results
Continue to fund rail services	GWRC expenditure of \$34.1 million on passenger rail services in 2013/14.
Ensure quality standards are maintained by monitoring service levels	In 2012 there was ongoing monitoring of rail services through use of the Real Time Information system, customer complaints, physical observation and operational audits. The roll out of Real Time Information on rail services in October 2013 has provided a high level of visibility on service performance and delivery.
Ensure that rolling stock is maintained in accordance with the Public Transport Asset Management Plan	All rolling stock is maintained in accordance with service levels in the Asset Management Plan, and availability and reliability levels are tracking to target.
Ensure that rail station buildings, park and ride car parks and other fixed assets are maintained in accordance with the Public Transport Asset Management Plan	All rail infrastructure is maintained in accordance with the levels of service in the Asset Management Plan and condition grading across all lines is tracking to target.
Continue the procurement of the Matangi 2 train fleet	Procurement of the second tranche of Matangi trains continued to plan. The Systems Design Review is complete, 90% of the Critical Design Review has been completed, and construction has started on 12 car bodies.
Monitor the contract with Hyundai - Rotem for the provision of the second tranche of Matangi trains	The project team actively managed the contract for the provision of the second tranche of 35 new two-car Matangi trains. Construction of car bodies has commenced.
Monitor the contract with Kiwi Rail for the provision of train servicing and maintenance	Performance of the train maintainers was regularly monitored throughout the year through formal meetings and reporting including in depth operational arrangements.
Monitor various contracts for the provision of infrastructure cleaning, maintenance and security services	Contracts are in place for station cleaning and minor maintenance, and security services. These contracts were regularly monitored throughout the year.
Continue to implement the five year renewals and like for like replacement programme	Renewal and upgrade of rail station assets in 2013/14 included: <ul style="list-style-type: none"> <li>• refurbishment of Waterloo Station roof</li> <li>• repairs to railway station buildings at Featherston, Johnsonville, Khandallah, Linden, Masterton, Paremata, Petone, Pomare and Upper Hutt</li> <li>• demolition of the Kaiwharawhara bridge</li> <li>• clearing of asbestos at Melling and Taita stations</li> <li>• completion of a concept design for Upper Hutt station</li> <li>• completion of a seismic review of all railway stations</li> </ul>
Introduce SE carriages onto the Wairarapa line	The SE carriages were introduced onto the Wairarapa line in the 2012/13 year. Seating on the carriages was reconfigured in 2013/14, in response to customer feedback.
Maximise leasing and advertising revenue streams (within overall Council policy)	A number of small campaigns and advertising opportunities have been run over the year.

### 7.3 Outlook for 2014/15

GWRC is well placed to deliver in 2014/15 on the various strategic outcomes, goals objectives and targets that are contained in the strategic documents, including PTOM by which Government seek better value for money through:

- Increasing commerciality
- Increasing patronage
- Decreasing subsidies.

Extension of car park at Tawa Station, a gain of 129 new spaces.









RTI electronic display at Boxhill Station

## 8 FINANCIAL PERFORMANCE

### 8.1 Overview

Operational expenditure and revenues to deliver the metro rail service are separated out from non-operational items to clearly show on-going costs and revenue for rail operations.

Operational expenditure consists of the costs to:

- Operate the contracted services. These costs are mainly labour costs, electricity costs and the internal and external costs required to operate the rail services
- Maintain, operate and renew the KiwiRail owned network
- Maintain Greater Wellington Regional Council's (GWRC's) rolling stock and other assets
- Insure and provide security for assets
- Plan, fund, and provide Metlink information for services and manage rail services as part of the integrated public transport network.

Operational revenue consists of:

- Fares paid by passengers. GWRC sets the fares for the whole public transport network in consultation with operators, and with public input through the annual plan process
- Rates levied by GWRC
- Grants and subsidies from NZTA
- Other incidental revenue earned by the operator.

There are a number of costs and revenues that are classified as non-operational because they relate to capital expenditure and the funding of it. They also include financial costs, depreciation, non-cash revaluations and asset impairment costs, as well as the related funding from rates and grant revenue from NZTA and MoT.



## 8.2 Overall Financial Performance

In 2013/14, operational expenditure increased by \$3.8 million to \$85.1 million and operational revenue increased by \$2.4 million to \$86.5 million.

The programme to renew and upgrade rail infrastructure and rolling stock continued with capital expenditure of \$27.5 million – this was primarily on the Matangi trains.

	2013/14 \$ M	2012/13 \$ M	Increase / -decrease \$ M
Operational revenue	86.5	84.1	2.4
Operational expenditure	85.1	81.2	3.8
Capital expenditure	27.5	33.6	-6.1

Financial statements for Wellington metro rail are included in Appendix 1.

## 8.3 Operational Revenue

Total operational revenue increased by \$2.4 million in 2013/14.

Fare revenue increased by \$2.9 million (increasing the average fare by 16 cents on passenger growth of 2.5%) and GWRC rates decreased by \$0.6 million. NZTA funding increased by \$0.1 million

	2013/14 \$ M	2012/13 \$ M	Increase / -decrease \$ M	
Fare revenue	43.3	40.4	2.9	
Rates revenue	18.8	19.4	-0.6	
NZTA funding	23.9	23.8	0.1	
Other revenue	0.5	0.5	0.0	
<b>Total operational revenue</b>	<b>86.5</b>	<b>84.1</b>	<b>2.4</b>	
Passengers carried	Million	11.6	11.4	0.29
Average fare revenue per passenger	\$	3.72	3.56	0.16

*Numbers in Revenue and Expenditure in tables 8.2 – 8.7 have been rounded to the nearest \$ million. This may give the appearance that some numbers do not add exactly.*

## 8.4 Operational Expenditure

Operational expenditure increased by \$3.8 million in 2013/14.

		2013/14 \$ M	2012/13 \$ M	Increase / -decrease \$ M
Train operations		44.5	42.8	1.6
Network operations and maintenance		10.3	10.6	-0.3
Network incident costs		1.0	0.6	0.4
Network renewals		5.9	5.4	0.6
Leases and rates		0.9	0.9	0.0
Train maintenance		10.2	9.3	0.9
Station expenditure		1.9	1.6	0.2
Metlink & management services		7.3	7.0	0.3
Insurance		1.5	1.9	-0.5
Security		1.7	1.1	0.6
<b>Total operational expenditure</b>		<b>85.1</b>	<b>81.2</b>	<b>3.8</b>
Passengers carried	Million	11.6	11.4	0.29
Operational expenditure per passenger	\$	7.31	7.15	0.15

## 8.5 Capital Expenditure and Funding

Capital expenditure was \$27.5 million in 2013/14. Of this, \$18.9 million was for the new Matangi trains, with the remainder being for heavy maintenance of rail rolling stock and station asset renewals. NZTA now funds its share of the capital expenditure on the new trains by paying a share of the debt servicing costs over the life of the asset.

		2013/14 \$ M	2012/13 \$ M	Increase / -decrease \$ M
Capital expenditure		27.5	33.6	-6.1
MoT and NZTA funding (of capital expenditure)		4.4	15.4	-11.0

In addition to this, KiwiRail completed capital expenditure of \$28.4 million of renewal work on the network in 2013/14, which was 100% funded by MoT under a separate agreement with KiwiRail. This expenditure on the KiwiRail owned Wellington network has not been consolidated into these financial statements.

*Numbers in Revenue and Expenditure in tables 8.2 – 8.7 have been rounded to the nearest \$ million. This may give the appearance that some numbers do not add exactly.*

## 8.6 Non-operational Revenue and Expenditure

GWRC rated the community \$5.6 million for the debt servicing costs of its share of past capital expenditure. GWRC borrows to fund its share of capital expenditure and rates the community for the debt servicing costs over the life of the underlying asset.

Grants and subsidies revenue was received from NZTA to fund capital expenditure. It comprises either:

- Direct subsidy for some capital expenditure in the year that capital expenditure is incurred, or
- A share of the debt servicing cost for more significant capital expenditure where this has been agreed with NZTA (e.g. new Matangi trains).

Grants and subsidies revenue was \$4.4 million. This decreased significantly compared to the 2012/13 year because more expenditure in 2013/14 was funded under the debt servicing arrangement with NZTA.

	2013/14 \$ M	2012/13 \$ M	Increase / -decrease \$ M
Rates	5.6	5.7	-0.1
Grants and subsidies	4.4	15.4	-11.0
<b>Total non-operational revenue</b>	<b>10.0</b>	<b>21.1</b>	<b>-11.1</b>

Non-operational expenditure was \$31.4 million in 2013/14 – a decrease of \$2.3 million over the previous year.

Financial costs increased by \$0.5 million reflecting increased financing costs on the new Matangi trains.

The \$7.0 million loss on disposal / revaluation of fixed assets comprised adjustments made on revaluation of property plant and equipment at 30 June 2014, notably a write down in the book value of the remaining Ganz Mavag trains to reflect the date they are expected to be withdrawn from service.

	2013/14 \$ M	2012/13 \$ M	Increase / -decrease \$ M
Financial costs	4.2	3.7	0.5
Depreciation	18.6	19.9	-1.3
Loss on disposal / revaluation of fixed assets	7.0	8.5	-1.6
Revaluation of Crown loan	1.6	1.4	0.1
Impairment of inventory	0.1	0.1	0.0
<b>Total non-operational expenditure</b>	<b>31.4</b>	<b>33.7</b>	<b>-2.3</b>

## 8.7 Key Assets and Liabilities

Debt increased by \$23.2 million with most of the increase representing GWRC's share of the capital expenditure, mainly for the new Matangi fleet.

	2013/14 \$ M	2012/13 \$ M	Increase / -decrease \$ M
Property plant and equipment	307.7	299.6	8.0
Inventories	10.2	10.3	0.0
Debt	101.3	78.1	23.2

*Numbers in Revenue and Expenditure in tables 8.2 – 8.7 have been rounded to the nearest \$ million. This may give the appearance that some numbers do not add exactly.*

# APPENDIX 1: FINANCIAL STATEMENTS

## WELLINGTON METROPOLITAN RAIL

### STATEMENT OF INCOME FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 Actual \$000	2013 Actual \$000
<b>Operational revenue</b>			
Fares		43,261	40,390
Rates		18,843	19,414
Grants and subsidies		23,904	23,803
Other revenue		490	519
<b>Total operational revenue</b>		<b>86,498</b>	<b>84,126</b>
<b>Operational expenditure</b>			
Train operations	2	44,479	42,844
Network operations and maintenance		10,278	10,615
Network incident costs		1,009	648
Network renewals		5,946	5,363
Leases and rates		865	860
Train maintenance		10,196	9,278
Station expenditure		1,869	1,630
Metlink and management services		7,278	6,983
Insurance		1,459	1,915
Security		1,711	1,105
<b>Total operational expenditure</b>		<b>85,090</b>	<b>81,241</b>
<b>Net operational income</b>		<b>1,408</b>	<b>2,885</b>
<b>Non-operational revenue (capex related)</b>			
Rates		5,601	5,725
Grants and subsidies		4,398	15,372
<b>Total non-operational revenue</b>		<b>9,999</b>	<b>21,097</b>
Financial costs		4,192	3,719
Depreciation		18,555	19,900
Loss on disposal / revaluation of fixed assets		6,972	8,527
Revaluation of Crown loan		1,560	1,444
Impairment of inventory		147	138
<b>Total non-operational expenditure</b>		<b>31,426</b>	<b>33,728</b>
<b>Net non-operational income</b>		<b>-21,427</b>	<b>-12,631</b>
<b>Net surplus/-deficit for the year</b>		<b>-20,019</b>	<b>-9,746</b>
Gain on revaluation of transport infrastructure		6,925	
<b>Total comprehensive surplus/ -deficit for the year</b>		<b>-13,094</b>	<b>-9,746</b>

The accompanying notes and accounting policies should be read in conjunction with these special purpose financial statements.

# WELLINGTON METROPOLITAN RAIL

## BALANCE SHEET AS AT 30 JUNE 2014

	Note	2014 Actual \$000	2013 Actual \$000
<b>Current assets</b>			
Cash and cash equivalents		1	1
Receivables		8,169	11,346
Inventories		10,246	10,270
Assets held for sale			347
<b>Total current assets</b>		<b>18,416</b>	<b>21,964</b>
<b>Non-current assets</b>			
Trade and other receivables		4,131	3,903
Property plant and equipment	3	307,666	299,642
<b>Total non-current assets</b>		<b>311,797</b>	<b>303,545</b>
<b>Total assets</b>		<b>330,213</b>	<b>325,509</b>
<b>Current liabilities</b>			
Payables		7,809	5,847
Revenue in advance (Grants)			
<b>Total current liabilities</b>		<b>7,809</b>	<b>5,847</b>
<b>Non-current liabilities</b>			
Debt	4	101,287	78,076
<b>Total non-current liabilities</b>		<b>101,287</b>	<b>78,076</b>
<b>Total liabilities</b>		<b>109,096</b>	<b>83,923</b>
<b>Net assets</b>		<b>221,117</b>	<b>241,586</b>

The accompanying notes and accounting policies should be read in conjunction with these special purpose financial statements.



# WELLINGTON METROPOLITAN RAIL

## NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Note 1 : Statement of accounting policies

#### **Reporting entity**

The financial statements presented are special purpose financial statements intended to portray the financial result and financial position of Greater Wellington Regional Council's interest in passenger rail operations in Wellington. The special purpose financial statements include a statement of income and a balance sheet.

#### *Statement of income*

The statement of income aggregates the revenue and costs for Greater Wellington Regional Council, Greater Wellington Rail Limited and TranzMetro Wellington that relate to passenger rail operations in Wellington.

TranzMetro Wellington receives a subsidy from Greater Wellington Regional Council to provide passenger rail operations in Wellington. This subsidy has been substituted in the statement of income to show the underlying revenue and costs.

#### *Balance sheet*

The balance sheet aggregates the balances from Greater Wellington Regional Council and Greater Wellington Rail Limited that relate to passenger rail operations in Wellington.

Greater Wellington Regional Council is a regional local authority governed by the Local Government Act 2002.

Greater Wellington Rail Limited is registered under the Companies Act 1993. It is a wholly owned subsidiary of WRC Holdings Limited which in turn is a wholly owned subsidiary of Greater Wellington Regional Council.

TranzMetro Wellington is a division of KiwiRail Holdings Limited. KiwiRail Holdings Limited prepares special purpose financial statements for TranzMetro Wellington.

#### *Format of statement of income*

The operational expenditure and revenues are separated out from non-operational expenditure and revenues to clearly show ongoing costs and revenue for rail operations. Operational expenditure and revenues tend to be relatively constant and lend themselves to comparison between years.

Non-operational expenditure and revenues includes financial costs, depreciation, non cash revaluations and asset impairment costs as well as the related funding from rates and grant and subsidies revenue from the New Zealand Transport Agency and the Ministry of Transport. Grants and subsidies revenue tends to vary significantly between years because it relates to the underlying capital expenditure.

#### **Statement of compliance**

The special purpose financial statements have been compiled using information extracted from special purpose financial statements for TranzMetro Wellington, general purpose financial statements for Greater Wellington Rail Limited and the financial records of Greater Wellington Regional Council.

Given the basis of compilation, the special purpose financial statements are not intended to (and do not) comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable financial reporting standards.

The special purpose financial statements presented are for the year ended 30 June 2014.

#### **Measurement base**

The special purpose financial statements have been presented on a historical cost basis modified by the revaluation of certain property plant and equipment assets as identified in the following accounting policies.

All amounts are rounded to \$000 and are expressed in New Zealand currency (unless stated otherwise).

#### **Accounting judgements and estimations**

The preparation of special purpose financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, revenues and expenses. These estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from these estimates.

Judgements or estimates have been made to determine the carrying values of certain assets and liabilities and reported amounts of certain revenues and expenses that are not readily apparent from other sources.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

A number of costs attributed to the Public Transport division of Greater Wellington Regional Council are not allocated as a matter of course to rail operations. Consequently judgements have been made to allocate these costs to rail operations.

### **Significant accounting policies**

Relevant accounting policies have been extracted from the financial statements of Greater Wellington Regional Council, Greater Wellington Rail Limited and TranzMetro Wellington and are presented below.

#### **(a) Revenue recognition**

Revenue is recognised when billed or earned on an accrual basis and reported in the financial period to which it relates.

##### *Fare revenue*

Fare revenue is recognised at the date of travel.

##### *Grants and subsidies revenue*

Greater Wellington Regional Council receives grants and subsidies revenue from the New Zealand Transport Agency. These grants and subsidies part fund Greater Wellington Regional Council's expenditure on the provision of public transport subsidies to external rail operators and the capital purchases of rail rolling stock, station and depot assets and transport network upgrades by KiwiRail. Grants and subsidies are recognised as revenue when eligibility has been established by the grantor.

##### *Rates revenue*

Greater Wellington Regional Council sets a transport rate to fund the public transport activities it undertakes. There is no separate rate for passenger rail operations, and any surplus or deficit on rail operations is not specifically retained to offset any future surplus or deficit in passenger rail operations. For this reason, the rates revenue included in the statement of income is based on the budgeted rates for the year.

##### *Other revenue*

Other sources of revenue are recognised when earned and are reported in the financial periods to which they relate.

#### **(b) Expenditure**

Expenditure comprises amounts paid and payable for goods and services provided from suppliers and is recorded in the period in which it is incurred.

#### **(c) Property plant and equipment**

Property plant and equipment are initially recorded at historical cost. Acquired assets are revalued to fair value.

##### *Assets held by Greater Wellington Rail Limited*

Station and depot assets and rail rolling stock were independently valued as at 30 June 2014 by John Freeman, a Director of Bayleys Valuations Limited, using optimised depreciated replacement cost methodology.

Capital work in progress is calculated on the percentage of work completed basis.

##### *Assets held by Greater Wellington Regional Council*

Land held by Greater Wellington Regional Council for passenger rail purposes was valued as at 30 June 2014 by John Freeman, a Director of Bayleys Valuations Limited, using optimised depreciated replacement cost methodology.

#### **(d) Depreciation**

Depreciation is provided on a straight line basis on all tangible property, plant and equipment other than land and capital works in progress, at rates which will write off assets, less their estimated residual value, over their remaining useful lives.

The useful lives of major classes of assets have been estimated as follows:

Rail rolling stock	5 to 30 years
Rail infrastructure assets	5 to 50 years
Operational plant and equipment	2 to 20 years
Capital work in progress	Not depreciated
Land	Not depreciated

#### (e) Goods and Services Tax (GST)

All items in the special purpose financial statements are exclusive of GST with the exception of any GST that may be included in receivables or payables. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

#### (f) Inventories

After initial recognition, inventories are valued at the lower of cost or net realisable value.

#### (g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

#### (h) Taxation

Taxation costs and balances have not been included in the special purpose financial statements. Including taxation costs and balances would not provide users of these special purpose financial statements with useful information on the performance of rail operations in Wellington.

#### (i) Debt

Debt comprises debt held with an external funder (the Crown) and internal debt which is managed by Greater Wellington Regional Council's treasury function.

External debt with duration of more than 12 months is recognised initially at fair value less transaction costs. Subsequently, it is measured at amortised cost using the effective interest rate method. Amortisation or any increase in liability is recognised in the statement of income, as is any gain or loss when the liability is settled. External debt entered into with duration of less than 12 months is recognised at its nominal value.

Internal debt is initially recognised as Greater Wellington Regional Council's share of capital expenditure incurred. Subsequently, it is measured as the principal amount outstanding using a table mortgage basis over the life of the debt. Loan terms and interest rates are in accordance with Greater Wellington Regional Council's Revenue and Financing Policy.

#### Contractual commitments

Estimated contractual commitments at balance date but not provided for were \$837,536,000 (2013:848,014,000).

	2014 \$000	2013 \$000
Within one year	25,840	27,877
After one year but no more than five years	48,915	50,742
After five years	762,781	769,395
<b>Operating contract commitments</b>	<b>837,536</b>	<b>848,014</b>

Capital commitments were \$153,367,000 (2013:165,968,000).

	2014 \$000	2013 \$000
Within one year	42,698	21,481
After one year but no more than five years	110,669	144,487
After five years		
<b>Capital commitments</b>	<b>153,367</b>	<b>165,968</b>

## WELLINGTON METROPOLITAN RAIL

## NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

## Note 2 : Train operations

	2014 Actual \$000	2013 Actual \$000
Labour	25,436	24,900
Materials & supplies	747	883
External / purchased services	2,450	2,068
Lease & rentals	1,161	691
Fuel and traction	4,127	4,196
Other expenses	1,838	1,432
Kiwirail internal contracts	2,282	2,554
Kiwirail overheads	3,100	2,900
Contract margin	3,338	3,220
<b>Train operations</b>	<b>44,479</b>	<b>42,844</b>

## Note 3 : Property plant and equipment

	Work in progress \$000	Trains \$000	Station assets \$000	2014 Total assets \$000	2013 Total assets \$000
Cost / valuation	25,118	224,972	57,583	307,673	336,978
Less: Accumulated depreciation			7	7	37,336
<b>Closing net book value</b>	<b>25,118</b>	<b>224,972</b>	<b>57,576</b>	<b>307,666</b>	<b>299,642</b>

## Note 4 : Debt

	2014 Total debt \$000	2013 Total debt \$000
Opening debt	78,076	58,431
Debt additions	24,802	20,758
Debt repayment	-3,151	-2,557
Revaluation of debt	1,560	1,444
<b>Closing debt</b>	<b>101,287</b>	<b>78,076</b>

# APPENDIX 2: AUDIT STATEMENT



## DRAFT FOR DISCUSSION PURPOSES ONLY

### Assurance report on the compilation of the Special Purpose Financial Statements included in the annual report of Metropolitan Rail

To the readers of Greater Wellington Regional Council's Metropolitan Rail 2013/14 Annual Report (the "Metropolitan Rail Annual Report"):

We have completed our assurance engagement to report on the compilation by the Greater Wellington Regional Council ("the Council") of the special purpose financial statements included in the Metropolitan Rail Annual Report on pages X to X, which comprise the special purpose statement of income for the year ended 30 June 2014, the special purpose balance sheet as at 30 June 2014 and the notes to the special purpose financial statements that include the statement of accounting policies and other explanatory information (collectively the "Special Purpose Financial Statements").

#### The Council's responsibility for the Special Purpose Financial Statements

The Council is responsible for the compilation of the Special Purpose Financial Statements as required by clause 30 of the Asset Transfer Agreement between New Zealand Railways Limited, Greater Wellington Rail Limited and the Council ("the Transfer Agreement"). The Special Purpose Financial Statements have been prepared by the Council as part of the Metropolitan Rail Annual Report to give a transparent account of what it costs to provide metropolitan rail services in Wellington and how these services have been funded. They may not be suitable for any other purpose.

#### Our responsibility

Our responsibility is to express an opinion about whether the Special Purpose Financial Statements have been compiled by the Council, in all material respects:

- In a manner consistent with the statement of accounting policies included in the notes to the Special Purpose Financial Statements that deal with the compilation of the Special Purpose Financial Statements; and
- From information that has been correctly extracted from the financial statements of Greater Wellington Rail Limited, the special purpose financial statements of Tranz Metro Wellington and the financial records of the Council (collectively the "Source Documents").

We conducted our engagement in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 and the Standard on Assurance Engagements 3100 issued by the External Reporting Board. These standards require that we comply with relevant ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the Council has compiled the Special Purpose Financial Statements, in all material respects, in a manner consistent with the statement of accounting policies and from information correctly extracted from the Source Documents.

We have used our judgement in selecting procedures for this engagement. The selected procedures were based on our understanding of the purpose for which the Special Purpose Financial Statements have been prepared by the Council.

We are not responsible for updating or re-issuing any of the Source Documents used to compile the Special Purpose Financial Statements and we have not, in the course of this engagement, performed an audit or review of the Source Documents.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## Opinion

In our opinion, the Special Purpose Financial Statements included in the Metropolitan Rail Annual Report on pages X to X have been compiled by the Council, in all material respects, in a manner consistent with the statement of accounting policies included in the notes to the Special Purpose Financial Statements that deal with the compilation of the Special Purpose Financial Statements as set out on pages X to X, and using information that has been correctly extracted from the Source Documents.

## Independence

We provide a range of professional advisory services to both KiwiRail Limited and the Council. We do not consider that we have undertaken any assignments that compromise or could be perceived to compromise our independence in relation to this assurance report.

Other than the services noted above we have no relationship with, or interests in, the Council, Greater Wellington Rail Limited or Tranz Metro Wellington.

## Completion

Our assurance engagement was completed on X 2014 and our opinion on the Special Purpose Financial Statements is expressed as at that date.

## Restriction on use of report

This report has been prepared for the Council solely to assist it establish that the Special Purpose Financial Statements have been compiled in a manner consistent with the statement of accounting policies that deal with the compilation of the Special Purpose Financial Statements. Our report should not be used for any other purpose. To the fullest extent permitted by law, we do not accept responsibility for any reliance on this report to anyone other than the Councillors of the Council, or for any other purpose other than for which it was prepared.

## PricewaterhouseCoopers

Chartered Accountants

Wellington

X 2014



Matangi in action

## APPENDIX 3: GLOSSARY

AMP	Asset Management Plan – a tool to minimise the life-cycle costs of asset ownership while maintaining required service levels and sustaining the value of the initial investment
CAT	Common Access Terms – the access rights and responsibilities that are binding on all users of the NZRC rail network
EMU	Electric Multiple Unit. Wellington’s EMU units all comprise two cars – a powered car and a trailer car
English Electric	EMU manufactured by English Electric Co Ltd, in service from 1938 to 2012
Ganz Mavag	EMU constructed by Ganz Mavag in Budapest Hungary, in service since 1982
GPS	Government Policy Statement - establishes 10 year priorities for NZTA’s expenditure from the National Land Transport Fund, which includes funding of metro rail
GWRC	Greater Wellington Regional Council
GWRL	Greater Wellington Rail Ltd, a company owned by Greater Wellington Regional Council (via WRC Holdings Ltd) through which Council holds its rail assets (except land)
KiwiRail Ltd	The NZRC owned company that operates freight and long distance passenger rail services in New Zealand. Bought by Government in 2008, formerly named Toll NZ Holdings Ltd.
KPI	Key Performance Indicator – a principle measure of service delivery performance
Matangi	EMU constructed by Hyundai Rotem in South Korea and in service from 2011
MSO	Metro Service Operator – GWRC’s contracted operator of metro rail services (currently Tranz Metro)

MDBF	Mean distance between failure - the fleet average kilometres travelled without a failure that results in a service cancellation or delay of 5 or more minutes.
Notifiable occurrences	The primary measure of safety, defined as any of the following: <ul style="list-style-type: none"> <li>a) the death of any person where that death is associated with the metro rail system;</li> <li>b) a serious injury to any person requiring emergency medical treatment or admittance to hospital, where that injury is associated with the metro rail system;</li> <li>c) any serious attack upon a Rail Services passenger or staff member that is attended or investigated by the New Zealand Police;</li> <li>d) any derailment of any Rolling Stock while in revenue service or which results in damage to property in excess of \$100,000;</li> <li>e) any significant unplanned delays to the provision of the metro rail services resulting in emergency implementation of contingency arrangements;</li> <li>f) any threat or action that is deemed an act of terrorism by the New Zealand Police;</li> <li>g) any collision between any Rail Vehicle and any person, other vehicle, Infrastructure or any other obstruction resulting from the construction, maintenance or operation of the metro rail system which results in significant damage to any property;</li> <li>h) any fire, explosion or any other occurrence resulting in significant property damage</li> </ul>
NZTA	The New Zealand Transport Authority, a crown agency with responsibilities that include managing government's investment in transport infrastructure and public transport services expenditure
NZRC	The New Zealand Railways Corporation trading as KiwiRail
Punctuality	The percentage of train services that arrive at their destination at, or within 5 minutes of their scheduled arrival time
Reliability	The percentage of timetabled services that are actually delivered
RTI	Real Time Information – a system that provides continuously updated information to passengers about actual arrival time. Data transmission from Global Positioning System devices installed on trains makes this possible.
RLTS	Wellington Regional Land Transport Strategy – 10 year strategy toward a balanced and integrated local land transport system
SE	Passenger carriage class formerly used on Hutt Valley Line – to be converted for use on the Wairarapa Line
SW	Passenger carriage class currently used on Wairarapa line
SPAD	Signal Passed at Danger - a safety event that occurs when a train passes a trackside signal without authority to do so
Tranz Metro	The business unit of KiwiRail Ltd that delivers the Wellington regional rail service under contract to GWRC
RRP	GWRC's Regional Rail Plan – a 25 year plan for developing the capacity of Wellington's metro rail to meet emerging demand
WRCHL	Wellington Regional Council Holdings Ltd, a GWRC company which owns Greater Wellington Rail Ltd and GWRC's other trading companies
WRRP	Wellington Regional Rail Programme - \$500m government investment in renewing and modernising the Wellington network that was undertaken between 2007 and 2012
WMUP	Wellington Metro Upgrade Plan - a further \$88m government investment in the network that began in 2011/12. Primary focus is replacing poles that support the overhead traction system



The Greater Wellington Regional Council promotes **Quality for Life** by ensuring our environment is protected while meeting the economic, social and cultural needs of the community

For more information contact the Greater Wellington Regional Council:

Wellington office  
PO Box 11646  
Manners Street  
Wellington 6142

T 04 384 5708  
F 04 385 6960

Upper Hutt office  
PO Box 40847  
Upper Hutt 5018

T 04 526 4133  
F 04 526 4171

Masterton office  
PO Box 41  
Masterton 5840

T 06 378 2484  
F 06 378 2146



[info@gw.govt.nz](mailto:info@gw.govt.nz)  
[www.gw.govt.nz](http://www.gw.govt.nz)

November 2014  
GW/PT-G-14/7



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