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Committee Council  
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Committee  
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## Report on the Regional Sustainability Committee Meeting held on 23 July 2008

### 1. Purpose

To inform Council about the meeting of the Regional Sustainability Committee that took place on 23 July 2008.

### 2. Significance of the decision

The matters for decision in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

### 3. Report

Tim Jones, Convenor of the Sustainable Energy Forum, gave an oral presentation entitled *Future oil supplies and a sustainable Wellington region*. The presentation was in two parts; first, a summary of how Tim saw the future of oil supplies; and secondly, the implications for a sustainable Wellington region. Tim stated that oil prices have been rising steeply since 2005 and that the fundamental reason for prices is supply versus demand. The world's oil production has been static since 2005, but demand has grown – particularly in China and India. The International Energy Agency has, until recently, taken an optimistic view about supplies, but in the last two years it has become noticeably more pessimistic. Tim pointed out that there was little disagreement that we will reach a point where overall world oil production will decline at a rate of 4-8% per annum, probably within the next 5-10 years. There is a fairly solid consensus that whatever additional oil discoveries are made, they will be smaller and harder to extract, hence requiring greater investments. These finds, however, will not keep up with demand.

In NZ terms, we have a substantial oil production industry but we don't use the oil we produce. This is mainly because we get a premium by exporting, but also because of the incompatibility of New Zealand's light crude with the Marsden Point refinery. There is going to be oil and gas exploration in the Great South Basin in 2010/11 but the drawbacks are: (1) there is only the potential for oil there – no guarantee; (2) the area is deep and difficult to work in; and (3) if the initial estimates are correct, it will probably only satisfy the equivalent of about 7 months of world oil demand. Oil findings could influence the NZ economy, but will not contribute significantly to world oil production.

Tim said that we can become less oil dependant in the greater Wellington region, citing the following two reasons:

- the fact that people are individually reacting to rising oil prices by switching from cars to public transport. This belies the notion that people will continue using their cars despite the price of oil. Tim considered that we need to do more research on other transport modes, e.g. walking, cycling. Electric vehicles are a possible solution but there are currently no such vehicles on the market and not likely to be until 2010/11. However, there is a queue of countries waiting for these vehicles and NZ is a very small market – so we will be well down in the queue.
- the aviation industry is facing a permanent situation of increased oil prices. This could impact on aviation in Wellington, perhaps by service cuts, which in turn could affect tourism – especially as Wellington attracts short stay visitors.

Tim provided the following advice to the Council:

- **don't** embark on new highway building programmes
- **do** re-look at transport models as they usually have a constant oil price
- **don't** consider the current situation as a blip – it is here to stay
- **do** take advantage of electricity wherever possible, e.g. light rail
- **do** focus on infrastructure that allows other modes, e.g. better provision for other modes of transport (walking, cycling) at intersections

Tim ended with recommending that Greater Wellington and the territorial authorities set up a task force to look at the implications of depleting oil supplies – where we are vulnerable and what we can do to make us less vulnerable.

The questions and issues raised after the presentation related to the following:

- the security of the supply chain from Marsden Point
- the possible switch from road to sea freight and/or rail

- the problem of distribution from certain points as, for example, only a few centres have ports
- the potential of alternative fuels
- the need for a better understanding of the work required for infrastructure for electricity
- the simplicity of the expenditure on “roads or public transport” debate – because half of public transport uses roads
- the debate on Transmission Gully. (Tim considered that, when expenditure on infrastructure is limited, it should be for dealing with future situations and, in his opinion, the priority is to improve public transport and alternatives rather than new roads. The opposing view was strongly expressed that Transmission Gully is more about reliability and security than congestion.)

Melanie Thornton, Wellington Regional Strategy office, presented a report on broadband initiatives and a regional approach to broadband. Melanie outlined how the Broadband Operating Group, comprising local government, central government and district health board representatives, was asking for an agreement in principle for a regional bid to the government’s Broadband Investment Fund. If this agreement is obtained, an Expression of Interest will be developed along with a Broadband Action Plan.

A regional approach is required to plan a network and councils have responsibility for existing infrastructure that can be used. There was some discussion about duplicating Telecom’s broadband roll-out, but it was pointed out that we did not want to get into a situation where Telecom was a monopoly provider as this would not allow sufficient regional resilience. Some clarification was sought about the purpose of the Expression of Interest and it was agreed that the substance of this should be reported back to the Committee and Council and that, between the end of August and March 2009, there would be an opportunity for Council – in concert with other local bodies in the region - to discuss the best way forward and, indeed, whether this is a business in which Greater Wellington wants to be involved, especially in relation to public versus private good.

Next, a report from the WRS office on progress with the genuine progress indicator (GPI) was discussed. Issues raised were the relationship of the GPI with the LTCCP work on monitoring progress with our community outcomes, and the need for consistency with the GPI across regions (in relation to a core set of indices and some region specific indices). It was noted that the issues were scheduled for discussion at a workshop on 25 August 2008.

A paper on funding guidelines for the Honda Treefund was presented by Amanda Cox, Marketing and Design Manager. This paper was received positively and issues discussed related to the availability of volunteer

labour for plantings, the need for publicity about planting opportunities and the possibility of non-native plantings, e.g. fruit trees. It was agreed that Honda's generous contributions should be suitably recognised.

Finally, Alison Lash, Consultant, Climate Change gave a presentation on Greater Wellington's progress with the Communities for Climate Protection (CCP) Programme. She firstly covered the corporate approach, emphasising that we had already made the easy gains and that, in order to meet the emission reduction targets set by Council, "more pain" would be required. Alison pointed out that ICLEI were changing their protocols for calculating emissions and, in all probability, in the future we will be required to include CentrePort Ltd in our corporate calculations. Alison pointed out that meanwhile we were finalising our corporate action plan, with a view to amending it later when any changes in protocols were required. Alison then went on to discuss the community part of the programme, explaining that we were working constructively and co-operatively with all local authorities in the region with a view to getting an agreed approach to regional emission reduction targets and the action plan. Alison pointed out that the resources available for this work across the region varied markedly but there was a real willingness for those councils with the most resources to assist those that were more stretched.

#### **4. Unconfirmed minutes**

The unconfirmed minutes of the committee meeting are attached as **Attachment 1**.

#### **5. Recommendations**

*That the Council:*

1. ***Receives the report.***
2. ***Notes the content of the report.***

Report prepared by:



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**Attachment 1: Unconfirmed minutes of Committee meeting**