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19 July 2022

Jonathan Killick News Journalist Stuff jonathan.killick@stuff.co.nz

REF: OIA-10377

Dear Jonathan

Request made under the Official Information Act 1982

Thank you for your email of 21 June 2022 requesting the following information under the Official Information Act 1982 (the Act):

I am looking to find out how profitable the Johnson Hill Tunnels northern motorway toll is.

- 1. How much money did the toll collect in the most recent year on record?
- 2. How much money did it cost to collect those tolls?
- 3. What is the net total collected when considering all costs involved with the toll, including those that did not pay their toll?

The Johnson Hill Tunnels northern motorway toll you refer to is formally known as the Northern Gateway Toll Road. I will address each part of your request in turn below:

How much money did the toll collect in the most recent year on record?

Information on how much total revenue has already been collected on the three toll roads (including the Northern Gateway Toll Road) since they opened can be found on our website here: www.nzta.govt.nz/roads-and-rail/toll-roads/toll-road-information/frequently-asked-questions/general/#revenue

I am therefore refusing this part of your request under section 18(d) of the Act as the information requested is publicly available.

How much money did it cost to collect those tolls?

Operating revenue, in part, funds the cost of operating the toll system. The operating revenue (70c transaction cost) covers the cost of activities associated with operating the toll system. These activities have been identified as those that are necessary to operate the toll system based on the way a customer should behave, that is, the customer complies with their statutory responsibility and makes payment for the toll when it is due.

For the 2020/2021 financial year, \$5.057 million was collected in toll operating revenue on the Northern Gateway Toll Road.

Waka Kotahi NZ Transport Agency manages debt (from non-payment) for toll roads and the associated costs collectively rather than by individual road. It is therefore not possible to identify exactly how much money it cost to collect tolls for the Northern Gateway Toll Road alone.

I am therefore refusing this part of your request under section 18(g)(i) as the information requested is not held by Waka Kotahi and I have no grounds for believing that the information is either held by another department (for itself and for a departmental agency hosted by it or an interdepartmental executive board serviced by it) or interdepartmental venture or Minister of the Crown or organisation, or by a local authority.

Further information on tolling can be found in the Waka Kotahi 20/21 Annual Report (pages 120-123). You can view this report at the following link: www.nzta.govt.nz/assets/resources/annual-report-nzta/2020-21/nzta-nltf-annual-reports-2021-complete.pdf

What is the net total collected when considering all costs involved with the toll, including those that did not pay their toll?

Activities that are necessary to recover costs (unpaid tolls) from non-compliant users are not included in the transaction cost/operating revenue described above. To do so would require a higher toll; this would unfairly penalise road users who willingly comply.

Non-payment by customers attracts an administration fee of \$4.90, to reflect the cost of collection by Waka Kotahi. Waka Kotahi reviews these cost assumptions periodically. This fee is set and collated upon non-payment of trips a vehicle made over a 24-hour period. One fee may be applied to numerous trips and locations over a period. We do not record this data by location. We are therefore unable to advise on the exact amount received in administration fees for the Northern Gateway Toll Road. We can advise you that the total received in administration fees in the 2020/21 financial year for all three toll roads in New Zealand was \$5.719 million.

Because Waka Kotahi does not record administration fee collection by location (as described above), it is not possible to identify the net total collected when considering all revenue associated with the toll.

I am therefore refusing this part of your request under section 18(g)(i) as the information requested is not held by Waka Kotahi and I have no grounds for believing that the information is either held by another department (for itself and for a departmental agency hosted by it or an interdepartmental executive board serviced by it) or interdepartmental venture or Minister of the Crown or organisation, or by a local authority.

In line with Waka Kotahi policy, this response will soon be published on our website.

If you would like to discuss this reply with Waka Kotahi, please contact Andrew Knackstedt, Senior Media Manager, by email to andrew.knackstedt@nzta.govt.nz.

Yours sincerely

Howard Cattermole

Chief Financial Officer