

Officer responsible City Streets Manager	Author Mark Gordon
Corporate Plan Output: Activities on Street, p 9.5.7	

The purpose of this report is to inform the Council of a proposal by Rockgas Limited to install gas pipes within roads in the central city and to obtain Council delegation to officers to process applications and establish 'reasonable conditions' as provided in the Gas Act 1992.

BACKGROUND

Rockgas Limited has advised that it wishes to install a piped LPG reticulation system within a number of streets in the central city. The proposal is to lay pipes ranging in diameter from 50 mm to 150 mm over a total length of some seven kilometres. The gas will be piped from a storage tank at the Byron Street site, under the railway line and into the network to service commercial clients in the central city. A map is attached.

The pipeline installation would be designed and supervised by expert gas reticulation engineers, assisted by a local consultancy firm.

It is understood that approximately three months planning time would precede a construction period of 45-52 weeks.

The network will replace some 600 individual gas storage sites which currently require delivery of portable gas cylinders by truck.

LEGAL ISSUES

An opinion dated 7 July 1998 from the Legal Services Manager is attached. This opinion refers to the provisions contained in the Gas Act 1992 and provides the Council with a number of powers.

These include the right to receive notices from gas operators for the installation of reticulation and the setting of reasonable conditions, including the charging of administration and supervision costs. The legislation expressly prohibits charging a rent, but does enable the valuation and rating of gas pipes for the purposes of the Rating Powers Act 1988.

The status of Rockgas Limited is a gas operator.

The Legal Services Manager recommends that the Council be informed of these matters and that it also consider delegation of the powers to impose conditions under Section 25(2) of the Gas Act. It would also be appropriate to formalise the delegation of powers in respect of the Telecommunications Act 1987 for telecommunications facilities.

Note that the Council has no legal right to approve or disapprove of the proposal.

Once delegation issues have been resolved, Rockgas will be advised and a formal proposal will be submitted.

CONDITIONS

All utility authorities are charged a minimum application fee of \$260 plus GST, in addition other charges may apply (eg extra inspections, loss of parking meter revenue). Council officers process applications as required by legislation and impose conditions (which must be 'reasonable') on the work.

The proposed charges for Rockgas would be set at a level to ensure that all administration and necessary inspection costs are recovered.

Other conditions relating to hours of work, consultation with adjoining businesses who may be affected by the work, co-ordination of the work with other roadworks, trench restoration standards, quality assurance requirements, seismic (lifelines) protection would be set.

- Recommendation:**
1. That the proposal of Rockgas to install gas reticulation in the central city be received.
 2. That pursuant to S 114P of the Local Government Act 1974 the Council appoint a Utility Sub-Committee of the City Services Committee comprising Councillors Denis O'Rourke and Ron Wright, the City Streets Manager and the Asset Engineer (Policy).
 3. That the Sub-Committee be delegated the powers of the Council under the Telecommunications Act 1987 and the Gas Act 1992 to impose conditions relating to telecommunications facilities and gas lines.
 4. That the matter of valuation and rating of gas pipes under the provisions of the Rating Act 1998 be referred to the Strategy and Resources Committee.