Before an Independent Hearing Panel Appointed by Wellington City Council

In the Matter of the Resource Management Act

1991

And

In the Matter of a Notice of Requirement to

designate land for Airport Purposes

known as the Main Site NOR.

And

In the Matter of a Notice of Requirement to

designate land for Airport Purposes known as the East Side Area NOR.

Statement of Evidence of Matt Clarke for Wellington International Airport Ltd

Dated: 5 May 2021

Amanda Dewar | Barrister

PO Box 7 Christchurch 8140

Email: amanda@amandadewar.com

Phone: 0212429175

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INTRODUCTION

Qualifications and Experience

- 1. My name is Matthew Norman Clarke.
- I hold a Bachelor of Commerce from the University of Canterbury and have been employed in the Airport industry for 19 years. Over that time, I have held senior leadership positions at six airports in four countries with joint or sole responsibility for the Airport Master Planning function. I have also been engaged in reviews of other Airport Master Plans as part of acquisition processes in New Zealand and overseas.
- 3. I have been employed at Wellington International Airport (WIAL) as the Chief Commercial Officer, responsible for the aeronautical and commercial business activities since 2010. I am also a non-executive Director of Nelson Airport and a Director of Wellington NZ, the marketing, event management and economic development agency of the Wellington Region.
- 4. With respect to the site subject to this Notice of Requirement I have overseen:
 - (a) the development of the 2040 Masterplan,
 - (b) the acquisition of the former Miramar Golf Club site from the Miramar Golf Club and
 - (c) the preparation and of lodgement of this Notice of Requirement to designate the site for Airport Purposes.

Scope of Evidence

- 5. In preparing for this hearing, I have read or reread the following:
 - (a) The two NOR and associated Assessment of Environmental Effects (AEE) documents;
 - (b) All further information provided by WIAL in response to requests issued by Council for each NOR;
 - (c) The reports and statements of evidence of all the other witnesses giving evidence on behalf of WIAL;

- (d) The section 42A report by Mark Ashby (Planning consultant for Wellington City Council) and its appendices;
- (e) Submissions
- (f) I also attended the open day drop-in sessions held at Wellington Airport on 28 January 2021 which was convened to enable consultation with people who are interested in the NOR's.
- 6. My evidence includes discussion about:
 - (a) the Airport and WIAL and how the airport operations benefit the community including in economic terms.
 - (b) the 2040 Masterplan;
 - (c) Aviation and Climate Change;
 - (d) WIAL's Acquisition of the ESA site;
 - (e) WIAL's Community consultation and feedback;
 - (f) The need for the expansion of the airport and the effect of COVID;
 - (g) Some issues raised by Submitters and the Section 42A Report

WELLINGTON AIRPORT CONTEXT

- 7. Wellington Airport fulfils a critical role in the city, region and country's essential transport infrastructure. During the year ended March 2021, during which the global pandemic restricted travel to only that deemed as essential by the Government, the airport facilitated over 3 million passenger journeys. In the year ended March 2020 some 5.2 million passengers used the airport for domestic travel, and 920,000 arrived or departed Wellington on international flights.
- 8. The Capital city of New Zealand is geographically isolated from the country's other main centres. Auckland, the largest centre of activity is located 644km to the North or 8 hours if travelling by car in good traffic conditions.

Christchurch, the largest centre to the South is 436km distant, but separated by the Cook Strait making an overland journey similarly around 8 hours in favourable weather and traffic conditions. The journey by train to either of these centres takes longer still, making overland journeys unfeasible for many purposes including the servicing of the Government activity which drives a significant component of the local economy.

- 9. In an average year, six million air passenger journeys are generated by a resident population in the Wellington region of approximately 500,000. This ratio of 12 flights to every resident does not speak to an unusual love of flying at one of the windiest airport locations on the planet. It speaks to necessity Wellington Airport provides the connectivity which the city and region needs to ensure that it continues to thrive in both economic and social terms.
- 10. An economic impact assessment (**EIA**) undertaken by Business and Economic Research Limited (**BERL**) as part of the 2040 Master planning found that in 2018 the activity enabled by the airport contributed \$1.1B in GDP to the region per annum, directly and indirectly supporting 11,000 Full Time Equivalents (**FTE's**). In addition to the 107 FTE's employed by the airport itself, there were 77 individual businesses operating at the airport campus from airlines to ground handlers, restaurants to rental cars and many highly skilled technical support services, directly supporting 1,342 FTE's (with a further 1,422 FTE's supported indirectly).
- 11. The airport is recognised as a lifeline utility in the Civil Defence and Emergency Management Act 2002 and is a member of the Wellington Lifelines Group (WeLG). 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. The airport participates in national emergency exercises and is a key player in local civil defence planning with deep emergency response expertise and equipment enabling land and sea rescue activity in the Eastern suburbs, South Coast and Wellington Harbour.
- 12. Wellington International Airport Limited (**WIAL**) is an Airport Authority, and as such must be operated or managed as a commercial undertaking (Section 4(3) of the Airport Authorities Act).

- 13. As an Airport Authority, WIAL is responsible for planning the development of the airport to ensure that it can meet the needs of the population it serves. It is well known that Wellington Airport operates on a constrained site and WIAL has been actively working for many years to determine how best to provide for future airport requirements.
- 14. The airport is an intergenerational asset. Some of the facilities required can take a matter of years to design, fund and build and they remain in place for 50 years or longer in many cases. In other cases, WIAL needs to be particularly agile in the way that it provides infrastructure, as aviation demands can change rapidly.

THE WELLINGTON AIRPORT MASTERPLAN

- 15. WIAL, as the guardian of the Airport, is obliged to take a long-term approach and commit resources towards planning and protecting for the future of the Airport. Care must be taken to ensure decisions are carefully considered and trade-offs understood.
- Master planning is an important component of this approach and accordingly WIAL updated its 2010 Masterplan (known as 2030 Masterplan) during 2019 (the update being known as the 2040 Masterplan). This 2040 Masterplan informs the two NOR's before the Panel for consideration and the issue of recommendations.
- 17. The 2040 Masterplan included an aviation forecast detailing:
 - (a) the aircraft types and air routes currently operating,
 - (b) the anticipated growth in passenger demand,
 - (c) the aircraft types expected to be utilised to meet that demand, and
 - (d) the airport facilities required during peak times to accommodate the required aircraft movements over the planning period.
- 18. The forecasts, derived by leading industry forecasters Intervistas, with input from the carriers serving Wellington Airport, indicate that a gradual up-gauging of aircraft (carriers utilising larger aircraft) over the planning period should be provided for, specifically on high volume routes such as the route connecting Wellington with Auckland. This up-gauging is expected to result in widebody

- aircraft such as the Boeing 787 being required to service the main trunk domestic routes at peak times, 68 seat turbo-prop aircraft replacing 50 seat variants and so on.
- 19. This trend is already evident in Wellington, with 214 seat A321 aircraft gradually replacing 171 seat A320 aircraft since 2019 and 68 seat ATR aircraft set to replace the 50 seat Q300s upon retirement of these aircraft. Wellington Airport hosted its first 275 seat Boeing 787 domestic flight from Auckland in 2017.
- 20. Accommodating larger aircraft types requires additional apron area for compliant aircraft parking and circulation. Wellington Airport has hosted scheduled services from widebody aircraft in the past, but only Code E aircraft at low frequency. The regular hosting of multiple Code E aircraft at peak times is a significant change in the way aircraft are managed on the ground at Wellington Airport. Aircraft such as the Boeing 787 and Airbus 350 are classified as Code E aircraft, requiring larger parking spaces, wider taxiway separation and larger ground handling equipment.
- 21. The extent of additional apron space now required was not anticipated in the earlier 2030 Masterplan. At that time of writing the 2030 Masterplan in 2010, the anticipated traffic volumes were expected to utilise a higher proportion of Code C aircraft. Hosting the types and volumes of aircraft now expected will also require additional terminal space.
- 22. Iain Munro from Airbiz, the Airport's design expert will discuss the aspects of the 2040 Masterplan relevant to the NORs in detail, and John Howarth, WIAL's GM Infrastructure and Development, will detail WIAL's approach to planning for various construction activities including those anticipated by the NORs.

LAND AQUISITION

Miramar South School

23. In line with the 2040 Masterplan, and subsequent to submitting the Notices of Requirement, WIAL has completed the purchase of the former Miramar South School site from the Crown. This site is now subject to an 'airport purposes' designation (for airport ancillary activities), which was incorporated into the WCC District Plan in February this year (Designation No G4).

24. The Miramar South Site is proposed to house some of the activities that will need to be relocated to allow the expansion of the aircraft apron into the East Side Area – specifically rental car storage and grooming facilities and flight catering facilities. The existing locations of these facilities will be converted to apron and taxiway areas to enable aircraft to access the area required for expansion. By enabling these relocations, the former school site provides part of an essential development pathway to enable the airport to grow its aircraft handling capacity.

Identification of Need for Miramar Golf Club land

- 25. During the information gathering process for the 2040 Masterplan, it became evident that expansion of airport activity onto MGC land was expected to be required within the Master planning period. Specifically, the airline consultation process identified that the current configuration of the passenger aircraft apron is insufficient to accommodate peak time demand efficiently and that more apron space is needed.
- 26. John Howarth and Iain Munro will speak more on the drivers for this.
- 27. The early planning for the necessary apron expansion also identified the need for Air NZ to relinquish its perpetual leasehold interest of a 1.84 hectare site on Stuart Duff Drive. This site was highly utilised by Air NZ, containing space used to park over 300 staff vehicles, a 200 vehicle undercover public carpark, aircraft parking, storage and engineering space. It is notable that whilst this perpetual lease in such a strategic location was highly valuable to the airline, Air NZ considered the essential requirement to provide additional apron space sufficient to warrant the surrender of the lease to WIAL. The lease surrender was executed on the 1st of April 2017.
- 28. Similar to the relocation of the rental car and flight catering facilities, the relocation of the Air NZ facilities was envisaged to enable the initial expansion of the apron to the current road edge. The Airlines supported the inclusion of the apron expansion project progressively over the ESA in the capital expenditure forecast which forms the basis for the aeronautical charges set by the airport.
- 29. By way of background and in summary, the price setting process for aeronautical charges is as follows. WIAL consults with its substantial airline customers every 5 years on the costs which will be incurred in the efficient

operation of the airport and the volumes of air traffic expected to require the use of the facilities over the period. Following consideration of the views of the substantial customers of the airport, new charges are set which divide these costs, including the costs of large capital projects like apron expansions by the units of traffic using the airport.

- 30. The apron expansion work is expected to cost \$106.9M over the next approximately 8 years including the cost of the land acquisition and the process to enable development of the site.
- 31. This should provide comfort regarding the need for the expansion because Airlines consider airport capital spend tantamount to their own and invest significant time and resource into identifying more efficient ways to accommodate capacity growth. Where airlines singularly or as a group consider that capital investments are not required, or could be optimised, they make this position known to the Airport and to the regulator of Airport charges, the Commerce Commission.
- 32. In WIAL's pricing consultation, Air NZ and the Board of Airline Representatives (BARNZ) expressed support for the capital expenditure plan inclusive of the East side expansion. It is noted that BARNZ, representing its member airlines supports the acquisition of the East Side Area and its development and will also speak to its submission later in the hearing.
- 33. BARNZ support represents the view of a group of experienced aircraft operators. BARNZ and its member airlines have assessed WIAL's proposal, questioned it over a period of years, and accepted that expansion onto the ESA is necessary. Further to this point, they have reached this view in the knowledge that the costs of these activities will be recovered by way of future aeronautical charges levied on their member airlines.
- 34. In 2018 WIAL formally approached MGC to discuss the potential for WIAL to agree a right to purchase the land subject to the East Side Area NOR.
- 35. The MGC Committee formed an engagement committee and I worked directly with that committee over the following months to agree terms for a land transfer. The process was highly consultative, with meetings held allowing Club members to see the draft Masterplan and to ask questions of me and our

- Infrastructure experts. WIAL funded the Club to seek expert advice on planning, legal, taxation and matters of golf club design.
- 36. On the 2nd of December 2019, the MGC members voted to sell the southern 12.9-hectare site to WIAL, and an agreement was reached with the Miramar Golf Club (MGC) to purchase 12.9 hectares of the Club site which forms the majority of the East Side Area NOR site. The agreement allows the Club to continue using the site by way of a lease until August 2023, after which the airport will have the option to terminate the lease and develop the site for airport purposes.
- 37. WIAL has had a formal relationship with MGC for many years. A prior land transaction took place in 1994 and involved the airport purchasing a piece of land from the Club for the purpose of realigning the road to create more usable area to enable the development of the main terminal building in use today. The design and location would not have been feasible without the Club land and the Airport funded a redesign of the golf course to enable the club to retain an 18 hole course.
- 38. As part of the transfer arrangement, the Club entered into a perpetual agreement granting WIAL the first right of refusal over the sale of the remainder of the MGC land as it was recognised that at some point in the future the land was likely to be required for airport redevelopment. In return WIAL agreed to a long-term sponsorship arrangement which provided the Club with an ongoing source of funds to support its activities which continues today.
- 39. The sale and purchase agreement for the transfer has been executed, the resource consent for the subdivision (SR 467449) has been issued, the survey plan for the subdivision (LT 552938) has been 'approved as to survey' and the e-dealing for the subdivision and transfer of the property from the Miramar Golf Club Incorporated to Wellington International Airport Limited is currently lodged with Land Information New Zealand for registration. WIAL is currently the beneficial owner of the property and will become the registered legal owner once the new title issues, which is expected to be in the next 5-10 working days (in advance of the hearing date).

WCC Legal Road Areas

- 40. WIAL owns all of the land subject to the NORs with the exception of two parcels which remain in the ownership of Wellington City Council. These parcels, being a 966 m² site on Coutts Street and a 1158 m² site on Moa Point Road are former legal road sites.
- 41. The Moa Point Road site is currently leased to WIAL and used for car parking. The Coutts Street site is a short piece of road reserve providing access to the airport. Wellington City Council has agreed to sell the sites to WIAL. The terms of the sale have been agreed by both parties and the terms of the transfer are being finalised.

CONSULTATION ON MASTERPLAN AND FEEDBACK RECEIVED

- 42. In October 2019 and prior to the East Side Area NOR being lodged, Wellington Airport wrote to (and hand delivered) all property owners surrounding the airport providing a copy of the draft Masterplan, a summary of the anticipated effects and also outlining WIALs intention to lodge a Notice of Requirement to designate the southern portion of the Miramar Golf Course. Most of the feedback received related to how the growth plans align with New Zealand's climate change ambitions, the need to improve infrastructure resilience, forecast traffic flows and the potential impact on the closest neighbours in Strathmore Park.
- 43. These issues are addressed in full by WIAL's experts who have provided evidence to the Panel. In summary however, WIAL's response to the feedback received in December 2019 included information noting that:
 - (a) The proposed plans to 2040 are based on forecast growth in aviation and are designed to ensure vital infrastructure for the region is capable of meeting the anticipated needs of airlines and travellers.
 - (b) Any developments will be staged in response to increasing demand over time. The projected growth equates to around 3% per year consistent with historic rates of growth seen at the airport.
 - (c) Wellington Airport has adopted a target to reduce carbon emissions from airport operations by 30% by 2030. This target aligns to global emission pathways, which aim to limit global warming to 1.5 degrees

Celsius. Wellington Airport will work closely with its architects, engineers, and contractors to ensure new construction projects meet high standards of sustainability. The Airport is also partnering with airlines to support initiatives such as electrification of ground power and performance-based navigation.

- (d) The Airport's climate change adaptation planning considers the effect of increased rainfall intensity and storm events on our existing stormwater network capacity which will inform the design of new airport infrastructure.
- (e) WIAL noted an understanding that local traffic congestion is a significant issue to the local community and had committed to facilitating any mode of future public transport adopted including continuing to enable multi-modal options to travel to and from the airport and for long term collaboration with 'Lets Get Wellington Moving'.
- (f) In response to feedback from neighbouring residents in Strathmore Park (ie residents in Bunker Way and Raukawa Street), the Airport noted that it was continuing to carry out detailed assessments to understand the effects on their properties, and that the Airport was available for further discussions. Further discussions with neighbouring property owners is outlined in more detail below.
- 44. I also note that WIAL organised two "open day" sessions on 28 January 2021 where interested parties could drop in to ask questions about the two NORs.

AVIATION IN THE TRANSITION TO NET ZERO 2050

- 45. WIAL recognises that the effects of climate change and global sustainability are of increasing importance to the community, WIAL's customers and the aviation industry, and WIAL is committed to playing our part in helping New Zealand to achieve our national target of net zero emissions by 2050.
- 46. WIAL together with its airline and aviation sector partners, work closely with government agencies to ensure that all policy requirements are met and is closely engaged in the development of climate-related policy.

- 47. The draft Climate Change Commission advice to government (February 2021) presented the recommendations for reducing emissions in New Zealand to reach the 2050 targets, including the setting of emissions budgets and the policy direction for the first emissions reduction plan.
- 48. WIAL, as a member of NZ Airports Association, submitted on the draft and will closely follow the development of the final advice and government response. The Climate Change Response Act 2002, as amended by the Zero Carbon Act 2019, is consistent with the New Zealand and Wellington City declaration of climate emergency and the net zero targets in this legislation are aligned to New Zealand's IPCC Paris climate change commitments.
- I note, as referenced in the Council Officer's report, that the Climate Change Commission in developing a pathway to reaching net zero emissions of long-lived gases by 2050 recognises that aviation, both domestic and international, is essential to New Zealand's way of life and aviation is therefore provided for in all scenarios and pathways to meet the 2030 and 2050 emissions targets. Te Atakura First to Zero (which is WCC's blueprint to make Wellington City a zero carbon capital (net zero emissions) by 2050) also identifies the critical role of the airport in a connected city. The WCC submission to the Climate Change Commission (aligned to the delivery of Te Atakura) confirmed the importance of air travel for tourism, and our reliance on air travel to stay connected to each other.
- 50. The Climate Change Commission draft emissions budgets are based on a sector approach to 2035, considering all available options for reducing emissions where the technology for doing so is possible. The challenge to decarbonise aviation is recognised, with the first emissions budgets to 2035 reflecting the sector-wide efficiency gains realised through fleet improvements, and airspace operations and infrastructure efficiency through collaboration between airlines, airports and air traffic control.
- 51. The Commission has also recognised that technology advancement is expected over the medium term to provide a range of meaningful solutions to reduce emissions from the aviation sector. Notable examples include the electrification of short-distance commercial flights, some uptake of low carbon liquid fuels (biofuels or electrofuels from green hydrogen) and further investment in next generation aircraft. This is a continuation of a long term

- sector trend, with aviation CO₂ emissions today being 56% less per passenger kilometre than in 1990.
- 52. To affirm the industry's commitment to a carbon zero future, IATA has committed to reduce total aviation CO2 emissions 28% below 1990 levels. IATAs airline members, including Air New Zealand, the operator of 73% of passenger seats to and from Wellington has committed to its targets on fuel efficiency and carbon emissions, specifically:
 - 1.5% average annual fuel efficiency improvement between 2010 and 2020
 - Carbon neutral growth from 2020
 - A reduction of 50% in net emissions by 2050 compared to 2005 levels.
- 53. More specifically at Wellington Airport, WIAL has committed to reducing the airport's operational carbon emissions (as well as waste to landfill and electricity use) by 30% by 2030. These targets inform daily decision making, including adopting energy efficient and sustainable construction into airport projects and making changes to how waste and resources are managed. WIAL's carbon emissions target is an absolute target, which means WIAL will reduce emissions irrespective of the Airport's footprint or the number of passengers serviced through the Airport.
- 54. Such clearly articulated local and industrywide commitments should provide the panel with a very high degree of comfort that the ongoing aviation activity at Wellington Airport will be managed in accordance with emission reduction targets and subsequent emissions reduction plans enacted by the Climate Change Response Act 2002.
- 55. As the Airport Authority, WIAL is obliged to plan to accommodate aviation demand to meet the needs of the residents of the city and surrounding region. As described in the evidence of Ken Conway, the industrywide response to the Climate Change issue is generating significant activity in the design of new aircraft and the investment in new technology. Given this fact, it is certain that aircraft technology will change over the next 20 years.
- 56. It is important to note that none of the changes in technology are expected to reduce the need for aircraft parking and facilitation areas as provided for in the ESA NOR. If technological change brings with it the introduction of larger

- aircraft, they will require larger parking areas as described in the evidence of lain Munro.
- 57. Conversely, should the new aircraft variants be smaller, carrying fewer passengers per movement, additional parking spaces will be required to accommodate higher frequency peak time movement volumes.
- 58. In the unlikely scenario that technological change does not lead to new aircraft designs, focus will need to be placed on enhancing the efficiency of existing aircraft. A key element in achieving this will be the avoidance of requiring aircraft to hold on the ground operating their engines at idle power waiting for an available stand as happens today. Again, this activity will require the need to develop additional parking spaces for aircraft.
- 59. The only thing that is certain about the future of aviation in a low carbon economy is that airports, including Wellington Airport will need the flexibility to accommodate changes in technology as we move toward meeting our nation's net carbon zero 2050 commitment.

NECESSITY OF EAST SIDE AREA NOR/IMPACT OF COVID19

- 60. The land subject to the East Side Area NOR is ideal for the expansion of the aircraft apron because:
 - (a) It is adjacent to the existing passenger aircraft apron;
 - (b) Aircraft hardstands can be developed such that they allow efficient walking access to the passenger terminal;
 - (c) The expansion area is sufficiently distant from the airport runway to enable the design of a compliant terminal and taxiway system;
 - (d) The apron expansion can be built without realigning State Highway 1;
 - (e) Residential properties will not need to be displaced in order to proceed with the development; and
 - (f) WIAL is the owner of the land.
- 61. John Howarth's evidence details the initial requirement for the ESA to relocate aviation support functions to enable the development of additional aircraft

- parking stands. He also notes the shortage of stands at current activity levels and the difficulties this creates in peak times and during periods of high wind.
- 62. Iain Munro's evidence details the immediate need to cater for current traffic levels more efficiently and the infrastructure developments required to accommodate the projected number and types of aircraft expected to use the Airport over the Masterplan period.
- 63. In the year ended February 2021, even during the Covid affected period, there have been instances where regional aircraft were required to hold waiting for a parking position adjacent to the terminal. In total Air New Zealand's regional fleet had to wait a combined 203 hours at idle power settings waiting for a free position. This number, equivalent to 400 flights between Wellington and Nelson illustrates the significant and immediate efficiency gains to be made from adding aircraft parking capacity at peak times. It is the avoidance of the costs of aircraft delays that justify to airlines the need to invest in additional aircraft apron.
- 64. Iain Munro, WIAL's expert in Airfield design will detail how the aircraft busy hour forecasts are generated and how these translate into apron space requirements for aircraft manoeuvring and ancillary services both today and in future.
- 65. As a consequence, and despite the recent effects of the COVID-19 pandemic on the aviation industry, the need for the designation of the East Side Area to meet the long-term growth requirements of the airport remains.
- 66. By way of background, Wellington Airport commenced operations on the current runway in 1959 and as discussed above the airport is an intergenerational asset. The current Airport Master planning period extends for 20 years and the facility will act as an essential piece of community infrastructure for many years beyond that.
- 67. IATA, the international Air Travel Association, anticipates a return to aviation growth within the next 2 5 years with the precise timing dependent upon the speed at which the COVID virus vaccinations can be administered.
- 68. The underlying support for aviation growth as an enabler of social connection and economic activity remains unchanged. These drivers have produced long

- term aviation growth of 2 3% per annum and remain valid for future planning purposes.
- 69. Wellington's air traffic is primarily (>80%) related to domestic travel. This segment of the market is expected to recover the fastest, followed by short haul such as trans-Tasman/Pacific with long haul traffic expected to remain affected for the longest duration.
- 70. In this context Wellington Airport is ideally positioned to recover quickly from the pandemic, meaning that it is as important as ever to prudently prepare to meet expected growth requirements.
- 71. The domestic travel recovery is already evident from recent operating statistics. In April 2020, the peak of the COVID-19 crisis, 6,500 passengers used Wellington Airport. In the month of May 2020 that number grew to 49,000, 130,000 flew in June and the Domestic passenger volumes recorded in March 2021 were 350,500. This represents 70% of the pre-Covid volumes even with an Auckland travel restriction affecting 11 days that month.
- 72. Mike Vincent will provide further information regarding the aviation activity forecasts and recent industry forecasts, all of which support the ongoing need for the Airport Authority to position the community asset to cater for the continued growth and change in aviation activity but noting the short delay in that growth due to the pandemic.

RESPONSE TO SUBMISSIONS

73. I respond to some issues raised by submitters below.

Noise

74. A number of submitters have requested that the Airports "Quieter Homes" Acoustic Mitigation Programme be extended as a result of airport activities expanding onto the golf course land. This programme, in accordance with the Airports Noise Management Plan, collects money from aircraft movements specifically for the purpose of providing for the installation of noise attenuation to homes most affected by aircraft noise. 647 separate residential properties on 25 neighbouring residential roads benefit from this comprehensive programme. The Wellington Airport Quieter Homes programme is based on co-existence with the airport in its current layout. However, WIAL understands

that the introduction of apron/taxiway onto the ESA will mean an altered noise environment for those closest residential properties, and as such is agreeable to a new condition to the effect that the most affected homes will be offered a ventilation package. The detail of this proposed condition and its rationale is discussed in the evidence of Laurel Smith.

- 75. By way of background information, Wellington Airport's proximity to residential areas has required it to pay close attention to the management of noise related issues. The Airport comfortably operates within the WCC District Plan noise requirements. The District Plan requires the Airport to manage its noise levels responsibly to limit the impact on the surrounding community via the implementation of a Noise Management Plan advised by the Air Noise Management Committee.
- 76. Noise is continuously measured from three locations around the local neighbourhood at the Air Noise Boundary (**ANB**). Aircraft movements are tracked and recorded, and the Airport has an overall limit of noise as measured at the ANB contained in the District Plan.
- 77. A curfew is in place which restricts the operation of aircraft outside the hours they are required to operate in order to efficiently service the trans-Tasman air routes.
- 78. Guardians of the Bays (GOTB) have submitted that WIAL has fallen far behind in its expected upgrades to residences in the Air Noise Boundary. It is important to note that the roll-out dates for 'Quieter Homes' are indicative only as the pace of development is heavily dependent on the voluntary uptake of the property owners that have been offered packages, and the level of work that is actually required in order to achieve the targeted internal noise level (45 dBA Ldn). Both of these factors have exceeded initial forecasting. The Quieter Homes roll-out in the last 12 months has also slowed as a direct result of Covid-19 but is now progressing at a rate of 3 properties per quarter.
- 79. GOTB have also submitted that there should be far greater involvement of the community surrounding the airport, and that the designation does not mention the community as being a stakeholder in the requirement of a Noise Management Plan.

- 80. The Air Noise Management Committee (**ANMC**) is an independent body with representatives including up to four local residents, the Airport, BARNZ, Airlines, WCC, and Airways NZ. The Mission Statement for the ANMC is "As a partnership between airport, operators, and the local community, provide assistance and advice to WIAL in its preparation and implementation of a noise management plan for Wellington Airport that will assist the relevant parties in complying with the objectives and rules of the District Plan".
- 81. The ANMC meets quarterly and closely monitors adherence to the methods and processes outlined in the Airport's Noise Management Plan (NMP) for remedying and mitigating adverse effects of airport noise. These procedures, such as controlling hours of flight with a curfew, restrictions on the use of auxiliary power units and engine testing have been designed to minimise the impact of airport related noise on the surrounding residents.
- 82. The conditions proffered by WIAL state that the Airport shall update its noise management plan, ensuring that its responsibility for the ongoing membership and function of the Noise Management Committee shall be set out within the Terms of Reference of the NMP. The current Terms of Reference are currently outlined in Part D of the NMP and are **attached** as **Appendix 1** and require at least three, but up to four residents' representatives on the committee. The Terms of Reference acknowledges the community as a key stakeholder.

Landscape and Visual

- 83. WIAL acknowledges that the developments outlined in the ESA development will result in Landscape and amenity effects on the closest neighbours over time. For this reason, WIAL has engaged with these neighbours directly to help them to understand the nature of the Airport's plans and the anticipated effects on their homes.
 - (a) The submission of George and Andrea Rota specifically notes the open approach WIAL has adopted in these discussions. All residents identified as being affected have been contacted directly by way of hand delivered messages and face to face discussions attended by me have also taken place.
 - (b) Since the Masterplan was finalised in 2019, three homes have sold in the area identified as being affected. These properties have all sold at

- prices more than their capital values even though WIAL's development intentions were well known. In WIAL's opinion the conditions associated with the NORs provide a strong level of protection of amenity for neighbouring homeowners.
- (c) Notwithstanding that, WIAL intends to continue to proactively engage with the property owners most affected to understand their concerns and seek to work with them to provide a solution.
- 84. Regarding the impact on landscape and visual amenity, it is important to consider that the development proposed is likely to be staged over a significant period. The earliest WIAL can take possession of the site is August 2023 in accordance with the agreement reached with the Miramar Golf Club. John Howarth's evidence details the likely staging of the development from that time and the establishment of a substantial buffer zone between airport activity and existing residential properties.
- 85. In summary, the initial impacts are likely to be difficult to discern as the incremental developments are undertaken over the two decades it is expected to take the airport passenger traffic to grow toward 12 million passengers per annum. That is why a 15-year lapse period was sought for ESA NOR even before COVID but WIAL is content to accept a 10- year lapse period as suggested by the Council's Reporting Officer.

Existing Site Utilisation

- 86. Several submitters have asked why WIAL is utilising the former Golf Club site rather than its current flat airport zoned land to the West for the proposed activities. The reasons why the land to the West is not suitable for the types of activities proposed include:
 - (a) The future need for the western side of the airport is for extended airport apron (as shown in the updated Masterplan). To support the primary passenger and freight activity of the airport, additional space will gradually be required for aircraft parking/staging areas, Code C, D and E aircraft hangarage and associated facilities. These airport services are required to be connected to the taxiway system but have a lesser requirement for connectivity to the passenger terminal.

- (b) The existing retail, commercial and light aircraft hangars on the western side of the airport are expected to be displaced as necessary. Upon each renewal of the leases in the area, demand for additional aircraft facilities is reviewed and when the space is required to support the airport's primary activity the leases will not be renewed. It is not appropriate to build new facilities in this location, when in future they would have to be removed/relocated.
- (c) The types of activities proposed to be located on the land subject to the NOR depend on proximity/efficient accessibility to the main terminal building and access to airside (i.e., to the commercial airlines). The land to the west is separated from the main terminal building by the runway.
- 87. The multi-user freight facility shown in the 2040 Masterplan will effectively replace the existing end-of-life freight buildings in a similar location, with one that meets the current needs of our existing freight tenants. These tenants require this new freight building to have direct airside access, and therefore this is the most appropriate location for them. The size of this building will be constrained by Civil Aviation rules (such as Obstacle Limitation Surface and wing tip clearances). Therefore, additional floor space, which does not require airside access, is likely to be required as aircraft traffic volumes grow, hence being provided for as part of the NOR.

Public Access through Airport

- 88. Councillor Sarah Free, the WCC Environmental Reference Group, Strathmore Residents Association, Naomi Stephen Smith have submitted that the Airport should retain public access through the site via Stuart Duff Drive. To clarify, Stuart Duff Drive is a private road owned, maintained and access controlled by WIAL. As previously described, airport land is very scarce, and the Airport Authority is obliged to use the available land to best provide for the needs of Airport activities.
- 89. The Masterplan indicates that space will remain available to retain a public road for the period to 2040. Notwithstanding that, it must be noted that should conditions change causing the land occupied by the road to be required for another airport purpose or for security purposes then that access may need to be restricted or removed.

Public Transport

- 90. Greater Wellington Regional Council and Generation Zero have submitted that public transport must be appropriately catered for by the NOR. WIAL notes that the ESA NOR is designed to accommodate aircraft facilities and the Designation will not affect the access of public transport to the airport as a whole.
- 91. Similarly, the Main site NOR does not impact the ability of the Airport to accommodate public transport. As indicated by the Masterplan, public transport is considered to be an important mode of ground transport over the Masterplan period and will be required for the airport to meet its growth expectations.
- 92. The Transport hub completed in 2017 has its ground floor dedicated to a facility designed to accommodate existing diesel and larger electric busses should these be adopted in future. Additionally, areas have been identified adjacent to the Transport hub which will enable various modes of rapid transport (such as light rail and/or segregated corridor high frequency busses) to access the main terminal building enabling the integration of whichever solution is adopted by local authorities.
- 93. WIAL has participated in the transport planning activities arranged by the Let's Get Wellington Moving organisation (**LGWM**). WIAL considers it critical that the City's and Region's transport planners are aware of the Airport's long term activity expectations to enable them to build these into the overall models predicting the future requirements and required infrastructure upgrades.
- 94. LGWM has met with WIAL to discuss the Masterplan. WIAL's growth expectations and the associated ground transport demand profiles have been provided to LGWM and for part of the long-term transport modelling for the city. Mark Georgeson discusses this matter in more detail in his evidence.

Bird Strike

95. The WCC Environmental Reference Group and Forest & Bird Youth have submitted that the increase in flights will mean an increase in bird strike, including threatened native species. The WCC Environmental Reference Group also incorrectly stated that the Civil Aviation Authority Bird Incident Rate Report states that Wellington Airports incident rate is trending upwards.

- 96. The Civil Aviation Authority (**CAA**) currently ranks Wellington Airport as having a low risk of bird strike (and has been in this category since 2010), with the bird strike incident rate trending downwards since October 2019 (based on a reported bird strike of less than five incidents per 10,000 aircraft movements (CAA, 2020)).
- 97. Over the period impacted by COVID, a reduction in aircraft activity meant there was an increase the apparent bird strike incident rate given the extreme reduction in aircraft movements. As volumes return to normal levels WIAL anticipates a reversion to the long-term activity trends.
- 98. The Airport invests substantial time and resource each year in managing and monitoring local bird populations to decrease bird strike incidences.

RESPONSE TO COUNCIL SECTION 42A REPORT

- 99. Mr Ashby has requested WIAL to address the issue of future airport activity forecasts in the context of the global pandemic and New Zealand's climate change response. Mr Vincent addresses these points in his evidence, noting that the issues have been carefully considered, and the long-term outlook for aviation growth has not changed in a material or measurable way.
- 100. The key point regarding the future activity forecasts in relation to the NORs is that the outcome of the long-term growth predictions does not affect the Requiring Authority's need for the ESA.
- 101. Anticipated future growth and the speed at which WIAL will need to accommodate it will only determine how rapidly WIAL's land holding is developed for the airport purposes enabled by the NORs.
- 102. At current activity levels during peak times aircraft parking stands are fully utilised and operating efficiency is compromised as aircraft hold on taxiways awaiting others to depart. WIAL intends to develop new apron areas as soon as practicable, and this will require the dislocation of aviation support facilities onto the ESA. Mr Howarth's evidence further describes this requirement.
- 103. The purchase of land from the Miramar Golf Club was a very significant decision for WIAL. The decision was taken after careful consideration of the alternatives and in consultation with Airline partners as the entities who will ultimately pay for the investment, and utilise the facilities created there. The

material costs associated with embarking on this acquisition, the process required to enable it to be developed and the cost of the developments themselves will be substantial.

- 104. Council has also noted that Wellington Water (WWL) had raised concerns associated with the overlap of the Main Site NOR and the existing wastewater treatment plant (WWTP) designation. WIAL has since been in contact with WWL who have confirmed that the initial information provided to Mr Ashby by WWL was incorrect, and that there are no issues in relation to WIAL's proposed designations with respect to the operation of the WWTP treatment plant and consent compliance. Once sale and purchase agreements are complete in relation to the area shown in Appendix g1 of the Councils Section 42A report, WWL intend to issue an alteration to their designation in order to follow new property boundaries. WIAL and WWL are continuing to work collaboratively on this issue.
- 105. Mr Ashby has recommended a condition relating to climate change requiring WIAL to investigate, implement and report actions that contribute to the ongoing de-carbonisation of activities at the Airport. I can confirm that WIAL is agreeable to such a condition provided it relates to its own operational activities. The exact wording can, as the Officer suggests, be discussed at the planning expert conference.
- 106. Mr Ashby has also asked that WIAL provides the latest information on the Quieter Homes acoustic mitigation programme. The updated Quieter Homes roll-out map is appended to this evidence (**Appendix 2**). The "Quieter Homes" roll-out continues for Area 3. Areas 1 and 2 are complete. The following table outlines the status of the Quieter Homes Programme as at 5 May 2021:

	Offers made	Application forms received	Site inspections	Acoustic design prepared	Legal agreements signed	Acoustic treatment installed	Acoustic treatment works underway
Area 1	38	37	37	36	32	32	0
Area 2	33	30	31	30	30	30	0
Area 3	48	39	38	26	14	11	1

107. The "Quieter Homes" team has re-forecast the roll-out programme following the hold on the programme in 2020 due to COVID. An email has been sent out to affected persons and the updated forecast programme dates have been

published on WIAL's website. The revised programme of when offers will be made is as follows:

- Area 4: 2021 (previously 2020)
- Area 5: 2023 (previously 2021)
- Area 6: 2024 (previously 2023).

CONCLUSION

- 108. Activity forecasts and the requirements to accommodate them have been developed with expert input and these have been carefully provided for with plans to stage new infrastructure over time in line with demand. These plans have been considered by airlines and determined as necessary for the operation of their activities in servicing Wellington's air traffic needs. The plans have also been shared with other stakeholders and clearly communicated to the Airport's neighbouring community. Taking into account the relevant climate change issues, in light of COVID and the Airport's strong recovery, this forecasting has been reassessed by WIAL and industry experts and remains valid for planning the long-term growth requirements of the airport facility.
- 109. The Airport has a strong track record of working with its neighbours to enable the airport activity to coexist alongside its community. The Quieter Homes programme is a visible aspect of this commitment, as is the Air Noise Management Committee and the many community support programmes WIAL invests in. These activities are designed to provide genuine and meaningful mitigations to balance the demands placed on the community by the proximity of the airport to its neighbours.
- 110. The proposed designations and development anticipated by the NORs are critical to enable Wellington Airport to accommodate growth in passenger volumes and to enhance the efficiency of facilitating existing air traffic volumes.
- 111. Wellington Airport operates on a constrained site and the physical expansion of the areas required to facilitate passenger aircraft will be essential to create the capacity required to meet demand, ease congestion at peak times and ensure that aircraft parking positions are available when they are required.
- 112. The resilience of Wellington's air travel market is a strong indicator of the necessity of air travel to the lives of Wellington residents and its visitors.

Domestic traffic volumes at the airport have already materially recovered to their pre-covid levels and connectivity to the trans-Tasman network has recently been restored. The pandemic has interrupted the growth profile of the airport, but WIAL's analysis, evidence of the recovery and industry expertise indicates that this impact is temporary.

113. The developments enabled by the NORs are intergenerational. Whilst their full extent is designed to accommodate 20 years of traffic growth, construction activity on a working airport will be carefully staged over time. WIAL has been thoughtful in its consideration of how best to manage the impacts of the proposed developments on the surrounding community. The conditions proposed reflect a balance of the need to accommodate the airport activities of a growing city against the recognised need to ensure the airport continues to exist within a local community.

Matt Clarke

5 May 2021

APPENDIX 1: ANMC TERMS OF REFERENCE									

2. Wellington ANMC Terms of Reference

Mission

As a partnership between airport, operators, and the local community, provide assistance and advice to WIAL in its preparation and implementation of a noise management plan for Wellington Airport that will assist the relevant parties in complying with the objectives and rules of the District Plan.

Principal Roles

Monitor the aviation industry's compliance with the rules as contained within the Wellington City District Plan, and other regulatory instruments.

Monitor WIALs compliance with the rules of the District Plan and the regulatory agencies' enforcement regime.

Provide an open and consultative forum for:

- Exchange of information between parties
- Discussion and recommendations on requests for exemptions/waivers

WIAL will consult the Committee on:

- Acceptable protocols for measuring and reporting noise impact, including complaints procedure
- Mechanisms for reducing or mitigating the adverse effects of airport noise
- Specifications, selection and location of noise monitoring equipment
- Best practice from overseas jurisdictions

In support of these roles -

WIAL will provide:

- Secretarial and support services
- Updated activity reports on aircraft movements, curfew etc
- Updated reports on system quality checks
- Technical reports on system development
- List of complaints and correspondence

WCC/WIAL:

Updated noise exposure reports from the noise monitoring system in a manner which is readily understood by outside observers

Aircraft operators will provide:

Updated activity reports on engine testing

PART D Review and Consultation Procedures

Residents' representatives will provide:

- List of related correspondence and complaints which arise through their networks
- Communication of Committee decisions through their networks as required.

Airways Corporation New Zealand will provide:

Information and advice on the Air Traffic Services, and aircraft operations

All parties will provide:

Information gathered through networks on relevant best practice in overseas airports

A technical working group/subcommittee is may be established to work on and report to the main committee on technical issues.

Membership

- Residents' representatives [FOUR]
- BARNZ
- Local non-BARNZ operators
- ACNZ
- WIAL
- WCC
- Technical advisor
- NZ Defence

Residents' representatives

Length of term: Three years*

* Term to align with Local Government election cycle

Representation areas (refer Figure 1)

- Air Noise Boundary east ONE Residents' representative
- Air Noise Boundary west ONE Residents' representative
- Wider airport community (WCC Eastern Ward) TWO Residents' representatives

Call for nominations for representative(s) from each of the above areas:

- Advertise for nominations
 - Public notice in Cook Strait News and Dominion Post
- Letter to all current Community Associations
- Nomination form and election procedure made available on WIAL website

Election procedure (where more than FOUR nominations are received):

- Postal vote to WCC Eastern Ward residents
- WCC Returning Officer appointed in accordance with WCC electoral policy

PART D Review and Consultation Procedures

Representative attendance policy:

- The Representatives are required to attend scheduled meetings of the committee
- After three consecutive absences a Representative is considered to have resigned from the Committee, unless the Committee finds extenuating circumstances.
- Where there are fewer than THREE Representatives on the Committee, the next highest polling nominee will be appointed to the Committee.

Quorum

Representatives from:

- Residents
- WIAL
- BARNZ
- WCC

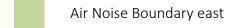
Method of conducting business

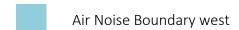
The Committee has an objective to reach consensus on issues, but dissenting views will be recorded.

Where issues fall within the jurisdiction of a particular organisation with the responsibility to make the final decision, it shall do so. For other matters where no particular organisation has the mandate to make the final decision the Chairperson shall determine whether consensus has been reached and any dissenting views shall be recorded.

Figure 1: ANMC Residents' Representation areas









APPENDIX 2: QUIETER HOMES ROLL-OUT MAP









Please note:

The above timeframes are indicative only and are subject to change. The delivery of acoustic mitigation to homes will be determined by the acceptance rate of the offer in each area.

*dates revised March 2021