# Before an Independent Hearing Panel and Freshwater Hearing

Panel of Greater Wellington Regional Council

Under the	Resource Management Act 1991
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In the matter

of Proposed Plan Change 1 to the Wellington Regional Policy Statement

# STATEMENT OF EVIDENCE OF JENNA RAEBURN ON BEHALF OF WELLINGTON INTERNATIONAL AIRPORT LIMITED

**Hearing Stream 3** 

14 August 2023

# Amanda Dewar | Barrister

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## 1. Introduction

- **1.1** My name is Jenna Raeburn.
- **1.2** I hold a Bachelor of Laws and Bachelor of Arts.
- **1.3** I have been employed by Wellington International Airport (WIAL) since 2018. My current role is General Manager Corporate Affairs, responsible for planning, resource management, government relations and sustainability.

### 2. Purpose of Evidence

- **2.1** The purpose of my evidence is to provide:
  - (a) some background information about the Airport and aviation in the context of national climate change regulation framework and the proposed RPS provisions; and
  - (b) some context for the evidence of Ms Hunter.

### 3. Importance of airport and aviation to Wellington

- **3.1** As one of the most geographically isolated nations in the world, aviation is uniquely important to New Zealand's economic and social wellbeing. Unlike many other nations we do not have alternative land-based international travel options available.
- **3.2** Due to its geographic isolation, small population size, and open economy, New Zealand is the OECD member most heavily dependent on international aviation services, and that those air connections remain relatively high frequency, efficiently run and affordably priced.
- **3.3** A further factor making New Zealand economically and socially dependent on economical and efficient international aviation linkages is that our per-capita GDP is

substantially lower than the OECD average. Higher costs and hence higher priced international flights will have substantial, and relatively greater, detrimental effects on New Zealanders than in comparable nations.

- 3.4 This crucial role in connecting people and goods was recognised by the Climate Change Commission in their 2021 advice to the Government.
- 3.5 As just one example, tourism is worth \$10 billion to the New Zealand economy and 98% of these visitors arrive via air travel. Aviation supports all of our export industries and allows us to import vital goods such as medicines and critical workers.
- **3.6** It is impossible to quantify the social benefits of air travel, especially for a country with widespread international connections like New Zealand. Every year several million people cross our borders and there is a story behind each of those trips, whether it be grandparents seeing their grandchildren for the first time, or people attending weddings, funerals, essential business travel, or job interviews.
- **3.7** This is why it is essential that aviation prioritises emissions reductions in line with New Zealand's net zero targets at the same time as meeting these vital needs to ensure an equitable transition. I note this is complicated by the fact that domestic aviation emissions are included in the NZ ETS whereas international aviation emissions are addressed with an international lens by the Carbon Offsetting and Reduction Scheme for International Aviation (**CORSIA**), introduced by International Civil Aviation Organization (**ICAO**).
- 3.8 In a typical year Wellington depends on its airport for 11,000 jobs, \$2.2 billion in economic output, and six million passenger journeys. These numbers are forecast to roughly double over the next 20 years, though growth forecasts were set back by 5-6 years following the Covid-19 pandemic.
- **3.9** While it is vital to reduce our carbon emissions as a region and to recognise the contribution of aviation and land transport to emissions, it is also crucial to recognise that aviation and its associated infrastructure development supports economic and social connection, job growth, and development.

- **3.10** I note that the Airport is a lifeline utility under the Civil Defence and Emergency Management Act 2002 and is a member of the Wellington Lifelines Group. In the event of a significant earthquake or other hazard event, the airport is recognised as potentially the only link between the city and the rest of the country given the vulnerability of the road and rail network and the potential for the port and harbour access to be affected by liquefaction.
- **3.11** The Airport participates in national emergency exercises and is a key player in local civil defence planning with emergency response expertise and equipment enabling land and sea rescue activity in the Eastern Suburbs, South Coast and Wellington Harbour.

### 4. Wellington Airport carbon footprint

- 4.1 Wellington Airport strongly supports New Zealand's goal of net zero emissions by 2050. We are targeting net zero emissions for our own operations by 2030 and have a clear plan for achieving this, outlined in our Kaitiakitanga report released in July 2023.<sup>1</sup>
- Our emissions have reduced by 27% since 2017, and while this is largely due to Covid-19, the goal now is to decouple emissions from the expected strong growth in travel. Our emissions intensity per passenger has decreased, showing progress towards this goal.
- **4.3** Our key steps to achieve net zero, in consultation with airline partners, include:
  - (a) Tracking against transparent, science-based targets;
  - (b) Reducing overall energy use by 30% by 2030;
  - (c) Improving the efficiency of heating, cooling and lighting systems;

<sup>1 &</sup>lt;u>https://www.wellingtonairport.co.nz/about/kaitiakitanga/</u>

- Prioritising replacing our gas boilers and moving to 100% renewable energy sources;
- (e) Replacing our vehicle fleet with electric vehicles; and
- (f) Offsetting any residual emissions.
- **4.4** As part of this plan, Wellington Airport is aiming for absolute zero emissions (no carbon output at all) within our organisational control by 2050 and absolute emissions to be below 30% of our baseline year by 2030. This is consistent with the goals of the wider aviation sector including airlines.
- **4.5** As can be seen from the above, the Airport's pathway to Net Zero involves substantial reductions in emissions, rather than simply offsetting.
- **4.6** While reducing emissions to the fullest extent possible, offsets will however be required for the following:
  - Renewable Electricity Certificates (REC) as electricity drawn from the grid is not fully renewable, we rely on RECs to certify that our electricity is drawn from renewable sources and funds are recycled into renewable generation; and
  - (b) Offsetting residual fuel use from our rarely used emergency generators, and Fire Service vehicles (which do not yet have suitable electric alternatives available).
- **4.7** This combination of reduction and offsets will enable us to meet our Net Zero target.
- **4.8** In terms of reporting, Wellington Airport tracks and publicly reports on its own operational emissions annually (noting that attributing aircraft emissions to Wellington is complicated and discussed in more detail below). This includes providing audited emissions reports for certification by the Airport Carbon Accreditation (**ACA**) scheme. We have achieved ACA Level 2 accreditation which requires reporting of

verified Scope 1 and Scope 2 emissions (i.e. those emissions that are directly within our control, or from electricity).

**4.9** We are also commencing monitoring and reporting of emissions from airlines using Wellington Airport. We intend to progress to ACA Level 3 which requires reporting of our Scope 3 (supply chain) emissions, including aircraft emissions, from FY24; which also requires engaging third parties (airlines, transport providers, etc) in emission reduction initiatives.

## 5. Support for national approach to decarbonising aviation sector

5.1 Wellington Airport is supportive of the New Zealand Government's goal of decarbonising transport overall. We endorse the Climate Change Commission's and the Ministry of Transport's Green Paper's approach that decarbonising New Zealand's aviation sector needs to be focused on changes that are technologically possible at this time while also studying, enabling, and encouraging the future technological changes that will be required to achieve decarbonisation.

### 6. Industry actions underway to address carbon emissions from aviation

- **6.1** To meet Aotearoa New Zealand's net zero target, reducing our own direct emissions is clearly not enough, given that most aviation emissions come from aircraft rather than airport operations. This is why we are embracing a leadership role to help airlines that use the Airport to decarbonise.
- 6.2 As mentioned above, demand for air travel to and from Wellington is forecast to grow. If this demand is not met (which will require further infrastructure development) this will lead to extremely expensive airfares, with flying reserved for a privileged few. This is already demonstrated in the current environment, where post-Covid capacity limitations have led to a doubling or trebling of airfares.
- 6.3 Simply reducing air travel is not practical for New Zealand, given our geography long,
  thin mountainous islands, with trips often separated by water, meaning there are no
  easy land transport alternatives and this has been recognised by the Climate Change

Commission. Recent natural disasters have emphasised the crucial role that aviation plays in connecting our communities.

- **6.4** This is why airports and airlines are taking action to ensure that we can keep connecting people and destinations while managing our environmental impact. As a first step, we have worked on initiatives to reduce fuel burn and give Wellingtonians and visitors the most direct, efficient means possible to travel near or far. This has included:
  - Participating actively in Sustainable Aviation Aotearoa, the key government/industry leadership group established to collaboratively address aviation emissions;
  - Supporting electric aircraft, with an early demonstrator flight in 2021 and the establishment of a Regional Electrification Working Group involving Nelson,
    Blenheim and Kapiti Airports, along with Air New Zealand and Sounds Air;
  - Supporting the introduction of Sustainable Aviation Fuel and actively working towards a trial at Wellington Airport;
  - (d) Establishing early hydrogen demonstrators for land transport, to start introducing this technology to the airport environment in preparation for hydrogen-fuelled flights in future;
  - (e) Promoting Airport Collaborative Decision Making: This aims to improve communication between origin and destination airports, to reduce goarounds (missed approaches), holding patterns and congestion in the air to avoid unnecessary fuel use. It has the potential to save between 6000-9000t of CO2 between Wellington and Auckland alone;
  - (f) Electrification of Ground Service Equipment (GSE): We are providing infrastructure to support ground handling equipment and vehicles, including aircraft tugs and airside vehicles, to switch from internal combustion engine vehicles to EVs;

- (g) Electrification of Ground Power Units (GPUS): This enables aircraft to rely on ground-sourced electricity to power essential systems while on-stand, rather than consuming fuel through the use of on-board Auxiliary Power Units (APUS).
- **6.5** The wider aviation sector also has a goal of net zero emissions by 2050. Companies and organisations with this target include:
  - (a) Air New Zealand;
  - (b) Qantas;
  - (c) The European Union;
  - (d) International Air Transport Association (IATA) which represents airlines around the world;
  - (e) International Civil Aviation Organisation (**ICAO**) which is the global forum of states for aviation issues; and
  - (f) Airports Council International which represents airports around the world.
- 6.6 Airlines in New Zealand have embraced a leadership role in decarbonising and embracing new technologies. Supporting airlines' adoption of technology and investigating domestic production of Sustainable Aviation Fuels has been recognised by central government agencies as the best path for addressing aviation emissions. These actions are well underway and do not need to be replicated or altered at a regional or local level.
- Aviation/aircraft emissions need to be considered on a national and international level

- **7.1** It should be understood that emissions from aviation/aircraft are very difficult to reliably account for and assign to individual cities or regions, given that emissions occur throughout the flight.
- 7.2 This is exactly why Sustainable Aviation Aotearoa and the Climate Change Commission have been given the role of addressing emissions reduction on a national level to overcome the jurisdictional and accounting difficulties of regions trying to do it alone.
- **7.3** For example, Wellington Airport may wish to develop more international aircraft stands to service more international flights. This would seem to increase the number and length of flights in and out of Wellington. However, if it enables more Wellingtonians to travel directly rather than via Auckland, this would reduce overall emissions by enabling more direct and efficient journeys. Flying via Auckland adds emissions through greater distance and an additional unnecessary landing and takeoff.
- 7.4 It is also possible that regulatory costs, and consumer concern about emissions, could in future lead New Zealanders to consider shorter tourism journeys (for example, holidaying in Australia rather than Europe). This is also acknowledged in the Aotearoa Circle's Tourism Sector Climate Scenarios. Internationally, this would reduce the impact of New Zealanders' travel on global emissions; however locally, it could translate to more short-haul flights out of Wellington and fewer long-haul flights out of Auckland, thereby "increasing" Wellington region emissions.
- **7.5** Wellington's aviation forms part of a complex national and international network, and emissions reduction initiatives must be considered in this wider context. By definition, emissions from air travel are not localised to Wellington and are dependent on the entire network and external environment. It would therefore make good sense for aviation to be treated differently to other sources of emissions that have a footprint confined to the Wellington region.

#### 8. Existing government actions underway to address aviation emissions

- 8.1 New Zealand has international climate change commitments, including to set national emissions reduction targets which support global targets to limit temperature increase to 1.5°C above pre-industrial levels (as per the Paris Agreement). Domestic aviation emissions only are included in New Zealand's Nationally Determined Contribution (NDC).
- 8.2 In order to ensure New Zealand is 'doing its bit' to reach these targets, the Government has established the Climate Change Response Act (CCRA) as the primary legislative tool to drive New Zealand's climate change response. The Act was updated in 2019 via the Climate Change Response (Zero Carbon) Amendment Act 2019.
- 8.3 The CCRA requires the Government to set emissions budgets every five years, supported by Emissions Reduction Plans (ERP) to achieve the targets. So far, the Government's ERPs have included a comprehensive range of policy measures, rather than relying simply on the Emissions Trading Scheme to cap emissions.
- 8.4 At the core of the current ERP is the establishment of Sustainable Aviation Aotearoa, a public-private partnership intended to address aviation industry emissions. This includes working groups to address strategy; zero emissions/alternative propulsion aircraft; and sustainable aviation fuels. Wellington Airport is an active participant in this forum and WIAL expects it to drive much of the change required in this part of New Zealand's regulatory climate change ecosystem.
- 8.5 The Emissions Trading Scheme (ETS) is the key economic instrument for reducing emissions and sits within the CCRA/ERP frameworks. Currently all domestic aviation is covered by the ETS, meaning that airlines must pay for carbon units for each tonne of carbon emitted. This ensures that aviation emissions stay within the overall emissions cap set by government. The Climate Change Commission is currently considering whether to include international aviation and shipping in New Zealand's targets.
- **8.6** The Climate Change Commission's advice, and policy frameworks to date, have recognised aviation as a "difficult to decarbonise" mode of transport. Therefore, it is

vital that measures to address aviation emissions are taken via wider national frameworks, in order to prioritise the industries and areas best able to achieve emissions reductions in the context of New Zealand's wider targets. This is not to say that aviation should not decarbonise, but that its targets may be put on a slower track compared to other sectors, while still enabling New Zealand to meet its targets overall. This is also acknowledged internationally by the Science Based Target Initiative.<sup>2</sup>

- 8.7 Another area of regulation major airports and airlines are subject to is mandatory disclosure of climate-related financial risk. The CCRA requires all lifeline utilities to disclose climate-related financial risk. These disclosures are expected to influence investor, consumer and stakeholder behaviour. The disclosure framework brings significant discipline to Wellington Airport's approach to climate-related risk and ensures we are taking actions to both mitigate and adapt to risk. The External Reporting Board's (XRB) disclosure requirements cover emissions under the metrics and targets section.
- 8.8 While clearly RMA tools should support New Zealand's wider carbon reduction goals, the RMA is not New Zealand's primary legislative tool for addressing climate change. That tool is the CCRA. It is therefore important that RMA tools do not depart from policy settings under the CCRA. It is also unhelpful and unnecessary for other instruments to replicate the CCRA policy settings.

### 9. Natural Hazards - Wellington Airport adaptation projects

9.1 Wellington Airport is conscious of the need to not only mitigate climate impacts, but adapt to the effects of climate change. Wellington Airport completed a comprehensive physical climate change risk assessment in 2022, looking at the risk from every climate variable to each defined element under three scenarios and across three timeframes. This followed guidance from the Ministry for the Environment.<sup>3</sup>

<sup>2</sup> https://sciencebasedtargets.org/news/the-sbtis-new-interim-1-5-c-aviation-pathway

<sup>3</sup> https://environment.govt.nz/publications/a-guide-to-local-climate-change-risk-assessments/

- **9.2** Our key adaptation measure against the inundation risk from storm surge and waves is the redevelopment of our marine defences (seawalls) which protect the runway and airport assets, but also local council roads and three waters infrastructure.
- **9.3** The southern seawall as it stands is under-designed, which is not surprising given the information available when constructed in the 1950s. The original design wave adopted was a 5.2m wave height. Advances in design, allowance for climate change and better wave measurement data now dictate that a 7.4m (lower bound) design wave be adopted for future replacement work which will need to happen sooner rather than later.

#### 9.4 Wellington Airport's influence on land transport emission reduction

- **9.5** Wellington Airport has many actions underway to reduce the impact of land transport to and from the airport, including:
  - (a) New electric bus service: In October 2022, we were proud to welcome the new Airport Express bus service into action. Ten new purpose-built, fully electric buses make up the Airport Express fleet, which runs between Wellington Railway Station and Wellington International Airport every 10 – 20 minutes, seven days a week. The buses include free Wi-Fi, USB chargers and luggage racks. The service has proved very popular and offers travellers a fast, convenient and lower emissions way to access the airport;
  - (b) New electric bus depot: We have built an electric bus charging facility to support the new airport bus service on Kauri Street at the site of the old Miramar South School. The new depot provides overnight bus changing capabilities, driver amenities and vehicle wash down facilities. This 10-bus depot is the second fully electric depot in New Zealand;
  - (c) Electric vehicle charging stations: We have rolled out charging stations in the multi-level carpark building and plan to install more chargers as needed to meet demand. We also accommodate installation of chargers to support rental car operators at the Airport; and

- (d) Supporting active transport: We have newly installed e-scooter parking and additional bike racks, and are working to improve the Airport interface with walking and cycling routes. In May this year, we installed 10 new Locky Docks providing free and extremely safe bike parking – the first at any airport in New Zealand. These provide peace of mind so people can feel comfortable leaving a bike here while travelling or working here.
- 9.6 We are strong advocates for mode shift and electrification, and proud of the actions that we have underway. We support initiatives to enable bus rapid transit to and from the airport, and better walking and cycling connections.
- **9.7** We also recognise that private vehicle use will continue to be important in future, and that electrification of light transport is a key initiative under the Government's ERP. Enabling vehicles to move efficiently also reduces emissions, and therefore we are advocates for state highway improvements. Particularly within the airport context, passengers often travel from out of town, carrying luggage and family members, and it is not practical for all travellers to use public transport. Rental cars are also an essential service for many travellers, who are not able to reach their ultimate destination by public transport.

### 9.8 Conclusion

- **9.9** As can be seen from the above, the Airport is thoroughly immersed in its climate change planning and wishes to ensure that its nationally directed planning is not inadvertently undermined by any provisions in the RPS.
- **9.10** Wellington Airport is therefore very cautious about proposals that could take aviation/ aircraft emissions into account through RMA processes. If GWRC's intention is for aviation emissions to be considered in future planning and resource consent decisions, the issues above need to be thoroughly considered and the method of accounting for emissions clearly explained to ensure alignment with existing national and international efforts.

**9.11** However, in my view due to the complexity of these issues and the existing national and international frameworks to address them, it would be easier to simply exclude aviation from the climate change provisions of the proposed Plan Change.

**DATED** at Wellington this 14<sup>th</sup> day of August 2023