

10 December 2024

TEL +64 4 473 0111
Level 11, 1 Grey Street, Wellington 6011
PO Box 25620, Wellington 6140
New Zealand

s 9(2)(a)

Our ref: F36176
By email

Dear s 9(2)(a)

Response to request for information regarding Stage 2 of the survey of the *RMS Niagara* wreck

I refer to your request under the Official Information Act 1982 (the Act) to Maritime NZ of 12 November 2024 in which you requested information regarding Stage 2 of the survey of the *RMS Niagara* wreck as follows:

“...Please provide the latest costings for Stage two, please keep the costings for the two parts separate and provide detailed cost estimates from any suppliers.

My understanding is that a significant part of the cost of Stage two is a vessel with dynamic positioning (a system that maintains precise location using GPS and thrusters instead of a physical anchor) and that the New Zealand Navy had a vessel that could do this relatively cheaply. Can you confirm this vessel was the HMNZS Manawanui? Has Maritime New Zealand asked NIWA if their new research ship the Kaharoa II or the Tangaroa which have dynamic positioning could help with the work?”

Stage two: survey activity, consisting of two parts.

Part One: Visual survey of the wreck using remotely operated vehicles (ROV) to inform its state of degradation. The findings from this non-invasive visual survey contribute to the associated risk assessment.

Part Two: Use specialist equipment deployed from remote operated vehicles to assess contents of some of the vessel's bunker spaces, and measurements of hull thickness.

Response to your request

Below is a table containing the estimated cost for Parts 1 and 2 which is as quoted in US\$ and converted to NZ\$.

It is estimated that the maximum amount of fuel that might potentially be remaining in the vessel within the intact bunker tanks is up to 1,639 tons as that is the estimated capacity of the intact bunker tanks – but we do not know for certain how much fuel remains especially as it is likely significant fuel was lost at the time of the sinking and also when gold was recovered from the vessel. The age, deterioration, and orientation of the vessel suggest a survey has the risk to potentially be inconclusive due to the anticipated difficulty of access to, and survey of, the intact tanks.

A Dynamic Positioning vessel will be required for the survey due to the proximity to undersea cables. Such a vessel therefore incurs a higher cost.

These costings are an estimate for a commercial survey, not using *HMNZS Manawanui*. The costs are summarised below. These were intended to provide indicative figures to Ministers. If funding were made available a commercial procurement process would follow. NIWA, as a commercial

operation, would be able to engage in this. Maritime NZ did not specifically seek costings from NIWA.

| Stage 2 | Description | Cost \$ |
|--|--|--|
| Part 1 | Build an overall picture of the wreck using a Remotely Operated Vehicle (ROV) to facilitate the development of an oil survey plan. | NZ \$1,300,000 (US \$795,000) |
| Part 2 (Dynamic Positioning vessel) | Clean the hull to facilitate the measurement of hull thickness using ultrasonic techniques; then attempt to measure the oil levels within the accessible and intact bunker tanks using a technique called neutron backscatter, which is commonly used to assess layers of fluid within free-standing tanks and pipes. | NZ \$12,441,000 ^[1] (US \$7,575,000) |
| Total | | NZ \$13,741,000* |
| *Exchange rate calculated 15 October 2024 | | (US \$8,370,000) |
| Notes: | | |
| 1. | The Part 1 activity is a required step in preparation for the more detailed Part 2. | |
| 2. | The cost of Part 2 using a moored vessel (available in NZ) instead of a DP vessel is NZ \$4,500,000 (US \$2,785,000). Use of a moored vessel is not recommended due to the proximity of the wreck to submarine communication cables. | |
| 3. | Within the Part 2 quote above, the cost for provision of the DP vessel (sourced from SE Asia or Australia) is estimated at NZ \$7,550,000 (US \$4,600,000). | |
| 4. | These estimates do not include the costs of having a marine oil pollution response capability on standby for stage two to prepare for the increased risk of an accidental release of oil. The current estimate by Maritime NZ is that it would cost approximately \$500,000 to have a pollution response capability on standby for the duration of Part 2 of the survey. | |
| 5. | Since the <i>Niagara</i> is lying on her side, some tanks cannot be accessed. In addition, there is no guarantee that neutron backscatter measurements of the accessible and intact tanks will be able to determine the presence or quantity of oil in those bunker tanks. | |

Maritime NZ have not approached NIWA to determine if one of their vessels could be made available. Nor would we approach them or other operators until we had certainty of funding to undertake the survey and then there would need to be a procurement process that met Government procurement rules.

I trust this fulfils your request. You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that this response (with your personal details removed) may be published on Maritime NZ's website.

^[1] <https://wise.com/gb/currency-converter/usd-to-nzd-rate?amount>

If you wish to discuss this decision, please feel free to email us at ministerial.services@maritimenz.govt.nz.

Yours sincerely

A handwritten signature in black ink, appearing to read 'C Ross'.

Christine Ross
Manager, Communications and Ministerial Services