# Boeing, Air New Zealand and Rolls-Royce Announce Biofuel Flight Demo

## Demonstration in 2008 targets the viability of alternative fuels for reducing carbon emissions

Boeing [NYSE: BA], Air New Zealand and Rolls-Royce today announced a Memorandum of Understanding to conduct a biofuel demonstration flight designed to help accelerate the development of viable and sustainable alternative fuels for commercial aviation uses. Boeing is exploring second-generation biofuel feed stocks and processes that have the potential to reduce greenhouse gases throughout their entire lifecycle.

The demonstration flight is planned for the second half of 2008 using an Air New Zealand Boeing 747-400 equipped with Rolls-Royce engines. Boeing is in discussions with fuel-source providers around the globe to identify potential biofuels that are available in suitable quantities for laboratory and jet-engine performance testing and in compliance with stringent aviation requirements. Additional details will be announced closer to the actual demonstration flight date.

"Our near-term goal in this pioneering effort is to identify sustainable alternative bio-jet fuel sources for the planes that are flying today," said Craig Saddler, president of Boeing Australia. A significant first step is identifying progressive fuel sources that will provide better economic and environmental performance for air carriers, without any change to aircraft engines or the aviation fuel infrastructure."

The Air New Zealand bio-jet fuel demo flight will highlight the suitability of environmentally progressive fuel solutions (bio-jet fuels) that differ from traditional biofuel development. Bio-jet fuels will incorporate second-generation methodologies relative to sustainable feedstock source selection and fuel processing, which are uniquely suited for aerospace applications. These bio-jet fuels can potentially be blended with traditional kerosene fuel (Jet-A) to reduce dependency on petroleum-based fuels. Additionally, sustainable bio-jet feedstock sources avoid deforestation practices and potential competition with global food resources, while helping to lower aviation carbon dioxide outputs.

"This test flight is another step in our plan to lead the globe in development of the most environmentally responsible airline," said Air New Zealand Chief Executive Officer Rob Fyfe. "We have already taken large steps toward this goal by introducing fuel-efficient Boeing 777s and we eagerly await the first of our 787-9 Dreamliners which will burn 20 percent less fuel than the planes they replace."

Air New Zealand, one of the world's most progressive airlines, is a launch customer for the Boeing 787 Dreamliner, scheduled for entry into service in 2008. Air New Zealand will receive its first 787-9 in 2010. In addition to providing passengers with a better flying experience, it also will provide operators with a more environmentally efficient jetliner including lower carbon emissions and quieter takeoffs and landings.

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