

10 December 2024

FEEDBACK ON DEVELOPING AN ENDURING NATIONAL INFRASTRUCTURE PLAN: DISCUSSION DOCUMENT

TO: New Zealand Infrastructure Commission ("**Commission**")

SUBMITTER: Connexa Limited ("**Connexa**")

FEEDBACK ON: Developing An Enduring National Infrastructure Plan:
Discussion Document ("**Discussion Document**")

Summary

1. Connexa welcomes the opportunity to provide feedback on the Discussion Document.
2. Connexa is a specialist mobile tower company that manage passive mobile tower infrastructure. Connexa was established when Spark sold its passive mobile tower infrastructure and now incorporates 2,600 mobile towers on behalf of anchor tenants Spark and 2degrees. Connexa has been engaged by the mobile network operators (One NZ, Spark and 2degrees) to deploy new infrastructure and co-location of telecommunication equipment to enable increased digital connectivity for New Zealand by deploying new sites and co-locating tenants on single poles over the next 10 years.
3. Connexa operates a Build, Own, Operate and Maintain model relating to passive infrastructure assets that support the mobile network – this includes physical towers, masts and poles; as well as foundations, cabinets, fencing and access facilities, along with the ground leases and licences that secure space for the towers and associated equipment. The mobile networks Connexa supports are an important component of the telecommunications sector. Connexa holds Network Utility Operator Status under the Telecommunications Act. and is a Requiring Authority under the Resource Management Act 1991.
4. Connexa is a member of the New Zealand Telecommunications Forum ("**TCF**") which provides a vital role as a voice for the telecommunications industry, bringing industry experts together to resolve regulatory, technical and policy issues. Connexa is a member of the New Zealand Utilities Advisory Group, Civil Defence Emergency National Lifelines Utilities Forum and Auckland Lifelines Group.

5. The telecommunications sector provides critical infrastructure and services (such as internet access, messaging and voice calling) that almost all New Zealanders, businesses and government rely on to be able to communicate, access essential services and do business. Telecommunications also enables other critical infrastructure, such as electricity, fuel and banking. Our infrastructure is essential for economic growth and wellbeing both now and in the future.
6. Connexa supports the development of a National Infrastructure Plan ("NIP") because it will provide for more efficient infrastructure investment decisions and will facilitate a more enabling regulatory environment. We outline our specific comments below.

Critical infrastructure challenges and uncertainties to address within the next 30 years

7. Connexa welcomes the early identification of New Zealand's critical infrastructure challenges and uncertainties. Any funding and investment decisions about infrastructure will need to reflect these challenges and uncertainties to ensure the outcomes sought by the NIP are realised.
8. Access to communications services and infrastructure is a key challenge for the sector. There is a growing digital divide between urban and rural New Zealanders (which, as a result, causes inequities in access to other essential services). Accordingly, the NIP will need to provide infrastructure providers the broader regulatory certainty to enable funding decisions to be made that ensure there is consistent, reliable and equitable access to this infrastructure.
9. The resilience of telecommunications infrastructure following national disasters is also a key challenge and source of uncertainty for the sector. Not only has climate change increased, but New Zealand's geography increases its exposure to national disasters like earthquakes. As demonstrated by the Auckland Anniversary floods and Cyclone Gabrielle, the resilience of New Zealand's infrastructure systems is crucial for ensuring people stay connected, enabling prompt and effective disaster responses and is also crucial to the longer-term recovery of affected regions. The increased frequency and severity of significant weather events will also place additional pressure on telecommunications infrastructure. Any funding or investment decisions should reflect the need to enhance the resilience of New Zealand's infrastructure during these extreme events.
10. There are critical interdependencies between the telecommunications sector and other infrastructure organisations in particular the electricity sector. It is important to ensure that there is multi-sectoral co-ordination in interdependencies between infrastructure sectors.

Changes to enable better infrastructure investment decisions by central and local government

11. The focus of the Discussion Document is on the challenges with Government-owned and funded Infrastructure, and notes there has been years of underinvestment in that infrastructure. However, there is little reference to how the NIP will support investment and funding decisions from the private sector.
12. Connexa, like many other providers of telecommunications infrastructure, is privately-owned (and derives a large part of its funding from private investors). As a result, the telecommunications sector faces different investment challenges to that of Government-owned and funded infrastructure due to the complex nature of industry economics and the turbulent nature of the broader economic climate.
13. The NIP, and any corresponding changes to how investment decisions are made, need to reflect this reality. If any regulatory or investment settings set are too restrictive, there is a risk of underinvestment by the private sector in this vital infrastructure.

Adjustment of regulatory settings to enable better infrastructure outcomes

14. Connexa supports adjusting regulatory settings to enable better infrastructure outcomes and considers this should occur alongside the development of a NIP. Any adjustments of regulatory settings should be targeted and sector specific.
15. The telecommunications industry requires a predictable regulatory framework that allows for long-term investment, in-market consolidation and economies of scale. This would enable the sector to make the massive investments needed in digital infrastructure, and ensure New Zealand achieves connectivity targets and strategic ambitions. Fragmented implementation of legislation, combined with a number of additional sectoral rules, present obvious barriers for the industry (and as a result, leads to sub-optimal investment and infrastructure outcomes).
16. One of the key barriers to the efficient delivery of telecommunications infrastructure is the resource consenting process under the Resource Management Act 1991. The nature of telecommunications infrastructure (being a network of individual base station facilities (cells) of standardised dimensions, and also being a sector that must adapt and upgrade to meet latest technology) means that a planning framework that does not reflect the sector's requirements (including as they evolve over time) can result in hundreds or even thousands of consent applications.
17. Connexa considers the most effective changes to regulatory settings would come through amendment to the National Environmental Standards for Telecommunication Facilities 2016

("NESTF"). The telecommunications industry depends on NESTF to build, maintain and upgrade network infrastructure (such as cell towers, cabinets, poles and antennas). The NESTF provides a rule framework for mobile towers only in roads and rural areas. However, the NESTF is out of date and only applies in specific situations (road reserve, rural zones) across New Zealand:

- (a) In all other situations, the applicable district plan rules apply to the location of the proposed mobile tower. These district plan rules are inconsistent across the territorial authorities meaning resource consenting becomes onerous and costly as planning requirements are different, and consent conditions are not consistent for the same activity. Amendments are required to provide a nationally consistent framework in all areas, not just roads and rural locations.
 - (b) The NESTF has not been updated since 2016. With urban intensification and changes to National Policy Statement – Urban Development and subsequent Medium Density Residential Standards, incompatible uses of land near existing mobile sites threatens the continued operation of existing mobile sites. New houses need utilities, but the NESTF has not been updated to take account of changes in the built environment and new technology, time consuming and resource intensive resource consents would be required to install the necessary telecommunications infrastructure for new housing developments. As a result of these changes, Connexa are needing to be more agile about where they locate mobile towers to support growth and improve network resilience.
18. Without making the necessary changes to the regulatory framework to support the implementation of the NIP, our sector will continue to face time consuming and costly engagements with individual councils to seek resource consents, make submissions on local plans and seek plan changes. This either slows down infrastructure build or stops it in its tracks, undermining nationwide infrastructure resilience and stifling growth.
19. Connexa, along with other telecommunications providers and the Telecommunications Carriers Forum, have been working with MBIE to provide a proposal for updates that are needed by the industry on the NESTF regulations.
20. Comprehensive resource management reform is critical to meet infrastructure needs. Connexa supports the changes to the Resource Management Act 1991, including the work being undertaken by Te Waihanga on a National Policy Statement for Infrastructure where combined with NES documents provides a comprehensive resource management framework for infrastructure providers in New Zealand.

Conclusion

21. Connexa is grateful for the opportunity to provide feedback on the Discussion Document. Connexa would welcome the opportunity to discuss the matters raised in this feedback if there is the opportunity to do so.

Yours faithfully



Planning & Engagement Manager

