

11 May 2023

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For the Ministry of Transport (evchargingstrategy@transport.govt.nz)

Submission on the draft “Charging Our Future” strategy

1 Air New Zealand welcomes the opportunity to submit on the Ministry of Transport’s (**MoT**) consultation on a charging strategy for low emissions transport modes in Aotearoa. We agree that a national charging strategy has an important role to play in:

- Providing certainty to all parties about the government’s role in supporting vehicle charging infrastructure (be it through policy, regulation, funding and/or other means.)
- Supporting the transition to and use of low-emissions transport by being accessible, affordable, convenient, secure and reliable.
- Supporting Aotearoa’s transition to a net zero carbon economy by 2050 as outlined in our emissions reduction plans and emissions budgets.
- Encouraging the uptake of low emissions transport modes beyond light road vehicles, such as within the heavy road/off-road transport, maritime and aviation sectors. We agree that these modes merit more detailed discussion in future versions of the national charging strategy as they are becoming ever more likely to feature prominently within Aotearoa’s transportation landscape.
- Ensuring that integrated and streamlined cross-sectoral planning and standards promote safe, timely and efficient deployment of vehicle charging infrastructure so as not to deter uptake of low-emissions transport.

2 Air New Zealand is Aotearoa’s largest domestic and international airline, providing both passenger and cargo transport services in and around Aotearoa and overseas destinations.

- 3 We currently serve 20 domestic network regions, and flies to 30 international ports across Australia, the Pacific Islands, North America and Asia. In FY22, the airline flew more than 8 million passengers, and carried tonnes of exports around the globe and domestically. Before the global pandemic, Air New Zealand's passenger numbers were significantly higher – flying more than 17 million passengers in 2019.
- 4 As the national airline, Air New Zealand has a critical role in the social and economic success of Aotearoa with respect to domestic and international tourism and travel, and export of Aotearoa's products. Aviation connects Aotearoa to the world and is vital to the basic functioning of our economy, our critical infrastructure and our health system. It is necessary for our exporters to distribute high-value goods to the rest of the world and to import the critical goods and services needed to keep our economy running. It ensures that our people can continue to connect with others at home and abroad, and it is fundamental to the ongoing success of our world-class tourism proposition.
- 5 Air New Zealand is also committed to playing its part in the global response to the climate crisis. Our central contribution to that response is the reduction of carbon emissions across our operation, with the goal of reaching net zero emissions by 2050. An interim 2030 science-based carbon reduction target is in place¹ to guide Air New Zealand and hold us to account on this trajectory. Sustainable aviation fuel (estimated to deliver 50% of our decarbonisation by 2050, comprising biofuel and "power-to-liquid" fuel produced using renewable electricity) and next generation aircraft powered directly by electricity and green hydrogen (20% by 2050) are critical technologies for reducing our carbon emissions. Supporting the development of, and transition to, these technologies is not, however, something that Air New Zealand can accomplish alone. It will require co-ordination across multiple sectors and will be a journey that must be shared with the Government and other stakeholders across the economy.
- 6 Our responses to the consultation in the following paragraphs are therefore focussed primarily on the future charging needs for electric aviation.
- 7 We support MoT's desire to further research the system-wide charging needs for aircraft and would welcome the opportunity to discuss Air New Zealand's own work in this area with MoT.
- 8 We agree with MoT that it is important that airports, local and central government are preparing proactively for the rise of electric planes in Aotearoa, and that thought must be given to regional airports who are likely to reap connectivity benefits from electric aircraft but may need support to deploy charging infrastructure.
- 9 Charging infrastructure for aircraft are likely to have high power demands and could therefore trigger significant electricity distribution infrastructure upgrades, particularly at regional airports. Furthermore, "First-mover disadvantage" triggered by distribution companies'

¹ To reduce carbon intensity by 28.9 percent by 2030, compared to a 2019 baseline. Carbon intensity means the greenhouse gas emissions per Revenue Tonne Kilometre (RTK), a measure of passenger and cargo payload carried by Air New Zealand.

policies requiring very significant portions of the upgrade costs to be paid “up front” could become an inefficient disincentive to low carbon aviation uptake. We therefore agree that reforms affecting electricity network pricing and network upgrade cost recovery should consider the needs of vehicle charging infrastructure.

- 10 Air New Zealand agrees that improving and standardising the requirements on electricity distribution companies to provide more information on connection processes, network capacity and congestion, pricing and the timeliness of processing connection requests will be helpful to all parties planning to invest in vehicle charging infrastructure.
- 11 We agree with MoT that a consistent and practical planning and approval process across councils will also support the efficient and timely implementation of vehicle charging infrastructure.
- 12 More broadly, government can play a role in supporting low carbon aviation by providing streamlined pathways for the consenting and approval of infrastructure, and by facilitating cohesive, national and regional planning of the infrastructure and natural resources that will be required across Aotearoa to decarbonise the national, integrated aviation network. Directing decision-makers at a national and regional level to consider and provide for that infrastructure in strategic locations through both the Natural and Built Environment Bill and the Spatial Planning Bill will help streamline their delivery and accelerate New Zealand’s transition to a low-emissions aviation industry and economy.
- 13 Finally, we commend MoT for considering different institutional models for vehicle charging in the longer-term. The appropriate institutional arrangements are vital to providing certainty to parties investing in vehicle charging and low emissions vehicles. They should also promote the uptake of integrated and streamlined cross-sectoral planning and standards. We encourage MoT and its agency partners to pursue “quick wins” in the short term whilst building the institutional arrangements for the long term. If not, there is a risk that a lack of certainty and streamlined process delays the uptake of charging infrastructure and therefore low emissions transport.



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