



COVERSHEET

Minister	Hon Kiri Allan	Portfolio	Regional Development
Title of Cabinet paper	Ruapehu Alpine Lifts Limited – Agreeing parameters for further Crown funding	Date to be published	18 December 2023

List of documents that have been proactively released

Date	Title	Author
19 May 2023	<i>Ruapehu Alpine Lifts Limited – Agreeing parameters for further Crown funding</i>	<i>Office of the Minister for Regional Development</i>
22 May 2023	<i>CAB-23-MIN-0192 Ruapehu Alpine Lifts Limited – Agreeing parameters for further Crown funding</i>	<i>Cabinet Office</i>

Information redacted

YES / NO (please select)

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Some information has been withheld for the reason of confidentiality, negotiations, commercial information, free and frank opinions and confidential advice to the Government.

In Confidence

Office of the Minister for Regional Development

Cabinet

Ruapehu Alpine Lifts Limited – Agreeing parameters for further Crown funding

Proposal

- 1 This paper seeks agreement to parameters for further Crown funding to enable potential sales of the assets and business of Mt Ruapehu Alpine Lifts Limited (RAL).

Relation to government priorities

- 2 Regional Economic Development (RED) is a key focus for the Government's economic vision of a high wage, low emissions economy that provides economic security in good times and bad. Kānoa – Regional Development & Investment Unit (Kānoa) delivers RED by providing catalytic investment from the Regional Strategic Partnership Fund and other funds under its management into projects that directly contribute to the Government's strategic economic objectives (such as transitioning to a high wage low emissions economy, Industry Transformation Plans, Fit for a Better World; He Kai Kei Aku Ringa: The Crown-Māori Economic Growth Partnership; the Māori Economic Resilience Strategy; and the Just Transitions Partnerships) aligned with regions' economic development priorities.
- 3 The ski field is a key contributor to the economies of the Ruapehu and Taupō districts, with many people and businesses relying on the visitors the ski field attracts.

Background

Ruapehu Alpine Lifts Limited (RAL)

- 4 RAL operates the Whakapapa and Tūroa Ski Areas on Mt Ruapehu and owns the assets of the two ski areas. RAL has licenses from the Department of Conservation to operate, and relationship agreements with local iwi that cover values, principles, and the approach to protecting Mt Ruapehu. RAL also operates the Sky Waka gondola on Whakapapa. RAL's core business occurs during winter months, usually operating from early June to the end of October, with snow-related activities.
- 5 RAL faced significant financial challenges over the last three years due to COVID-19 restrictions, domestic travel restrictions (in 2020 and 2021), and a very poor 2022 ski season due to unfavourable weather conditions. These adverse trading conditions severely impacted RAL's financial position. To date, seasonal funder ANZ Bank New Zealand Limited (ANZ) has effectively

carried the cost of funding the poor trading. RAL has been further hampered by a corporate structure which makes raising funding difficult.

- 6 RAL has been a key contributor to the economy of the Ruapehu district, employing 350-400 people during peak winter seasons.
- 7 Tourism made up 13.6 per cent of regional gross domestic product (GDP) in the Ruapehu district in 2019¹. Related businesses, such as accommodation and food service businesses, and rental and hiring businesses, rely on patronage from visitors to the ski field.
- 8 Tourism in the Ruapehu District happens primarily in winter, driven by the ski fields. From 2018-2021, approximately 42 per cent of domestic Tourism Electronic Card Transaction² spend over the year happened in the winter months in Ruapehu, compared to 23 per cent at the national level.
- 9 RAL entered into Voluntary Administration on 11 October 2022, owing creditors an estimated \$45 million at the time; including \$15 million in loans from the Crown, approximately \$13 million to ANZ, and \$14 million to various community trusts, iwi organisations and local government authorities³ (the Bondholders).

The Provincial Growth Fund (PGF) and Regional Strategic Partnership Fund (RSPF) has invested \$23 million into RAL

- 10 Over the past five years the government has provided significant investment to RAL, first to expand their offerings, and then to support them as they have looked for a sustainable capital structure that enables them to operate with confidence. This investment has included:
 - 10.1 A \$10 million loan, from the PGF, in 2018, to assist with the financing of the “Sky Waka” gondola
 - 10.2 A \$5 million loan, from the PGF, in 2020, for operating expenses
 - 10.3 A \$2 million loan, from the Multi-Year Capital Allowance, through the PGF, in November 2022, as bridging finance while the VA investigates options for RAL’s capital structure [CAB-22-MIN-0477]
 - 10.4 A \$6 million loan, from the RSPF, in December 2022, as further bridging finance to allow the VA to maintain the assets, retain the management team, and allow limited operations on the mountain [CAB-22-MIN-0561].

¹ Source: *Regional Economic Profile - Ruapehu*. Infometrics. Retrieved 25 October 2022, from <https://ecoprofile.infometrics.co.nz/Ruapehu%2bDistrict/Tourism/TourismGdp>

² The Tourism Electronic Card Transactions present the measured electronic card transactions attributable to tourism as they are based almost exclusively on physical electronic card transactions, and do not include any other form of spending such as cash, pre-purchases or online spend.

³ The Tourism Bonds are held by Tuwharetoa (\$9.5 million), Taupō District Council (\$1 million), Bay of Plenty Community Trust (\$1.5 million), Māori Investments (\$1 million), Atihau-Whanganui Inc (\$500,000) and the Ruapehu District Council (\$500,000 loan)

The Concession to operate on Mt Ruapehu is restrictive

- 11 Under the conservation legislation, all commercial activities on conservation land need to be authorised by a concession, and all concessions must be consistent with the relevant statutory planning documents, in this case the Tongariro National Park Management Plan (TNPMP). RAL holds two licences to operate ski fields, one for Whakapapa and one for Tūroa, along with concessions for related activities (e.g. an easement for a water pipe for snow making at Whakapapa).
- 12 As part of the concession to operate on the mountain, there are several conditions:
 - 12.1 RAL must 'make-good' the mountain if they cease operating, by removing all assets and infrastructure and remediating the land. Late last year the Department of Conservation (DOC) completed a desktop assessment of the liability of this and estimated to be between \$47-88 million.
 - 12.2 Confidentiality [Redacted]
 - 12.3 Confidentiality [Redacted]

The 'make-good' condition will fall to the Crown if RAL goes into liquidation

- 13 The range of the make-good liability (estimated to be between \$47-88 million) reflects decisions to be made that would influence the cost, for example:
 - 13.1 Confidentiality [Redacted]
 - 13.2 Confidentiality [Redacted]

14 If the RAL enters into liquidation, the liability for the 'make-good' provisions practically will fall back to the Crown.

Since RAL went into Voluntary Administration they have requested Crown support several times

⁴ Confidentiality [Redacted]

- 15 On 23 September 2022 Kānoa received an urgent request from RAL for Crown funding of between \$36 and \$42 million. RAL advised that if a funding commitment was not provided by the Crown, then a formal insolvency process was inevitable. Delegated RED Ministers declined the request for additional funding on 5 October 2022 based on advice from Kānoa officials that RAL was not commercially viable in its current form.
- 16 On 11 October 2022 RAL announced that PwC has been appointed as the VA following a resolution of RAL's Directors. The role of the VA is to continue to trade the business while determining the most appropriate way to maximise recoveries for creditors. However, without inventory or receivables to collect, the VA does not have cash reserves to use to allow the business to continue.
- 17 On 31 October 2022, Cabinet agreed to provide bridging finance of \$2 million to RAL to allow time to investigate a potential solution that would ensure the continued operation of the ski fields at Mt Ruapehu and protect the investment of Bondholders [CAB-22-MIN-0477 refers].
- 18 On 5 December 2022, Cabinet agreed in principle that the Crown provide further bridging support, of up to \$6 million, to allow the necessary time to enable the establishment of "NewCo" including enabling the VA to maintain the assets, retain the management team, and allow limited operations on the mountain [CAB-22-MIN-0561], and on Cabinet 7 December 2022 noted Ministers with Power to Act agreed this money would come from the Regional Strategic Partnership Fund [DEV-22-MIN-0306].
- 19 This brings the total Crown investment in RAL to \$23 million to date.
- 20 The remaining bridging funding is expected to provide the RAL Administrators with sufficient funding to maintain business functions until late-June 2023.
- 21 A Watershed meeting of RAL creditors, (where the VA submits to all RAL creditors the best option, in their view, to raise money to deal with all or some of the creditors' claims for outstanding debts), is likely to be held on 13 June 2023.

Expressions of Interest process for RAL assets

- 22 The initial EOI process was managed by the VA. Four EOIs were received during March/early April.
- 23 To better inform parties' EOIs, Calibre Partners (on behalf of Kānoa), undertook forensic accounting and financial analysis of the RAL financial position in order to provide interested parties with detailed information on the RAL business. Kānoa then sought revised and "best effort" EOIs from potential bidders by 22nd April 2023.
- 24 EOIs were received from:
 - 24.1 Pure Tūroa, a group of local Ohakune business people (Negotiations, Commercial Information [REDACTED]).

24.2 Tūroa Alpine, a recently established company led by a former RAL director. Negotiations, Commercial Information

24.3 South Island Office (SIO), a Christchurch-based equity investment company Negotiations, Commercial Information

24.4 Ruapehu Skifields Stakeholders Association (RSSA), an incorporated society, led by two members of the RAL creditor committee representing life pass holders Negotiations, Commercial Information

25 Kānoa officials believe the four EOIs represent the best proposals available, and that no other deals or interested parties are likely to emerge. Commercial Information, Negotiations

[Redacted]

26 The four EOIs varied significantly in terms of calibre and experience of the acquiring parties, ski field/s to be operated, purchase price, Commercial Information, Negotiations and other conditions.

[Redacted]

27 Negotiations [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

28 Confidentiality [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

- 29 While the weather will play an important role in the long-term feasibility of these businesses, Kānoa officials advise that the assessment criteria (i.e. certainty of funding sources and commercial/capital raising experience) was designed to analyse the EOIs against a lens of ongoing financial sustainability of the business.
- 30 This analysis determined that the best available option was to progress negotiations with Confidentiality, Negotiations and Confidential. This would provide the best opportunity for employment and business continuity in Ohakune, Raetihi, National Park and Taupō, as well as the continued operations of the ski fields on Mount Ruapehu.
- 31 Negotiations began with parties in the week of 8 May 2023 and are expected to be concluded in the week commencing 29 May 2023.
- 32 Negotiations, Commercial Information [Redacted]
[Redacted]
[Redacted]
- 33 This timeframe will enable ski field operations to commence in July 2023, in time for the 2023 season. Kānoa has advised that both parties are ready to begin season pass campaigns as soon as possible and are on-track to open at the beginning of the ski season.

The Chateau

- 34 Confidentiality [Redacted]
[Redacted]
[Redacted]
[Redacted]
- 35 Confidentiality [Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
- 36 Confidentiality [Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
- 37 Confidentiality [Redacted].

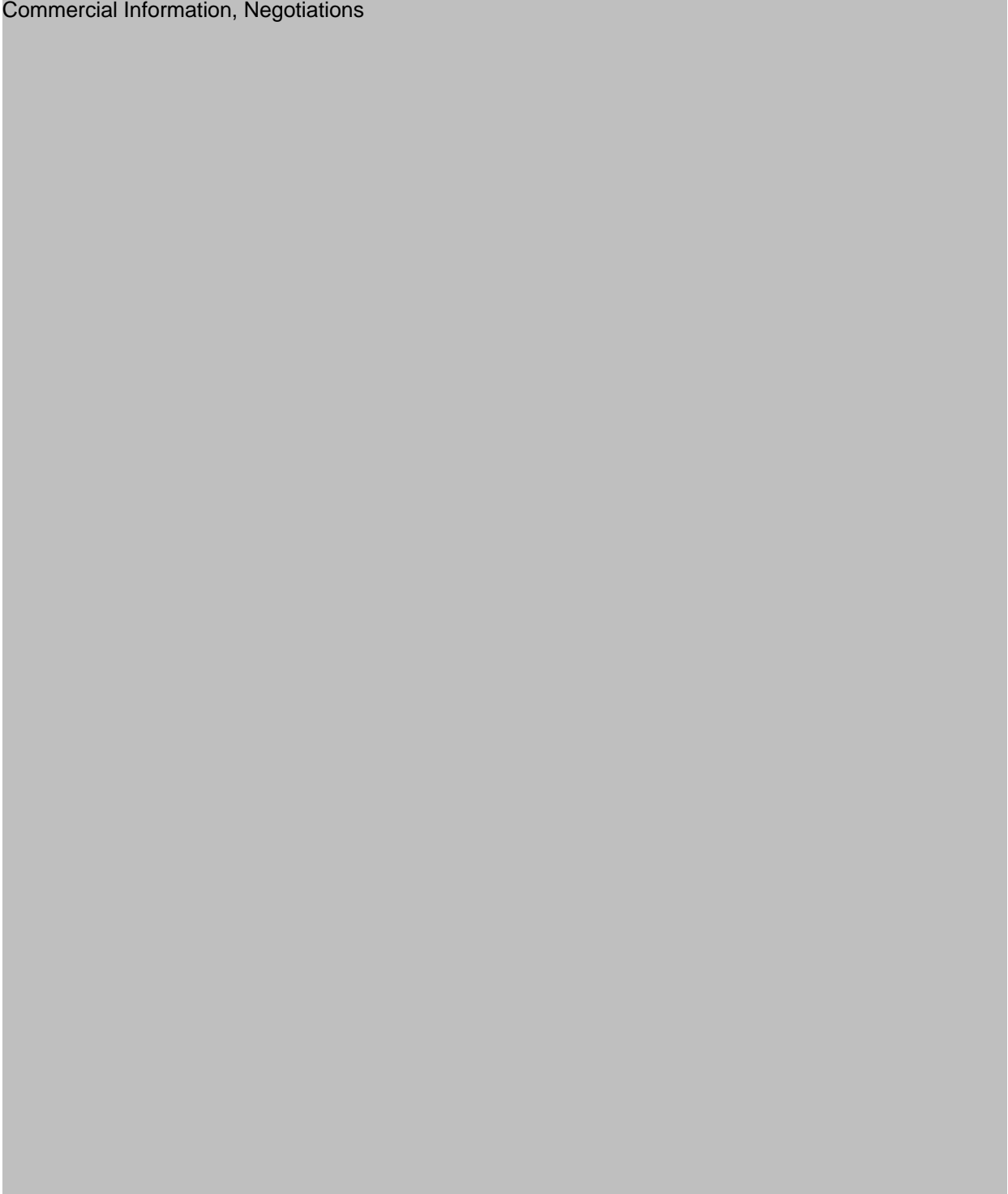
Negotiation Parameters

- 38 It is appropriate that Cabinet give direction to Kānoa as it undertakes negotiations with the two preferred parties. This will ensure that Kānoa can be assured that any deal it negotiates within these parameters will likely be acceptable to Cabinet. Note, this does not presuppose that Cabinet will agree

to any deal presented later in the process, even if it is within agreed parameters.

- 39 I propose that Cabinet direct Kānoa to negotiate a deal within the following parameters. That:

Commercial Information, Negotiations



⁵ The Tourism Bonds are held by Tuwharetoa (\$9.5 million), Taupō District Council (\$1 million), Bay of Plenty Community Trust (\$1.5 million), Māori Investments (\$1 million), Atihau-Whanganui Inc (\$500,000) and the Ruapehu District Council (\$500,000 loan)

40 Commercial Information, Negotiations
[Redacted]

Transferring the License/Concession to operate on Mt Ruapehu

41 Commercial Information, Negotiations
[Redacted]

41.1 Commercial Information, Negotiations
[Redacted]

41.2 Commercial Information, Negotiations
[Redacted]

41.3 Commercial Information, Negotiations
[Redacted]

42 Commercial Information, Negotiations
[Redacted]

42.1 Commercial Information, Negotiations
[Redacted]

42.2 Commercial Information, Negotiations
[Redacted]

42.3 Commercial Information, Negotiations
[Redacted]

42.4 Commercial Information, Negotiations
[Redacted]

43 Commercial Information, Negotiations [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Allowing new activities

44 There is interest in activities other than ski field activities taking place within the ski field areas, for example mountain biking. The TNPMP restricts activities permitted in the National Park. Mountain biking is only allowed on specified tracks near Ohakune, which was the result of a partial review of the TNPMP a few years ago. To allow mountain biking, or other activities not currently permitted under the TNPMP, DOC would normally need to run a statutory process to change the plan to allow these activities. Things to consider about the regular process for a Plan change include:

- 44.1 This would be a public process, with the outcome not guaranteed as all stakeholder views need to be taken into account;
- 44.2 The timeframe is typically 1-2 years; and
- 44.3 The Plan change needs to be considered in the context of upcoming Treaty settlements, as that is likely to impact what statutory planning documents are in place in the future (for example, other settlements have given iwi a decision making role on a plan).

45 Confidentiality [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Implementation

46 Following the conclusion of negotiations, I intend to return to Cabinet on Monday 12 June 2023 to seek agreement to the final form of the deal. If agreed by Cabinet, this will be put to creditors at the Watershed meeting on Tuesday 13 June 2023.

47 At the Watershed meeting, creditors will vote on the resolution put forward by the VA, with a successful vote having to pass two thresholds:

- 47.1 50 per cent approval by number of creditors voting; and
- 47.2 75 per cent by value of debts.

48 Free and frank opinions [REDACTED]
[REDACTED]
[REDACTED]

49 Free and frank opinions [REDACTED]
[REDACTED]

Free and frank opinions
[Redacted]

50 If the deal passes both thresholds and is accepted by creditors at the Watershed meeting, the VA will transfer the ownership of the assets and business of RAL to the preferred parties.

51 Kānoa understands from the preferred parties that, if they were successful at the Watershed meeting and Negotiations, Commercial Information [Redacted] outlined in paragraph 49, season pass campaigns could begin quickly, and that they would expect to be open for the beginning on the ski season on Monday 3 July 2023, prior to the start of school holidays on Monday 17 July 2023.

52 Commercial Information, Negotiations
[Redacted]

Why should the Crown stay involved?

53 If the current efforts with the new entities fail then the VA will move to liquidate RAL, Commercial Information, Confidentiality
[Redacted]

54 Further, this will leave physical assets on the mountain that will deteriorate very quickly (due to the weather and the physical environment). This will make it even less likely a future operator will establish themselves on the mountain.

55 Commercial Information, Negotiations
[Redacted]

56 The deal would be structured to allow Crown Commercial Information, Negotiations
[Redacted]

57 Commercial Information, Negotiations
[Redacted]

58 In summary, if the Crown wants ski fields to continue to operate on Mt Ruapehu then further investment by the Crown is required. This does not guarantee success – changing climate conditions and weather patterns may have a significant impact on the viability of the ski fields. Commercial Information, Negotiations
[Redacted]

Counter-narratives

If negotiations were unsuccessful

59 In the absence of deals being concluded with the two preferred parties, the VA has advised that it will be unable to sustain business operations from late June 2023, due to a lack of funding. Kānoa officials advise that, in this situation, the VA would likely re-approach the Crown for further support to enable a ski season to operate in 2023, while other solutions are sought. This is likely to have a significant impact on opening dates for the 2023 ski season. Cabinet could decide at that time to support further funding, or not.

If the deal was not passed at the Watershed meeting

60 If a deal is reached that was not accepted by RAL creditors at the Watershed meeting, Commercial Information, Negotiations
[Redacted]

61 Commercial Information, Negotiations
[Redacted]

Financial Implications

62 There are two sets of financial implications from any deal.

63 Firstly, this would require writing off existing loans to RAL, currently \$23 million, plus any accrued interest. Ministers will first need to agree to this and direct Crown Regional Holdings Limited (the Schedule 4A asset holding company responsible for holding loan, equity and asset investments managed by Kānoa) Directors to write off the loans.

64 Secondly, the Crown would make an equity investment in each operation. The Treasury and Kānoa are working to find a source for this funding, using reprioritised funds from the Provincial Growth Fund (PGF), and funding from the Regional Strategic Partnership Fund (RSPF). However, some funding
Confidential advice to Government
[Redacted]

- 64.1 Officials are working to determine the level of funding that could be reprioritised from unspent funds in the PGF, including funding currently held by other agencies. However, it's possible that no funding may be available from the PGF.
- 64.2 Only some streams of the RSPF can be reprioritised due to stream settings. Unless stream settings are altered, it is likely only in funding set aside for emerging priorities unallocated to any Stream, which has \$^{Commercial} million of remaining funding, could be used, meaning the total funding request from the centre could be up to \$^{Commercial} m.
- 64.3 Using PGF/RSPF funding has implications on future cost pressures faced by projects funded from the PGF. The Minister of Finance and I make twice-yearly decisions on the use of future funding made available from funds managed by Kānoa including the PGF, [DEV-21-MIN-0257 refers]. Until recently cost-pressures have been able to be met by underspends within the PGF, however in the most recent exercise underspent funds from the PGF were not able to meet cost pressures in other projects. Confidential advice to Government

- 65 There are a number of technical and financial implications to work through. When I return to Cabinet on 12 June 2023 for decisions on the final deal for RAL, I will outline the proposed funding package and any trade-offs.

Legislative Implications

- 66 There are no legislative implications associated with this proposal.

Impact Analysis

Regulatory Impact Statement

- 67 A regulatory impact analysis is not required for this proposal.

Climate Implications of Policy Assessment

- 68 A Climate Implications of Policy Assessment is not required for this proposal as the direct impact on greenhouse gas emissions is unlikely to be equal to or above 0.5 million tonnes CO₂-e within the first ten years of the proposal period.

Population Implications

- 69 There are no specific population implications associated with this proposal.

Treaty of Waitangi Implications

- 70 The Crown is committed to collective negotiations with the iwi with interests in Tongariro National Park (including Ngāti Tūwharetoa, Ngāti Rangī, Uenuku, Ngāti Hāua). Te Arawhiti has advised that the Crown should engage broadly with all iwi as it seeks a solution in respect of the ski-fields.

71 Iwi have the longest association and connection with the land comprising the national park, and the associated ski-fields, and consider the maunga tupuna (ancestors). Iwi therefore have rights and responsibilities towards, and interests in, the ongoing care on protection of the maunga above those of the general public.

72 While there are varying views from within the iwi collective about the appropriateness of infrastructure remaining on their ancestors, Kānoa has engaged in good faith with the relevant iwi to ensure that:

72.1 iwi are informed about the potential outcomes, and the Crown's preparedness to remain involved in the ski-fields;

72.2 the Crown is as well informed as possible by iwi views as it moves to make its decisions; and

72.3 Confidentiality, Negotiations [Redacted]

73 Confidentiality [Redacted]

74 Confidentiality, Negotiations [Redacted]

Human Rights

75 There are no human rights implications associated with this proposal.

Consultation

76 The Treasury, Te Arawhiti and Department of Conservation have been consulted. The Department of Prime Minister and Cabinet (Policy Advisory Group) was informed of this proposal.

DOC comment

77 DOC is working with Kānoa, as negotiations progress, in its role as land manager for Tongariro National Park on behalf of the Crown, and the grantor of RAL's concessions. DOC's primary points to note are:

77.1 Confidentiality [Redacted]

77.2 Commercial Information, Confidentiality [Redacted]

77.3 Commercial Information, Confidentiality, Negotiations [Redacted]

77.4 Concession activities must be consistent with Tongariro National Park Management Plan. The Tongariro National Park Management Plan (TNPMP) limits what commercial activities can be undertaken in the Park. Confidential advice to Government, Negotiations [Redacted]

Communications

78 I do not intend to release any statement on this issue until Cabinet makes its final decision.

Proactive Release

79 I intend to proactively release this paper, subject to any redactions necessary to protect the commercial sensitivity of relevant parties, within 30 business days of negotiations with all parties, and any associated transactions being fully concluded.

Recommendations

The Minister for Regional Development recommends that the Committee:

1 **note** that on 11 October 2022 RAL announced that PwC has been appointed as Voluntary Administrators following a resolution of RALs Directors.

- 2 **note** the total Crown investment in RAL is \$23 million, comprised of:
 - 2.1 A \$10 million loan, from the PGF, in 2018, to assist with the financing of the “Sky Waka” gondola
 - 2.2 A \$5 million loan, from the PGF, in 2020, for operating expenses
 - 2.3 A \$2 million loan, from the Multi-Year Capital Allowance, through the PGF, in November 2022, as bridging finance while the VA investigates options for RAL’s capital structure [CAB-22-MIN-0477]
 - 2.4 A \$6 million loan, from the RSPF, in December 2022, as further bridging finance to allow the VA to maintain the assets, retain the management team, and allow limited operations on the mountain [CAB-22-MIN-0561].
- 3 **note** the RAL Administrators advise there is sufficient funding remaining to maintain business functions until late-June 2023.
- 4 **note** four expressions of interest were received for the assets and business of RAL.
- 5 **note** that based on the assessment of the EOIs by Kānoa and its advisors, and prior discussions with the parties, two parties, Negotiations, Commercial Information, were recommended as the preferred parties to engage in detailed negotiation.
- 6 **note** negotiations began with parties in the week of 8 May 2023, and are expected to be concluded in the week commencing 29 May 2023.
- 7 **agree** to direct Kānoa to negotiate a deal within the following parameters. That:
 - 7.1 Commercial Information, Negotiations
[Redacted]
 - 7.2 Commercial Information, Negotiations
 - 7.3 Commercial Information, Negotiations
[Redacted]
 - 7.4 Commercial Information, Negotiations
[Redacted] II.
 - 7.5 Commercial Information, Negotiations
[Redacted]

7.6 Commercial Information, Negotiations [Redacted]

7.7 Commercial Information, Negotiations [Redacted]

7.8 Commercial Information, Negotiations [Redacted]

7.9 Commercial Information, Negotiations [Redacted]

7.10 Commercial Information, Negotiations [Redacted]

7.11 Commercial Information, Negotiations [Redacted]

8 **note** notwithstanding any agreement to the proposed negotiating mandate outlined in recommendation 7, no Crown funding decision is final unless agreed by Cabinet.

9 **note** Commercial Information, Negotiations [Redacted]

9.1 Commercial Information, Negotiations [Redacted]

9.2 Commercial Information, Negotiations [Redacted]

9.3 Commercial Information, Negotiations [Redacted]

10 **note** that officials will work on funding arrangements should the "make good" provisions fall to DOC.

12 Confidentiality [Redacted]

13 **note** I intend to return to Cabinet to seek agreement to the final structure of the deal and associated Crown contribution on Monday 12 June 2023, prior to the Watershed meeting on Tuesday 13 June 2023. This timeframe will enable ski field operations to commence in June/July 2023, in time for the 2023 season.

13 **note** at the Watershed meeting, creditors will vote on the resolution put forward by the VA, with a successful vote having to pass two thresholds:

13.1 50 per cent approval by number of creditors voting; and

13.2 75 per cent by value of debts.

14 Confidentiality, Negotiations

15 **note** there are compelling reasons for the Crown to remain involved:

15.1 The ski field is a key contributor to the economy of the Ruapehu district, with tourism making up 8.5 per cent of the regional gross domestic product (GDP) in 2021 (and 13.6 per cent of regional GDP in 2019)⁶. Related businesses, such as accommodation and food service businesses, and rental and hiring businesses, rely on patronage from visitors to the ski field.

15.2 From 2018-2021, approximately 42 per cent of domestic Tourism Electronic Card Transaction⁷ spend over the year happened in the winter months in Ruapehu, compared to 23 per cent at the national level. It is unlikely that activities other than skiing would generate this winter business.

15.3 All four EOIs included Commercial Information, Negotiations

15.4 Liquidation of the assets and business of RAL is likely to have significant consequences on employment and small businesses in the Ruapehu area.

15.5 Even if a purchaser was found through a liquidation process, it's unlikely the mountain would be able to open for the 2023 ski season, leading to impacts on the community and businesses. In fact, it's more

⁶ Source: *Regional Economic Profile - Ruapehu*. Infometrics. Retrieved 25 October 2022, from <https://ecoprofile.infometrics.co.nz/Ruapehu%2bDistrict/Tourism/TourismGdp>

⁷ The Tourism Electronic Card Transactions present the measured electronic card transactions attributable to tourism as they are based almost exclusively on physical electronic card transactions, and do not include any other form of spending such as cash, pre-purchases or online spend.

likely any purchaser cherry-pick the remaining assets for use elsewhere.

15.6 Confidentiality [REDACTED]

15.7 Confidentiality [REDACTED]

16 **note** Kānoa officials advise that, given the VA's assessment that remaining funding will maintain business functions until late-June 2023:

16.1 if negotiations are unsuccessful with the two preferred parties, the VA would likely re-approach the Crown for further support. Cabinet could decide at that time to support further funding, or not; or

16.2 if the deal was not passed at the Watershed meeting, the VA would then likely sell any moveable assets to cover its costs, put RAL into liquidation and hand responsibility back to the licensee (DOC).

17 **note** officials from the Treasury and Kānoa are working to find a source of, and mechanism for, funding. Current considerations are the Regional Strategic Partnership Fund, underspent funds in the Provincial Growth Fund or the Confidentiality [REDACTED]

Authorised for lodgement

Hon Kiri Allan

Minister for Regional Development