

File: B/06/08/03

## **Report 08.775**

### **Finance, Evaluation and Risk Committee**

**Minute extract from meeting held on 21 October 2008**

#### **Wholesale Water Infrastructure Assets – Review of Insurance Policy**

*Resolved*

*That the Committee:*

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Approves the insurance of the Water pipeline, lake and tunnel assets for earthquake damage to the maximum probable loss, with an excess of \$10M.*
4. *Notes that the total annual contribution to mitigating the risk of seismic damage to pipeline, lake and tunnel assets remain at \$750,000 adjusted annually at the forecast rate of inflation used in compiling the LTCCP.*
5. *Agrees that the balance between the annual insurance premium and the total amount budgeted for damage mitigation is added to the Earthquake Damage Repair Fund.*
6. *Notes that these provisions be reviewed every five years or if the insurance premium increases significantly more than the rate of inflation.*
7. *Notes that recommendations 3, 4, 5 and 6 are subject to the approval of the Parks, Forests and Utilities Committee meeting on 23 October.*