

#### Regional Transport Committees Membership

##### Otago

Cr Alex Forbes (ORC, Chairman) **Meeting Chair**  
Cr Kate Wilson (ORC, Deputy Chair)  
Cr Bruce Graham (CDC)  
Cr Stuart Duncan (CODC)  
Cr Jim O'Malley (DCC)  
Cr Quentin Smith (QLDC)  
Cr Guy Percival (WDC)  
Mr James Caygill (Waka Kotahi)

##### Southland

Cr Lloyd McCallum (ES, Chairman) –  
Cr Allan Baird (ES, Deputy Chair)  
Cr Ebel Kremer (SDC)  
Cr Ian Pottinger (ICC)  
Cr John Gardyne (GDC)  
Mr James Caygill (Waka Kotahi)  
Chairman Nicol Horrell (ES) – ex officio

## Meeting of Otago and Southland Regional Transport Committees

**8 April 2022**

#### Via digital zoom meeting

Join Zoom Meeting

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**10.00 am**

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## A G E N D A

### Rarangi Take

1. Welcome Haere mai
2. Apologies Nga Pa Pouri
3. Public Forum, Petitions and Deputations He Huinga tuku korero
4. Confirmation of Minutes Whakau korero – 1 October 2021 (attached)
5. Actions Arising from the Minutes of 1 October 2021

6. Notification of Extraordinary and Urgent Business He Panui Autaia hei Totoia Pakihi
  - 6.1 Supplementary Reports
  - 6.2 Other
7. Questions Patai
8. Chairman’s Report Ngā pūrongo ā Tumuaki (attached)
9. Round the Table – “Front of mind” items from each member
10. Staff Report – 22/RTC/29
  - Item 1 - Regional Land Transport Plan 2021-2024 – Project Status Report ..... 23
  - Item 2 - Proposed Setting of Speed Limits Rule Change Update..... 39
  - Item 3 - Waka Kotahi NZ Transport Agency Update..... 41
  - Item 4 - South Island Freight Summit ..... 43
  - Item 5 - Road User Charges Consultation Report..... 56
  - Item 6 - Next Meeting..... 59
11. Extraordinary and Urgent Business Panui Autaia hei Totoia Pakihi
12. Public Excluded Business He hui Pakihi e hara mo te iwi



Gavin Palmer  
**General Manager, Operations**



W Falconer  
**General Manager, Strategy, Planning & Engagement**

## Confirmation of Minutes

- **Otago Southland Regional Transport Committees –  
1 October 2021**

## Minutes of the Otago and Southland Regional Transport Committees meeting held as a zoom on Friday 1 October 2021 at 10.00am

### Regional Transport Committees Membership

#### Otago

Cr Alexa Forbes (ORC, RTC Chair)  
Cr Kate Wilson (ORC, RTC Deputy Chair)  
Cr Stuart Duncan (CODC)  
Cr Jim O'Malley (DCC)  
Cr Quentin Smith (QLDC)  
Cr Guy Percival (WDC)  
Mr Ian Duncan (NZTA)

#### Southland

Cr Lloyd McCallum (ES, RTC Chair) Meeting  
Chair  
Cr Allan Baird (ES, RTC Deputy Chair)  
Cr Ebel Kremer (SDC)  
Cr Ian Pottinger (ICC)  
Cr John Gardyne (GDC)  
Mr Ian Duncan (NZTA)  
Chairman Nicol Horrell (ES) – ex officio

### Membership: Otago Regional Transport Committee:

Cr Alexa Forbes (ORC, RTC Chair)  
Cr Kate Wilson (ORC, RTC Deputy Chair)  
Cr Stuart Duncan (CODC)  
Cr Jim O'Malley (DCC)  
Cr Guy Percival (WDC)  
Cr Quentin Smith (QLDC)  
Mr Jim Harland (NZTA)

### Southland Regional Transport Committee:

Cr Lloyd McCallum (ES, RTC Chair)  
Cr Allan Baird (ES, RTC Deputy Chair)  
Cr Ian Pottinger (ICC)  
Cr John Gardyne (GDC)

**In attendance:** Mr James Caygill (Waka Kotahi)  
Mr Graeme Hall (Waka Kotahi)  
Mr Gordon McDonald (Waka Kotahi)  
Ms Kyla Anderson (Waka Kotahi)  
Mr Jim Crouchley (NZRT)  
Mr Peter Standring (GDC)  
Mr Nick Sargent (DCC)  
Ms Stacey Hitchcock (DCC)  
Ms Jeanine Benson (DCC)  
Mr Russell Pearson (ICC)  
Mr Garry Maloney (ORC)  
Mr Russell Hawkes (ES)  
Hartley Hare (SDC)  
Mike Harrison (WDC)  
Mrs Mel Weston (ES – Minute-taker)

## **1. Welcome**

Cr McCallum welcomed all to this meeting, especially those attending for the first time. Delegates were asked to briefly introduce themselves at this point of the meeting.

Cr Forbes welcomed all to the meeting, especially the new people.

## **2. Apologies**

*An apology for absence was recorded for Cr Graham (Clutha District Council) and for lateness for Cr Kremer. Both apologies were accepted.*

Moved: Cr Baird

Seconded: Cr McCallum

CARRIED

## **3. Public Forum, Petitions and Deputations**

No public forum, petitions and deputations were held.

## **4. Confirmation of Minutes**

### **Resolution**

*That the minutes of the meeting held on 11 June 2021 be received and confirmed as a true and accurate record, subject to the correction in item 3 and to amend Cr Lloyd to Cr McCallum and Cr Jim to Cr O'Malley in the resolution.*

Moved: Cr Forbes

Seconded: Cr Baird

CARRIED

## **5. Actions from minutes of 11 June 2021**

Mr Hawkes update the committee on the actions from the minutes dated 11 June 2021, noting that these will remain on the list and are as follows:

Item 1 - that the Regional Land Transport Plan 2021-2031 was an active work plan to be undertaken over the next three years. TSIG have work programmes that will provide guidance in early 2022.

Item 2 – This item relates to Inter-regional public transport – TAG is yet to make recommendations now that NLTP has been released.

Item 3 - The copy of the submission made on the RTC's behalf was included in the agenda for this meeting.

## **6. Notification of Extraordinary and Urgent Business**

6.1 There were no supplementary reports tabled for inclusion in the agenda.

6.2 There were no other items of business raised for inclusion in the agenda.

## **7. Questions**

No questions were asked by the meeting.

## 8. Chairman's Report

The Co-Chairs provided a verbal update:

Cr McCallum thanked the committee for the work completed on the Long Term Plan for the Road Transport and congratulated all on the good work. The result of the funding was through and noted that there had been a significant top up into the budget. Cr McCallum said with that comes greater responsibility to deliver on the work, because if we don't have that delivery, we won't get the funding that was asked for. He made a plea to the committee to watch over those programmes, and if there is any slippage to be proactive and to deliver on what they had committed to do using the funding in a timely and responsible manner. Cr Forbes reinforced Cr McCallum's comments and encouraged the committee to raise an alert should any delays or issues arise.

Cr Forbes commented on a movement that is being witnessed all around the region towards public and active transport.

- the Light foot challenge is a community organisation which has started up to encourage people to use public and active transport. In Queenstown they have 7 members including a local councillor moving without car for a week;
- the Dunedin one-way service will have an impact on the bus system;
- Arrowtown bus service has been championed by locals who ran a Facebook survey with the aim to fill a few of the busses;
- in Waikato, Wintech have subsidised 50% of all public transport (incl train) for learners, and are hoping to extend this to Waikato University;
- Queenstown work is progressing and will benefit cyclists and pedestrians, this also includes a public transport hub;
- the Transport Research Network Symposium is holding a symposium at the end of November – Cr Forbes is to report back on this.

Cr Smith added to this discussion by highlighting the importance of the following:

- An awareness of the greater community wide projects which is ongoing;
- Continuing with the work programme which needs to happen;
- To consider the broader strategy in relation to how this would support successful outcomes of these projects.

The committee agreed that using a traffic light system would be a good idea and will be developed for future reports to ensure items are kept on-track.

## 9. Staff Report

### Item 1: Regional Land Transport Plan Programme 2018-2021 Final Project Status Report

The purpose of the report was to provide the Committee with an update on projects included in the adopted Otago Southland Regional Land Transport Plan 2018-2021 and their status at the end of the RLTP period being 30 June 2021.

Cr Smith questioned the Queenstown Lakes District Council, Public Transport Hub which had been deferred to 2027-2029. Mr Caygill commented that understood this to be a change in the date to align with how it sits in the LTP but would go back to check this.

Cr Wilson enquired about the Waka Kotahi (active road user intersections – Otago) and why it was abandoned. Mr Brown commented that those intersections were safety and infrastructure programme projects and were not prioritised at that stage.

#### Resolution

*It is recommended that the Regional Transport Committee note the report and provide direction on any actions required, based on the information provided.*

Moved: Cr Wilson

Seconded: Cr Baird

CARRIED

### Item 2 – Regional Land Transport Plan 2021-2024 Update - September 2021

Mr Hawkes spoke to this report which provided the Committee with an opportunity to comment on the National Land Transport Program released by Waka Kotahi on 7 September 2021.

The late delivery for the Government Policy Statement on Land Transport (GPS) and subsequent changes to projects being proposed for funding in the National Land Transport programme meant a direct comparison with the tables included in the Otago Southland Regional Land Transport Plans were difficult to reconcile. This report was a comparison of the requested funding in the RLTP against funding approved in the NLTP, including details of the projects that were included in the RLTP but were not funded or included in the NLTP. This was not an easy process and Mr Hawkes apologised if there were any minor errors in the report.

Cr O'Malley noted that the maintenance renewals were well funded, however was concerned about the Maitai intersection. This item had been raised with the RTC on numerous occasions, noting that it never gets advanced. He raised safety concerns and stressed that this could potentially result in a serious accident occurring.

Cr Forbes encouraged the committee to be working better with the territorials in supporting the walking and cycling activity classes, noting the reduction in the funding. Mr Bopp questioned when the approvals from Waka Kotahi are expected for the Transport Planning Activity Classes. Mr Caygill was not aware of the approval dates and agreed to follow up on this matter.

Cr Wilson enquired if there were standards for walking and cycling ways and what the consideration was for climate change for all, including those with disabilities. In this discussion, Invercargill City Council (ICC) was recognised for this and Mr Russell Hawkes was asked to extend an invitation to a representative from ICC to discuss this process went.

### **Resolution**

*It is recommended that Regional Transport Committees resolve to:*

1. *Note the report and to provide staff with direction based on the information provided.*

Moved: Cr Forbes

Seconded: Cr O'Malley

CARRIED

### **Item 3 – Waka Kotahi NZ Transport Agency Update**

Cr McCallum took the opportunity to welcome Mr Caygill to his first meeting. Mr Caygill spoke to his presentation and provided the committee with a verbal update on the activities of Waka Kotahi NZ Transport Agency.

Items highlighted in this report included:

- New transport services regional model;
- NLTP update – the effect the delayed report had on Councils' was acknowledged and the processes moving forward will be better aligned;
- Debt funding, including a review of the funding model to make it fit for purpose;
- Speed management and infrastructure programme development for Otago and Southland;
- Maitauro level crossing part of bid for low cost low risk programme for 2021-2024.

Mr Hawkes assured the committee that the timing issue of the NLTP and RLTP, including activity classes had been identified, across the county, through the Transport Special Interest Group (TSIG) organisation as being major barriers in terms of transport planning going forward. A TSIG - Transport Agency MOT work group was set up and is underway to look at actual time frames and the interrelationship between the different plans that are required that lead to the make-up of the NLTP, noting that none of them are aligned. The other issue was the activity classes which are set through the GPS and the funding bands are quite restrictive. The TSIG has started discussions with various parties on the way that these classes are structured and in the future there could possibly be some changes coming through.

The issue of effluent disposal sites was raised, noting that there are currently nine sites in the Otago district which works really well and only one in Southland. Mr Crouchley asked if any progress had been made in establishing an additional site/sites in the Southland district. Cr McCallum that this item was delayed due to the complicated process and had not dropped off the radar. Mr Hawkes commented that the present LTP does not include an additional site and this is partly because they do not rate very highly in the GPS approvals. Mr Hawkes and Mr Crouchley would continue the discussion in the future which will include the background and the potential in moving this forward.

Cr O'Malley asked why the Maitauro Intersection safety project was not included in the State Highway approved projects in the NLTP. This project has been a priority for the combined RTCs for the past two RLTPs. The Committees requested a letter be sent to Waka Kotahi reinforcing the priority the



RTCs have on the projects and the previous correspondence between the Committees and Waka Kotahi. Mr Hawkes to prepare and send an appropriate letter.

#### **Resolution**

*It is recommended that Regional Transport Committees resolve to:*

1. *Note the report and provide any feedback to Waka Kotahi NZ Transport Agency included in the presentation.*

Moved: Cr Baird  
Seconded: Cr Forbes  
CARRIED

#### **Resolution**

*It is recommended that Regional Transport Committees resolve to:*

2. *Give instruction for a formal letter to be sent to the agency, highlighting previous correspondence in relation to the Maitua Intersection Safety Project and to request that this project be given priority to the development of the next stages in the funding process.*

Moved: Cr Wilson  
Seconded: Cr O'Malley  
CARRIED

*Mr James Caygill abstained from this vote.*

### **Item 4 – Canterbury Mayoral Forum Letter**

The South Island Regional Transport Committee Chairs Group were scheduled to have a meeting on 27 August 2021. This meeting did not take place due to COVID-19 restrictions. The Canterbury Regional Transport Committee and Mayoral Forum discussed a number of items similar to those proposed for the South Island RTC chairs meeting and as a result of their discussions a letter was sent to the Minister of Transport raising a number of concerns specially related to Canterbury.

This item provided an opportunity for the Combined Regional Transport Committees to discuss this letter received by the Committee Chairs from the Canterbury Mayoral Forum to the Minister of Transport regarding Resilience in Canterbury.

Cr McCallum recommended that this be brought forward to the next meeting of the Regional Sector in order to be more co-ordinated in this discussion, thereby adding more value.

#### **Resolution**

*It is recommended that Regional Transport Committees resolve to:*

1. *Note the report;*

Moved: Cr Baird  
Seconded: Cr Forbes  
CARRIED

*It is recommended that Regional Transport Committees resolve to:*

2. *Otago Southland combined RTC's support the Canterbury Mayoral Forum approach to the Minister of Transport and request that the matters included be referred to the South Island RTC's chairs Group for further discussion across the South Island action.;*

Moved: Cr McCallum (chair)

Seconded: Cr Forbes

CARRIED

## **Item 5 - Regional Speed Management Plan Proposal – Combined RTCs Submission**

This report provided the Committee with a copy of the submission on the RTC's behalf following the Meeting of the RTC on 11 June 2021.

Cr Smith commented that consistency is required across the board and that the agency should provide further clarity on the expectations around speed settings.

An update arising from these submissions will be added onto the agenda for the next meeting.

### **Resolution**

*The Regional Transport Committees resolve to:*

- 1) *Note the report and provide any feedback to the Waka Kotahi NZ Transport Agency on the report.*

Moved: Cr Baird

Seconded: Cr Wilson

CARRIED

## **Item 6 - Next Meeting**

The next meeting of the Otago and Southland Regional Transport Committees will be held on 4 March 2022, or if required, earlier at the discretion of the Committee Chairmen.

### **Resolution**

*The Regional Transport Committees resolve to:*

- 2) *Note the next meeting of the Regional Transport Committees be held on 4 March 2022, or if required, earlier at the discretion of the Committee Chairmen.*

Moved: Cr Wilson

Seconded: Cr Kremer

CARRIED

## **10. Extraordinary and Urgent Business**

### **NZ Cycle Way**

Cr Wilson attended the NZ Cycle way's annual general meeting and raised concerns to the committee on the following:

- there is a disconnect between priorities and priority settings;
- parties to this included MBI and Waka Kotahi, with no overarching interaction with RTC's;

- NZCT is reviewing what their role is

The Committee agreed that Mr Caygill would investigate further and would co-ordinate any further actions through Mr Hawkes.

## **11. Public Excluded Business**

No Public Excluded Business was held.

## **12. Closure**

There being no further business Cr Forbes closed the meeting at 11.56 am.

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Co-Chairperson

## Actions arising from the Minutes

#	Item source	Item	Responsibility	Status
1.	RTCs 11 June 2021	Regional Land Transport Plan 2021-2031 Approval – Active Work Plan for the next three years	Russell Hawkes	Still in development with major emphasis on incorporating climate change response and emission into the RLTP <b>Work is ongoing</b>
2	RTCs 11 June 2021	Inter- regional public transport, travel management projects, shared plans across the regions.	Russell Hawkes / Garry Maloney	Public transport review being undertaken by MoT and Waka Kotahi that is likely to provide lead information for next RLTP <b>Work is ongoing</b>
3	RTCs 1 October 2021	Traffic light system incorporated into project reports.	Russell Hawkes	As this is the first report for the 2021-2024 RLTP the traffic light has not been included but will for future updates using this report as a base.
4	RTCs 1 October 2021	Letter to Waka Kotahi regarding Matura intersection reinforcing RTC priority.	Russell Hawkes	Complete

## Chairman's Report

## Chair's report RTC - April 8, 2022

### 21 February 2022 South Island Chairs meeting online

- Updated South Island Freight Summit arrangements
- Worked on Draft Scope for a South Island Strategic Network Model

### 28 March 2022 South Island Freight Summit online

A full day event designed to 'develop a shared understanding of South Island Freight issues and opportunities'. This event well achieved its objective of bringing to our attention the current state of play of the South Island freight network from several perspectives. A prior briefing paper outlined the real and pressing issues of our transport system, plus the fact that rail and coastal shipping (but not airports or air freight) are included in the latest GPS Land Transport. The brief (attached) outlined and explored several strategic issues:

- Decarbonising Freight
- Freight Resilience
- Freight Efficiency

and considerations such as:

- South Island Freight Task
- Investment in rail and coastal shipping
  - o Rail and coastal shipping included for first time as an activity class in the 2021-24 GPS Land Transport
- The role of RTCs

### The facilitated Summit featured presentations from key players/stakeholders:

**Ministry of Transport** – move from 'just in time' to 'just in case' model for resilience. Global volatility in supply chains is now a key feature. Key issues: Climate Change and Population Growth & Density. Ministry proposes a 30-year strategy towards solving issues.

**Lyttleton Port Company** – Bigger ships wanting to visit fewer ports. Trend towards hub and spoke model needing internal freight options. Ports fed by coastal shipping and rail.

**Pacifica Shipping** – logistics and supply chain services and solutions needed. Currently only 1 coastal freighter carrying general freight around NZ (excludes Cook Strait ferries and other dedicated lines). International ships do not equal taxes to coastal ships – sector underfunded by govt. Domestic freight (NZ) to increase by 50% by 2046.

**Kiwi Rail** – 'Critical enabler'. \$8b government funding. RTCs asked to support KiwiRail by understanding reliability issues and being patient. Rail has much to contribute to solving all the identified issues.

**Kai Tahu** – Sector needs to pivot to provide solutions that protect the environment for future.

**Fairfield Freight Hub** – Government funding, private partnership.

**Sorted Logistics** – Coastal shipping and rail more sustainable by road. Messages for RTCs included:

- Invest in rail infrastructure to reduce carbon
- Hydrogen rollout
- Remove barriers for innovation and agility (RMA)

- Facilitate collaboration
- Promote importance of supply chain

**Hiringa** – Confidential presentation on hydrogen and its place – particularly for highest impact segment of the fleet. How/where hydrogen could be produced. Messages for RTCs included:

- Price and efficiency will improve
- Fuel cell and battery electric are complementary tech and will both be necessary to decarbonise the fleet
- Government is backing hydrogen for heavy transport
- Question is how to aggregate 30 trucks in the South Island? (a viability point).

## **Public Transport ORC discussions and decisions**

### **23 March ORC Council Meeting**

Accepted government package to halve all PT (including Wakatipu Ferry) for 3 months. This takes the usual bus fare of \$2 in both urban centres (Dunedin and Queenstown) to \$1. There are of course other fares, such as the Ferry and concessions which have different pricing. Unclear whether or not Total Mobility was included in this reduction.

Potential issue is increasing demand (likely to be induced rather than mode shift) beyond capacity to meet it. No plans to respond to demand increase so risk of poorer service and customer dissatisfaction. Interesting to note speed of government response when it chooses.

### **24 March Dunedin City Council ORC meeting**

To discuss what governance structure could best achieve shared aspirations for a public transport system:

- Agreed that a more robust relationship will help achieve shared goals.
- Agreed there is a need for regular governance meetings – monthly/quarterly.
- CEs to come up with a governance plan that might reflect our collective aspirations.

### **9 March Data and Information meeting**

- 2021/22 Dunedin/Queenstown patronage year to Jan 2022 17% down (Dunedin), 16% down (Queenstown).
- Comparing with pre-Covid year (2018/19) Dunedin is down 9% and Queenstown 44% down.
- Queenstown ferry is in the figures for the first time – fare revenue up 8%, patronage up 20%.

### **8 December Implementation meeting**

- Electric bus trial – 28 Sept to 29 Oct 2021 to see how an electric bus might perform on the Dunedin network given the city's topography. Overall a success.
- No issues with range, hill routes or turning circle. Carried 3,193 passengers doing 3,148 km over 198 hours in service. Saved 2,511 kg CO<sub>2</sub> in direct emissions (not including reductions such as removing single occupancy cars).
- Operational savings could offset the cost of purchasing EVs over the years.
- ORC to reduce bus service levels if Covid-19 issues continue. This is because of difficulties in delivering reliable service given reducing driver availability. This has been a challenge in the early months of this year.

# South Island Freight Summit



## Briefing Paper: South Island Freight Summit

v1.0 16 March 2022

### Purpose

1. To provide a high-level briefing for attendees of the South Island Freight Summit (hosted by the South Island Regional Transport Committee Chairs Group) on South Island freight.

### Summit Purpose

To develop a shared understanding of South Island freight issues and opportunities.

### Attendees

- South Island Regional Transport Committee Chairs and Deputy Chairs
- Chairs and Chief Executives of South Island Regional Councils
- Waka Kotahi and Transport Officers.

### Guest Attendees

- Kirstie Gardener, Acting CE, Lyttelton Port Company
- Jan Hintz, Line Manager Pacifica Shipping
- Suqui Thng, Principal Advisor- Supply Chain, Ministry of Transport
- Kris Webster, Director, Sorted Logistics
- Sue McCormack, Chair, Kiwirail
- Mark Heissenbuttel, South Island Operations Manager Kiwirail
- Todd Moyle, COO, Ngai Tahu Holdings Ltd
- Mark Wareing, Wareing Group
- Ryan McDonald, Hiringa Energy

### Scope

Seaports, road, rail and coastal shipping (in scope). Freight and supply chain efficiency and freight decarbonisation. Freight mode shift to rail. Airports and air freight out of scope. Last mile delivery out of scope.



## **Background to the South Island Freight Summit**

The South Island Freight Summit meeting is a first step in picking up on previous freight work undertaken at a South Island level and enabling elected members across the South Island to work and advocate more collaboratively and effectively on freight.

The Canterbury Mayoral Forum (CMF) had a very successful freight tour in February 2021 visiting Christchurch International Airport Limited, Lyttelton Port Company, Kiwirail and Timaru. In August, the chairs and chief executives of South Island regional councils were to hold a follow-up freight meeting. This was unfortunately postponed due to COVID. Following that postponement transport officers identified the South Island Regional Transport Committee (South Island RTC) Chairs as a key forum to progress collaborative freight discussions and began to arrange an in-person meeting.

In November 2021 the South Island Regional Transport Committee (South Island RTC) Chairs met in-person for the first time in over a year and were briefed on the freight topic. The chairs subsequently agreed to hold a joint freight meeting with regional council chairs and chief executives in attendance to better understand and address South Island freight movement.

The Ministry of Transport also held a number of early stakeholder engagement workshops with freight sector operators across Aotearoa in September/October 2021. The intent of these workshops has been to hear directly from the industry about the issues it is facing and opportunities to improve transport system outcomes, with a view toward developing a national freight and supply chain strategy. This has informed the drafting of an issues paper that the Ministry intends to engage on in April-May 2022. The strategy will consider how to decarbonise freight, as well as improve freight efficiency and effectiveness.

## **Strategic issues impacting the freight sector**

### **Decarbonising Freight**

Reducing transport sector emissions is emerging as a major strategic driver of both central and local government investment in the transport network over the next 2-3 decades. As much as 40 per cent of road transport greenhouse gas (GHG) emissions in Canterbury and across the South Island can be attributed to the movement of freight. Freight emissions are very closely correlated with the amount of diesel used by trucks. Nationally, heavy vehicles contribute around a quarter of transport emissions in Aotearoa, despite representing just 6 per cent of vehicle kilometers travelled on NZ roads.<sup>1</sup>

The discussion document on a National Emissions Reduction Plan suggests a 25 per cent reduction in GHG emissions from freight is required by 2035 to put Aotearoa on a pathway to net zero emissions by 2050. Currently, with a steadily increasing South Island and national freight task, and without any new interventions, greenhouse gas emissions from heavy vehicles in NZ will peak much later than for light vehicles, as late as 2030.

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<sup>1</sup> *Green Freight Strategic Working Paper* (2020), NZ Ministry of Transport

More fuel-efficient heavy vehicles can help to reduce the amount of emissions produced, but the weight they carry and distance they travel limits their overall impact on emissions. Therefore, transitioning the existing trucking fleet directly to alternative energy sources (electric, hydrogen and biofuels) is seen as having the greatest emission reduction potential over the medium to long-term.

Achieving freight mode shift to rail and coastal shipping is also seen as a key part of the solution. Transporting freight by rail typically generates around 66 per cent fewer emissions than heavy road freight<sup>2</sup>. Coastal shipping is touted as being even less emissions intensive. However, road freight tends to be the cheapest option where distances are short and cargo volumes are low. As of 2012 the combined modal share of rail and coastal shipping was just 8.6% of the South Island freight task.<sup>3</sup> Since 2012, their share of South Island freight movement has fallen further.<sup>4</sup> Even if rail and coastal shipping freight volumes were to double in the next 10-20 years, the vast majority of domestic freight movement (over 80 per cent) will still travel by road. Decarbonising heavy vehicles will be critical.

There is a high degree of uncertainty around the timeframe in which zero emission freight vehicles will be commercially available. Battery electric heavy trucks are evolving rapidly however they are still not readily available and there remain significant barriers to uptake. While battery-electric heavy vehicle technology has the edge for lighter loads, shorter-hauls and urban distribution, hydrogen is emerging as the preferred candidate for heavier hauls across longer distances, and there will likely be a mid-range where the two technologies are directly competing. In the interim, the government considers increased use of biofuels could also have a role to play in reducing the emissions intensity of the existing fleet.

Given the market-led nature of the supply chain system, initiatives to reduce emissions will have to be carried out in close consultation with the freight industry and/or be private sector-led, with government providing a vision and direction for change and/or supporting infrastructure. Despite all this, the Ministry believes that concerted effort by industry has the potential to drive rapid emissions efficiency gains, with the right incentives.

## **Freight Resilience**

Ongoing supply chain disruption caused by COVID has exposed the vulnerabilities and inefficiencies in global and local supply chains. Current trends toward centralisation, just-in-time delivery and larger ships that only call at the deepest ports pose challenges for a country like NZ that is a distant point in global supply chains. Taken together, these changes suggest a need to shift toward more of a hub and spoke model and to work more effectively across transport modes. However, many freight stakeholders have a view only of their part of the system, and not of the whole sector.

The South Island freight task is forecast to increase substantially, but the island has a low population base, challenging geography and is prone to a range of natural hazards that frequently disrupt key freight routes. Waka Kotahi's National Resilience Programme Business Case identifies that for State Highways; Canterbury, Top of the South, West Coast

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<sup>2</sup> *The value of rail in NZ* (2021), prepared by EY consultants for Kiwirail.

<sup>3</sup> *Draft South Island Freight Plan* (2015), Waka Kotahi NZ Transport Agency

<sup>4</sup> Freight Information Gathering System (FIGS)

and Otago regions are four of the top 5 at-risk regions in New Zealand by number of natural hazard risks identified, and the top four regions by criticality (the number of risks with a major or critical risk rating).<sup>5</sup>

## Freight Efficiency

As mentioned earlier, the recent experience of the coronavirus pandemic has demonstrated that our domestic supply chains are perhaps not as efficient as they could be. Improving the efficiency of our supply chain includes opportunities to optimise freight routes, equipment and vehicles, and to make better use of data and supporting information sharing and collaboration.

While the evidence shows that NZ's freight sector is generally robust, competitive, and well-performing. The further role of a strong public sector in helping to overcome the challenges currently faced by freight operators and in encouraging greater innovation needs to be considered. This includes externalities the sector creates that might warrant public intervention.

## South Island Freight Task

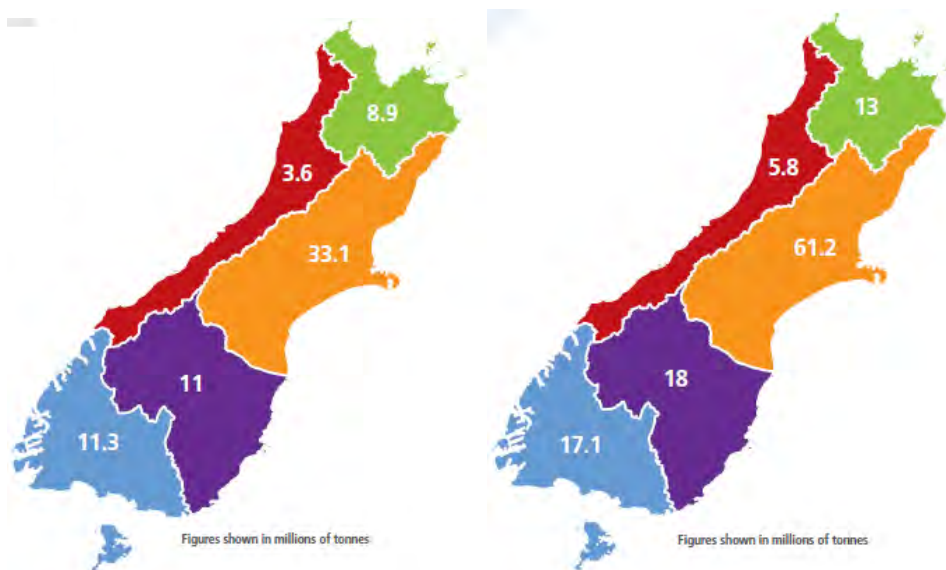
The Draft South Island Freight Plan (2015) showed that most freight (between 84 - 87%) travelled within the South Islands regions rather than across them. Canterbury accounted for approximately half of the total freight moved around the South Island. The South Island had substantial projected freight growth with an additional 47.7 million tonnes forecast to be carried annually in 2042 (compared with 69.3 million tonnes in 2012). This equated to an additional 1.7 million truck trips per annum in 2042 compared with 2012, or 4,667 truck trips per day across the South Island network. The fastest growing commodities (by weight) were liquid milk and manufactured dairy, aggregate, general freight and limestone, cement and fertiliser.

The South Island contains two major container ports, one at Lyttelton in Christchurch and another at Port Chalmers in Dunedin, plus six regional ports (Nelson, Picton, Westport, Greymouth, Timaru and Bluff). The report noted substantial flows into Canterbury from the West Coast, reflecting the movement of coal. There were also large flows outbound from Canterbury, reflecting its role as a distribution hub for the entire South Island. Canterbury was anticipated to account for approximately 60 per cent of South Island freight growth to 2042.

**Figure 1:** The South Island freight task, by region, 2012 actual (*shown left*) and 2042 predicted (*right*). All figures are in millions of tonnes. (Draft South Island Freight Plan, 2015)

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<sup>5</sup> See Appendix F (pages 7-8) of the National Resilience Programme Business Case [here](#).



There are a number of external influences that determine the routing of international container cargo within the South Island. History has shown that shipping lines from time to time alter their vessel schedules to either exclude or include ports. These decisions are driven by global companies and trends and at relatively short notice can place additional pressure on the local logistics network as international trade volumes shift to different areas and modes.

The opportunity to increase ship size following the opening of the new Panama Canal, the consolidation of international container ship operators into just three major alliances, and a surge in the building of ultra large container ships imply that larger ships will want to call at New Zealand ports, which will require large investment in port and harbour infrastructure. The international focus on sustainability is also a driver of greater economies of scale and investment in larger vessels.

### Investment in rail and coastal shipping

Rail and coastal shipping were included for the first time as an activity class in the 2021-24 Government Policy Statement (GPS) on Land Transport. This effectively means that rail and coastal shipping are now funded in the same way, and on an equal footing with, road networks. The new approach recognises that like roads, the rail and coastal shipping networks deliver broader transport benefits and should be funded accordingly. It means that future investment decisions can be based on which transport mode delivers the best overall outcomes for a given freight task. A sizeable portion of the South Island’s imports come into Auckland or Tauranga and are then railed or coastal shipped down.

### Coastal shipping

The 2021-24 GPS allocated \$30-45 million in funding for coastal shipping. Waka Kotahi has subsequently commissioned three reports to better understand the current state of the sector and assist it in how best to invest the GPS funding. The first of these reports ‘the state of play’ report has been completed and is appended to this briefing paper for further information.

New Zealand's coastal shipping sector consists mainly of the transport of dry and liquid bulks and containerised freight. The two main bulk commodities carried are petroleum products to/from Marsden Point refinery and cement, imported to Auckland and Timaru and then transhipped to smaller ports, and from Golden Bay Cement's Portland cement works in Northland. Nationally, coastal shipping carries about 3.5 per cent of NZ's total freight task. Containerised cargo and empty containers are transported by the Pacifica service (22%) and by international container ships transiting through NZ ports (78%). Some of this is repositioning of empty shipping containers, primarily from Auckland and Tauranga to South Island ports.

## **Rail**

The Government is also investing significantly in improving the rail network, including through renewing locomotives and the inter-island ferries which will support reducing the emissions from rail. A total of \$1.35bn has been committed to the Rail Network Improvement Programme (RNIP) in the 2021-24 period alone. Outside of the RNIP a total of \$4.58b is being invested in rail, including \$1.59b in rolling stock and mechanical facilities, \$664m in Auckland and Wellington metropolitan rail network upgrades, \$1.45m in new lines and stations and \$435m in the I-REX project, the Interislander ferry replacement. This includes 20-40 new locomotives for the South Island

The iReX – Inter-Island Resilience Connection project, is a significant inter-regional activity as the freight will flow into Canterbury, however most of the work on the rail network is in Picton and Spring Creek/Blenheim. The project will more than double the rail freight capacity on interislander ferries and reduce the transit time for rail between the North and South Islands by a whole day. Rail freight carried between the islands is mostly domestic goods e.g., household retail. This has not dropped off despite the shift to e-commerce.

However, South Island rail freight overall is down on previous years, due to many factors including disruption; Kaikoura earthquakes, Ashburton and Rangitata floods, and coal demand being down. Flooding means the rail network has been down for 1-6 weeks somewhere in the South Island annually for the last few years e.g. Ashburton, Rangitata. Prior to the Kaikoura earthquake Kiwirail ran 4 trains a day along the main north line, the service frequency now has only just returned to 3 services a day. Conversely, Kiwirail's Marlborough rail freight task has increased a sizeable amount through this period.

Coal is roughly 50 per cent of Kiwirail's South Island freight task by tonnage, and Kiwirail expects it will remain part of the freight task for a while yet. Kiwirail currently move 20 per cent of the freight through Lyttelton Port and consider this could realistically grow to about 40 per cent, but not much more, due to the origin-destination points of the remaining 60 per cent not being served by rail. The utilisation of rail at Port Chalmers is much higher, between 40-60 per cent.

Looking forward to the future, improving rail utilisation will mean investing in more projects such as the Fairfield freight hub in Ashburton and in rail sidings and spurs to link major producers to ports. Understanding how Regional Transport Committees can help support and nurture these projects through the planning and funding processes is critical.

## The role of Regional Transport Committees

The primary role of Regional Transport Committees is to prioritise projects put forward for central government co-funding within their regions in accordance with their Regional Land Transport Plans, which set the regional strategic direction for land transport. But they also have a key informal role supporting, advocating, and facilitating change across the whole transport sector. They work closely with Waka Kotahi and central government and are supported by transport staff in their respective councils.

The South Island RTC Chairs have previously developed or been heavily involved in-

*Draft South Island Freight Plan (2015)*, available [here](#).

The draft plan was led by Waka Kotahi and identified South Island wide actions and region-specific actions. Many of the actions sat with Waka Kotahi and some of them are now underway or completed. There is an opportunity to review and update the freight plan with a view toward finalising it.

The *South Island Freight Mode Shift Study (2019)*, available [here](#).

This study, commissioned by Chairs, concluded that there are substantial opportunities to achieve more beneficial freight mode splits by facilitating the movement of freight by rail; by either direct transfer from road or providing new opportunities for rail-served development.

The Chairs may look to pick up on this previous work and engage in the development of a National Freight and Supply Chain Strategy.

## Item 1 Regional Land Transport Plan 2021-2024 – Project Status Report

<p><b>ES ID:</b> A757662</p>	<p><b>Strategic Direction:</b>                  ES - Diverse opportunities to make a living &amp; Communities empowered and resilient                  ORC – Resilient communities engaged and connected to the Otago Regional Council</p>
<p><b>Report by:</b>                  Russell Hawkes, Lead Transport Planner (ES)                  Garry Maloney Transport Manager (ORC)</p>	<p><b>Approved by:</b> Lucy Hicks, Policy and Planning Manager</p>
<p><b>Executive Approval:</b>                  Wilma Falconer, General Manager, Strategy Planning &amp; Engagement (ES)                  Gavin Palmer, General Manager, Operations (ORC)</p>	

### Purpose

The purpose of this report is to provide the Otago and Southland Regional Transport Committees (RTCs) with an update on projects included in the adopted Otago Southland Regional Land Transport Plan 2021-2024 (RLTP).

### Summary

One of the functions of an RTC is to monitor progress on delivery of the various projects included in the RLTP. Tables 1 to 5 and 7 to 11 below provide current approval and expenditure levels for continuous programmes approved in the National Land Transport Plan. Tables 6 and 12 provide details of the improvement projects included in the RLTP, as adopted by Council in June 2021. The tables provide the current status of each project with associated comment from the Road Controlling Authority.

### Recommendation

**It is recommended that the Regional Transport Committees resolve to note the report and provide direction on any actions they require, based on the information provided.**

### Report

#### Background

At the combined RTCs meeting on 11 June 2021 the RTCs approved the draft RLTP 2021-2031 for submission to Waka Kotahi. The RLTP included details of the various projects and programmes for which funding was being sought from the National Land Transport Fund. The National Land Transport Programme released by Waka Kotahi in August 2021 included details of the programmes and projects approved for funding, or would be considered for funding once final applications had been made by the approved authorities involved. The tables below (Tables 1 to 12) reflect the programmes and projects included in the RLTP, their current funding status and, if applicable, the expenditures to date for each item.

As would be expected at this time in the three-year programme cycle, projects are at different stages in their funding approval cycle. Some programmes have been impacted by COVID-19 but generally the impacts have not been significant across the two regions.

### **Significant Changes**

- SH1 Regional Boundary to Invercargill Safety Improvements
- SH 94 Milford Road to Te Anau Downs Safety Improvements
- SH1 Mosgiel to Balclutha Safety Improvements
- SH1 Oamaru to Dunedin (Hampden to Palmerston) Safety Improvements
- SH1 Oamaru to Dunedin (Herbert to Hampden) Safety Improvements

A number of other projects have been deferred as a result of the Approved Organisations priorities changing. These are referred to in the comments section of the table.

### **Views of Affected Parties**

There are no matters in this report which require consideration under this heading.

### **Legal Compliance**

There are no legal issues identified within the report.

### **Consistency with Council's LTP/Annual Plan/Policy/Strategy**

The contents of this report are consistent with Environment Southland's and Otago Regional Council's planning requirements.

### **Financial and Resource Implications**

There are no financial or resource implications for Environment Southland or Otago Regional Council contained in this report.

### **Attachments**

1. Tables 1 to 12



**Table 1: Southland Work Category 432 Safety Promotion & Education**

*Figures based on RCA submitted claims to date*

Road Controlling Authority	Approval to 30 June 2022	Claimed to February 2022	Total Three Year NLTP approval	%
Combined Southland Councils	\$525,915	\$297,151	\$1,727,200	56%

**Table 2: Southland Activity Class 8 & 9 Maintenance and Renewals**

*Figures based on RCA submitted claims to date*

Road Controlling Authority	Approval to 30 June 2022	Claimed to February 2022	Total Three Year NLTP approval	%
Department of Conservation	\$538,845		\$1,616,535	0%
Gore District Council	\$5,130,505	\$1,856,822	\$15,625,001	36%
Invercargill City Council	\$11,803,715	\$5,715,129	\$35,805,997	48%
Southland District Council	\$29,863,763	\$18,503,300	\$92,717,526	62%
Southland State Highway Network Operations	Not available in TIO	Not available in TIO	\$122,278,175	

**Table 3: Southland Walking & Cycling**

*Figures based on RCA submitted claims to date*

Road Controlling Authority	Approval to 30 June 2022	Claimed to February 2022	Total Three Year NLTP approval	%
Gore District Council	\$3,277,644	\$132,229	\$3,277,644	4%
Invercargill City Council	\$0	\$0	\$950,000	48%
Southland District Council	\$23,986,000	\$0	\$0	0%
Southland State Highway Network Operations	Not available in TIO	Not available in TIO	\$762,477	

**Table 4: Southland, Local Roads Improvements**

*Figures based on RCA submitted claims to date*

Road Controlling Authority	Approval to 30 June 2022	Claimed to February 2022	Total Three Year NLTP approval	%
Department of Conservation	Not available	Not available	\$50,000	0%
Gore District Council	\$292,052	\$33,910	\$593,463	12%
Invercargill City Council	\$2,100,000	\$0	\$3,550,000	0%
Southland District Council	\$0	\$0	\$365,000	0%

**Table 5: Southland Road to Zero**

*Figures based on RCA submitted claims to date*

Road Controlling Authority	Approval to 30 June 2022	Claimed to February 2022	Total Three Year NLTP approval	%
Gore District Council	\$0	\$0	\$0	0%
Invercargill City Council	\$271,128	\$0	\$2,607,745	0%
Southland District Council	\$853,000	\$1,710	\$2,335,2281	1.5%
Southland State Highway Network Operations	Not available in TIO	Not available in TIO	\$1,514,743	

**Table 6: Named Improvement Projects**

Project Details Southland						Project Development & Status				
Project	Project Owner	Activity Class	Project Stage	RLTP/NLTP Program (\$)	Planned Start Year	Current NLTP Status	Stage Complete (%)	Current Status	Status Last Report	Comment
SH1 Regional Boundary to Invercargill	Waka Kotahi	SH Improve ments	Not in NLTP	\$17,400,000	2021/22	Included in RLTP Only				Not Started
SH1S Bluff Highway and Elles Road Intersection Improvement	Waka Kotahi	SH Improve ments	Construction	\$3,562,945	2021/22	Funding Approved	80%	Highway works complete, 4 <sup>th</sup> leg to commence in near future		Committed Project From 2018-2021 RLTP
Strategic Business Case Development	Waka Kotahi	SH Improve ments		\$250,000	2021/22	Included in NLTP	0%	Pretender		Homer Tunnel Business case? Validate funding as previously approved approx. \$600k
Milford Road to Te Anau Downs	Waka Kotahi	SH Improve ments	Not in NLTP	\$1,000,000	2021/22	Included in RLTP				
CIP SH94 Homer Tunnel	Waka Kotahi	Waka Kotahi		\$25,000,000	2020/21	Funding approved	15% of funding committed	Design phase for \$16M Avalanche shelter, Construction phase for \$5M safety improvement, Construction phase for \$4M equipment room construction		Committed Project from 2018-2021 RLTP

**Table 7: Otago Work Category 432 Safety Promotion & Education**

*Figures based on RCA submitted claims to date*

Road Controlling Authority	Approval to 30 June 2022	Claimed to February 2022	Total Three Year NLTP approval	%
Central Otago District Council	\$74,077	\$35,538	\$229,652	48%
Clutha District Council	\$105,000	\$35,548	\$324,000	34%
Dunedin City Council	\$472,920	\$254,935	\$1,418,760	54%
Queenstown Lakes District Council	\$156,910	\$46,529	\$470,730	30%
Waitaki District Council	\$174,132	\$51,742	\$536,453	29%

**Table 8: Otago Activity Class 8 & 9 Maintenance and Renewals**

*Figures based on RCA submitted claims to date*

Road Controlling Authority	Approval to 30 June 2022	Claimed to February 2022	Total Three Year NLTP approval	%
Central Otago District Council	\$9,007,076	\$5,847,449	\$27,874,688	65%
Clutha District Council	\$15,139,246	\$4,904,418	\$44,468,524	32%
Department of Conservation	\$84,937	\$9,017	\$254,811	11%
Dunedin City Council	\$34,751,666	\$22,091,620	\$104,254,998	63%
Queenstown Lakes District Council	\$15,311,776	\$6,918,105	\$48,978,957	45%
Waitaki District Council	\$10,906,653	\$3,040,877	\$35,016,800	28%
Otago State Highway Network Operations	\$48,240,238	Not available in TIO	\$153,924,419	Not available

**Table 9: Otago Walking & Cycling**

*Figures based on RCA submitted claims to date*

Road Controlling Authority	Approval to 30 June 2022	Claimed to February 2022	Total Three Year NLTP approval	%
Central Otago District Council	\$0	\$0	\$270,000	0%
Clutha District Council	\$0	\$0	\$0	-%
Dunedin City Council	\$4,868,107	\$2,629,176	\$4,868,107	-%
Queenstown Lakes District Council	\$724,843	\$339,843	\$2,340,000	47%
Waitaki District Council	\$0	\$0	\$270,000	0%
Otago State Highway Network Operations	\$1,305,739	Not available in TIO	1,305,739	Not available

**Table 10: Otago, Local Roads Improvements**

*Figures based on RCA submitted claims to date*

Road Controlling Authority	Approval to 30 June 2022	Claimed to February 2022	Total Three Year NLTP approval	%
Central Otago District Council	\$1,470,500	\$8,261	\$2,734,500	6%
Clutha District Council	\$851,000	\$274,806	\$2,593,000	32%
Department of Conservation	\$170,000	\$0	\$170,000	0%
Dunedin City Council	\$24,774,404	\$2,287,941	\$24,774,404	9%
Queenstown Lakes District Council	\$3,734,257	\$1,642,329	\$3,734,257	43%
Waitaki District Council	\$565,512	\$0	\$2,469,196	0%
Otago State Highway Network Operations	\$992,819	Not available in TIO	\$1,771,199	Not available



**Table 11: Otago Road to Zero**

*Figures based on RCA submitted claims to date*

Road Controlling Authority	Approval to 30 June 2022	Claimed to February 2022	Total Three Year NLTP approval	%
Central Otago District Council	\$1,173,000	\$0	\$1,335,500	0%
Clutha District Council	\$0	\$0	\$0	-%
Dunedin City Council	\$6,433,944	\$1,235,906	\$16,915,072	19%
Queenstown Lakes District Council	\$5,673,778	\$1,568,682	\$16,505,334	28%
Waitaki District Council	\$1,625,932	\$168,341	\$1,760,800	33%
Otago State Highway Network Operations	\$3,910,235	Not available in TIO	\$10,418,505	Not available

**Table 12: Named Improvement Projects**

Project Details Otago						Project Details Otago				
Project	Project Owner	Activity Class	Project Stage	RLTP/NLTP Programme (\$)	Planned Start Year	Current NLTP Status	Stage Complete (%)	Current Status	Status Last Report	Comment
SFDT - Mosgiel and Burnside Park and Ride Facilities	Dunedin City Council	PT Services	Implementation	\$5,250,000	2022	Included in NLTP	5%	SSBC	none	SSBC provider appointed
SFDT - Princes Street Bus Priority and Corridor Safety Plan	Dunedin City Council	Local Roads Imp	Implementation	\$7,068,000	2022	Included in NLTP	5%	SSBC	none	SSBC provider appointed
SFDT - Harbour Arterial Efficiency Improvements	Dunedin City Council	Local Roads Imp	Implementation	\$15,810,000	2021	Included in NLTP	20%	Construction SSBC Lite On hold	none	Stage 1 Wharf Street Intersections complete Stages 2 and 3 SSBC lite commenced Stage 4 on hold due to NZTA SH88 Processes
George Street Upgrade	Dunedin City Council	Local Roads Imp	Implementation	\$35,000,000	2021	Included in NLTP	25%	DBC	none	3 water renewals are proceeding ahead of Transport and Urban design improvements. DBC to be lodged with agency imminently
SFDT - Central City Parking Management.	Dunedin City Council	Local Roads Imp	Single-Stage Business Case	\$11,500,000	2023	Under Review Part Included in NLTP	5%	POE	none	POE accepted by Agency for wayfinding and technology elements
Safer Streets - arterials improvements	Dunedin City Council	Walking & Cycling	Implementation	\$18,308,157	2024	Included in NLTP as DUC	35%	SSBC/ On Hold	none	SSBC endorsed by NZTA 2 Arterial projects have been attached to DTT
Dunedin Tunnels Trail	Dunedin City Council	Walking & Cycling	Implementation	\$28,700,000	2022	Included in NLTP as DUC	30%	SSBC	none	SSBC to be lodged with agency imminently DCC to engage with community around funding whole DTT project
Tertiary Precinct Project	Dunedin City Council	Road To Zero	Implementation	\$1,160,000	2022	Funding Approved	5%	Concept	none	Funding approved within LCLR programme Albany St connection to be implemented through SFDT
Tertiary Precinct Project	Dunedin City Council	Road To Zero	Single-Stage Business Case	\$20,000,000	2030	RLTP	15%	Strategic Case/On Hold	none	Strategic case completed Project deferred to 30/31
North East Valley Cycleway	Dunedin City Council	Walking & Cycling	Pre - Implementation	\$11,500,000		RLTP	0%	On Hold	none	SSBC funding approved however project placed on hold and effort switched to DTT
Rail Passing loop	Dunedin City Council	PT Infrastructure	Implementation	\$6,600,000		RLTP	0%	ON Hold	none	Funding not approved not aligned with RNIP
SFDT - Central Cycle and Pedestrian improvements	Dunedin City Council	Walking & Cycling	Implementation	\$7,750,000	2021	Pre-imp included in NLTP as possible	20%	SSBC Lite	none	Albany Street Connection SSBC due to be completed June 2022- Public engagement May 2022
Waterfront Bridge	Dunedin City Council	Walking & Cycling	Implementation	\$12,750,000	2025	Included in NLTP	30%	SSBC/ On Hold	none	SSBC complete, project on hold

Project Details Otago						Project Details Otago				
Project	Project Owner	Activity Class	Project Stage	RLTP/NLTP Programme (\$)	Planned Start Year	Current NLTP Status	Stage Complete (%)	Current Status	Status Last Report	Comment
WATN Route C5: Arthurs Point to Queenstown	QLDC	Walking & Cycling	Implementation	\$10,300,000	24/25-26/27	RLTP	0	Design completed		Arthurs Point Crossing delayed – waiting on Bridge Feasibility Report.
WATN Route A8: Lake Hayes Estate to Frankton	QLDC	Walking & Cycling	Implementation	\$4,000,000	24/25-26/27	RLTP	0	In design		Deferred to 2024-2027 RLTP, no Local Share or NZTA funding
Lakeview Arterial Upgrade	QLDC	Local Roads Imp	Implementation	\$9,594,393	21/22	RLTP	20	Started		Project fully funded by QLDC to be completed in 2021/22 and 2022/23
Isle Street Walking and Cycling Upgrades (CP0007238)	QLDC	Walking & Cycling	Implementation	\$533,299	22/23	RLTP	0	Not started		Budget in 2022/23
Hay Street Walking and Cycling Upgrades (CO0007245)	QLDC	Walking & Cycling	Implementation	\$148,388	22/23	RLTP	0	Not started		Budget in 2022/23
Wanaka Primary Cycle Network Provision	QLDC	Walking & Cycling	Single-Stage Business Case	\$16,175,000	23/24	RLTP		Not started		Deferred to 2024-2027 RLTP. Wanaka Network Optimisation Plan currently underway (51% funded by NZTA) which will help inform this project in future years.
Land Stabilisation - Crown Range SPR (TR)	QLDC	LRI Local Roads Imp	Implementation	\$240,000	24/25-26/27	RLTP	0	Not started		Deferred to 2024-2027 RLTP, no Local Share or NZTA funding
Land Stabilisation - Glenorchy SPR (TR)	QLDC	Local Roads Imp	Implementation	\$240,000	24/25-26/27	RLTP	0	Not started		
GY/Paradise/Rees River Bridge Resilience (TR)	QLDC	Local Roads Imp	Implementation	\$220,000	21/22	Funding Approved	0	Not started		Waiting for update from contractors
Lakeview Isle Street Upgrade	QLDC	Local Roads Imp	Implementation	\$1,534,529	22/23	RLTP	0	Not started		Budget in 2022/23
Lakeview Brunswick Street Retaining Wall Upgrade	QLDC	Local Roads Imp	Implementation	\$718,000	22/23	RLTP	0	Not started		Budget in 2022/23
Quail Rise to Hawthorne Drive Road Link HIF Stage 1	QLDC	Local Roads Imp	Implementation	\$1,200,000	21/22 – 22/23	Funding Approved	5	Investigation works		Developer agreement on hold
Quail Rise State Highway 6 HIF Bus Stop	QLDC	PT Imp	Implementation	\$740,000		RLTP	0	Not started		Likely will not spend. Developer agreement on hold
Woolshed Rd Formation (TR)	QLDC	Local Roads Imp	Implementation	\$1,000,000	23/24	RLTP	0	Not started		In conversation with developer

Otago and Southland Regional Transport Committees – 8 April 2022

Project Details Otago						Project Details Otago				
Project	Project Owner	Activity Class	Project Stage	RLTP/NLTP Programme (\$)	Planned Start Year	Current NLTP Status	Stage Complete (%)	Current Status	Status Last Report	Comment
Lake Wakatipu Ferry Infrastructure Improvements	QLDC	PT Imp	Implementation	\$1,000,000	21/22	RLTP	0	Investigation works		Forecast to spend \$100,000 in 2021/22 remainder in 2022/23 - 2023/24
Wakatipu Park and Ride Infrastructure Provision	QLDC	PT Imp	Implementation	\$1,700,000	23/24	RLTP	0	Not started		Deferred to next RLTP, no Local Share
Capell Ave Road Formation (TR)	QLDC	Local Roads Imp	Implementation	\$505,000	22/23	RLTP	0	Not started		In conversation with developer
SH6 Park and Ride Facilities	Waka Kotahi	PT Imp	Implementation	\$7,071,661		RLTP				Business Case complete
			Pre-Implementation	\$544,400		RLTP		30%		
			Property	\$1,128,600		RLTP				
SH6 SH8b SH8 Gibbston To Clyde Corridor Improvements	Waka Kotahi	Walking & Cycling	Detail Business Case	\$2,462,400		Funding Approved				Feasibility complete
SH6 Hardware Lane to Arrow Junction Road	Waka Kotahi	Road To Zero	Business Case	\$43,900		NLTP				Duplicate project to the SH6 Lake Hayes to McDonnell Road
			Property	\$878,000		Funding Approved				
			Pre-implementation	\$7,199,600		NLTP				
			Implementation	\$658,500		NLTP				
SH1 Mosgiel to Balclutha	Waka Kotahi	Road To Zero	Implementation	\$59,850,000		RLTP				Not Started
SH8B/SH06/SH8B Intersection	Waka Kotahi	Road To Zero	Business Case	\$25,000		Funding Approved		Not Applicable		Total completion expected November 2022
			Property	\$500,000		Funding Approved		Complete		
			Pre-Implementation	\$375,000		Funding Approved		Completed		
			Implementation	\$4,100,000		Funding Approved		30%	construction	
SH1 Oamaru to Dunedin (Hampden to Palmerston)	Waka Kotahi	Road To Zero	Pre-Implementation	\$3,047,000		Funding Approved		On track for completion July 2022		
			Implementation	\$15,583,500		RLTP		Not in current NLTP		

Project Details Otago						Project Details Otago				
Project	Project Owner	Activity Class	Project Stage	RLTP/NLTP Programme (\$)	Planned Start Year	Current NLTP Status	Stage Complete (%)	Current Status	Status Last Report	Comment
SH1 Oamaru to Dunedin (Herbert to Hampden)	Waka Kotahi	Road To Zero	Pre-Implementation	\$61,098		Funding Approved	100%	Complete	100%	
			Implementation	\$5,511,800		RLTP		Not in current NLTP		
SH1 Oamaru to Dunedin	Waka Kotahi	Road To Zero	Pre-Implementation	\$8,635,300		n/a				Not started
			Property	\$1,755,600		n/a				Not started
			Implementation	\$39,666,200		n/a				Not Started
SH1 Region Boundary to Oamaru	Waka Kotahi	Road To Zero	Pre-Implementation	\$345,600		n/a				Not started
			Implementation	\$55,500,800		n/a				
Wakatipu Walking and Cycling Network Improvements	Waka Kotahi	Walking & Cycling	Pre-Implementation	\$244,000		n/a		60%		Detailed design and property phase underway
			Property	\$1,053,636		Funding Approved		30%		
			Implementation	\$10,049,650		Funding Approved				
SH1 Katiki Coast Enhanced Resilience Stage 2	Waka Kotahi	SH Improvements	Implementation	\$1,229,714		Under Review	98%	Post-implementation		
SH6 Lakes Hayes Highway to McDonnell Road Intersection	Waka Kotahi	Road To Zero	Business Case	\$50,000		NLTP				
			Property	\$750,000		NLTP				Completed feasibility phase
			Pre-Implementation	\$1,000,000		Funding Approved				
			Implementation	\$8,200,000		NLTP				
SH6 Wanaka to Luggate SC - SH84 IS	Waka Kotahi	Road To Zero	Implementation	\$700,000		RLTP		completed		Finalising design. Property acquired, funding for construction about to be confirmed
SH8 Brown Road to SH01	Waka Kotahi	Road To Zero	Pre-Implementation	\$2,052,800		RLTP				Not started
			Implementation	\$5,388,600		RLTP				

Project Details Otago						Project Details Otago				
Project	Project Owner	Activity Class	Project Stage	RLTP/NLTP Programme (\$)	Planned Start Year	Current NLTP Status	Stage Complete (%)	Current Status	Status Last Report	Comment
SH88 Dunedin -Port Chalmers Safety Improvements	Waka Kotahi	Road To Zero	Implementation	\$15,165,837		Under Review	50%	Shared Path programmed for completion Dec 2022. Safety improvement programmed for completion mid-2023		
Cromwell To Frankton	Waka Kotahi	SH Improve ments	Detailed Business Case	\$500,000		NLTP				Not Started
			Pre-Implementation	\$500,000		NLTP				Not Started
Dunedin City and Hospital	Waka Kotahi	SH Improve ments	Implementation	\$13,200,000		RLTP	RLTP			
Frankton To Kingston	Waka Kotahi	SH Improve ments	Detailed Business Case	\$500,000		NLTP	NLTP			
			Pre-Implementation	\$500,000		NLTP	NLTP			
Haast to Hawea	Waka Kotahi	SHI SH Improve ments	Detailed Business Case	\$1,000,000		NLTP	NLTP			
Dunedin Urban	Waka Kotahi	Road To Zero	Pre-Implementation	\$1,275,200		RLTP	RLTP			
			Implementation	\$6,694,800		RLTP	RLTP			
Beaumont Bridge Replacement	Waka Kotahi	SH Improve ments	Property	\$75,000		Funding Approved	Funding Approved	100%	complete	
			Implementation	\$16,702,000		Funding Approved	Funding Approved	10%	Construction	
Project	Project Owner	Activity Class	Project Stage	RLTP/NLTP Program (\$)	Planned Start Year	Current NLTP Status	Stage Complete (%)	Current Status	Status Last Report	Comment
Kakanui Point Bridge Renewal	Waitaki DC	Local Roads Imp	RLTP	\$7,100,000		RLTP				

Note: Items in red are included in the RLTP but were not included in the NLTP released in August 2021.

## Item 2 Proposed Setting of Speed Limits Rule Change Update

<b>ES ID:</b> A757662	<b>Strategic Direction:</b> ES - Diverse opportunities to make a living & Communities empowered and resilient ORC – Resilient communities engaged and connected to the Otago Regional Council
<b>Report by:</b> Russell Hawkes, Lead Transport Planner (ES) Garry Maloney Transport Manager (ORC)	<b>Approved by:</b> Lucy Hicks, Policy and Planning Manager
<b>Executive Approval:</b> Wilma Falconer, General Manager, Strategy Planning & Engagement (ES) Gavin Palmer, General Manager, Operations (ORC)	

### Purpose

The purpose of this report is to update the Committees on the Government proposal to introduce Regional Speed Management Plans as a function for Regional Transport Committees and as a component of the Speed Limit Setting Rule amendments.

### Summary

Waka Kotahi and the Ministry of Transport are currently waiting on final Government approval of a new Speed Limit Setting Rule. The rule was anticipated to have been in place by the end of 2021 but is still to be approved by the Government. Some detail on discussions the Transport Special Interest Group has had with the Ministry of Transport and Waka Kotahi are included for the information of Committee members.

### Recommendation

**It is recommended that the Regional Transport Committees resolve to note the report.**

### Report

#### Background

Waka Kotahi presented the initial proposal for changes to the Speed Limit Setting Rule to the RTCs in June 2021. Following that presentation, a combined submission was prepared and approved at the Committees meeting on 1 October 2021.

There has been no formal communication from Waka Kotahi or the Ministry of Transport on the proposals since the Committees' submission was made. The Transport Special Interest Group (TSIG) has since had informal discussions with representatives of the Ministry of Transport and Waka Kotahi to try and understand the implications of any proposed change or requirements that will influence the Committees' responsibilities or work programme.

Progress on finalising the Speed Limit Setting Rule has not been in line with the programme indicated in the Waka Kotahi presentation. Following receipt of submissions on the proposal, it is understood that several changes have been made in the area of Regional Speed Management Planning. The final details of these changes will not be known until the rule is finally signed off by Government, potentially by the end of April 2022 at this stage.

Waka Kotahi has been working with Road Controlling Authorities to progress speed limit reviews in anticipation of the new rule being approved. This will allow speed limits to be reset under the new rule immediately following its implementation.

A further report will be presented to the Committees once the final Speed Limit Setting Rule is in place and the implications for Regional Transport Committees are understood.

#### **Views of Affected Parties**

There are no matters in this report which require consideration under this heading.

#### **Legal Compliance**

There are no legal issues identified within the report.

#### **Consistency with Council's LTP/Annual Plan/Policy/Strategy**

The contents of this report are consistent with Environment Southland's and Otago Regional Council's planning requirements.

#### **Financial and Resource Implications**

There are no financial or resource implications for Environment Southland or Otago Regional Council contained in this report.

#### **Attachments**

None



### Item 3 Waka Kotahi NZ Transport Agency Update

<p><b>ES ID:</b> A757662</p>	<p><b>Strategic Direction:</b>                  ES - Diverse opportunities to make a living &amp; Communities empowered and resilient                  ORC – Resilient communities engaged and connected to the Otago Regional Council</p>
<p><b>Report by:</b>                  Russell Hawkes, Lead Transport Planner (ES)                  Garry Maloney Transport Manager (ORC)</p>	<p><b>Approved by:</b> Lucy Hicks, Policy and Planning Manager</p>
<p><b>Executive Approval:</b>                  Wilma Falconer, General Manager, Strategy Planning &amp; Engagement (ES)                  Gavin Palmer, General Manager Operations (ORC)</p>	

#### Purpose

The purpose of this report is to provide Waka Kotahi NZ Transport Agency (the Transport Agency) with the opportunity to provide the Committees with a verbal update on its activities.

#### Summary

Waka Kotahi will provide a presentation and verbal update on its activities since the release of the National Land Transport Plan in late August 2021. The topics are expected to be of interest to the Committees.

#### Recommendation

**It is recommended that Regional Transport Committees resolve to note the report and provide any feedback to the Waka Kotahi NZ Transport Agency on the topics included in the presentation.**

#### Report

#### Background

Waka Kotahi wishes to update the Committees on several of the topics it is currently working on. This will be a verbal update, with additional information included in a presentation provided on the day.

Topics expected to be covered in the presentation are:

- Regulatory funding model;
- Baseline Network Version;
- Business Case Refresh;
- NZUP employment initiative;
- Bilingual Signs;
- RTZ Update.

### **Views of affected parties**

There are no matters in this report which require consideration under this heading.

### **Compliance with Significance and Engagement Policy**

There are no issues within this report which trigger matters in this policy.

### **Considerations**

#### **Financial implications**

##### *Current budget*

There are no budget implications included in this report.

##### *Future implications*

There are no future financial implications included in this report.

#### **Legal implications**

There are no legal implications contained in this report.

### **Attachments**

None

## Item 4 South Island Freight Summit

<b>ES ID:</b> A757662	<b>Strategic Direction:</b> ES - Diverse opportunities to make a living & Communities empowered and resilient ORC – Resilient communities engaged and connected to the Otago Regional Council
<b>Report by:</b> Russell Hawkes, Lead Transport Planner (ES) Garry Maloney Transport Manager (ORC)	<b>Approved by:</b> Lucy Hicks, Policy and Planning Manager
<b>Executive Approval:</b> Wilma Falconer, General Manager, Strategy Planning & Engagement (ES) Gavin Palmer, General Manager, Operations (ORC)	

### Purpose

The purpose of this report is to provide the Combined Regional Transport Committees with background details of the South Island Freight Summit held on 28 March 2022 and sponsored by the South Island Regional Transport Committees Chairs Group.

### Summary

The South Island Regional Transport Committee Chairs Group sponsored a South Island Freight Summit in Christchurch on 28 March 2022. The summit was a facilitated session, with presentations from various industry groups. A copy of the agenda is included in the body of this report. Otago and Southland Regional Transport Committee representatives who took part in the summit will provide a verbal report to the meeting.

### Recommendation

**It is recommended that the Regional Transport Committees resolve to note the report and provide direction on any actions they require, based on the information provided.**

### Report

#### Background

The South Island RTC Chairs Group (RTC Chairs) met on 29 November 2021, with the major items on the agenda being related to South Island Freight and Emissions. Copies of the related briefing papers are attached below. The RTC Chairs agreed to proceed with arrangements for a joint freight meeting to be held in-person in Ōtautahi Christchurch on 21 March 2022 (subsequently rescheduled to 28 March 2022). The meeting was held via zoom with the following agenda.

	Agenda	Who	Time
1	<b>Welcome and Summit Opening</b>	Chair Stuart Bryant Cr Jenny Hughey Cr Peter Scott (karakia)	10.00-10.15 am
2	<b>Infrastructure and Services Session – Presentations</b> • Ministry of Transport: National View	Facilitated by: Erik Barnes Presenters: • Ministry of Transport	10.15-11.15 am

	<b>Agenda</b>	<b>Who</b>	<b>Time</b>
	<ul style="list-style-type: none"> <li>• Lyttleton Port Company: International shipping and ports</li> <li>• Pacifica Shipping: Coastal shipping</li> <li>• KiwiRail: Rail</li> </ul>	<ul style="list-style-type: none"> <li>• Lyttleton Port Company</li> <li>• Pacifica Shipping</li> <li>• KiwiRail</li> </ul>	
3	<b>BREAK</b>		11.15-11.30 am
4.	<b>Infrastructure and Services Session – Panel Discussion</b>	Facilitated by: Erik Barnes Panel: <ul style="list-style-type: none"> <li>• Ministry of Transport</li> <li>• Lyttleton Port Company</li> <li>• Pacifica Shipping</li> <li>• KiwiRail</li> </ul>	11.30-12.00 am
5.	<b>LUNCH</b>		12.00-1.00 pm
6.	<b>User Perspectives Session – Presentations</b> <ul style="list-style-type: none"> <li>• Ngai Tahu Holdings: Freight investor</li> <li>• Wareing Group: User group/Rail freight hub</li> <li>• Sorted Logistics: End-to-end supply chain operator</li> <li>• Hiringa: Decarbonisation (Hydrogen)</li> </ul>	Facilitated by: Erik Barnes Presenters: <ul style="list-style-type: none"> <li>• Ngai Tahu Holdings</li> <li>• Wareing Group</li> <li>• Sorted Logistics</li> <li>• Hiringa</li> </ul>	1.00-2.00 pm
	<b>User Perspectives Session – Panel Discussion</b>	Facilitated by: Erik Barnes Panel: <ul style="list-style-type: none"> <li>• Ngai Tahu Holdings</li> <li>• Wareing Group</li> <li>• Sorted Logistics</li> <li>• Hiringa</li> </ul>	2.00-2.30 pm
7	<b>BREAK</b>		2.30-2.45 pm
8	<b>Small Group Interactive – Issues, Opportunities, and Actions</b> <ul style="list-style-type: none"> <li>• Attendees will be assigned to a small group session in a Teams breakout room. Groups will be chaired by a Chief Executive and/or senior manager and supported by a scribe.</li> </ul>		2.45-3.15 pm
	<b>Report Back from small group interactive session</b> <ul style="list-style-type: none"> <li>• Chairs from each group will report back to the plenary on the top 3 issues, top 3 opportunities, and one key action that would provide the most value in addressing the issues/opportunities.</li> </ul>	Facilitated by: Erik Barnes	3.15-3.40 pm
	<b>Close and Thank You</b>	Chair Stuart Bryant Cr Peter Scott (karakia)	3.40-3.45 pm

Otago and Southland representatives at the meeting will provide a verbal report on their thoughts on the content and outcomes from the Freight Summit.

Once the final summit notes and outcomes are known, a formal update will be provided to the following RTCs meeting.

#### **Views of Affected Parties**

There are no matters in this report which require consideration under this heading

#### **Legal Compliance**

There are no legal issues identified within the report.

#### **Consistency with Council's LTP/Annual Plan/Policy/Strategy**

The contents of this report are consistent with Environment Southland's and Otago Regional Council's planning requirements.

#### **Financial and Resource Implications**

There are no financial or resource implications for Environment Southland or Otago Regional Council contained in this report.

#### **Attachments**

1. Attachment 1 - Briefing paper – Freight
2. Attachment 2 - Briefing paper - Emissions

**Attachment 1 – Briefing Paper - Freight**

**South Island Regional Transport Committee Chairs**

<b>Date of meeting</b>	29 November 2021
<b>Author</b>	Luke Carey, Senior Advisor - Transport
<b>Endorsed by</b>	Jesse Burgess, Senior Strategy Manager

**Purpose**

To brief the South Island Regional Transport Committee Chairs (South Island RTC Chairs, or ‘Chairs’) on the current strategic context for freight movement and efforts to-date to convene a meeting to discuss South Island freight.

To seek direction from the South Island RTC Chairs on the aims and sought outcomes of a joint freight discussion.

**Recommendations**

**That the South Island Regional Transport Chairs Group:**

**Receives the briefing on South Island freight.**

**Agrees to proceed with arrangements for a joint freight meeting to be held in-person in Ōtautahi/Christchurch on 21 March 2022.**

**Background**

A meeting of the South Island Regional Council Governance group was scheduled for Friday 27 August 2021. Alongside general business, the topic of South Island freight was intended as the theme of the meeting. The purpose of the meeting was:

*An opportunity for South Island Regional Council Chairs and Chief Executives to network, exchange information and discuss emerging issues in South Island freight.*

Several freight operators and stakeholders were scheduled to speak at the meeting. The original agenda for this meeting is attached as item 1.

Due to the August Covid-19 outbreak and subsequent nationwide lockdown, this meeting was cancelled. Staff subsequently identified the South Island RTC Chairs group as a key stakeholder in any discussion on South Island freight.

A proposal to convene a joint meeting of South Island Regional Council Chairs, Deputy Chairs and CEOs; and South Island RTC Chairs to discuss South Island Freight was agreed and communicated to all potential attendees on 1 October 2021.

The benefit of this approach is that it:

- ensures there is an opportunity for alignment for those involved in the sector in the South Island;
- helps prepare for upcoming conversations with the Ministry of Transport on a National Freight and Supply Chain Strategy.

The joint meeting is proposed as an in-person meeting to be held in Ōtautahi/Christchurch over a full day. ECan staff can again seek to engage the speakers that were confirmed at the August meeting to attend the March 2022 meeting, these were:

Kiwirail -

- Sue McCormack (Acting Chair)
- Mark Heissenbuttel (South Island Operations Manager)

Christchurch International Airport Limited (CIAL) -

- Malcolm Johns (CE)
- Justin Watson (Chief Aeronautical & Commercial Officer)
- Rhys Boswell (Project Lead – Planning & Sustainability)

Road freight operators -

- Gary Aitken (Director & General Manager, Temuka Transport)
- Kris Webster (Director, Sorted Logistics)

Because the original meeting was led by Environment Canterbury, there is a strong Canterbury focus in the guest speakers. However, staff consider that all these speakers are capable of speaking to a South Island agenda. In addition, staff are seeking to engage a presentation and attendance from Waka Kotahi.

### **Strategic issues for the freight sector: decarbonising freight**

The Ministry is starting work on a National Freight and Supply Chain Strategy. Given the market-led nature of the supply chain system, initiatives to reduce emissions would have to be carried out in close consultation with the freight industry and/or be private sector-led, with government providing a vision and direction for change and/or supporting infrastructure. Concerted effort by industry has the potential to drive rapid emissions efficiency gains, with the right incentives.

Heavy vehicles contribute almost a quarter of transport emissions in Aotearoa. Road freight tends to be the cheapest option where distances are short and cargo volumes are low.

Shifting some of the freight task to less carbon intensive modes will help reduce emissions, including to rail and coastal shipping. Decarbonising freight vehicles will be critical. There is a high degree of uncertainty around the timeframe in which zero emission freight vehicles will be commercially available.

The Government is also investing to improve the rail network, including through renewing locomotives and the inter-island ferries which will support reductions in the emissions from rail. Improving the efficiency of our supply chain; include optimising freight routes, equipment and vehicles, and through making better use of data and supporting information sharing and collaboration.

The impacts of HPMV initiatives on emissions has been mixed, largely due to varying assumptions about road freight price elasticity and the specific payloads, distances, and costs considered.

Battery electric heavy trucks are evolving rapidly; however they are still not readily available and there remain significant barriers to uptake. While battery-electric heavy vehicle technology has the edge for lighter loads, shorter-hauls and urban distribution, hydrogen is emerging as the preferred candidate for heavier hauls across longer distances, and there will be a mid-range where the two technologies are directly competing. In the interim, the government considers increased use of biofuels could also have a role to play in reducing the emissions intensity of the existing fleet.

A January 2020 World Economic Forum report has forecasted a 32 percent increase in emissions from last-mile deliveries over the next 10 years as the number of urban dwellers and online shoppers grows. Other countries have been able to improve urban freight efficiency through consolidating deliveries in urban consolidation centres (UCCs) or drop-off/pick-up points for self pick-up.

If supply chain managers and consumers accepted slightly longer delivery times, it could enable slower modes, which are often lower emission, to play a larger role. This may require efforts to shift and shape consumer preferences.

### **Development of a National Freight and Supply Chain Strategy**

Several regional workshops were held across Aotearoa in September/October with supply chain stakeholders. The intent of these workshops has been to hear directly from the industry about the issues it is facing and opportunities to improve transport system outcomes. This will in turn inform a draft issues paper which the Ministry intends to consult on in 2022.

The strategy will consider how to decarbonise freight, as well as improve efficiency and effectiveness.



**Attachment 2 – Briefing Paper – Emissions**

**South Island Regional Transport Committee Chairs Report**

<b>Date of meeting</b>	29 November 2021
<b>Author</b>	Clare Pattison, Senior Strategy Advisor
<b>Endorsed by</b>	Jesse Burgess, Senior Strategy Manager

**Purpose**

The purpose of this paper is to provide an overview of key policy documents aimed at reducing transport emissions, which signal significant changes required in a short timeframe (10-15 years) to reduce transport sector emissions.

**Recommendations**

**That the South Island Regional Transport Chairs Group:**

**notes that, while not yet government policy, adoption of the interventions identified in *Hikina te Kohupara* and the *Emissions Reduction Plan* will require a transformation of the transport system.**

**notes that incorporation of climate change and emission reduction targets into Regional Land Transport Plans may require a more significant review of existing plans in 2024.**

**Key points**

There are several new key documents from central government and the World Health Organisation that indicate an increased need for the transport sector to respond to reduce transport emissions.

To get the transport system down to net zero emissions in 30 years will require a significant change to the transport system along three key themes – avoiding travel, shifting the modes of travel, and improving the vehicle fleet.

The scale of changes is shown in COVID research where emissions reduced by 25% during Level 3 COVID response by avoiding travel (one theme only).

Councils have sphere of control over several interventions in regional transport, public transport and urban development functions. Success requires strong, consistent direction from central government, backed by the mechanisms, funding and resourcing to deliver.

**Overview of Emission Reduction documents**

On 13 November 2019, the Climate Change Response (Zero Carbon) Act was passed into law in New Zealand Parliament. The Act set a new domestic greenhouse gas emissions reduction target for New Zealand of net zero emissions by 2050.

The Act also requires Government develop an emissions reduction plan and establish a system of emissions budgets to work toward the long-term target. Reducing transport sector emissions is a key part of this.

The May 2021 Climate Change Commission advice showed transport is responsible for 47 per cent of total domestic CO<sub>2</sub> emissions, and 20 per cent of total greenhouse gas emissions. Without largely

decarbonising transport, New Zealand will not be able to achieve its net zero carbon emissions target by 2050, as mandated by the Climate Change Response (Zero Carbon) Amendment Act 2019 (Zero Carbon Act).

### Ministry of Transport Emissions Pathways Green Paper

In May 2021 the Ministry of Transport released a green paper, *Hīkina te Kohupara - Transport Emissions: Pathway to Net Zero by 2050*, to support discussions on how to reduce emissions from transport. *Hīkina te Kohupara* identifies what New Zealand could do to shift the transport system onto a zero-emissions pathway.

Large scale, system-wide change is required to reduce transport emissions. It is not government policy but has been prepared to support discussions on various approaches, including the Government’s Emission Reduction Plan (2022-2025) and the development of a 10–15-year Action Plan.

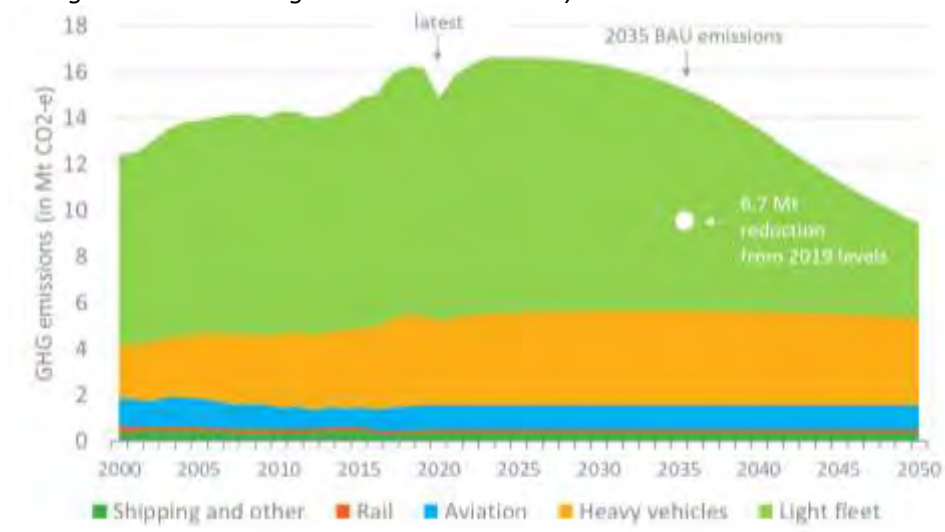
*Hīkina te Kohupara* identifies opportunities to reduce emissions across three themes, based on the ‘Avoid, Shift, Improve’ framework (Figure 1).

- Theme 1: Changing the way we travel (urban form & mode shift)
- Theme 2: Improving our passenger vehicles (light vehicles & public transport)
- Theme 3: Supporting a more efficient freight system (including heavy vehicles, rail, and coastal shipping)

These changes will need to be coordinated and staged to maximise the opportunities for reducing emissions from now to 2050. Many long-term decisions will need to occur within the next 3-5 years (2022 to 2025).

The nature of the large-scale, system-wide change required is more clearly illustrated in Figure 2, where the impact of mandatory restrictions on travel and movement in 2020 as a result of COVID-19 lockdowns are evident in the data but still a long way off achieving the 2035 emissions targets. Strong government direction and interventions may well be required.

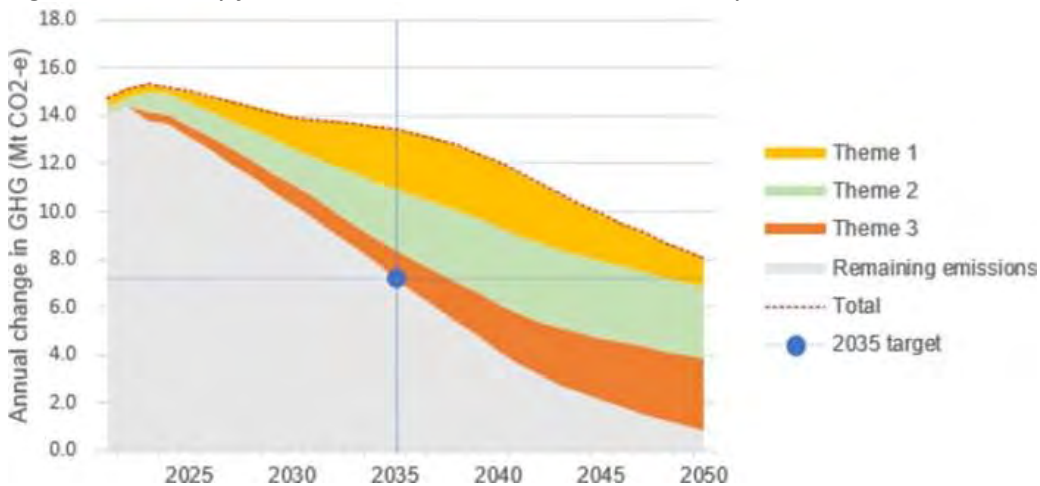
**Figure 1 - Historic and projected 'business as usual' transport emissions, by mode (Climate Change Commission target shown as white dot)**



*Hīkina te Kohupara* models four potential pathways to achieve a zero-carbon transport system by 2050.

Only pathway four meets the interim target set in the Climate Change Commission’s advice. It focuses on aggressive and early implementation of interventions that reduce private vehicle demand while increasing accessibility and travel choice, as well as strong electric vehicle uptake. (Figure 3).

**Figure 1 - Pathway four contribution to emissions reduction by theme**



**Ministry for the Environment *Emission Reduction Plan* discussion document**

The national Emissions Reduction Plan (ERP) discussion document was released in October 2021 by the Ministry for the Environment. The final ERP will be released on 31 May 2022. This is a delay of five months from the original date of 31 December 2021 required under the Climate Change Response Act 2002. The timeline is being amended by the COVID-19 Response (Management Measures) Legislation Bill.

The Emissions Reduction Plan will apply retrospectively from 1 January 2022 and will not be consulted on. The discussion document is the consultation that will inform the final plan focusses on the first budget period 2022–2025 and particularly on proposed targets and actions for the transport sector as well as others. Emissions budgets will act as stepping-stones, or interim targets, to reaching the 2050 emissions reduction targets.

The Emissions Reduction Plan will describe how New Zealand will meet emissions budgets and make progress towards reaching our 2050 goal. It will include:

- policies and strategies for transitioning sectors, like transport, and to improve the ability of those sectors to adapt to the effects of climate change
- ways to mitigate the impacts that reducing emissions will have on people and on employees and employers, regions, iwi and Māori, and wider communities, including the funding for any mitigation action
- any other policies or strategies that the Minister for Climate Change considers necessary.

The attention to transport and energy indicates these sectors are seen as the areas for early wins. The document builds on the Ministry of Transport green paper, developing the thinking further. In addition to the *Hīkina te Kohupara* proposals, the ERP proposes four new transport targets indicating significant change is required:

- reduce vehicle kilometres travelled (VKT) by cars and light vehicles 20 percent by 2035 through providing better travel options, particularly in New Zealand’s largest cities

30 per cent of the light vehicle fleet to be zero-emissions vehicles by 2035  
reduce emissions from freight transport 25 per cent by 2035  
reduce the emissions intensity of transport fuel 15 per cent by 2035.

The core solutions relevant to Regional Transport Committees include:

- Better integration of land-use, urban development and transport planning
- Encouraging mode shift, including in rural and provincial areas
- Encouraging uptake of public transport, including investigating opportunities for public transport in rural and provincial areas
- Congestion pricing and other pricing tools
- Reducing freight emissions from land, sea and air freight via Freight and Supply Chain Strategy and New Zealand Rail Plan

There are also nationwide solutions that look at transitioning the fleet, for example through subsidies.

### **2021 World Health Organisation Air Quality Guidelines.**

In addition to the context to reduce greenhouse gas emissions, there is also new research on health impacts of air pollutants. In September 2021 the World Health Organisation released updated air quality guidelines for a range of air pollutants that impact human health, including many pollutants from transport emissions.

These new guidelines indicate health impacts occur at even lower concentrations than known previously. This means action may be required to protect the health of our communities, especially in relation to nitrogen dioxide, mostly from transport emissions.

Air quality standards and guidelines traditionally inform transport emissions indicators for transport sector planning and investment. Currently, the Ministry use carbon monoxide (CO), nitrogen oxides (NO<sub>x</sub>) and sulphur dioxide (SO<sub>2</sub>) as outcomes indicators. Waka Kotahi uses particulate matter (PM) and nitrogen dioxide (NO<sub>2</sub>) as benefits indicators for transport planning and investment.

The new WHO Guidelines are likely to inform the national regulatory environment within the next 2-3 years. They will inform the gazetting of changes to the National Environmental Standards for Air Quality or be folded into the National Planning Framework outlined in the Natural and Built Environment Act.

Aside from any impact on the regulatory environment, the body of science used by the World Health Organisation is robust and the updated guidelines can be considered as setting new best practice for transport emissions outcomes indicators.

Of significance is the sizeable difference between the current NO<sub>2</sub> concentrations generally used in New Zealand (100 µg/m<sup>3</sup>) and the new WHO guideline (25 µg/m<sup>3</sup>). This means places that were previously not thought to be polluted from transport emissions may be considered polluted.

**Table 1. Summary of new guidelines**

Contaminant	Averaging period	WHO 2006 guideline level	WHO 2021 guideline level	Level of current approach <sup>1</sup>
PM <sub>2.5</sub> (µg/m <sup>3</sup> )	Annual	10	5	10
	24-hr (3 permitted exceedances/yr)	25	15	25
NO <sub>2</sub> (µg/m <sup>3</sup> )	Annual	40	10	40
	24-hr (3 permitted exceedances/yr)	-	25	100
SO <sub>2</sub> (µg/m <sup>3</sup> )	24-hr (3 permitted exceedances/yr)	20	40	120
CO (mg/m <sup>3</sup> )	24-hr (3 permitted exceedances/yr)	-	4	-

The current impact on mortality from transport-related emissions is generally less than deaths and serious injuries on the road due to crashes<sup>2</sup> but still significant. The most recent information on the wellbeing impact from transport emissions is outlined in the table below, based on the 2012 *Health and Air Pollution in New Zealand* report that used 2006 data. An updated report is due next year.

**Table 2. Comparative Mortality Impact by source**

Region	Premature Mortality from transport emissions (in 2006 all adults aged 30 years and over)	Deaths from crashes (rolling average over the last 5 years).
Marlborough / Nelson / Tasman	6	9
West Coast	1	4
Canterbury	45	35
Otago	11	14
Southland	1	10
South Island Total	64	72
National Total	255	305

The drive to reduce greenhouse gas emissions will have significant impact on reducing pollutants that affect the health of our communities also.

### Extent of the change in the transport system required

Research on the impact of Covid-19 on transport emissions has provided insight into the scale of change required to achieve a net zero reduction in emissions within the next 30 years. A 25-50% reduction in transport emissions was achieved in Covid-19 alert levels 3 & 4 due to mandatory restrictions on travel (theme 1 only), which resulted in a significant shift in travel behaviour. An 11% reduction in transport emissions was observed in Covid alert level 2.

To achieve net zero emissions by 2050, major changes will be required to avoid, shift and improve transport (Themes 1 -3) across all communities in NZ.

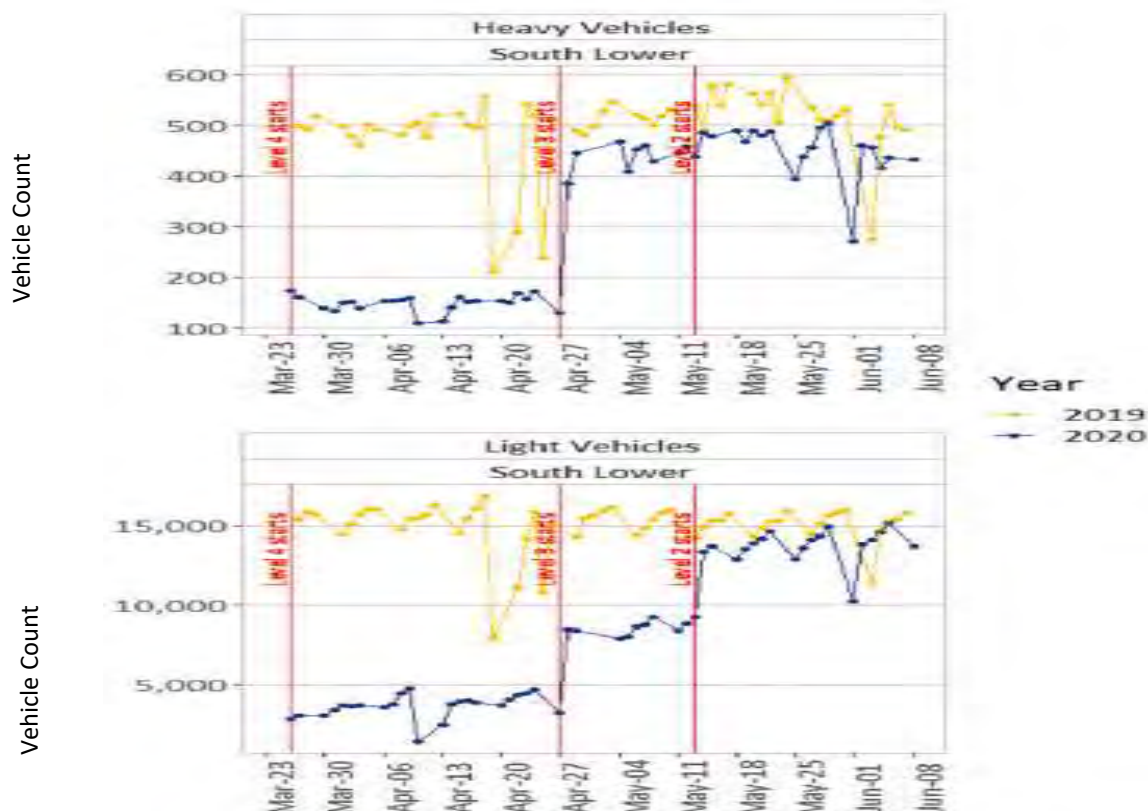
<sup>1</sup> This is a combination of National Environmental Standards, New Zealand Ambient Air Quality Guidelines, Transport Outcomes Framework and Waka Kotahi Benefits Realisation Framework.

<sup>2</sup> The exception is Canterbury where the road toll is similar to the cases of premature mortality due to transport emissions. This is possibly due to having more population living in medium to high density areas, with congestion that can lead to increased localised emissions.

**Table 3. Roadside Transport Emissions during COVID response in 2020 in Christchurch<sup>3</sup>**

	Level 4		Level 3		Level 2	
	Observed	Long Term Average	Observed	Long Term Average	Observed	Long Term Average
NO <sub>2</sub> (µg/m <sup>3</sup> )	9.8	19.7	18.2	24.9	22.2	26.2
Change	-50%		-25.50%		-11.90%	

**Figure 4: Traffic counts during the 2020 COVID response in Christchurch. The red lines indicate the days when different alert levels were introduced<sup>3</sup>.**



**Barriers and Opportunities to Reduce Transport Emissions**

Co-benefits of a decarbonised transport system include cleaner air, reduced noise pollution, fewer traffic-related deaths and serious injuries, improved public health, lower road infrastructure costs, and more equitable access to opportunities.

Local government has either control of, or influence over, several of the interventions put forward in the Emissions Reduction Plan, including those related to accelerating mode shift, public transport services and infrastructure, reallocating road space, reprioritising investment away from additional roading capacity, and shaping urban form.

The impacts of this shift will not be spread evenly. The key areas for consideration are unintended consequences of urban focussed solutions on rural and provincial communities, and disproportionate

<sup>3</sup> N Talbot, A Takada, A H. Bingham, D Elder, S Lay Yee and N E Golubiewski, March 2021, *An investigation of the impacts of a successful COVID-19 response and meteorology on air quality in New Zealand*, Journal of Atmospheric Environment. <https://doi.org/10.1016/j.atmosenv.2021.118322>

impact on people who already experience inequitable transport access, for example, access to specialist hospital support.

There are significant barriers to implementation. Councils will need more support for stronger tools and delivery mechanisms e.g. scenario modelling the impact of avoiding or shifting travel on maintenance, operations and renewals work programmes, while simultaneously considering adapting to increased flooding or coastal erosion.

The roll out of initiatives that disincentivise private combustion engine vehicle travel, such as making greater use of pricing mechanisms, will need a corresponding investment in significantly increasing accessibility and travel choice by modes other than private vehicle, such as public transport. The greatest barrier to expanding the frequency and coverage of public transport networks is the current reliance on a single source of funding (the National Land Transport Fund).

While there are initiatives underway that will support emissions reduction, the current information suggests that councils will need to do more, in a shorter timeframe, to achieve emissions reduction targets by 2035. Success under any pathway requires strong, consistent direction from central government, backed by the mechanisms, funding and resourcing to deliver.

While every community will need to transition to a new way to travel, Greater Christchurch, as New Zealand's second-largest urban area, is likely to make a greater contribution to transport emissions reduction than other parts of the South Island, especially in terms of facilitating mode shift away from private vehicles.

The pace and scale of change required increases risk of misalignment and integration issues. For example, transforming a residential area to facilitate walking and cycling may be maladaptive for evacuation from extreme events.

### **Financial implications**

Longer term, the transition to a net zero emissions transport system could have a number of financial implications for councils in terms of:

- the level of government funding available to support transport could increase
- potential acceleration of planned transport investments
- greater demands on Council staff and a need to increase resourcing in our regional transport, public transport and urban development functions.

### **Significance and engagement implications**

As this is information only there are no significance or engagement concerns. Due to the significant impact on transitioning the transport system on the everyday travel by communities, there will be a greater need for community engagement on the future of transport, including with iwi and Māori, rather than initiative by initiative, which is most of the transport engagement by the sector.

Councils may also want to consider if the change is significant enough to warrant a review of the strategic front end of Regional Land Transport Plans in 2024, rather than the usual programme review.

### **Next steps**

Transport officers will continue to work closely with colleagues across the regional transport sector, Waka Kotahi, and the Ministry of Transport as Government develops its first emissions budget.

## Item 5 Road User Charges Consultation Report

<p><b>ES ID:</b> A757662</p>	<p><b>Strategic Direction:</b>                  ES - Diverse opportunities to make a living &amp; Communities empowered and resilient                  ORC – Resilient communities engaged and connected to the Otago Regional Council</p>
<p><b>Report by:</b>                  Russell Hawkes, Lead Transport Planner (ES)                  Garry Maloney, Transport Manager (ORC)</p>	<p><b>Approved by:</b> Lucy Hicks, Policy and Planning Manager</p>
<p><b>Executive Approval:</b>                  Wilma Falconer, General Manager, Strategy Planning &amp; Engagement (ES)                  Gavin Palmer, General Manager Operations (ORC)</p>	

### Purpose

The purpose of this report is to brief the Combined Otago Southland Regional Transport Committees on the Ministry of Transport Consultation “Driving Change: Reviewing the Road User Charges System”.

### Summary

The Ministry of Transport has released a consultation document “Driving Change: Reviewing the Road User Charges System”, with submissions closing on 22 April 2022. The Combined RTCs are asked to provide guidance to staff on whether a submission should be prepared on their behalf and signed by the RTC Chairs. There are a total of 89 questions in the discussion document, with the first 12 likely to be of concern to the Committees.

### Recommendation

It is recommended that Regional Transport Committees resolve to:

1. note the report;
2. confirm whether they wish to make a submission;
3. if a submission is to be made, provide staff with guidance on the responses to the questions they would like to respond to;
4. if a submission is to be made, direct staff to prepare the submission for signing by the RTC Chairs.

### Report

#### Background

The Ministry of Transport has released the “Driving Change: Reviewing the Road User Charges System” consultation document with submissions closing on 22 April 2022. A copy of the consultation document can be found on this link. <https://www.transport.govt.nz/assets/Uploads/RUCDD-2022.pdf>



The consultation is wide-ranging, but basically covers potential changes to the Road User Charges (RUC) system to allow recovering the costs of externalities and a range of changes to the administration and collection of RUC. Comment is also requested on potential changes to the Fuel Excise Duties (FED) settings.

The first 12 questions asked relate to the use of RUC and FED under current settings and potential changes to those settings to allow the Government to charge for the impacts of greenhouse gas emissions and climate change responses. Sections 1 and 2 provide the background details for these questions.

This report does not recommend responses to any of the first 12 questions, but requests the Committees consider whether to:

1. make a submission on the proposed changes to the RUC system;
2. if a submission is to be made provide staff with guidance on the responses to the questions they would like to respond to;
3. if a submission is to be made direct staff to prepare the submission for signing by the RTC Chairs.

The Transport Special Interest Group (TSIG), consisting of transport officials from regional councils and unitary authorities, has discussed the consultation document and is not preparing a detailed recommendation for RTCs on potential submissions. There was general agreement across TSIG to the following themes to guide future possible submissions.

<b>Consistent submission themes from across the regional sector</b>	
1	Exemption from RUC for EVs should stop. A possible exemption could be for school bus transport.
2	RUC should retain a hypothecated user pays/polluter pays approach and externalities be treated elsewhere.
3	The RUC system that we end up with should be very simple, easy to use and easy and low cost to administer and minimise user administration costs – the use of technology is paramount in doing this.
4	Funding for climate change and emissions reduction should be collected through mechanisms other than RUC, e.g. fuel tax, which is an existing mechanism already being used to some extent and can be directly related to the GHG that result. A fuel tax could also be used to capture greenhouse emissions from the many users of fossil fuels that are not used on the road e.g. agricultural machinery, marine use, home heating etc.
5	Transport equity is important when considering RUC.
6	The main problem is not RUC, but the funding system as a whole. NLTF is not fit for purpose, barely provides enough to cover what is needed now and is totally insufficient for covering the transformational change that the Government is proposing.
7	Questions 13 onwards are operator-related, and it would not be our place to comment on them.

Further background information from the TSIG discussions can be provided should the Committees wish.

### **Views of affected parties**

There are no matters in this report which require consideration under this heading.

### **Compliance with Significance and Engagement Policy**

There are no issues within this report which trigger matters in this policy.

### **Considerations**

#### **Financial implications**

##### *Current budget*

There are no budget implications included in this report.

##### *Future implications*

There are no future financial implications included in this report.

#### **Legal implications**

There are no legal implications contained in this report.

### **Attachments**

None

## **Item 6      Next Meeting**

It is proposed to hold a meeting of the Otago and Southland Regional Transport Committees on 15 June 2022. Venue and details are to be confirmed.

### **Recommendation**

**It is recommended that the next meeting of the Otago and Southland Regional Transport Committees be held on 15 June 2022 or, if required, earlier at the discretion of the Committee Chairmen.**