

Climate change a hot topic for Waka Kotahi

Updated 10 Aug 2020

4

Share

Updated 10 Aug 2020



Dr Paul Winton led a workshop with our Executive Leadership Team (ELT) recently around the urgent climate change challenge facing us all, after speaking to our Board a few months earlier.

His message is simple – the New Zealand transport system needs to be decarbonised by 2030 to limit catastrophic outcomes resulting from global warming over 1.5 degrees. The change required is massive and poorly understood, according to Dr Winton.

Dr Winton is a capital investment specialist, currently volunteering as a 'curator of climate information' because he doesn't believe governments are doing nearly enough. He runs the [1Point5 project](#), a not-for-profit organisation funded by the Tindall Foundation that gets its name from the need to limit planetary temperature rise to 1.5 degrees.

Dr Winton's call to action is summarised in the World Economic Forum's new Global Risk Report: "Alarming, global temperatures are on track to increase by at least three degrees towards the end of the century – twice what climate experts have warned is the limit to avoid the most severe economic, social and environmental consequences. The near-term impacts of climate change add up to a planetary emergency...".

The essential truths of climate change

Dr Winton took ELT members through the essential truths of climate change in ten words and his presentation slides work through each of these: it's real, it's us, experts agree, it's bad, there's hope. You can view his slides [here](#).

Our ELT then had a play with a new transport emissions tool for Auckland that he developed with MR Cagney: www.transport2030.org.nz. The results are confronting because they indicate many of Auckland's current and planned public transport projects don't help reduce carbon emissions. However, we can be hopeful because the tool shows there are interventions that can make a big difference, such as electrifying the vehicle fleet or increasing vehicle occupancy. There are also some important levers that aren't in the tool, such as intensifying land use so that it's easier for people to get around by walking, cycling or using public transport, rather than having to rely on a car.

Decarbonisation is possible but it bears no resemblance to the current plans.

Dr Winton believes New Zealand needs to reduce vehicle kilometres travelled (VKT) by about 30 percent and massively improve the fuel efficiency of the remaining VKT by largely eliminating petrol and diesel vehicles.

How can we make an impact at Waka Kotahi

Dr Paul Winton emphasised we need a stronger public dialogue to address and take action on climate change.

- How can travel be avoided? e.g. working from home a day a week
- How can we shift people to low emission modes of travels in our urban areas? e.g. more safe cycle lanes or personalised public transport
- How can we improve the fuel efficiency of the vehicle fleet so that the cars and trucks on the road are doing the least damage possible? e.g. proposed Clean Car Reforms
- How do we create public demand for the changes needed to reduce emissions?
- How do we get the behaviour change we need to transition to a low carbon transport system within a decade?
- For Waka Kotahi, the decarbonisation challenge means applying the avoid/shift/improve framework to everything we do from now on.

The risks of action on climate change

July 2020

NZTA DISCUSSION DOCUMENT

15
POINT

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

DRAFT

DRAFT

DRAFT

DRAFT

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Contact: Dr. Paul Winton
paul.winton@templeinvestment.com

Today's agenda



DRAFT

DRAFT

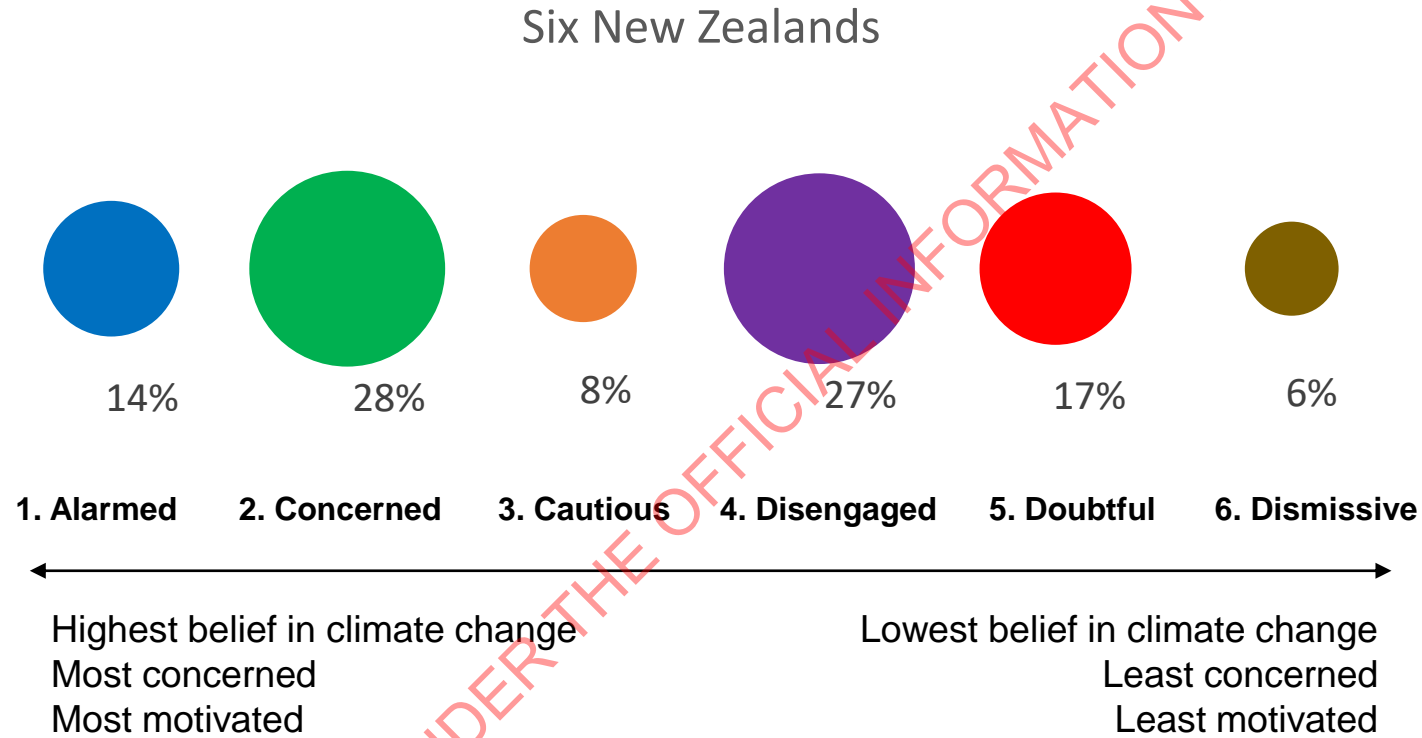
- 1000 – 1130 Understanding the risk of action on climate change in New Zealand
- 1130-1145 Downtime
- 1145-1230 Develop a climate-compliant transport skeleton plan

DRAFT

DRAFT

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Different people will hear today's story very differently



RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

1.5 Science



1.5+ Words



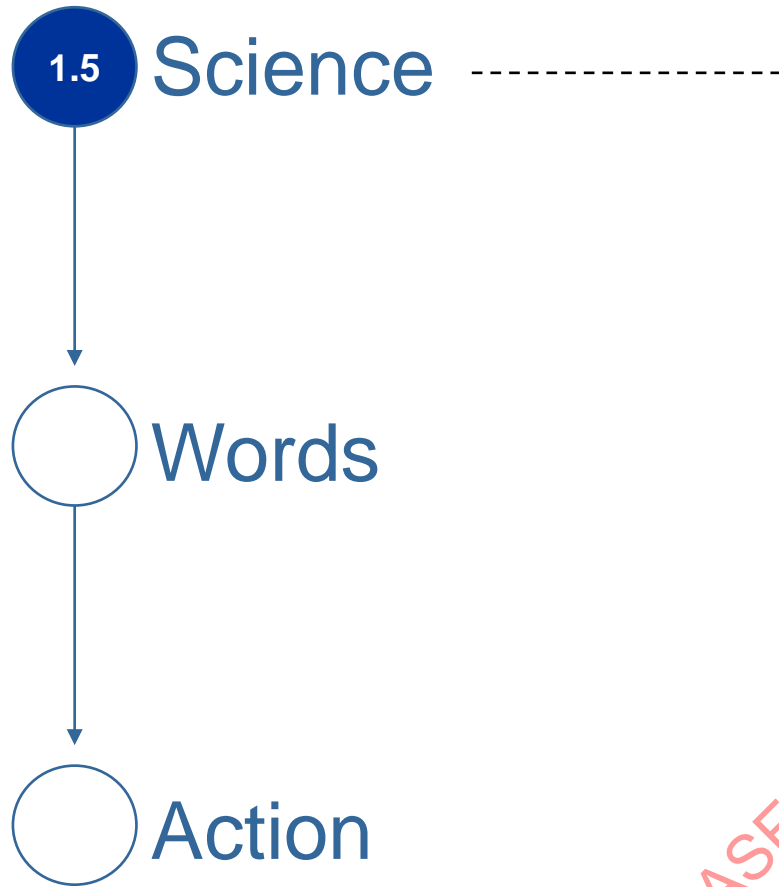
~3 Action



What happens in New Zealand if they all line up?

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

The essential truths about climate change in Ten words



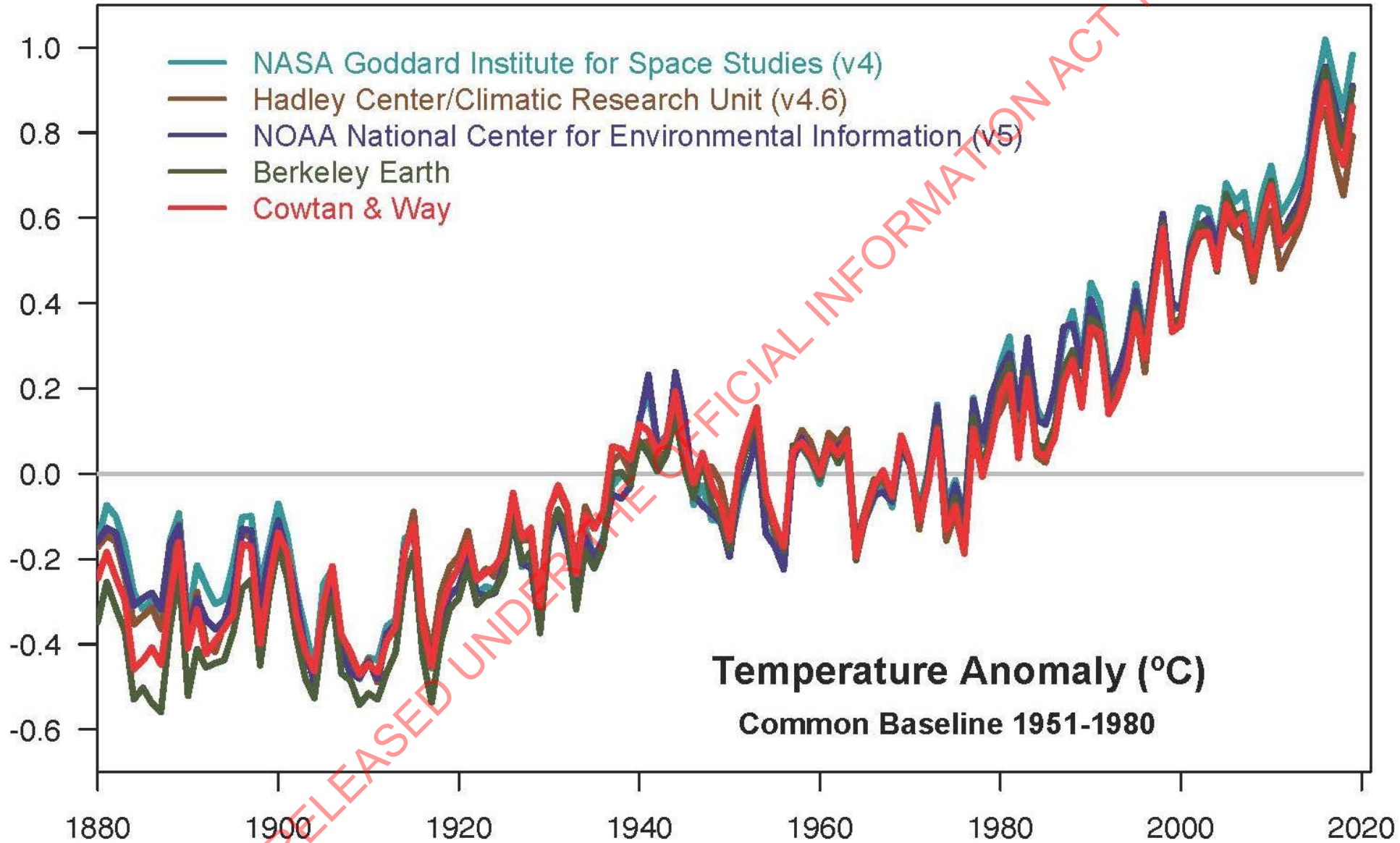
1.5 Science

Words

Action

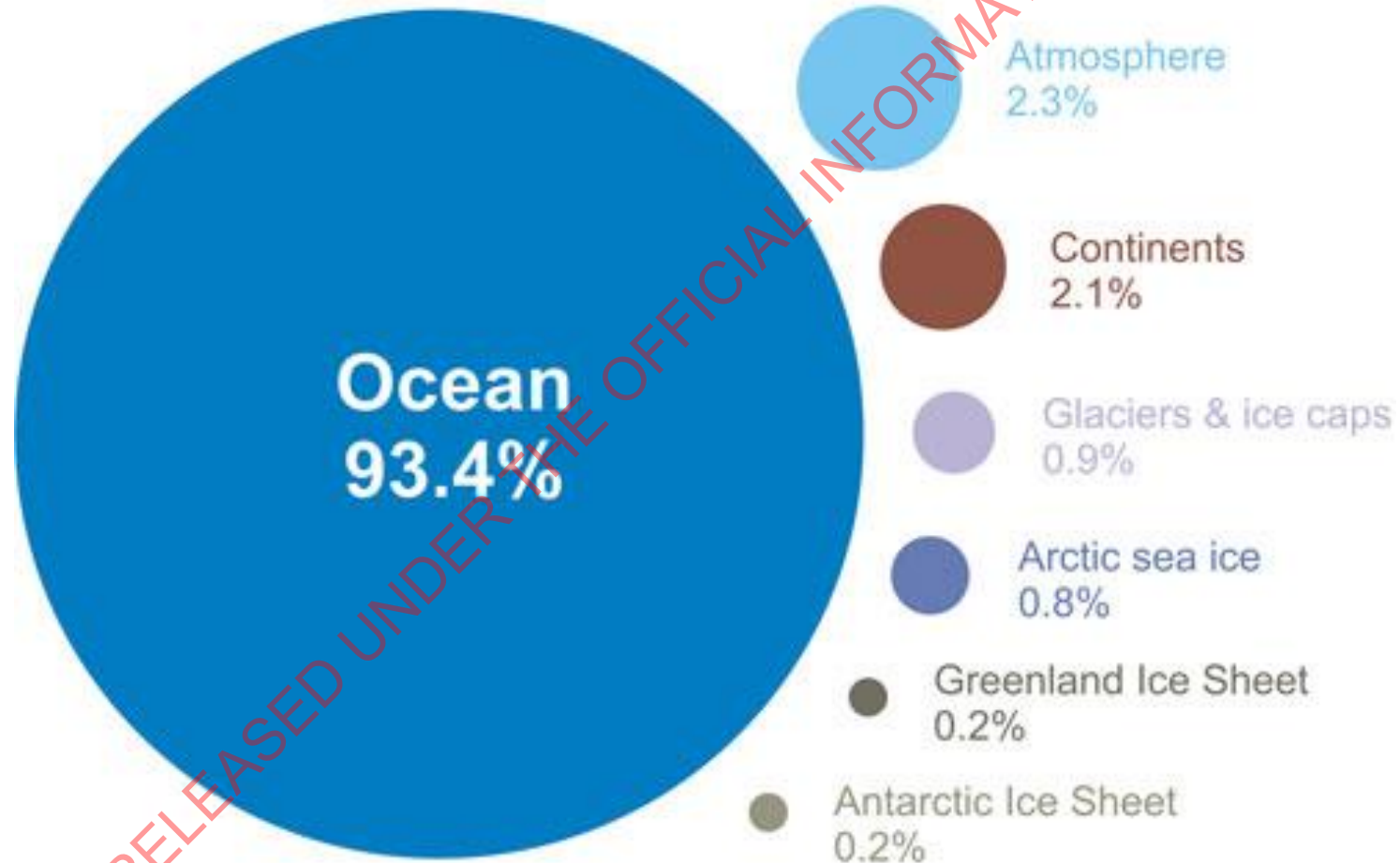


Global warming is happening

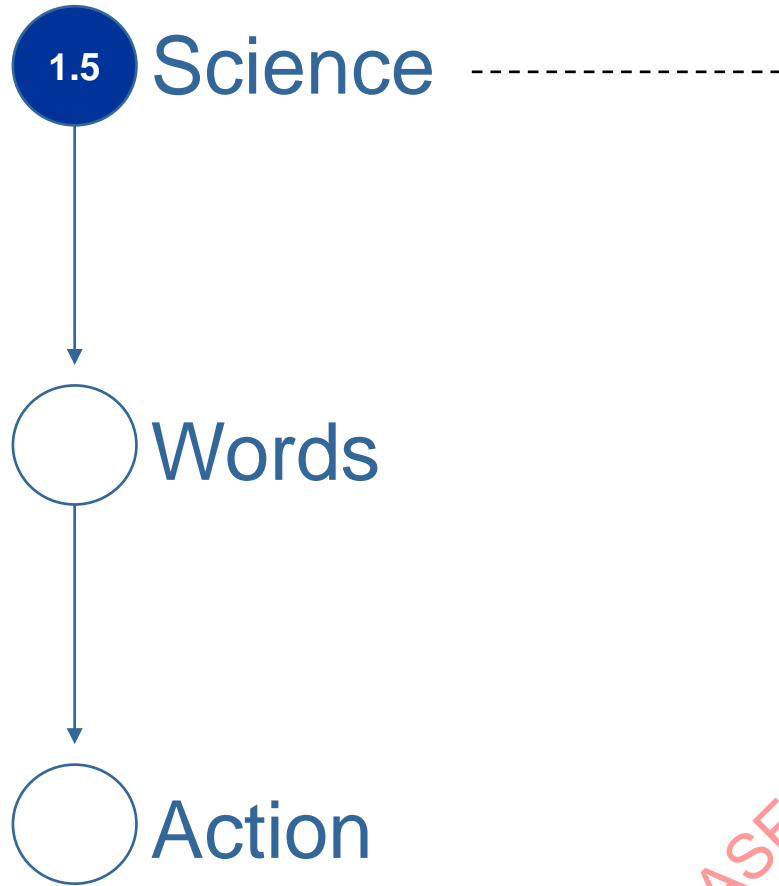


RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

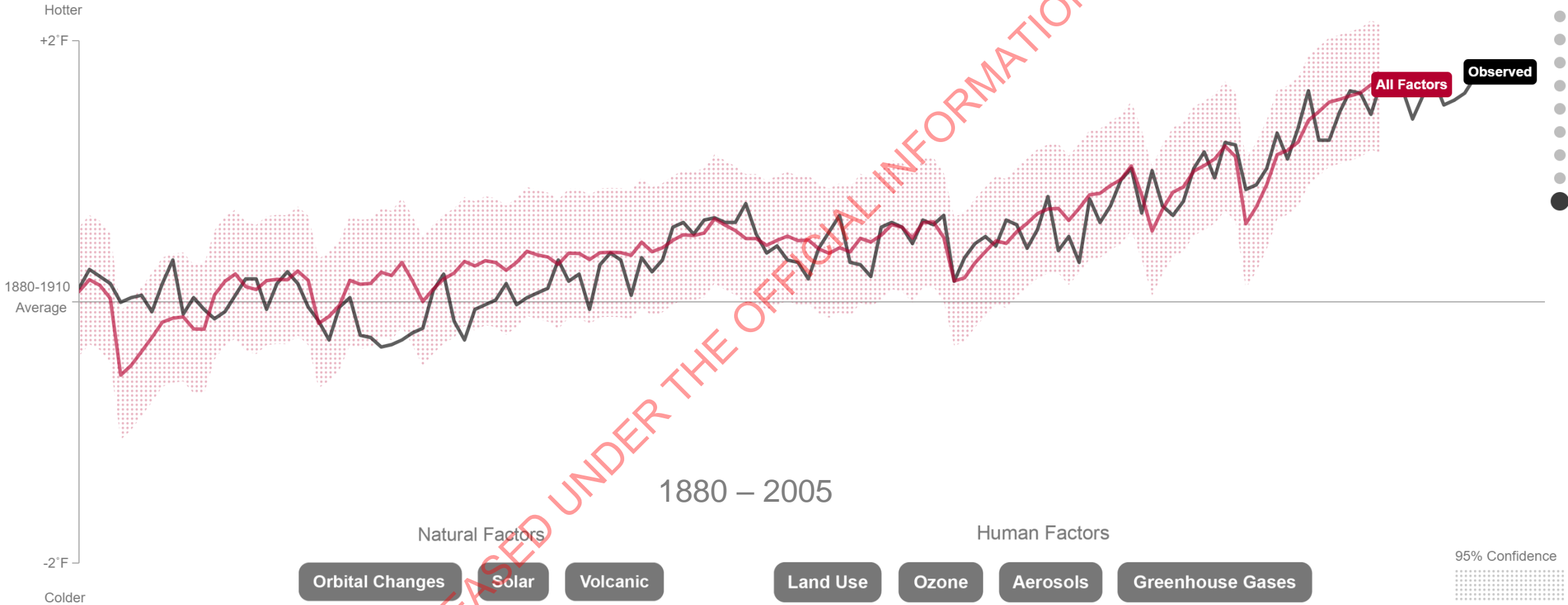
Where is global warming going?



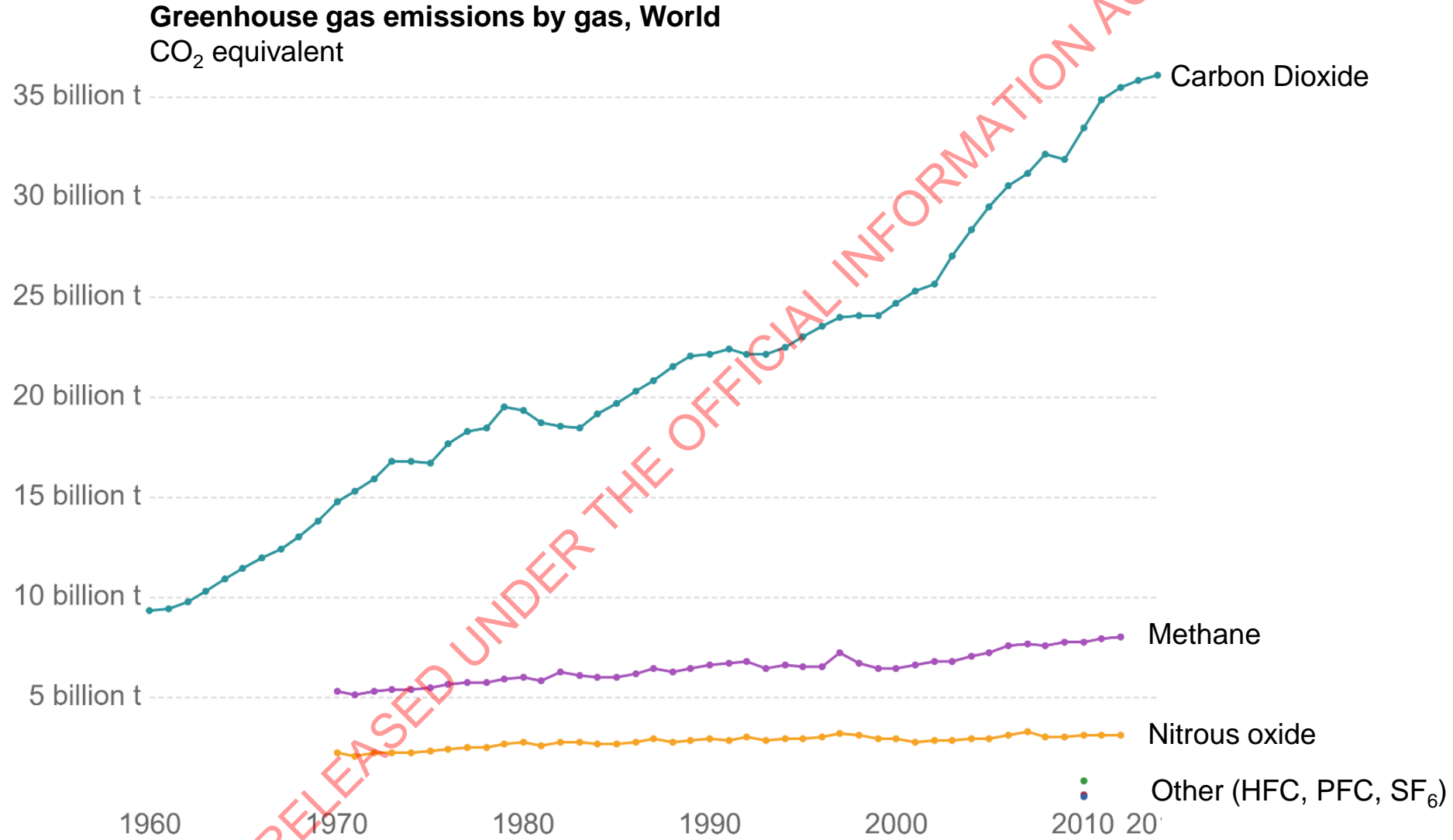
The essential truths about climate change in Ten words



Human Activity is the main cause

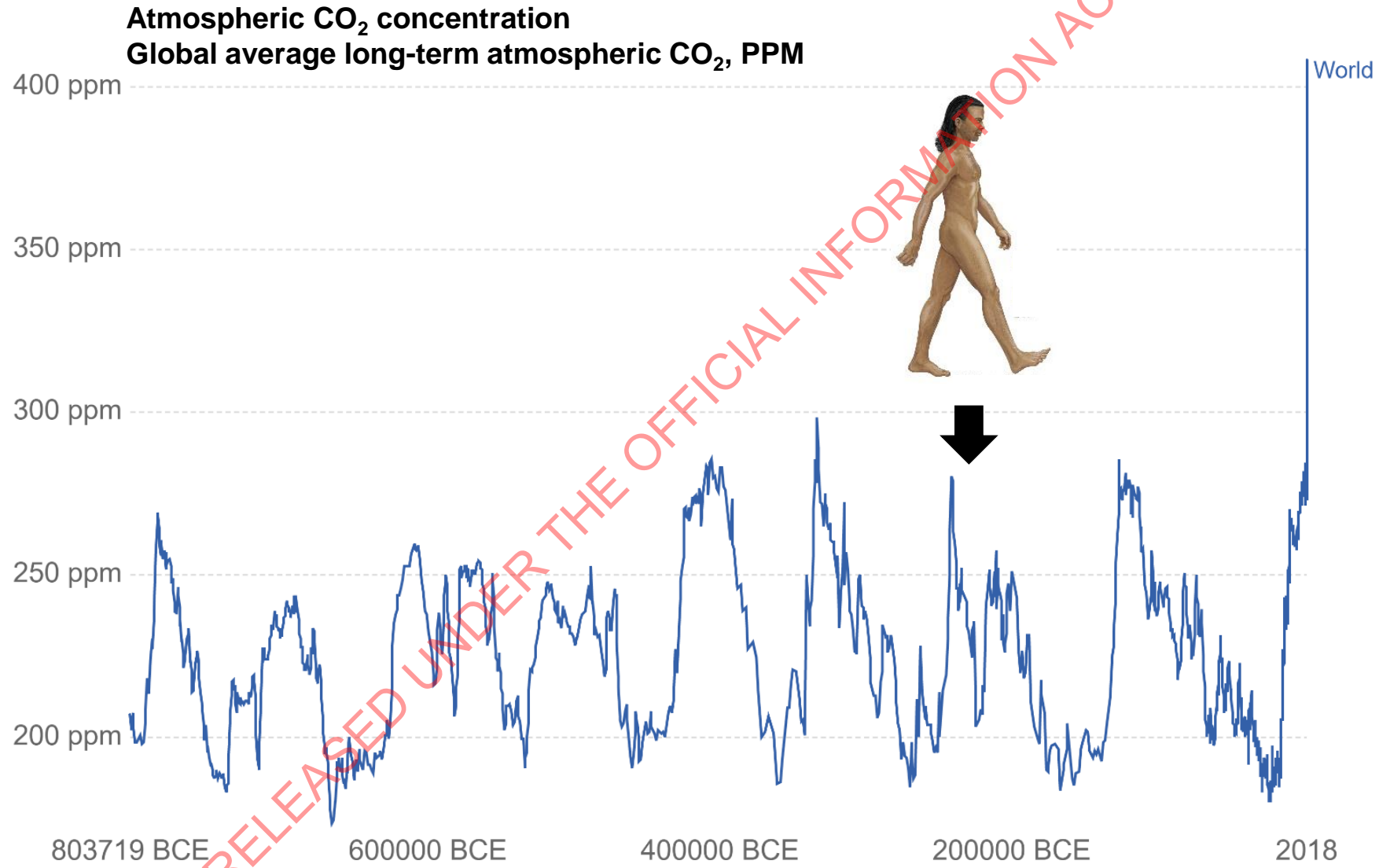


CO₂ is the biggest issue globally

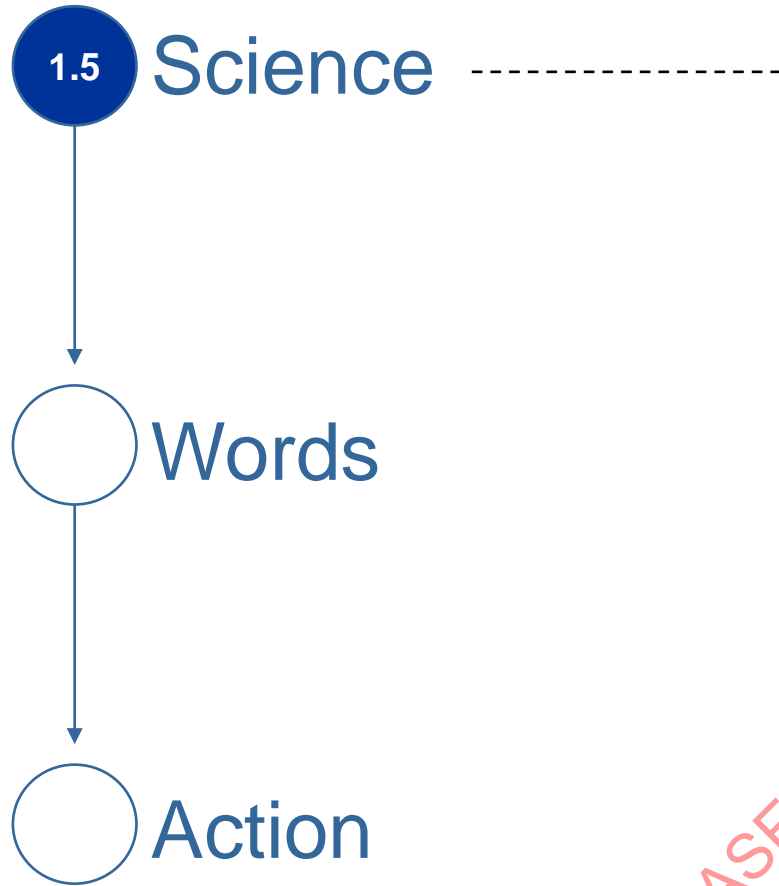


RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

CO₂ concentration hasn't been this high since well before homosapiens



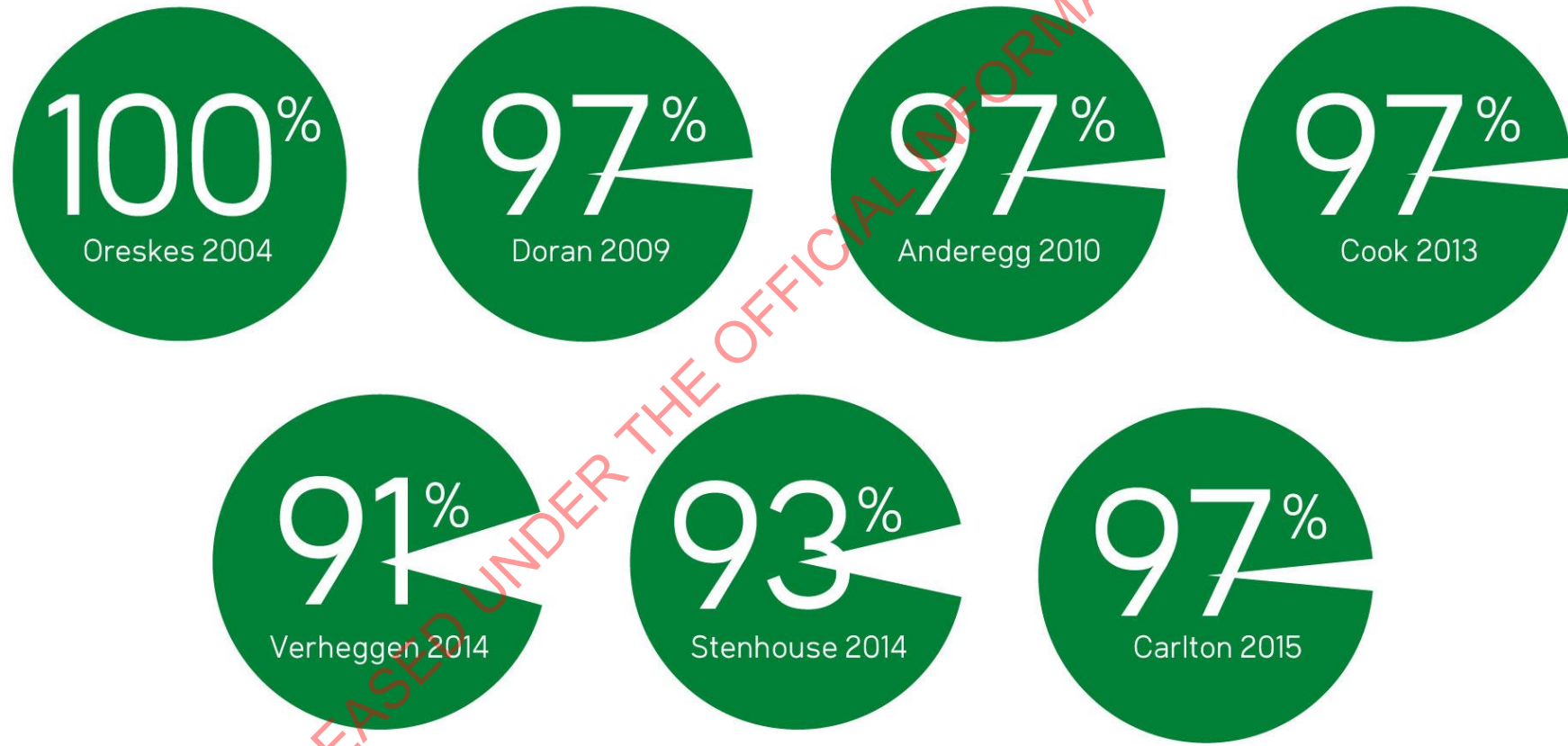
The essential truths about climate change in Ten words



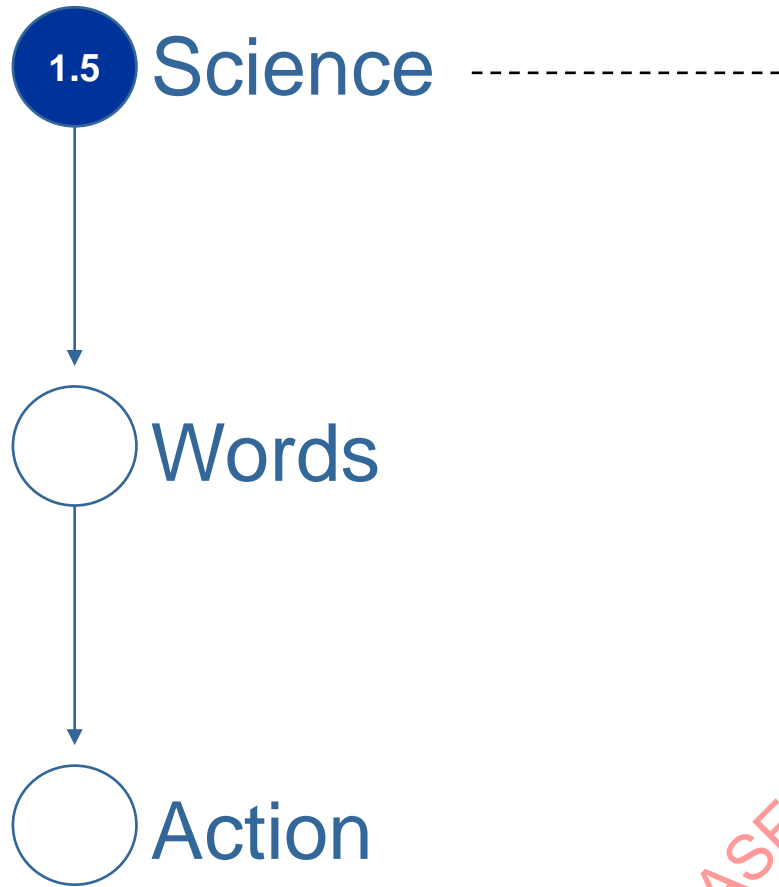
RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

There's scientific consensus on human-caused global warming

Studies into scientific agreement on human-caused global warming



The essential truths about climate change in Ten words

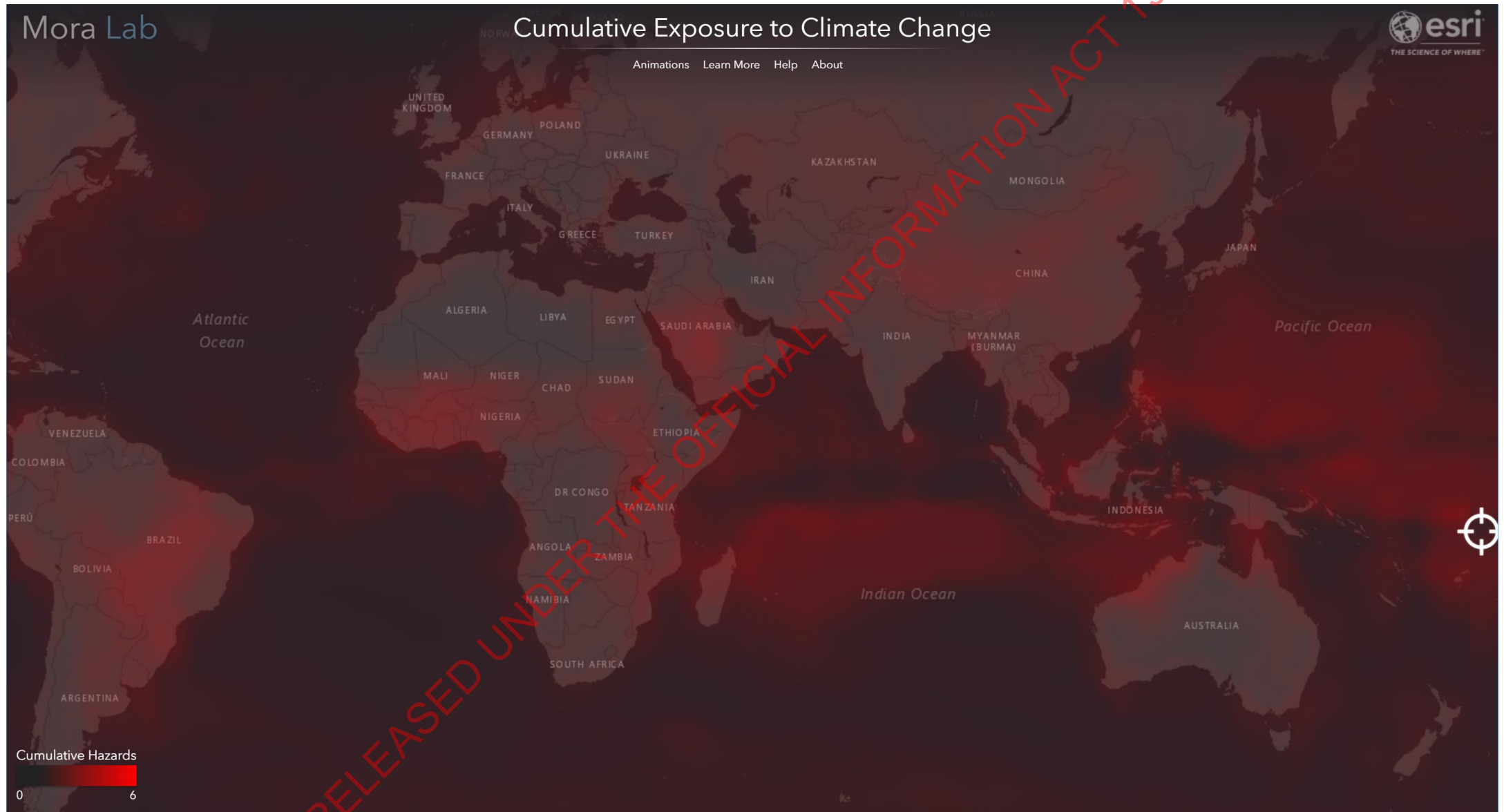


*“It is worse, much worse,
than you think”*

*David Wallace Wells
The Uninhabitable Earth*

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

... and its complicated...

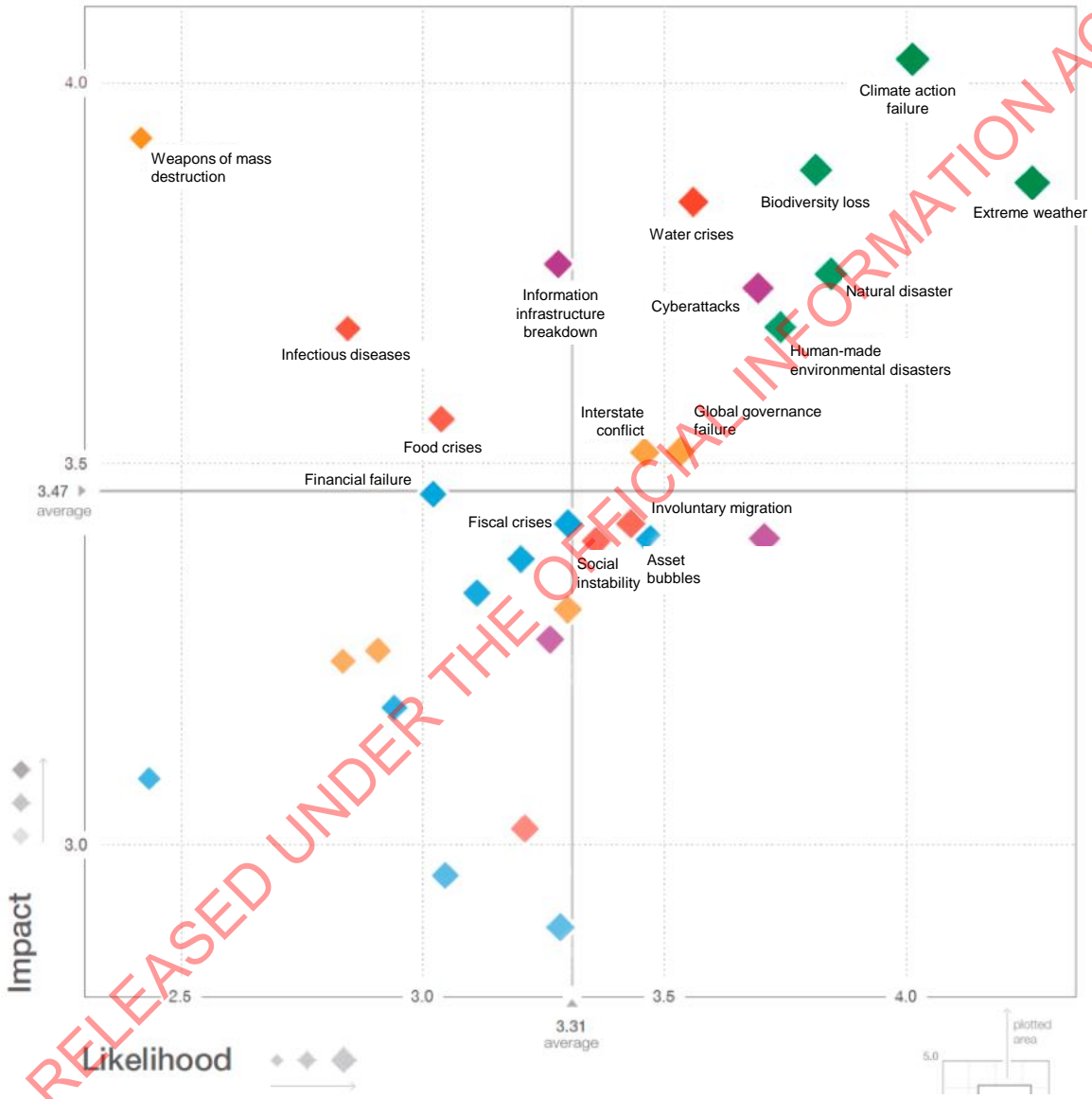


There are many examples of the physical risks - Dorian



RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

The World Economic Forum has identified climate change and associated as the biggest global risk



One of the biggest predictors for policy support is having experienced local weather change



Source: Bloomberg; Hornsey, Matthew J., Harris, Emily A., Bain, Paul G., & Fielding, Kelly S. (2016), "Meta-analyses of the determinants and outcomes of belief in climate change.", Nature Climate Change, 6,

National and regional risk exposure in low-lying coastal areas

Replacement cost of all buildings **\$19B (2011)**

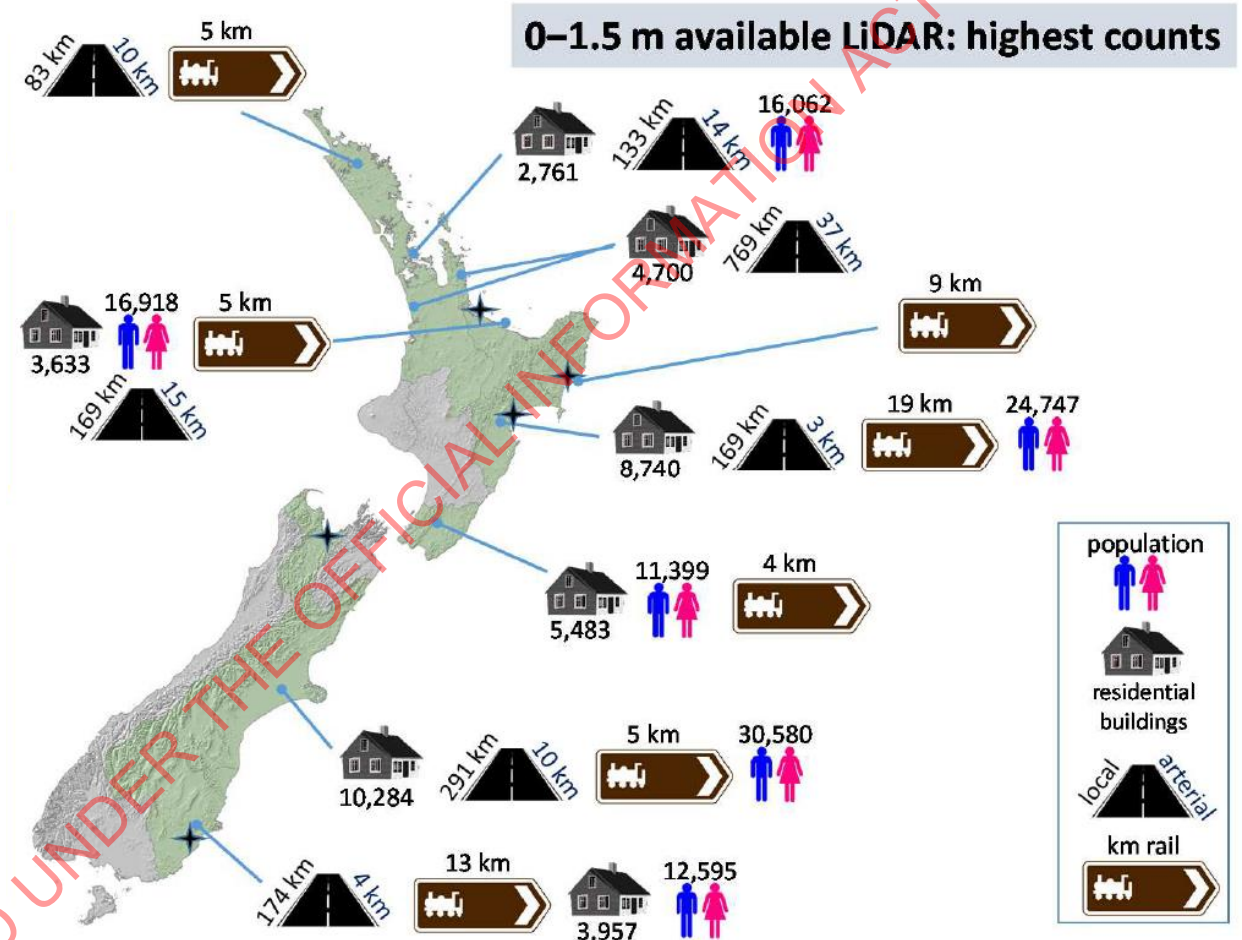
Total No. of residential buildings **43,680**

Total No. of buildings **68,170**

Total resident population **133,265 (Census 2013)**

National Infrastructure

- 382 critical-facility buildings
- 5 airpoints
- 1,547 jetties & wharves
- 2,121km of roads (1,930km local roads)
- 48km railway

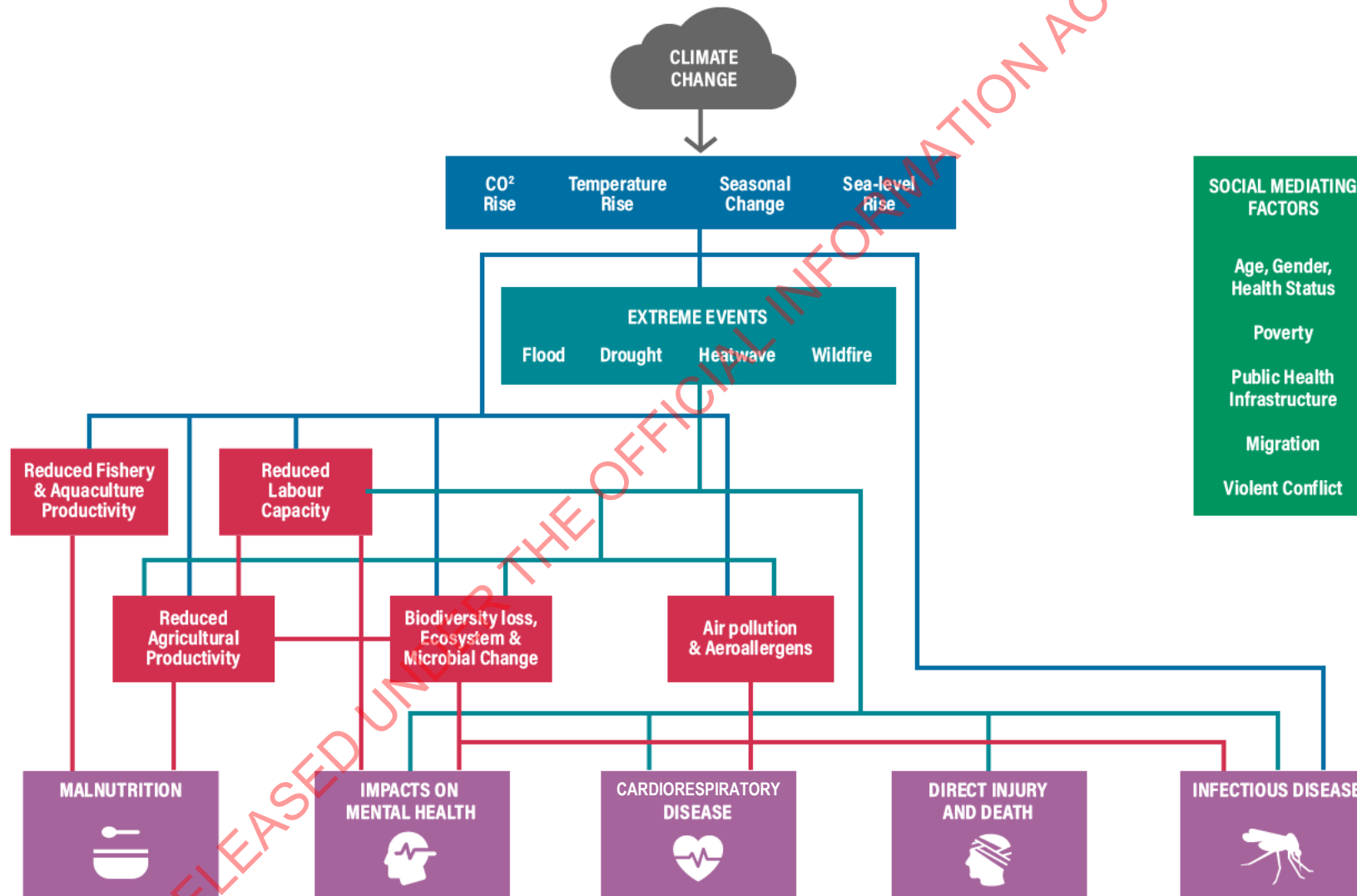


Source: NIWA; Prepared for the Parliamentary Commissioner for the Environment; October 2015

Council “walkback” is already happening but being kept below the radar



The impacts are serious and affect people

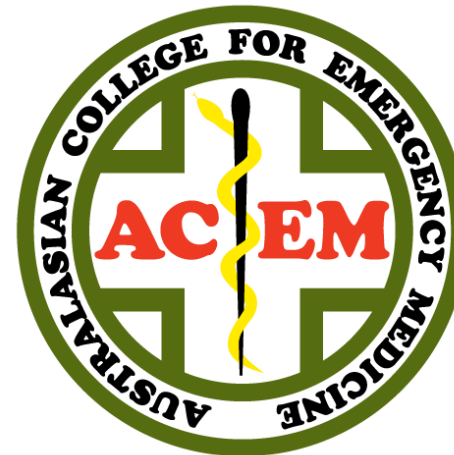


RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

The health and wellbeing impacts of continued global warming are significant and well recognised



World Health Organization

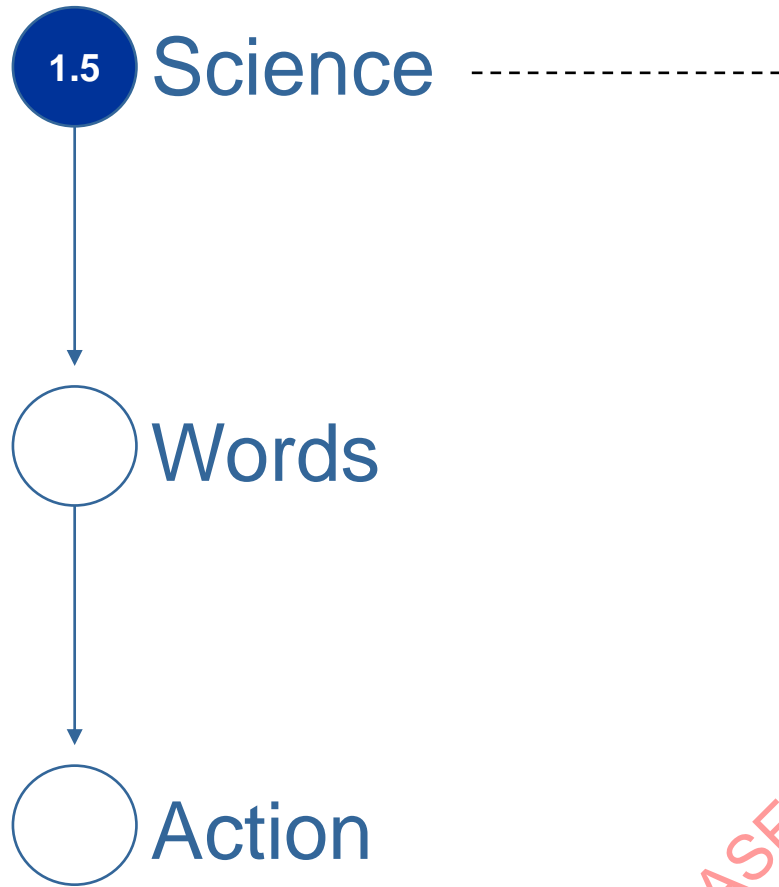


RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

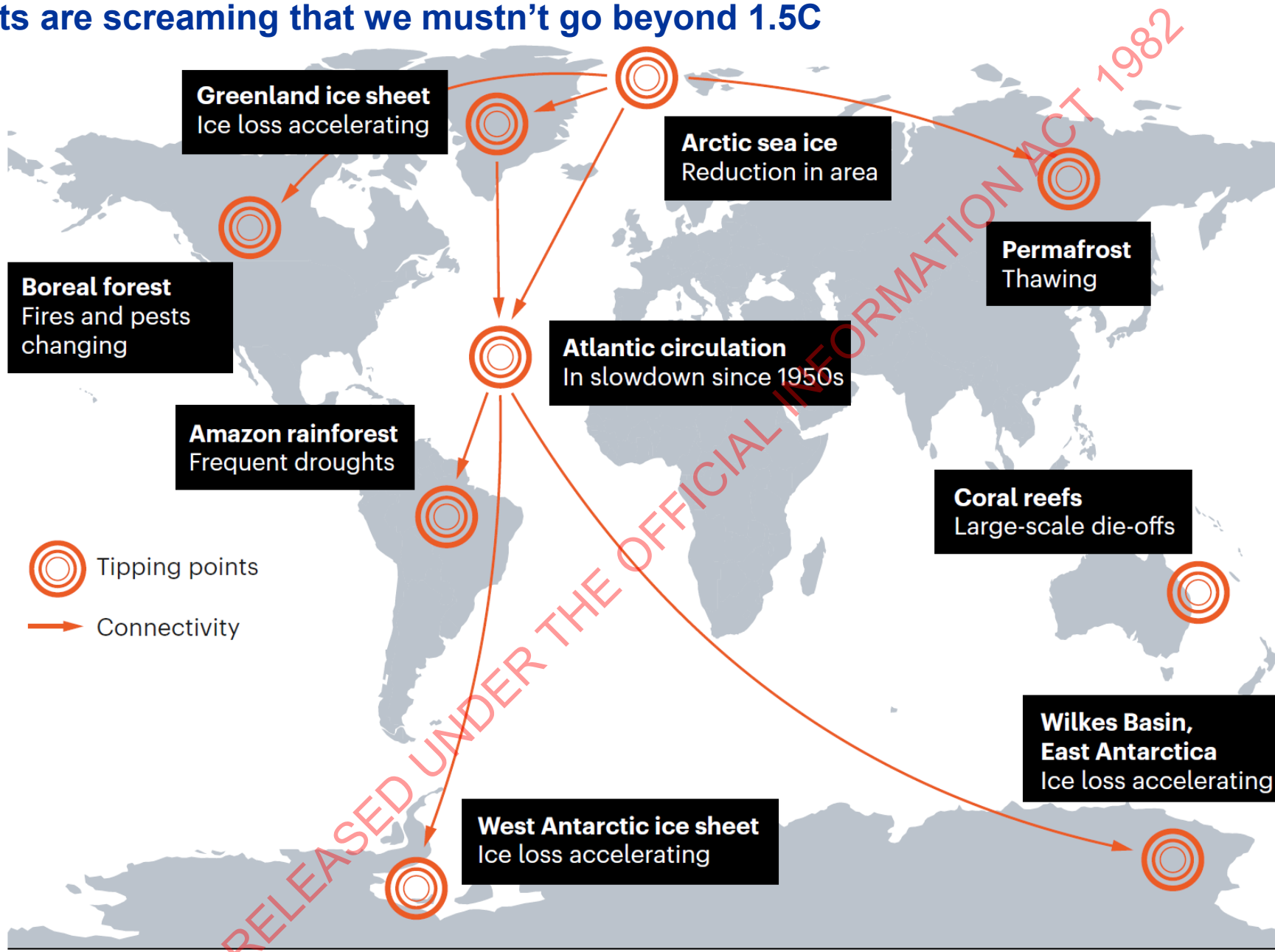
Climate change will disproportionately impact Maori communities



The essential truths about climate change in Ten words



The scientists are screaming that we mustn't go beyond 1.5C



DRAFT

DRAFT

DRAFT

DRAFT



The Royal Australasian College of Physicians



Climate Change and Health Health Professionals Joint Call for Action, July 2018

“Health professional groups recognise human-caused climate change as an increasingly serious and urgent threat to health and health equity in New Zealand and worldwide.”

...

As health professional organisations we call for:
“A national emissions reduction target of net zero greenhouse gas emissions by 2040.”

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

There is hope if the science, words and action align soon around 1.5C



DRAFT

1.5 Science



1.5 Words



1.5 Action

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

DRAFT

DRAFT

DRAFT

The investor and legislative narrative is moving to 1.5C



BANK OF ENGLAND



FINANCIAL STABILITY BOARD

1.5 Science

1.5+ Words

Action



New Zealand Government
Te Kāwanatanga o Aotearoa

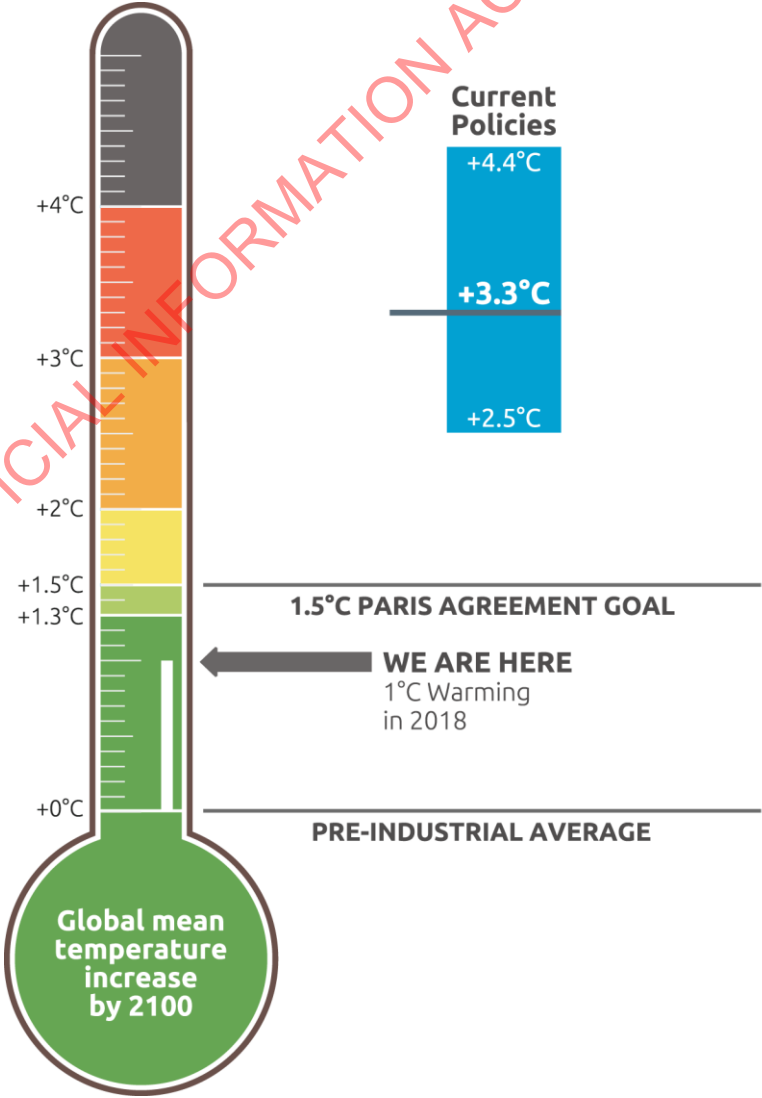
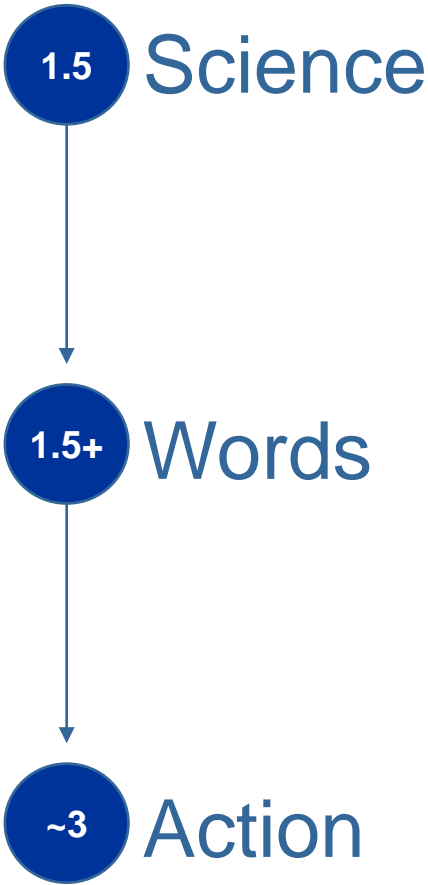


Auckland Council
Te Kaunihera o Tāmaki Makaurau

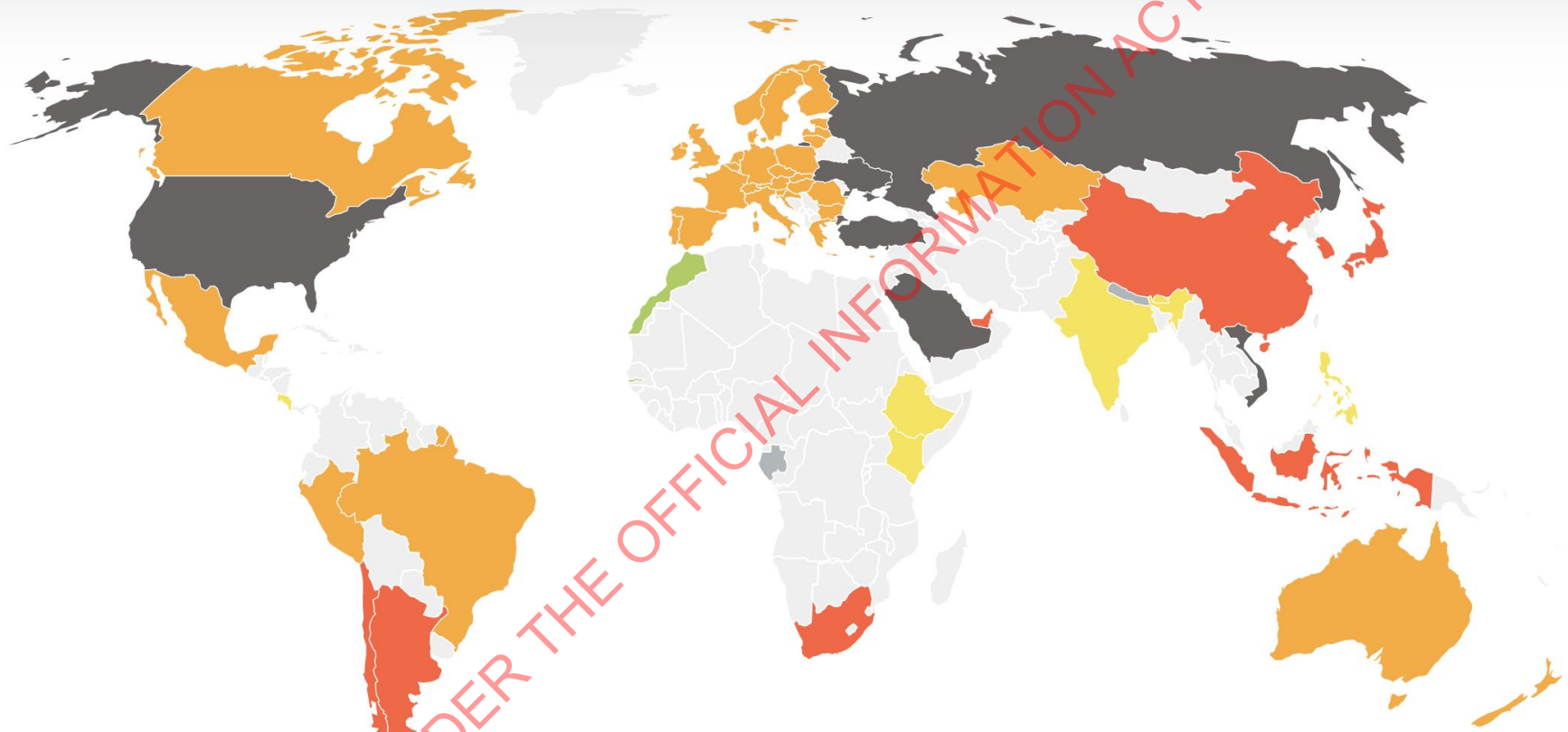


RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

We're a long way from Paris...



New Zealand's response is better than some but Insufficient



The maps displayed are for reference only.

LAST UPDATE: December 2019



1.5 Science



1.5 Words



1.5 Action



What happens in New Zealand if they all line up?

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

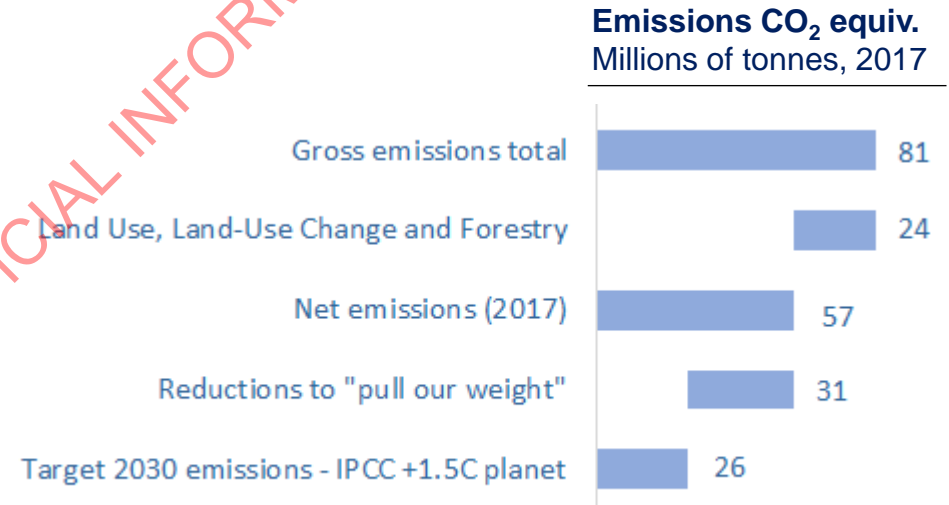
We must cut emissions 50-60% by 2030 to pull our weight in the global community

*“In model pathways with no or limited overshoot of 1.5°C, global net anthropogenic CO₂ emissions decline by about 45% from 2010 levels by 2030”**,

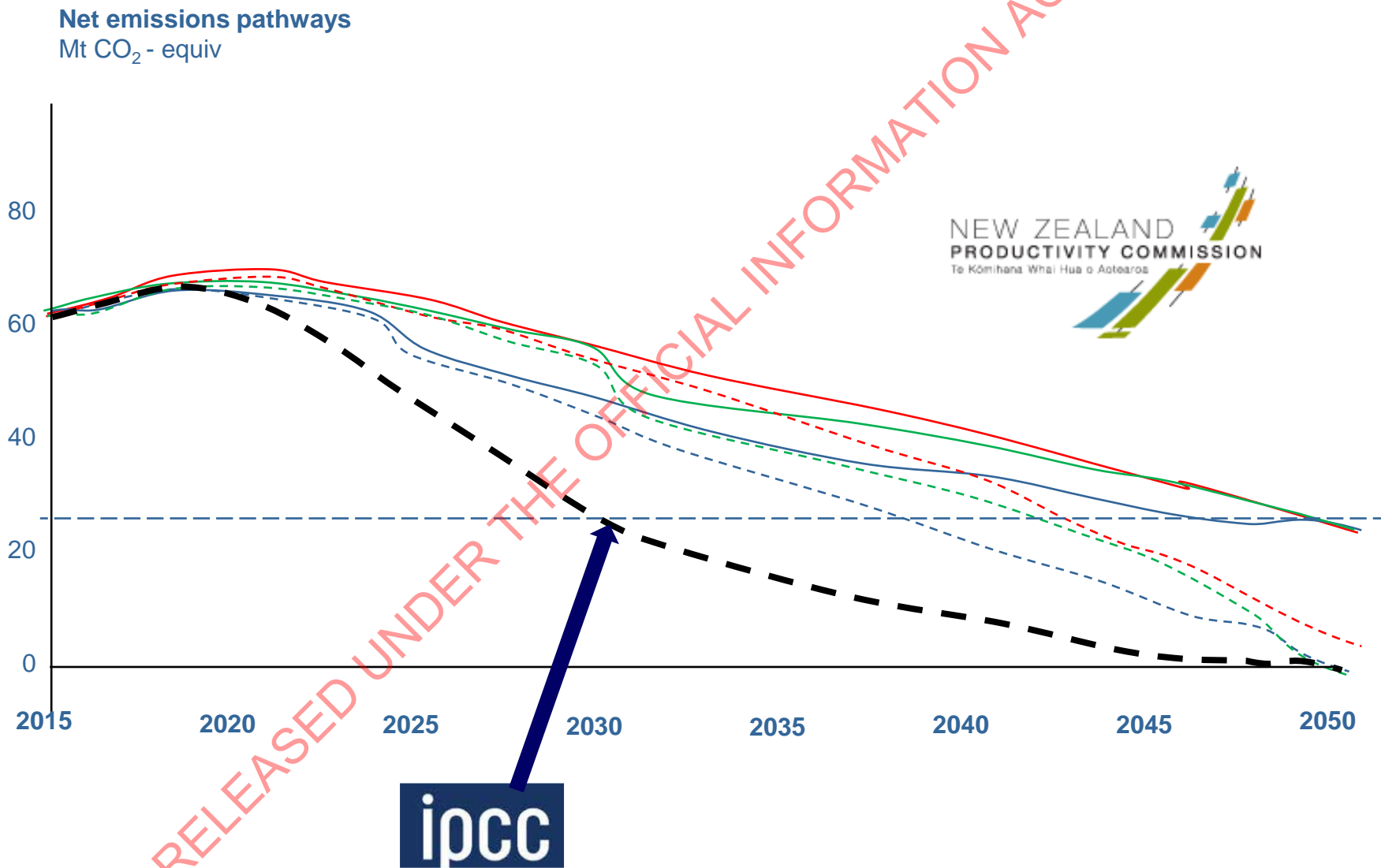
[nb 54% from NZ 2017 levels]

IPCC October 2018

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

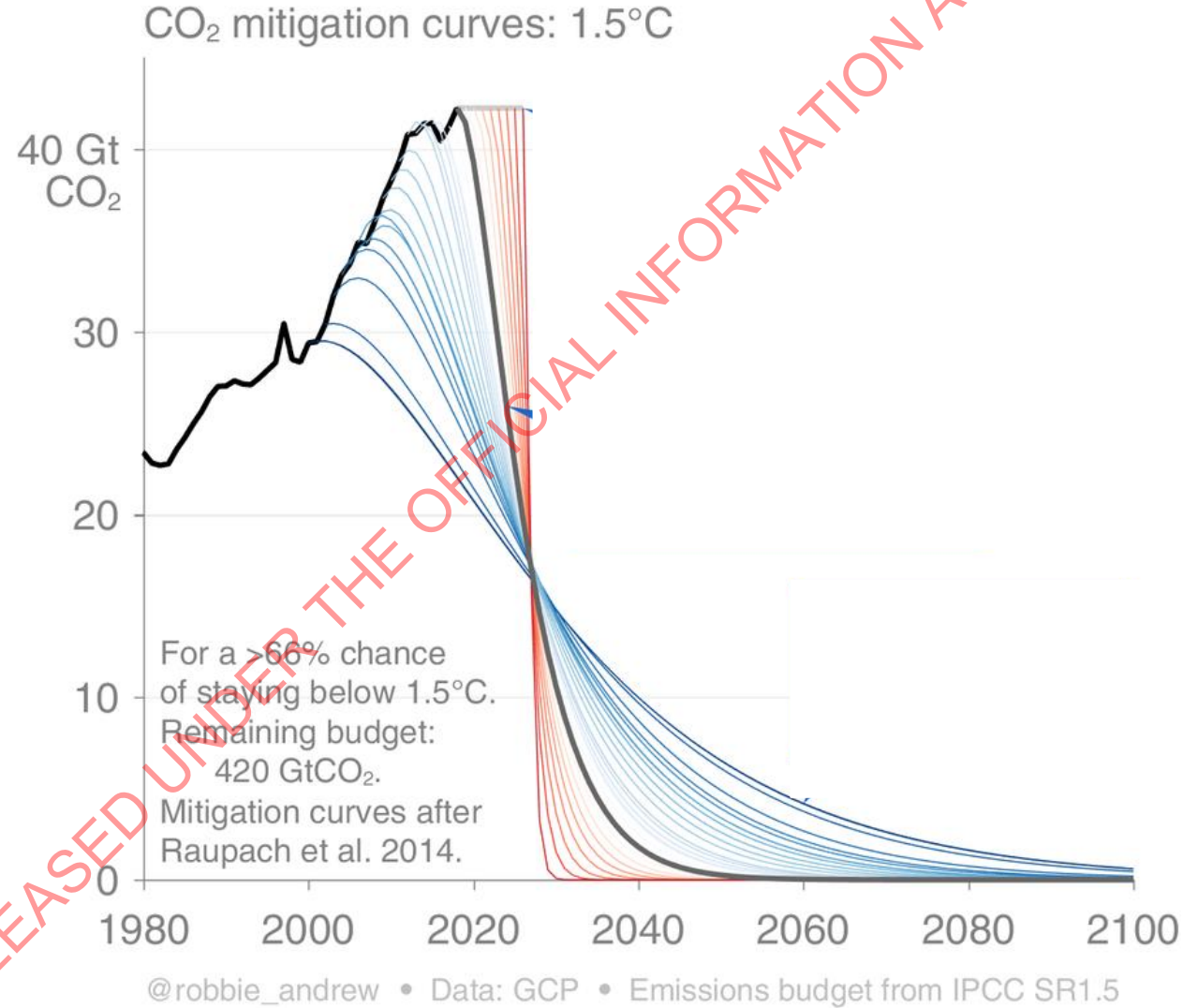


The goalposts have moved since the August 2018 productivity commission work



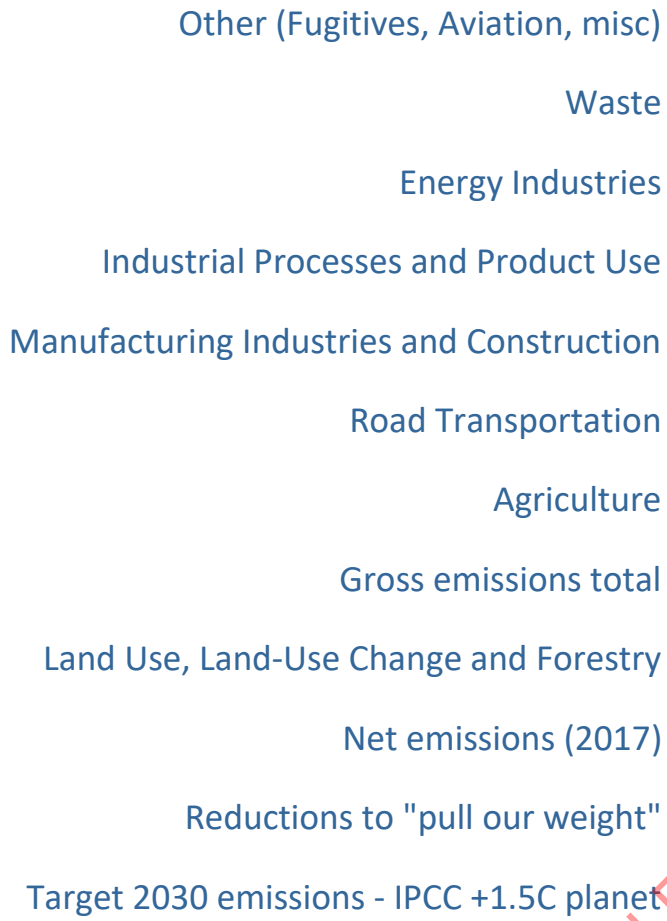
RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Emissions are cumulative so transition risk builds to 2030



Who profits from emissions today and will they in the future?

Emissions CO₂ equiv.
Millions of tonnes, 2017

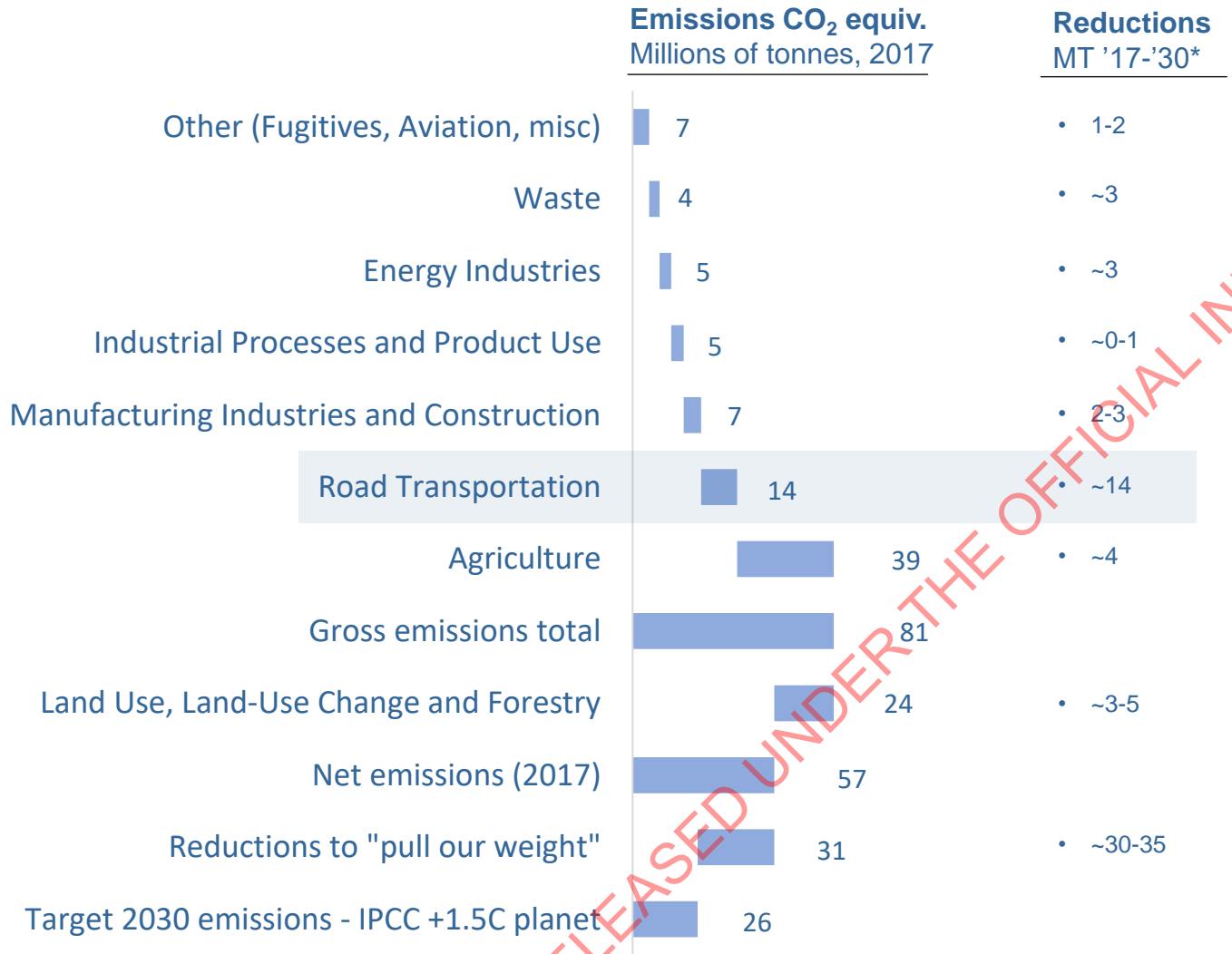


RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Typically 50-70% of category

Source: Temple analysis, interviews

To hit 1.5C we must largely eliminate petrol and diesel by 2030...



This is all underway, or the market will get us there

To hit 1.5C we'll need to largely decarbonise road transport

Zero Carbon Bill might give 10% and the politics/economics are terrible

"One Billion Trees"; low appetite / capacity for more

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Source: Temple analysis, interviews

The change required is massive and poorly understood: Auckland example

Visualisation About MRCagney

Auckland's Transport Emissions

More than 35% of Auckland Region's emissions come from road and rail transport. This website illustrates how changing Auckland's transport network can reduce its future carbon emissions.

Make a Change

Select from the specific transport projects below to see how they affect emissions. Details of each change are listed at the bottom of the page.

Reduction in Trips Taken

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

Public Transport Projects

- City Rail Link
- Aiport to Botany
- Isthmus Crosstown

Auckland's Transport Emissions by Mode

What's your target?

Target One:
Reduce to 1,400 kt CO₂-e
[Target One Details](#)

Target Two:
Reduce to 840 kt CO₂-e
[Target Two Details](#)

kt CO₂-e = Thousands of tonnes of carbon dioxide equivalent

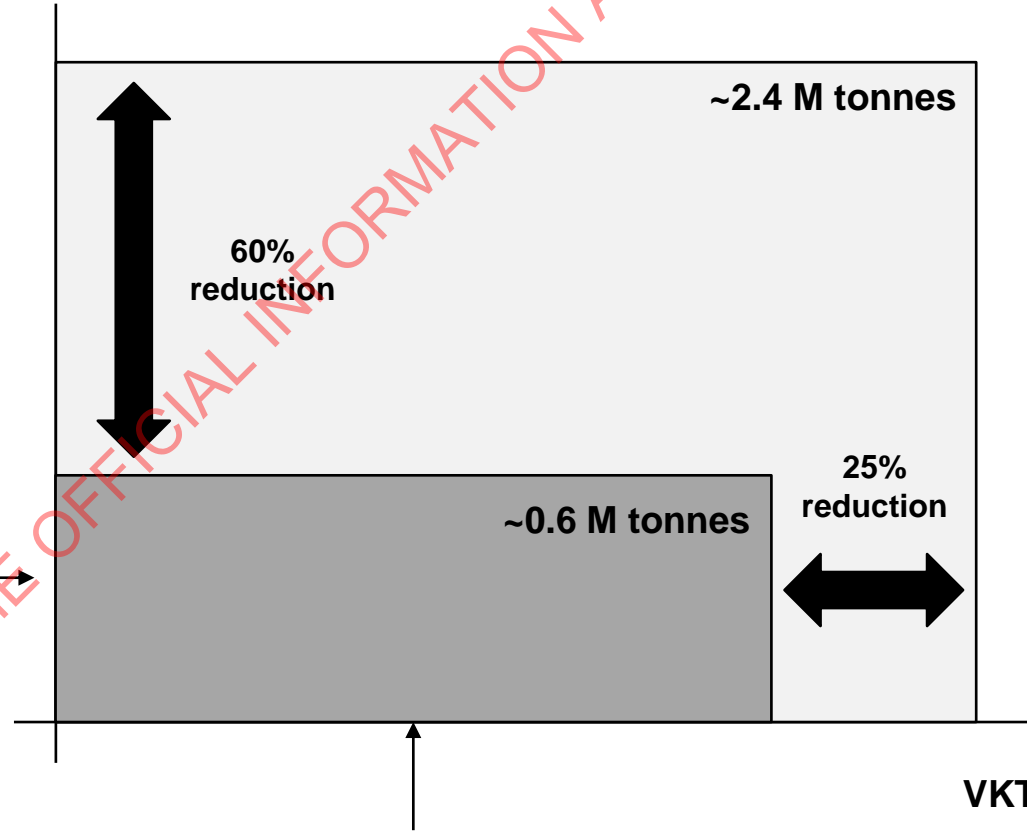
Year	Electric Buses	Diesel Buses	Electric Cars	Petrol and Diesel Cars	Total
2018	~100	~100	~100	~2,513	2,813
2030 Baseline	~100	~100	~100	~3,280	3,580
2030 Scenario	~100	~100	~100	~3,280	3,580

transport2030.org

Decarbonisation is possible but it bears no resemblance to the current plans

Auckland Light fleet example M Tonnes CO₂ (2015)

Emissions per VKT



- **Emissions** like new Japan cars were in 2014 by 2030
- Norway-like **EV uptake** by 2025

- All population growth picked up by new PT, cycling etc plus....
- Higher occupancy
- Road charging
- Parking charging
- Less PKT (remember April?)

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

A call to action aligned with the ZCA looks more like this....

90%+ less ICE VKT by 2030

No ICE VKT by 2035,

No new-to-fleet ICE-only after 2025

EV only from 2030

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

TEMPLE

CAPITAL INVESTMENT SPECIALISTS

This investment document was prepared by Temple Capital Investment Specialists.

Temple provides specialist solutions-based advice that allows complex capital investment decisions to be made with confidence. We provide this advice to a range of leading Australasian clients including private equity funds, debt funds and major corporates who are considering investments in the range of \$US10 million to \$US100 million. We define the opportunities present in each investment and explore alternatives that can maximise returns and minimise risk.

What makes us unique?

Temple works differently from the traditional sources of investment advice. Our independence is very important because it means our fees aren't influenced by the final investment decision, so you can be assured our solutions are objective. As a smaller company our services are significantly more cost effective than top tier consulting firms. And because we have extensive experience in both risk and opportunity assessment we provide a more customised appraisal than firms that apply formula driven solutions.

Let's talk

For an in-depth assessment of your next investment decision or for further information on our services, please call Paul Winton on +64 9 8899370.