

# MIN 4387 Tolling operations

21 February 2024

Provide information on tolling operating costs, staff headcounts and projected savings of the Tolling Back-Office System.

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## NZTA response:

### 1. What is the operational costs of operating the gantries?

Our forecast 2023/24 cost of operating the three physical gantries used on the three existing toll roads is \$419,000. This includes:

- \$279,000 for regular scheduled maintenance
- \$129,000 to respond to fault outages, and
- \$11,000 for spare parts.

The \$419,000 is split across the three toll roads:

- Northern Gateway \$129,125
- Tauranga Eastern Link \$149,785
- Takitimu Drive \$129,125 and
- 'Spares and Repairs' \$11,187 across all three roads.

### 2. Why is the tolling infrastructure for Penlink expected to cost so much?

*Costs for Penlink are based on previous quotes and cost assumptions*

The estimated costs of the tolling infrastructure for Penlink are based on previous quotes and cost assumptions. As it has been a considerable amount of time since NZTA has gone to market for new roadside tolling equipment, we are using cost assumptions from quotes received for Puhoi to Warkworth (2020).

We have prepared, but not yet released, a *Request for Proposal* to go to market to secure the most effective and viable vendor for Penlink. We will not have more certainty about cost until we go to market.

*What we are proposing to purchase*

If approved, the Penlink tolling scheme will be the first to use dual gantries in New Zealand. It will also be the first toll road to have peak and off-peak charging. As with our other existing toll roads, Penlink will be a fully automated toll collection system that has no barriers or other restrictions to vehicle movement across the traffic lanes. Vehicles will be electronically classified and identified. This roadside data will then be passed through to the Tolling Back-Office System for the toll to be deducted from an established account, or for the vehicle owner to be invoiced.

s 9(2)(j)

provides a breakdown of this estimate.

The following table

**Table 1: Breakdown of estimated Penlink costs (dual gantries)**

s 9 (2) (j)

**3. How many staff are employed back office to operate this system?**

We currently have 26.4 full time equivalent (FTE) staff employed to operate the current tolling system, consisting of:

- contact centre staff (13 FTE)
- contact centre complex issues and manual validations (6 FTE)
- debt management (1.2 FTE)
- finance resources (4.5 FTE)
- system and process improvement support (1.7 FTE).

**4. What is the projected savings by implementing the new tolling back-office system?**

The purpose of the tolling back-office system is to provide a fit-for-purpose solution to process toll trips and collect payments as well as improve functionality, integration with customers, and enabling scalability for future growth and new tolling schemes.

s 6(c)

s 9(2)(i)

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