

4 July 2024

Stephen Prendergast

By email: fyi-request-26602-addf74a8@requests.fyi.org.nz

Tēnā koe Stephen

Request for Official Information: Information on Ruapehu Alpine Lifts Administration

Further to my correspondence of 20 June 2024, this letter attaches the remaining documents in scope of your 22 May request under the OIA to be for the following information, for the period of 1 August 2023 – 22 May 2024:

1. *Formal advice provided by Te Arawhiti to Ministers since 1 August 2023 relating to Ruapehu Alpine Lifts and all related matters.*
2. *Te Arawhiti comment on ministerial advice prepared by the Department of Conservation and the Ministry for Business Innovation and Employment since 1 August 2023 relating to Ruapehu Alpine Lifts and all related matters.*

Response

Where we have withheld documents in whole or information in part, the ground(s) on which we have relied are set out in the table. We have considered, under section 9(1) of the OIA whether the withholding of these documents or this information is outweighed by other considerations which render it desirable, in the public interest, to make that information available.

Te Arawhiti acknowledges that there is public interest in understanding the complex environment and interests relating to the status of RAL. The information released acknowledges that public interest. The information we have withheld primarily relates to confidential and frank engagement between the Crown and iwi with interests in and around Tongariro National Park; and to allow a safe forum for officials to discuss advice, thereby ensuring Ministers receive robust and frank advice from officials.

Proactive release

When Te Arawhiti acknowledged receipt of your OIA request, we advised we may proactively release your OIA response on our website.

After considering our response to your request, we can advise that it will be published no earlier than 20 working days from the date of this letter at www.tearawhiti.govt.nz. Your personal and other identifying information will be removed.

If you have any concerns about the information in this response being published on our website please contact us by emailing officialcorrespondence@tearawhiti.govt.nz by 5.00pm on 4 July.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about this process is available at www.ombudsman.parliament.nz or phone 0800 802 602.

Nāku noa, nā

A handwritten signature in blue ink, appearing to read 'Hui Kahu', with a light blue circular stamp or watermark behind it.

Hui Kahu
Regional Director

Table of documents provided under the Official Information Act 1982

Table 1: Decision provided					
Document number	Date	Document description	Extent of information provided	Reason for withholding/refusing (refer to notes below table)	Page
24	7 September 2023	Report to MfTOWN 103 – Tongariro National Park: 11 September hui	Parts withheld	s 9(2)(a) s 9(2)(ba)(i) s 9(2)(g)(i) s 9(2)(j) Out of scope	1-11
25	28 September 2023	Report to MfMCR and MfTOWN 76/120 – Te Arawhiti comment on the MBIE Cabinet paper: <i>Ruapehu Alpine Lifts Limited (In Liquidation) (RAL) – options for government support</i>	Parts withheld	s 9(2)(a) s 9(2)(b)(ii) s 9(2)(ba)(i) s 9(2)(g)(i) s 9(2)(j) Out of scope	12-41
26	26 January 2024	Report to MfTOWN, Minister of Conservation and Minister of Regional Development – Joint Ministers Meeting on Ruapehu Alpine Lifts and Mt Ruapehu	Parts withheld	s 9(2)(a) s 9(2)(b)(ii) s 9(2)(ba)(i) s 9(2)(f)(iv) s 9(2)(g)(i) s 9(2)(h) s 9(2)(j) Out of scope	42-74
27	14 February 2024	Emails, MBIE and Te Arawhiti – consultation on draft MBIE Cabinet paper – Decisions on the	Parts withheld	s 9(2)(a)	75-76

Table 1: Decision provided					
Document number	Date	Document description	Extent of information provided	Reason for withholding/refusing (refer to notes below table)	Page
		Future of Ruapehu Alpine Lifts Limited (In Liquidation and Receivership) – post March 2024			
28	28 February 2024	Emails, Te Arawhiti and MBIE, regarding draft MBIE Cabinet paper – Decisions on the Future of Ruapehu Alpine Lifts Limited (In Liquidation and Receivership) – post March 2024	Parts withheld	s 9(2)(a)	77-78
29	28 February 2024	Emails, Te Arawhiti, Crown Law Office and MBIE, regarding draft MBIE Cabinet paper – Decisions on the Future of Ruapehu Alpine Lifts Limited (In Liquidation and Receivership) – post March 2024	Refused	s 9(2)(h)	-

Reasons for withholding under section 9 of the Official Information Act 1982¹

s 9(2)(a) – protect the privacy of natural persons, including the deceased.

s 9(2)(b) – protect information that would:

- (i) – disclose a trade secret;
- (ii) – unreasonably prejudice commercial position of subject.

s 9(2)(ba) – protect information where making it available would:

- (i) – prejudice the supply of similar information; or
- (ii) – likely otherwise damage the public interest.

s 9(2)(c) – prejudice to measures protecting health or safety of the public.

s 9(2)(d) – prejudice to substantial economic interests of New Zealand.

s 9(2)(f) – maintain the constitutional conventions which protect:

- (i) – communications by or with the Sovereign or their representative; or
- (ii) – collective and individual ministerial responsibility; or
- (iii) – the political neutrality of officials; or
- (iv) – the confidentiality of advice tendered by Ministers and Crown officials.

s 9(2)(g) – maintain the effective conduct of public affairs through:

- (i) – the free and frank expression of opinions;
- (ii) – the protection from improper pressure or harassment.

s 9(2)(h) – maintain legal professional privilege.

¹ Please see the Official Information Act 1982 for full version of sections 9 and 18 of the Act.

s 9(2)(e) – prejudice to measures that prevent or mitigate material loss to members of the public.

s 9(2)(i) – enable the Crown holding the information to carry out commercial activities.

s 9(2)(j) – negotiations sensitive.

s 9(2)(k) – prevent the disclosure of information for improper gain or advantage.

Reasons for refusing information under section 18 of the Official Information Act 1982¹

s 18(a) – good reasons by virtue of s 6, 7 or 9 of the Act:

s 18(b) – the department or Minister or organisation neither confirms nor denies the existence or non-existence of the information:

s 18(c) – making the information available would –

(i) – be contrary to a specified enactment; or

(ii) – constitute contempt of court or the House of Representatives:

s 18(d) – the information is, or will soon be, publicly available:

s 18(da) – the request is made by a defendant or person acting on behalf of a defendant and is –

(i) – information that could be sought under the Criminal Disclosures Act 2008; or

(ii) – information that could be sought under that Act and that has been disclosed or withheld under that Act:

s 18(e) – the information requested does not exist, or cannot be found:

s 18(f) – the information cannot be made available without substantial collation or research:

s 18(g) – the information is not held by the department or Minister of the Crown or organisation, and the person dealing with the request has no grounds for believing that it is:

(i) – held by another department, Minister of the Crown or organisation, or by a local authority; or

(ii) – connected more closely with the functions of another department or Minister of the Crown or organisation or local authority:

s 18(h) – the request is frivolous or vexatious or the information requested is trivial.

Minister for Treaty of Waitangi Negotiations

Subject **Tongariro National Park: 11 September hui**

Date	7 September 2023	Priority:	High
Report No.	2023/2024 – 103	File ref:	CLA-N687-OF-02

Action sought

Minister for Treaty of Waitangi Negotiations (Hon Andrew Little)	Note the contents of this briefing and attached appendices for your hui on 11 September; and Forward this briefing to the Minister of Conservation.	By 8 September
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Contact for phone discussion (if required)

Name	Position	Phone	1 st Contact
Fern Hyett	Regional Director, Te Tira Pākura	[REDACTED]	✓
Ian Hicks	Negotiation and Settlement Manager	[REDACTED]	

Pages 5-6 withheld out of scope

Appendix One: Background on iwi - withheld out of scope

Appendix Three: Agenda - withheld out of scope

Appendix Four: Draft opening remarks and talking points - withheld s9(2)(g)(i) and out of scope

Tongariro National Park: 11 September hui

Purpose

1. This report provides background and talking points for a hui with Ngāti Hāua, Ngāti Rangī, Ngāti Tūwharetoa, and Te Korowai o Wainuiārua on 11 September. This hui is to discuss how negotiations over Tongariro National Park (TNP) will commence.

Background

Out of scope

[Redacted text block containing multiple paragraphs of blacked-out content under the 'Background' section.]

Released under the Official Information Act 1982

Appendix Two: Te Ariki Tā Tumu Te Heuheu letter of 31 August

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Tumu te Heuheu



31 August 2023

ATTENTION: HON ANDREW LITTLE AND HON KEIRAN MCANULTY
Minister Treaty of Waitangi Negotiations and;
Minister of Regional Development
Parliament Buildings
PO Box 6160
WELLINGTON

cc: a.little@ministers.govt.nz
k.mcanulty@ministers.govt.nz
lil.anderson@tearawhiti.govt.nz
Robert.Pigou@mbie.govt.nz

RE: TŪWHARETOA IWI – RAL KAUPAPA

Kei aku rangatira kai aku huia kaimanawa ko te mihi tēnei o te Waipuna roimata a kui ma a koro ma Koutou ka riro whawhati tata koutou ka riro ki te huinga ariki haere.

Kei ngā Minita, tenā korua,

You are aware that I have been undertaking the due diligence required to help me understand what position I must take in the protection of my tupuna maunga, and my people's aspiration for his care.

Out of scope [Redacted]

Out of scope What I don't want us to do is invite a situation where there is a prejudicing of [Redacted] or the terms and conditions of the concession associated with Tongariro Maunga.

s9(2)(j) [Redacted]

s9(2)(j) [Redacted]

KO TONGARIRO TE MAUNGA, KO TAUPO-NUI-A-TIA TE MOANA, KO TUWHARETOA TE IWI

PO Box 292, 41 Turanga Place, Tūrangi 3334, New Zealand | Phone +64 7 386 0226 | Email patai@tuwharetoa.iwi.nz

Out of scope

[REDACTED]

For any pātai please email patai@tuwharetoa.co.nz.

Naku noa nā,



Te Ariki Tumu te Heuheu

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APPENDIX 1 – DUE DILIGENCE OUTCOME TŪWHARETOA

Introduction

Ngati Tuwharetoa has significant concerns regarding the liquidation (and associated asset sale process) of Ruapehu Alpine Lifts Limited (RAL).

s9(2)(b)(ii)

[Redacted]

It is incompatible with our values and ethos as Ngati Tūwharetoa to entertain such an approach. The due diligence has also highlighted that we cannot consider a discreet commercial opportunity without first considering the Department of Conservation concession licence and the settlement negotiations still to be undertaken for the TNP. In particular, we believe that the process does not honour agreements outlined in the Deed of Settlement 2018 and prejudices our settlement negotiations regarding TNP.

Our recent due diligence identified a number of serious matters, driven by a process that:

- Fails to honour our agreements in the Deed of Settlement 2018
- Prejudices our negotiations of the Tongariro National Park
- Prejudices the outcome of the terms and conditions of the concession
- Creates residual risk to Ngati Tuwharetoa following partial privatisation

The position of Ngati Tūwharetoa is that the Crown is expected to act in good faith in regards to the Deed of Settlement 2018, the imminent negotiations of the TNP and the terms and conditions of the concession. In our view these good faith concerns sit above and ahead of the liquidation and any associated process. In essence, the current ordering of the process significantly prejudices Ngati Tūwharetoa.

Therefore, this letter proposes an alternative pathway reflecting our analysis to date, conversations within Ngati Tuwharetoa and with other iwi surrounding TNP and discussions with the various other stakeholders involved in the initial administration, liquidation and asset sales process including, but not limited to, MBIE, Te Arawhiti, Department of Conservation, PWC and the other bidders.

I also note that our due diligence concluded that Ngati Tūwharetoa does not have the risk appetite to lead a commercial proposal. Our investigations highlighted that there are key unknowns which mean that exposing iwi capital to a ski field without the Crown as a partner would be imprudent.

Out of scope

[Redacted]

[Redacted]

[Redacted]

Out of scope

[Redacted]

[Redacted]

[Redacted]

Terms and Conditions of any Concession

Among the material uncertainties that will impact future commercial operations and non-commercial activities in the TNP, are the terms and conditions of any concession. Ngati Tūwharetoa has previously expressed significant reservations about activities permitted under the Crown's stewardship.

s9(2)(j)
s9(2)(ba)(i)

[Redacted]

We have strongly held concerns about the scale and intensity of skiing operations and their sustainability, including mitigating pollution effects and risks, long term financial arrangements for the enduring sustainability of infrastructure and other usage and access arrangements for any future concessions. Therefore Ngati Tūwharetoa is expecting to have a primary role in the scoping of, and negotiation over, terms for permitted activities.

It is important to note that Ngati Tūwharetoa is supportive of long-term sustainable commercial activities that contribute to regional economic development and will proactively support investment accordingly.

s9(2)(j)
s9(2)(ba)(i)

[Redacted]

s9(2)(j)

[Redacted]

[Redacted]

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

[Redacted]

s9(2)(j)

[Redacted]

Closing

s9(2)(ba)(i)

[Redacted]

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Aide Memoire

To: Hon Kelvin Davis, Minister for Māori Crown Relations: Te Arawhiti
Hon Andrew Little, Minister for Treaty of Waitangi Negotiations
Date: 28 September 2023
From: Joana Johnston, Chief Advisor – Office of the Chief Executive
Report No: 2023/2024 – 76 (Minister Davis)
2023/2024 – 120 (Minister Little)

Te Arawhiti comment on the MBIE Cabinet paper: Ruapehu Alpine Lifts Limited (In Liquidation) (RAL) – options for government support

Purpose

1. To provide you with advice on a paper that will be considered at Cabinet on Monday 2 October, entitled “*Ruapehu Alpine Lifts Limited (In Liquidation) (RAL) – options for government support*”.
2. The paper will be presented by the Minister for Regional Development.

Background

3. In June, Te Arawhiti supported the Ministry of Business, Innovation and Employment (MBIE) and the Department of Conservation (DOC) at a number of targeted engagement hui with iwi and hapū with interests in Mt Ruapehu, following a breakdown in Māori-Crown relationships over the Mt Ruapehu ski fields.
4. Following these hui, the Ministers for Treaty of Waitangi Negotiations, Conservation and Regional Development wrote to iwi reiterating the commitment to work closely with them (through their respective agencies) through the remaining stages of the process. The letters also recognised the significant pressure that the RAL processes have placed iwi under.
5. MBIE has continued to progress work on the future of RAL and the Mt Ruapehu ski fields. This has included conversations with iwi.

s9(2)(j)

6. [Redacted]

■ [Redacted]

Out of scope

■ [Redacted]

9. Based on our involvement in the development of the Cabinet paper, and through our own direct conversations with iwi, we provide our advice on whether the views and positions of iwi with interests in Mount Ruapehu are appropriately reflected in the Cabinet paper developed by MBIE.

Iwi perspectives

10. The Cabinet paper has been revised several times, and Te Arawhiti has provided feedback focused on ensuring the perspectives of iwi are reflected accurately. We have also focused on ensuring any references to the pending Tongariro National Park negotiations are accurate.

s9(2)(g)(i)



[Redacted text block]



[Redacted text block]

13. The following table outlines our understanding of each groups perspective.

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s9(2)(ba)(i)
s9(2)(g)(i)
s9(2)(j)

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

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Te Arawhiti advice

14. In summary, the Cabinet paper recommends two options:

- i. **Option 1:** Provide financial support to allow RAL to continue operating the ski fields on Mount Ruapehu until March 2024, and move RAL out of liquidation and into receivership. This option also includes an in principle agreement to provide support to Pure Tūroa Limited to run the Tūroa ski field – subject to being granted a concession and final Cabinet approval. This option also recommends that MBIE officials provide advice to the Minister for Regional Development before Christmas 2023, on options to continue to operate the Whakapapa ski field after March 2024, if required.
- ii. **Option 2:** Don't provide RAL further funding, and instead provide DoC funding - so it can continue to cover its immediate operational costs related to the ski fields, and to start removing redundant infrastructure.

s9(2)(g)(i)


15. [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

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20. We have also attached copies of the letters from Ministers, to iwi since June.



Joana Johnston
Chief Advisor – Office of the Chief Executive

NOTED / APPROVED / NOT APPROVED	NOTED / APPROVED / NOT APPROVED
Hon Kelvin Davis Minister for Māori Crown Relations: Te Arawhiti	 Hon Andrew Little Minister for Treaty of Waitangi Negotiations
Date: / / 2023	Date: 29 / 9 / 2023

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s9(2)(g)(i)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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s9(2)(g)(i)

[Redacted]

| [Redacted]

| [Redacted]

| [Redacted]

| [Redacted]

[Redacted]

| [Redacted]

| [Redacted]

| [Redacted]

| [Redacted]

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Hon Kiri Allan

MP for East Coast
Minister of Justice
Minister for Regional Development
Associate Minister of Transport



s9(2)(a)

Te Ariki Tā Tumu Te Heuheu

By email: [Redacted]

Tēnā koe e Te Ariki Tā Tumu

Next steps regarding Ruapehu Alpine Lifts

E rere atu rā i ngā mihi whakamahana ki a koe i runga i ngā kaupapa i raro iho nei. Horahia te aroha ki ngā iwi o te Kāhui maunga, tēnā koutou katoa

Thank you for taking the time to meet with Lil Anderson (Tumu Whakarae, Te Arawhiti) and Damian Coutts (Regional Director, Department of Conservation (Te Papa Atawhai)), on 20 June at your offices in Tūrangi to discuss the proposed new operators for the Whakapapa and Tūroa ski-fields and the proposed transfer of the Ruapehu Alpine Lifts (RAL) concessions.

This letter acknowledges that the engagement process in relation to these matters has been flawed and we apologise for the impact this has had on you and your communities as you look to inform yourselves and form views on the RAL proposal.

We understand the significance of this kaupapa to you and your people as it relates to ongoing activities on your tupuna, Ruapehu. We acknowledge that the process has not met the standard of rigour that you should expect from the Crown as it has not allowed appropriate time and quality information – two fundamental elements of good engagement.

We are fully committed to our agencies working with you differently. We know that Te Arawhiti will certainly be addressing some of the issues that arose through this process with the wider public service so that we are all able to learn from it and work harder to ensure it does not happen again.

Summary of 20 June hui

When you met with Ms Anderson and Mr Coutts, you reiterated messages given to Mr Coutts via email on 8 June, where you outlined your overarching frustration with the processes surrounding RAL in voluntary administration and the lack of attention the Crown has paid to the integral relationship between Ngāti Tūwharetoa and your tupuna maunga.

s9(2)(j)

You also expressed specific frustration and disappointment at the lack of engagement by the Crown regarding RAL. You noted that your primary focus is the ongoing protection of the maunga, with a focus on its cultural significance.

[Redacted]

[Redacted]

[Redacted]

Out of scope

Out of scope

[Redacted]

Regarding RAL, you noted:

s9(2)(j)

- [Redacted]

s9(2)(b)(ii)
s9(2)(ba)(i)

- [Redacted]

- [Redacted]

[Redacted]

Next steps

Out of scope

[Redacted]

We are expecting advice arising out of the Watershed meeting on 20 June. That advice will canvass suggested next steps in relation to the ongoing ski-field operations on the maunga, [Redacted]

s9(2)(ba)(i)

[Redacted]

We have copied in the Chief Executives of Te Arawhiti, the Ministry of Business Innovation and Employment, and the Director-General of Te Papa Atawhai. As a collective of Ministers, we have instructed our officials to work closely with you to ensure that the actions outlined in this letter are carried out and that you are fully informed at every step.

Nāku noa, nā

Hon Kiritapu Allan
Minister for Regional Development

Hon Andrew Little
Minister for Treaty of Waitangi Negotiations

Hon Willow-Jean Prime
Minister of Conservation

Cc:

- Lil Anderson, Tumu Whakarae, Te Arawhiti
- Carolyn Tremain, Chief Executive, Ministry for Business Innovation and Employment
- Penny Nelson, Director-General, Te Papa Atawhai

Hon Kiri Allan

MP for East Coast
Minister of Justice
Minister for Regional Development
Associate Minister of Transport



s9(2)(a)

[REDACTED]

Chair
Ngā Waihua o Paerangi Trust

s9(2)(a)

By email: [REDACTED]

Tēnā koe Whetu

Next steps regarding Ruapehu Alpine Lifts

E rere atu rā i ngā mihi whakamahana ki a koe i runga i ngā kaupapa i raro iho nei. Horahia te aroha ki ngā lwi o te Kāhui maunga, tēnā koutou katoa

Thank you for taking the time to meet with officials from Te Arawhiti, Department of Conservation (Te Papa Atawhai), and the Ministry for Business Innovation and Employment (MBIE) on 18 June to discuss the proposed new operators for the Whakapapa and Tūroa ski-fields and the transfer of the Ruapehu Alpine Lifts (RAL) concessions. The note of your hui will be sent by officials shortly.

This letter acknowledges that the engagement process in relation to these matters has been flawed and we apologise for the impact that this has had on you and your communities as you look to inform yourselves and form views on the RAL proposal.

We understand the significance of this kaupapa to you and your people as it relates to ongoing activities on your tupuna, Ruapehu. We acknowledge that the process has not met the standard of rigour that you should expect from the Crown as it has not allowed appropriate time and quality information – two fundamental elements of good engagement.

We are fully committed to our agencies working with you differently and we have copied in the Minister for Māori Crown Relations given his oversight role in Cabinet across the Crown's engagement, particularly in the post settlement space. We know that he and Te Arawhiti will certainly be addressing some of the issues that arose through this process with the wider public service so that we are all able to learn from it and work harder to ensure it does not happen again.

Proposed Operators

As you are aware, the two proposed operators are:

- Pure Tūroa Limited; and
- Whakapapa Holdings Limited.

We understand you have formed relationships with the potential purchasers and given the significance of the ski-fields for you and your people the Crown will do all it can to ensure these relationships flourish.

Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand

+64 4 817 8732 |

k.allan@ministers.govt.nz |

beehive.govt.nz

s9(2)(ba)(i)
s9(2)(g)(i)

[Redacted text block]

Specific commitments to Ngāti Rangi

In addition to the commitments in relation to the concessions activity outlined above, this letter also records the specific commitments arising from your hui with our officials.

s9(2)(ba)(i)
s9(2)(g)(i)

[Redacted text block]

We have also copied in the Chief Executives of Te Arawhiti and MBIE, and the Director-General of Te Papa Atawhai. As a collective of Ministers, we have instructed our officials to work closely with you to ensure that the collective and individual actions outlined in this letter are carried out and that you are fully informed at every step.

Nāku noa, nā



Hon Kiritapu Allan

**Minister for Regional
Development**



Hon Willow-Jean Prime

Minister of Conservation



Hon Andrew Little

**Minister for Treaty of
Waltangi Negotiations**

Cc:

Hon Kelvin Davis, Minister for Māori Crown Relations: Te Arawhiti
Dave Mazey, Chair, Whakapapa Holdings Limited
Cameron Robertson, Director, Pure Tūroa Limited
Lil Anderson, Tumu Whakarae, Te Arawhiti
Caroline Tremain, Chief Executive, Ministry for Business Innovation and Employment
Penny Nelson, Director-General, Te Papa Atawhai

Released under the Official Information Act 1982

s9(2)(ba)(i)
s9(2)(g)(i)

[Redacted text block]

Specific commitments to Ngāti Hāua

In addition to the commitments in relation to the concessions activity outlined above, this letter also records the specific commitments arising from your hui with our officials.

s9(2)(ba)(i)
s9(2)(g)(i)

[Redacted text block]

s9(2)(ba)(i)
s9(2)(g)(i)

[Redacted]

Next steps

Out of scope

[Redacted]

We have copied in the future Chair of Whakapapa Holdings Limited and the Director of Pure Tūroa Limited. They are aware of the contents of this letter, and are supportive of the necessary requirements to ensure that you, and your people are engaged in a meaningful way in the future operations on the maunga. Our expectation is to see a real change and we intend to use the Crown shareholding in the new entities to monitor the delivery of these commitments.

We have also copied in the Chief Executives of Te Arawhiti and MBIE, and the Director-General of Te Papa Atawhai. As a collective of Ministers, we have instructed our officials to work closely with you to ensure that the collective and individual actions outlined in this letter are carried out and that you are fully informed at every step.

Nāku noa, nā

Hon Kiritapu Allan
Minister for Regional Development

Hon Willow-Jean Prime
Minister of Conservation

Hon Andrew Little
Minister for Treaty of Waitangi Negotiations

Cc:

- Hon Kelvin Davis, Minister for Māori Crown Relations: Te Arawhiti
- Dave Mazey, Chair, Whakapapa Holdings Limited
- Cameron Robertson, Director, Pure Tūroa Limited
- Lil Anderson, Tumu Whakarae, Te Arawhiti
- Caroline Tremain, Chief Executive, Ministry for Business Innovation and Employment
- Penny Nelson, Director-General, Te Papa Atawhai

Released under the Official Information Act 1982

Hon Kiri Allan

MP for East Coast
Minister of Justice
Minister for Regional Development
Associate Minister of Transport



s9(2)(a)

██████████
Patutokotoko

s9(2)(a)

By email: ██████████

Tēnā koe Hayden

Next steps regarding Ruapehu Alpine Lifts

E rere atu rā i ngā mihi whakamahana ki a koe i runga i ngā kaupapa i raro iho nei. Horahia te aroha ki ngā lwi o te Kāhui maunga, tēnā koutou katoa

Thank you for taking the time to meet with officials from Te Arawhiti, Department of Conservation (Te Papa Atawhai), and the Ministry for Business Innovation and Employment (MBIE) on 17 June to discuss the proposed new operators for the Whakapapa and Tūroa ski-fields and the transfer of the Ruapehu Alpine Lifts (RAL) concessions. The note of your hui will be sent by officials shortly.

This letter acknowledges that the engagement process in relation to these matters has been flawed and we apologise for the impact that this has had on you and your whānau as you look to inform yourselves and form views on the RAL proposal.

We understand the significance of this kaupapa to you and Patutokotoko as it relates to ongoing activities on your tupuna, Ruapehu. We acknowledge that the process has not met the standard of rigour that you should expect from the Crown as it has not allowed appropriate time and quality information – two fundamental elements of good engagement.

We are fully committed to our agencies working with you differently and we have copied in the Minister for Māori Crown Relations given his oversight role in Cabinet across the Crown's engagement, particularly in the post settlement space. We know that he and Te Arawhiti will certainly be addressing some of the issues that arose through this process with the wider public service so that we are all able to learn from it and work harder to ensure it does not happen again.

Proposed Operators

As you are aware, the two proposed operators are:

- Pure Tūroa Limited; and
- Whakapapa Holdings Limited.

We understand you have formed relationships with the potential purchasers and given the significance of the ski-fields for you and Patutokotoko the Crown will do all it can to ensure these relationships flourish.

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s9(2)(ba)(i)
s9(2)(g)(i)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Specific commitments to Patutokotoko

In addition to the general commitments in relation to the concessions activity outlined above, this letter also records the specific commitments arising from your hui with our officials.

Out of scope

[REDACTED]

Next steps

We have copied in the future Chair of Whakapapa Holdings Limited and the Director of Pure Tūroa Limited. They are aware of the contents of this letter, and are supportive of the necessary requirements to ensure that you, and Patutokotoko are engaged in a meaningful way in the future operations on the maunga. Our expectation is to see a real change and we intend to use the Crown shareholding in the new entities to monitor the delivery of these commitments.

We have also copied in the Chief Executives of Te Arawhiti and MBIE, and the Director-General of Te Papa Atawhai. As a collective of Ministers, we have instructed our officials to work closely with you to ensure that the collective and individual actions outlined in this letter are carried out and that you are fully informed at every step.

Nāku noa, nā



Hon Kiritapu Allan

**Minister for Regional
Development**



Hon Willow-Jean Prime

Minister of Conservation



Hon Andrew Little

**Minister for Treaty of
Waitangi Negotiations**

Cc:

Hon Kelvin Davis, Minister for Māori Crown Relations: Te Arawhiti
Dave Mazey, Chair, Whakapapa Holdings Limited
Cameron Robertson, Director, Pure Tūroa Limited
Lil Anderson, Tumu Whakarae, Te Arawhiti
Caroline Tremain, Chief Executive, Ministry for Business Innovation and Employment
Penny Nelson, Director-General, Te Papa Atawhai

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Hon Kiri Allan

MP for East Coast
Minister of Justice
Minister for Regional Development
Associate Minister of Transport



s9(2)(a)

[REDACTED]

Chair
Te Korowai o Wainuiārua

s9(2)(a)

By email: Chair@uenuku.iwi.nz, [REDACTED]

Tēnā koe Aiden

Next steps regarding Ruapehu Alpine Lifts

E rere atu rā i ngā mihi whakamahana ki a koe i runga i ngā kaupapa i raro iho nei. Horahia te aroha ki ngā lwi o te Kāhui maunga, tēnā koutou katoa

Thank you for taking the time to meet with officials from Te Arawhiti, Department of Conservation (Te Papa Atawhai), and the Ministry for Business Innovation and Employment (MBIE) on 19 June to discuss the proposed new operators for the Whakapapa and Tūroa ski-fields and the transfer of the Ruapehu Alpine Lifts (RAL) concessions. The note of your hui will be sent by officials shortly.

This letter acknowledges that the engagement process in relation to these matters has been flawed and we apologise for the impact that this has had on you and your communities as you look to inform yourselves and form views on the RAL proposal.

We understand the significance of this kaupapa to you and your people as it relates to ongoing activities on your tupuna, Ruapehu. We acknowledge that the process has not met the standard of rigour that you should expect from the Crown as it has not allowed appropriate time and quality information – two fundamental elements of good engagement.

We are fully committed to our agencies working with you differently and we have copied in the Minister for Māori Crown Relations given his oversight role in Cabinet across the Crown's engagement, particularly in the post settlement space. We know that he and Te Arawhiti will certainly be addressing some of the issues that arose through this process with the wider public service so that we are all able to learn from it and work harder to ensure it does not happen again.

Proposed Operators

As you are aware, the two proposed operators are:

- Pure Tūroa Limited; and
- Whakapapa Holdings Limited.

We understand a number of you have formed relationships with the potential purchasers and given the significance of the ski-fields for you and your people the Crown will do all it can to ensure these relationships flourish.

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s9(2)(ba)(i)
s9(2)(g)(i)

[Redacted text block]

Specific commitments to Te Korowai o Wainuiārua

In addition to the commitments in relation to the concessions activity outlined above, this letter also records the specific commitments arising from your hui with our officials.

s9(2)(ba)(i)
s9(2)(g)(i)

[Redacted text block]

Next steps

Out of scope

[Redacted text block]

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Hon Kiritapu Allan

**Minister for Regional
Development**



Hon Willow-Jean Prime

Minister of Conservation



Hon Andrew Little

**Minister for Treaty of
Waitangi Negotiations**

Cc:

Hon Kelvin Davis, Minister for Māori Crown Relations: Te Arawhiti
Dave Mazey, Chair, Whakapapa Holdings Limited
Cameron Robertson, Director, Pure Tūroa Limited
Lil Anderson, Tumu Whakarae, Te Arawhiti
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Penny Nelson, Director-General, Te Papa Atawhai

Hon Kiri Allan

MP for East Coast
Minister of Justice
Minister for Regional Development
Associate Minister of Transport



██████████
Chair
Te Kotahitanga o Ngāti Tuwharetoa Trust

By email: ██████████ patai@tknt.maori.nz

Tēnā koe Wiari

Next steps regarding Ruapehu Alpine Lifts

E rere atu rā i ngā mihi whakamahana ki a koe i runga i ngā kaupapa i raro iho nei. Horahia te aroha ki ngā lwi o te Kāhui maunga, tēnā koutou katoa

Thank you for taking the time to meet with officials from Te Arawhiti, Department of Conservation (Te Papa Atawhai), and the Ministry for Business Innovation and Employment (MBIE) on 17 June to discuss the proposed new operators for the Whakapapa and Tūroa ski-fields and the transfer of the Ruapehu Alpine Lifts (RAL) concessions. The note of your hui will be sent by officials shortly.

This letter acknowledges that the engagement process in relation to these matters have been flawed and we apologise for the impact this has had on you and your communities as you look to inform yourselves and form views on the RAL proposal.

We understand the significance of this kaupapa to you and your people as it relates to ongoing activities on your tupuna, Ruapehu. We acknowledge that the process has not met the standard of rigour that you should expect from the Crown as it has not allowed appropriate time and quality information – two fundamental elements of good engagement.

We are fully committed to our agencies working with you differently and we have copied in the Minister for Māori Crown Relations given his oversight role in Cabinet across the Crown's engagement, particularly in the post settlement space. We know that he and Te Arawhiti will certainly be addressing some of the issues that arose through this process with the wider public service so that we are all able to learn from it and work harder to ensure it does not happen again.

Proposed Operators

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- Pure Tūroa Limited; and
- Whakapapa Holdings Limited.

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s9(2)(ba)(i)
s9(2)(g)(i)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Specific commitments to Te Kotahitanga o Ngāti Tūwharetoa

In addition to the commitments in relation to the concessions activity outlined above, this letter also records the specific commitments arising from your hui with our officials.

Out of scope

[Redacted]

Next steps

Out of scope

[Redacted]

We have copied in the future Chair of Whakapapa Holdings Limited and the Director of Pure Tūroa Limited. They are aware of the contents of this letter, and are supportive of the necessary requirements to ensure that you, and your people are engaged in a meaningful way in the future operations on the maunga. Our expectation is to see a real change and we intend to use the Crown shareholding in the new entities to monitor the delivery of these commitments.

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Nāku noa, nā



Hon Kiritapu Allan

**Minister for Regional
Development**



Hon Willow-Jean Prime

Minister of Conservation



Hon Andrew Little

**Minister for Treaty of
Wairarapa Negotiations**

Cc:

Hon Kelvin Davis, Minister for Māori Crown Relations: Te Arawhiti
Dave Mazey, Chair, Whakapapa Holdings Limited
Cameron Robertson, Director, Pure Tūroa Limited
Lil Anderson, Tumu Whakarae, Te Arawhiti
Caroline Tremain, Chief Executive, Ministry for Business Innovation and Employment
Penny Nelson, Director-General, Te Papa Atawhai

Released under the Official Information Act 1982



Hon Kiri Allan

MP for East Coast
Minister of Justice
Minister for Regional Development
Associate Minister of Transport

s9(2)(a)

[REDACTED]

Chair
Te Rūnanganui o Ngāti Hikairo ki Tongariro Trust

s9(2)(a)

By email: [REDACTED]

Tēnā koe Huria

Next steps regarding Ruapehu Alpine Lifts

E rere atu rā i ngā mihi whakamahana ki a koe i runga i ngā kaupapa i raro iho nei. Horahia te aroha ki ngā lwi o te Kāhui maunga, tēnā koutou katoa

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This letter acknowledges that the engagement process in relation to these matters has been flawed and we apologise for the impact that this has had on you and your communities as you look to inform yourselves and form views on the RAL proposal.

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We understand a number of you have formed relationships with the potential purchasers and given the significance of the ski-fields for you and your hapū the Crown will do all it can to ensure these relationships flourish.

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s9(2)(ba)(i)
s9(2)(g)(i)

[Redacted text block]

Specific commitments to Ngāti Hikairo

In addition to the commitments in relation to the concessions activity outlined above, this letter also records the specific commitments arising from your hui with our officials.

s9(2)(ba)(i)
s9(2)(g)(i)

[Redacted text block]

s9(2)(ba)(i)
s9(2)(g)(i)

[Redacted]

[Redacted]

- [Redacted]
- [Redacted]
- [Redacted]

[Redacted]

Next steps

Out of scope

[Redacted]

We have copied in the future Chair of Whakapapa Holdings Limited and the Director of Pure Tūroa Limited. They are aware of the contents of this letter, and are supportive of the necessary requirements to ensure that you, and your hapū are engaged in a meaningful way in the future operations on the maunga. Our expectation is to see a real change and we intend to use the Crown shareholding in the new entities to monitor the delivery of these commitments.

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Nāku noa, nā



Hon Kiritapu Allan

**Minister for Regional
Development**



Hon Willow-Jean Prime

Minister of Conservation



Hon Andrew Little

**Minister for Treaty of
Waitangi Negotiations**

Cc:

Hon Kelvin Davis, Minister for Māori Crown Relations: Te Arawhiti
Dave Mazey, Chair, Whakapapa Holdings Limited
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Penny Nelson, Director-General, Te Papa Atawhai

Pages 30-31 withheld s9(2)(ba)(i)



Ruapehu Skifields
Stakeholders Association

Ruapehu Skifields Stakeholders Association

info@rssa.org.nz

28 September 2023

The Hon Kieran McAnulty
Minister for Regional Development

Ski community call for halt to fire-sale of the Ruapehu skifields

Tēnā koutou Minister McAnulty,

I'm writing to you again on behalf of the Ruapehu Skifields Stakeholders Association. We represent a diverse membership of skiers, snowboarders, life pass holders, local residents, tourism businesses and the wider community with a love of Mt Ruapehu.

We are gravely concerned that recent objections voiced by multiple groups from across Ngā Iwi o te kāhui maunga regarding the insolvency process have been minimised and/or not given the gravity they deserve. The ski community sees ourselves as guest on Mt Ruapehu and the very existence of skiing in the Ruapehu region rests on continued positive relationships with the local community and local Iwi.

We are supportive of local Iwi interests in the skifields at whatever level suits them and allows for long-term preservation of skiing for generations to come. In particular, we support the multi-Iwi efforts of Ngā Iwi o te kāhui maunga regarding a transitional arrangement that can act as a safe pair of hands until the conclusion of the Tongariro National Park treaty settlement process.

The imminent possibility of an asset sale being halted by an impasse in DOC concession discussions across both skifields means that no restructuring decisions should be completed without proper consultation (which has not yet happened). We have previously raised concerns regarding MBIE's continued efforts to use government money to seize control of a community-owned organisation and sell the assets to private interests.

A community-ownership model which re-invests the profits back into the region is the most sensible long-term operating model for skifields on Mt Ruapehu and a better fit for the complex environmental, social and cultural context than for-profit private commercial ownership.

We are urgently calling on Ministers to halt the sale of the Ruapehu skifields into private hands.

Nāku noa, nā

Jason Platt
Chairman
Ruapehu Skifields Stakeholders Association

Meeting Memo

Joint Ministers Meeting on Ruapehu Alpine Lifts and Mt Ruapehu

To	Minister of Conservation Minister for Regional Development Minister for Treaty of Waitangi Negotiations Minister of Finance (copy)	Date submitted	26 January 2024
GS tracking #	24-M-0004	DocCM	DOC-7550287
Security Level	In Confidence		

Meeting date/time	Wednesday 31/01/2024, 9.30-10.30am
Meeting location	Parliament, Office of Hon. Nicola Willis (EW 7.2)
Attachments	Attachment A – Background and further context Attachment B – DOC briefing 23-B-0466 Attachment C – MBIE briefing 2324-1206

Key contacts			
Name	Organisation	Role	Cell phone
Lil Anderson	Office for Māori Crown Relations – Te Arawhiti	Tumu Whakarae	██████████
Ruth Isaac	Department of Conservation (DOC)	Deputy Director-General, Policy and Regulatory Services	██████████
Robert Pigou	Ministry of Business, Innovation and Employment (MBIE)	Deputy Chief Executive and Head of Kānoa - Regional Economic Development & Investment Unit	██████████

s9(2)(a)

Purpose

1. This meeting provides an opportunity for Ministers to discuss and agree, in advance of Cabinet decisions in March 2024, on their position regarding future options for Ruapehu Alpine Lifts Limited – In Liquidation and In Receivership (RAL) and Mt Ruapehu ski areas. Proposed agenda items are:
 - a. Finalising the sale of RAL's Tūroa assets and operations to Pure Tūroa Limited (PTL).
 - b. Resolving the Government's position on the future of Whakapapa ski field:
 - i. whether to continue to provide financial support to RAL after March 2024; and/or
 - ii. whether to continue to provide support for the future operation of Whakapapa ski field.
 - c. To consider the Crown's response to the request from iwi to establish a pan-iwi Forum to work with the Crown on matters relating to Mt Ruapehu.

Background

Key risks in making these decisions

2. There is no 'zero cost' option to the Crown in making decisions about the future management of the Mt Ruapehu ski areas.
3. Current estimates indicate that RAL is expected to exhaust its funding around April 2024, if no decisions on RAL are made.
4. A sale of Tūroa ski field, conditional on the approval of a concession¹ for PTL, will be concluded with Crown support (subject to final Cabinet approval) on 1 April 2024.
5. There are no current potential buyers for RAL's operations at Whakapapa ski field and RAL would need additional Crown support to continue to operate that ski field, including for the upcoming ski season.
6. A decision not to provide further funding to continue the operation of Whakapapa, or the collapse of the Tūroa sale, will have significant immediate financial and operational implications for the Crown, and relevant agencies. For DOC, this has been assessed as in the order of \$█ in the first year for operational costs (assuming no ski field activities).
7. If no future operator/s for the ski fields can be found, the current concession requires RAL to remove all infrastructure and remediate the land (the 'make good' provision). As RAL cannot afford to do this, the cost would practically fall to the Crown if it chooses to remediate. Initial desktop estimates put this at between \$47 million and \$88 million with revised figures being available early February.
8. The Crown therefore faces considerable fiscal risk under scenarios where RAL's assets are not sold or mothballed, and DOC becomes responsible for managing the ski field infrastructure. Remediation costs are unevenly split between Whakapapa and Tūroa ski fields – approximately 1/3 for Tūroa and 2/3 for Whakapapa.
9. Consequential regional economic impacts from closure of Whakapapa and/or Tūroa are significant. Both ski fields are estimated to contribute around \$100 million per year to the local Ruapehu economy.

Decisions on RAL need to be undertaken before the end of March 2024

10. Decisions on RAL need to be confirmed before the end of March 2024. April 2024 is a critical time for RAL because:
 - a. The conditional Sale and Purchase Agreement with PTL settles on 1 April 2024. If PTL is granted a concession, final agreement from Cabinet to provide \$3.05 million

¹ A statutory permission to undertake activity on public conservation land.

of government support to facilitate the deal needs to be finalised prior to the settlement date.

- b. Delaying the settlement risks incurring additional costs and/or PTL potentially withdrawing. If RAL cannot complete the sale process with PTL, it would need to then maintain its Tūroa ski field assets and operations.
- c. If Ministers wish to continue support for RAL (or an entity that continues to operate the Whakapapa ski field), then the operator would need to run a ski season pass campaign no later than April to generate cashflow for the 2024 ski season. Without running a sales campaign, additional funding would need to be provided to sustain RAL's operations for the 2024 ski season and beyond.

Agenda item 1: Finalising the sale of RAL's Tūroa assets and operations

11. The sales process and future options for the Mt Ruapehu ski fields have diverged.

Tūroa Ski Area and Pure Tūroa limited (PTL)

12. With in-principle Cabinet agreement to PTL's bid confirmed, MBIE has been working with PTL on negotiating a conditional Sale and Purchase (S&P) Agreement for RAL's Tūroa ski field assets.
13. Once a conditional S&P Agreement is agreed, the next steps will be finalising the DOC concession process, and then confirming the funding and finalising the S&P agreement through Cabinet (if a concession is granted).

Ministerial direction is needed to finalise a conditional Sale and Purchase Agreement with PTL for RAL assets on the Tūroa Ski Area.

14. To complete the sale, Cabinet will need to approve providing PTL with \$3.05 million of government support, which is already ringfenced under Kānoa's Regional Strategic Partnership Fund (RSPF). The support consists of [REDACTED].
15. PTL has indicated that a concession would need to be in place by end of March 2024 to prepare for the winter 2024 ski season. DOC is treating 31 March 2024 as the date by which key decisions on PTL's concession application will need to be made.
16. The Minister of Conservation (or their delegate) is unlikely to grant a concession to PTL without PTL signing a S&P Agreement. It is important that the concession decision maker retains a degree of separation from the Crown's sale of RAL's assets, to avoid prejudice to the anticipated concession decision.
17. There is a risk of legal challenge and/or judicial review for both the S&P process, and the concession process and decision making. This is set out further in Attachment B. If PTL is granted a concession, officials will seek Cabinet approval to finalise the deal in March 2024.

s9(2)(b)(ii)

Agenda Item 2: Whakapapa ski field

18. In August 2023, Whakapapa Holdings Ltd (WHL) submitted a bid for the purchase of RAL's operations at Whakapapa ski field, which included a request for significant government support. MBIE officials considered that the bid would expose the Crown to an unacceptable level of financial risk. In October 2023, Cabinet did not agree to progress the bid.
19. MBIE officials continued to negotiate with WHL to find terms that were acceptable to both parties but were unable to reach an agreement. In late December 2023 WHL formally withdrew its bid. This meant that there are no viable bids remaining for the Whakapapa ski field. Cabinet therefore needs to decide whether:
 - a. To continue to provide financial support to RAL/the Crown to manage Whakapapa ski field after March 2024; and/or
 - b. [REDACTED]

s9(2)(g)(i)

Crown/RAL ongoing management of Whakapapa ski field

20. Without any viable bids for RAL's operations at Whakapapa ski field, two commercial options for the Crown to operate the ski field are being developed by MBIE for Ministers' consideration:

a. Continue to run RAL in receivership; or

b. [Redacted]

s9(2)(g)(i)

[Redacted]

Ongoing management of Whakapapa ski field by DOC

22. In the event that no new operator takes over the ski fields, and RAL ceases to operate, the cost of keeping the fields safe and maintained in an "able to be restarted" condition is estimated at [Redacted] per year. This cost can be split into roughly two-thirds for Whakapapa and one third for Tūroa.

s9(2)(j)
s9(2)(f)(iv)

23. No active ski fields would see the Crown's revenue from concessions fall by around [Redacted] per year.

s9(2)(b)(ii)

24. If Whakapapa (or Tūroa) ski field were to close, health and safety risks will need to be managed promptly. This includes temporarily restricting access to the ski fields while DOC secures hazardous substances (bulk diesel storage, ammonia, explosives).

25. DOC will also need to ensure the volcanic eruption and lahar warning system at Whakapapa, which is based around RAL infrastructure, remains operational, and any other health and safety risks such as de-icing lift towers are well managed.

s9(2)(g)(i)

26. [Redacted]

[Redacted]

28. DOC is not currently funded for these cost pressures. This is noted in DOC's upcoming Cost Pressures submission to the Treasury, which signals further funding would be sought if required.

s9(2)(f)(iv)

29. [Redacted]

s9(2)(g)(i)

[Redacted]

[Redacted]

There are financial implications for both options

32. Since 2018, the Government has had considerable involvement with RAL and to date has spent over \$35 million to support the ski fields.
33. [REDACTED] has not yet been allocated or spent and remains ringfenced. \$3.05 million has been ringfenced to finalise the sale of the Tūroa ski field to PTL, pending final Cabinet approval and the DOC concession process being finalised. [REDACTED] has been ringfenced for decisions relating to the Whakapapa ski field.

s9(2)(j)
s9(2)(f)(iv)

The 'make good' provision

34. There is substantial ski field infrastructure on Mt Ruapehu – such as chair lifts, buildings, chemical storage, snow making pipes and other structures. Under the terms of RAL's concessions, RAL must remove all infrastructure and remediate the land on termination of their concessions – known as the 'make good' provision. As RAL cannot afford to fulfil the make good provision, liability for it was assumed by Cabinet [CAB-23-MIN-0240 refers].
35. We have estimated the cost to remove infrastructure and remediate the land to be between \$47 million and \$88 million, based on a desktop analysis. Work is underway to refine this estimate and fully understand the costs involved to meet these liabilities, including how costs are divided between Whakapapa and Tūroa.
36. Cabinet has already agreed to fund the removal of infrastructure that RAL was previously required to remove under the terms of their concessions – known as 'currently redundant infrastructure'. Cabinet has approved up to \$8.5m for the Department from the current financial year for this work (subject to costings and endorsement by Ministers of Conservation and Finance).
37. There is no specified timeframe (or legal requirement for the Crown) to remove infrastructure. However, there will be a very strong public expectation infrastructure is removed rather than left on the mountain. Removal of infrastructure that was redundant at the time of liquidation is already underway.

Economic impact

38. If the ski fields on Mount Ruapehu cease to operate there would likely be a negative effect on the regional economy. RAL is one of the largest employers in the Ruapehu region and the regional spend from RAL's visitors is \$102 million. An estimated 880 FTEs are supported on an ongoing basis by the economic activity of RAL.

39. [REDACTED] xtrapolating the figures above, the closure of the Whakapapa ski field could result in the loss of up to \$60 million of economic activity per annum. However, some of the potential economic loss may be offset if Tūroa continued to operate as visitors who would usually ski at Whakapapa may opt to ski at Tūroa instead. Further work is required to understand the full economic impact, including job losses and visitors to the region.

s9(2)(b)(ii)

Concession and application fees

40. DOC has previously been approved a write-off of [REDACTED] RAL debt for unpaid concession fees and contributions to community services (sewerage, water and other services).
41. It is possible that negotiations with PTL will result in the Crown [REDACTED]

s9(2)(b)(ii)

s9(2)(g)(i)

Agenda Item 3: Engagement with Treaty partners

42. In mid-2023, agencies, led by Te Arawhiti, engaged with the groups with interests in RAL and TNP (including Ngāti Tūwharetoa, Ngāti Rangī, Te Korowai o Wainuiārua, Patutokotoko, Ngāti Hāua and Ngā Tāngata Tiaki) so that Ministers and Cabinet could be fully informed when making decisions about the future of the ski fields.

43. The Crown formally recognised that prior engagement with iwi in relation to RAL had been flawed as it did not allow appropriate time or sharing of quality information, had harmed relationships between the Crown and iwi, and caused offence to [REDACTED]

s9(2)(a) [REDACTED] The insufficient engagement caused delay and disruption to the various RAL processes.

44. [REDACTED]

s9(2)(g)(i)

45. Agencies have continued to engage with iwi including to explore options for how the concerns raised can be mitigated – including shorter concession terms.

46. Crown decision making needs to be aware of how closely linked RAL and the future Tongariro National Park (TNP) negotiations are for iwi.

s9(2)(g)(i)

47. [REDACTED]

[REDACTED]

[REDACTED]

Tongariro National Park Treaty negotiations

50. The Minister for Treaty of Waitangi Negotiations and the Minister for Conservation will be jointly responsible for the TNP Treaty negotiations. As such, DOC and Te Arawhiti will also be engaged in this matter in the long term.

51. When future options for Mt Ruapehu were initially raised, letters from [REDACTED] Te Kotahitanga o Ngāti Tūwharetoa, Ngāti Hauā, Ngā Tāngata Tiaki o Whanganui and Te Korowai o Wainuiārua expressed a view that they did not support continuation of commercial ski fields on Ruapehu in their current form.

s9(2)(a)

52. [REDACTED]

s9(2)(g)(i)

[REDACTED]

54. The Crown is committed to collective negotiations with iwi with interests in TNP (including Ngāti Hāua, Ngāti Rangī, Ngāti Tūwharetoa, and the iwi of Te Korowai o Wainuiārua). Discussions and decisions in respect of RAL should be mindful of not destabilising progress towards the TNP negotiations.

s9(2)(g)(i)

55. [REDACTED] he collective negotiation over TNP is intended to be limited to the provision of cultural redress and will likely include discussions on its future governance and management (with a similar scope to the recent Taranaki Maunga arrangements).

s9(2)(g)(i)



57. The Crown remains committed to being ready to begin negotiations once all iwi with interests in TNP are ready to do so, and are waiting to hear from iwi regarding timeframes, approach and process.

MEMO ENDS

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Attachment A: Agenda

Agenda	
Time	Item
9.00 to 9.10	Agenda item 1: Finalising the sale of RAL's Tūroa assets and operations <ul style="list-style-type: none"> Does the Government support the sale of RAL's Tūroa assets and operations to PTL as currently proposed?
9.10 to 9.20	Agenda item 2: decisions on financial support post-March 2024 <ul style="list-style-type: none"> Will the Government continue to provide financial support to RAL to manage Whakapapa ski field after March 2024? and/or [REDACTED]
9.20 to 9.30	Agenda item 3: engagement with Treaty partners <ul style="list-style-type: none"> [REDACTED]
9.30	Leave Meeting

s9(2)(g)(i)

s9(2)(g)(i)

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Attachment B: Background and further context

1. The Mt Ruapehu ski fields (Whakapapa and Tūroa) within Tongariro National Park (TNP) were previously managed by Ruapehu Alpine Lifts (RAL) via concessions administered by DOC. RAL was placed into liquidation in June 2023, and into receivership in November 2023 by MBIE (acting through Crown Regional Holdings Ltd) on behalf of the Crown. The receiver is currently operating both ski areas using RAL's existing concessions.
2. The sale of RAL's assets on Tūroa ski field to Pure Tūroa Limited (PTL), with Crown support, is in the final stages of negotiation (led by MBIE). The sale and purchase agreement currently under negotiation will be conditional on a new concession being granted to PTL.
3. MBIE is the lead agency for commercial arrangements (including the Receivership), sale and purchase processes, and regional economic issues.
4. DOC is the lead agency for land management arrangements including removing redundant infrastructure from Tongariro National Park; and the future management of the ski fields, including any new concessions.
5. Te Arawhiti has primarily supported both agencies in their engagement with iwi and hapū with interests in Mt Ruapehu. Te Arawhiti also supports the Treaty settlement work program, including the future negotiations over Tongariro National Park.
6. Agency briefings (Attachments B and C) contain detailed background on this matter.

Legal challenges

7.

[REDACTED]

Ruapehu Skifields Stakeholders Association (RSSA)

8. RSSA is an incorporated society and interest group of ski enthusiasts, including a number of Life Pass holders. It was one of four unsuccessful bidders to purchase RAL assets, proposing a restructuring of the RAL board and a creditors' compromise to allow RAL to continue to operate on its existing concessions (albeit with a different operating model). MBIE assessed that the proposal was not commercially viable, but RSSA continues to explore legal channels to challenge the proposed sales to other commercial operators.
9. On 15 December 2023, the RAL Liquidation Committee, comprising a number of Life Pass Holders, issued a proceeding against RAL's Liquidators. The purpose of the claim is to require the Liquidators to pay the legal fees of the Committee. [REDACTED] A 1-day hearing to resolve the priority issues will take place on 8 February. MBIE will update Ministers on the outcome of the hearing.

Recent correspondence from Ngāti Hāua

10. On 18 December 2023, following notification that an application had been received from PTL, [REDACTED] of Ngāti Hāua Iwi Trust wrote to DOC expressing concern about the concession process. The letter alleged that the concession application could not be considered complete or fit for purpose, as PTL had not engaged with Ngāti Hāua. The letter noted:

Ngāti Hāua were not appropriately included or provided for in previous concession arrangements relating to Ruapehu Alpine Lifts Limited and the ski fields on Ruapehu maunga, and this treatment will not be tolerated by Ngāti Hāua.

11. DOC has since met with Ngāti Hāua to acknowledge their concerns and discuss how DOC will engage with Ngāti Hāua during the concession process. It is likely that these or similar concerns may be expressed in the submission process for the PTL concession application.

Briefing: Ruapehu Alpine Lifts and Mt Ruapehu ski fields


To	Minister of Conservation	Date submitted	7 December 2023
Risk Assessment	High Decisions on future management of the Mt Ruapehu ski fields will attract significant public scrutiny	Priority	High
Reference	23-B-0466	DocCM	DOC-7515948
Security Level	In Confidence		

Action sought	Note the upcoming key decisions. Meet with Ministers for Regional Development and Minister for Treaty of Waitangi Negotiations to discuss the matters raised here.	Timeframe	20 December 2023
Attachments	No attachments		

Contacts	
Name and position	Cell phone
Ruth Isaac, Deputy Director-General, Policy and Regulatory Services	██████████
Stacey Wrenn, Senior Manager, Regulatory Delivery (Acting)	██████████

s9(2)(a)

Executive summary – Whakarāpopoto ā kaiwhakahaere

1. The Mt Ruapehu ski fields (Whakapapa and Tūroa) within Tongariro National Park were previously managed by Ruapehu Alpine Lifts (RAL) via concessions administered by the Department of Conservation (the Department).
2. Further information about the Department's regulatory system, including concessions, is included in your introductory briefings. As Minister of Conservation, you have a role in making regulatory decisions relating to concession applications. Your key strategic decisions for Mt Ruapehu will include options for:
 - removing redundant infrastructure from Tongariro National Park; and
 - the future management of the ski fields, including a possible new concession/s (these decisions may be delegated to a Department official).
3. RAL was placed into liquidation in June 2023, and into receivership by the Ministry of Business, Innovation and Employment (MBIE) (acting through Crown Regional Holdings Ltd) on behalf of the Crown. The receiver is currently operating both ski fields. The sale of RAL's assets on Tūroa ski field to Pure Tūroa Limited (PTL), with Crown support, is in the final stages of negotiation. MBIE is leading this work, and the sale and purchase agreement they are negotiating will be conditional on a new concession being granted.
4. We expect to receive a concession application shortly, potentially before the sale and purchase agreement is finalised. PTL has indicated to MBIE that they would need a concession in place by end of March 2024 to prepare for the winter 2024 ski season. Therefore, we are treating 31 March 2024 as the date by which key decisions on any concession applications will need to be made.
5. Timeframes for concluding the application process by March 2024 will be very tight, so pre-work on the application is already underway.
6. s9(2)(j)
s9(2)(f)(iv) 
7. You also have a role to advise on the impacts of the future of RAL's operations at Cabinet. If RAL's concessions are terminated, the current concession requires RAL to remove all infrastructure and remediate the land (the 'make good' provision).
8. As RAL cannot afford to do this, the cost would practically fall to the Department and the Crown – estimated at between \$47 million and \$88 million, with work underway to confirm this cost. The Crown and the Department, therefore, face considerable fiscal risk under scenarios where RAL's assets are sold or mothballed, and the Department becomes responsible for managing the ski field infrastructure.
9. This cost is likely to be incurred if no new commercial operator takes over RAL's operations, if Cabinet withdraws support for the proposed purchaser of Tūroa, or under the ongoing receivership management of RAL's Whakapapa ski field.
10. Cabinet will receive joint advice from MBIE, the Department, and Te Arawhiti on these issues in March 2024, as requested in October 2023.
11. Some iwi/hapū and Māori representative groups have previously indicated they would not support continuation of commercial ski fields on Ruapehu in their current form, and have sought to link this matter to Tongariro National Park Treaty negotiations.
12. Noting the short timeframe in which decisions will need to be made, we recommend an urgent meeting between yourself, the Minister for Regional Development, and the Minister for Treaty of Waitangi Negotiations to discuss engagement with Treaty partners and the concession process. This matter also engages your role as Minister for Māori Crown Relations: Te Arawhiti.

We recommend that you ... (Ngā tohutohu)

		Decision
a)	Note the contents of this briefing, including the offer to meet with officials and discuss the issues in greater detail.	Noted
b)	Agree to meet with Hon. Shane Jones, Minister for Regional Development and Hon. Paul Goldsmith, Minister for Treaty of Waitangi Negotiations to discuss the future process and government decision-making in respect of RAL.	Yes / No

Date: 7/12/2023

Ruth Isaac
Deputy Director-General, Policy and
Regulatory Services
For Director-General of Conservation

Date: / /

Hon. Tama Potaka
Minister of Conservation

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Purpose – Te aronga

1. This briefing provides a summary of the context and issues concerning the current state, and future management of, Whakapapa and Tūroa ski fields. It notes your key strategic decisions concerning Mt Ruapehu, and next steps.

Background and context – Te horopaki

2. RAL is a limited-purpose public benefit entity that does not pay company tax or dividends to shareholders – instead, it is required to invest profits into the ski field activities to benefit the public on Mt Ruapehu within the Tongariro National Park.
3. In October 2022, RAL entered voluntary administration with around [REDACTED] of deferred maintenance and debt of close to \$45 million. A significant amount of this debt was owed to the Crown, including loans from the Provincial Growth Fund.
4. On 21 June 2023, RAL was subsequently placed into liquidation by the High Court following an unsuccessful attempt during voluntary administration to sell the fields to private buyers.
5. Crown funding saw RAL able to operate through the 2023 ski season before it was placed into receivership by MBIE (acting through Crown Regional Holdings Ltd) on 2 November 2023. This decision allowed more time to determine a solution on the future of the ski fields.
6. RAL has operated Whakapapa ski field since 1953 and Tūroa since 1999 under concessions granted by the Minister of Conservation. The current Whakapapa concession expires in 2051 (with rights of renewal of up to 25 years) and the current Tūroa concession expires in 2042 (with rights of renewal of up to 35 years). RAL (in liquidation and receivership) continues to manage ski field operations under the existing concessions.
7. We have been working with MBIE, Treasury and Te Arawhiti to identify options for the future management of the ski fields. MBIE is the lead agency for RAL's commercial arrangements (including the receivership) and regional economy matters. The Department of Conservation (the Department) is the lead agency for land management matters. Te Arawhiti has primarily supported both agencies in their engagement with iwi and hapū with interests in Mt Ruapehu.
8. A potential new operator, Pure Tūroa Limited (PTL), is interested in taking over RAL's operations for Tūroa ski field, subject to PTL being granted a concession to operate the ski field prior to the winter season in 2024. We understand PTL are currently preparing a concession application to submit to us.

9. [REDACTED]
[REDACTED]
[REDACTED]

Cabinet decisions to date

10. The issues surrounding the ski fields have been considered at various points by Cabinet under the previous Government, with the most recent decisions made on 2 October 2023. At this time, Cabinet agreed to support a potential buyer for the Tūroa field and keep the Whakapapa business afloat while other options are developed for Cabinet consideration in March 2024. The specific commitments were:
 - agreed in-principle to provide \$3.05 million of support to PTL to purchase and operate RAL assets on the Tūroa ski field, subject to PTL being granted a concession and final Cabinet approval;
 - agreed to move RAL out of liquidation and into receivership;
 - agreed that Kānoa, through Crown Regional Holdings Limited (CRHL) will purchase for \$1 ANZ's security interest associated with \$15 million of debt, making the Crown the majority secured creditor in RAL;

- agreed to provide RAL with a \$4.3 million loan to continue operating until the end of March 2024;
- directed MBIE, Te Arawhiti, and the Department to jointly report back to Cabinet in March 2024 with options for extending the Crown-funded operation of RAL, detailed information on the ramifications of no longer funding RAL including the costs to the Crown, and any medium-to-long term implications on the commercial operation of the ski fields in the context of the future Tongariro National Park settlement negotiations.

11. MBIE intends to take a paper to Cabinet in March 2024, or sooner, to seek decisions on future options including funding, and finalise Cabinet support for specific bid/s.

s9(2)(j)

[REDACTED]

12. Cabinet has also agreed to fund the removal of infrastructure that RAL was previously required to remove under the terms of their concessions – known as ‘currently redundant infrastructure’. As RAL cannot afford to remove this infrastructure, the cost would practically fall to the Department and Crown.
13. Cabinet has approved up to \$8.5m for the Department from the current financial year (subject to costings and endorsement by you and the Minister of Finance) for this work.

Key upcoming Ministerial and Departmental decisions

14. As Minister of Conservation, the decision to grant a concession (permission required to authorise commercial activity in a conservation area) sits with you, unless delegated to a Department official. Ski field concessions are usually granted by your delegate, but this can be revisited according to your views.
15. In early 2024 we will seek agreement to draw down the tagged contingency for funding the removal and remediation of already redundant infrastructure from joint Ministers (see paragraphs 65-69 below). We will brief you at this time and Treasury will advise the Minister of Finance.
16. We are scheduled to report back to Cabinet in March 2024 along with MBIE and Te Arawhiti, as signalled at paragraph 11, on how any future Treaty negotiations may be affected by decisions to mothball, remediate, or operate (part or all) of RAL’s assets – noting that Treaty negotiations for the Tongariro National Park have not yet commenced (see paragraphs 55-61 below).
17. Prior to this Cabinet meeting we will brief you on the fiscal risks and other implications posed by managing, operating, mothballing or remediating assets under various scenarios.
18. By March 2024 the progress of Pure Tūroa Limited’s concession application will be clear. There may also be greater clarity on options for Whakapapa assets, including whether we are progressing a concession application. We will provide you with a full briefing at this time.
19. We are looking at options that may be required should the March 2024 deadline not be able to be met through the concession process and will provide further advice on this.

Timeframes for the Tūroa concessions process

20. PTL is currently in the final stages of negotiating a sale and purchase agreement with MBIE for the transfer of RAL’s operations and assets on Tūroa ski field. This agreement is conditional on a new concession being granted and is subject to final approval from Cabinet, as to date Cabinet has only provided agreement in principle for funding to PTL.
21. We are expecting to receive a concession application from PTL no later than 8 December. PTL has indicated they need a concession in place by end of March 2024, to allow sufficient time to prepare for the winter 2024 ski season.

22. We have advised PTL that we will require a minimum of 71 working days (four months) to undertake the concession process, including public notification. Public notification is required under the Conservation Act 1987 as the concession activity will include exclusive use of some areas (for example buildings).
23. This timeframe is tight but allows sufficient time for each stage of the concession process to progress efficiently. The key steps of the process are:
 - review application documents and confirm whether it is ready to notify – six working days
 - public notification (minimum of 20 working days) and public hearing process – 35 working days
 - post-hearing report prepared – 10 working days
 - analyse submissions, hearing report, and prepare a decision report – 15 working days
 - decision maker to decide whether to grant the concession – five working days
24. Accounting for holiday period working day exclusions, we need to receive a concession application in early December 2023 to ensure a decision can be made in March 2024.
25. There are some issues that could challenge the four-month timeframe including:
 - the quality of the material submitted with the application not being sufficient to publicly notify, given we have significantly reduced time to seek additional information pre-notification;
 - [REDACTED];
 - the number and complexity of issues raised through the public notification and / or hearing process; and
 - [REDACTED]
26. PTL has indicated it needs a concession to be issued by 31 March 2024 to allow adequate time to prepare for the 2024 ski season.

s9(2)(h)

s9(2)(h)

Mitigations for timeframe challenges

27. We have engaged early with iwi to seek to understand their views of the proposed concession activity prior to the concession application being submitted. This engagement will continue throughout the concession process.
28. We have provided pre-application support to PTL, to enable them to prepare a concession application that is ready to publicly notify without further amendments.
29. To reduce complexity in the assessment process, we have advised PTL to apply to undertake activities that were authorised under the previous concession – i.e., not new, untested activities, as these will require further analysis. PTL may apply to extend the scope of their concession in the future via a variation.

s9(2)(b)(ii)
s9(2)(ba)(i)
s9(2)(j)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

s9(2)(b)(ii)
s9(2)(ba)(i)
s9(2)(j)

[Redacted text block]

Other options for ski field management outside a concessions process

- 35. An efficient concession process with robust public notification and engagement with Treaty partners is the most feasible and preferable option to allow PTL to takeover RAL operations at Tūroa ski field, noting that any concession application must be considered on its merits.
- 36. However, noting the challenges that may emerge during the concessions process we are exploring the feasibility of alternative options for ski field management – in case a concession process cannot be concluded satisfactorily by March 2024, or the sale cannot otherwise be completed. These are presented in order of viability.

s9(2)(h)

[Redacted text block]

s9(2)(h)

[Redacted text block]

Engagement with iwi to date, and going forward

- 44. Section 4 of the Conservation Act requires the Crown to give effect to the principles of the Treaty of Waitangi.
- 45. When making decisions on a concession application for Mt Ruapehu, this will require as a first step ensuring we are informed of and understand the views and interests of all iwi/hapū and Māori representative groups with an interest in the ski field areas (such as Te Pou Tupua which represents the legal person Te Awa Tupua, established through the Whanganui River settlement).
- 46. We have been engaging with iwi/hapū throughout this process, both directly and via other agencies (Te Arawhiti and MBIE).

s9(2)(j)

47. We have sent introductory letters concerning the pending PTL [Redacted] to our Treaty partners to further support this engagement.

s9(2)(a)

48. When future concession options were initially raised, letters from [Redacted], Te Kotahitanga o Ngāti Tūwharetoa, Ngāti Hauā, Ngā Tāngata Tiaki o Whanganui and Te Korowai o Wainuiārua expressed a view that they did not support continuation of commercial ski fields on Ruapehu in their current form.

49. The general preference in those letters was for the sales to be halted and for commercial operations to be considered after, or during, the Tongariro National Park Treaty negotiations. [Redacted]

s9(2)(g)(i)

50. We have continued to engage with iwi including to explore options for how the concerns raised can be mitigated. One of the options being discussed is a shorter concession term (up to 10 years rather than 30+), which would enable the concession to be revisited closer to the conclusion of the Tongariro National Park negotiations.

51. Irrespective of discussions to date, formal consultation with our Treaty partners still needs to take place after a concession application is received to ensure we meet our responsibilities under s4 of the Conservation Act.

52. We have good relationships with iwi leaders at an operations level, which will support engagement during the anticipated concession processes.

s9(2)(g)(i)

[Redacted text block]

[Redacted text block]

Tongariro National Park Treaty negotiations

55. The Crown is committed to collective negotiations with iwi with interests in Tongariro National Park (including Ngāti Hāua, Ngāti Rangī, Ngāti Tūwharetoa, and the iwi of Te Korowai o Wainuiārua).

56. Tongariro National Park collective negotiations have not yet commenced. However, as part of engagement on the future of RAL, Ngāti Tūwharetoa requested the Crown progress discussions on the future of Tongariro National Park, which the Crown agreed to do with “some urgency”.
57. The collective negotiation over Tongariro National Park is limited to the provision of cultural redress and will likely include discussions on its future governance and management (with a similar scope to the recently concluded Taranaki Maunga arrangements).
58. On 11 September 2023, the former Minister of Conservation and Minister for Treaty of Waitangi Negotiations met with representatives of Te Kotahitanga o Ngāti Tūwharetoa, Ngāti Hāua, Ngāti Rangī and Te Korowai o Wainuiārua, as well as [REDACTED] [REDACTED] to engage about when iwi may be ready to commence negotiations.
- s9(2)(a)
- s9(2)(g)(i) 59. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
60. The Crown committed to being ready to begin negotiations once all iwi with interests in Tongariro National Park were ready to do so, and would wait to hear from iwi regarding timeframes, approach and process. There has been no further progress to date.
61. You will receive a separate briefing related to the status of current Treaty negotiations in due course.

Ski field infrastructure on Mt Ruapehu is a significant Crown/Departmental liability

62. There is substantial ski field infrastructure on Mt Ruapehu – such as chair lifts, buildings, chemical storage and other structures. Under the terms of RAL’s concessions, RAL must remove all infrastructure and remediate the land on termination of their concessions – known as the ‘make good’ provision. As RAL cannot afford to fulfil the make good provision, this cost would practically fall to the Department, and therefore the wider Crown.
63. We have estimated the cost to remove infrastructure and remediate the land to be between \$47 million and \$88 million, based on a desktop analysis. Work is underway to refine this estimate and fully understand the costs involved to meet these liabilities.
64. While it is clear the Crown accepts the liability, there is no specified timeframe in which residual infrastructure would need to be removed. Early closure of the ski fields would, however, increase the moral obligation on the Crown to at least start the process – especially in light of Treaty negotiations over Tongariro National Park.

Currently redundant infrastructure

65. Since the ski fields were first established, there has been ongoing replacement and renovation of ski facilities, some of which has resulted in redundant infrastructure being left on site.
66. The Tongariro National Park Management Plan and concession agreements require that this infrastructure is removed. As RAL has no ability to remove this, Cabinet has accepted liability for it.
67. Separately, in 2023, Cabinet approved up to \$8.5m from the current financial year (subject to costings and endorsement by yourself and the Minister of Finance) to remove infrastructure which is already redundant as a result of previous RAL developments.
68. We have contracted surveyors and quantity surveyors to provide these costings by February 2024. We are currently procuring the main contractor to remove the already

redundant infrastructure. The contractor should be in place within 3-6 months and works would begin from mid-2024 (with snow cover required to move heavy machinery into place for works).

- 69. In recent discussions, PTL has indicated it considers the Ngā Wai Heke ski lift at Tūroa ski field is redundant for its business purposes. No allocation has been made for removing this lift, either as a DOC obligation on behalf of the Crown or as part of MBIE’s sales and purchase agreement (which is yet to be signed).

Securing health and safety hazards if ski fields are closed

- 70. It remains a possibility the ski fields may close, as it is not guaranteed any deals will be successful. In this case, the liquidator or receiver could stop operating the ski fields and look to immediately sell assets where possible. On-going operation through the receiver would require further Crown funding.
- 71. In the event of closures, our Operations team is prepared to act immediately to manage health and safety risks, including temporarily restricting access to the ski fields while we secure hazardous substances (bulk diesel storage, ammonia, explosives). We would also need to ensure the volcanic alert system, which is based around RAL infrastructure, remains operational, and any other health and safety risks such as de-icing lift towers are well managed.
- 72. We have undertaken contingency planning for this scenario to allow an assessment of readiness. This work has confirmed the Department has neither sufficient District or Regional capacity nor expertise to manage the fields and would require substantial additional resourcing. It is estimated it would cost up to [REDACTED] in the short-term and up to [REDACTED] annually to maintain the ski fields in a “ready to re-start” condition.
- 73. This would include removing cables and towers from ski-lifts, security at site and fixed costs such as power (currently near [REDACTED] per annum, the majority of which is lines charges). [REDACTED]
- 74. Funding this from the Department’s baseline would have an impact on the Department’s ability to deliver its core conservation services.

Risk assessment – Aronga tūraru

- 75. Decisions about the future use of ski fields on Mt Ruapehu have generated a significant amount of public interest. Groups including Federated Mountain Clubs have previously indicated their interest in the concession process. [REDACTED]
- 76. As above, some iwi have already publicly stated a preference for ski field sales to be halted while the Tongariro National Park Treaty negotiations progress. [REDACTED]
- 77. However, waiting for any negotiation process to be finalised is not a viable option. We are mitigating this through early engagement and discussions about reduced concession terms.
- 78. [REDACTED]

- 79. Separately, parties whose bids to buy the ski fields were unsuccessful (i.e., not endorsed by Cabinet) may challenge decision making around the sale and purchase process or the grant of any future concession.
- 80. You recently received correspondence from the Ruapehu Skifields Stakeholders Association (RSSA) about the potential sale of the ski fields. We will provide separate advice about a response to this letter. RSSA was one of two unsuccessful bidders for RAL assets, and the only one to propose continued public ownership through restructuring the board and continuing with existing concessions.

Consultation – Kōrero whakawhiti

- 81. We are working closely with MBIE and Te Arawhiti on matters relating to RAL.
- 82. We have consulted with Te Arawhiti, MBIE, the Treasury, and the Department of Prime Minister and Cabinet on this briefing.

Financial implications – Te hīraunga pūtea

- 83. The Department has previously been approved a write-off of \$ [REDACTED] RAL debt for unpaid concession fees and contributions to community services (sewerage, water and other local body services).
- 84. In the event that no new operator takes over the ski fields, the cost of keeping the fields safe and maintained in an “able to be restarted” condition is estimated at [REDACTED] per year. This cost can be split into roughly two-thirds for Whakapapa and one third for Tūroa.
- 85. No active ski fields would also see the Crown’s revenue from concessions fall by around [REDACTED] per year.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- 88. The Department is not currently funded for these cost pressures. This is noted in our upcoming Cost Pressures submission to the Treasury, which signals we would seek funding if required.

Next steps – Ngā tāwhaitanga

- 89. We suggest a joint meeting between yourself, the Minister for Regional Development and Minister for Treaty of Waitangi Negotiations to discuss these issues in greater detail. Officials can provide additional material to support this meeting.
- 90. We will provide you with further briefings when decisions are required and will also provide regular status updates through your weekly Status Report.

ENDS



BRIEFING

Background information and commercial options for Ruapehu Alpine Lifts Limited (In Liquidation and Receivership) (RAL)

Date:	14 December 2023	Priority:	High
Security classification:	In Confidence	Tracking number:	2324-1206

Action sought		
	Action sought	Deadline
Hon Shane Jones Minister for Regional Development s9(2)(g)(i) s9(2)(j) s9(2)(f)(iv)	<p>Indicate whether to [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Agree to RAL signing a conditional Sale and Purchase Agreement with Pure Tūroa Limited.</p> <p>Agree to meet with the Minister of Finance, Minister of Conservation and the Minister for Treaty of Waitangi Negotiations to discuss the government's approach to RAL.</p> <p>Forward a copy of this briefing to the Minister of Finance, the Minister of Conservation, and the Minister for Treaty of Waitangi Negotiations.</p>	21 December 2023

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Robert Pigou	Deputy Chief Executive and Head of Kānoa – Regional Economic Development & Investment Unit (Kānoa)	[REDACTED]	✓
Josh Hercus	Principal Advisor to the Deputy Chief Executive and Head of Kānoa	[REDACTED]	

The following departments/agencies have been consulted
The Treasury, Department of the Prime Minister and Cabinet (Policy Advisory Group), Department of Conservation, Te Arawhiti



BRIEFING

Background information and commercial options for Ruapehu Alpine Lifts Limited (In Liquidation and Receivership) (RAL)

Date:	14 December 2023	Priority:	High
Security classification:	In Confidence	Tracking number:	2324-1206

Purpose

To provide you with background information on Ruapehu Alpine Lifts Limited (In Liquidation and Receivership) (RAL), outline commercial options for the future of RAL for your consideration, and to seek your agreement to continue with the process to sell RAL's assets to suitable commercial operators.

Executive summary

Since 2018 the government has provided over \$35 million in support for RAL. The government needs to make strategic decisions on the future of RAL prior to March 2024 when the Receivers' funding for RAL will run out. If no decisions are made, or a suitable commercial arrangement is not reached in time, RAL will shut down and cease to operate.

Any decisions on RAL will need to be considered against a complex range of factors such as the cost to the Crown, local iwi views, Department of Conservation's (DOC) concession process, and key community stakeholders such as local businesses. Final decisions will be required in the early 2024.

s9(2)(g)(i)
s9(2)(j) This briefing focuses on the commercial aspects of RAL and seeks your view on whether to cease support for RAL, continue the process to sell RAL's assets. [REDACTED]

s9(2)(g)(i)
s9(2)(j)
s9(2)(f)(iv) [REDACTED] seeks your agreement that RAL sign a conditional Sale and Purchase Agreement (SPA) with Pure Tūroa Limited. Once finalised, Pure Tūroa Limited will need a concession from DOC to allow it to operate the Tūroa ski field, pending final Cabinet decisions expected to take place in early 2024.

The Ministry of Business, Innovation and Employment (MBIE) also recommends that you meet with the Minister of Finance, the Minister of Conservation and the Minister for Treaty of Waitangi Negotiations to discuss and confirm the government's preferred approach to RAL.

Recommended action

MBIE recommends you:

a **Note** that Ruapehu Alpine Lifts Limited (In Liquidation and Receivership) (RAL) holds the Department of Conservation (DOC) concessions and has control of infrastructure that enables it to operate the two ski fields, Whakapapa and Tūroa, on Mount Ruapehu.

Noted

b **Note** the government has provided over \$35 million in support for RAL to date and that there is [REDACTED] ringfenced in the Regional Strategic Partnership Fund (RSPF) for Cabinet to make future decisions on RAL.

Noted

c **Note** the government will need to make decisions on the future of RAL by March 2024 on whether to continue to provide funding support for RAL or RAL will shut down and cease operating.

Noted

d **Note** that If RAL’s concessions are terminated, the ‘make good’ provision requires RAL to remove all infrastructure and remediate the land. As RAL cannot afford to do this, the cost would practically fall to the Crown – estimated at between \$47 million and \$88 million, with work underway to confirm this cost. The Crown therefore faces considerable fiscal risk under scenarios where RAL’s assets are not sold or mothballed, and DOC becomes responsible for managing the ski field infrastructure.

Noted

e **Note** that on 2 October 2023, Cabinet approved a further \$7.35 million support package to allow RAL to continue until March 2024 that included:

- a. Purchasing ANZ debt owed by RAL for \$1 and appoint Receivers to RAL;
- b. Providing the Receivers of RAL with a \$4.3 million loan to continue operating both the Tūroa and Whakapapa ski fields until the end of March 2024;
- c. In-principle agreement to provide \$3.05 million of funding support to the preferred bidder for the Tūroa ski field (Pure Tūroa Limited (PTL)) to purchase and operate RAL assets on the Tūroa ski field, subject to being granted a concession, and final Cabinet approval; and
- d. Directing MBIE officials to provide advice to the Minister for Regional Development prior to Christmas 2023 on options to continue operating the Whakapapa ski field after March 2024, if required.

Noted

f **Note** while this briefing primarily focuses on the commercial arrangements of RAL, there are a broad range of complex factors that need to be considered when considering the future of RAL such as DOC’s concession process, costs to the Crown, local iwi views, and key community stakeholders such as local businesses, and the acceptability of proposed commercial arrangements.

Noted

g [Redacted]

s9(2)(g)(i)
s9(2)(j)
s9(2)(f)(iv)

■ [Redacted]

■ [Redacted]

■ [Redacted]

OR

d. Defer indicating your preference until after you have discussed the strategic approaches above with Ministers

Agree / disagree

h **Agree** to meet with the Minister of Finance, Minister of Conservation, and the Minister for Treaty of Waitangi Negotiations to determine the government’s approach on RAL.

Yes / No

i **Agree** to RAL signing a Sale and Purchase Agreement with Pure Tūroa Limited (PTL), which is conditional on PTL securing a DOC concession to operate and subject to final Cabinet approval, and includes the provision of \$3.05 million of Crown funding to PTL.

Yes / No

j [Redacted]
[Redacted]
[Redacted]

s9(2)(g)(i)

Noted

k **Forward** this briefing to the Minister of Finance and the Minister of Conservation for their information.

Yes / No



Robert Pigou
**Deputy Chief Executive and Head of Kānoa –
Regional Economic Development &
Investment Unit, MBIE**

Hon Shane Jones
Minister for Regional Development

..... / /

14 / 12 / 2023

Released under the Official Information Act 1982

Background

1. Ruapehu Alpine Lifts Limited (RAL) was established in 1953. RAL operates under concessions granted by the Department of Conservation (DOC) and has control of infrastructure that enables it to operate the two ski fields, Whakapapa and Tūroa, on Mount Ruapehu. During the summer, RAL continues to operate the Sky Waka gondola.
2. The activities on Mount Ruapehu are a significant contributor to the economy in the Central North Island. RAL is one of the largest employers in the Ruapehu region and the regional spend from RAL's visitors is \$102m. An estimated 880 FTEs are supported on an ongoing basis by the economic activity of RAL.
3. RAL's administrators in September 2022 had assessed that closing the Tūroa ski field alone for a season was expected to result in the loss of 119,000 guests per year to the region, around 235 winter jobs and 25 year-round jobs at RAL, a loss of around 297 jobs in the region, and \$30.7m in annual regional spending.
4. The previous government focused on preserving jobs and the local Mount Ruapehu economy and fulfilling the Government's commitments as a Treaty Partner. Since 2018, the government has had considerable involvement with RAL and to date has spent over \$35 million to support the ski fields. Approximately \$ [REDACTED] has not yet been allocated or spent and remains ringfenced, pending further Cabinet decisions on RAL.
5. The Crown is committed to collective negotiations with iwi with interests in Tongariro National Park (including Ngāti Hāua, Ngāti Rangī, Ngāti Tūwharetoa, and the iwi of Te Korowai o Wainuiārua). Tongariro National Park collective negotiations have not yet commenced. However, as part of 2023 engagement on the future of RAL, Ngāti Tūwharetoa requested the Crown progress discussions on the future of Tongariro National Park, which the Crown agreed to do with "some urgency". Those negotiations will be limited to the provision of cultural redress and will likely include discussions on its future governance and management (with a similar scope to the recently concluded Taranaki Maunga arrangements).
6. To focus on the relevant information for decisions that need to be made by March 2024, this briefing covers recent events relating to RAL's commercial arrangements to date as these areas fall under your responsibility as Minister for Regional Development.
7. On 2 October 2023, Cabinet directed MBIE officials to provide advice to the Minister for Regional Development on options to continue operating the Whakapapa ski field after March 2024, if required. This briefing provides you with that advice.

An attempt to sell RAL's assets in June 2023 was unsuccessful

In June 2023, Cabinet approved a \$ [REDACTED] million package to support the purchase of RAL's assets by commercial operators after RAL was placed in Voluntary Administration by its directors

8. RAL entered Voluntary Administration on 11 October 2022 due to significant financial challenges as a result of low visitor numbers caused by COVID-19 restrictions and the closure of New Zealand's borders (in 2020 and 2021) and a very poor 2022 ski season due to unfavourable weather conditions. At the time, RAL owed creditors an estimated \$45 million. By December 2022, the total Crown investment into RAL was \$23 million.
9. To ensure that the Whakapapa and Tūroa ski fields continued to operate and to avoid jobs losses and a contraction to Ruapehu's local economy, on 12 June 2023, Cabinet agreed to a funding package for Pure Tūroa Limited (PTL) and Whakapapa Holdings Limited (WHL) to purchase RAL's assets and continue operating the ski fields on Mt Ruapehu [CAB-23-MIN-0240 refers].

- s9(2)(j)
s9(2)(f)(iv) 10. The package includes an additional \$[REDACTED] million of government investment from MBIE/Kānoa's Regional Strategic Partnership Fund (RSPF) to sell RAL's assets to PTL and WHL (for the Tūroa and Whakapapa ski-fields respectively).

After the vote to support the government's package by RAL's creditors reached a stalemate, RAL was placed into Liquidation in June 2023

11. A watershed meeting of RAL creditors was held on 20 June 2023 to vote on the company's future. The meeting considered the government's offer to support the sale of RAL's assets to commercial entities. To pass, the resolution had to be approved by 50 per cent of creditors attending and voting by number and 75 per cent of creditors attending and voting by value of debts.
12. While the Crown represented the most significant creditor by value of debts, Mt Ruapehu life pass holders, who are broadly represented by the Ruapehu Skifields Stakeholders Association (RSSA), made up a significant number of creditors by number.
13. Only 44 percent of creditors by number voted for the government support package. This meant that the deal was not progressed and the \$[REDACTED] million agreed to be used for the proposed PTL and WHL transactions remained ringfenced in the RSPF. As a result, on 21 June 2023, the High Court ordered that RAL be put into liquidation.
- s9(2)(j)
s9(2)(f)(iv)

In addition, Ngāti Tūwharetoa expressed a strong interest in purchasing RAL.

- s9(2)(a) 14. On June 20, 2023, the former Minister for Treaty of Waitangi Negotiations received letters from [REDACTED] of Ngāti Tūwharetoa outlining a commercial proposal for the "Tongariro Maunga", which included an interest in purchasing both the Tūroa and Whakapapa ski fields.
15. MBIE understands that Ngāti Tūwharetoa approached the RAL Voluntary Administrator (VA) in November 2022 but the VA never followed up with Ngāti Tūwharetoa's proposal appropriately. At that stage in the process, it was the VA's role to engage potential bidders.
16. Ngāti Tūwharetoa did not raise their potential bid with MBIE officials until 20 June 2023. Officials considered the bid to be a strong offer and recommended that the government extend the support provided to PTL and WHL, to Ngāti Tūwharetoa. It was expected that Ngāti Tūwharetoa would then work with the liquidator on putting together an offer to purchase RAL's assets as part of a broader process to consider bids.

The government provided RAL with funding to continue operating during to 2023 ski season and to explore other avenues to sell RAL's assets

Cabinet agreed to provide RAL with a \$5 million loan to allow it to continue operating during the 2023 ski season and to invite Ngāti Tūwharetoa to submit a bid for RAL's assets, with the intention of progressing the sale of RAL's assets

17. On 24 July 2023, Cabinet approved a loan of up to \$5.0 million to RAL's liquidators for the operating costs and commitments for the Whakapapa and Tūroa ski fields for the 2023 ski season, which was expected to finish in late 2023. Cabinet also agreed the Crown would extend support to Ngāti Tūwharetoa to also enable it to make an offer to the liquidators to purchase RAL's assets, if they wished to [CAB-23-MIN-0276 refers].
- s9(2)(j)
s9(2)(f)(iv) 18. To provide Cabinet with flexibility to consider additional options to support RAL, the Regional Economic Development Ministers Group (RED)¹ agreed to ringfence a further [REDACTED] million for RAL from the RSPF on 24 August 2023.

¹ Regional Economic Development Ministers were delegated authority to make funding decision for the RSPF of up to \$20 million.

19. Two parallel processes were initiated in mid-August 2023 to progress the sale of RAL's assets. The first process was for commercial bids for some or all of RAL's assets to be submitted to RAL's liquidators by the end of August 2023. The second process was to provide MBIE with requests for Crown support, if required, as part of their commercial bids by the end of August 2023.
20. A bid was anticipated from Te Ariki Ta Tumu Te Heuheu on behalf of Ngāti Tūwharetoa. However, on 31 August 2023, Ngāti Tūwharetoa wrote to Ministers and officials to advise that they would not bid for RAL's assets, do not support a private commercial tender for the purchase of Ruapehu Alpine Lifts and prefer working with the Crown to develop an acceptable transition plan that would operate until the successful conclusion of the Tongariro National Park (TNP) Treaty negotiations.
21. In their letter, Ngāti Tūwharetoa state that they do [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
22. Ngāti Tūwharetoa also state in their letter that they promote a 'managed retreat', especially in relation to ski field activities, but that they are supportive of long-term sustainable commercial activities that contribute to regional economic development.

s9(2)(f)(iv)

A second bidding process for RAL's assets resulted in only one suitable bid for the Tūroa ski field and no suitable bids for the Whakapapa ski field.

With no bid provided by Ngāti Tūwharetoa, MBIE assessed the other four bids received and recommended to Ministers that only the bid from Pure Tūroa Limited be progressed

23. On 1 September 2023, four bids for RAL's assets had been received by RAL's liquidators from PTL, Tūroa Alpine Limited (TAL), WHL and RSSA. PTL and TAL's bids were for the Tūroa ski field only. WHL's bid was for the Whakapapa ski field. The RSSA's bid covered both ski fields. All four bids requested some form of Crown support. MBIE officials recommended that PTL's bid was the most suitable for Crown support for the Tūroa ski field and that there were no suitable bids for the Whakapapa ski field. Bids were assessed on their long-term commercial viability and value for money.
24. PTL's bid requested \$3.05 million in Crown funding to purchase and operate the Tūroa ski field. MBIE considered the bid to be commercially viable and recommended that it was suitable for Crown support. TAL's bid for the Tūroa ski field was considered by MBIE to have some attractive qualities, but ultimately was not recommended due to less desirable loan and capital requirements.
25. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
26. RSSA submitted a bid to RAL's liquidators to purchase RAL's assets in both ski fields but did not formally submit a request for Crown support. MBIE decided to assess their proposal for government support in the interest of completeness. The RSSA bid was not materially different from the commercial business case that it proposed in June 2023, which was rejected. Despite MBIE outlining its concerns with the proposals in writing in July 2023, the RSSA had not amended its bid.

s9(2)(b)(ii)
s9(2)(j)
s9(2)(f)(iv)

27. MBIE did not consider the RSSA's bid to have sufficient ski-field management experience or a commercial model that was viable over the long term. This reduced any confidence in its ability to be sustainable over the long term. Furthermore, the RSSA had requested that RAL be taken out of liquidation and continue to be run under its existing concession. Based on MBIE's conversations with iwi, it was understood some iwi had expressed a view that they did not support continuation of commercial ski fields on Ruapehu in their current form. On this basis, MBIE did not recommend providing government support to the RSSA's bid.

Cabinet agreed to provide additional funding to RAL as an interim solution during the election period and to allow the PTL bid to progress

28. On 2 October 2023, Cabinet approved a further \$7.35 million support package to allow RAL to continue until March 2024 that included:
- Purchasing ANZ debt owed by RAL for \$1 and place RAL in receivership;
 - Providing the Receivers of RAL with a \$4.3 million loan to continue operating both the Tūroa and Whakapapa ski fields until the end of March 2024;
 - In-principle agreement to provide \$3.05 million of support to the preferred bidder of the Tūroa ski field, PTL to purchase and operate RAL assets on the Tūroa ski field, subject to being granted a concession, and final Cabinet approval; and
 - Directing MBIE officials to provide advice to the Minister for Regional Development prior to Christmas 2023 on options to continue operating the Whakapapa ski field after March 2024, if required.
29. The purpose of Cabinet's decision was to:
- stabilise RAL to ensure that an incoming government had a fully range of options to decide on the future of RAL;
 - provide PTL with conditional funding to allow them to submit an application to DOC, for a concession to operate Tūroa ski-field. The concession process will take a minimum of four months, due to legislative requirements and minimum timeframes for public notification.
 - provide additional time for officials to consider commercial options for the Whakapapa ski field.
30. By the beginning of November 2023, RAL was moved into receivership with Calibre Partners appointed as Receivers by CRHL. Technically, RAL remains in both receivership and liquidation, although the role of the liquidator is minimal (to adhere to statutory requirements) and the Receivers are the primary operators of RAL.

Process and requirements to progress the sale of RAL's assets on the Tūroa and Whakapapa ski fields

31. Due to the divergence in the sales progress of the Whakapapa and Tūroa ski fields, both ski fields are at different stages of the process.
- Ministerial direction is needed to progress a conditional Sale and Purchase Agreement with PTL to progress the preferred bid for the Tūroa ski field*
32. With in-principle Cabinet agreement to PTL's bid confirmed, MBIE has been working with PTL on negotiating a conditional Sale and Purchase Agreement for RAL's Tūroa ski field assets. In parallel, MBIE has been advised that PTL has submitted its application to DOC for a 10-year concession with a 3-year review period.

33. MBIE understands that DOC is unlikely to grant a concession to PTL without PTL signing a Sale and Purchase Agreement. If PTL is granted a DOC concession, officials will seek Cabinet approval to finalise the deal in early 2023.

[REDACTED]

s9(2)(g)(i)
s9(2)(j)
s9(2)(f)(iv)

[REDACTED]

[REDACTED]

[REDACTED]

Decisions need to be made shortly on the future of RAL before its funding is exhausted in March 2024

In consultation with the coalition government, you will need to decide the government's approach to RAL

37. From a commercial perspective, the Crown is currently in a position where it could be viewed as the de-facto owner and operator of the ski-fields on Mount Ruapehu. MBIE views this position as unsustainable and undesirable because of the costs to the Crown and that running ski-fields at a loss should not be part of core Crown business.
38. Without additional funding or the successful transfer of assets and operations of the ski-fields to suitable commercial operators, RAL will cease operating and its assets will likely be liquidated. This means that 'no decision' is tantamount to the government deciding not to provide any further support for RAL.
39. There are a complex range of issues that need to be considered in conjunction with the content of this briefing. While this briefing focuses on commercial arrangements for RAL, MBIE notes that there are a range of other factors that should be considered in conjunction with any commercial decisions such as the Department of Conservation's concession process, costs to the Crown, local iwi views, and the impact on key community stakeholders such as local businesses. All these factors could create challenges to complete commercial transactions involving RAL.
40. There are a wide range of views held by iwi, both supportive and opposing whether to progress the sale of RAL's assets. Through MBIE's engagement with iwi, two common themes have emerged:
 - a. Iwi have highlighted concerns with the engagement process, short timeframes, and risk that any commercial process prejudices the future Tongariro National Park negotiations; and

b. Despite these concerns, iwi have indicated that they want the ski fields to continue operating while longer-term matters are resolved to ensure economic stability in the area.

41. Despite the complex range of stakeholders who have vastly different interests and objectives, MBIE's view is that a strategic decision needs to be formed and communicated to provide all parties certainty on the future of RAL. A continued piecemeal approach risks generating the perception that the government will continue to fund RAL in an ad hoc manner indefinitely.

42. MBIE notes that to date, RAL has been 'propped up' through loans to maintain the Ruapehu region's economy. While the ski-fields on Mt Ruapehu are a significant contributor to the local economy, there are other policy tools available to support the regional economy such as targeted business support, which could be more effective over the long term. If required, officials can undertake further work on to explore alternative policy options at your request.

Framework and considerations for making commercial decisions relating to RAL

43. MBIE has used the following framework for generating commercial options for RAL:

a. **Minimising the cost to the Crown:** with significant government funding spent on RAL to date, any additional funding for RAL should be carefully considered against the value it provides. This approach aligns with the incoming government's priorities of reducing government expenditure.

b. **Clarity on the extent and timeframes of government support:** a piecemeal approach to maintaining RAL, regardless of cost, could create a perception that the government will continue funding RAL indefinitely. Establishing and communicating the government's strategic approach to RAL, including when the government's involvement is expected to reduce or finish, will provide stakeholders with much needed certainty on the future of RAL.

c. **Local iwi views:** Iwi have expressed a range of views in relation to RAL and the ongoing operation of the ski-fields, and it is important these views are considered as part of the government's obligations as a Treaty partner and under the relevant Deeds of Settlement. Decisions taken by the Crown are likely to have an impact on the future negotiations over Tongariro National Park and [REDACTED]

s9(2)(g)(i)

d. **Maintaining the local economy:** minimising potential job loss and damage to the local economy should be considered as part of the trade-offs between options given the ski fields' importance to the health of the Central North Island economy.

MBIE recommends that the government proceeds with a final attempt to sell RAL's assets to commercial operators, on acceptable terms

44. [REDACTED]

s9(2)(g)(i)
s9(2)(j)
s9(2)(f)(iv)

- [REDACTED]
- [REDACTED]
- [REDACTED]

s9(2)(g)(i)
s9(2)(j)
s9(2)(f)(iv)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Analysis of commercial options

[Redacted]

s9(2)(g)(i)
s9(2)(j)
s9(2)(f)(iv)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

s9(2)(g)(i) 52.
s9(2)(j)
s9(2)(f)(iv)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

s9(2)(j)
s9(2)(f)(iv)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Tūroa ski field

s9(2)(g)(i) 58.
s9(2)(j)
s9(2)(f)(iv)

If you agree to [Redacted] MBIE is seeking your agreement for RAL's Receivers to sign a conditional Sale and Purchase Agreement with PTL, which includes \$3.05 million of Crown funding. Final Cabinet approval will be required if a concession is granted in order to complete the transaction. It is expected that if existing timeframes stay on course, settlement would take place on 1 April 2024.

Whakapapa ski field

s9(2)(g)(i) 59.
s9(2)(j)
s9(2)(f)(iv)

[Redacted]

[Redacted]

[Redacted]

s9(2)(g)(i)
s9(2)(j)
s9(2)(f)(iv)

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

Next steps

67. [Redacted text block]

68. Agree to RAL signing a Sale and Purchase Agreement with Pure Tūroa Limited, which is conditional on Pure Tūroa Limited securing a DOC concession to operate and subject to final Cabinet approval.

69. Agree to meet the Minister of Finance, the Minister of Conservation, and the Minister for Treaty of Waitangi Negotiations, to discuss the government's approach to RAL.

70. Final decision on RAL are expected to be made by Cabinet in early 2024.

s9(2)(g)(i)
s9(2)(j)
s9(2)(f)(iv)

Document 27

From: [Hicks, Ian](#)
To: [Josh Hercus](#); [Michelle Paki](#)
Subject: RE: For consultation: Draft Cabinet paper - Decisions to continue support for RAL post-March 2024 [IN-CONFIDENCE]
Date: Wednesday, 14 February 2024 1:35:24 pm
Attachments: [v3 Draft Cab paper - Decisions to continue support for RAL post-March 2024 \(003\).docx](#)
[image001.jpg](#)

Kia ora korua

Attachment
withheld
s9(2)(g)(i)

Please see **attached** for my feedback. I haven't socialised this further within TA so look forward to an updated version that I can share more widely.

Being able to provide up-to-date iwi views is key – the paper includes the views expressed from August last year. Obviously Michelle and I will pick up the iwi engagement planning next week, but I also wonder whether DOC is able to provide any recent commentary on what they are hearing from iwi.

Happy to discuss – although I am on leave tomorrow until Tuesday. If you need anything during that time, please contact Rhiannon in my team.

Ngā mihi

Ian

From: Josh Hercus <xxxx.xxxxxx@xxxx.xxxx.xx>
Sent: Monday, 12 February 2024 4:25 pm
To: xxxxxx@xxx.xxxx.xx; xxxxxxxx@xxx.xxxx.xx; Hicks, Ian <Ian.Hicks@tearawhiti.govt.nz>; xxx.xxxxxx@xxxxxxxx.xxxx.xx
Cc: Michelle Paki <xxxxxxxxx.xxxxx@xxxx.xxxx.xx>
Subject: For consultation: Draft Cabinet paper - Decisions to continue support for RAL post-March 2024 [IN-CONFIDENCE]

Kia ora koutou,

Please see attached the latest version of the draft Cabinet paper. Given the sensitivity, please do not share the paper. It is still unrefined and still needs work but wanted to get your views on the current thinking. Hoping to get a more developed version done later this week/early next week.

The paper focuses more on the broader policy question of whether to continue support or not and what the implications are. Our preference is to keep it to less than 10 pages. There may be another Cabinet paper required depending on what Cabinet decides.

Can you please provide any feedback by **COB Wednesday 14 Feb**?

In an ideal situation, we're hoping to get Cabinet consideration in early to mid-March.

Cheers,
Josh

Josh Hercus

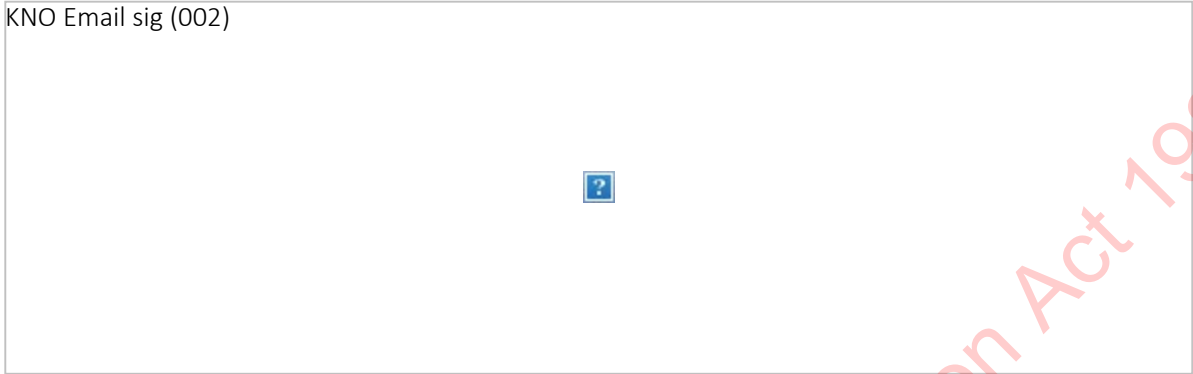
Document 27

PRINCIPAL ADVISOR TO ROBERT PIGOUE, DEPUTY CHIEF EXECUTIVE and
HEAD OF KĀNOA - REGIONAL ECONOMIC DEVELOPMENT & INVESTMENT UNIT

s9(2)(a)

xxxx.xxxxxx@xxxx.xxxx.xx | Mobile: [REDACTED]
15 Stout Street, Wellington 6011, PO Box 1473, Wellington 6140

KNO Email sig (002)



Released under the Official Information Act 1982

From: [Hicks, Ian](#)
To: [x@xx](#)
Cc: [Bertaud-Gandar, Rhiannon](#)
Subject: FW: RAL Cab paper - Final chance to comment by 5pm today [IN-CONFIDENTIAL]
Date: Wednesday, 28 February 2024 4:24:52 pm
Attachments: [image001.jpg](#)
Importance: High

Kia ora Josh

Thanks for this. One minor comment from us – suggest the title to Appendix One clarify that these views were expressed through the Pure Turoa Limited concessions process.

Good luck!

Ngā mihi
Ian

From: Josh Hercus <xxxx.xxxxxx@xxxx.xxxx.xx>
Sent: Wednesday, 28 February 2024 3:08 pm
To: xxxxxx@xxx.xxxx.xx; xxxxxxxx@xxx.xxxx.xx; xxxxxxxxxxxx@xxx.xxxx.xx; Hicks, Ian <xxx.xxxxx@xxxxxxxxxx.xxxx.xx>; xxx.xxxxx@xxxxxxxx.xxxx.xx; kate.wevers@crownlaw.govt.nz; Bertaud-Gandar, Rhiannon <xxxxxxxxxxxxxxxxxxxx@xxxxxxxxxx.xxxx.xx>; xxxxx.xxxxx@xxxxxxxx.xxxx.xx; xxxxxxxx.xxxxxxxxxxxxx@xxxxxxxx.xxxx.xx; xxxxxxxxxxxx@xxx.xxxx.xx; xxxxxxxxxxxx@xxx.xxxx.xx
Cc: Michelle Paki <xxxxxxxx.xxxxx@xxxx.xxxx.xx>; Philippa Harray <Philippa.xxxxx@xxxx.xxxx.xx>; Adam Wood <xxxx.xxxx@xxxx.xxxx.xx>; Murray Beatson <Murray.Beatson@mbie.govt.nz>; Shaun Brown <xxxxx.xxxxx@xxxx.xxxx.xx>; Michael Docherty <Michael.Docherxxx@xxxx.xxxx.xx>
Subject: RAL Cab paper - Final chance to comment by 5pm today [IN-CONFIDENTIAL]
Importance: High

Hi all,

Attached should contain the amendments incorporating all your feedback. While I'm fortunate to have a permissive sign out environment, we really need to finalise the paper ASAP.

This is your final opportunity to provide any suggested amendments and for **DOC** – the recs for the funding. Need it by 5pm today please.

Kate – CT and Calibre have provided feedback that's also been added to the paper.

Cheers,
Josh

Josh Hercus
 PRINCIPAL ADVISOR TO ROBERT PIGOUE, DEPUTY CHIEF EXECUTIVE and
 HEAD OF KĀNOA - REGIONAL ECONOMIC DEVELOPMENT & INVESTMENT UNIT

[xxxx.xxxxxx@xxxx.xxxx.xx](#) | Mobile: [REDACTED]
 15 Stout Street, Wellington 6011, PO Box 1473, Wellington 6140

s9(2)(a)

KNO Email sig (002)



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