

The Treasury

Mixed Ownership Model for Crown Commercial Entities: Treasury Advice Information Release

4 September 2012

Release Document

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Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [2] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information, or who is the subject of the information
- [3] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [4] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [5] 9(2)(h) - to maintain professional legal privilege
- [6] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice, or
- [7] Information is out of scope or not relevant.

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, a [3] appearing where information has been withheld in a release document refers to section 9(2)(f)(iv).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

Date: 7 February 2012

To: Minister of Finance
Minister for State Owned Enterprises
Cc: Associate Minister of Finance (Hon Joyce)

Aide Memoire: Progress report on Mixed Ownership: 7 February 2012

Procurement

- *Communications Director:* Chris Major has entered a contract to provide communication services to Treasury for the mixed ownership programme.
- *Technology & Logistics:* The contract with the preferred suppliers is to be signed tomorrow.
- *Marking and Communication firms:* We have incurred a one week delay, but seek to engage the preferred firms by the end of next week.
- *Supporting roles:* Last week Joint Lead Managers issued an RFP to appoint their legal counsel. The RFP will close next week and a firm will attend next Thursday's IPO Committee meetings.

[2]

IPO Preparation

The due diligence (DDC) and steering committees have commenced work and this week the sub committees also commence work the implementation of an IPO transaction. The DDC met to discuss the planning memorandum which determines its policies and approach. This week you will receive a report on company and Crown due diligence and the assurance these processes establish.

Mighty River Power's board is meeting on 26 March and is expected to approve its audited interim results for release on 27 March. These results are to form part of the offer documentation. The results are also to be tabled in the House.

With an increasing number of advisors involved in the transaction, Treasury has asked that any engagement with regulators be co-ordinated through Treasury in order to help manage multiple discussions on issues.

Consultation and Legislation

We reported this week on company relationships with iwi, section 27 memorials. Your press secretaries are thinking about how to handle media around the hui themselves. We have moved the Auckland hui from 3.30pm to 5pm to accommodate the Tamaki Makaurau Collective who will be in their regular alternate Friday afternoon negotiating sessions with the Crown until 3.30pm. We are in the process of setting up a further hui in the Hawkes Bay.

We reported on Friday on your two preferred options for progressing the legislation for you to use in discussions with the Leader of the House.

Meetings

On 3 February, we briefed PMO and Craig Howie on the overall timetable for mixed ownership and the first IPO.

On 3 February we briefed Wellington media in an off the record briefing on how an IPO is conducted. A similar briefing is scheduled in Auckland for 10 February.

Reports completed

Date	Title	Type
3/2/2012	MOM: Application of 10% Cap on Individual Shareholding to Air New Zealand	Treasury Report
3/2/2012	Background Note on S27B Memorials	Aide Memoire
3/2/2012	Timing and Urgency Options for Progressing the Mixed Ownership Model Bill through the Legislative Process	Treasury Report
1/2/2012	MOM Bill: Further Policy Issues	Treasury Report
1/2/2012	Regulation of the Electricity Market	Treasury Report
31/1/2012	Meeting with Joan Withers, Thursday 2 February 2012	Treasury Report
31/1/2012	MOM Bill: Consultation with Specific Iwi	Treasury Report
30/1/2012	Briefing for Meeting with NZMC and FOMA, 30 January 2012	Aide Memoire
30/1/2012	MOM: Maori Consultation Document (near final draft)	Treasury Report
30/1/2012	Selection of Joint Lead Managers	Treasury Report

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