



BRIEFING

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

Date:	30 April 2020	Priority:	High
Security classification:	In Confidence	Tracking number:	3061 19-20

Action sought		
	Action sought	Deadline
Hon Phil Twyford Minister for Economic Development Hon Megan Woods Minister of Energy and Resources	Agree to make exemptions from temporary border restrictions for four essential energy sector workers and their family members.	28 April 2020
Hon Ian Lees-Galloway Minister of Immigration	Copy for information only.	N/A

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Phillippa Fox	General Manager, Energy and Resource Markets	s 9(2)(a)	✓
Alan Vandermolen	Director Entity Performance and Investment		

The following departments/agencies have been consulted
Ministry of Transport.

Minister's office to complete:

☐ Approved

☐ Declined

☐ Noted

☐ Needs change

☐ Seen

☐ Overtaken by Events

☐ See Minister's Notes

☐ Withdrawn

Comments



BRIEFING

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

Date:	29 April 2020	Priority:	High
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Purpose

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

Executive Summary

1. This briefing seeks your agreement to several exemptions to New Zealand's temporary border restrictions, in accordance with previous Cabinet decisions, on entry for four essential workers:
 - a. The first request is for an essential worker who provides technical support for air and power systems which are critical to the continuity of a range of essential services;
 - b. The second request is for an essential worker who has expertise in delicate cargo handling. This is partly related to the Waipipi Windfarm project which was not considered an essential business under Alert Level 4, but this worker is critical from a supply chain perspective for ensuring efficient flow of goods at Port Taranaki; and
 - c. The third request is for two specialists to support continued gas supply at Pohokura as gas supply is considered a lifeline utility service for New Zealand.
2. Requests one and two also contain requests for associated family members. For request one, it is the partner of the essential worker who normally resides in New Zealand but is not a resident. For the second request, the worker is expected to be based in New Zealand for the duration of the construction project (up to nine months). The worker intends to temporarily locate his partner and young child for this time.

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 [CAB-20-MIN-0122 refers]. The following groups are not subject to the restrictions:
 - a. New Zealand citizens and residence class visa holders;
 - b. The partner, legal guardian or any dependent children travelling with a New Zealand citizen or residence class visa holder;
 - c. Australian citizens and permanent residence class visa holders ordinarily resident in New Zealand; and
 - d. People subject to regulation 25 of the Immigration (Visa, Entry Permission, and Related Matters) Regulations 2010, which includes air and marine crew.

Noted

- b **Note** that Cabinet also agreed high level parameters for case-by-case exemptions to COVID-19 border restrictions, which include [CAB-20-MIN-0122 refers]:
- a. Those who need to travel for humanitarian reasons;
 - b. Essential health workers;
 - c. Citizens of Samoa and Tonga for essential travel to New Zealand;
 - d. Partners or dependents of a temporary work or student visa holder, and who normally live in New Zealand; and
 - e. Any other essential workers identified by the group of Ministers with Power to Act.

Noted

- c **Note** that officials have received the following requests from the electricity sector to allow foreign workers to enter New Zealand to perform the following essential tasks:
- a. provide 24/7 technical support for compressed air and power systems for a range of essential services (one worker and partner);
 - a. Provide specialist skills involving the operation of supply chains by enabling the unloading of wind turbine components (one worker and family); and
 - b. Support the commissioning of the Pohokura depletion compression project (two workers).

Noted

- d **Note** that these requests are supported by the Ministry of Business, Innovation and Employment, as the workers are critical to ensure continued security and resilience within the energy sector.

Noted

- e **Note** that, on arrival in New Zealand, the workers and family will be required to undergo quarantine or managed isolation in an approved facility for a minimum of 14 days.

Noted

- f **Note** that all costs associated with the worker's (and family's) international and domestic travel, accommodation and support will be met by the sponsoring employers.

Noted

- g **Agree** to make an exemption to the COVID-19 border restrictions for the essential workers as detailed in Annex One.

Agree




Alan Vandermolen
Director Entity Performance and Investment
Labour Science and Enterprise, MBIE

29/04/2020



Phillippa Fox
General Manager, Energy and Resource Markets
MBIE

29/04/2020



Hon Phil Twyford
Minister for Economic Development
.7. / .5. / .20.

Hon Megan Woods
Minister of Energy and Resources

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Background

1. On 19 March 2020, Cabinet agreed to border restrictions preventing entry to New Zealand [CAB-20-MIN-0122 refers]. The following groups are not subject to the restrictions:
 - a. New Zealand citizens and residence class visa holders;
 - b. The partner, legal guardian or any dependent children travelling with a New Zealand citizen or residence class visa holder;
 - c. Australian citizens and permanent residence class visa holders ordinarily resident in New Zealand; and
 - d. People subject to regulation 25 or the Immigration (Visa, Entry Permission, and Related Matters) Regulations 2010, which includes air and marine crew.
2. Cabinet also agreed high level parameters for case-by-case exemptions to COVID-19 border restrictions, which include [CAB-20-MIN-0122 refers]:
 - a. Those who need to travel for humanitarian reasons;
 - b. Essential health workers;
 - c. Citizens of Samoa and Tonga for essential travel to New Zealand;
 - d. Partners or dependents of a temporary work or student visa holder, and who normally live in New Zealand; and
 - e. Any other essential workers identified by the group of Ministers with Power to Act.
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.

Requests have been made for exemptions to the travel restrictions for essential workers in the electricity sector

4. Officials have received requests to enable four essential workers (and family members of two of these workers) in the energy sector to enter New Zealand to provide critical capability in the event of infrastructure failure, to support the movement of supply chains, and perform essential work to support gas supply. Details of these workers are provided in Annex One. The essential nature of the work is discussed below.
5. We have used the following criteria in making this recommendation:
 - a. why the workers are needed to ensure the continuity of an essential service;
 - b. why it is not possible to re-deploy workers already in New Zealand (this could include time constraints or the specific nature of the work being done);
 - c. what is happening to any staff currently performing the role(s);
 - d. the length of the visa required and the reason for that length of visa;
 - e. the requirement to undergo quarantine or managed isolation in an approved facility for a minimum of 14 days and whether appropriate domestic travel arrangements are in place.

Worker required to provide 24/7 technical support for compressed air and power systems for a range of essential services

6. Officials have received a request to enable an essential worker in the electricity sector, and his wife to enter New Zealand to provide 24/7 specialist support in the event of power or compressed air infrastructure failures for a range of essential services in the central North Island.
7. The worker is a senior technician for PACE Power and Air (PACE), a division of PACE Engineering Limited, based in Hamilton. PACE provides emergency power and compressed air services that support a range of essential services, including civil defence, electricity generation and medical facilities. The worker also provides support to a number of poultry farms in the event of emergency power system failure, preventing animal fatalities. The worker provides on-call 24/7 emergency support to these services and this capability is currently at risk.
8. 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 should they experience infrastructure failure. The worker has a specialist technical skillset across a range of fields and 35 years of experience in his field. These skills and experience are not readily available in the New Zealand employment market and as such it is not possible to redeploy workers in New Zealand for this role.
9. The firm currently has one other specialist available able to address issues, but PACE has identified limitations in this workers skillset due to a lack of specialist knowledge in some areas, as well as health and safety risks associated with working alone. Other options could include the installation of additional air/power systems, for which specialist staff may be available, but this would be likely to have long-lead times for commissioning (and potential for further overseas workers) and impose potentially significant additional costs on a range of essential services.
10. The worker was on holiday in s 9(2)(a) when temporary border restrictions in New Zealand were put in place. The worker is permanently based in New Zealand on an essential skills visa. The worker does not hold a New Zealand residence visa due to his age s 9 PACE seek to bring the worker and his partner back to New Zealand as soon as possible.

We also support an exemption for the family members of the worker

11. We also support the return of the workers wife to New Zealand. The worker and his family have resided in New Zealand since s 9(2) and this is now their home. Their son, daughter-in-law and grandchildren all reside in New Zealand. The worker and his wife are increasingly concerned for their welfare in s 9(2)(a)

The worker and partner will be quarantined on arrival in New Zealand

12. On arrival in Auckland the worker and his partner will be required to undergo quarantine or managed isolation in an approved facility for a minimum of 14 days. PACE will coordinate domestic travel (under the essential worker criteria) from Auckland to Hamilton and transport to their residence in Hamilton after the quarantine period.
13. All costs associated with the worker's international and domestic travel, including quarantine costs, are to be met by PACE as the sponsoring employer.

Worker required to support operation of energy supply chain in Taranaki

14. Officials have received a request to enable an essential worker in the energy and transport/logistics sector to enter New Zealand. The worker is required to support the unloading and transport of wind turbine blades from Port Taranaki to the site of the under construction Waipipi windfarm project in South Taranaki.

15. The Waipipi Wind Farm will produce enough electricity each year to power about 70,000 homes and save the emission of roughly 350,000 tonnes of carbon, the equivalent of removing about 70,000 cars from the roads. It is located 6km south-east of Patea in South Taranaki and has been under construction since November 2019.
16. The worker has essential skills in handling delicate cargo, such as wind turbine blades. The blades are 70 meters long, almost the length of a rugby field, so lifting, handling and transporting requires specialist equipment and knowledge. This skillset is currently not available in the New Zealand labour market, or able to be trained before the wind turbine blades arrive in New Zealand.
17. DHL has informed us that if this worker is not able to enter New Zealand, these blades will be unable to be unloaded from the vessels. This would likely result in project delays for the Waipipi wind farm, as well as project costs in the order of millions of dollars (according to DHL).
18. The construction of the Waipipi windfarm is not considered an essential service under Alert Level 4. However, the Ministry of Transport has advised that workers with specialist skillsets for preventing issues and blockages in supply chains can be considered as essential workers. On this basis, we consider that this work is essential to the operation of Port Taranaki's supply chains, and the broader supply chain. Port Taranaki is a key port for the import and export of fuels, such as crude oil and LPG the export of which underpin the security of supply of natural gas (an essential service) as crude and LPG are unavoidable by-products of gas production. This makes the effective operation of this port important for the provision of this essential service.
19. The unloading of these wind turbine blades cannot be deferred until after the border restrictions end as the wind turbine blades are already in transit from the manufacturer. The first set is due to arrive at the end of May 2020.
20. The worker is employed by DHL s 9(2)(a) and currently resides in s 9(2)(a). DHL seek to bring him into New Zealand as soon as possible.

We also support an exemption for the family members of the worker

21. The worker is scheduled to be based in New Zealand for the duration of the Waipipi windfarm construction project, for approximately 6 to 8 months. The worker seeks to bring his partner and young child s 9(2)(a) to New Zealand for the duration of this project. We support this exemption as it is likely to be material to the worker's willingness to perform this critical role in New Zealand. DHL has informed us that the necessary visas for this have already been obtained from Immigration New Zealand.

The worker and partner will be quarantined on arrival in New Zealand

22. On arrival in Auckland the worker and his family will be required to undergo quarantine or managed isolation in an approved facility for a minimum of 14 days. DHL will coordinate domestic travel (under the essential worker criteria) from Auckland to Taranaki.
23. All costs associated with the worker's international and domestic travel, including quarantine costs, are to be met by DHL as the sponsoring employer.

Two workers required for critical work to maintain gas supply at Pohokura

24. Officials have received a request from OMV for approval for two essential workers to enter New Zealand to support the commissioning of the Pohokura Depletion project.
25. The Pohokura production station processes 40 per cent of the New Zealand gas supply into the Maui pipeline. The Pohokura Depletion Compression project is being undertaken to maintain the deliverability of the Pohokura gas field as the reservoir pressure declines. It is a

key requirement to the ongoing production of supply to New Zealand, and is considered a lifeline service.

26. The compressor package has been specifically engineered and designed for the Pohokura Depletion Compression project by MAN Energy Solutions in Switzerland and is in the final stages of installation. Two overseas specialists are required to bring this compressor package into service to support gas deliverability.
27. The nationalities of the workers are s 9(2)(1) and s 9(2)(1). Both workers requested are highly skilled technical Original Equipment Manufacturer specialists who are required to prepare the Pohokura gas compressor and its control and safety management systems for operation. There are no other suitably qualified technical personnel that can fulfil these roles in New Zealand.
28. OMV seeks to bring the s 9(2) worker into New Zealand from 8 June to 25 October, and intends to apply for a six-month multiple re-entry visa. Given the length of stay required for the project, a three month visa is not long enough. The s 9(2) worker intends to be in New Zealand from 25 July to 25 October, and intends to apply for a three-month multiple re-entry visa to cover the required window of time for the project.

The workers will be quarantined on arrival in New Zealand

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. OMV will coordinate domestic travel (under the essential worker criteria) from Auckland to Taranaki.
30. All costs associated with the workers' international and domestic travel, accommodation and support, including if they become stranded in New Zealand, will be met by OMV as the sponsoring employer.

Next steps

31. 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.

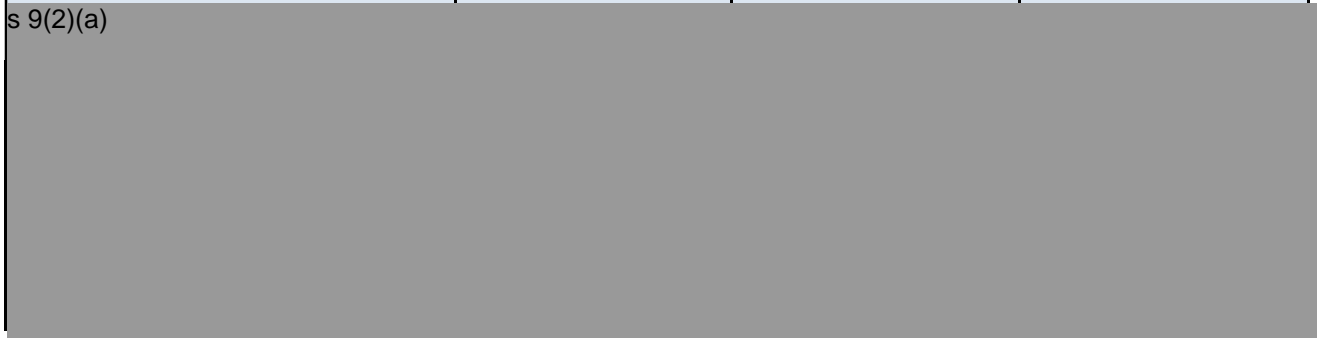
Annexes

Annex One: List of essential workers and their family members

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PACE Engineering

s 9(2)(a)

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DHL Group – Waipipi Wind Turbine Transportation

s 9(2)(a)

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OMV Pohokura Compression Project

s 9(2)(a)

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