

20 May 2021

Pursuant to section 168 of the Resource Management Act 1991

To: Wellington City Council
And To: Wellington International Airport Limited
Service Request no: 462159
Concerning Notice of Requirement for new designated land for airport purposes. Approximately 1 Stewart Duff Drive, the majority of which is the Southern Portion (15.6 ha) of the existing Miramar Golf Course (East Side Area).

Presentation notes

Institute's background

1. The International Climate-Safe Travel Institute (ICSTI) works to bring to the attention of policy-makers and aviation users the urgent need to reduce aviation emissions based on the targets in the Paris agreement. ICSTI works with others, including experts in NZ and overseas, to provide advice on practical ways to reduce air travel and encourage low emission travel alternatives. Its principals include Chris Watson, architect, and Tom Bennion, lawyer, who are respectively the editor and authors of *Beyond Flying. Rethinking air travel in a globally connected world*, a series of essays, including several from internationally renowned environmentalists, about personal reasons and efforts to drastically reduce personal air travel due to climate change.¹

¹ <https://www.greenbooks.co.uk/Book/468/Beyond-Flying.html>

2. Roland Sapford has provided expert economic evidence. He is unable to attend given the shortened hearing. But we do not understand that the statements he makes about an absence of economic evidence addressing climate issues are contested.

Summary of position

3. Climate change is relevant to your decision in at least four respects:
 - a. Whether the proposal is reasonably necessary to meet the stated objectives;
 - b. Whether climate change will affect the proposal due to changes in demand and other impacts of climate change;
 - c. Whether the proposal is overall sustainable management under s5(2)
 - d. International commitments and government carbon neutral policy as relevant matters under Section 171(d).
4. In summary, WIAL's case for this expansion has not provided evidence that considers the climate emergency in any meaningful way. As commissioners, you are left with a contradictory proposal lacking key information. You should recommend that the requirement be withdrawn.

Objectives and reasonable necessity

5. Regarding the first objective:

*To operate, maintain, upgrade and extend the facilities at Wellington International Airport to continue to provide for the aircraft types currently in use, and likely to be in use in the foreseeable future by New Zealand's major domestic airlines and international airlines **in a sustainable manner.***

6. It has been very hard to understand what "in a sustainable manner" means. The public and decision-makers should not have to engage in guessing games about the basic objectives of a significant infrastructure proposal such as this.
7. Those words cannot mean "sustainable management" because that would simply restate the purpose of the RMA.
8. Assuming that it refers to "sustainability" of the airport in the general, Brundtland sense,² there is a problem because the airport is one of the largest sources of emissions in the region and the proposal does not contain (and indeed is unable legally to contain) any provisions directly limiting

² "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

airplane emissions. Mr Conway's evidence on future aviation technologies suggests that significant reductions will not occur until well into the 2030s, when IPCC reports and the Paris Agreement require emissions to reduce by around 45%. So we must reject that interpretation.

9. The planning JWS now refers to "sustainable infrastructure":

10. We also agree that the purpose for both designations should be expanded to make it clear that the development of "sustainable infrastructure" is provided for (this is probably already the case but we suggest that this could be clearer). By sustainable infrastructure, we mean facilities that support the move towards decarbonisation of the Airport's own activities, and also those which support the decarbonisation efforts of third parties. We consider that this still falls under "infrastructure and utility activities"

10. The problem with that interpretation is that it does not explain why an extra 15.6 hectares is "reasonably necessary" to enable some airport buildings and facilities to be sustainably made and be sustainable in their operation. We only have vague conjecture about what electric aircraft might require, and the application contradicts this notion anyway since it is explicitly based on forecasts for handling even larger aircraft in the future (Mitchell Daysh):

As shown in Table 1, it is forecast that:

- Busy Hour and Annual Passenger numbers to essentially double over the next 20 to 30 years from 1400 to 2700, and from 6.2mppa to 12mppa respectively; and
- Annual Aircraft Movements to increase over the next 20 to 30 years from 85,000 to 105,000. Notably aircraft movements do not similarly double to match that of passenger movements (only an increase of 24%). This is because airlines have signalled their intention to "up gauge" to larger aircraft, thereby resulting in greater passenger capacity aircraft utilising Wellington Airport. WIAL understands for example that Code E aircraft could be used on Trunk domestic and trans-Tasman routes within the forecasting period, particularly during peak periods.

This type of growth drives a significant demand for terminal and ancillary services to provide for passengers and other associated users of the Airport and its facilities. These are discussed below.

11. Given the tiny emissions reductions that will be achieved by this 'sustainable infrastructure' in comparison to the emissions of the airport use now, and the future emissions (which the 'sustainable infrastructure will enable), your inevitable conclusion must be that the words "sustainable manner" in this first objective are window dressing or marketing. That could be satisfied with a billboard and not 15.6 hectares of expansion.

12. Consequently, the designation is not ‘reasonably necessary’ to meet the first objective.

13. Regarding the second objective:

*To ensure the Airport facilities and activities continue to meet the **forecast passenger and aircraft demand***

14. Focussing first on aircraft demand. WIAL seeks this designation on the basis that airlines are going to ‘up gauge to larger aircraft. WIAL also says per John Howarth:

48. Further work has recently been commissioned to consider the forecast demand for electric vehicles and battery powered aircraft. This work will not only inform the airport’s future infrastructure requirements (including the potential for onsite generation) but will also provide input into the long-term asset management plans of the local lines company.

15. Accordingly, you lack the evidential basis to decide if the expansion is ‘reasonably necessary’ to meet forecast demand for electric aircraft.

16. This means that the key issue is the evidence produced about the demand for existing and future ‘up gauge’ aircraft, which will be fossil fuel powered for decades according to Mr Conway.

17. Turning to passenger demand. Climate change will affect forecast passenger demand directly in at least 3 major ways:

- a. High carbon charges that will make air travel less affordable and/or
- b. Emissions reduction requirements that will limit air travel and/or
- c. Fossil fuel powered air travel losing its ‘social licence’.

18. WIAL and InterVISTAS have not undertaken any economic assessments of the impact of these matters on demand, beyond Mr Conway’s observations.

19. His expertise for making observations about demand is unclear. His evidence invokes the expert code but breaches it in some key areas. He provides no references for his opinions and notes none of the strong countervailing evidence for some of the assertions that he makes. For example his discussion of the CORSIA offset scheme makes no reference to the fact that currently it covers only 6% of projected CO₂ emissions from all international aviation between 2015 and 2050³ and

³ <https://www.carbonbrief.org/corsia-un-plan-to-offset-growth-in-aviation-emissions-after-2020>.

that there is extensive literature and assessments that it will be ineffective, if not counterproductive to efforts to reduce airline emissions.⁴

20. In terms of high carbon charges, Mr Conway says that Sustainable Aviation Fuels (SAF) will be expensive and potentially hard to obtain:

70. I believe the main challenges for SAFs are economic with the current price difference between SAF versus Jet A-1 being three to four times more expensive per unit along with access to secure sufficient quantities of feedstocks that do not conflict with food production and supply or the availability of land and infrastructure to grow, extract and produce the fuel types.

21. No modelling of the effect of this extra fuel cost on future demand has been produced.

22. In terms of emissions reduction requirements, Mr Conway says “28 At this stage, there are no specific requirements defined for the New Zealand aviation industry by either the CCC or government”. He is technically correct. However, in December 2020, as part of the declaration of climate emergency,⁵ the government committed to a target of carbon-neutrality in all of its operations by 2025 ie within 5 years.⁶ This includes schools and universities. Offsets will need to be purchased by government agencies for any remaining emissions from their operations after 2025.

23. The Cabinet and MBIE papers surrounding this announcement indicate that aviation emissions will be a significant part, if not the major component of all emissions. Government agencies also have to look to reduce emissions in all procurement decisions, including with third party vendors.

24. No modelling of the impact of this policy on future demand has been undertaken.

25. In addition, any offsets purchased after 2025 will be a cost of carbon to NZ taxpayers. This will change the cost/ benefit equation of the Capital city airport to the regional and national economy.

26. In terms of air travel losing social licence, we no longer need to rely on anecdotal evidence.

27. There is an extensive academic literature on the topic and many surveys have been undertaken that show a large appetite for reduced flying. The largest surveys seem to be in Europe.⁷ They

⁴ Ditto. And also from NZ’s Parliamentary Commissioner for the Environment: *Not 100% – but four steps closer to sustainable tourism February 2021.*

⁵ https://www.parliament.nz/en/pb/hansard-debates/rhr/combined/HansDeb_20201202_20201202_08

⁶ <https://environment.govt.nz/assets/Publications/Cabinet-papers-briefings-and-minutes/Redacted-cab-min-and-paper-establishing-a-carbon-neutral-govt.pdf>

⁷ Eg 28,000 people surveyed across Europe in 2019-20: <https://www.eib.org/en/infographics/when-it-comes-to-air-transportation#>

alone suggests that long haul travel to NZ will be affected by attitude changes that have already occurred.

28. The Parliamentary Commissioner for the Environment is proposing a charge on some flights based on distance travelled to reduce travel demand.⁸ Air NZ's chief environmental advisor thinks that this will be a 'good thing' to put off 'thoughtless, heedless tourism'.⁹
29. No assessment of this, and no academic literature or surveys have been noted in any evidence.
30. Consequently, you have no economic evidence before you assessing forecast demand which accounts for any of these matters. The assumptions behind InterVISTAS modelling have not been provided, but there is no suggestion that they have undertaken any of this modelling. In summary, there has been no assessment of demand in this climate emergency.
31. Mr Conway concludes:

Any delay or inaction will lead to more frequent and intense adverse weather impacting the way we live, distorting the natural balance of ecosystems, and for airports potentially damaging infrastructure and disrupting business continuity.

32. But again, no assessment.
33. Consequently, you cannot be satisfied that the expansion is 'reasonably necessary' to meet this second objective.

Effects of climate change

34. Under section 7(i) the effects of climate change includes the economic effects of climate change on the proposal.
35. At least one Board of Inquiry has already considered reduced demand for a proposal under s7(i). In its Final Report and decision of the Board of Inquiry into the Peka Peka to North Ōtaki Expressway Proposal (February 2014) the Board considered whether climate change might lead to reduction in demand for the expressway, which had significant adverse effects that required mitigation:

[674] Counsel for Generation Zero put a range of related questions to Mr Dunlop on this subject.²⁹² Mr Dunlop accepted in response to a question that there could be potential effects from temperature change which could affect the

⁸ Not 100% – but four steps closer to sustainable tourism February 2021.

⁹ Sir Jonathon Porritt - <https://www.newsroom.co.nz/curb-some-flyers-to-nz-says-air-nz-adviser>

number of vehicles on the road. He also acknowledged he had undertaken no analysis of this.²⁹³ Mr Dunlop pointed to his evidence for a description of the factors which he stated included changes in emissions and efficiency of vehicles. He said:²⁹⁴

“... the WTSM model uses land use data, calibrated trip behaviour models predicted future year land use patterns, economic variables, and assumptions about future improvements to the transport system. In the 2011 revalidation of the model, significant work was undertaken to look at fuel pricing and vehicle efficiency. This work utilised information from the Ministry of Economic Development and concluded that although significant fuel price rises are forecast, they will be offset by improvements in efficiency of vehicles. These inputs have been used for the transport modelling and future forecasting.”

36. That Board concluded that the transportation modelling was sufficient in the absence of “any substantive evidence that, based on any alternative assumption, a significantly different outcome may result”.
37. The contrast with this WIAL proposal is striking. The analysis above applies.

Part 2 – sustainable management

38. Part 2 is an overarching consideration beyond the assessment of effects and the matters listed in s 171(1)(a) to (d): *New Zealand Transport Agency v Architectural Centre Inc* [2015] NZHC 1991.
39. Section 5(2) involves a broad consideration of consideration of matters including economic matters: “sustainable management means managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural well-being.” It also requires “avoiding, remedying, or mitigating any adverse effects of activities on the environment.”
40. The analysis above is relevant.
41. An enlarged airport with growing emissions will be a growing disbenefit in economic terms for the local and national economy as resources are diverted to expensive SAF fuels and/or government need to purchase offsets to deal with emissions.
42. An enlarged airport will also increase social disparity, as flights become more expensive. This may be most oppressive for poorer communities living near the airport.

International climate change instruments

43. Section 171(d) provides that you must look at “any other matter” that you consider is “reasonably necessary in order to make a recommendation on the requirement.”

44. The Paris Agreement, which was ratified by the NZ government in October 2016,¹⁰ which takes a 'carbon budgets' approach and in particular the targets within it, to "holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 °C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change." (Article 2)
45. NZ is statutorily committed in the Climate Change Response Act 2002 s5Q to net zero by 2050 which is recommended by the IPCC SR15 report. That recommendation requires a 45% reduction by 2030.
46. The government policy to be carbon neutral by 2025 is also a relevant matter.
47. We assume that WIAL has no issue accepting the relevance of these documents and targets, given WIAL's statement that "sustainability is already embedded into its business DNA and forms a key pillar of its future growth and operational plans."¹¹ It seeks to be a responsible corporate citizen in this ongoing climate emergency. It needs to update its analysis to reflect that.

T Bennion

For ICSTI

¹⁰ <http://www.mfe.govt.nz/climate-change/why-climate-change-matters/global-response/paris-agreement>

¹¹ Conway para 97.