

7 July 2021

Greg Miller  
Group Chief Executive Officer  
KiwiRail

***Via email***

Tēnā koe Greg

### **Renewal programme clarity and track obstruction incident**

Over the past nine months Auckland Transport (AT) has worked collaboratively with KiwiRail to remedy the Rolling Contact Fatigue (RCF) situation on the Auckland network through the significant renewal and maintenance investment. Remediating this issue, while impacting on many Aucklanders and Auckland Transport, has been critical to addressing the safety of Auckland's rail network I acknowledge the focus and effort by your team.

We want to continue to work collaboratively with KiwiRail in support of ongoing work on the Auckland network but progress made in the health of the relationship at managerial and executive level is at material risk of being undermined by operational performance issues and further 'surprises' as to the state of the network.

Two areas of significant concern to the Auckland Transport Board and myself have occurred in recent weeks. I understand both of these issues were discussed at the Auckland Metro Rail Programme Control Group (AMR PgCG) Meeting late last week.

Firstly, there was an urgent need to place temporary speed restrictions on the Southern Line at very short notice following quarterly inspection of turnouts. We understand that 16 turnouts need to be replaced due to accelerated deterioration from RCF. This resulted in the weekday peak frequency being halved to 20 minutes at very short notice for our customers. It is recognised that the enhanced inspection regime implemented by KiwiRail following understanding of RCF causes and impact picked up the issues from a safety perspective. However, we need to progress the development of the ongoing asset management, condition monitoring and resultant forwards works renewal and maintenance programme to a point where we all have trust and confidence that this level of surprise and short-notice restrictions does not occur.

The recent implementation of additional speed restrictions was not signalled as being an additional speed restriction risk. In fact, at a senior leadership meeting the day before the Auckland Metro Programme Control Group this was communicated to the team and this was not tabled as a timeline concern, despite KiwiRail concluding that further speed restrictions would be forthcoming due to the RCF findings.

We understand that the duration for the temporary speed restrictions is still being assessed by KiwiRail but could be in the region of 4-6 months. This we assume will result in reduced peak frequency of Auckland metro services on the Southern Line over this period. This is deeply disappointing and is having a significant detrimental impact on the trust and confidence in the rail and public transport network, in KiwiRail and in Auckland Transport and Auckland Council.



The impact on customers is severe. Many of those in the south travelling on rail are travelling long distances and have limited alternative options. Riding a bike or paying for an Uber are unattractive and forcing Aucklanders back to their motor vehicles is counter to the 'climate change', 'travel choice' and productivity outcomes Central Government and Auckland Council is trying to achieve.

Further, as a result of the RCF issues rail patronage dropped significantly – to approximately 30% of pre-Covid-19 levels. Prior to these latest asset management issues rail patronage was still significantly below other modes but rebuilding to 66%. If peak frequency is halved we expect that the impact on fare revenue and our financial position could be as much as \$7 million over the next six months which may lead put us in the unenviable position of cutting other public transport services for Aucklanders.

At a time when Auckland Council and Central Government are investing more in rail as demonstrated by the opening of Puhinui Interchange at the end of July 2021 we are very frustrated.

This is clearly an unacceptable ongoing situation. As a matter of urgency, we request answers to the following questions:

- What steps are KiwiRail taking to remove the TSRs as a matter of urgency, when will we know when the TSRs will be removed and what is KiwiRail doing to minimise the extent of this disruption and the impact on Aucklanders who had come to rely on the network?
- What will KiwiRail do to mitigate the reputational impacts and financial impacts on Auckland Transport and Auckland Council?
- When will AT receive an enhanced 1-3 year (i.e. pre-City Rail Link opening) asset management, condition monitoring and resultant forwards works renewal and maintenance programme that includes for managing the now known RCF condition and the impacts, requested by our management team?
- When will AT receive the RNGIM detailed 3 year forward works maintenance and renewal programme, intended to be complete prior to opening of the City Rail Link, including network access strategy and resultant passenger timetable and customer impact, identified as an output of the AMR PgCG?

In addition to the above, on Wednesday 30 June 2021, an incident occurred on the Western Line where scrap rail at the side of the track has caused damage to 19 trains. This is obviously a very concerning event and could have had greater consequential impacts. The damage severely restricted fleet availability and will come at a considerable cost to rectify the damage to the 19 Units.

While the damage to our assets is troubling our key concern is that this negligence could have resulted in a serious safety incident. We hold most dearly the safety of those travelling on and working on the Auckland transport network. With so much network development and maintenance work to occur in the coming 4-5 years it is imperative that KiwiRail and its sub-contractors operate in a safe manner.

Track infrastructure and fleet can be fixed, our reputation and trust with our customers will take considerably longer to repair, and this is becoming more difficult as unplanned events and incidents cause service levels to be disrupted. We need accurate and timely information so that we can support the work that KiwiRail is undertaking and manage the disruption this provides to our communities.



It is imperative that we have your strong support and personal leadership in expediting visibility with the ongoing Auckland network programme, and your assurance of safety first when handing back track sections following delivery of those works on the network.

Nāku iti noa, nā

A handwritten signature in black ink, appearing to read 'S. Ellison', is positioned above the printed name.

Shane Ellison  
**Chief Executive**

Copy to: Mayor of Auckland, Phil Goff  
Chair, Auckland Transport, Adrienne Young-Cooper