



## BRIEFING

### COVID-19: Requests for exemptions to border restrictions for essential energy sector workers

Date:	14 May 2020	Priority:	High
Security classification:	In Confidence	Tracking number:	3309 19-20

Action sought		
	Action sought	Dead ine
Hon Phil Twyford <b>Minister for Economic Development</b>	<b>Agree</b> to make exemptions from temporary border restrictions for essential workers.	19 May 2020
Hon Dr Megan Woods <b>Minister of Energy and Resources</b>		
Hon Ian Lees-Galloway <b>Minister of Immigration</b>	Copy for information only	N/A

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Phillippa Fox	General Manager, Energy and Resources	s 9(2)(a)	✓
Rebecca Heerdegen	Policy Director, Business and Essential Services	s 9(2)(a)	
Andrew Marriott	Senior Policy Advisor	s 9(2)(a)	

The following departments/agencies have been consulted
None.

Minister's office to complete:

☐ Approved

☐ Declined

☐ Noted

☐ Needs change

☐ Seen

☐ Overtaken by Events

☐ See Minister's Notes

☐ Withdrawn

Comments



## BRIEFING

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#### Purpose

This briefing seeks your agreement to exemptions to the temporary border controls for essential workers in the energy sector.

#### Recommended action

The Ministry of Business, Innovation and Employment recommends that you:

- a **Note** that on 19 March 2020, Cabinet agreed to border restrictions preventing entry to New Zealand and high-level parameters for case-by-case exemptions to these restrictions [CAB-20-MIN-0122 refers].
- Noted*
- b **Note** that officials have received the following requests from the energy sector to allow foreign workers to enter New Zealand to perform the following essential tasks:
- a. support additional renewable generation by enabling installation and commissioning of the Waipipi windfarm;
  - b. support the medium-term security of natural gas supply through development drilling at the Maui gas field; and
  - c. support essential maintenance work at geothermal power stations in New Zealand.
- Noted*
- c **Note** that these requests are supported by the Ministry of Business, Innovation and Employment as the workers are critical to ensure continued security of supply and resilience within the energy sector.
- Noted*
- d **Note** that, on arrival in New Zealand, the workers will be required to undergo quarantine or managed isolation in an approved facility for a minimum of 14 days.
- Noted*
- e **Note** that all costs associated with the workers international and domestic travel, accommodation and support will be met by the sponsoring employers.
- Noted*
- f **Agree** to make an exemption to the COVID-19 border restrictions for the essential workers as detailed in Annex One.

*Agree / Disagree*

g **Forward** this briefing to the Minister of Immigration for his information.

*Agree / Disagree*



Rebecca Heerdegen

**Policy Director, Business and Essential Services**

MBIE

15/05/2020

Phillippa Fox

**General Manager, Energy and Resources**

MBIE

15/05/2020

Hon Phil Twyford

**Minister for Economic Development**

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Hon Dr Megan Woods

**Minister of Energy and Resources**

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## Background

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2. On 19 March 2020, Cabinet agreed to border restrictions preventing entry to New Zealand and high level parameters for case-by-case exemptions to these COVID-19 border restrictions [CAB-20-MIN-0122 refers].
3. On 21 April 2020, the COVID-19 Ministerial Group agreed to delegate further decision making on exemptions to border restrictions for essential workers to the Minister for Economic Development and the relevant portfolio Minister.

## Three requests have been made for exemptions to the border restrictions for essential workers in the energy sector

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4. Officials have received three requests to enable essential workers in the energy sector to enter New Zealand. These requests are:
  - a. **Request one:** Two essential workers to support installation and commissioning of wind turbine generators at the Waipipi windfarm.
  - b. **Request two:** 18 essential workers to support a development programme to unlock further natural gas supply from the Maui gas field, strategically important for New Zealand's energy security.
  - c. **Request three:** One specialist essential worker from Australia to perform critical maintenance on equipment for geothermal power plants in New Zealand.
5. Details of these workers are provided in Annex One. The essential nature of the work is discussed below.
6. Following a request from you, we have applied the following test to the application to determine whether the requested workers are essential:
  - a. *Whether individuals from overseas are critical for delivery of time critical projects or programmes that are of strategic economic importance (such as, providing significant spill-over benefits to the economy or major employment in a region, preserving significant international trade-related business)*
  - b. *Whether international expertise, technical requirements or a unique talent is critical for success*
  - c. *Whether it is possible to redeploy workers already in New Zealand (or fill the position within New Zealand)*
  - d. *Whether there are already people performing these roles*
  - e. *The length of time the workers are likely to be in New Zealand*
7. Following this, we have concluded the workers for all three requests are essential.

## Information considered in making these recommendations

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### **Request One: Two workers required for installation and commissioning at the Waipipi Windfarm**

8. Officials have received a request from Tilt, on behalf of Siemens Gamesa Renewable Energy (SGRE), to enable two essential workers to enter New Zealand. These workers are required to enable the installation and commissioning of wind generation units at the Waipipi windfarm.
9. A visa is required for six months for the two workers to support the project. Depending on project progress, visa extensions may be required for these workers.

#### *The workers are essential for enabling the Waipipi windfarm to become operational*

10. The two workers will play critical roles in the assembly of 31 wind turbines that will be connected to supply electricity to the national grid. The Waipipi wind farm is a complex and economically significant infrastructure project in New Zealand.
11. We have been advised by SGRE that due to the complex nature of equipment and the wind turbines, highly skilled, trained and certified persons are required to manage and coordinate the various skilled labour to operate equipment safely.
12. The two requested workers, a Danish national and a Hungarian national, will have the roles of site manager and installation lead respectively. These are important senior roles for the construction of the wind farm.
13. SGRE has indicated that it requires these workers to enter New Zealand as soon as possible to enable Government-managed isolation and induction ahead of wind turbine assembly commencing in mid-June 2020.

#### *There are no people in New Zealand with the required skills to do this work and no other viable alternative arrangements can be made*

14. SGRE considers that there are no sufficiently qualified or experienced staff to supervise the installation of these wind turbines in New Zealand. This is due to the fact that the technology being installed is the first of its kind in New Zealand, and that the country has not conducted any major windfarm projects in the past ten years.
15. SGRE advises that without these essential workers there would be considerable delays to the project, pushing back the date to which the wind farm will contribute to New Zealand's electricity supply. No work-arounds or redeployments are possible for the reasons outlined above.
16. This request is supported by the Ministry of Business, Innovation and Employment as the workers are deemed to be critical to the provision of a range of essential services.

#### *Workers will be quarantined on arrival in New Zealand in accordance with established procedures*

17. On arrival in Auckland the workers will be required to undergo quarantine or managed isolation in an approved facility for a minimum of 14 days.
18. SGRE will coordinate domestic travel to South Taranaki where the two workers will be based to support the project. All costs associated with the worker's international and domestic travel, including quarantine costs, are to be met by SGRE.

## **Request Two: Workers required for Maui-A Crestal Infill work programme**

19. Officials have received a request to enable 17 essential workers to enter New Zealand to perform OMV's Maui-A Crestal Infill work programme. This work programme aims to arrest declining gas production at the Maui gas field thereby extending the operational life of the field.
20. OMV intends for the essential workers to arrive in mid to late June. All workers will require visas for approximately three months to support the project.
21. Note that an additional worker (for a total of 18 essential workers) is a New Zealand citizen and therefore does not require a border exemption. However, OMV has indicated that it will cover the costs of managed-isolation for this worker as he is normally based overseas and is returning to New Zealand for this project. We have therefore included this worker in Annex One for completeness.

*The workers are essential for the continuity of natural gas production from the Maui field and energy security*

22. The Maui-A Crestal Infill Work programme involves 'side-track' drilling of six wells, targeted at improving production of the late-life Maui gas field. Successful completion of the work programme will unlock more gas supplies from this field and support wider energy security through availability and flexibility of gas supply. This project is therefore of strategic importance to New Zealand's energy sector.
23. This gas supply plays an important role in backing up hydro electricity generation, and providing capability to meet electricity demand peaks, such as during winter. The Maui gas field used to be New Zealand's largest gas field, but is now near the end of its life with declining gas production. The Maui field plays a role in providing gas supply flexibility, enabling it to meet periods of natural gas demand peaks.
24. The requested workers are technical specialists required to operate the Archer Emerald drilling rig. These workers are familiar with this equipment and its day-to-day operations. This drilling rig will be assembled on the existing Maui A platform to conduct the side-track drilling programme.
25. This request is supported by the Ministry of Business, Innovation and Employment as the workers are deemed to be critical to the provision of a range of essential services.

*There are no people in New Zealand with the required skills to do this work and no other viable alternative arrangements can be made*

26. s 9(2)(b)(ii)

27. This work was suspended under Alert Level 4, with the rig required to be demobilised. Further delays to conducting this work programme will have implications for arresting the decline in production of gas from the Maui field.
28. New Zealand workers cannot be redeployed for the reasons outlined above.

*Workers will be quarantined on arrival in New Zealand in accordance with established procedures*

29. On arrival in Auckland the workers will be required to undergo quarantine or managed isolation in an approved facility for a minimum of 14 days.

30. OMV will coordinate domestic travel to Taranaki where the worker will be based after the managed isolation process. All costs associated with the worker's international and domestic travel, including quarantine costs, are to be met by OMV.

### **Request Three: Worker required to perform critical maintenance work on geothermal power plants**

31. Officials have received a request to enable an essential worker in the electricity sector to enter New Zealand for essential maintenance work on geothermal electricity plant equipment for both Contact Energy (Contact) and Mercury.
32. A visa is required for at least six weeks. Contact and Mercury intend for the worker to enter New Zealand in early-June.

#### *The work is essential to ensure continuity of electricity an essential service*

33. The essential worker is required to carry out specialist maintenance work on equipment for two geothermal electricity plants, for Contact, and separately for Mercury. The companies have worked together to identify this expertise and to request his entry to New Zealand jointly. Without this maintenance, continuing operation of this generation site would not be possible, putting security of electricity supply into the national grid at risk.

#### *There are no people in New Zealand with the required skills to do this work and no other viable alternative arrangements can be made*

34. There is no alternative expertise in New Zealand to perform the specialist testing/servicing required. Other workers are not available for redeployment due to this lack of expertise and training to easily perform this specialist type of maintenance work in the time available.
35. Contact and Mercury have considered utilising remote assessment but this is seen as infeasible as it does not provide the necessary confidence of safe operation.
36. This request is supported by the Ministry of Business, Innovation and Employment as the worker is deemed to be critical to the provision of a range of essential services.

#### *Worker will be quarantined on arrival in New Zealand in accordance with established procedures*

37. On arrival in Auckland the worker will be required to undergo quarantine or managed isolation in an approved facility for a minimum of 14 days.
38. Contact will coordinate domestic travel to Hamilton where the worker will be based for approximately two weeks after the managed isolation process. Mercury will be responsible for domestic travel to Kawerau through to mid-July, as well as the return to Australia for the essential worker.
39. All costs associated with the worker's international and domestic travel, including quarantine costs, are to be met by Contact and Mercury.

### **Next steps**

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40. If the requests are approved, in accordance with Immigration Instructions, *H5: COVID-19 Support Restricted Temporary Entry Instructions*, the workers will be invited to apply for supported temporary visas or variations of conditions as essential workers.

### **Annexes**

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Annex One: List of essential workers

## Annex One - List of essential workers

### Siemens Gamesa Renewable Energy

NAME	DOB	NATIONALITY	PASSPORT NUMBER
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s 9(2)(a)

### OMV

NAME	DOB	NATIONALITY	PASSPORT NUMBER
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s 9(2)(a)

## Contact/Mercury Energy

NAME	DOB	NATIONALITY	PASSPORT NUMBER
s 9(2)(a)			

Proactively Released