

PORTFOLIO COMMITTEE NO. 7 - PLANNING AND ENVIRONMENT

Thursday 7 March 2024

Examination of proposed expenditure for the portfolio areas

**CLIMATE CHANGE, ENERGY, THE ENVIRONMENT,
HERITAGE**

CORRECTED

The Committee met at 9:15.

MEMBERS

Ms Sue Higginson (Chair)

Ms Abigail Boyd

The Hon. Mark Buttigieg

Dr Amanda Cohn

The Hon. Anthony D'Adam

Ms Cate Faehrmann

The Hon. Wes Fang

The Hon. Scott Farlow

The Hon. Tania Mihailuk

The Hon. Jacqui Munro

The Hon. Peter Primrose

The Hon. John Ruddick (Deputy Chair)

PRESENT

The Hon. Penny Sharpe, *Minister for Climate Change, Minister for Energy, Minister for the Environment, and Minister for Heritage*

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

Corrections should be marked on a photocopy of the proof and forwarded to:

**Budget Estimates secretariat
Room 812
Parliament House
Macquarie Street
SYDNEY NSW 2000**

CORRECTED

The CHAIR: Good morning and welcome to the second hearing of the Portfolio Committee No. 7 – Planning and Environment for the additional round of the inquiry into budget estimates 2023-2024. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal and Torres Strait Islander people joining us today. My name is Sue Higginson. I am Chair of the Committee. I welcome Minister Sharpe and accompanying officials to this hearing.

Today the Committee will examine the proposed expenditure for the portfolios of Climate Change, Energy, the Environment and Heritage. I ask everyone in the room to please turn their mobile phones to silent. Parliamentary privilege applies to witnesses in relation to the evidence they give today. However, it does not apply to what witnesses say outside of the hearing. I urge witnesses to be careful about making comments to the media or to others after completing their evidence. In addition, the Legislative Council has adopted rules to provide procedural fairness for inquiry participants. I encourage Committee members and witnesses to be mindful of these procedures.

In the hearing today, Mr Bruce is appearing via videoconference. I include a few notes on virtual hearing etiquette to minimise disruptions and assist our Hansard reporters: If the participant loses their internet connection and is disconnected from the virtual hearing, they are asked to please rejoin the hearing by using the same link as provided by the Committee secretariat. I ask Committee members to clearly identify who questions are directed to and I ask everyone to please state their name when they begin speaking. Could the witness on videoconference please mute their microphone when not speaking and please remember to turn your microphone back on when you're getting ready to speak. If you start speaking whilst muted, please start your answer again so it can be recorded in the transcript. Members and witnesses should avoid speaking over each other so we can all be heard clearly. Also, to assist Hansard, may I remind members and witnesses to speak directly into the microphone and avoid making comments when your head is turned away.

Welcome, and thank you for making the time to come and give evidence. Minister, I remind you that you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament. Mr Chappel, you also do not need to be sworn as you appeared at the initial budget estimates hearing before this Committee in your current role.

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Mr MATTHEW CLARK, Acting Executive Director, Heritage NSW, Department of Climate Change, Energy, the Environment and Water, affirmed and examined

Mr ANTHONY LEAN, Secretary, Department of Climate Change, Energy, the Environment and Water, affirmed and examined

Ms ALISON PEPPER, Acting Deputy Secretary, Energy, Climate Change and Sustainability, Department of Climate Change, Energy, the Environment and Water, sworn and examined

Mr JAMES HAY, Chief Executive, Energy Corporation of NSW, Department of Climate Change, Energy, the Environment and Water, sworn and examined

Dr ERIN GIULIANI, Chief Executive Officer, Biodiversity Conservation Trust, Department of Climate Change, Energy, the Environment and Water, affirmed and examined

Mr BRENDAN BRUCE, Deputy Secretary, Biodiversity, Conservation and Science, Department of Climate Change, Energy, the Environment and Water, before the Committee via videoconference, affirmed and examined

Professor HUGH DURRANT-WHYTE, Deputy Chair, Net Zero Emissions and Clean Economy Board, affirmed and examined

Mr TONY CHAPPEL, Chief Executive Officer, NSW Environment Protection Authority, on former oath

The CHAIR: Today's hearing will be conducted from 9.15 a.m. until 5.30 p.m. We are joined by the Minister for the morning session from 9.15 a.m. to 1.00 p.m., with a 15-minute break at 11.00 a.m. In the afternoon, we will hear from departmental witnesses from 2.00 p.m. until 5.30 p.m., with a 15-minute break at 3.30 p.m. During these sessions, there will be questions from the Opposition and crossbench members only, then 15 minutes is allocated for Government questions at 10.45 a.m., 12.45 p.m. and 5.15 p.m. We will commence with questions from the Opposition.

The Hon. WES FANG: Welcome, Minister, and welcome to all of your associates as well. Thank you for appearing today. Minister, you and the Treasurer met with landholders under threat from land acquisition by EnergyCo near Dunedoo on 13 February this year. Is that correct?

The Hon. PENNY SHARPE: Yes.

The Hon. WES FANG: By leave, I am going to table some documents for you and some other people to look at. I have four copies, one for the Minister, one for the Chair and a couple for the Government members.

The Hon. PENNY SHARPE: Do members of the Committee have it?

The Hon. WES FANG: I'm sure they can make copies, Minister. There is no requirement to provide copies to everybody—that has come out of earlier hearings.

Documents tabled.

The Hon. WES FANG: In those documents are transcripts of evidence from the Treasurer, transcripts of evidence from Mr Hay and an article that was published on Monday 4 March 2024. You will note in his evidence, which has been provided to you, Mr Hay categorically rules out compensating landholders any more than what is required under the Land Acquisition (Just Terms Compensation) Act 1999. Did you advise Mr Hay and those affected landholders that you met with that other Ministers in the Minns Labor Government, such as Minister Aitchison, have been working on paying landholders over and above the compensation figures mandated by the Land Acquisition (Just Terms Compensation) Act 1999 for projects such as the Singleton bypass?

The Hon. PENNY SHARPE: Thanks for the question. It is actually really important. The Treasurer and I had a very good meeting with a range of landholders in Dunedoo. I want to thank New South Wales farmers for facilitating that meeting. A lot of issues were raised there, including the way in which the just terms compensation Act operates. The details of what's happening with Minister Aitchison I couldn't comment on, but the point I want to make is this: All Ministers in this Government expect our agencies to operate and work fairly within the just terms compensation Act and for them to work well with landholders that are affected and those that are going through that process. We expect the same in relation to EnergyCo; we expect the same in relation to Transgrid—all of those places. The answer is yes, I'm aware of those things. As you would be aware, there is some review going on, but as a result of those meetings I also had conversations with EnergyCo about how they can improve the way in which they work with landholders.

The Hon. WES FANG: That's great, Minister, and we will come to that issue. But Minister Aitchison was quite clear that she was working on the compensation issues around Singleton bypass landholder members

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that felt that they weren't being compensated correctly and indicated that there were offers over and above. Have you provided Mr Hay with that advice and asked him to look at that?

The Hon. PENNY SHARPE: No, I haven't provided Mr Hay with that advice because, until it was covered by you at estimates, I was unaware of it. But the point here is that the just terms compensation Act is very important. We expect all landholders to be treated fairly. There are a range of different flexibilities within the Act, which you would be aware of, that we're also looking at working with landholders on.

The Hon. WES FANG: Why do landholders in Singleton deserve better treatment than those in Central-West Orana?

The Hon. PENNY SHARPE: All landholders deserve to be treated fairly and properly within this process.

The Hon. WES FANG: Why do Singleton landholders deserve more compensation, over and above what is mandated under the just terms compensation Act—

The Hon. PENNY SHARPE: The point I would make here—

The Hon. WES FANG: I hadn't finished my question, Minister. Why do those landholders deserve more, over and above what Mr Hay is prepared to offer those in Central-West Orana?

The Hon. PENNY SHARPE: Discussions are ongoing in relation to individual landholders in the Central-West Orana area. I'm not prepared to canvass those publicly here. The point that I would make is that EnergyCo is working closely with those landholders. The point that I would also make—and I'm really happy to provide this information to the Committee today—is that of the landholders that are affected in Central-West Orana, on my advice as of this morning, 81 per cent of them have come to a negotiated agreement with EnergyCo. The process is largely working for most people. There are definitely some issues and I heard those very clearly—the Treasurer and I heard those—and we have been working through some of those issues and will continue to do so.

The Hon. WES FANG: I will come to the way that you have achieved 81 per cent in a little bit, but before I do that, Minister, in estimates last Friday the Treasurer's evidence—and it is part of the evidence that I have tabled—was that "The energy Minister is taking it very seriously—and her office—and we have made no secret of the fact that we expect EnergyCo and others to treat all landholders with the respect that they deserve." When I asked Mr Hay what feedback you or your office had provided to him after the meeting in Dunedoo, he said that the only feedback he'd received was, "It's a process that is difficult for everyone involved." What direction, as was indicated by the Treasurer, have you given EnergyCo in relation to their treatment of landholders when negotiating with them, and when did you give it?

The Hon. PENNY SHARPE: It depends whether you're talking about formal written directions. I haven't given formal written directions. If you're talking about ongoing, regular meetings and discussions between myself, Mr Hay and EnergyCo, they are almost daily in relation to the way in which this is operating. We have made it extremely clear that farmers and other landholders are to be treated properly, that we expect them to work well and flexibly and to address the concerns that are raised by landholders, and we'll continue to do that.

The Hon. WES FANG: Minister, why haven't you given written direction?

The Hon. PENNY SHARPE: Because I've been talking to Mr Hay. I meet with Mr Hay at least fortnightly. I speak to him more frequently than that. Also my office is in daily contact with EnergyCo. That's why we've chosen to do it that way.

The Hon. WES FANG: Is it so that you've got plausible deniability?

The Hon. PENNY SHARPE: No. The way that we actually work is that we talk to one another and we work through issues in the way in which we should.

The Hon. WES FANG: As part of the evidence that I also provided, the Treasurer said, "The Minister has also made it quite clear that she expects to be constantly engaged with EnergyCo and how they are being treated", and that's in relation to the landholders.

The Hon. PENNY SHARPE: Yes. He's correct, as usual.

The Hon. WES FANG: Yes. Have you instructed Mr Hay to negotiate in good faith?

The Hon. PENNY SHARPE: Yes.

The Hon. WES FANG: You have?

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The Hon. PENNY SHARPE: Yes.

The Hon. WES FANG: Have you done that in writing?

The Hon. PENNY SHARPE: I've just explained to you, no.

The Hon. WES FANG: No? Okay. You would be aware that my questions to Mr Hay related to the negotiations that occurred the day prior to his appearance before the committee.

The Hon. PENNY SHARPE: Sorry, which committee? You're on a lot of committees, Mr Fang.

The Hon. WES FANG: I am on a lot of committees, Minister.

The Hon. PENNY SHARPE: Can you remind me which committee it is and which inquiry it was?

The Hon. WES FANG: The evidence, as is tabled before you, is the select committee for undergrounding. His appearance was on Friday—

The Hon. PENNY SHARPE: The second one, that you're redoing? Yes, that one, great. I understand.

The Hon. WES FANG: Minister, I'm asking a question. I'd asked you to not interject with unhelpful comments please.

The Hon. PENNY SHARPE: I'll try.

The Hon. WES FANG: I'd appreciate that.

The Hon. PENNY SHARPE: I'll do my best.

The Hon. WES FANG: Minister, his evidence was on Friday 16 February, and I've provided it to you; it's in the pack that I've given to you.

The Hon. PENNY SHARPE: Which page?

The Hon. WES FANG: It will be in, I believe, the first page.

The Hon. PENNY SHARPE: I appreciate you providing it but it's a bit hard for me to find it, so if you just direct me to which page it is. Is it page 30?

The Hon. WES FANG: I am sure you are familiar with Mr Hay's evidence. I'm sure you were watching.

The Hon. PENNY SHARPE: You've given me this document. Do you want to tell me which bit you're wanting to direct me to?

The Hon. WES FANG: I haven't actually identified a part yet. These are three pages of the evidence that he provided.

The Hon. PENNY SHARPE: Okay. You just tell me which bit and I'll look at the right bit.

The Hon. WES FANG: I haven't got to the question yet. His evidence was given the day after there were negotiations that occurred between a landholder and EnergyCo, and it was only two days after you met with those landholders in Dunedoo. You in fact met with the landholder that was undergoing negotiations with EnergyCo. That person believed that they were negotiating directly with EnergyCo but it became subsequently clear that they were, in fact, negotiating with a third party that was engaged by EnergyCo to conduct those negotiations. Minister, is the use of third-party negotiators simply a way for EnergyCo to employ strong-arm tactics on these landholders while telling you that they are acting with the best of intentions or acting as a model litigant, as the Treasurer told us they would?

The Hon. PENNY SHARPE: The short answer is, no, that is not what is occurring here. The longer answer is this: As I've just said, the vast majority of landholders are negotiating and reaching agreements through this process. There are a number of landholders for whom this is a difficult process in which they're still undertaking that. The Treasurer and I have taken seriously the issues that they have raised and we have made some changes as a result, including extending some of the compulsory acquisition notice time frames for that. I know that some people remain unhappy about that. I'm not going to canvass individual issues in this hearing, but suffice to say that any of the claims that have been made have been referred and are being investigated.

The Hon. WES FANG: Minister, it became clear when I was speaking to some of the landholders that there were a number of threats that were being issued, threats about compulsory acquisition, threats around the way that the negotiated route for the powerlines may or may not be moved should they seek to challenge the valuations. Minister, those coercive strong-arm tactics are probably best described as unconscionable. Is that really what the Minns Labor Government is doing to those landholders in Central-West Orana?

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The Hon. PENNY SHARPE: No. That is not what is occurring. What is occurring is there are negotiation processes that are going there. I've been very clear, the Treasurer has been very clear and, in fact, the Government has been very clear that we don't believe that some of the ways in which that has interacted has been adequate. We are working and working very closely with EnergyCo to make sure that they address that.

The Hon. WES FANG: Have you sought to conduct any investigations into what you have described as unsuitable negotiation tactics?

The Hon. PENNY SHARPE: I think I've just said to you, if you were listening to my previous answer—

The Hon. WES FANG: I was listening.

The Hon. PENNY SHARPE: I'm not sure about that, given you've just asked the same question. But the point here is that any complaints are being investigated. EnergyCo is under no—let's just be clear here that EnergyCo completely understands the necessity for them to operate swiftly and carefully with individual landholders. I'm not going to go into the details of some of the individuals with whom we are working through the issues. It's not fair to them, and it's also not right. What I can assure the Committee is that we are making sure that those issues are addressed properly and as promptly as possible. That's the priority.

The Hon. WES FANG: It seems extraordinary, Minister, that you've got 81 per cent of people that have signed on to this when there is so much disquiet amongst the community in relation to what has been occurring in relation to the negotiation with EnergyCo around the land acquisition. Is it indeed the fact, Minister, that that's because you've got third-party negotiators going out and threatening that if they don't accept what's on the table now, it will just be compulsorily acquired; that they will have the power lines redirected over their properties in a more contradictory and imposing manner; and that, if they don't agree to what's on the table now, things are only going to get worse? Is that how you've got 81 per cent?

The Hon. PENNY SHARPE: No.

The Hon. WES FANG: Because I can tell you, Minister, that is certainly what the feedback is that I'm getting out of those people in Central-West Orana.

The Hon. PENNY SHARPE: Have you spoken to any of the 81 per cent who actually signed up? Because people have come to a negotiated agreement, which is what we want through this process. The whole idea, and our whole preference, is to work closely with landholders to come to an agreement, and 81 per cent of people have done that. Yes, there is still work to go. As we can see, there is 19 per cent that is outstanding and there are still discussions. There are still changes being made to the route. I would hope that there is the flexibility for us to continue that work as we deliver this very important piece of infrastructure—a piece of infrastructure, by the way, that I think you support, but I'm not really sure.

The point here is that every landholder needs to be treated with respect. We have the rules in which that occurs. I agree that there have been problems in the past, and one of the things that I have put a lot of time and attention into is to try to improve that process for everyone. That includes better work with the contractors that are working. It also involves staff from EnergyCo directly liaising with individual landholders, which they are doing every day.

The Hon. WES FANG: Minister, how much are these third-party negotiators being paid, and what are their KPIs? Will they receive a bonus from you should they elicit a certain number of successful outcomes?

The Hon. PENNY SHARPE: I'd have to take that on notice. I don't believe there are any bonuses being taken here. But I'll take that on notice and we'll come back to you.

The Hon. WES FANG: Eighty-one per cent is certainly a very high number, Minister.

The Hon. PENNY SHARPE: I thought you'd be pleased about that. That shows that 81 per cent of people have been able to come to a negotiated agreement. Surely that's good news, Mr Fang.

The Hon. WES FANG: No, Minister. My concern is that 81 per cent of people feel like—

The Hon. PENNY SHARPE: I can't speak for them.

The Hon. WES FANG: —they were being negotiated with, with a gun to their head because of the tactics that EnergyCo have used.

The Hon. PENNY SHARPE: I'll say a couple of things about this. One is, these are private landholders who are capable and able to make their own decisions. Secondly, the support that they're provided, including funding for their independent legal advice in relation to these matters, also occurs. If you're suggesting that these people don't know what they're doing, I reject that.

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The Hon. WES FANG: No, that's your assertion, Minister. That's not mine.

The Hon. PENNY SHARPE: I don't understand why you're so concerned if 81 per cent have signed up.

The Hon. WES FANG: Because they have acted—

The Hon. PENNY SHARPE: You have zero evidence to suggest that there has been any coercion in that.

The Hon. WES FANG: Minister, I'll provide—

The Hon. PENNY SHARPE: Frankly, it is very insulting for people who are trying to do this work.

The Hon. WES FANG: Minister, in the documents you will see an article that was published on the fourth—

The Hon. PENNY SHARPE: What page?

The Hon. WES FANG: The last page. From the Telegraph on the fourth of this month, on Monday.

The Hon. PENNY SHARPE: Yes, I've read it.

The Hon. WES FANG: It quite clearly says that they're being blackmailed into accepting what's on the table.

The Hon. PENNY SHARPE: As I've said to you, Mr Fang, this is an individual case and I'm not going to be commenting on it through this public hearing.

The Hon. WES FANG: Are those tactics being employed on those landholders endorsed by your Government—

The Hon. PENNY SHARPE: No.

The Hon. WES FANG: —the blackmail of landholders to accept what's on the table or they can expect EnergyCo to redirect powerlines in a more impactful manner over their properties?

The Hon. PENNY SHARPE: Mr Fang, the answer is no to that. I'll say two more things.

The Hon. WES FANG: Minister, what have you done about that?

The Hon. PENNY SHARPE: Are you going to let me finish?

The Hon. WES FANG: Yes.

The Hon. PENNY SHARPE: Two more things. One is that I don't accept that bullying behaviour is occurring. I do accept that people are finding it very challenging. There are individual landholders who I'm not going to name that I have met with and that I'm aware of working through those issues. EnergyCo is working closely with them. I can also advise the Committee that some of the allegations that have been published, in terms of the understanding of landholders in relation to what is going on, are not correct and there has been work done to contact them and to clarify any misinformation that has occurred.

The Hon. WES FANG: I appreciate that, Minister. That's actually part of the issue that I've got. It seems to be that your third-party negotiators are making insinuations about what will occur if people don't sign up, including the redirection of powerlines over their properties if they're not willing to take what's on the table now. And you can do that because you've then got plausible deniability and clean hands because it's not EnergyCo that's doing the negotiations; it's third-party contractors. Minister, how have you let this situation arise?

The Hon. PENNY SHARPE: The first thing I'd say is the use of third-party contractors was actually started under the previous Government and it's the way in which EnergyCo manages its workload as it moves around the State and delivers the five renewable energy zones that we will have. So this is not new and it's not unusual. The expectations around the way in which they behave and whether they have the right information are equal to what EnergyCo staff are doing there. You made a lot of allegations in relation to your comment and question to me. The point that I would make is that I take responsibility for everything that is occurring as we are rolling out these very important projects.

Let's remember we're rolling out five renewable energy zones. Central-West Orana is going to be an incredible project. It's not without its challenges, but it is fundamental to the transmission and to the transformation and decarbonisation of our electricity grid—something that I'm very pleased in New South Wales most of the Parliament actually supports and has signed up to over a long period of time, including your party. We're now in the implementation phase and we're getting to where decisions have to be made. It's not a theoretical thing; it's a

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real thing about how we build the power generation of the future, how we connect that to the grid and how we provide New South Wales with cheap, reliable energy in the future. That is the key. That is the very important project we're undertaking here.

The Hon. WES FANG: Minister, I appreciate the answer.

The Hon. PENNY SHARPE: Just let me finish.

The Hon. WES FANG: I'm going to redirect now because that has been a very long answer.

The Hon. PENNY SHARPE: Redirect isn't a thing.

The Hon. WES FANG: That might be the case, Minister, but I'm going to have to—

The Hon. PENNY SHARPE: You are going to give it a red-hot go. Fine. It's your time.

The Hon. WES FANG: Minister, I'm going to ask you, given the serious nature of the allegations that have been raised in relation to the way that EnergyCo has negotiated with those landholders, are you prepared to revisit those agreements and also provide an extension of time to those landholders that are fearing that they are being held over a barrel to sign up now to what is on the table, given what I've exposed has occurred in their negotiations?

The Hon. PENNY SHARPE: I think there were about four questions in there, but the point I make is this: Yes, we have already provided an extension as a result of the conversations the Treasurer and I had with some of the landholders. Secondly, we are working through individually with each landholder as they're coming to the end. The third thing is that I would make the point that there are some landholders who do want to go to compulsory acquisition because they actually want to send it to the Valuer General, and that's a matter for them. Some of them prefer to do it that way rather than having to negotiate a settlement.

The last thing is, if there are individual issues, they're being very closely managed. I am not going to canvass the details in front of the Committee. Suffice to say, the priority is to try to come to a negotiated settlement with all of those landholders and to be as flexible as possible in the way in which we can deliver this infrastructure. We are, however, building very large infrastructure. There is some room to move. We're not being able to totally reroute areas. But it's my advice that, where possible, we are trying to move that, and we're open to those discussions.

The Hon. WES FANG: Minister, I appreciate that. To provide clarity and also to be as open as possible, will you provide the contract and terms under which these third-party negotiators were engaged by EnergyCo and what they have done and briefings that they've received in relation to how they conduct their negotiations with landholders?

The Hon. PENNY SHARPE: I'll take that on notice. As usual, I'm very happy to provide as much information as we can. I'm not sure how much is contained in that, but I'm very happy to. We will take it on notice and provide what we can.

The CHAIR: We will move to the crossbench.

The Hon. JOHN RUDDICK: Minister, thanks for joining us. Like Wes Fang, I have spoken to a lot of landholders in the Central West, and there's a lot of a alarm out there. Most of them don't believe in global boiling, so they feel like this is central planning imposed on them. I do have a similar question to Mr Fang's. EnergyCo's mode of operation when compulsorily acquiring land for transmission infrastructure entails offering compensation above the minimum requirement under the just terms compensation Act, then threatening the landholder by telling them, if they don't agree to this payment, they will compulsorily acquire the land for far less compensation. As such, most landholders agree to sign up, and EnergyCo can report that the majority of landholders have signed up without compulsory acquisition. At best, this can be described as disingenuous. However, is it more accurately described as extortion?

The Hon. PENNY SHARPE: There's a lot of comment in relation to that. Good to see you, Mr Ruddick. As I've just taken the Committee through, that is not the way I would characterise the way in which these negotiations are being undertaken. There are a clear majority of landholders who have been able to come to an agreement, which pleases me greatly, as they're working through these issues. There remain outstanding issues that are being worked through. I am, of course, concerned and take all complaints and issues that come to me in relation to the way in which people may be behaving with landholders very seriously. We actually, as I said, are investigating those and making sure that is not the case. It's very clear: Compulsory acquisition processes are stressful for landholders who are affected by them. Our preference is to try to come to a negotiated agreement, and we are working through some of those issues.

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I have also spoken to landholders who are very happy with the way in which things are going. I don't want to overstate that, though, and I don't want to assume that that means that everyone is perfectly happy. I wouldn't be making those claims. But I think that there are some people who are having some difficulties. I think we need to work through them. My expectation is that EnergyCo and anyone working on behalf of EnergyCo treats people with respect. There's no room for poor behaviour. Within the just compensation Act, there are a range of different payments that are occurring. There are temporary payments in relation to easements and temporary works. When the route is finalised, there will be the acquisition of the land for there. Let's remember also that New South Wales has got the Strategic Benefit Payments of \$200,000 per kilometre for anyone who is hosting infrastructure on their land. Above and beyond the just terms compensation Act, there are a range of other payments that are also being undertaken.

One of the conversations that we had with the farmers under the tree in Dunedoo was the way in which the just terms Act operates. The point that the Treasurer and I made at the time was that when the just terms Act was originally envisaged, it wasn't envisaged for something like a renewable energy zone. It was very much about building a road, doing compensation and fairly straightforward infrastructure projects. These are far more complex projects. The point is that there probably need to be changes to the Act, but the advice that I've got—and we did ask about this—is that there are sections of the Act where we believe there is flexibility that can occur in terms of negotiations. We've asked EnergyCo to look at those and to make sure that they're being fair and reasonable when they're working with landholders. I think that's really important.

The other point is that the just terms Act is under review. That comes under Minister Kamper, people would be aware. One of the things that I've been working with Minister Kamper on is making sure that the issues that are arising through the process for renewable energy zones are picked up in that review and any changes that need to be made in the future will be picked up to make sure that it really does reflect what is quite an emerging issue that's come in the way that we deal with compensation claims, because these are new bits of infrastructure that really hadn't been contemplated when the Act was originally envisaged.

The Hon. JOHN RUDDICK: These renewable energy zones—I think they can accurately be described as central planning on a grand scale. We're ripping down our old, very cheap, very reliable energy system and we're building a new one based on hope. Now, I believe it's based on hocus pocus science. I know it is bipartisan. The Opposition when they were in government—you're basically implementing what they put in place, with a few little tweaks here and there.

The Hon. PENNY SHARPE: Making it better, Mr Ruddick, much better.

The Hon. JOHN RUDDICK: At a recent PC No. 7 meeting, we had a respected member of your Government, Mr Buttigieg over here, who heard me say that I think that the science is faulty, that all your advisers, all your team behind you—I think they've all been misled. And Mr Buttigieg said twice—and correct me if I'm wrong, Mr Buttigieg. He said, "Even if Mr Ruddick is right and the science is faulty, it's a good thing anyway—all this investment, all this infrastructure, all these jobs created." I do think that is an absurd thing to do. We can build a big hole in the ground and pay people to do it, then fill it up again and say, "Oh, look at all the jobs we've created." If your Government came to the view that all these predictions about a warming planet are actually not true—firstly, that would be good news. But then would the Government then walk away and let the free market supply our energy?

The Hon. PENNY SHARPE: You and I, of course, just need to agree to disagree on the view about whether climate change is real and whether we need to take action on it. But just to actually unpack some of the comments that you've made, I say the following. The first is there is no doubt that the climate is changing. There is no doubt that the cost of doing something today is much, much better than the cost on the planet and on people's health and wellbeing and on our ecosystems that's going to come down in a couple of decades if we don't take action now. The scientific consensus across the world, through the IPCC and through thousands and thousands of climate scientists, is that the earth is warming and this is having an impact and that we need to take action to do so, because the impact will be catastrophic on humanity. I think we're already starting to see some of that.

But, leaving aside those arguments, one of the things that I want to say is that part of New South Wales' wealth in the past has come from the fact that we had cheap, reliable power through coal-fired power stations. There's no doubt about that. That's actually been a really fundamental part of the wealth which we've got. Where we find ourselves now—if you just want to leave aside all of the climate change discussion, whether you believe it's right or wrong—is that we have coal-fired power stations in this State that are 40 to 50 years old, that break down a lot, that are very, very expensive to maintain and that the private market no longer wants to invest in. To replace the coal-fired power—and I can get the exact figure, but I think off the top of my head it's about \$215 billion if we were to rebuild the coal-fired power stations. That is not anywhere near the cost of the plan that

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we have to orderly exit coal-fired energy from our economy and put it in place with renewable energy that's going to be cheaper, going to be secure.

Having said that, we've got a bit of a process. It's a 10- to 15-year process. I've described it as the industrial revolution happening in 15 years. It's a big task. It's not without its challenges. It's never been done before. But the way in which we are managing this is through a very clear plan. In New South Wales we have a very clear plan through the industry road map, luckily for us actually supported in a bipartisan way across the Parliament of the need to do this, providing 12 gigawatts of generation, two gigawatts of long-duration storage. There is a whole lot of work happening outside of that plan as well, as we really, in the way that we previously used coal as the basis of our wealth, use sun and wind and the various technologies that are coming and are available to us to transform the economy.

That's what we're trying to do here. The change in the economy is happening not just in New South Wales but it's happening globally. The responsibility of this Government, aside from taking action on climate change for future generations, is to make sure that our economy is strong, that we have secure energy at the end of it, that it's affordable for people to use and that we can get on and do all of the manufacturing and all the other parts of the economy which create wealth. That's what we're also focused on.

The Hon. JOHN RUDDICK: There have been other jurisdictions and nations around the world that have gone down this road. Which country or jurisdiction would you look to the most to say, "They have been so successful in this renewable energy revolution"?

The Hon. PENNY SHARPE: Sorry, say again. Sorry, I'm just getting some figures. Yes? Say again, Mr Ruddick.

The Hon. JOHN RUDDICK: There have been other countries and jurisdictions around the world who have gone down a similar road for a renewable energy revolution. Which countries or jurisdictions would you look to as being the most successful that we should emulate?

The Hon. PENNY SHARPE: I think it's too early for us to say who's had the most success. I think we're in a global project. Internationally, countries have come together around a bunch of agreements, whether it's the Paris Agreement or others, to say, firstly, we've got a problem and, secondly, then to work through our different jurisdictions and our different nation states to address. I think it's too early in the project. I lament the fact that we weren't doing this 15 years ago. We've known about global warming for a very long time and I think that there have been a lot of years wasted on just debating the science. We'd be in a much better position than we were 15 years ago if we had started then.

The Hon. JOHN RUDDICK: Thank you for admitting that it's all an experiment. It's a central planning experiment. You can't point to any other jurisdiction where it says, "It's been so well done in Germany or California"—these jurisdictions are reversing it and they're all suffering from inflation because energy underpins everything.

The CHAIR: Thank you. That was a comment.

The Hon. PENNY SHARPE: I'll come back to that.

The CHAIR: Yes, thank you.

The Hon. PENNY SHARPE: There's lots of good news.

The CHAIR: Minister, are you aware of the success yesterday the Gomeroi had in the Federal Court in relation to the Santos Narrabri gas project?

The Hon. PENNY SHARPE: I'm aware that the court case came down, that one of the aspects of the appeal was upheld by the court. I haven't had a chance overnight to get to the details of any of it. Suffice it to say that I understand it now needs to go back to the Native Title Tribunal and the decision is ongoing.

The CHAIR: Are you aware that the basis was that the consideration of climate change is relevant to the Gomeroi native title claim?

The Hon. PENNY SHARPE: I'm only aware of what I've seen in the paper. I haven't read the judgement.

The CHAIR: Minister, it is the fact now that the Full Bench of the Federal Court has found that climate change and all of the scientific evidence that was presented in relation to climate change and the Narrabri gas project is a fundamental and relevant consideration in the Gomeroi native title discussions with Santos. Given New South Wales was a party to those proceedings, will you be assisting the Gomeroi with any discussions that

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they have with Santos in relation to evidence around climate change, given your position as Minister for Climate Change?

The Hon. PENNY SHARPE: Yes, I am the Minister for Climate Change. The Minister responsible for dealing with that would be Minister Houssos, who's in the other room if you want to duck over and ask her. But the point that I'd make is that I just need to take it on notice. I'm not in a position at this stage to tell you. I'm also wary that now the court case is ongoing and it has to go back to the tribunal, I wouldn't want to say too much today in relation to that. But I'll take it on notice and I'm happy to come back to you.

The CHAIR: Thank you. Just finally on that, do you think it's fair that the Gomeroi are carrying such a significant burden to challenge Santos on their native title lands in relation to the significant impacts that this project will have on climate change and that those impacts of climate change will have on their native title lands? Do you think it's fair that they're carrying this burden alone?

The Hon. PENNY SHARPE: I know the Gomeroi have been very concerned about this. There's no doubt about that, but they are exercising their rights as they're doing and the process is working as intended.

The CHAIR: Minister, is the Government currently making adaptation climate plans based on a 1.5 degree average increase by 2050?

The Hon. PENNY SHARPE: You'd be aware that we're working on the adaptation plan. It's overdue, or everyone tells me, I know. But we are working on it. That the basis on which we're trying to adjust and deliver the plan, yes.

The CHAIR: Are there any contingency plans in place for more extreme warming scenarios?

The Hon. PENNY SHARPE: I'll have to take the detail of that on notice, but I would think so, yes. I think we can't ignore it. The real challenge, as you and I both know, is that many scientists are now saying we've already breached the 1.5 degree threshold. I think that the figures that have come in, particularly over the last 12 months, are very worrying in that way—

The Hon. JOHN RUDDICK: It was a very cold summer.

The CHAIR: My time, Mr Ruddick.

The Hon. JOHN RUDDICK: It's an important point.

The CHAIR: My time, Mr Ruddick.

The Hon. PENNY SHARPE: Come back to me on that later. We can talk about that further. But, yes, I think we have to be working for all scenarios. The thing that I'd say about the adaptation plan is that it is very much the start of where we're at. The new Net Zero Commission and, as you'd be aware, the climate change bill—again supported across the Parliament, for which I was very grateful—require us to look at adaptation. This is a little bit hypothetical, but I can't imagine a scenario where we wouldn't be looking at all options because we're going to have to.

The CHAIR: And that will include a worst-case scenario for runaway climate change?

The Hon. PENNY SHARPE: I can't speak for them. We're just at the moment recruiting for them. If you know any people who'd like to be climate change commissioners, the ads and expressions of interest close on 11 March. But the point here is—

The CHAIR: Minister, to confirm then, we're not yet doing that work? We're waiting for that to come online?

The Hon. PENNY SHARPE: No, I'm not saying that. Let me take on notice exactly the broadness of the scenarios that are being planned. We're obviously doing our own climate modelling. Modelling is only what you put in. I can't give you the detail of that. Some of the modelling in relation to emissions reduction, for example, is due to come out pretty soon. It is currently being peer reviewed. Let me take that on notice and I'll give you as much information as I can.

The CHAIR: Thank you. You may need to take this on notice or you may know: Has there been any assessment in relation to the capacity of the four existing natural gas turbine plants to meet firming demands during the transition to batteries? Is that work that you're doing?

The Hon. PENNY SHARPE: I'd have to take that on notice. I'd just say a couple of things about the peaking plants, though. They are important in the transition. We've got four. We're going to end up with six of them. One of the recommendations that came out of the Cameron O'Reilly review was to look at storage aspects of that, so that it's not about supply so much but having the gas there if you need it on those days where it's cloudy,

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there's no wind, particularly over three or four or five days because that's when the pressure comes on in the system at the moment. The rest of the detail I'll take on notice, but we do accept and we believe that there is an important place for gas peakers in the transition.

The CHAIR: Which are the six? You say we're likely to end up with six. Cessnock-Kurri I understand is one. Which are the other ones?

The Hon. PENNY SHARPE: I can tell you, if you just give me a tick. Here we go: Existing is Colongra, which is run by Snowy Hydro; there's Kurri Kurri, which is due to be finished soon; there is the Smithfield Energy Facility—it's quite a small one; there's Tallawarra; there's Tallawarra B; and there's Uranquinty.

The Hon. WES FANG: Hear, hear! My hometown.

The CHAIR: Was that six?

The Hon. PENNY SHARPE: Yes, Tallawarra A and Tallawarra B.

The CHAIR: Okay, thank you. Is your office doing any forest carbon accounting work?

The Hon. PENNY SHARPE: My office isn't, but my department is, yes.

The CHAIR: Sorry, that's what I meant.

The Hon. PENNY SHARPE: Yes. As part of the work that's being undertaken in the creation of the Great Koala National Park, we are getting work undertaken on what could be a forestry accounting method to account for carbon in the forests. You're probably aware of this, Ms Higginson, but I'm not sure if other members of the Committee are: This has to go to the Federal Government. We're basically working up a proposed model that we will then submit to the Commonwealth for work to be undertaken. There is a fair way to go on that, but yes, we are doing that work.

The CHAIR: Does the method and what you're looking at include regeneration capacity, and is it proposed to model for the generation of credits for sale?

The Hon. PENNY SHARPE: Good question. I don't actually know the answer to that because the work is still being undertaken. I haven't seen the final material. There's a lot of work being undertaken. I can take it on notice and come back to you.

The CHAIR: Thank you, and the other part of that question would be is it part of the net zero plan for New South Wales?

The Hon. PENNY SHARPE: Not at the moment, no, but if we're able to find a method, there are lots of landholders who I think could really benefit from having carbon recognised on their land. My understanding and someone will tell me if I'm wrong, is that, no, it's not currently accounted in the plan but obviously it's something that could be considered in the future.

The CHAIR: Is this work happening in relation to the Great Koala National Park area only or are you looking at it across the public forest estate or other Crown land estates?

The Hon. PENNY SHARPE: We want to get a model that works. The thing for me in all of this is there's an opportunity here in relation to carbon credits, but it's not an opportunity if it's weak, if it's not transparent, if it's not really rigorous, if it's not able to really be measured properly, and that's the work that we're really undertaking. At the moment it's in relation to the Great Koala National Park. It is possible, though, that other agencies—and I can't speak for them but I know that other agencies have sort of looked at their opportunities. There are other agencies that have swathes of land. I know that some Aboriginal communities are quite interested in this as well because they've got a lot of land and they see it as an opportunity to have funding and income to be able to work on country. I can't speak across there. For us it's about the Great Koala National Park and that's the method that we're working that we hope to submit to the Feds pretty soon.

The CHAIR: New South Wales may see itself as a potential trading partner of credits generated through the public forest estate?

The Hon. PENNY SHARPE: I think we're a long way from that. I think we're kicking the tyres on that and no decisions have been made at this point.

The CHAIR: Do you, Minister, recognise the significant difference between carbon stocks and regeneration capacity?

The Hon. PENNY SHARPE: Yes.

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The CHAIR: And you understand that the market has been realistically criticised as being a hotbed of corruption and dodgy bogus accounting, and you're aware of those significant problems in this area?

The Hon. PENNY SHARPE: I'm very aware of those criticisms which is why we're having a very cautious approach that requires us to be very clear about what the opportunities are, what the limitations are.

The Hon. SCOTT FARLOW: In August last year Ken Henry handed down his review into the Biodiversity Conservation Act which called for a nature-positive framing of the Act and for the Act to have, and I quote, "primacy over competing pieces of legislation". Is that a view that you support?

The Hon. PENNY SHARPE: Two things: The Henry report was undertaken and started in the previous Government. I really welcome the work of Ken Henry and his team in relation to this. I think what was clear from his report was that the status quo isn't working if we're serious about protecting biodiversity, that our ecosystems are under more pressure than they ever have been before. It's a range of different things, whether it's development, whether it's land-use conflict, whether it's a changing climate. All of those issues are significant.

The way the Government has chosen to respond to the Ken Henry review is that we're doing a whole-of-government response. We haven't accepted or rejected any of the recommendations because we're currently doing the work on this to do a whole-of-government response that then sort of points to the next steps that need to be taken. The one thing I would say to you, which would be no surprise here, the Government has a lot of competing priorities; we need to work through those quickly. That's why we're doing it as a whole-of-government response. The idea that we would have environmental legislation primary over everything else I think is unlikely.

The Hon. SCOTT FARLOW: Thank you for that frank answer. Minister, do you stand by your statement on 6 February this year in the Legislative Council where you said, "We need to build as many houses as we can. We need to change policies. We need to change land management practices, and we are driving that all the way through government"?

The Hon. PENNY SHARPE: Yes.

The Hon. SCOTT FARLOW: It must be a tricky balancing act for you as the environment Minister to both be the voice for the environment and also for housing.

The Hon. PENNY SHARPE: It always is, of course, but this Government has made two things as our key priorities. One is getting housing moving in this State. We can't afford to be losing the people that we're losing from this State. We can't afford to have people who can't afford to rent houses. We need to build more. You as the shadow planning Minister know this better than most. It's a difficult question and it's one, though, that this Government hasn't shied from. The second part of it is doing the energy transition, which of course involves some of those questions. I'm going to have to deal with offsets when it comes to the new renewable energy zones. I just think good government is about understanding all of those bits of the puzzle, having strong protections in place for the things that matter and really working through carefully in terms of the delivery. I suspect you might be coming to the CPCP. Somewhere like that.

The Hon. SCOTT FARLOW: In good time, potentially.

The Hon. PENNY SHARPE: I think, yes, it's tricky but that's the job. My commitment is to make sure that we have the strongest environmental protections while also delivering all of the things across government that we're committed to, including making sure that our young people and others, and older women have actually somewhere to live.

The Hon. SCOTT FARLOW: Minister, I take from that answer that you concede, effectively, that the environment will pay a cost, in a sense, for being able to produce more homes?

The Hon. PENNY SHARPE: No, not necessarily. I think that's probably over-egging the situation. I concede that the job is there will have to be trade-offs; that's inevitably the case. There are currently houses that need to be built, a variety of different types of land in a variety of different types of places. I would hope that our protections—which one of our election commitments is to strengthen environment protections in a range of areas—are strong enough and able to protect the things that really need to be protected in the areas that we need to build, we're building into places. The whole idea, I suppose, is I'd like to see much higher attention taken to avoiding impact and mitigating impact rather than simply going to offsetting and those kinds of things in the development scheme. That's one of the things we're looking at.

The Hon. SCOTT FARLOW: Indeed. Minister, given that and in terms of not trying to offset and trying to preserve, Land Eco Consulting, which is an independent ecological organisation, did an assessment of the Government's proposed TOD SEPP and align mid-rise housing policy within the Ku-ring-gai LGA. That

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independent report states that two critically endangered ecological communities, the Sydney Turpentine-Ironbark Forest and the Blue Gum High, could collectively lose 379 hectares under the Government SEPP and TOD housing policy. Ku-ring-gai LGA itself could permanently lose an estimated 32,000 trees—according to this report—from the TODs at Roseville, Lindfield, Killara and Gordon. As the environment Minister, would you be satisfied with that level of permanent loss of tree canopy?

The Hon. PENNY SHARPE: I haven't seen the report. I'd be very happy to have a look at it. All of the work that Minister Scully and I are doing throughout the rollout of the TOD SEPP will take into account all of those issues. They need to be accounted for, and we need to work through them. I can't—that's a lot of detail.

The Hon. SCOTT FARLOW: I appreciate that.

The Hon. PENNY SHARPE: I'm not going to say whether it's true or not. It depends on some of the assumptions. There are some pretty wild allegations being put in the space around the housing changes that the Government's proposing, some of which are accurate and some of which are not. So I'll be cautious.

The Hon. SCOTT FARLOW: Minister, to that point in terms of accuracy, have you asked your department at all to undertake an assessment in terms of the impact of the planning changes in terms of tree canopy?

The Hon. PENNY SHARPE: There is basically work going across government on the housing plans and we'll have to do it. We're a long way from those proposals becoming operational around specific projects that are going—

The Hon. SCOTT FARLOW: The TOD SEPP is supposed to come in place in April.

The Hon. PENNY SHARPE: Sure, but it's about rezoning. There are not actually projects on the ground, and they need to be assessed in the same way that they normally are. I would remind you—you would know this—that councils still have planning powers in relation to this as well. The short answer is that I haven't asked my department to do it. I do know that the agencies across government are working on the housing plan, and some of those issues may come up. I'll get my officials to update you after lunch if that's the case. But the view here is that we have to do both, and we'll have to work carefully through it. My job is to make sure that we're looking after our trees and our environment as much as possible, and I'll continue to do that.

The Hon. SCOTT FARLOW: Minister, are you still committed to the 40 per cent urban tree canopy target for Sydney?

The Hon. PENNY SHARPE: Yes.

The Hon. SCOTT FARLOW: You don't think these plans will impact that 40 per cent target at all?

The Hon. PENNY SHARPE: It is possible but I can't tell you at the moment because the plans are very preliminary at the moment. There is no doubt that tree canopy is an extremely important issue. I want to make a couple of points around trees, though. Some of the previous rules that were put in place by the previous Government have led to widespread land clearing in urban environments, and that's on top of the vandals who are basically poisoning trees for better views. All of this needs to work together. The importance of tree canopy can't be underestimated. Heat island effect, particularly in Western Sydney, is genuinely causing great problems and there are a whole range of ways we need to deal with it. Tree canopy is good. We should be trying to look after it, and we should be trying to grow it.

The Hon. SCOTT FARLOW: Minister, when you were in Opposition, you expressed concerns about the Walker Corporation plan to build 13,000 homes in Appin but there don't seem to be the same concerns today. Has your position changed with respect to that development?

The Hon. PENNY SHARPE: I think the main difference is that a lot of these things have been approved now. One of the things that we were very clear about—you'd be surprised to know, Mr Farlow, I have many views about many things.

The Hon. SCOTT FARLOW: I think I've heard some of them over the years.

The Hon. PENNY SHARPE: I'm sure you have heard many of them. Probably too many of them, I suspect. But the point here is that those things that have been approved, have been approved. This Government isn't in the business of withdrawing approvals that have been made. What we are in the business of—

The Hon. SCOTT FARLOW: But that was an approval made under your Government, in terms of Appin?

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The Hon. PENNY SHARPE: Sure. It's an independent approval. But the approval has been made. I'm not quite sure what you're—there's no gotcha moment here. The point here is that decisions are made, there's a planning process that is made and a variety of inputs are put into that. Once those decisions are made, we need to do it. The job that I have is to make sure that there is as limited environmental impact as we can have, but I'm not going to pretend there is not going to be any.

The Hon. SCOTT FARLOW: Minister, are you saying you were overridden by the Premier and the planning Minister when it came to that development?

The Hon. PENNY SHARPE: No, I'm saying that I'm not a decision-maker in those decisions.

The Hon. SCOTT FARLOW: Minister, we learnt in estimates last year from Mr Brendan Bruce that you had directed your department to see whether opportunities to improve environmental outcomes through the Cumberland Plain Conservation Plan—I told you we'd get to it—

The Hon. PENNY SHARPE: I knew we'd get there.

The Hon. SCOTT FARLOW: —could be found in conjunction with the department of planning. Could you advise what proposals have been provided to you or the Minister for planning?

The Hon. PENNY SHARPE: The short answer is yes. Minister Scully and I have been working pretty hard on that. The longer answer is that some announcements about that are imminent.

The Hon. SCOTT FARLOW: That was my next question in terms of the time frame. Minister, with respect to your responses to the Henry review, are they imminent as well?

The Hon. PENNY SHARPE: I'll check this. I don't want to be incorrect. Our plan is I think in Q1 or early Q2 this year to have the first government response. I'm happy to share this with the Committee. I think people need to understand that it will be a two-stage process. The response to the review is not going to be, "This is now what we're doing." The response to the review is whole of government and says, "These are the things that we need to consider. These are some of the things that we will definitely not be doing. These are some of the things that we want to do more consultation on before we move into a legislative process, which would require more consultation." People need to see it as a two-stage process, but I'd be hoping to get that out as soon as possible.

The Hon. SCOTT FARLOW: Minister, in September last year you indicated you would be reviewing Lendlease's Gilead stage two plans. Can you advise where this is up to at present?

The Hon. PENNY SHARPE: I think I will have to take that on notice, in terms of where it's been at and where the reviews are. Are you talking about the koala part of that or are you talking about the planning part?

The Hon. SCOTT FARLOW: The interplay that you have with respect to that, which I suspect is in the koala part.

The Hon. PENNY SHARPE: It is. Again, I'm not the planning Minister. Work is underway on Appin Road. Lendlease are funding some of the koala crossings. I can get some more information and provide it to you a bit later.

The Hon. SCOTT FARLOW: Minister, when it comes to that, we heard pretty much the same thing six months ago. Is there a time frame in terms of when there will actually be a resolution on this? I think that we've even heard from The Greens and Cate Faehrmann, who has been a very strong supporter when it comes to the koala colony that is there and the protections that that development could potentially provide as well in terms of upgrading roads and koala crossings and the like.

The Hon. PENNY SHARPE: The work is underway. Transport have started the work on Appin Road. That is actually underway very recently. There's been a lot of discussion about improvements and positioning of underpasses and those kinds of things. In relation to protection of that koala colony, this Government made a \$47 million commitment in the budget to create the Georges River koala national park. That work is underway. Funding for koala care in that area is also underway. There's a significant amount of money going—as is absolutely required—to ensure that that population survives in the future.

The Hon. SCOTT FARLOW: Turning to your heritage hat, as the Minister for Heritage, will the Government's planning changes apply in heritage conservation areas and to individual heritage listings?

The Hon. PENNY SHARPE: This is a good question. For things that are on the State Heritage Register, they remain on the State Heritage Register and the rules that apply are the rules that apply now. If you wanted to make any modifications, you would have to go to the Heritage Council in the normal way and apply for site expansions, but essentially it's the same protections. In heritage conservation areas, what we're saying is that a

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heritage conservation area isn't a blanket protection or exemption from the transport-oriented development. Our expectation is that heritage will be considered in any changes to the zoning, and we'll have to work through that. Just because there's a heritage conservation area in place, there's not a blanket protection which means that nothing can happen. We want to work really closely with councils on this.

Councils have done fantastic work in the heritage space, recognising the feel and the way in which a community looks and the way that people experience the built environment. Our expectation is that—we're not looking to destroy that. We're looking for some flexibility in the way in which we can build the right houses in the right place. Can I say, with my energy hat on, that one of the things—this is out of scope. But one of the things that I'd like to see—for example, in some heritage conservation areas, people aren't allowed to have solar panels on their roofs. I think there's some room for change and some room for development in all of those areas when we're talking about heritage, and that's the conversation that the Department of Planning and I are having.

The Hon. SCOTT FARLOW: Minister, further to that, we were told at the planning Minister's budget estimates, with respect to the changes to the low- and mid-rise SEPP, that that would actually have a different impact in heritage conservation areas but also apply to individual heritage listings. I take it that that means to locally listed individual heritage items. Is that your understanding?

The Hon. PENNY SHARPE: I can't speak for him, and I don't want to give—I'm not the planning Minister.

The Hon. SCOTT FARLOW: But that was the department—

The Hon. PENNY SHARPE: Yes, that's what they say.

The Hon. SCOTT FARLOW: But you are the Minister for Heritage.

The Hon. PENNY SHARPE: I am the Minister for Heritage, so I am responsible for things that are on the State Heritage Register. I'm not responsible for the things that are on the local listings at a local government area.

The Hon. SCOTT FARLOW: You take no interest in terms of local listings or the like?

The Hon. PENNY SHARPE: I'm always interested in all of it, as you would know. But the point that I'm—what is it you're trying to ask me?

The Hon. SCOTT FARLOW: I'm trying to ask you whether that extension is correct in terms of your perspective as the—

The Hon. PENNY SHARPE: I'd have to take it on notice because I don't understand the—I wasn't there for the context of it, and I wouldn't want to give you incorrect information.

The Hon. SCOTT FARLOW: Is that something that would concern you in terms of its application to individually listed heritage items?

The Hon. PENNY SHARPE: Let me find out what the answer is, and then I will let you know whether I'm concerned or not.

The Hon. SCOTT FARLOW: Minister, do you think that the suburb of Haberfield should be on the State heritage list?

The Hon. PENNY SHARPE: I know people have wanted to have it on the State heritage list for a long time. It's a beautiful garden suburb. I've been to the Haberfield heritage society—a shout-out to Vince Crow in relation to that. Whether it gets listed or not, it's a matter for the Heritage Council.

The Hon. SCOTT FARLOW: It's not something you'd be advocating for?

The Hon. PENNY SHARPE: I mean, I have tried to take—it's a matter for them to put it forward to the Heritage Council. As you know, the Heritage Council is independent, and they make their own decisions in relation to what they will assess and what they will do. I'd be interested, and I will take on notice and provide information to the Committee whether there has been an application previously. I'm not aware of one. But, no, I'm not opposed to it.

The Hon. SCOTT FARLOW: What about the Camden Town Centre? Should that be on the State heritage list?

The Hon. PENNY SHARPE: I have done quite a lot of work with the Camden people over time. I know that they have applied to look at listing for the whole area. I think that the council at the moment has decided not to progress this. Yes, I'm supportive of all heritage. I'm particularly supportive of communities that want to really

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preserve their heritage and do all the incredible amount of work you need to do to do that assessment. I encourage them to do so.

The Hon. SCOTT FARLOW: I would say and put to you, Minister, that in 2019 and 2023 it was the Labor Party's policy for both of those to be on the State heritage list.

The Hon. PENNY SHARPE: Yes.

The Hon. SCOTT FARLOW: Is that still policy, and will you be progressing this?

The Hon. PENNY SHARPE: We were advocating for those, yes. But it is a matter for the New South Wales Heritage Council about progressing those.

The Hon. SCOTT FARLOW: Both of these areas would be impacted by your low- and mid-rise changes to housing across New South Wales. Do you think that's acceptable?

The Hon. PENNY SHARPE: I think this is the point, really, of the discussion we've been having in this entire session. Whether it's heritage, whether it's environmental protection, the rollout of new housing that's desperately needed in this city and across the State is going to require conversations about all of those things—in a similar way about whether there's enough sewerage, whether the roads are adequate, whether there are enough schools. These are ongoing discussions around infrastructure, and heritage and environment are part of those, and they will be dealt with through the rollout of the policy and the rollout of projects.

The Hon. SCOTT FARLOW: If the Inner West Council were to come forward today and seek the heritage listing of Haberfield, you would be signing off on it?

The Hon. PENNY SHARPE: I don't sign off on it; it goes to the Heritage Council.

The Hon. SCOTT FARLOW: But you would be supportive of it. You have signed letters, previously, indicating that a Labor government would support the heritage listing of Haberfield.

The Hon. PENNY SHARPE: That's a matter for them. They can pursue that. That's up to them. I'm not going to stand in their way. There'd be the proper assessments that are there.

The Hon. SCOTT FARLOW: Minister, what are the implications for a lot if it is only partially contained within a specified zone in terms of heritage? Does that have equal inclusion? Or must the entirety of the lot be within the zone?

The Hon. PENNY SHARPE: I really hope that you asked these questions to Minister Scully.

The Hon. SCOTT FARLOW: I asked lots of questions. There are plenty on notice as well.

The Hon. PENNY SHARPE: The point is I just actually can't give you the answer for that because they're actually planning questions; they're not ones that are directly my responsibility. It doesn't mean that I'm not interested. I'm obviously having ongoing conversations and our agencies are working together on guidance for local government around some of these questions, which I think is really important. I can't give you the answer. Happy to take it on notice.

The Hon. SCOTT FARLOW: Were you briefed on the fact that the Government has plans to allow six-storey apartment blocks throughout the entire inner west local government area?

The Hon. PENNY SHARPE: Darcy Byrne is a very good friend of mine and we've worked together over many years. I do think that he has over-egged the suggestion in relation to what will happen in the inner west. Just full declaration—I live in the inner west, have done so for about the last 20 years in various areas. I currently live in a heritage conservation area. I think the suggestion that the entire inner west is going to become six-storey buildings is preposterous and is not what these developments are about.

The Hon. SCOTT FARLOW: Minister, have you asked your department to do any assessment or analysis on the impact of these policies on heritage in New South Wales?

The Hon. PENNY SHARPE: I have had conversations with the Heritage Council around this seeking ongoing advice from them.

The Hon. SCOTT FARLOW: In 2018 you told a heritage forum in Goulburn that, "Heritage is fundamental to who we are", and that Labor would "work with communities to help protect, promote and maintain local heritage". Do you still share that view?

The Hon. PENNY SHARPE: Yes.

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The Hon. SCOTT FARLOW: Do you believe your policies are doing this in terms of overriding heritage conservation and individual heritage listing?

The Hon. PENNY SHARPE: I don't accept the allegation that we're overriding heritage listings. If it's local—as I said, I'm getting more information on it.

The Hon. SCOTT FARLOW: That's what the planning department have said.

The Hon. PENNY SHARPE: The other point that we're making that is important is we're doing New South Wales' first heritage strategy, which is occurring in parallel to this work. There's the whole planning part of it and then there's what we're actually doing with heritage. There's previously been a review of the Heritage Act. All of these issues are being taken very seriously and we'll continue to do so through those processes.

The Hon. JOHN RUDDICK: Minister, back to the renewable energy zones, a lot of these farmers have had a very strong emotional connection to their land. Sometimes they've had it for three or four generations, sometimes longer. I understand last April there was a community meeting, I think, at Dunedoo. EnergyCo was asked about what steps have been taken to keep an eye on people's mental health because of all the stress they're going through and EnergyCo said there is no tangible plan. In other words, there was nothing. It was not a factor. A survey has been done recently and the findings were quite alarming. It was sent to the Minister for Mental Health, Rose Jackson, and I understand that she has sent it to you. I know you get a lot of correspondence, but I was wondering if you have at this stage had an opportunity to look at that survey.

The Hon. PENNY SHARPE: Who did the survey?

The Hon. JOHN RUDDICK: It was a community—I'm happy to forward it through to you later today. I can read you out the results. I have absolutely no doubt this accurately reflects the stress that a lot of farmers are experiencing.

The Hon. PENNY SHARPE: I'm aware that a community member did a survey. I haven't seen the results of that.

The Hon. JOHN RUDDICK: It has been sent to you from Rose Jackson.

The Hon. PENNY SHARPE: Yes, that's okay. I'm not going to argue with that. That's fine. But I'm just telling you that I haven't personally seen it. It's probably been dealt with. The normal process in my office would be, if that's come, that would be sent off to EnergyCo for response. The point that I would make, though, is that mental health support through this is actually being taken extremely seriously by EnergyCo, and that there is access for landholders to get support. We are looking at enhancing that support that's available for them, which I think is really important. This is not a matter that people are taking lightly. It's a matter that I personally am taking very seriously. We are going to be providing additional support for landholders in relation to that. In terms of the survey, I can come back to you. There will be a response that'll be provided but I just can't give it to you now.

The Hon. JOHN RUDDICK: You are right. It was a community-inspired survey. But it is a very serious issue. I speak to these landholders and there is a lot of stress. There is family breakdown et cetera and even—about 5 per cent of people said that they were having suicidal tendencies. Is the Government considering doing a more comprehensive survey? I think that you will find that the results would be very similar to what this community-inspired survey has found. If that's the case, it's quite alarming.

The Hon. PENNY SHARPE: Absolutely alarming. My view is that paying for another survey isn't helpful. I'd be far more interested in putting in place supports that people need through the process.

The Hon. JOHN RUDDICK: That's one solution. Another way would be to reconsider the whole plan. But, anyway, I relinquish, Chair.

Ms ABIGAIL BOYD: Good morning, Minister, and good morning to all the officials here today as well. I wanted to ask you firstly about the New South Wales energy social programs.

The Hon. PENNY SHARPE: Yes.

Ms ABIGAIL BOYD: I saw the annual report came out just this week, I think. It had some interesting data in it. I just wanted to ask, in the context of increasing electricity bills and the cost-of-living crisis, it's great that we have a program where we are able to provide some support on reducing energy bills. But I note that there's been a significant increase in the number of customers who are applying for this. Can you just talk us through? That was obviously at the end of 2023. What does it look like now in terms of numbers of people needing support?

The Hon. PENNY SHARPE: I'll take it on notice. I know that the numbers are up, but the proper figure—we'll try to come back to give it to you. I suppose we need to think about it in the three or four different

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strands in which we deal with this. There's obviously our ongoing energy rebate program for pensioners, low income householders—those kinds of things. It's around \$285 to \$300. I won't break all of that down. That's all public information. We also work closely with the Commonwealth, which was really the big rollout of rebates for this financial year—\$500 to 1.6 million households plus the \$650 rebate for small businesses as well.

That's still being undertaken. We're still rolling that out. But the program I think you're particularly talking about is the EAPA program. This is for people who really are in dire straits when it comes to their bills. You can either do it through Service NSW or there are quite a lot of charities that run this. You go in, you take your bill, they work with you. You can get up to around \$2,000 over the year to support it. There is definitely an increase. I've been out to Bill Crews' place. We're looking at doing that. We're going to be increasing the amount of money that's also available to people for that.

Ms ABIGAIL BOYD: At the moment with the energy social programs, is that a cap of \$330 million on how much can be given out? I know we had it around \$308 million that was given out in 2022-23. Is that a cap?

The Hon. PENNY SHARPE: It's budgeted for that amount of money. One of the challenges that is still ongoing that's a bit of a side priority, but an important priority for me, is: How do we get the take-up rates? For everyone that's eligible, how do we make sure they can get it? We're doing a review of rebates generally. Personally, I think—my agency heads hopefully will not have a heart attack here—there are too many different categories and they're too complicated. I'd much rather see us break that down and make it easier for people to do that.

Ms ABIGAIL BOYD: We've got energy bill support being provided to one in every three households in New South Wales, which is actually quite a surprising figure, I think. On average, we are giving around—I think the figure in here was around \$1,200 to reduce, say, electricity bills for each of those households, on average. Of course, we've had recent media in relation to price gouging. What strikes me is the report that households are being charged around a thousand dollars more than other business consumers, or more than they should be. I know you're reported as being concerned about that. When I look at these figures, are we just giving the energy companies more money through this subsidy? Is that not a bandaids solution?

The Hon. PENNY SHARPE: There are a few complex interplays here, but the first point I would make is that we're dealing with private companies. Privatisation of our electricity sector at all levels has made all of this harder and we're now dealing with for-profit entities, which brings with it its own pressures, shall we say, and costs more. We've also had some instability in terms of energy prices over the last couple of years. The big impact—a real shock that went through worldwide—was obviously the Ukraine issue. The spikes that we saw, and the costs, meant that Government had to intervene.

We had to put in place the coal caps with the Federal Government to try to keep prices down. Prices still rose by 22 per cent. The good news is that the wholesale prices are coming down, but there is still a long tail in relation to this and we do have an issue around—you know, the Australian Energy Regulator makes decisions and they will be coming out very soon with the default market offer. When I was first elected last year, one of the things I did do was write to the AER and ask them to look less at the profitability and competition margins for retailers and more at the impact on consumers. And we did get a slight reduction there.

Ms ABIGAIL BOYD: I appreciate that slight reduction, but Victoria opted out entirely.

The Hon. PENNY SHARPE: Yes, they work under a different system to us.

Ms ABIGAIL BOYD: Okay, but we could also opt out.

The Hon. PENNY SHARPE: We could. That's not part of our plans.

Ms ABIGAIL BOYD: We have energy companies, particularly Origin and AGL, as well as Energy Australia, continuing to make record profits—they're in no danger of any kind of financial trouble—and yet we have one-in-three households needing energy relief that we are basically propping up electricity bills for, because that is the right thing to do, but if we took that money, that \$330 million or \$1 billion over three years, and instead invested it directly in the problem, perhaps reversing the privatisation—

The Hon. PENNY SHARPE: Are you suggesting that we buy back the companies?

Ms ABIGAIL BOYD: I am suggesting we buy back the companies—not the companies, the electricity assets.

The Hon. PENNY SHARPE: Ms Boyd, you would know—

Ms ABIGAIL BOYD: We sold Vales Point for a million. Surely we could buy it back.

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The Hon. PENNY SHARPE: I can go through the failed privatisation and remind everyone of why that was a bad idea. As you would know, I've been publicly on the record my entire political life in relation to this matter, but we can't turn the clock back.

Ms ABIGAIL BOYD: But we can, can't we? You say that we can't, but we can. If we look, for example, at Queensland, they kept hold of most of their energy assets.

The Hon. PENNY SHARPE: Good Labor State.

Ms ABIGAIL BOYD: They're in a much better position now. We have companies that are failing to comply with what would be international best standards for pollution controls et cetera. If you were to regulate them properly, wouldn't we end up with a situation where they would be quite cheap to buy back and then we could control our own energy?

The Hon. PENNY SHARPE: I don't want to use the scarce public funds that we have in New South Wales to buy back clapped-out power stations. I don't think that's a wise use of taxpayers' money. I understand the point that you're making. I don't agree with your solution, which is that if we were to buy them back somehow it would be cheaper. We would end up with massive liabilities.

Ms ABIGAIL BOYD: You already have those liabilities, though, don't you, Minister?

The Hon. PENNY SHARPE: Some of them, some of them we do.

Ms ABIGAIL BOYD: We didn't sell off the liabilities; we just sold off the profit stream.

The Hon. PENNY SHARPE: That wasn't my deal, but yes, we inherited that.

Ms ABIGAIL BOYD: I know you've inherited it, but the idea that we just—

The Hon. PENNY SHARPE: The point is I just disagree with you. We're not going to be buying back these assets. What we are doing is trying to get to a point in New South Wales where the generation of electricity is as cheap as it possibly can be.

Ms ABIGAIL BOYD: Okay, but what can we do to stop this stream of money going from the State Government—as you say, the scarce assets of the State—indirectly into the pockets of these energy companies who are continuing to price gouge?

The Hon. PENNY SHARPE: No, it's not. It's going into the pockets of consumers to make sure that they can pay their electricity bill, which we want to do.

Ms ABIGAIL BOYD: It's going into pockets of consumers to an amount that just happens to be the amount that they are being overcharged because of price gouging. You must see the problem here. We are propping up the profits.

The Hon. PENNY SHARPE: I do. I don't necessarily diagnose it in the same way that you do, but do I accept that households are paying a lot or are under pressure? Yes. The Government is putting a lot of support into that. But I don't agree with your solution.

Ms ABIGAIL BOYD: What is the long-term solution for you then?

The Hon. PENNY SHARPE: I think the long-term solution is the changes that we're making in relation to the generation of electricity and those issues. But the other issue is the way in which it's regulated, the way in which the national market bodies operate. That's the system that we work in. We don't work in a planned system. We work in a market-based system and there are a range of different leaders, and that is through the Australian Energy Regulator and others that have some control over that, and we continue to work with them to put a focus on consumers.

Ms ABIGAIL BOYD: Are we going to allow Eraring to be buffeted by market forces or are we thinking of putting more public money into Eraring then?

The Hon. PENNY SHARPE: I was wondering how long it would take before we got to talk about Eraring. Everyone reads the newspapers about this. We are in negotiations in relation to Origin and Eraring. I am under very strict rules in relation to that. I'm not going to be canvassing those things publicly. I'm not going to be ruling things in or out. Suffice to say that the Treasurer and I in particular have made it pretty clear around our views on this, which is this is not an opportunity for Origin to price gouge. We do not wish for coal-fired power stations to be open any longer than they need to be and not a cent more than needs to be provided.

Ms ABIGAIL BOYD: But we can't have it both ways, can we?

The Hon. PENNY SHARPE: I'm not in a position to provide any more information.

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Ms ABIGAIL BOYD: At the moment we've got, "Well, we've got this market-based system. We need to respect that. The Government doesn't get involved." But at the same time, the Government has been giving massive subsidies in the form of things like energy relief but also in the form of letting them off the hook when it comes to proper pollution controls—things like pollution coming out of the stacks. How do we get it both ways? That doesn't make any sense to me.

The Hon. PENNY SHARPE: It's the system that we operate in and, as I said, I'm not re-nationalising the coal-fired stations.

Ms ABIGAIL BOYD: No, we're just going to keep giving public money to the power stations instead.

The Hon. PENNY SHARPE: I'm going to make sure that the lights stay on in New South Wales.

The CHAIR: Could we just go to the national park estate? Has work occurred on the establishment plan and for new protected areas?

The Hon. PENNY SHARPE: Yes. There was a draft establishment plan done, which you may be aware of, in around 2017 that never really saw the light of day.

The CHAIR: Yes.

The Hon. PENNY SHARPE: Work is being undertaken on updating that. We haven't gone out to public consultation around that but that will occur. So, yes, it's underway.

The CHAIR: Is there a time frame around that? When will it occur?

The Hon. PENNY SHARPE: I will take on notice exactly the time, but we'll be able to come back to you this session just about where that's up to.

The CHAIR: Is the work from the 2008 plan? Is that continued through the '17 and into this plan?

The Hon. PENNY SHARPE: I can't answer but I would expect that it is. I hate the idea that we just reinvent the wheel every time we try to do these things. There was a lot of work done in 2008; that was the previous Labor Government. It was a very good plan. I think Verity Firth was the Minister at the time that work was undertaken. The 2017 plan sat around in draft form. I would hope that we're building on all of it. A lot of this doesn't change. As you know, with the establishment plan, it's everything from the really big, like how are we getting the comprehensive adequate reserve in place, versus how are we actually able to just do some of that connectivity work across landscapes. I'm particularly interested in that, so I would hope that we're bringing all of that. People like the National Parks Association, as you know, do brilliant work in their local groups around the opportunities. I would expect that all of that's being folded in.

The CHAIR: Would the Government ever consider the purchasing of lands under part 11 of the National Parks and Wildlife Act and then allow them to be used for developer biodiversity credits?

The Hon. PENNY SHARPE: We do purchase land, as you know. I think the latest figure I saw was that for koalas I think we've purchased in the last year 7,800 hectares.

The CHAIR: Just cutting to it, are we engaging at the moment in any of this sort of land banking with the idea that we're purchasing lands under the Act, we're holding them, we're engaging in stewardship agreements—

The Hon. PENNY SHARPE: Yes, so that is occurring, not in a big area. Lands are purchased. There is then a lot of clean-up work that needs to be done on them and a lot of other activities undertaken. Some of them have got various other easements and exploration licences and things on them. We purchase the land and then it's got to go into the estate but a lot of these things are resolved through that process.

The CHAIR: Are we actually engaging in the biodiversity stewardship agreements as we're doing that clean-up work?

The Hon. PENNY SHARPE: I would need to check.

The CHAIR: Would you be satisfied, Minister, if that was happening?

The Hon. PENNY SHARPE: I'd need to understand more about it. I might just hand to my secretary. We can take it on notice and come back to you.

The CHAIR: And I'll take it up this afternoon.

ANTHONY LEAN: Yes, I'll come back to you this afternoon.

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The CHAIR: Minister, I would put to you at this point that if this practice is happening, it is a very contentious practice. The argument I would put to you is: Are you satisfied that the objects of your primary legislation, the National Parks and Wildlife Act, are not being breached or are being breached if that's a practice that's happening? And also, if you could take on notice or I could take up this afternoon, where is this happening? How are we disclosing that this is happening? And where is the transparency around this?

The Hon. PENNY SHARPE: Yes, let us get the proper answer. I just can't give you accurate information. In terms of the time frame on the establishment plan, my advice is it's planning to be finalised to come to me in early 2025. There will obviously be a process throughout this year to finalise that.

The CHAIR: That's still a long time coming. Minister, have you received the departmental advice about the heritage listing of the Ravensworth Estate?

The Hon. PENNY SHARPE: I've currently got it under consideration, yes.

The CHAIR: When did you receive that?

The Hon. PENNY SHARPE: I know I'm over the statutory requirement in terms of signing off on it. I had it before—

The CHAIR: I was going to say, I think it's 14 days.

The Hon. PENNY SHARPE: Yes, it's well past 14 days. I received it before Christmas. I couldn't tell you the exact date, but I'm definitely over time on it. I'm currently considering it.

The CHAIR: You're aware that Glencore has a modification in relation to extend Glendell operations for two years and that the submission for that closes on 14 March?

The Hon. PENNY SHARPE: I think I was aware of the modification. I wasn't aware of the time frame. It's not an issue that I'm considering as part of the consideration of Ravensworth.

The CHAIR: Is it something that Glencore should be considering?

The Hon. PENNY SHARPE: That's a matter for them.

The CHAIR: What is your understanding of the impact of a heritage listing on Ravensworth before any determination of their extension?

The Hon. PENNY SHARPE: I've kind of got this under active consideration. I've got a decision to make. My preference is not to canvass all of those issues before I've made that decision. I am looking. There's a lot of material.

The CHAIR: When do you expect your determination will be made?

The Hon. PENNY SHARPE: As soon as I can decide.

The CHAIR: Is it a priority for you?

The Hon. PENNY SHARPE: Everything is a priority for me.

The CHAIR: But given this is overdue?

The Hon. PENNY SHARPE: Yes, but I also want to do proper consideration of it. It's a big decision. As you know, it's been a very contentious issue and I'm working through it. I think I've got over 2,000 pages of information that I'm working through.

The CHAIR: I think it is six times over the statutory limitation period.

The Hon. PENNY SHARPE: That's okay. I am aware of that. Can I just say in terms of my statutory requirements, I think I've only missed two: Ravensworth is one of them. The rest that I've listed—which I think I've now listed eight or nine—have been within the statutory requirements. Ravensworth is a complex issue and I am taking my time to understand it properly.

The CHAIR: How many Aboriginal Heritage Impact Permits have you declined since becoming Minister?

The Hon. PENNY SHARPE: I don't decline them. They're not actually—I don't do that. I'd have to take it on notice.

The CHAIR: Have you received any requests from traditional owners to review AHIPs that have been issued?

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The Hon. PENNY SHARPE: I'll take it on notice but, no, I'm not—me, as the Minister, I'm not aware of that. But let me take it on notice.

The CHAIR: Are you aware whether the number of applications has grown between 2022-23 and so far this year?

The Hon. PENNY SHARPE: No, I'll have to take that on notice. I just don't have the figures there in front of me.

The Hon. JACQUI MUNRO: Minister, in 2017 at The Greens Cities Conference in a speech you said on density:

... density cannot be done well without community support.

And you said:

Density done well has to preserve our environmental assets not just because it is good for the environment but it would also go a long way to improving community trust and willingness to accept greater density.

These changes relating to heritage and planning and zoning could obviously have disastrous effects on natural assets, environment and heritage. Do you think that these comments are still relevant to the work that you're doing today? Do you still stand by them?

The Hon. PENNY SHARPE: Yes, and I'm pleased that a speech I made in 2017 someone has actually read. Fantastic.

The Hon. JACQUI MUNRO: I think a lot of people are listening and that's the reason for the question, because there's a concern that your position from then has changed in your willingness to act to protect the environment now that you are actually the Minister. I'm wondering if you have advocated for maps to be released by the planning Minister so that communities can actually understand the impact of the zoning changes on their communities?

The Hon. PENNY SHARPE: The short answer is, no, we're not at the map stage. The longer answer is that I'm speaking with Minister Scully on an almost weekly basis—probably more than that—about these matters all the time. We're at the beginning of the process that we're rolling out. There's no doubt that there's haste and there's a momentum and a desire and a priority given to it by the Government around the housing issues. As I said before to Mr Farlow, both heritage and environment are extremely important in all of that. They're ongoing and under active consideration all the time.

The CHAIR: I have one last question. Minister, you said it was imminent that you had an announcement regarding the CPCP. What can we expect? I'm not trying to exactly pre-empt the announcement, but given that the previous Government had made a determination about it, are you suggesting that we might be seeing a reopening of that determination?

The Hon. PENNY SHARPE: I don't want to go into all of the details. As I said, an announcement is imminent. We're looking at improvements to what's there. I wouldn't say we're looking at a radical departure from what has been approved, though. I don't want you to think that we're withdrawing it and starting again. That's definitely not the case.

The CHAIR: Will this announcement have been led to by discussions with your Federal colleague environment Minister Plibersek?

The Hon. PENNY SHARPE: Minister Plibersek has to make a decision in terms of the EPBC Act, and that's a matter for her.

The CHAIR: Government members, it's your turn.

The Hon. MARK BUTTIGIEG: Minister, welcome and thank you. Could you update the Committee on the latest with the DPA investigation into mulch contaminated by asbestos?

The Hon. PENNY SHARPE: I can. I think it's actually extremely important, so thank you for asking about this. There are a couple of things that I wanted to say up-front around this. Asbestos should not be in any recycled mulch. The issue that has emerged this year in relation to this is completely unacceptable. It has led to the largest investigation in the EPA's history in relation to getting to the bottom of how asbestos has been found in this product. I can inform the Committee today that the initial phase of the supply chain testing is now pretty complete. There's a little bit of a tail at the end, but it's pretty much done.

Over the past eight weeks, around 6,500 tonnes of mulch has been tracked down, assessed and tested, with nearly 1,200 samples taken for analysis. At this stage, there have been 75 sites that have returned a positive

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result for asbestos in mulch. It's important to know that, while it shouldn't be there, the amount that's there is in low levels. It has been non-friable and so is at the lower end of health risk. It is still absolutely unacceptable that it's there. Aside from supporting the EPA to put about 130 people on the job, we've also stood up the New South Wales asbestos taskforce, which has supported the EPA's investigations on the ground. I do also want to thank Fire and Rescue NSW, who came and helped us do a lot of testing very quickly. We really appreciated it. SafeWork, Public Works and the Natural Resources Access Regulator all came together to get the testing done.

The ongoing work from here, which I can't talk to you about but is extremely important, is obviously the criminal investigation into what has gone wrong here. The EPA will be pursuing that, and I look forward to that coming to a conclusion. The other thing that's really shown here is that something has gone wrong in the regulation system and we need to get to the bottom of that. The Premier has previously flagged, and I can reiterate here today, that we will be looking at both stronger regulations and penalties as a result of that. We are working through that and seeking advice from both the taskforce and the EPA in relation to that. We will have something more to say about that soon.

The other point that I would want people to know is that obviously the chief scientist under the previous Government was tasked with doing a broader piece of work in relation to asbestos in the environment. One of the challenges that we have in New South Wales—and it's not just New South Wales—is that prior to 1990 over 3,000 products used asbestos. It is actually everywhere across the State. It's in one in three houses. We have contaminated sites. It appears naturally in the environment as well. Regulations over time have been tightened and changed. I think this has shown that we need to do more work about that. We've asked the chief scientist to do that work, which will inform future activity in relation to this. There's no doubt the community is concerned about it, as am I. We will continue to clean it up. There have been numerous Ombudsman reports and there has been a lot of pointing at the problem. The approach that we're taking is to methodically work through that and basically clean it up.

The CHAIR: We will take a short break and we will reconvene at 11.15 a.m.

(Short adjournment)

The CHAIR: Welcome back, everybody. Minister, I understand you have something you'd like to—

The Hon. PENNY SHARPE: Yes, just a couple of quick things. I think that I got too excited about the capital cost for the replacement of the coal-fired power stations. It's estimated to be around \$46 billion. That's just capital; that doesn't include financing and all of those issues. The 226 figure I was quoting was nuclear. We might get to that later. The second—

The Hon. WES FANG: Hear, hear!

The Hon. PENNY SHARPE: Please ask me about it.

The Hon. MARK BUTTIGIEG: Double down on that, Wes. You should double down.

The Hon. WES FANG: I'll have one in my backyard, I've told you. I'll have one in my backyard.

The CHAIR: Order! Time is precious.

The Hon. PENNY SHARPE: In terms of the adaptation action plan, it's still in draft form—and, as I've said, we are looking at it—but it does include scenarios above 1.5 degrees. So I can confirm that. The third thing that I just want to clarify in relation to the question that you asked, Ms Higginson—there is one piece of land near the Pilliga in relation to biodiversity agreements. It is being run as a pilot. It's part of—and I just would note that the Ken Henry review recommended that we look at these things. We're not looking at rolling these out. We're doing it as a one-off there, and the rest of the way in which we will deal with these issues in the future is being considered as part of the review.

The CHAIR: Thank you. We're over to my colleagues in the Opposition.

The Hon. JACQUI MUNRO: Minister, has the Premier advised you when he will be giving you the Water portfolio?

The Hon. PENNY SHARPE: I believe he has no plans to give me the Water portfolio, unless you know something that I don't, Ms Munro. I'm not aware of it. I think I've got enough.

The Hon. JACQUI MUNRO: Do you have any interest in being the water Minister, in addition?

The Hon. PENNY SHARPE: Rose Jackson is an excellent water Minister. Long may she be the water Minister. I am very happy being the climate change, energy, environment and heritage Minister.

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The Hon. JACQUI MUNRO: Minister, can you confirm that the Government will not be establishing any new aquatic reserves or marine parks in this term of government?

The Hon. PENNY SHARPE: No, I can't confirm that. You would be aware—and I understand that some questions were asked of my colleague Minister Moriarty. The two of us have joint management over marine parks and aquatic reserves, and we're really undertaking the work that was left hanging by the previous Government in terms of the network management plans and working through that. I wouldn't rule anything in or out, except to say that marine parks are a really important Labor legacy. We are very proud of them. We want to make sure that they work well, and we want to have a high level of marine conservation.

The Hon. JACQUI MUNRO: Do we know when we might have an idea of whether there will be any new aquatic reserves or marine parks?

The Hon. PENNY SHARPE: No, I can't tell you that because Minister Moriarty and I are working through some of the issues there, and we'll continue to do so.

The Hon. JACQUI MUNRO: Would you be happy if shark nets were still in the waters of New South Wales by the time of the next election?

The Hon. PENNY SHARPE: Shark nets, as we know, have been an important protective apparatus to look after people swimming on our beaches up and down the coast. There has been a lot of discussion. There has been a lot of work. Actually, credit to the previous Government in relation to work done on shark nets, looking at alternative technology, SMART drumlines, drones and enhanced technologies to look at the ways in which we can deter sharks. I think that this is an ongoing process that we're looking at. I am concerned—and this will come as no surprise to anyone—that there are impacts on non-targeted species and threatened species in relation to what gets caught in the shark nets. I know that my department works very closely with Fisheries in relation to this. We're always looking to improve that and reduce that.

The Hon. JACQUI MUNRO: But we're not sure if there will be shark nets or not—

The Hon. PENNY SHARPE: It's not my decision. It's an issue for Minister Moriarty.

The Hon. JACQUI MUNRO: Minister, who's responsible for water quality in Sydney Harbour and the beaches?

The Hon. PENNY SHARPE: There are joint responsibilities, depending on which agency. People have to take responsibility for their own pollution, but I have a role, and so does the Minister for Water.

The Hon. JACQUI MUNRO: Are local councils responsible for water quality, Minister?

The Hon. PENNY SHARPE: There would be some circumstances. I would have to take on notice what circumstances they are, because it really depends on who owns the infrastructure, how it is coming in. I know there have been some concerns around plastic pollution by the City of Sydney, for example. What I would say is that it doesn't matter whether you're an agency or an individual or a business, we all have responsibility for wanting to make sure that we have the highest water quality we can and we shouldn't be polluting our waterways.

The Hon. JACQUI MUNRO: Several councils that we're aware of have received legal advice that it's actually not their responsibility very specifically and they're wondering why you've decided to charge local councils for monitoring of pollution by axing the Beachwatch funding.

The Hon. PENNY SHARPE: This is a question about Beachwatch. Is this what you're asking? The previous Government made the decision to change the funding arrangements for Beachwatch in June 2022 to align Sydney coastal areas with the existing arrangements for other Beachwatch councils, who have to date funded their own sampling and analysis under the Beachwatch Partnership Program. I'm not aware of the legal advice that you have. That hasn't come to my attention. I'm happy to take on notice any of the other detail that you want to know about.

The Hon. JACQUI MUNRO: But this is about axing Beachwatch funding. Since the last budget, new councils now have to cover that cost that they didn't have to cover before.

The Hon. PENNY SHARPE: Yes, because you'd be aware—and Mr Fang might be interested in this—that regional councils and inland councils were paying for that testing and the business case undertaken by the previous Minister was submitted in March 2022 and wanted to address that inequity, and that's what's occurred.

The Hon. JACQUI MUNRO: But we now have coastal councils like Waverley, Randwick, Northern Beaches—I mean, Northern Beaches is paying \$130,000 now to monitor water quality. Obviously, that's a pretty big cost on their ratepayers. Is this something that you consulted with them about before you decided to axe the funding?

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The Hon. PENNY SHARPE: As I said, we're fulfilling the decision that was made by the previous Government. But of course I want to talk. The mayor of Waverley, Paula Masselos, is an excellent mayor. She and I talk to each other on a whole range of issues all of the time. I'm always open to talking to them around this. The other point that I would make, though, is that the New South Wales Government also has put money into Streamwatch and some of the other citizen scientist work that is undertaken through Landcare. I think there might be an opportunity for councils to partner there in the future. But the short answer to your question is that we're fulfilling a decision that was made by the previous Government. I do understand that there are concerns around councils in terms of the cost. I'm unaware of the legal advice. I know that my department is talking to local councils and I will talk to local councils about that as well.

The Hon. JACQUI MUNRO: You already spoke about the regional councils. You spoke about the equity. You've spoken about that before—that there is a need to create equity for regional councils who have to self-fund. But it's misleading because, unlike regional councils, city councils don't have to manage sewage; it's done by Sydney Water. Most regional councils are the authority for sewage. It makes sense for them to do the monitoring. It's not like-for-like comparison there.

The Hon. PENNY SHARPE: I hear what you're saying and they're quite interesting arguments. The point that I would make is that the decision was made off the base of the business case that was decided in March 2022 under the previous Government addressing inequity in the existing system. At the time Sydney coastal councils tested for free while inland and regional councils paid. The former Government's decision approved that business case and announced in the June 2022 budget—and described it as an expansion of Beachwatch. We're implementing that decision. There are obviously issues in terms of the way in which that is occurring and we're talking to those councils that are impacted.

The Hon. JACQUI MUNRO: You are speaking to coastal councils at the moment about the impact of funding?

The Hon. PENNY SHARPE: I said that I've spoken to Waverley. I talk to councils a lot—very happy to keep talking to them about that.

The Hon. JACQUI MUNRO: Randwick, for example, and the Northern Beaches, who are spending tens of thousands of dollars on this—happy to speak to them about this?

The Hon. PENNY SHARPE: Yes, I'm happy to talk to them, sure.

The Hon. JACQUI MUNRO: I think the charges for council are the thing that has changed now. It's not just about the funding; it's actually about whether councils have to pay to do this work. That's the change that happened under your watch.

The Hon. PENNY SHARPE: As a result of a decision of your Government but, sure, as I said, I'm happy to talk to them about it.

The Hon. JACQUI MUNRO: You've been the Minister for a year now.

The Hon. PENNY SHARPE: Are you saying that the previous Minister made the wrong decision?

The Hon. JACQUI MUNRO: The previous Government wasn't looking at charging councils.

The Hon. SCOTT FARLOW: You're the Minister now.

The Hon. PENNY SHARPE: I know that, but what I'm saying is that this is actually a continuation of a decision that was made by the previous Minister. You're now saying it was the wrong decision.

The Hon. SCOTT FARLOW: But there are plenty of decisions that were made by the previous Government that you have overturned or you've taken a different approach to.

The Hon. PENNY SHARPE: Sure. But just to be clear, this wasn't my decision.

The Hon. SCOTT FARLOW: By continuing it, you support the decision.

The Hon. PENNY SHARPE: We're implementing a decision that's there and we're talking to councils who are affected. I've got nothing more to add on that.

The Hon. JACQUI MUNRO: Minister, we saw in the last budget estimates that there were a lot of consultants engaged by EnergyCo, in particular. We've spoken about this already today. Who is responsible for those consultants that have worked for EnergyCo day to day? I'm guessing it's Mr Hay.

The Hon. PENNY SHARPE: Yes. I mean, I don't have a role in appointing those consultants and it would be Mr Hay.

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The Hon. JACQUI MUNRO: Who is the project director for the REZs engaged by EnergyCo? Did they come from another agency?

The Hon. PENNY SHARPE: I might have to hand to Mr Hay on that. I'm not sure. I'm not across all of the details. I'm not sure. Mr Hay?

JAMES HAY: We have a number of projects underway. Each project has a project director. We source project directors to get the best person we can at the time. Currently we have one who's seconded from an existing government agency. The others are sourced from the market.

The Hon. JACQUI MUNRO: Okay. What are they paid?

JAMES HAY: I can't talk about individuals' remuneration in that way, but they are paid based off the market.

The Hon. JACQUI MUNRO: When you talk about going out to market, were their salaries advertised through their job advertisements?

JAMES HAY: Those who are obtained from the market are on contracts for services, so they will be contractors.

The Hon. JACQUI MUNRO: How long are those contracts?

JAMES HAY: There are individual contracts for different people, so I'd have to take that on notice and come back with details on that.

The Hon. PENNY SHARPE: Ms Munro, can I just say that there's obviously the consultants inquiry and EnergyCo has provided a lot of information in their submission to that. That would have a lot of the information that you're probably seeking. I'm a little bit unclear about whether it's consultants or contractors—two different things in the way that they're dealt with and also the way in which they're hired. I'm not trying to hide anything. I'm just saying there's a lot of information out there. We're happy to provide whatever you need, but if you could just be clear about what it is you're actually seeking.

The Hon. JACQUI MUNRO: Okay. In terms of the contractors that have been engaged, how many are we talking?

JAMES HAY: As project directors, we have four project directors at this stage, or it might be five. I'll just check that.

The Hon. JACQUI MUNRO: Three from the market and one—

JAMES HAY: There's one employee. We're in the process of going to market for employees in those roles, and that's been about establishing those positions as we move through. The bit that I would really add is that projects go through two main stages. There's the development stage and the delivery stage. The development stage is typically one to 2½ years and that ends. They tend to involve a different skill set in the delivery phase, which is once you have entered into a commitment deed or a contract, and you might have a four- to five-year period of construction. You have a different job that requires different skill sets often, and one is inherently a temporary phase and one is a longer term phase. You're talking to different parts of the market when you're recruiting for these roles. Of our projects, two are now moving. One's in the delivery phase and another is moving into delivery phase, which is Central-West Orana. The others are in the development phase. They tend to have people who are more of a temporary nature.

The Hon. JACQUI MUNRO: When you're going to market, is this a normal public—

JAMES HAY: Yes. We follow normal procurement processes.

The Hon. JACQUI MUNRO: Do you have any relationships with any of the people that have been employed under a contract with those REZs? Have you had a prior relationship with any of them?

JAMES HAY: The only relationships I have with any of my staff are professional.

The Hon. JACQUI MUNRO: That includes all the contractors—they're not people that you've dealt with previously?

JAMES HAY: I've dealt with many of them before. This is the nature of the industry.

The Hon. JACQUI MUNRO: Are there conflicts of interest requirements that you have engaged in?

JAMES HAY: We always make disclosures. I have a standing disclosure which says that it's almost inevitable in every tender round we propose there'll be people who I've worked with at different times on different

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projects, whether they be in transport, or whether they be in health, or in different sectors that I've worked in across the Tasman as well. It's inevitable that the people responding to major infrastructure projects will have had some professional association with me because I'm an infrastructure professional.

The Hon. JACQUI MUNRO: Are those people listed somewhere?

JAMES HAY: Sorry?

The Hon. JACQUI MUNRO: Where there are specific individuals, are those people listed with the nature of any conflict, perceived or otherwise?

JAMES HAY: If there is a need to disclose, but I have a standing disclosure that says I know people in most of the major providers of infrastructure services across New South Wales, across Australia and, indeed, across New Zealand.

The Hon. JACQUI MUNRO: But that doesn't relate to specific people; it's just an industry-wide general—

JAMES HAY: I have a policy that I would never provide a reference for anyone who is applying for a consultancy, and I also have, as I say, the standing disclosure that says I'm aware of many of the people, but I couldn't sit there and list every single one because I'd get it wrong. Many of them move firms, so it's hard to say at any given time that I know so-and-so who works for this firm because the next time they appear they may be working for a different firm.

The Hon. JACQUI MUNRO: They're still the same person, though.

JAMES HAY: Yes, but I don't know, and it would be inappropriate for me to know if people are bidding for services. That conversation itself wouldn't be right. They're free to bid for services. I make general disclosures. If I become aware at the time—so that's at the beginning of the procurement process when a recommendation comes up—and it appears there are people who come through, I will disclose that, yes.

The Hon. SCOTT FARLOW: Minister, I note your revisions, but this morning to Mr Ruddick's questions you expressed that coal-fired power stations are very expensive and your plans are nowhere near that expensive. Can you elaborate on how much taxpayers in New South Wales will be up for when it comes to extending Eraring's life?

The Hon. PENNY SHARPE: You should have been here when Ms Boyd was here. I know that there's a great deal of interest in Eraring, as there should be. We are under current discussions. I'm not in a position to share those with the Committee. The commitment that I've made to the Committee, to the Parliament and to the public is that we will share as much information as we can when those discussions are concluded.

The Hon. SCOTT FARLOW: Minister, is there a significant risk of generation capacity not being delivered on time or on budget due to the complexity of transmission construction? And, that being the case, have you or EnergyCo modelled on being able to use existing transmission networks to de-risk the transition to renewable energy?

The Hon. PENNY SHARPE: Good question. There are two parts to that. The first is, yes, from when the roadmap was initially passed through the Parliament, we're now in the implementation phase of that and global supply chain, materials constraints, workforce, and getting the projects up and running, has been something that has been a great deal of focus for us. The Cameron O'Reilly check-up was really about making sure that we can get that. The advice that I've received, from AEMO and from Cameron O'Reilly is that there is a risk of gap, of generation, around '25, '26. That is what we are dealing with. The best thing for us to do is to do all the other work that we are undertaking, whether it is the Waratah Super Battery, the excellent results we're getting from the firming rounds of the LTESAs or the way in which we are looking at trying to accelerate. We are also working, and this is one of the recommendations out of Cameron O'Reilly's review, outside the REZs, that work with distribution networks and with others, to look at bumping up capacity.

There is a pretty exciting story to tell here. All of that work is underway. I often say that we're doing all of the things all at once, and that is actually the case here. So there are exciting things outside the REZs; there is obviously the focus on delivering the REZs and the transmission that we need; there's the work that we're doing around consumer energy resources and rooftop solar; there is a big piece of work that will be coming out very soon—there's a lot of work being undertaken. Are we worried about the gaps? Yes. We're doing everything we can to fill them and I'm confident that we'll get there.

The Hon. SCOTT FARLOW: Are you looking at the existing transmission network and how you can better utilise that?

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The Hon. PENNY SHARPE: Yes, we are.

The Hon. SCOTT FARLOW: With respect to the AEMO report and the Energy Security Target Monitor report, were you provided with a copy of that in October, prior to its public release?

The Hon. PENNY SHARPE: I believe so, yes. They usually give us a heads-up very close to release. I wouldn't say I get a long—my agencies might get it earlier. We get it really just before it's released.

The Hon. SCOTT FARLOW: That report, on its own modelling, shows that once Federal and State capacity schemes are included, there is no New South Wales electricity supply reliability gap forecast in any year out to 2023. Is that correct?

The Hon. PENNY SHARPE: 2023?

The Hon. SCOTT FARLOW: Sorry, 2033, I should say. I'm not going back to the future.

The Hon. PENNY SHARPE: Yes, sorry, I can't go backwards.

The Hon. SCOTT FARLOW: No, it was my mistake. My apologies.

The Hon. PENNY SHARPE: No, that's fine. There are different modelling scenarios that AEMO has provided that does show that there is a gap of around 750 megawatts, in my memory, which I think is 2026-27.

ALISON PEPPER: It's 2025-26.

The Hon. PENNY SHARPE: Thank you. That's the gap that we're also providing. But to go to your earlier question, which was a good question: How confident are we that we're going to be able to deliver everything in time? What we're really trying to do here is manage the orderly exit of coal with the replacement of renewables as quickly as possible. As we're finding, you want to make sure that we're confident that we won't see energy spikes and that we won't see a decrease in the reliability, and that's what we're managing and that's what the discussions with Eraring are about. Eraring is 25 per cent of our energy needs; it's a very important part of it. As the Treasurer and I have said many times, we don't want it open a minute longer than it needs to be, but what I take very seriously is managing this orderly exit as well as an orderly transition as much as possible.

The Hon. SCOTT FARLOW: To that point, Minister, in early December the Energy Action Response protocol had to be enacted. You encouraged households and businesses to limit their energy use for a number of hours, as you've already indicated in terms of negotiations with Eraring and the energy supply gap. If Eraring closes next year, will we see more Energy Action Response protocols enacted? That being the case, do they have you over a barrel?

The Hon. PENNY SHARPE: No. The point that I would make here is that that was an important exercise on a very hot day, as we've seen. There is a lot of work that goes into managing the energy grid. The grid has some fragilities in it, which is partly about, as I've indicated before, older power stations that sometimes come offline and are not available. We are carefully thinking about how we manage all of that. All of those discussions are there, but there's a very sophisticated arrangement that we work very closely with AEMO. My department is always working. We've got a whole lot of demand response agencies and organisations that help manage the grid when it's getting very hot. I'm very pleased that we haven't had any serious issues, but it's an ongoing challenge and we spend every day making sure that we're ready for it and we can manage it.

The Hon. JOHN RUDDICK: Minister, I think the first question I ever asked in question time was to you about the nuclear power industry, and you took two minutes to politely say it's not on the agenda. That was mid last year. In December last year, at Dubai, the United Nations COP28 meeting officially called for accelerating the nuclear energy industry worldwide. That was the first time those UN meetings had endorsed nuclear, which was quite a milestone. Australia has one-third of the world's proven uranium reserves, and we haven't even been looking for it so there's probably a lot more out there. I do fear that the nuclear debate in Canberra has now become partisan and people don't really care about what's best policy.

The Hon. PENNY SHARPE: Have you spoken to Mr Dutton about that?

The Hon. JOHN RUDDICK: Both sides are bad, yes. It has become a partisan football. But if we do truly want to help the Australian economy with a sound energy policy, is the Government, and you in particular, thinking about encouraging the Federal Government, your colleagues in the Federal Government, because their criticisms are that it costs a lot of money and it takes a lot of time. We can solve both those. If the government just gets out of the way and the nuclear industries want to come in and develop it, if they can, they can. If they can't, they can't, and the free market will sort that out. Is that something that you would be considering doing?

The Hon. PENNY SHARPE: Short answer: No. The longer answer is this: Having these discussions is incredibly important, and I note the discussion that happened last year at the COP, but I think we also need to

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understand the situation that Australia finds itself in, and in particular New South Wales. Yes, there are uranium deposits here. It's a very big issue to go from having them to actually mining them to processing them to having some sort of nuclear reactor that can actually deal with them. That is decades in the making. That is the first point. The second point is that as we're managing the change—and we talked earlier about how we have relied on baseload power and are now moving to renewables, which is actually the plan that we have. We have a plan in place to actually replace coal-fired power that is the cheapest and that will provide Australia with the benefits of cheap energy in the future, which is competitively better for us internationally.

For some places, they do look at nuclear and that's partly because they're very land-constrained and partly because they already have existing infrastructure they've been able to use and they've already got people who can do this work. New South Wales has none of that—absolutely none of that. The cost that I've been advised to replace the 8,300 megawatts—the 8.3 gig—of coal-fired power stations we have in New South Wales with small-scale nuclear reactors is over \$226 billion.

The Hon. JOHN RUDDICK: Let's let the free market sort it out. I'm not asking for the Government to fund it. Why can't we just—

The Hon. PENNY SHARPE: I appreciate that. I appreciate you never ask the Government to fund it—

The Hon. JOHN RUDDICK: Yes.

The Hon. PENNY SHARPE: —which is one of the reasons that I appreciate your contribution, Mr Ruddick.

The Hon. JOHN RUDDICK: I fear that it's the crony capitalists who are making so much money out of the renewable energy industry—are against nuclear because it would deprive them of more government funding. We can solve this by just saying the Government gets out of it. If the nuclear industry can take off on its own accord, what's the harm?

The Hon. PENNY SHARPE: One of the points that I would make is let's look at the record. There are a lot of claims in this space about how well it's going internationally.

The Hon. JOHN RUDDICK: Yes.

The Hon. PENNY SHARPE: There's three things I'd like you to be aware of.

The Hon. JOHN RUDDICK: It doesn't matter.

The Hon. PENNY SHARPE: The first US reactor built from scratch in decades, which is in Georgia, has been described as maybe the most expensive power plant ever. The project is running seven years late and is \$26 billion over budget. In the UK, the Hinkley Point C is running \$55 billion over budget. Late last year the only company to have a small modular and nuclear power plant approved in the US cancelled its first project due to rising costs. I know you really love talking about this, but at this point I actually want to hand over to an expert. We have Professor Hugh Durrant-Whyte, and the reason why is not because it is the office of the chief scientist; he actually is a nuclear engineer and worked on the British nuclear subs.

The Hon. JOHN RUDDICK: Let's hear him.

The Hon. PENNY SHARPE: I think you should have a chat to him.

The CHAIR: Would it be okay if we come back? Because we have the Professor for the afternoon session.

The Hon. PENNY SHARPE: But it's Mr Ruddick's time. He can take his time any way he wants.

The Hon. JOHN RUDDICK: No, I'll defer to the Chair.

The Hon. PENNY SHARPE: That's fine.

The CHAIR: He's deferred his time to Ms Mihailuk.

The Hon. TANIA MIHAILUK: Hello, Minister. I have a couple of quick questions. One I wanted to ask you about is how the \$260 million rollout is happening for the shift to EVs in New South Wales. Where are we up to with that? That's for the 500 kerbside chargers; is that right?

The Hon. PENNY SHARPE: It's a lot more than that. I can give you a lot of detail around this.

The Hon. TANIA MIHAILUK: What I would like is some detail—

The Hon. PENNY SHARPE: There's about a hundred—

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The Hon. TANIA MIHAILUK: With the 500, can you put on notice—because you won't be able to give me the list—where those locations are going to be? Is there a way that we can find out? Is that already determined or not?

The Hon. PENNY SHARPE: Some are in grants rounds that have already been determined; some are currently being applied for; some have been implemented. We've already funded over 100 ultra-fast charging stations. We've got 500 charging—but I can give you all of that. There's about 400—

The Hon. TANIA MIHAILUK: That's directly with the department, right? That's not any contractors in between that are managing this on behalf of the Government?

The Hon. PENNY SHARPE: The answer to that is it depends. We do have grants rounds. Local councils, for example, are going through grants rounds where—

The Hon. TANIA MIHAILUK: And private companies can also apply for those same grants?

The Hon. PENNY SHARPE: Some of them, yes.

The Hon. TANIA MIHAILUK: Can you provide a list of who has applied for those grants? That will become publicly available, I assume.

The Hon. PENNY SHARPE: Yes, anything that I'm allowed to provide you publicly, yes, once they're done.

The Hon. TANIA MIHAILUK: Of course. Once the grant is given, yes.

The Hon. PENNY SHARPE: Yes. We're pretty pleased about how all of this is going. There are ultra-fast charging stations and the destination charging stations.

The Hon. TANIA MIHAILUK: What about the \$10 million for apartments? Is that separate?

The Hon. PENNY SHARPE: Yes.

The Hon. TANIA MIHAILUK: The 100 apartments to retrofit strata buildings? Or is that a part of that \$260 million fund?

The Hon. PENNY SHARPE: No, it's separate to that. Last year in the budget, there's two things. We already had around \$199 million for a range of EV charging projects. The Government made the decision in the budget last year to scrap the \$3,000 subsidy for individual EV car purchases and instead put \$260 million into additional charging. So this is in addition. We're still rolling out the existing amount, but I can give you all of the detail. There's a lot of it.

The Hon. TANIA MIHAILUK: With the 100 apartment buildings, the grants that are available for that, will that also be publicly available?

The Hon. PENNY SHARPE: Yes.

The Hon. TANIA MIHAILUK: Because it's for 10 or more apartments.

The Hon. PENNY SHARPE: Yes, it is.

The Hon. TANIA MIHAILUK: So the blocks themselves have to be 10 or more apartments?

The Hon. PENNY SHARPE: Yes, and my—

The Hon. TANIA MIHAILUK: And just the locations—it would be good to know the locations.

The Hon. PENNY SHARPE: I don't know the—

The Hon. TANIA MIHAILUK: If it's mainly central Sydney or where people are picking up these grants.

The Hon. PENNY SHARPE: The grants round has closed. I don't believe we've made an announcement of where exactly they're going to be, but that would be anticipated that we will. I think it's still being assessed. I don't think it has been finalised.

The Hon. TANIA MIHAILUK: Minister, at the moment have you rolled out electric vehicles to all the Ministers? Are all the ministerial cars now electric vehicles? I know yours is. How's that going?

The Hon. PENNY SHARPE: I know that some of us have. There are quite a few hybrids in the fleet. I couldn't tell you. I'd have to take that on notice. We're basically looking at how the leases are coming up over

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time. I have lent my car to quite a few members so that they can actually trial using an electric vehicle, and most really like it. They're pretty zippy.

The Hon. TANIA MIHAILUK: How's the rest of the caucus?

The Hon. MARK BUTTIGIEG: Tania wants one.

The Hon. TANIA MIHAILUK: I know a couple of Parliamentary Secretaries are still driving around Audi sports cars and BMWs. I'm particularly concerned about the BMWs. I could name the two Parliamentary Secretaries that I know that have those vehicles, but that might be embarrassing. But they are not electric vehicles, are they, BMWs?

The Hon. PENNY SHARPE: The two points I would make are that Parliamentary Secretaries and members of Parliament are not provided with cars in New South Wales.

The Hon. TANIA MIHAILUK: But they represent the Ministers sometimes, don't they, at events so they are driving their private vehicles?

The Hon. PENNY SHARPE: I know some members catch the train, as I used to in opposition.

The Hon. TANIA MIHAILUK: There would be very few.

Ms CATE FAEHRMANN: Minister, I want to turn to the climate change advisory group for mining. I understand you've established a couple of advisory groups under your climate change action plan—is that correct—for agriculture and mining?

The Hon. PENNY SHARPE: There are some of those. I'm not directly dealing with those; the EPA is doing that.

Ms CATE FAEHRMANN: The EPA chooses those. Is that correct?

The Hon. PENNY SHARPE: Yes.

Ms CATE FAEHRMANN: I will come back this afternoon with questions on that then. Minister, are you aware of modelling by climate works in relation to how soon Australia needs to decarbonise their homes if we're to meet the Paris Agreement climate change goals?

The Hon. PENNY SHARPE: I'm broadly aware, but I wouldn't say I'm across the detail.

Ms CATE FAEHRMANN: That's by 2035, climate change goals limiting warming to within 1½ degrees. Given that, and lots of other climate science that I know you're aware of, how soon should New South Wales be moving to phase gas out of homes?

The Hon. PENNY SHARPE: It's been the subject of some discussion. There are a range of activities where gas is no longer being put into homes, as a result of a number of different policies. You would be aware that the Government doesn't have—unlike Victoria, we're not saying, "No new connections." Gas use in New South Wales is much smaller than places like Victoria. We're working on a lot of the other work in terms of better buildings, energy efficiency and supporting other changes. That's the priority for us.

Ms CATE FAEHRMANN: There's no target, despite what the science is saying, in terms of that domestic phase-out, not even small business or industry?

The Hon. PENNY SHARPE: There's not a specific target. There are a bunch of different policies. As you know, in local government, some are taking some choices around what they want to do. We do have some other programs where people are swapping out appliances and changing over, which we're continuing to look at. I was saying before that we're doing the consumer energy resources strategy that's picking up a bit of this. I think longer term we will have a road map around gas and electrification, but we're not there yet.

Ms CATE FAEHRMANN: In terms of longer term—

The Hon. PENNY SHARPE: We talked about that in the election. We said, "We'll do a road map"—

Ms CATE FAEHRMANN: Just to be clear, your idea of a road map is setting targets by a particular date to send a signal to industry and to businesses and households?

The Hon. PENNY SHARPE: Let's just say we're not that far advanced yet. I can't say yes or no to that.

Ms CATE FAEHRMANN: I know you've been asked a lot of questions about this and I asked some questions in natural resources as well, but I want to ask in relation to the two policy statements that seem to be guiding your Government at the moment when it comes to coal and gas. The first one of course is the strategic statement on coal, which was relied on very heavily in terms of the approval. It was the first approval under your

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Government, in terms of Boggabri modification 8. You're aware that there are 15 other coal expansions waiting for approval and that is the document that is relied on extremely heavily, whether it's by the department or by the IPC, when it comes to approving these coal mines?

The Hon. PENNY SHARPE: Yes, I'm aware of that.

Ms CATE FAEHRMANN: You've just passed the net zero future Act—

The Hon. PENNY SHARPE: It has also become an important document, in terms of these considerations.

Ms CATE FAEHRMANN: It has become a very important document. Would you think that that document is more important than the document that John Barilaro created four or five years ago with zero consultation in terms of coal and gas? Are you ready to say yet that your net zero Act, the climate change bill, is dominant and prevails over John Barilaro's coal and gas policy, created on the back of an envelope five years ago with a bunch of mates from the industry?

The Hon. PENNY SHARPE: I have many views about the actions of John Barilaro, but I won't canvass them here.

The Hon. WES FANG: Go ahead.

The Hon. PENNY SHARPE: The point that I would—I mean, I've already canvassed it a lot with Mr Fang.

Ms CATE FAEHRMANN: I'm giving you the open floor, Minister.

The Hon. PENNY SHARPE: You don't wish me to speak for an hour about that. The point here is—it's an important policy question. This Government has put in place the most ambitious emissions reduction targets of any jurisdiction in Australia—although I think Queensland has just gone a bit higher than us for 2035. We're setting up the Net Zero Commission that will do that work. Again, it's really important in this Parliament, as opposed to so many others, that there has been broad consensus around the need for us to do that.

Ms CATE FAEHRMANN: But this policy—

The Hon. PENNY SHARPE: If you let me finish.

Ms CATE FAEHRMANN: —is just hanging around like a bad smell, though, right?

The Hon. PENNY SHARPE: Let's just be clear, and if you've been talking to Minister Houssos you would know, that those two documents are her responsibility. But the point that I would make is this: We're establishing, as a result of the climate change Act, really a whole-of-government approach in relation to these matters and reporting on that. We'll be bringing together all of the monitoring. Those statements will need to be looked at. I don't have direct responsibility for all of them, but I suppose what I'm saying is that there's clearly a whole-of-government approach around that, and we will continue to talk about it.

The CHAIR: Just on that, Minister, are you still committed to establishing the joint committee to support the work of the Net Zero Commission?

The Hon. PENNY SHARPE: Yes, I am. I hope to get that done by the end of March.

The CHAIR: What is your current ambition for the actual establishment of the Net Zero Commission?

The Hon. PENNY SHARPE: I would hope, really, that it's up and running by mid-year. The ads are out for the applications for the commissioners. We're going to have between five and seven commissioners. They'll be part-time commissioners. I'm really excited. There's a lot of interesting—I think there's a lot of interest, so hopefully that will come to pass. I would hope that they're up and running by mid-year and they'll be starting work on their first plan by the end of the year.

The CHAIR: Minister, just on the recovered fines—and I know you gave the update earlier—have you been briefed on the EPA investigations that occurred in 2013 and 2019?

The Hon. PENNY SHARPE: Yes.

The CHAIR: Are you aware that some of the testing laboratories were retesting and retesting their recovered fine samples until they achieved the results they wanted?

The Hon. PENNY SHARPE: I am aware of that issue, yes.

The CHAIR: Would you provide the Committee with the facilities that were actually producing those fines and the laboratories that were retesting the samples in both the 2013 and 2019 investigations?

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The Hon. PENNY SHARPE: I'm looking at Mr Chappel here. I don't see any reason why we wouldn't, unless it's part of some other investigations. Perhaps we can take it on notice, and you can take it up with Mr Chappel this afternoon. My general approach is if we can provide information, I'm really happy to.

The CHAIR: Minister, just—and I'm jumping around.

The Hon. PENNY SHARPE: That's okay.

The CHAIR: You know how this goes.

The Hon. PENNY SHARPE: I do.

The CHAIR: With the National Parks and Wildlife Service funding, clearly we can see the budget and what has happened. But will you be reinstating—or what is your ambition with the \$100 million that was stripped from the operating budget of the last Government?

The Hon. PENNY SHARPE: My ambition is to arm-wrestle the Treasurer and the ERC to get as much money for all of my portfolio areas as much as possible. We're clearly working—

The Hon. SCOTT FARLOW: My money is on you.

The Hon. PENNY SHARPE: There can never be enough money for the environment, as far as I'm concerned but, obviously, we have to work through the ERC process. We've made some commitments at the election. I mean, we're already putting \$80 million into the Great Koala National Park. There's another \$47 million for Georges River. We've also committed to another 100 field officers within the national parks system. We're also making significant investments into infrastructure within the parks as well. I understand the question you're asking. I used to, in opposition, ask all of these and was very concerned about it. The advice that I've got is—could we do with more money? Always. But a lot of money is there, and we're rebuilding that through the budget process.

The CHAIR: Have there been any frontline staffing losses since the 2023 election?

The Hon. PENNY SHARPE: In National Parks?

The CHAIR: Yes.

The Hon. PENNY SHARPE: I don't believe so, no.

The CHAIR: Is your plan—clearly, more money, but is your plan to get more people? We need boots on the ground. We need more people.

The Hon. PENNY SHARPE: We've already said another 100. There's also—credit to the previous Government. They had a whole lot of people on temporary contracts that have been made permanent, particularly the firefighting and field officer workers. We support all of that. Again, I would say I always want more people. We've committed to an extra one hundred and we're working through that.

The CHAIR: Can I go back to your plan with the Henry review in relation to land clearing?

The Hon. PENNY SHARPE: Yes.

The CHAIR: Are you expecting any reduction or increase in the woody native vegetation clearing for this year? What can we expect?

The Hon. PENNY SHARPE: I don't have the current modelling. I would hope that there is a reduction. I'm absolutely not certain that I can guarantee that's the case. We're still operating under the same rules and that's part of the work that we're doing. You may also be aware that there are a lot of approvals that have been in place for a long time that people are starting to activate. I remain concerned about the level of land clearing and our response to the Henry review and the Local Land Services review is about dealing with that.

The CHAIR: About your response to the Henry review, I just want to put this to you, Minister. You saw that the poll in *The Sydney Morning Herald* was suggesting that there is disappointment with this Government because things are not happening fast enough. Does it concern you that the Henry review has said that the system that is meant to be protecting our environment is worse than failing and you're taking too long to address this?

The Hon. PENNY SHARPE: The Henry review concerns me greatly. Status quo is not acceptable in terms of what's happening to our ecosystems and the health of our environment. To be fair, I think I've been the Minister for 11 months and people—

The CHAIR: But, Minister, to be fair—can I interrupt?

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The Hon. PENNY SHARPE: No, you can't actually, because the point here is that we are working very carefully and quickly. We've done a lot in the first 12 months. The Great Koala National Park is underway. We've protected the koala hubs. We've dealt with the raising of the dam wall. We've doubled the amount of money that's there for koalas. We're working through the establishment plan. There is a list of work that is undertaken. The response to the BCA review is part of that and it is well underway. It takes a while to actually do that work and to do the consultation.

One of the things that I promised people from opposition was that, when we came into government, we would have people at the table who are impacted and who are stakeholders. That includes our environmentalists, who I've worked very closely with for a long time. It includes the scientists who are there but it also includes farmers and it also includes the development industry and others who have a view in relation to this, and we have said that they will be able to provide input into that and that's what we're also doing. I am more interested in getting this right and doing it in the right amount of time rather than just simply rushing in to do this. That's the approach that I take.

The CHAIR: Minister, I will just put this to you: You were in opposition for 12 years. You know that those other participants were around the table for a long time and it was the environment that was not around the table at all—barely—for 12 years.

The Hon. PENNY SHARPE: That's not the case now.

The CHAIR: It is time to get action on the ground. You know the offset system is completely broken and yet it's still operating.

The Hon. PENNY SHARPE: I'll take that as a comment.

The Hon. JACQUI MUNRO: Minister, returning to Beachwatch, just to get some clarity around this, you said you were following Coalition policy but the Coalition never signed off on a plan to charge councils. There's no mention in the published Beachwatch strategy of charging councils. Do you accept responsibility for your decision to charge councils as Minister?

The Hon. PENNY SHARPE: That's the decision that's been taken and we're working through it with councils, yes.

The Hon. JACQUI MUNRO: You're comfortable accepting responsibility that your Government is now charging councils for something that they have received legal advice on that they are actually not responsible for?

The Hon. PENNY SHARPE: I understand you want to keep arguing the point here. I will just say this: I have not seen the legal advice—obviously interested in it. Discussion is still being undertaken in relation to councils but at the moment there are no plans to change the arrangements in relation to Beachwatch.

The Hon. JACQUI MUNRO: The arrangements your Government put in place—my understanding is that councils have responsibility for the area to the high-water mark only. Does it seem fair to you that councils are now being charged and evidently will continue to be charged for something that they're not responsible for, that previously the Coalition Government did actually fund?

The Hon. PENNY SHARPE: Let's just be clear. The previous Government did actually fund this for a while. They then made a decision in 2022 that they were going to change the arrangements. We're implementing that. I don't really have anything extra to add about this other than what I've just told you.

The Hon. JACQUI MUNRO: But just to be clear, the arrangement was not to charge councils. That was something that is a decision made under your watch.

The Hon. PENNY SHARPE: No. The impact of the business case was that that is what would happen. Whether they actually said that or not, or hid that in the lead-up to the election, is quite possible, but I wouldn't want to speculate on that.

The Hon. JACQUI MUNRO: But it's not hiding when you're in the Government and in charge of the budget and decisions that are made to charge councils.

The Hon. PENNY SHARPE: Can I just say having come to Government I've found a lot of things that were hidden, including 85 threatened species staff who were about to run out of funding in June last year that we've had to find money for.

The Hon. JACQUI MUNRO: But we're not talking about that, Minister. We're talking about councils being charged tens of thousands of dollars for something that they're not—

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The Hon. PENNY SHARPE: Yes, off the basis of the business case and decision made by the previous Government.

The Hon. JACQUI MUNRO: But they're not responsible.

The Hon. PENNY SHARPE: Look, we can keep arguing about it.

The Hon. SCOTT FARLOW: It was your decision.

The Hon. PENNY SHARPE: I said to you we're talking to councils. I'm saying that there's no plans to change it.

The Hon. SCOTT FARLOW: You're charging councils.

The Hon. JACQUI MUNRO: But they're saying they're not—

The Hon. PENNY SHARPE: I accept that. I don't understand what your point is.

The Hon. JACQUI MUNRO: The point is that councils are not happy.

The Hon. PENNY SHARPE: Are you just trying to say it wasn't your fault. Is that it?

The Hon. SCOTT FARLOW: We're trying to say it's yours.

The Hon. JACQUI MUNRO: No. Councils are not happy that they're not being consulted, that they hadn't been consulted, and that this happened without their input or any sort of conversation.

The Hon. PENNY SHARPE: As I said to you, I'm happy to talk to any of the councils who want to talk to me, and I'm talking to some of them already.

The Hon. JACQUI MUNRO: Why didn't you speak to them before you made the decision?

The Hon. PENNY SHARPE: Because we were implementing a decision of the previous Government.

The Hon. JACQUI MUNRO: But it's your decision, Minister, to charge the councils.

The Hon. PENNY SHARPE: Yes, and I'm talking to them, okay?

The Hon. JACQUI MUNRO: But you didn't speak to them about that decision.

The Hon. PENNY SHARPE: Well, I'm talking to them now.

The Hon. SCOTT FARLOW: Minister, if we go back to Eraring and, of course, the AEMO report—

The Hon. PENNY SHARPE: And all of the things I can't say—sure.

The Hon. SCOTT FARLOW: Sure. Let's go to all the things you can't say. There was modelling done of a two-year extension of Eraring. Is that all you think that will be required in terms of an extension of Eraring?

The Hon. PENNY SHARPE: I understand the interest in this and it is extremely important, but I just don't want to rule things in or out. We're actively in discussions. This is actually about protecting the public interest in relation to these negotiations. Look, if we still owned the coal-fired power station and you hadn't sold it, we could have just done this with ourselves. But, unfortunately, we can't, so we're in commercial-in-confidence negotiations. My interest is the public interest and I'm not able to disclose any of that information.

The Hon. SCOTT FARLOW: But you've got the CEO of Origin Energy who's saying you're actively involved in discussions. Don't you think that the people of New South Wales should have some idea of what's going on in those discussions and how long you're talking about extending this for?

The Hon. PENNY SHARPE: If you want to take the approach that my predecessor did, where he just blurted out a whole lot of inaccurate information about what it may or may not cost and totally blew up negotiations, that's not the way I do business, no.

The Hon. WES FANG: Minister, how many hardwood utility poles will be needed as part of the new network infrastructure for the transition to renewable energy in New South Wales?

The Hon. PENNY SHARPE: Good question. I don't know. I'll take it on notice.

The Hon. WES FANG: Have you done any planning around how many poles you'll need for the next 20 years?

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The Hon. PENNY SHARPE: There will have been some. There's obviously different types of poles. We're also looking at non-wooden poles. There are steel poles. There's a whole range. There's concrete poles. Some of that work's being undertaken. I'll take it on notice and I'm happy to provide it to you.

The Hon. WES FANG: I note you've talked about the other sorts of poles. Do you know why we use hardwood poles over some of the other poles, such as steel and concrete?

The Hon. PENNY SHARPE: Different uses for different applications.

The Hon. WES FANG: Minister, do you agree that there are environmental and practical benefits to using hardwood poles over those other types of poles, such as concrete, steel, softwood poles and composite poles?

The Hon. PENNY SHARPE: I wouldn't pretend to be an expert in the types of poles and the ways in which they're best used, but I'm happy to accept on value that they've been chosen for a reason and there's probably some benefits—sure.

The Hon. WES FANG: Do you know where we source the majority of our poles in New South Wales?

The Hon. PENNY SHARPE: Yes, in the State forest.

The Hon. WES FANG: Minister, given the majority of the poles do come from the New South Wales mid-coast and are processed on the mid-coast, would you agree that the public native forestry industry is critical to the electrical supply industry and the renewable energy transition of your Government?

The Hon. PENNY SHARPE: First, I'd say I have taken a lot on notice in terms of the assessment of the need for poles, where they're coming from and how they need to be used. If this is a question around the impact on pole supply as a result of the creation of the Great Koala National Park, which is what I think you're trying to get to—

The Hon. WES FANG: It's very much where I'm going to, yes.

The CHAIR: They come from plantations.

The Hon. PENNY SHARPE: Yes, fantastic. The process is currently underway around the creation of the Great Koala National Park and all of those issues are being worked through.

The Hon. WES FANG: Have you put any safeguards in place to make sure that we continue to have a private native forestry industry in New South Wales whilst the Great Koala National Park is implemented?

The CHAIR: Private? Public? Plantation?

The Hon. PENNY SHARPE: I'm not quite sure where you're trying to get to there. I'm not the forestry Minister.

The Hon. WES FANG: You're the environment Minister.

The Hon. PENNY SHARPE: Yes, I'm aware, and I'm very pleased to be.

The Hon. WES FANG: Are you putting some safeguards in to make sure that your Great Koala National Park isn't going to shut down our forestry industry?

The Hon. PENNY SHARPE: You should know better than most about this. The Great Koala National Park has been talked about for a long time. It's this Government's most significant national park that I believe we'll create, although I do think that all national parks are important, just to be clear. It is a big area that we're assessing. That's why we're doing the environmental, economic and social assessment in relation to the impact of the creation of the park. It is why we have three different panels, including an industry panel. They're examining all of that work. We have done two things. One is obviously create the koala hubs in the area, which is about 5 per cent of the park. The rest of the work is being assessed. That is what we're doing and that's the way we're managing it, in a mature and thoughtful way.

The Hon. WES FANG: But you would agree that the hardwood timber industry is a key stakeholder for you as the energy Minister, particularly around that issue of—

The Hon. PENNY SHARPE: Yes. It's why I've met with people, it's why I've been on people's farms. It's why there is an industry panel in relation to the Great Koala National Park. As I said, one of the things that I think is extremely important in the work that we do, particularly in the environment, is that we misunderstand a lot of stakeholders concern and their desire to be part of the solution, and we have them at the table, and that has been a priority for me, as well as having others.

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The Hon. WES FANG: Prior to the election your colleague, who was the then shadow Minister for Natural Resources, Courtney Houssos, told the timber industry:

I note that the Victorian and Western Australian Labor Governments have announced policies to end native forest logging, and we have already seen the loss of jobs and the closure of mills as a result of this announcement. This is not NSW Labor's policy.

Have you sought a briefing on the use of hardwoods in, for example, the Renewable Energy portfolio, and do you agree with the now Minister, Courtney Houssos, that there is no policy around shutting down the forestry industry; that you support it?

The Hon. PENNY SHARPE: Okay, there was a lot in that.

The Hon. WES FANG: There is.

The Hon. PENNY SHARPE: Did you ask Minister Houssos, who's just in a room down there?

The Hon. WES FANG: I'm in here. I'm asking you, Minister. I'm here to ask you.

The Hon. SCOTT FARLOW: She's the former shadow.

The Hon. PENNY SHARPE: Sure. That's totally fine, I'm very happy to answer.

The Hon. WES FANG: She spoke on behalf of your Government.

The Hon. PENNY SHARPE: Yes, and I worked extremely closely with Minister Houssos, who I'm very pleased to have as a colleague and who is a great person to work for, who is very professional and did great work as the shadow Minister in this portfolio. I've got no problem with that. I would just refer to my previous answer, which is we have industry at the table about the creation of the Great Koala National Park. I take on notice the planning in relation to renewable energy zones and the types of poles that we need. You would also be aware from Minister Moriarty's estimates that there is work being undertaken on the Future of Forestry action plan that we'll be talking about. All of that is extremely important. This Government supports a sustainable timber industry—that includes softwoods, that includes plantations and that includes talking about what happens with hardwoods—and that is what is being undertaken.

The Hon. WES FANG: Minister, since coming to government, have you had any conversations to look into or provide options for a possible transition out of public native forestry?

The Hon. PENNY SHARPE: I've been asked to get out of public native forestry almost every second day since I've been here—thank you, Ms Higginson—

The CHAIR: And I'll keep asking every minute of the day.

The Hon. PENNY SHARPE: —and a variety of groups. We're constantly having to respond to those issues. You would be aware—and I've just indicated—that we're talking about the future of the industry action plan and that information will come out sooner rather than later.

The Hon. WES FANG: Hopefully sooner, Minister, because the industry needs some clarity as to what is happening. What is the status of the Net Zero Commission and when will it start to issue advice to the industry on emissions reduction targets?

The Hon. PENNY SHARPE: I'm very happy to talk because I'm very excited about the Net Zero Commission. The Net Zero Commission was established, as you know, with your support—thank you very much—in the climate change bill last year. Currently, the ads are out in relation to appointing the commissioners. There will be between five and seven commissioners. They will be part-time. They should be in place by around the middle of the year. Once the commission is established, it will then start work on its plan. It doesn't really issue advice to industry. That is not its job. Its job is to—

The Hon. WES FANG: Okay.

The Hon. PENNY SHARPE: Are you going to let me finish?

The Hon. WES FANG: I am; I'm listening.

The Hon. PENNY SHARPE: You asked the question and I'm answering the question.

The Hon. WES FANG: I'm agreeing with you. I didn't interrupt, I said, "Okay".

The Hon. PENNY SHARPE: Okay, good.

The Hon. WES FANG: You're so defensive, Minister. Why are you so defensive?

The Hon. PENNY SHARPE: I don't think so. I'm not.

CORRECTED

The Hon. WES FANG: Have I rattled you, Minister?

The Hon. PENNY SHARPE: I'm glad that you've been calm today. That's very good—a gold star for you.

The Hon. WES FANG: Have I rattled you?

The Hon. PENNY SHARPE: No. They'll be doing their report. Their job is not to provide information to industry. Their job is to monitor and to report to the Parliament on how we are meeting our emissions reduction targets. You might be aware that federally there is action being undertaken to do sector decarbonisation plans. We also have some areas in the Hunter and the Illawarra where we are doing decarb plans.

The Hon. WES FANG: My next question feeds into that, Minister. The Federal emissions reduction target is 43 per cent on 2005 levels by 2030.

The Hon. PENNY SHARPE: Correct.

The Hon. WES FANG: However, the New South Wales target is 50 per cent on the 2005 levels by 2030.

The Hon. PENNY SHARPE: Correct.

The Hon. WES FANG: Which target should businesses in New South Wales be operating under—the 43 per cent or the 50 per cent?

The Hon. PENNY SHARPE: Different industries will decarbonise at different rates. This is not a 50 per cent for everyone at the same time, which you would also recognise. Again, thank you to the National Party for some of the work done on setting these targets and working through. You supported the 50 per cent and also pushed us to get to the 70 per cent by 2035, so I really appreciate that.

The Hon. WES FANG: We do a lot of good work, Minister.

The Hon. PENNY SHARPE: Gold star. Credit where credit is due. The question that you're asking, I think, is just slightly—

The Hon. WES FANG: There's a lack of clarity for business, isn't there?

The Hon. PENNY SHARPE: No, I don't believe so. No, I don't think there is.

The Hon. WES FANG: You have two different targets.

The Hon. PENNY SHARPE: I think one of the things that's really interesting here is that you are not recognising that every business in New South Wales, particularly the larger ones and particularly in the larger heavy-emitting areas, are very focused on their emissions reduction. There's a whole lot of work to the financial disclosures that is coming.

The Hon. WES FANG: That's not the question, Minister.

The Hon. PENNY SHARPE: What I'm saying is that they're all working towards it. I meet with businesses all over the place from all different sectors who are putting their plans in place to get to net zero, and they're working with that and we're working with them.

The Hon. WES FANG: I appreciate that, Minister, but they need certainty around what the targets are going to be, and there is—

The Hon. PENNY SHARPE: But each individual one isn't 50 per cent. Overall, we have to reduce it.

The Hon. WES FANG: But do you acknowledge, Minister, that there are different targets?

The Hon. PENNY SHARPE: No, I acknowledge that we have an overall target that we have to meet through legislation, which you supported and that I welcome.

The Hon. WES FANG: Under the Climate Change (Net Zero Future) Act, the EPA is meant to issue industry-specific advice towards achieving emissions reduction targets. At the same time, some businesses are required to comply with the Commonwealth Safeguard Mechanism. Who should these businesses be listening to, the New South Wales Government or the Federal Government?

The CHAIR: Both?

The Hon. PENNY SHARPE: I think that is the same question. I would say that they're dealing with both. I would say that there's a great deal of maturity in relation to industry in the way in which they're tackling this challenge. This is not a government-only one; it's not a community-only one. The challenge of addressing

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climate change is something that industry is very well engaged in and is constantly working with. Yes, there's a role for the EPA in terms of their licence holders. If you want to ask Mr Chappel about it this afternoon, you can, or I can hand over to him now.

The Hon. WES FANG: No, I have some other questions that I want to ask, Minister. But I think, again, it's just an indication that there has been a lack of clarity to businesses in New South Wales around which targets they should be aiming for.

The Hon. PENNY SHARPE: Which businesses say that to you? Can I just say that the large peaks are very happy and are engaging with us on the way through, and they're making their own plans.

The Hon. WES FANG: Minister, I talk to a lot of businesses. I'm engaged on the ground.

The Hon. PENNY SHARPE: If you could give us a bit of evidence, that'd be good.

The Hon. WES FANG: Minister, I want to move to another topic now because I've only got six minutes left. Minister, since the commencement of the Legislative Council's Animal Welfare Committee and the inquiry into the aerial culling of brumbies, have you or National Parks and Wildlife Service met or spoken with or corresponded with anyone from RSPCA NSW?

The Hon. PENNY SHARPE: Yes.

The Hon. WES FANG: During the second day of the inquiry's hearing, Mr Coleman told the inquiry, when asked about the audio and visual recording of the cull by both 360-degree helicopter cameras and scope cameras, that:

I've asked National Parks to consider that very method, not just for the purposes of a prosecution but just so there is transparency around what is actually happening.

Minister, have you directed National Parks and Wildlife Service to implement 360-degree cameras and scope cameras prior to any continuation of aerial culling?

The Hon. PENNY SHARPE: No, I haven't. As you would know, we've had the preliminary program and we've had some rounds of aerial shooting that has occurred. We're looking at improving that all the time. I don't feel like a direction is required. There's ongoing discussion between National Parks and Wildlife and the RSPCA, and I believe that that is open and free and working well.

The Hon. WES FANG: But, Minister, where you have a circumstance that the RSPCA has indicated to you that having reviewed your SOPs in relation to aerial culling they've now reconsidered that it is best practice that you put 360-degree cameras and scope cameras on the helicopters for aerial culling, should you not, as Minister, be now insisting that National Parks and Wildlife Service implement the things that RSPCA have said they've written to National Parks about in order to make sure that you are doing what is right and proper in relation to aerial culling?

The Hon. PENNY SHARPE: I do believe that we're doing the best we can when it comes to aerial shooting. I'd make the point again: No-one wants to be doing this. It's a requirement under our current laws and regulations, ones that your friend Mr Barilaro put in place.

The Hon. WES FANG: Yes. Minister, you're now straying—

The Hon. PENNY SHARPE: No, animal welfare is the most important thing that we are considering in relation to the rolling out of this program, and that continues to be the case.

The Hon. WES FANG: Which is why cameras are so important.

The Hon. PENNY SHARPE: Yes, that's fine. I'm happy to take on notice in terms of what action has been taken on that. I just don't know and I'm willing to find out for you.

The Hon. WES FANG: But given that the RSPCA have said that they have written to National Parks, did National Parks approach you or seek any direction from you around that?

The Hon. PENNY SHARPE: They don't need direction from me. They're actually an agency that is operating extremely well under difficult circumstances, doing a job that the Parliament asked them to do.

The Hon. WES FANG: I appreciate that.

The Hon. PENNY SHARPE: They're doing that extremely well every single day. The point that I would make is I'm happy to take on notice what interaction there's been between the RSPCA and my agency. I can't tell you that. I would also say to you, Mr Fang, I have a bit on. I don't actually spend all of my time second-guessing the professional work of my agencies in relation to this matter. I have kept a very close look at

CORRECTED

what is happening in relation to Kosciuszko National Park and the reduction of horses in the park. I have taken a very active interest in the detail on those kind of things. On this detail, I'm not across it. I'm happy to find out for you and I'll come back to you. But I reject any suggestion that I need to direct constantly my department in relation to the way in which they are rolling out this program. I am very aware of the care and attention that is being undertaken.

The Hon. WES FANG: Minister, if the RSPCA has written to the National Parks and Wildlife Service saying that they believe that cameras on helicopters and the scope cameras are best practice—

The Hon. PENNY SHARPE: I'll take it on notice and find out.

The Hon. WES FANG: —would you insist that be put in place?

The Hon. PENNY SHARPE: I'm not across the detail of it. I'll take that on notice and come back to you.

The Hon. WES FANG: Minister, you told the House that the department had provided you all 11,002 submissions, as well as a summary in relation to your call for—

The Hon. PENNY SHARPE: Yes, they did.

The Hon. WES FANG: How were those submissions provided to you?

The Hon. PENNY SHARPE: Some were provided printed and some were on a stick.

The Hon. WES FANG: Did you go through each one of those 11,002? Because I note that when they were handed to upper House, they came in ten boxes.

The Hon. PENNY SHARPE: Yes, because—

The Hon. WES FANG: Did you go through every single one?

The Hon. PENNY SHARPE: No, I did not go through every single one. I did look at the range of different perspectives that were provided during that. You would be aware that a significant number of them were form letters and very much in support. We know that—

The Hon. WES FANG: Yes, that wasn't said at the time, though, was it, Minister, when you announced the results?

The Hon. PENNY SHARPE: If you want—

The Hon. WES FANG: The vast majority are all from the Invasive Species Council.

The Hon. PENNY SHARPE: Let's just be clear: Individuals put submissions in to committees; they're allowed to do them in the way that they want. If you want to have a conversation around whether surveys should be considered as important as written things, I think you would find many examples in many inquiries where you'd probably argue the other way. I've got nothing to hide here—82 per cent of people supported it. We are now implementing it, and we're just getting on with the job.

The Hon. WES FANG: Did you put any rigour around ensuring that those people were actually people and not just one person putting the—

The Hon. PENNY SHARPE: They did, actually. We had 16 people in the department working on that submission process, given the level of interest. I had a very good summary that was provided by my department, that also gave the various perspectives, plus the key stakeholders—particularly the people who were not in support of what we were doing. I looked very carefully at all of those.

The Hon. WES FANG: I have two more questions and 50 seconds left, Minister.

The Hon. PENNY SHARPE: You asked the question; I am just answering it.

The Hon. WES FANG: I appreciate that. Minister, what is its latest number of brumbies killed by aerial culling since you recommended it last year?

The Hon. PENNY SHARPE: These are the figures that I have, and then I'll give you an update from today. From July to December last year 1,923 horses were removed from Kosciuszko National Park: from aerial shooting, 802; 191 were rehomed; 489 were culled by ground shooting; this is the one that I'm glad we're not doing any more, yard shooting, 109; and 253 were sent to the knackery. From 2001 to 2023, 3,530 horses have been removed from the park. I understand that there have been some operations in the last week or so. My advice is, I think, 133 have been culled via helicopter and there have been four horses that have been shot on the ground.

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The Hon. WES FANG: That would be since Monday. Is that correct?

The Hon. PENNY SHARPE: Yes, I think they restarted this week.

The Hon. WES FANG: So 133 since Monday?

The Hon. PENNY SHARPE: Yes.

The CHAIR: Mr Ruddick?

The Hon. PENNY SHARPE: Just one more thing—sorry, Mr Ruddick. There have been some allegations in relation to the horses suggesting they were being shot by rocket-launcher. Can I just confirm to the Committee and to everyone else that that is not the case.

The Hon. JOHN RUDDICK: Minister, where are we up to with Mount Warning and what is the likely timing for when that will be resolved?

The Hon. PENNY SHARPE: Thank you for your interest in this issue. We've had some discussions around this. For those that are unaware, Mount Warning—also known as Wollumbin by some Aboriginal people—has been the subject of discussion for quite a long time. To give people some context, in 2014 it was made an Aboriginal Place. An Aboriginal Place is a legal instrument that provides protection that basically then triggers the need for a plan of management in terms of protecting that place into the future. It's been a long and hard discussion.

I want to thank particularly the Wollumbin consultant committee, which is a group of Aboriginal people who have really worked on this for a long period of time. In 2022 there was an announcement that the summit would be closed. There were two reasons for this. One was as a result of the plan of management that was produced. The other was that there had been some safety issues with the chain at the top of the summit. There has been some confusion about the reasons for this. I think these things exist at the same time. They are actually two separate issues. I think some people have made these in different ways.

In the last month or so I actually went to the North Coast and I met with Aboriginal people who support closing the summit and I met with Aboriginal people who do not support closing the summit. I also had a very large round table with the group of stakeholders who were just looking to find a way to manage this in the future, and a group of people who also just don't want the summit closed under any circumstances. We are working through some of those issues. I think that the uncertainty is the real issue here. I would hope that I would be in a position to come back to you sooner rather than later about what we are going to do. What I have tried to do is create space for the conversation. I don't think there was space for the conversation before. That's what I've been trying to do personally as the Minister.

The Hon. TANIA MIHAILUK: Minister, back to what I asked about the rollout of electric vehicles, \$260 million of taxpayer money is rolling out to EV infrastructure in New South Wales and \$10 million to retrofit a number of strata buildings and apartments we don't know yet where but predominantly probably in the city and the eastern suburbs area—

The Hon. PENNY SHARPE: I would hope not.

The Hon. TANIA MIHAILUK: Let's see where they are. On notice, I would like to know those locations as I asked earlier. Obviously you have made a very clear position that you want to increase the number of electric vehicles. You have told me that you have one. Could you tell me, of the 23 Cabinet Ministers, how many of them have an electric vehicle as their ministerial car?

The Hon. PENNY SHARPE: I will have to take it on notice. I don't know.

The Hon. TANIA MIHAILUK: Do you know if the Premier has one or the Deputy Premier?

The Hon. PENNY SHARPE: Some of them are hybrids. This is the reason why I'm hesitating. There are a lot of hybrids in the fleet. I'm not sure who has got what. I will take it on notice and come back to you.

The Hon. TANIA MIHAILUK: But you need them to be all electric vehicles as part of your big net zero targets that you want to meet?

The Hon. PENNY SHARPE: I would encourage them to do that but we are also looking at the ends of lease and when they get rolled over and what the opportunities are. The point that I would also make—and I think we need to be up-front about this—is that for some of the particularly regional Ministers and those kinds of things actually the challenge—

The Hon. TANIA MIHAILUK: There are very few of those, though, let's be honest.

CORRECTED

The Hon. PENNY SHARPE: We've got a few.

The Hon. TANIA MIHAILUK: Tara lives in the city.

The Hon. PENNY SHARPE: That is wrong.

The Hon. TANIA MIHAILUK: I know exactly where the Minister lives.

The Hon. PENNY SHARPE: It's a big accusation for you to suggest that she is not a regional MP. She lives in Queanbeyan. That's her principal place of residence and that's where she spends her time. She is also the regional Minister, who spends a lot of time on the road.

The Hon. TANIA MIHAILUK: I'm not making any accusation, but I also know—

The Hon. PENNY SHARPE: It sounds like you are.

The Hon. TANIA MIHAILUK: —she has a property and does live from time to time in Sydney.

The Hon. PENNY SHARPE: She does actually have to come to Parliament and to Cabinet.

The Hon. TANIA MIHAILUK: That is one Cabinet Minister. You've got 23.

The Hon. PENNY SHARPE: Jenny Aitchison, Kate Washington—there are a lot.

The Hon. TANIA MIHAILUK: Do they have electric vehicles?

The Hon. PENNY SHARPE: I don't know.

The Hon. TANIA MIHAILUK: It's okay for them not to have electric vehicles. Of the Parliamentary Secretaries, which I mentioned earlier, they have BMWs, luxury Range Rovers, Jeeps, sports cars—

The Hon. PENNY SHARPE: That's their choice of car. Is there someone you want to talk about?

The Hon. TANIA MIHAILUK: If you want the public to pick up electric vehicles—

The Hon. PENNY SHARPE: We don't provide cars to them.

The Hon. TANIA MIHAILUK: —why don't you actually get that through your Labor caucus? They might want to lead by example. Why spend all this taxpayer money—

The Hon. PENNY SHARPE: If you rejoin the Labor Party, you could move a motion at the State conference and we could do it.

The Hon. TANIA MIHAILUK: There's no way I would rejoin the Labor Party and there's no way I'll pick up an electric vehicle, I can assure you of that—

The Hon. PENNY SHARPE: I'm inviting you back.

The Hon. TANIA MIHAILUK: —even though I might get the support of some of these people to come back.

The Hon. PENNY SHARPE: You gave up that opportunity to move that through the State conference when you left the Labor Party.

The Hon. TANIA MIHAILUK: Minister, isn't this a case of do as I say and not as I do? How hypocritical is this party? You are the only one driving around in an electric vehicle.

The Hon. PENNY SHARPE: I am super happy to be doing so.

The Hon. TANIA MIHAILUK: Why aren't the rest of the Cabinet Ministers following your example?

The Hon. PENNY SHARPE: It's a matter for them.

The Hon. TANIA MIHAILUK: What about the departments here and the secretary heads here?

The Hon. PENNY SHARPE: We can take it on notice.

The Hon. TANIA MIHAILUK: They are also given public cars. Are they electric vehicles? Do you want to take that on notice?

The Hon. PENNY SHARPE: Have you got an electric vehicle?

The Hon. TANIA MIHAILUK: Absolutely not. I have a lovely old car from 10 years ago.

CORRECTED

The Hon. PENNY SHARPE: Very good. Glad you enjoy it. No-one is making anyone buy an electric vehicle.

The Hon. TANIA MIHAILUK: Minister, if you could put it on notice, I'd like to know the vehicles that the Cabinet Ministers are driving.

The Hon. PENNY SHARPE: Just to be clear—

The Hon. TANIA MIHAILUK: I think the public should know whether they are electric.

The Hon. PENNY SHARPE: Are you going to let me talk or are you going to keep talking?

The Hon. TANIA MIHAILUK: And I'd like to know also the Parliamentary Secretaries because they are actually often representing the Ministers in public events.

The Hon. PENNY SHARPE: They drive their own car or they get the train there. I used to get the train when I was the Parliamentary Secretary.

The Hon. TANIA MIHAILUK: The public should know whether they're also driving electric vehicles or not. You shouldn't be pushing that type of an agenda out there when nobody is actually doing it within your own caucus. Nobody is listening.

The Hon. PENNY SHARPE: No-one is being forced to buy an electric vehicle, Tania. It's all good.

The Hon. TANIA MIHAILUK: You're spending taxpayer money on it—\$260 million that could have gone elsewhere. Who are the kerbside chargers for?

The Hon. JOHN RUDDICK: It's a good question. It is hypocrisy.

The Hon. TANIA MIHAILUK: Just you, Penny, at this stage.

Dr AMANDA COHN: Minister, as I'm sure you are aware, health bodies, including the Lung Foundation and Asthma Australia, are calling urgently for improved air quality monitoring, as well as for air quality to meet global standards. When I asked you about this in June last year, you referred to the NSW Clean Air Strategy. What progress has been made on implementing it?

The Hon. PENNY SHARPE: I think the implementation is ongoing. The details of it, I can get to you on notice.

Dr AMANDA COHN: Okay. One of the—

The Hon. PENNY SHARPE: Actually, can I just let you know, because I know you will be interested in this. My understanding is there have been some problems with the air monitoring system in the Hunter. That work is being—so the good news is that we're still monitoring it. The problem is that it's not accessible to the public, and we are trying to deal with that as quickly as we can. But work is underway, and I am aware of the problem.

Dr AMANDA COHN: Thank you. You've beautifully anticipated my follow-up question—

The Hon. PENNY SHARPE: There you go.

Dr AMANDA COHN: —but not just specifically to the Hunter. Asthma Australia's number two priority for the budget was to increase access to local air quality information, and that's because things like pollution warning and pollen counts for people with lung disease—

The Hon. PENNY SHARPE: That's a huge deal, yes.

Dr AMANDA COHN: —are only as effective as the information that we actually put into them.

The Hon. PENNY SHARPE: Look, I agree with that. The advice that I can just give you in terms of the Clean Air Strategy is that it's on track. As you know, it's over 2021 to 2030. It's all well and good for it to be on track, but if people aren't getting the information that they need to make real decisions about how they go about their day, then we need to fix that as quickly as possible. My advice is that's what we are doing. I'm not sure what the time frame is for getting that fixed, but I know that active steps are being undertaken now.

Dr AMANDA COHN: Thank you. I would appreciate a time line on notice—

The Hon. PENNY SHARPE: Yes, we can take that on notice. Sure.

Dr AMANDA COHN: —just to confirm it's your intention that that information will be provided in real time and publicly.

CORRECTED

The Hon. PENNY SHARPE: Yes, of course. Anyone who knows anyone who has got asthma or has any kind of lung condition knows that, actually, this information is extremely important. For any parent who has got kids on the puffers and taking them regularly to A&E to deal with these matters, this information is actually really important as they are making decisions about how they go to school and whether they stay inside and all of those things. As much information as we can provide is what I think we need to do so that people can make informed choices about the way in which they keep themselves safe.

Dr AMANDA COHN: Thank you, Minister. While you are going into that information, I am also particularly interested in particulates. That was the primary cause of air pollution in New South Wales—I believe it was 2022, the last time that was released. I am interested in what specific measures are being implemented to reduce particulates.

The Hon. PENNY SHARPE: Yes, let me come back to you. Obviously, the issues that remain pretty outstanding—there are ongoing issues with particulates around coalmines and those kind of thing; dust. Wood-fired heaters remain an issue. We are doing a lot of work to try to—there has been a lot of work done—sorry, this has been over a long period of time—to reduce or use more efficient heating and those kinds of things. It remains an issue. I wouldn't want to guess what the most recent figures are, but let me find out.

Dr AMANDA COHN: Thank you. I look forward to that information on notice, and I will follow it up with you.

The Hon. PENNY SHARPE: No worries.

The CHAIR: Minister, are you aware of the Asia Pacific Waste Solutions' plan to develop a waste facility near Narromine?

The Hon. PENNY SHARPE: Only very vaguely. The name of the company, no, I'm not familiar with. I am aware that there is a proposal in Narromine to look at some sort of waste—honestly, that's as much as I know.

The CHAIR: Your office wrote to me and stated that the information you've received from APWS shows that it would be an exemption from the 2022 regulation. That concerns me greatly, and I am just wondering how this could possibly be the case.

The Hon. PENNY SHARPE: I think I will need to take that on notice and come back to you, but my very loose understanding—I should never speculate, because this is probably a bad idea—is that it's not an energy-from-waste proposal; it's a closed loop, some sort of digestion process. But let me come back to you—which would mean that's why it's outside the regulation. Is that right, Mr Chappel?

The CHAIR: Yes, I can see—

The Hon. PENNY SHARPE: He's not looking too scared in terms of an answer.

TONY CHAPPEL: I think that's right, Minister.

The CHAIR: I will definitely take this up with Mr Chappel in the afternoon.

The Hon. PENNY SHARPE: But it's also in the planning system. The other thing is—we can give you information.

The CHAIR: No, I don't think there's a proposal yet.

The Hon. PENNY SHARPE: Not even yet? Oh, okay.

The CHAIR: No, and this is what really provided me a significant shock when I saw the response from your office suggesting that there had been some preliminary discussion. There was no proposal, but somehow you had determined or someone had determined it was an exemption. When you look deeper, when you actually look at what is being proposed, it certainly involves gasification and all sorts of things that are prohibited. So it was very concerning.

The Hon. PENNY SHARPE: Don't let me speculate any further. Given it sounds like it's a proposal that's a long way from being submitted, I suspect we're talking a little bit in hypotheticals around this. But let me work out where we're at and give you the information that you need.

The CHAIR: I would be very grateful, thank you. I want to go to Aboriginal joint management. Just to confirm, is your Government still on track for the discussions about handing titles from National Parks to First Nations people? Is that a kind of basic premise policy?

The Hon. PENNY SHARPE: There is a policy that's been in place for quite a number of years now around moving to joint management of national parks. You would be aware that there are different levels of this.

CORRECTED

We have, I think, four places that I think are called part 4A, which are actually run and operated by Aboriginal people and have been handed back and are leased back. I would really recommend people going out to Mutawintji if you want to go and see one of the most fantastic bits of rock art and a whole range of things but also a really empowered community in relation to this. Here we go, sorry. There are seven under part 4A, just to be clear. There are also 10 Indigenous land use agreements under the Native Title Act, where there is ongoing discussion. One of the ones I'm most familiar with is the Gundungurra people around the Blue Mountains. They were very important in terms of Warragamba. There are 17 memorandums of understanding.

The joint management model—really we're trying to find a new way of managing this because, as you can see, it has grown up over a range of years and there are different things going on. So much of it is linked to native title discussions and determinations. You'd also be aware that the Government is moving to consult on treaty and agreement making as well. The short answer to your question is joint management remains—discussion and ways in which we want to pursue that. The various models of what that would look like is ongoing and there are other things that are impacting it. The other thing that I would also say is obviously Aboriginal cultural heritage—these things are all intertwined. Very hard across government to just say—what I don't want to do is just go, "Let's just do our bit and not take into account all of these other things." Minister Harris and I are talking about that all the time.

The CHAIR: Are your plans in relation to that protected area network—is that coming into the scope of the Government's responsibilities around Closing the Gap and the CAPO arrangements? Is your agency and department involved in those discussions?

The Hon. PENNY SHARPE: So there's the CAPO process that you're probably familiar with. It's actually a very good process. Ministers come and actually meet with CAPO—I've met with them twice already since being the Minister—where we talk about a range of different issues. There has been discussion around what is in and what is out in relation to the CAPO Closing the Gap discussions, but the view is always that we're working with CAPO as we pursue things like joint management. But it is a little bit complicated.

The CHAIR: Are you looking at rolling out higher retention of hollow trees for all populations of hollow-dependent species across the public forest estate? I know the work that has just happened in relation to greater gliders, but what about all of the other species that we know are also on the list?

The Hon. PENNY SHARPE: Obviously the EPA has a standing role to assess when there has been an uplisting of species in terms of the CIFOAs and that is ongoing. I can hand to Tony. The EPA are also an independent agency and make some of their own decisions around that. We're always looking at better protections for species. I know that there is a desire—hollow trees are really important and they're important for so many, particularly endangered species. We're always looking for ways in which we can better protect them and I work closely particularly with Minister Moriarty on those matters. I'm happy to hand over to Tony but you might want to talk to him this afternoon.

The CHAIR: I will take it up with Mr Chappel. Is it fair, then, based on that answer, to suggest that you are in conversations with Minister Moriarty explaining the need to protect more hollow trees across the public forest estate for the survival of species?

The Hon. PENNY SHARPE: You're trying to tie me down to the nature of the conversations that I have and the work that's being undertaken. Suffice it to say that we're in constant discussion around a range of these issues. I'm not going to go into the detail of what's in and what's out and how we're pursuing that, but EPA and Forestry Corp in particular are on very regular discussions around the protection of species within the forest estate.

The CHAIR: It must be difficult for you because you know the state of many of the threatened species that you're responsible for and you know that the public forest estate is core and essential habitat for so many of these species, and that hollow trees are pivotal in their survival. Bearing in mind the NRC's report after the fires said we need to be doing more hollow tree retention and recruitment, will you make more representations?

The Hon. PENNY SHARPE: That is occurring already. There are a whole lot of protections within the native forest estate. A significant amount of it is already protected. Most of that is the older growth with the hollow-bearing trees. We've obviously taken action when it comes to greater gliders, as is necessary, and many other species will also benefit from that decision.

The CHAIR: Can I just interrupt there, Minister? That action was taken in relation to greater gliders specifically because communities raised the failing of the Forestry Corporation in undertaking that. We've made the case to apply that prescription in relation to that one species. Certainly, other species may benefit, but if that case is made for that species, surely it's clear that other species require the same level of protection, plus more. We've only done it in greater glider areas. What about the rest of the forest estate?

CORRECTED

The Hon. PENNY SHARPE: No. There are other protections that are in the planning. Koala protection is also one of those things that's constantly under review.

The CHAIR: But I'm talking specifically about hollows. I'm speaking specifically about hollow-bearing trees and what I'm saying is, Minister—

The Hon. PENNY SHARPE: No. That's right. Mr Chappel has very helpfully reminded me that we're also undertaking the IFOA review, which is due, and all of that information is being fed into that. Some of the environment groups have given me information that we're putting into that as well to look at exactly what you're talking about.

The CHAIR: Is there an indication as to when the IFOA review will be completed?

TONY CHAPPEL: I think the intention is by the end of the year.

The CHAIR: What will be the process for communities to feed in? Will it be open, or is it more just because they would know about it?

TONY CHAPPEL: No. I think there'll be open consultation and engagement.

The CHAIR: Is that going to be that you propose a new way forward, or it's just the existing IFOA and people feed into it?

TONY CHAPPEL: I might take that one on notice for now. I'm sure my colleagues joining this afternoon will have some more detail.

The CHAIR: Minister, have you been engaged in discussions with your Federal colleagues about the RFAs?

The Hon. PENNY SHARPE: In the lead-up to the court decision, yes.

The CHAIR: Clearly, the court decision went a particular way, but were there discussions about what the future of the RFAs would look like?

The Hon. PENNY SHARPE: In the lead-up to that court decision, because of the impact it could have had, we were talking about all options in relation to that.

The CHAIR: Were there discussions around the fact that it is probably quite unsustainable to keep heading down the current RFA path that we're on?

The Hon. PENNY SHARPE: The conversations we've had were preparing for all eventualities based on that court decision. That's probably all I'm really willing to go into. I know that all of you want to know every conversation that I have with people.

The CHAIR: Not really!

The Hon. PENNY SHARPE: I generally don't share those private conversations.

The CHAIR: No, definitely not—only in relation to threatened species. Do you have any advocacy role in relation to matters of national environmental significance and Minister Scully's powers to refer matters under the EPBC Act?

The Hon. PENNY SHARPE: I don't believe I have decision-making power, but I can always have a view about it.

The CHAIR: If you were to receive representations, you may take an advocacy role with Minister Scully?

The Hon. PENNY SHARPE: Yes, depending on what they are, but sure. I get a lot of requests to do a lot of things, some of which I am very happy to do, some probably not.

The CHAIR: I am thinking specifically about the Wallum development where matters of national environmental significance have been not assessed yet.

The Hon. WES FANG: She is less strict now.

The Hon. PENNY SHARPE: Can I just say that I get a lot of people wanting me to intervene in a lot of things. There are a lot of things on my plate, as recognised by I think everyone in this room in terms of the various issues that we're addressing. I could spend a lot of time advocating for a lot of areas where I'm not the decision-maker. I generally don't take that approach. I have an extremely good relationship with Minister Scully.

CORRECTED

He and I speak a lot and we meet a lot. We actually sit next to each other in Cabinet and we have a lot of opportunity—I probably shouldn't have said that, I've probably given up some terrible secret.

The CHAIR: No, we'll be writing letters to you.

The Hon. PENNY SHARPE: But the good news is that I do get to talk to the Minister all the time and he is a committed environmentalist. He's determined to get the housing done. He understands the challenges he's got. The two of us are genuinely trying to work through a lot of those pointy issues and we'll continue to do so.

The Hon. JACQUI MUNRO: Minister, what is the total cost of the EPA's asbestos investigation?

The Hon. PENNY SHARPE: I don't think it's finished yet, so I wouldn't be able to tell you. Happy to take it on notice.

The Hon. SCOTT FARLOW: How much so far?

The Hon. PENNY SHARPE: I don't know that we'd be able to tell you. I'm happy for Mr Chappel to answer.

TONY CHAPPEL: We might be able to answer this afternoon. I don't have the exact number to date because it is very much ongoing.

The Hon. PENNY SHARPE: Let's just say I'm sure it's expensive—1,200 tests.

The Hon. JACQUI MUNRO: The media release says that the initial phase of supply-chain testing is complete, but you said before that it was pretty complete.

The Hon. PENNY SHARPE: Yes.

The Hon. JACQUI MUNRO: So is it complete or is it not quite complete?

The Hon. PENNY SHARPE: No, we've got to the bottom of the testing. My understanding is that there is a handful of tests that are yet to come back and that that's what we're waiting on. There are 75 positives. What I'm trying to flag is that it's possible there might be a handful, given the kind of figures of how many tests of how sites, but we've got to the bottom of what should be tested.

The Hon. JACQUI MUNRO: Just quickly, with the waste incinerator proposal at Tarago, Long Water Agricultural Association said that they made you aware of PFAS identified in ash, treated process water and soil surrounding waste-to-energy processing plants. I'm wondering if you are going to support the waste to energy or incineration of waste in New South Wales, given there are active proposals at the moment?

The Hon. PENNY SHARPE: There is that one. That one was undertaken under the policy that the previous Government put in place, which was for four areas where energy-from-waste proposals could be put forward. This is the Veolia proposal. It's currently and actively in the planning system. It is working its way through that. That is an independent system and it is under the current policy established by your Government.

The Hon. JACQUI MUNRO: What concerns will you be responding to in terms of the Long Water Agricultural Association?

The CHAIR: Through the planning process, all of those issues are addressed through the SEARs process. Obviously, the community concern, of which there is a lot—and I have met with many people over time in relation to this—is considered as part of the planning process.

The CHAIR: Minister, it would not be budget estimates without raising this: Gaanha-bula.

The Hon. PENNY SHARPE: Yes.

The CHAIR: The bike track development application has lapsed. There was an application made for it to be an area of outstanding biodiversity value. Would you now consider that it ought to become a national park? Will you commit to looking at Gaanha-bula and recognising it properly in our tenure to State for what it really ought to be?

The Hon. PENNY SHARPE: I wasn't aware that that proposal had lapsed. Has it been withdrawn or is it—

The CHAIR: It has completely lapsed and is off the books. And council has basically not committed to—

The Hon. PENNY SHARPE: That I was unaware of. In relation to outstanding area of biodiversity, there is no sort of time frame in assessing that. Perhaps things have changed, and I'm not opposed to looking at it. That's fine.

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The CHAIR: And perhaps consider it now for national park or—

The Hon. PENNY SHARPE: I'm happy to refer to it the agency and get advice about what happens next. That's fine.

The CHAIR: Minister, just going back to the dreadful and catastrophic fires of 2019 and 2020, has the department done a complete study to determine the entire ecological impact of those fires on the national park estate?

The Hon. PENNY SHARPE: There has been a lot of work done to understand that. I know that there has been a lot of modelling on the impact on wildlife. Obviously there was the NRC work in terms of the impact on forests. I'm not aware that there's one big piece of work that brings that all together. As is appropriate—we understand the impact, given that so much was burnt, and we understand that we lost, particularly, so many animals. When you drive around the State, you can see where the bush just has not recovered at all. But I'm happy to hand it to my officials. I'm not aware of one giant piece of work. I'm aware of a lot of work. How that has all come together, I'm not sure.

The CHAIR: I will take that up in the afternoon session. We are now over to Government time.

The Hon. MARK BUTTIGIEG: Minister, it is just whether or not you had any elaborations or clarifications from previous subject matters.

The Hon. PENNY SHARPE: No, I think I did those at the early one, so I don't think so. Obviously the things we've taken on notice. I know you have lots of questions for my officials and you can take it up with them this afternoon. Just in terms of the EVs—Tania's not here. The EV chargers for apartments—this is what I thought was right: The grant round has closed but the list of locations is not available because they're still under assessment, which is I think what I said but just in case anyone really wants to know.

The Hon. WES FANG: How many in Wagga?

The Hon. PENNY SHARPE: I can't tell you, but I'm sure there will be.

JAMES HAY: I do have one clarification for my earlier answer. We currently have six project directors in EnergyCo for five projects. The reason for the overlap is one project is transitioning from the development phase I mentioned to the delivery phase, and that is a long handover and there's overlap. One is a secondee, three are contingent labour and two are procured services. We got permission to recruit for employees in December and we're in the market for those employees, so if there are any interested listeners—

The Hon. PENNY SHARPE: It's a niche audience, Mr Hay.

The CHAIR: All three.

The Hon. WES FANG: Wide coverage, Minister.

The CHAIR: Thank you, Minister, for attending this hearing. We're now finished with your part of the questioning. The Committee will now break for lunch and we will return at 2.00 p.m. for further questioning. We'll see you all then.

The Hon. PENNY SHARPE: I'll just quickly say before I finish—I want to thank my officials for the incredible amount of work that goes into all of these. It's a lot and they equip me well, and so I just want to thank them as you grill them all this afternoon.

(The Minister withdrew.)

(Luncheon adjournment)

Ms NANCY CHANG, Executive Director, Strategy and Policy, NSW Environment Protection Authority, on former affirmation

Mr STEPHEN BEAMAN, Executive Director, Regulatory Practice and Services, NSW Environment Protection Authority, on former oath

Ms SHARON MOLLOY, Executive Director, Biodiversity and Conservation Division, Biodiversity, Conservation and Science, Department of Climate Change, Energy, the Environment and Water, affirmed and examined

Ms TRISH HARRUP, Executive Director, Conservation and Aboriginal Partnerships, National Parks and Wildlife Service, Department of Climate Change, Energy, the Environment and Water, affirmed and examined

CORRECTED

Ms NAOMI STEPHENS, Executive Director, Park Operations (Coastal), National Parks and Wildlife Service, Department of Climate Change, Energy, the Environment and Water, affirmed and examined

Mr MARK WESTBROOK, Chief Project Officer, Energy Corporation of NSW, Department of Climate Change, Energy, the Environment and Water, sworn and examined

Mr LIAM RYAN, Advising Executive Director, Energy, Climate Change and Sustainability, Department of Climate Change, Energy, the Environment and Water, affirmed and examined

Mr ROBERT SMITH, Executive Director Park Operations Inland, National Parks and Wildlife Service, before the Committee via videoconference, affirmed and examined

Mr JASON GORDON, Executive Director, Operations, NSW Environment Protection Authority, affirmed and examined

The CHAIR: Welcome back, everyone. We have some new witnesses joining us for this afternoon session, including Mr Smith, who is appearing via videoconference.

TONY CHAPPEL: Chair, could I make one clarification?

The CHAIR: Please do.

TONY CHAPPEL: Earlier I was asked about the timing of the coastal IFOA review.

The CHAIR: I think that might have been me.

TONY CHAPPEL: Yes. I think what I should have included in my answer is the processes around consultation there are subject to some broader decisions under the government timber industry and forestry road map and action plan just being concluded, so it may actually turn into 2025.

The CHAIR: Just on that, can I just ask before we go into the questions, with the road map, have you got indication that you can provide to the Committee about when that will be?

TONY CHAPPEL: I'll take that on notice, if I may, because it is subject to ongoing Government discussion.

The CHAIR: Thank you.

JAMES HAY: Chair, I have some answers to the questions on notice this morning. Would you like me to give them now or later?

The CHAIR: We are very happy now. Thank you, Mr Hay.

JAMES HAY: There was a question about the third-party negotiators and their KPIs. We have three parties that we have worked with in Central-West Orana: Alexandra Venice Consulting Pty Limited, who do multi-service contract; Tactics Group Pty Ltd; and Opteon Property Group Pty Ltd. There are no quantitative KPIs, no bonuses, no performance incentives in those contracts. The performance is for time and cost for the time valued—the work done. If anything, there's an incentive for them to spend more time on these matters. There are no provisions, as I said, for performance or other parts.

The contracts have all been disclosed on eTender. The second question on notice was will we provide contract terms and engagements and the price; they were all disclosed on eTender, but we will provide those. The next question was what briefings did they receive from EnergyCo. We induct all contractors on the EnergyCo principles of engagement, which are also in our background information regarding EnergyCo land acquisition function. In addition, all our practitioners are certified by the Centre for Property Acquisition. We have formal induction material and workshops are held with contractors on how they should engage with landowners in the community. Moreover, we have valuers who are retained and paid for by us for both parties. Obviously, that is a specialist skill, which we don't have on staff. Because these are processes regionally specific, we engage people.

In the contractors that we have—there is a team of 10 over those contractors I mentioned—five are based regionally in the renewable energy zone and have experience in dealing with agriculture and rural landowners. We also have a process, just to further elaborate on that, of separation of duties from those parties so that they are supervised by an executive in my team of EnergyCo. Any complaints are escalated that way. There is an assurance process that applies and we ensure there is consistency across the projects and how we behave and how we interpret the Act.

The Hon. WES FANG: I was going to start on another topic but given, Mr Hay, that you are addressing some of those matters, when you said that you don't have the specialist skills involved within the organisation to

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do the negotiation around land acquisition, does that mean that these three organisations that you have just identified have done 100 per cent of your land acquisition negotiations?

JAMES HAY: No, it doesn't mean that, Mr Fang. As I said, we have our own team. An executive director is accountable for all land acquisitions, and so we have an expert. What we tried to do there is have a separation of duties and the ability to have escalation as needed and an assurance over the quality. It's important that we have that separation but also, as you would imagine, it's an activity that has a very specific time frame that has to be worked over. That is not something you can employ full-time employees for and we are not in the business of employing valuers. Moreover, people get more assurance from that process if we use valuers who are not part of EnergyCo.

The Hon. WES FANG: It is the case then that the day-to-day negotiating function between the landholder and, say, their representative—it may be a solicitor—and the State is actually being conducted by one of the third-party negotiators?

JAMES HAY: These are contract service providers. Those parties have had, since March last year, on average 20 engagements with each landowner over the course of that time. They are there to provide advice and action. Their basic operating brief is—their role is to help maximise the compensation that is payable within the scope of the Act. If there is a question and doubt as to the application of that, it should be resolved in favour of the landowner.

The Hon. WES FANG: It's interesting you say that. I will take a step back because it was actually the case that one of the landholders that I spoke with said to me on numerous occasions, "I have been negotiating with EnergyCo and they have been doing this for some period of time. It was upon their sending to me the communications and paperwork that they had been working with that I said to them, 'You are not actually negotiating with EnergyCo; you are negotiating with AVC.'" Are these people clearly identifying themselves as an external organisation to EnergyCo? In the instance that I am talking about here, the landholder himself was unaware that they were not EnergyCo. He believed that they were your staff.

JAMES HAY: They are professional service providers who are acting under our direction and control, so they present themselves as EnergyCo because that is what they are doing.

The Hon. WES FANG: But they are not EnergyCo, are they?

JAMES HAY: Like contingent labour and like professional service hire, they are EnergyCo. We can't have employees everywhere, Mr Fang, and so we do have to have specialists for roles that are time limited and discrete, and it's not appropriate. What we want to do is have people who are based regionally, which we have achieved. That would be different for New England. Again, we work in different regions and so we will try to have, as best we can, people who are relevant to each community.

The Hon. WES FANG: I appreciate that, Mr Hay. However, does it not provide you with some level of concern that there are tactics that are being employed here? You say they haven't been employed, but certainly the evidence that I have seen and I think has been put on the record today indicates that there has been a level of tactics here that are, I would say, disappointing. The Minister has indicated that there are certainly complaints around the way that landholders are being dealt with. The Treasurer indicated to me in estimates last week that there has been a clear instruction to EnergyCo to treat landholders with respect and treat them better, although the Minister indicated to me today that she has refused to put that in writing. Mr Hay, are you sure that the 81 per cent of people that have signed up so far have done so willingly and with a full understanding of what's at stake, without coercion?

JAMES HAY: To the best of our ability, absolutely.

The Hon. WES FANG: What have you done to ensure that that is the case, given the recent media reports?

JAMES HAY: As I said, we have an assurance program. We have oversight by senior executives, who participate in key negotiations, who are available to meet, including myself. So we are available. We watch this. We work on it very closely.

The Hon. WES FANG: Except the Treasurer and the Minister felt the need to actually go out to near Dunedoo to meet with landholders because the process was going pretty poorly, wasn't it?

JAMES HAY: I don't agree the process is going poorly. I do agree, as the Minister said this morning, there are difficult cases and there always will be. This is hard, and we try to respect that at every step. Can we always do better in hindsight? Absolutely. Some of the time we learn stuff as we go. This is a very real-time process. One of the things that is a perennial issue with these projects is that people—in any group you have of

CORRECTED

people that you meet, there are those in the room who will say, "You should have talked to us earlier", there are those in the room who say, "Why are you coming to us before you've got the answers to every question?" and those who are in the middle. Those are the three groups. We try to strike the balance of talking to people. What I would point out is that, as a result of the engagements that we've had with landowners since we've been talking about this alignment, we have made 70 formal changes to the alignment and over 30 informal changes. That is unprecedented at any linear infrastructure. That is showing we are listening and we are doing our best.

The Hon. WES FANG: The number of—

JAMES HAY: But we can always do better, Mr Fang. I am totally okay with saying that.

The Hon. WES FANG: I agree with you on that point. Mr Hay, 81 per cent equals what number of landholders?

JAMES HAY: From memory, it's 73.

The Hon. WES FANG: Seventy-three landholders. How many have you got left to sign up? I can work out the figures, but I will just ask you instead.

JAMES HAY: That's 73 to 90—so 17.

The Hon. WES FANG: In my questioning to the Minister, you would have heard that in relation to the Land Acquisition (Just Terms Compensation) Act, the Minister for regional roads has adopted a position around seeking to vary the amounts that are being compensated to affected landholders for the Singleton by-pass. Has the Minister provided you any guidance around what this Minns Labor Government is willing to do for the impacted landholders over and above what the just terms compensation Act would provide them?

JAMES HAY: One of the key differences is that for roads you tend to acquire fee simple, because the road occupies the whole of the surface and you can't have anyone else there. What we acquire is, by and large, an easement for an overhanging piece of infrastructure with four footings on each tower every 500 or 600 metres. So it's a quite different proposition. It's really hard to compare. That's one of the reasons we need so many specialists. It's because it's a really much more complicated conversation than simply saying, "We need to purchase your property", because an easement is a much, much more complex thing to explain; the construction of it is more complex to explain. Actually, the impact of the construction is much shorter, but it's really hard to use a comparison from a road to an electricity overhead line.

The Hon. WES FANG: Whilst I appreciate that you are indicating there are differences between the impacts themselves, ultimately, however, the land use and the acquisition—whether the value is valued against assuming the whole amount of the land use for a road or whether you are resuming part of that land for a powerline, ultimately, you are going in and taking land from a landholder, and the just terms compensation Act applies in both instances. Where there is equality of that Act applying, one Minister is offering more and over and above. Has Minister Sharpe given you any indication that the Government is willing to also adopt a similar position in relation to Central-West Orana?

JAMES HAY: For the reasons I've just discussed, I don't think they're comparable, but we will certainly look into it.

The Hon. WES FANG: Does that mean that the 81 per cent of landholders that have already signed up have missed out on the opportunity to try to leverage the fact that you're going to look at it now?

JAMES HAY: No, as I said, our operating principles—we look to maximise the compensation available. If in doubt, we interpret that in the favour of the landowner.

The Hon. WES FANG: Can you provide an instance where you have interpreted in the favour of the landholder?

JAMES HAY: I'd think that would be very difficult without disclosing the private information of landowners.

The Hon. WES FANG: A lot of the landholders that I've spoken to believe that it's the other way around, so I'd be interested to know if there actually have been instances where the position has actually defaulted to benefit the landholder as opposed to EnergyCo.

JAMES HAY: I can't comment on individual cases.

The Hon. JACQUI MUNRO: I'm not sure who is best placed to answer this—possibly Professor Durrant-Whyte. I'm wondering when the supply chain report regarding asbestos that was commissioned in December 2022 is going to be delivered.

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TONY CHAPPEL: The EPA through our then Minister requested that of the chief scientist. It's not the supply chain report; it's about the appropriate treatment of various risks and contexts for the reuse of recycled material that may contain that material.

The Hon. JACQUI MUNRO: But it did include, essentially, a look at supply chain? I obviously know that the media release and the report came out today about the specific instances at the moment, but I'm just wondering about the time line for that broader report.

TONY CHAPPEL: We understand it is this year, but I'll defer to the chief scientist on that.

HUGH DURRANT-WHYTE: I'm not here in my capacity as the chief scientist, thank you.

The Hon. JACQUI MUNRO: How do we find out any information about that?

TONY CHAPPEL: We're anticipating it later this year.

The Hon. JACQUI MUNRO: It is June or December? Is there a quarter that we can—

TONY CHAPPEL: My colleague Ms Chang might be able to give a bit more detail.

NANCY CHANG: In relation to that chief scientist review, the terms of reference are actually published on the website and we are expecting a draft in a few months' time and a final at the end of the year. That is the advice that I have received.

The Hon. JACQUI MUNRO: Is there a reason that it has taken quite a long time that can be pointed to?

NANCY CHANG: In terms of the delay in this report, there have been a number of competing priorities at the chief scientist's office. I don't want to speak for the chief scientist's office, but that is the advice that I have received: that there have been competing priorities. The EPA has been kept informed in terms of the reasons for those delays, as well as the competing priorities that they've had to manage first.

The Hon. JACQUI MUNRO: So it was essentially deprioritised in favour of other things that were going on?

NANCY CHANG: I think there have been a number of issues and, again, I don't want to speak on behalf of the chief scientist's office and the reasons for the delay, but certainly the advice to us is that there will be a draft report for discussion for public—and there will be an issues report and a final will be due later this year.

The Hon. JACQUI MUNRO: That issues report will be made public as part of that process?

NANCY CHANG: Again, that is the advice I have received but I think that those questions should be referred to the chief scientist's office.

The Hon. JACQUI MUNRO: How do we usually interact with—I understand that the professor is not here in his capacity, but obviously his responsibilities partly fall under the environment Minister. How do we usually deal with these questions?

TONY CHAPPEL: I think the chief scientist appears at—

The Hon. JACQUI MUNRO: Enterprise, industry and trade departmental? Interesting. Good to know. Mr Lean, could you please explain the process by which an aquatic reserve is declared?

ANTHONY LEAN: Sorry, could you repeat the question?

The Hon. JACQUI MUNRO: Yes. Could you please explain the process by which an aquatic reserve is declared?

ANTHONY LEAN: I think I might actually defer to Mr Bruce, if that's okay, or Ms Molloy?

The Hon. JACQUI MUNRO: Please, whoever is most appropriate.

SHARON MOLLOY: My colleague, Mr Bruce, can probably start and I can add anything.

BRENDAN BRUCE: I'm very happy to defer to you, Ms Molloy.

The Hon. JACQUI MUNRO: I don't want to use the term "buck-passing".

SHARON MOLLOY: Essentially there are joint responsibilities under the Marine Estate Management Act for Minister Moriarty and Minister Sharpe concurrently. Any new aquatic reserves or any changes to marine parks would have to be jointly approved by both Ministers.

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The Hon. JACQUI MUNRO: Is there an explanation about why—and I apologise for the pronunciation—the Bongin Bongin application to become an official aquatic reserve at Mona Vale was rejected?

SHARON MOLLOY: I don't have the details of that in front of me and probably would need to confer with Fisheries colleagues as well on the detail around that. We can take it on notice or refer it to DPI Fisheries.

The Hon. JACQUI MUNRO: Thank you, that would be very helpful. Is there a process prescribed by regulation or departmental policy for the declaration of an aquatic reserve?

SHARON MOLLOY: Yes, there probably is. I don't have that detail in front of me, though. I will have to get back to you on the exact step-by-step process. I just know that the approval would need to be a joint one between the two Ministers.

The Hon. JACQUI MUNRO: If details of that could be provided, that would be helpful, please.

SHARON MOLLOY: Yes, we can take that on notice.

The Hon. JACQUI MUNRO: I presume the department has a process to undertake community consultation in relation to declaring an aquatic reserve area.

SHARON MOLLOY: I imagine it's the same as any kinds of changes to marine parks, but I'll have to just take on notice the specifics around aquatic reserves. For any changes to the rules around the current marine parks, public consultation would need to happen. I think that is over a period of two months. I imagine it's the same for aquatic reserves, but I'd have to just double-check that.

The Hon. JACQUI MUNRO: Is it generally led by Minister Moriarty's department?

SHARON MOLLOY: Yes, they're the lead agency.

The Hon. JACQUI MUNRO: Thank you. Mr Chappel, I want to turn to illegal tree removal and poisoning. I am sure you've seen the news that at the end of last month there were nine fig trees poisoned in Balmoral. I'm wondering if the EPA holds concerns about these becoming regular occurrences. We've seen a couple in the North Shore over the last couple of months, and last year apparently almost 300 trees were cut down or poisoned. I am curious about how the EPA is dealing with that.

TONY CHAPPEL: Generally, biodiversity matters are led by the department. The EPA regulates Crown forestry and private native forestry, but I might defer to my colleagues.

ANTHONY LEAN: Obviously, that is an issue of concern to the department. Generally, in urban areas, those sorts of issues would be led by local councils, but I'll see if Ms Molloy has anything to add.

SHARON MOLLOY: You're correct, Mr Lean. The regulatory space can be with council. It depends on what piece of legislation is potentially breached. It could be council, it could be local land services, it could be the Biodiversity Conservation Act—it really does depend—and the investigation would have to elucidate what piece of legislation potentially has been breached.

The Hon. JACQUI MUNRO: Do you record those instances and occurrences?

SHARON MOLLOY: From a regulatory compliance perspective we do. A lot of the information or intel that comes in would come in through the environment line. All of those calls are logged and then dealt with by our compliance staff if it's a matter under the pieces of legislation that we do compliance for, so that would be the BC Act, part 5 of the Local Land Services Act and certain parts of the National Parks and Wildlife Act in relation to Aboriginal cultural heritage. If it's a matter for council, we would obviously refer to council colleagues. It just depends on potentially what piece of legislation it is.

The Hon. JACQUI MUNRO: Do you know if there has been an increase over the last, say, two to three years in these types of calls coming through?

SHARON MOLLOY: That I would have to take on notice. There are lots of calls to the environment line that would be about various things, not all of them around breaches of legislation. I wouldn't know the exact number, sorry.

The Hon. JACQUI MUNRO: Okay. If you could take that on notice, that would be helpful—calls related to tree poisoning and cutting down.

ANTHONY LEAN: Just to be clear, you are talking about urban areas as opposed to rural areas.

The Hon. JACQUI MUNRO: Yes, urban areas.

SHARON MOLLOY: Yes, that would be different.

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The Hon. JACQUI MUNRO: Primarily coastal urban areas, I suspect. Just on that, is the department looking into whether penalties for illegal tree removals could be increased?

ANTHONY LEAN: We obviously have responsibility for the Biodiversity Conservation Act. I don't recall that that was a recommendation in the Henry review.

SHARON MOLLOY: Not a specific one. Mr Bruce can jump in if I'm incorrect there. But I think just in terms of all of the recommendations there, we would be looking at how we enforce them, the compliance around our responsibilities under the BC Act and also part 5A of the Local Land Services Act as well. I'm not sure if Mr Bruce wants to add anything.

BRENDAN BRUCE: No, I think that's right. I don't think it was a specific recommendation but it is something that's being looked at.

The Hon. JACQUI MUNRO: Did you say it is something that's being looked at?

BRENDAN BRUCE: Yes, penalty levels generally are being looked at as part of the BC Act review response.

The Hon. JACQUI MUNRO: Can I just quickly ask, do you do community consultation on that?

BRENDAN BRUCE: On what, sorry?

The Hon. JACQUI MUNRO: On increasing penalties.

BRENDAN BRUCE: There's likely to be a range of consultation for any legislative amendments that flow out of the BC Act review response. Not specifically on that, but if there's a broader legislative reform package, that's likely to be the subject of community consultation.

The Hon. JOHN RUDDICK: My first question is to Mr James Hay, Chief Executive Officer, Energy Corporation NSW and the Department of Climate Change. I'm sure you'd agree, Mr Hay, that when a genuine new industry does come along and satisfies a human need, whether it's automobiles or mobile phones, we don't need the government to be involved and it works very efficiently. When politicians and bureaucrats try to engineer a new industry, it becomes very inefficient and there is a lot of waste involved. I am told, and I am keen to hear if this is accurate, in the Central-West Orana Renewable Energy Zone that you're going to need approximately 12,500 workers. Most of them are going to be temporary jobs; there'll be a little bit of ongoing maintenance. But for two or three years, maybe four, you'll need about 12,500 workers. But I am told there has been no public collaboration between community, council, developers and EnergyCo to discuss a coordinated strategy for temporary worker accommodation. Does that sound accurate?

JAMES HAY: I will have to check the number of the workers, so we'll come back to you on that. We have a steering committee established with the councils in Central-West Orana Renewable Energy Zone and one of the project tasks around that is a strategy around accommodation for temporary workers, so that is actively being discussed across the agencies and with councils.

The Hon. JOHN RUDDICK: Is there any community input?

JAMES HAY: There is in the project team. There is also engagement with communities around that as well, and there will be more to come.

The Hon. JOHN RUDDICK: Some of these towns—like Coolah, which has a population of 722 and it will be a huge increase. There is going to be a lot of infrastructure that's going to be needed but only for two or three years while these projects are being built.

JAMES HAY: All these matters are also part of the project approval process, the EIS and the response to submissions for each project, so that is also considered quite extensively by the department of planning.

The Hon. JOHN RUDDICK: Well, good luck with it. I expect there to be an enormous amount of waste and inefficiency. My second question is for Professor Hugh Durrant-Whyte, the Deputy Chair of the Net Zero Emissions and Clean Economy Board. I can't be bothered getting into a data war with you about whether nuclear energy is going to take too long or be too expensive. Let's put that aside, because there are all sorts of views out there, and I'm sure you have a view. But can we agree that if we had, say, 30 years ago, let the private sector build a nuclear power industry and we had a robust nuclear power industry, that that would be a very particularly low-carbon emitting industry?

HUGH DURRANT-WHYTE: There are two questions or two premises in there. The first is if we started 30 years ago would we be in a different place, and my argument would be no, and there are good reasons for that. It's not enough to just let industry build a nuclear reactor. It actually, believe it or not, has to be regulated

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in some way. We also have to deal with all of the issues to do with fuel chain supply. Just because we have uranium, for example, doesn't mean that we actually have uranium for reactors; it needs to be processed. It can be processed in the US, in the UK or even Iran if we decide to come up with a right solution to that. But we have no way of doing it here, so we'd need to ship it in and out of the country. We then have all the waste that we're going to have to manage if we did that. So the Government has to expend large sums of money, even if it doesn't build the new reactors itself. Let's just be clear that that's the case. We were never in the position—

The Hon. JOHN RUDDICK: I have one question. Let's say 70 per cent of Australia's electricity was generated from a nuclear industry. We are in agreement, surely, that that is a particularly low carbon-emitting form of energy.

HUGH DURRANT-WHYTE: Which is why I said you ask—

The Hon. JOHN RUDDICK: I don't know why we're being evasive about it.

HUGH DURRANT-WHYTE: No, I'm not being evasive because I said you asked two questions. I've answered the first one. The second one is does it emit carbon. The answer is, no, it doesn't emit carbon.

The Hon. JOHN RUDDICK: That is very important, obviously, isn't it?

HUGH DURRANT-WHYTE: And rather obvious, if you don't mind me saying.

The Hon. JOHN RUDDICK: Just hypothetically, if the private sector was prepared to fund it—whether it was Australian companies, Australian entrepreneurs, overseas people—since the reduction of carbon is the most important thing in the entire world, what on earth is the justification for the State forbidding investors building it themselves? I agree there will be need to be a bit of Government involvement, but if we are going to reduce carbon, surely that's an amazing thing. What on earth is the justification for the State using its power to say, "No, you cannot start this type of industry in Australia"? What is the justification?

HUGH DURRANT-WHYTE: There is not a little cost. I think you are misplaced in that.

The Hon. JOHN RUDDICK: I'm saying the private sector will largely fund it.

HUGH DURRANT-WHYTE: I can list all the costs if you like, just to get anything going. For example, who is going regulate it? Who is going to provide the skilled workers? Seventy thousand people in Canada work in the nuclear industry; we have nobody in this country who has even the faintest idea how to build a nuclear plant. What about reprocessing? What about shipping, fuelling—who is doing that? Because none of those, I have to point out—

The Hon. JOHN RUDDICK: I'm sure the free market can—

HUGH DURRANT-WHYTE: Would you like me to answer?

The Hon. JOHN RUDDICK: My question is a hypothetical.

HUGH DURRANT-WHYTE: They are not hypothetical.

The Hon. JOHN RUDDICK: What if the private sector said, "We will step up to do it"? Why is the Government forbidding us even to have that debate?

HUGH DURRANT-WHYTE: Are you proposing that industry regulate the nuclear industry?

The Hon. JOHN RUDDICK: Yes.

HUGH DURRANT-WHYTE: Because that would be a world's first.

The Hon. JOHN RUDDICK: My question is very specific. What is the justification? Let's say we have a guy worth a trillion dollars and he wants to sort it all out. He wants to fund the whole thing.

The CHAIR: A trillion dollar God.

The Hon. JOHN RUDDICK: It is a hypothetical, Chair. Let's say Elon Musk comes down to Australia. He is worth \$300 billion. Let's say he wants to spend \$100 billion of his own money and he wants to set it up. Why is the Government forbidding that happening? You're being evasive.

HUGH DURRANT-WHYTE: I'm not.

The Hon. JOHN RUDDICK: I think it's because the climate change industry is so plugged into the crony capitalists who are making an enormous amount of money out of it and they don't want a more efficient competitor.

The CHAIR: Thank you. I think that—

CORRECTED

The Hon. JOHN RUDDICK: We haven't had an answer. I've asked the question three times. What is the justification for the Government forbidding this happening in a hypothetical world?

HUGH DURRANT-WHYTE: I would say that is your opinion. I will say that the Government itself—there are huge costs involved and even if Elon Musk came with \$100 billion, he wouldn't actually be able to afford to put one up.

The CHAIR: Thank you.

The Hon. JOHN RUDDICK: I haven't had an answer, Chair. This is a big debate in Australia.

The Hon. MARK BUTTIGIEG: Point of order: The honourable member persisted with a hypothetical. It is debatable whether or not that is in order of itself. The hypothetical was answered and then the member doesn't like the answer and therefore persists on a diatribe of his point of view.

The Hon. JOHN RUDDICK: Mark, this is an important debate. We should get to the bottom of it. I don't know what the justification is for the Government preventing this investment.

The Hon. MARK BUTTIGIEG: It's not a sitting of the upper House.

The CHAIR: Whoa! As we say when we're riding fast.

The Hon. MARK BUTTIGIEG: It's budget estimates. Ask the question, get the answer.

The CHAIR: On the point of order, it is very difficult in these hearings to put hypotheticals to—

The Hon. JOHN RUDDICK: I withdraw the word "hypothetical". What is the justification for the Government saying that you're forbidden from doing it?

ANTHONY LEAN: Can I actually just—

The CHAIR: On the point of order, I think you're asking a question that really is a question of government policy that needs to be presented to the Minister. The departmental—

The Hon. JOHN RUDDICK: The Minister deferred to the nuclear expert here earlier today.

The CHAIR: About nuclear technology.

The Hon. JOHN RUDDICK: She said that I should ask these questions here. I am still—

The CHAIR: Deputy, what I would say at this point—

The Hon. PETER PRIMROSE: Point of order: It's the point of order just taken, that matters of policy should be put to Ministers.

The Hon. JOHN RUDDICK: The Minister referred me to this gentleman.

The Hon. PETER PRIMROSE: I have no objections if the honourable member wishes to ask specific questions of detail, but it is inappropriate putting public servants on the spot, asking them to make a statement on behalf of the Government.

The Hon. JOHN RUDDICK: That's got some validity to it, Mr Primrose, but I did ask this question to the Minister two hours ago. You were here. You might have been looking at your phone, but you were here. The Minister said, "That's a very good question for Professor Hugh Durrant-Whyte, who is the nuclear expert." So I still don't know why we can't—

The Hon. PETER PRIMROSE: But you're asking him specific questions about policy.

The CHAIR: I will rule on the point of order now. The part of the question on government policy is out of order. We will discontinue that line of questioning.

The Hon. JOHN RUDDICK: There is no answer, in other words.

The CHAIR: Clearly, what the Minister referred to is, if you want to know about nuclear technology in Australia, the professor is the right person to ask. I think you have cavilled with that, with the professor. You will have another session shortly, but now we're in Dr Cohn's time.

Dr AMANDA COHN: I've got a few questions about the regulation of wood heaters. I understand that the regulations were enacted in 1995 and then renewed in 1997. Is that right?

TONY CHAPPEL: I might have to take some advice on that.

ANTHONY LEAN: We'll have to take that one on notice.

CORRECTED

Dr AMANDA COHN: What I've found was the Clean Air (Domestic Solid Fuel Heaters) Regulation 1997. My question about them was going to be whether those are still up to standard to protect health now.

TONY CHAPPEL: I think my colleague Mr Bruce's area leads the air quality strategy and work there. He might have some useful information.

BRENDAN BRUCE: I might have to take that question on notice. I am not sure how long it has been since the regulation was last reviewed. I am happy to take that question on notice.

Dr AMANDA COHN: Can my second question go to Mr Bruce as well?

BRENDAN BRUCE: Sure.

Dr AMANDA COHN: It was whether the current standards regulating wood heaters are adequate to protect health in 2024.

BRENDAN BRUCE: The question of the policy around wood smoke heaters is a matter for government. There are a range of actions underway through the Clean Air Strategy to deliver long-term wood smoke emission reductions. They include the regulation and sale and installation of wood heaters, education material on the proper operation of wood heaters, and periodic education and enforcement campaigns for the use of wood smoke heaters as well.

Dr AMANDA COHN: I am interested in the education that is provided. I understand it is important for people to have information about using heaters appropriately, but is information also provided about the health risks associated with wood smoke, particularly respiratory illness?

BRENDAN BRUCE: I would have to take that question on notice.

Dr AMANDA COHN: Asthma Australia responded to the Clean Air Strategy, saying that it didn't go far enough to address the harm of domestic wood heaters. I understand there are individual councils, such as Armidale, trying to take that local action where they've got a particular local problem with wood smoke. Does the EPA provide any support and resources to local councils to assist them with that?

BRENDAN BRUCE: I think that work is led by the department. The department works closely with local councils. I would have to take any specifics on any council-by-council interactions on notice. But generally we work really closely with councils on better education and enforcement campaigns around domestic heaters.

Dr AMANDA COHN: Has it ever been considered to do a financial assistance program to incentivise either filtration devices or replacement of wood heaters?

BRENDAN BRUCE: Sorry, I would have to take that one on notice as well. If I may, to your earlier question from this morning's session around the data from the Hunter air quality monitoring station, I can provide a bit of an update on that one. The fault has been identified and we will be back online within 24 hours. It related only to the measurement of ozone. The important health information has not been impacted. The full station will be up and running again within 24 hours.

Dr AMANDA COHN: Thank you. That's helpful. I have also received a large amount of correspondence from people who are concerned about the health impacts of biotoxins, particularly mould. I was hoping you could help me understand what role the EPA or the department of environment and planning play in the development and oversight of regulations relating to mould prevention and remediation. Whose responsibility is it?

TONY CHAPPEL: If it relates to in the context of homes, I think those are really planning matters.

STEPHEN BEAMAN: And NSW Health.

TONY CHAPPEL: NSW Health obviously provide health advice to those agencies as they develop standards and so forth.

Dr AMANDA COHN: Sure. I understand New South Wales provides clinical advice to practitioners. They also provide education, which I've seen on their website, to the general public. But I am interested in who is doing the work to actually prevent mould-related illnesses. It's an environmental health matter, and I am concerned this is falling between departments.

ANTHONY LEAN: I think I would have to take that on notice. The department doesn't deal with issues within homes, generally. We deal with broader environmental issues in the community.

TONY CHAPPEL: The EPA doesn't regulate indoor air quality. We're certainly happy to take it on notice and get you the best answer we can across government.

CORRECTED

Dr AMANDA COHN: Thank you. That would be great. In 2018 the Federal Government had an inquiry into biotoxin-related illnesses, and a lot of their recommendations were relevant for States and Territories. Some of those things are building-related; I appreciate those ones are planning. There was also a recommendation around developing standards for mould testing and remediation. Whose responsibility would that be?

TONY CHAPPEL: I think I will have to take that on notice for you as well, because I am not familiar with that report, but I'm very happy to take it on notice.

The CHAIR: Can I just touch on the issue of recovered fines? I think this is probably for you, Mr Chappel. How many companies are producing recovered fines under an EPL in New South Wales?

TONY CHAPPEL: I think the number is around 20. I will just invite my colleague Mr Beaman to add to that.

STEPHEN BEAMAN: Yes, it's about 20, but we can take that on notice and give the Committee a list, if that helps.

The CHAIR: Thank you. How many of these have been directly assessed by the EPA so far this year? Any or—

TONY CHAPPEL: I was just going to say one of the activities we commenced about six months ago was an industry-wide compliance campaign. I think they should almost all have been assessed. I understand that will finish in April.

STEPHEN BEAMAN: Yes.

TONY CHAPPEL: Steve, do you want to add to that?

STEPHEN BEAMAN: We have been running a compliance campaign that started in October-November last year, looking at compliance with the recovery of fines order. We are still running through the analysis of that work, and we are looking to have that work completed in the next month or so.

The CHAIR: Are you able to provide, on notice, a list of the companies that are producing recovered fines?

TONY CHAPPEL: Yes.

STEPHEN BEAMAN: Yes, we are happy to do that.

The CHAIR: Thank you. Is the EPA testing samples of mulch taken as part of its investigation for other contaminants, including construction waste, lead or other metals?

STEPHEN BEAMAN: No. The current work we are doing in relation to the mulch issue, we are focusing on two aspects. One is the level of foreign material. The regulations have limits on what we would call foreign material. What I mean by that is physical contaminants—so treated timber, a nail, wire, plastic, those things—that may be in the mulch. The other thing we are testing for is asbestos.

The CHAIR: Is it possible to indicate, in terms of that other foreign material, what your findings are at this point in time—or what the findings are at this point?

STEPHEN BEAMAN: I need to be careful because it's part of the investigation, and that forms a pretty critical piece of our evidence at the moment. But what I can say is there is a strong correlation to when we identify pieces of bonded fibro in the mulch. You'll also see levels of foreign material, also, in the mulch.

The CHAIR: Take it on notice, if you need to. How many samples taken as part of the mulch investigation have returned the positive results for the other things, other than asbestos?

STEPHEN BEAMAN: I can tell you we've taken 1,197 samples, but I will take on notice for the foreign material testing that has been done. I'll also say it's about 14 per cent, which has stayed fairly constant. So, of those 1,197 samples, I think it's 164 by memory—about 14 per cent are the ones that have been testing positive for asbestos. It gives us a good steer. It's a very big dataset now. The level of that asbestos contamination, although unacceptable, has been low.

The CHAIR: So that I can understand a bit better, in terms of the composition of mulch, how would you best describe what it is that we're talking about? Obviously, it's clear that we're looking at woodchips and wood products. What else is in the composition of the mulch?

CORRECTED

STEPHEN BEAMAN: The mulch should be woodchips. It's chipped vegetative material. So it's what you'd see in a garden. If you go across to Hyde Park, they're pieces typically larger than seven to 10 millimetres. So they're chipped pieces of material that people typically use for decorative gardening.¹

The CHAIR: Do soils go in that or—

STEPHEN BEAMAN: No, typically not.

The CHAIR: Just the wood products. Can I just turn to—I think it might be you, Mr Lean. It was something that I raised earlier with the Minister about National Parks purchasing lands, and the Minister mentioned that there was a project or a parcel of land, I think—was it near the Pilliga?

ANTHONY LEAN: Yes.

The CHAIR: Could you just explain to the Committee what that is and what is happening in terms of the acquisition of lands, the holding of those lands and the possible using of those lands for accounting, whether it's biodiversity credits or improvements or stewardship agreements? What is actually happening?

ANTHONY LEAN: As I understand it, the land is a parcel of land in the vicinity of the Pilliga protected areas. It's quite degraded, so I think there's an opportunity for restoration there. I think the thinking was that you generate credits with a view to being able to raise funds to support the restoration of the land perhaps before it's transferred into the national park. Trish, are you able to add anything else to that?

TRISH HARRUP: That's correct. So there is one parcel of land, as the secretary has said, as a pilot, and that land has the potential to generate biodiversity credits and the funding from those credits has the potential to regenerate the lands. Eventually the land would be likely gazetted as national park. Once it is gazetted as national park, it will no longer be able to generate and sell credits but would be managed for conservation.

The CHAIR: What is the legal arrangement? Did the department receive advice on what capacities the agency has to do that?

ANTHONY LEAN: I'd have to take the question about the advice that we received on notice because it was well before my time in the role.

The CHAIR: When was the land purchased?

ANTHONY LEAN: I believe—

TRISH HARRUP: It was purchased in 2023. I don't have with me, I think, the purchase date but I can find that for you.

ANTHONY LEAN: Could I just add that—your questioning is highlighting this is actually a very complex issue that we need to do some deep thinking around. For that reason, we're doing this as a pilot to work through some of the issues. I think what I would acknowledge is that it does raise a very difficult policy question because you have to consider those issues around is it appropriate to be buying park to offset other development, and also there are questions around additionality as well.

The CHAIR: Mr Lean, I know I'm going to run out of time and we can pick this up in my next session. But I'm just curious—can you just be clear with me under what legal provision or what mechanism did the department purchase the land?

TRISH HARRUP: We purchased the land as we ordinarily would. The land is then held as part 11, as is all land that we purchase until it is gazetted.

The CHAIR: Are you suggesting that part 11 lands can legally be purchased and then held and banked and possibly used as biodiversity stewardship lands generating funds and credits—with the very good aim of improving the land naturally? Are you suggesting that that is a scheme that is completely legal?

TRISH HARRUP: That is correct. Once land is gazetted under the National Parks and Wildlife Act, it cannot be used to generate credits, but prior to that you can generate credits from those lands.

The CHAIR: There has been advice suggesting that that can be done?

¹ In [correspondence](#) to the committee received on 21 March 2024, Mr Steve Beaman PSM, Executive Director, Regulatory Practice and Services NSW Environment Protection Authority requested a clarification to the evidence given during the hearing for Climate Change, Energy the Environment, Heritage portfolio on 7 March 2024.

CORRECTED

ANTHONY LEAN: We'll take that on notice, but I'm sure advice would have been obtained to establish that.

The CHAIR: The land would be purchased and held for 20 years, or whatever years are required for those improvement agreements. How does that work? Does that mean it wouldn't be gazetted deliberately until such time as—

ANTHONY LEAN: I think we're working through these issues as part of the pilot.

The CHAIR: I'm sorry, this is my colleagues' time now and we can get back to this, if necessary—

The Hon. WES FANG: You're very good at doing this, Chair, I've got to say, but that's all right.

The CHAIR: —but wouldn't it be more appropriate that the land is purchased under some other mechanism, whether it is the BCT under its revolving fund program or something else? Is that a concern to you, being responsible for this?

ANTHONY LEAN: I wouldn't say it's a concern, but there are certainly other options that we could explore in that space—there's the credit supply taskforce and the BCT—and this is why this is a pilot. We're going to work through some of those issues.

The CHAIR: I will hand over to my colleagues.

BRENDAN BRUCE: Chair, if I may, just on that issue, the Henry review made some observations around the types of land that should be able to participate in the scheme as well, so the broader issue that you're referring to is being considered in the context of the response to the Henry review as well.

The CHAIR: My concern is we're doing something. We haven't responded to the Henry review and I'm still not clear on how we're doing it. Over to my colleagues.

The Hon. JACQUI MUNRO: Going back to the asbestos report that was delayed, I'm wanting to get some more details about the actual process of that happening, if that is okay?

TONY CHAPPEL: Essentially, the former Minister, Minister Griffin, requested advice from the chief scientist and after that it's really in the hands of the chief scientist. I don't know that we have much more that we can add.

The Hon. JACQUI MUNRO: The term "prioritisation" was used earlier. Was the department asked by the new Minister to de-prioritise the report?

TONY CHAPPEL: No, absolutely not.

NANCY CHANG: No, that is not the case. We have been in constant dialogue with the chief scientist's office. The EPA and the previous Minister commissioned this report and we have been given updates by the chief scientist's office, including the establishment of the expert panel that is required for this work. There has been a minor delay in this current work. Like I said, I don't want to speak for the chief scientist's office. There has been a prioritisation of work that needed to be completed. I am sure you are aware that the chief scientist's office just completed the Menindee fish deaths report and that came out ahead of this particular report. We are absolutely being kept up to date by the chief scientist's office in terms of that. There will be a discussion paper in mid-2024 that will be released for public consultation and a final will be done by the end of this year. That is the advice I have received.

The Hon. JACQUI MUNRO: You mentioned the slight delay. What was the original time line and report deadline?

TONY CHAPPEL: There was no deadline.

NANCY CHANG: We certainly were expecting there to be a discussion paper ahead of the middle of this year, but, like I said, there have been a number of other critical incidents that have required the chief scientist's office to turn their attention to. Again, there has been an expert panel that has needed to be sought in order to establish the expertise required to deliver on this report, and the terms of reference for this group is on the website.

The Hon. JACQUI MUNRO: So that discussion paper was due for release more like at the end of last year?

NANCY CHANG: Again, there was no specific timing committed, but we certainly were expecting this to be a little bit sooner than what we are currently expecting. And like I said, the advice from the chief scientist's office is that they now have the requisite number of experts and that this work is now well underway.

The Hon. JACQUI MUNRO: So it's more a resourcing issue?

CORRECTED

NANCY CHANG: I don't think we can say.

TONY CHAPPEL: It's the chief scientist who can answer those questions or that office. It's not something we can comment on.

The Hon. JACQUI MUNRO: Can that be taken on notice then?

TONY CHAPPEL: Sure.

The Hon. JACQUI MUNRO: Thank you very much. That would be helpful. To Mr Chappel, I believe, where are we at when it comes to banning disposable coffee cups? I believe the consultation just ended.

TONY CHAPPEL: The Government released a discussion paper on all kinds of problematic plastic and it really had three objectives. One is further limiting and reducing litter from plastic, one is looking at the harmful chemistry that is often in plastic products that remains in the environment and then the third area was looking at harmonisation with other jurisdictions in Australia who are moving in various ways to regulate or eliminate certain problematic products out of circulation.

The Hon. JACQUI MUNRO: There was a very helpful table in *The Sydney Morning Herald* today that showed all the different States and where they are up to.

TONY CHAPPEL: And so that paper has been out for public consultation. I think we've had over 5,000 submissions and they're now being considered, and I understand the intention is then to publish a discussion paper.

NANCY CHANG: I'm very pleased to advise the Committee that in that issues paper we did look at disposable beverage containers, including coffee cups. In a few months time we expect to release an options paper, which is the next stage to the issues, after we have taken into consideration all of the community, industry and environment groups' views on this matter, including coffee cups, and then we will go back out to public consultation. We will release a very detailed consultation report off the back of our first issues paper and then there will be an options paper.

The Hon. JACQUI MUNRO: That options paper, what's the time line for that? It's obviously a very detailed process to go through before then.

NANCY CHANG: Yes, absolutely. We were very pleased to see the amount of community engagement on this issue, and so we have received a lot of very detailed submissions, and coffee cups has been something that is of key community concern. The options paper is expected to be released in mid-2024.

The Hon. JACQUI MUNRO: Has the Minister indicated that coffee cups is a priority within that process, as a priority area that needs to be highlighted?

NANCY CHANG: As Mr Chappelsays, the issues paper focused on very clear policy pillars, including New South Wales not becoming the dumping ground of Australia, so harmonisation is important. And the other two are really the exposure pathways for the environment and exposure pathways to human health. So all of those three pillars are very key in delivering human health and environmental outcomes, and coffee cups is one of the issues that we are discussing. But I just want to be clear: It's not coffee cups per se. It's single-use beverage containers and how frequently it is littered and any number of those unnecessary and problematic plastics where today we may have a good substitute for it, and the consideration of how we take that out of those exposure pathways into the environment and human health.

The Hon. JACQUI MUNRO: In terms of expanding Return and Earn, Mr Chappel, you mentioned last year that the Minister had been briefed on expanding that. I wanted to understand if there has been any further work done to allow the inclusion of wine and spirit bottles in that scheme.

TONY CHAPPEL: Certainly in Queensland a decision has been made to include wine bottles in the container deposit scheme they have there. For us in New South Wales, we're engaging with the various industries on those issues, including with the national wine body. We're undergoing that process now. I understand it will continue to be a topic of discussion at national environment Ministers meetings. Would you like to add anything? So we're continuing to engage.

The Hon. JACQUI MUNRO: What is the point of decision-making or providing a advice to the Minister? When does that happen?

TONY CHAPPEL: We provide regular advice to the Minister. Ultimately, decisions are a matter for her or the Cabinet. I expect that will continue through the course of the year.

CORRECTED

The Hon. JACQUI MUNRO: I presume the Minister has a reasonably significant amount of information that you've briefed her on, given you have been consulting about this for some time.

TONY CHAPPEL: She certainly has information, but we'll continue to update that as we do further work. We're obviously also in dialogue with other jurisdictions to understand how they see the issue. Generally, these matters, where they can be harmonised nationally, obviously that provides an optimal answer for inclusion or exclusion. So we also need to really understand the experience of the Queensland introduction, the challenges there, any lessons and work through those, and also understand concerns from industry and how we can best ameliorate those before there would be any ultimate decision.

The Hon. WES FANG: Mr Chappel, just on that issue, the wine industry isn't in favour of the inclusion of wine bottles into Return and Earn, is that correct?

TONY CHAPPEL: I think there are a mixture of views in the wine industry. There are some players who have a strong view that they would prefer another solution, like a fourth bin, to better recycle glass. There are other bodies that see the value in a stewardship scheme of some kind. Then it is a question of what is the right design.

The Hon. WES FANG: Some of those issues stem out of the concern that the value of the glass itself—the cost of bottles, the cost of the scheme itself is all going to increase, which will make the wine industry less competitive when compared to other overseas wine industries. Is that correct?

TONY CHAPPEL: I'm not sure that's a concern because the way these programs operate is everything—whether it's locally produced or imported—is captured and has to be registered. So there's no sort of implication for competitiveness. But there are cost implications, obviously, from participation. I think the latest IPART analysis showed the total cost was about 12¢ per container, of which consumers were paying about 7¢. Consumers are receiving back 10¢. So there's obviously then, across the supply chain, about 5¢ that's being borne at different parts from production all the way through to wholesale and retail. It's really a question, I think, from the industry's point of view, about minimising unnecessary cost imposts, particularly on small winemakers who may not have a lot of scale—they do small bottle runs—and managing those implications in what can be a very small business.

The Hon. WES FANG: But my understanding also was that the loss of glass and the ability to—the cost of bottles themselves and the glass being recycled and being taken out of the system. There was some concern there. Can you expand on that?

TONY CHAPPEL: That's not my understanding. My understanding is the industry as a whole is very motivated to increase the use of recycled glass and the recycled content in glass. They all have commitments around sustainability in various ways. We manufacture a lot of glass in New South Wales, but generally not for the wine industry. There are plants here in Sydney that make a lot of the glass for beer containers and soft drinks and so on, but wine bottles typically are made, I think, in a factory in South Australia. The advantage of segregating the material and getting it out of the yellow bin is often in the yellow bin you get glass in very small pieces and it contaminates all the other material and it can't be recovered. But if you can keep that separate, you can generally get a much higher recovery rate; you actually can lower the cost of using recycled glass.

The Hon. WES FANG: I'll have to come back to you next estimates because I know that there were some concerns around the actual issue of glass.

TONY CHAPPEL: Sure. I'm happy to have a further discussion about it.

The Hon. WES FANG: I will put some questions to you then. My next lot of questions are actually for Mr Smith online. I noted when you were swearing your oath or affirmation, Mr Smith, that you were somewhat slightly hard to hear. You might have to come just a little bit closer to your system just so that I can actually hear you. No doubt, Mr Smith, you heard the questions that I put to the Minister around her or your department's engagement with the RSPCA since the commencement of aerial culling. Did you hear those questions?

ROBERT SMITH: Yes.

The Hon. WES FANG: Were you aware that, in the aerial culling brumbies inquiry that the upper House was holding through the Animal Welfare Committee, in his return appearance, Mr Coleman indicated that he had written to the National Parks and Wildlife Service about the issue of recording the cull from helicopters and from gun sights? Were you aware of that?

ROBERT SMITH: He hasn't written to us, as you described.

The Hon. WES FANG: He has not written to you? I'm sorry, you were a bit hard to hear then. You might have to come a little bit closer again. I think you've frozen.

CORRECTED

ROBERT SMITH: Sorry, I might turn the camera off. Can you hear now?

The Hon. WES FANG: It's slightly better. It's also freezing a little bit.

ROBERT SMITH: How is that, if I turn the video off? Is that a little easier?

The Hon. WES FANG: That's slightly better.

ROBERT SMITH: We haven't been requested by the RSPCA, as you described in this morning's session, to install cameras as part of the operation. I know it's been covered in the upper House inquiry, but it's not something that's routine practice in pest control operations, whether that's by ourselves, public land managers, private landholders or recreational hunters.

The Hon. WES FANG: Sorry, Mr Smith. It's slightly difficult to hear you at the moment. I don't know if it's the audio system in this room that we're in or your system, but I'm still struggling to understand everything that you're saying clearly. I don't know if you're able to perhaps move a little bit closer.

ROBERT SMITH: I couldn't get much closer. I'm just about sitting on it.

The Hon. WES FANG: I appreciate that, sorry. I'm still not actually clear whether the RSPCA has written to you or not, because Mr Coleman was clear in his advice to us that he was writing or had written to the National Parks and Wildlife Service.

ROBERT SMITH: We haven't been written to, to that effect.

The Hon. WES FANG: Sorry, I didn't catch that a gain.

ANTHONY LEAN: The advice that I have is that he has not written to the National Parks and Wildlife Service requesting the use of cameras.

The CHAIR: That's what I'm hearing.

The Hon. WES FANG: I put the quotes to the Minister quite clearly. It was in the evidence that I—no, it wasn't, sorry. I've got the evidence. In the break I'll go and actually make sure that I've got clear the evidence that he gave in that inquiry. But it was certainly my understanding that he had written to the National Parks and Wildlife Service around this issue. That was the evidence.

ANTHONY LEAN: We conducted some checks this morning to see whether we had received correspondence and, as far as we're aware, we haven't received such correspondence. Whether it's been raised verbally or not, I don't know. There are 2,100 people in National Parks, possibly more. It might have been raised with someone but, as far as we're aware, he has not written to Parks.

The Hon. WES FANG: That's quite the quandary. I will tackle that at the break. In relation to the aerial culling which is underway at the moment, the Minister indicated that, I believe, there were 133 that have been aerially culled since the start of the week. Is that the understanding that we've got?

ANTHONY LEAN: That's correct, yes.

The Hon. WES FANG: Are we aware if there are any animal welfare outcomes that were outside the SOPs in relation to those 133?

ANTHONY LEAN: At this point I don't have any information on that. As you know, when we piloted it at the end of last year, that was supported by—oversighted by animal welfare groups, and my understanding is no issues came up during that time. I don't have specific advice in terms of this week.

The Hon. WES FANG: If there was—

ROBERT SMITH: Can I just add one piece there, sorry. Hopefully you can hear me. I think you said 133. My understanding is it was 133—it was 137, sorry, this week.

The Hon. WES FANG: So 137?

ANTHONY LEAN: Sorry, can I just clarify that. That's 133 aerial and then four ground.

ROBERT SMITH: Yes, correct.

The Hon. WES FANG: Yes, that was my understanding: that the aerial culling program was 133 since Monday. That would have been up until last night, I'm guessing, those figures?

ANTHONY LEAN: Yes.

ROBERT SMITH: Correct.

CORRECTED

The Hon. WES FANG: So in three days we're doing about 40-plus horses per day that we're killing from the air. Is that about right?

ANTHONY LEAN: I don't know whether there was shooting on each of the individual days. It's weather-dependent, et cetera. But the number I have since the program started at the beginning of this week is 133.

The CHAIR: Can I just turn to a matter briefly on—I think it's the EPA who undertook the work in relation to the wildlife rescue and rehabilitation sector with the strategy.

TONY CHAPPEL: Yes.

The CHAIR: Yes, just in terms of the consultation around that. I've received advice that there was a bit of a failing and that there was a sector that wasn't consulted in the preparation of that.

STEPHEN BEAMAN: I might be able to help the Committee with this one and maybe correct the record a little bit. It's the first time native wildlife is included in the New South Wales emergency management arrangements. I think we should celebrate that for a moment. Given that we've been through those things like the 2019-20 bushfires, we got to reflect back and then indicate that we actually needed a plan to deal with wildlife in emergencies—we call it something very specific. The sub-plan is actually prepared for the State Emergency Management Committee, and it's prepared for combat agencies. It sets out the management arrangements in an emergency about how the combat agencies deal with wildlife, and that actually comes back to a position I hold. I sit on the State Emergency Management Committee as the environmental services functional coordinator, and I've done that for seven years. It requires the combat agencies now to then think about—at emergencies that are State level or regional level, they need to engage with us around wildlife. It means we can then have a much more coordinated response to wildlife response and recovery following these major events.

Everyone leads out of this. We did a listening tour before we wrote the plan. We went around the State and spoke to wildlife caring groups and a whole bunch of other agencies. So we did listen to what people's aspirations, wants, needs for what our plan might look like. So that did happen. I think people have come later in the process and not realised that that work actually happened. There was a pre-consultation, which we're not required to do. Typically, the sub-plans that are produced to the State Emergency Management Committee aren't consulted as public documents; they're consulted across the State Emergency Management Committee.

What we will do is we need to now sit down with wildlife carer groups, like the Byron Bay animal hospital and WIRES and those organisations, who do fantastic work. What we want to do is then start to enter into MOUs with them to then come up with how do we—the plan sets out how we organise ourselves in response and recovery. One of the key things there is about making sure wildlife carers do it in a safe manner, particularly when they're going onto areas that were just previously fire grounds. So we actually want to sit down with those carer groups and actually work through a series of arrangements and MOUs with them about how we would actually operationalise the plan. So everybody has sort of gone a little bit of cart before horse on this one.

The CHAIR: I would take a bit of issue with that. Post the 2019-20 fires, particularly in the Northern Rivers, and the experience in all those areas where wildlife carers were actually locked out of areas to be able to go and rescue and do their good work, since then there is now a Northern Rivers Wildlife Carers network that has formed and done its self-organising around that. I would suggest so much good work is there for you ready to tap into. You're suggesting that will now happen?

STEPHEN BEAMAN: Yes, absolutely. I think that's what our concern was too—was the wildlife caring arrangements weren't plugged into the emergency management arrangements and that's why they were being locked out of areas because they still weren't safe. So the fact that we can actually have a seat at the table through my role as the environmental services functional coordinator—we can raise the issue of wildlife's response and recovery now during and in recovery of these major events.

The CHAIR: That's good to hear. What arrangements have been made since the update failures were identified in BioNet to ensure that there'll be no future delays? Is there anybody with responsibility for that or who could talk to that briefly?

ANTHONY LEAN: Brendan, are you able to answer that?

The CHAIR: Brendan's smiling.

BRENDAN BRUCE: Yes, that's me. I might come back to you after the break with an update on that, Chair, if that's okay. I do have information, just not at hand. But I'll come back to you after the break on the BioNet update. My understanding is it has been resolved. But I'll get you the exact details.

CORRECTED

The CHAIR: I would appreciate that. Can I also go back now—and I think it's probably to you, Professor Durrant-Whyte. The Minister earlier answered about the modelling that we're doing in relation to the adaptation plans and the temperature increases that we are modelling around and for. Are you able to give us a little bit more information on what are we actually modelling and what are we putting into those models? How are we doing that?

HUGH DURRANT-WHYTE: I'm going to hand back to the department, other than to say that my role on the Net Zero Board and in the chief scientist's role is really to review the models rather than to execute them. Does that make sense?

The CHAIR: That's very helpful. Have you been reviewing models?

HUGH DURRANT-WHYTE: As and when they come up and in relation to a number of different aspects, but none of it is published at this point—the reviews.

The CHAIR: Can I ask when the last model you reviewed was?

HUGH DURRANT-WHYTE: It was part of the Net Zero Board.

The CHAIR: Are you able to give me an idea of when in terms of actual time?

HUGH DURRANT-WHYTE: No, I would have to take that on notice.

The CHAIR: In doing so, I would be very grateful if you could tell me when the last model you reviewed was and how many models—over the time and the existence of your tenure on the Net Zero Board that you have reviewed models.

HUGH DURRANT-WHYTE: I should be clear here. The climate change models are a lot to do with energy usage and not environmental impact.

The CHAIR: Have you ever reviewed a model based on environmental impact?

HUGH DURRANT-WHYTE: Clearly not as part of the net zero economy and clean energy board, because it is focused on energy; it's not focused on environment.

The CHAIR: So is there anybody in any of the departments at all that has been looking at the—sorry, where have the models that we have been using in terms of calculating our State emissions reduction been happening if it's not the Net Zero Board?

ANTHONY LEAN: Brendan can answer. It's work that the department does. I think the dashboard was last updated for 2021, but Brendan will be able to clarify. There's work currently happening at the moment which is being peer reviewed and we're expecting that will be finalised shortly.²

The CHAIR: What is the peer review? So nothing has been sent to the Net Zero Board, is that right?

ALISON PEPPER: The department has not put any models to the Net Zero Emissions and Clean Economy Board for their review.

The CHAIR: That's very clear then.

BRENDAN BRUCE: Chair, if I may, I think there are two streams to your question. The first is around modelling that we're doing for the adaptation strategy. To your earlier question, there are a number of scenarios that we are modelling. They include a Paris-aligned target, a worst-case scenario—for want of a better word—and a middle of the road scenario. The modelling for two of the scenarios, which are the Paris-aligned and the worst-case scenarios, are complete and they are already starting to inform Government policy with that further modelling to be undertaken. In terms of the latest net zero emissions modelling, as Mr Lean mentioned, it's out for peer review, so Arup is doing the peer review on that work at the moment.

The CHAIR: Sorry, who is doing the review?

BRENDAN BRUCE: Arup. We anticipate publishing in the next couple of months.

The CHAIR: What is the worst-case scenario?

² In [correspondence](#) to the committee received on 2 April 2024, Mr Anthony Lean Secretary Department of Climate Change, Energy, the Environment and Water requested a clarification to the evidence given during the hearing for Climate Change, Energy, the Environment, Heritage portfolio on 7 March 2024.

CORRECTED

BRENDAN BRUCE: That is why I said for want of a better word—I don't have that detail, I'm a fraud. I'm happy to provide a bit more detail around the specifics of the scenarios on notice.

The CHAIR: Okay, so you've modelled the Paris Agreement and there is another scenario. Is it just one other scenario—a "worsen-case" scenario than the Paris Agreement?

BRENDAN BRUCE: There are multiple scenarios—at least three, yes.

The CHAIR: Do you recall what the "worstest-case" scenario is?

BRENDAN BRUCE: No, I'm not pretending to be an expert on this modelling. I'll take that question on notice and come back to you with some details.

The CHAIR: Thank you. This could be to anybody who's in this space: Have you been briefed on the office of national security's report on climate risk? Has anyone here been briefed on that report?

ALISON PEPPER: I haven't personally, and I don't believe that Mr Ryan has either, but I can take on notice whether anyone in our team has.

The CHAIR: Thank you, and even if it's not a briefing, if any of the findings or information in that has formed part of any of the department's work.

ALISON PEPPER: Can you repeat the name of the—

The CHAIR: It is referred to as the ONI report—the office of national security's report on climate risk. Has the Net Zero Board been briefed or provided a copy of that report?

HUGH DURRANT-WHYTE: No.

The CHAIR: Perhaps to you, Mr Bruce: What is the mechanism for triggering the alternative scenarios that you've based models on? If that is something to take on notice—

BRENDAN BRUCE: I will have to take that on notice, I'm sorry.

The CHAIR: The report was the August 2023 report and was referred to as the climate risk assessment by the office of national security.

ALISON PEPPER: So this is a Commonwealth Government report?

The CHAIR: Yes.

TONY CHAPPEL: Has it been released publicly, Chair?

The CHAIR: Not that I'm aware of.

TONY CHAPPEL: The EPA hasn't had a briefing on it either, but I'm not aware that it's been released.

The CHAIR: I'm fairly confident that the Minister has been provided a copy, but I could be wrong. I'm going back to last year and something I think I read or heard, and it sounded like it was a terribly important report for this kind of business. It wasn't released, but my understanding is it's critical. I know the Minister said that there was an announcement around the Cumberland Plain Conservation Plan. I don't want to risk asking things you can't answer, so just say if you can't, but she certainly indicated that there were some new measures. Is it the department's view that, under the plan, koalas will be able to safely move between Georges River koala national park, when it's formed, and the Nepean River?

ANTHONY LEAN: I think that would probably pre-empt the Minister's announcement of the enhancements to the Cumberland Plain Conservation Plan. You are, of course, aware of the other measures that are already in place in relation to the protection of koalas in south-west Sydney. I think the existing plan already picks up a number of things from the Chief Scientist's report. As well as that, there's the Government's commitments around Georges River and the Woronora corridor as well. So I don't think we can get into the specifics of what the changes are and what the impact will be.

The CHAIR: All right. Without saying what's in there, is the new plan underpinned by what you would refer to as reliable science in terms of the conservation of the koala in that area?

ANTHONY LEAN: Yes, there will be some measures in there which will further the work to protect koalas in south-western Sydney.

The CHAIR: Was this done by external koala experts or internal information in terms of these extra measures that are fed into the CPCP?

CORRECTED

ANTHONY LEAN: The work, as I understood it, progressed through consultation between ourselves and the Department of Planning, Housing and Infrastructure, which is the proponent. Brendan Bruce might be able to answer the question about external expert advice.

BRENDAN BRUCE: No, that's right. It was undertaken with our planning colleagues drawing on our own internal expertise. No external support was sought in developing the improvements.

The CHAIR: What expertise does the department currently hold in terms of koala conservation?

BRENDAN BRUCE: Vast? I wouldn't quite know how to describe it. We've got scientists and ecologists, and people are incredibly skilled and talented across the full breadth of koala conservation.

The CHAIR: I think the Minister talked a little bit about this but didn't go into the detail. What work is being done on developing the forest carbon assessment accounting work? She touched on it, but what is actually happening in the department?

ANTHONY LEAN: We're looking to develop a methodology that would support carbon accounting in relation to the Great Koala National Park work.

TRISH HARRUP: The Government has said that the extent to which carbon credits can be got under the Carbon Credits (Carbon Farming Initiative) Act for projects that generate abatement by altering the management of harvested native forests will be an important factor in the Great Koala National Park assessment. So to that end, as part of the assessment of the Great Koala National Park, we're looking at the potential for carbon abatement and specifically looking to develop a method that could be submitted to the Commonwealth for assessment that would apply to public forests and consider whether changes in management of the native forests could be eligible for accreditation under that Commonwealth Act.

The CHAIR: Does the brief involve considering whether the Government of New South Wales becomes a market participant?

TRISH HARRUP: The brief involves looking at a range of issues around the integrity of a method. It would apply to public forests. My understanding is the land manager would be the applicant. So in that sense, yes, I think it looks at—

The CHAIR: The Forestry Corporation as it is or the Government. Who's doing the work? Who's actually doing the work in the department in terms of creating that methodology?

TRISH HARRUP: We're procuring an external expert to do that.

The CHAIR: Who would that be?

ANTHONY LEAN: We're still in the procurement phase at the moment so we haven't selected someone, as far as I'm aware.

TRISH HARRUP: Correct.

The Hon. WES FANG: Chair, just in the little bit of time we have left—

The CHAIR: You can have my 30 seconds, Mr Fang.

The Hon. WES FANG: You're so generous, Chair. Mr Lean, I've tabled some paperwork with the secretariat. You'll see that I've highlighted the appropriate sections. I don't want to verbal Mr Coleman. What he did say was:

I've asked National Parks to consider that very method, not just for the purposes of a prosecution but just so there is transparency around what is actually happening.

Then further in the answer he goes:

I hear you, and I will continue to have those discussions with National Parks.

I assumed that it was in relation to a letter that was written.

The Hon. ANTHONY D'ADAM: Point of order: Just in terms of keeping track of the time, there's been no time allocated to Mr Fang.

The Hon. WES FANG: Because we were going to cut off at 15:30.

The CHAIR: Which is just about now.

The Hon. WES FANG: That's the programmed break.

The CHAIR: I will let him finish the question.

CORRECTED

The Hon. WES FANG: It is just more so that Mr Lean is aware of what the evidence was that I've been working off. If that's not the case and there haven't been discussions—

ANTHONY LEAN: I think the question we were asked is: Has he written to National Parks and Wildlife.

The Hon. WES FANG: Yes.

ANTHONY LEAN: The answer to that is clearly no. As I said in my answer earlier, I'm not aware that it's been discussed. We're a large organisation. It may have been discussed with some people. We can take that aspect of it on notice. But we were answering the question about whether he had written and the answer to that was no.

The Hon. WES FANG: It might be a big organisation, but when the head of the RSPCA suggests that National Parks and Wildlife Service should be recording the cull of brumbies from a helicopter with a helicopter camera and a scope camera, I suspect that's not a conversation that happens in the lower levels of the organisation. I imagine it would happen at the very highest levels of the organisation and is not something that would be easily forgotten.

ANTHONY LEAN: We'll check and confirm, but that wasn't the question we were asked earlier today.

The CHAIR: We're definitely at time, so we will—

ANTHONY LEAN: Can I give one clarification, as well?

The CHAIR: Of course.

ANTHONY LEAN: Dr Cohn asked about the clean air wood fire regulation from 2017. The bottom line is it's been repealed.

The CHAIR: Yes. It was 2022, I think.

ANTHONY LEAN: Yes. I guess the answer to the question is are the standards in that up to date—probably not, given it's repealed.

The CHAIR: Thank you. We will take a short break and reconvene at a quarter to four.

(Short adjournment)

The CHAIR: Welcome back. We will recommence with questions from the Opposition.

The Hon. WES FANG: I've got some questions around the Great Koala National Park. Who would be best to address those to?

ANTHONY LEAN: Start with me and we can go from there.

The Hon. WES FANG: I just want to start with a broad overview. What protections for the native forest logging industry has the Minister sought be investigated in relation to the Great Koala National Park?

ANTHONY LEAN: At the moment we're working through an assessment process. There are various working groups or panels that have been set up to consult with industry, environmental and community groups, and also First Nations groups. It's through that process that the appropriateness of the land will be assessed. Other issues in terms of impact on the industry will also be considered.

The Hon. WES FANG: In relation to that, what's the way the priority will flow? Is it that you identify it as potential habitat that's suitable and then you'll assess that habitat for impacts, such as jobs and forestry et cetera, or are you looking at the areas and taking the areas where perhaps there's industry already established and seeking to exclude that from the park before looking at the assessment areas?

ANTHONY LEAN: I might defer to Ms Harrup for an answer.

TRISH HARRUP: There are a range of assessments that are being undertaken in parallel. We're looking at the social and economic impact of the proposal to create a Great Koala National Park. We're also looking at the environmental values and the cultural and heritage values of those areas of State forests that are being assessed for potential to create the Great Koala National Park.

The Hon. WES FANG: Is that happening in parallel or are they happening in a series way—as in, do you exclude an area because it has industry already in it before it then goes to an environmental assessment, or do you look at all three concurrently and then form a view around the land use once all three items are considered?

CORRECTED

TRISH HARRUP: They're happening in parallel.

The Hon. WES FANG: Just in relation to that, can I provide these items to table to the secretariat? I was generous and I printed 10 of them. I'll keep one and there are nine there, so there should be enough for everybody. I note that the Minister criticised me earlier for having less copies. I was trying to save paper and save the forests and please Ms Sue Higginson, but apparently the Minister was unhappy about that. I've now burnt down another tree and everyone's got a copy.

The CHAIR: Thank you, Mr Fang.

The Hon. WES FANG: Ms Higginson, I do aim to please. I often don't do it, but I do aim. I will ask Mr Lean to be given a copy first, if that's all right. Could you identify what this map is, Mr Lean?

ANTHONY LEAN: It's the Great Koala National Park assessment area, according to what's written on the document.

The Hon. WES FANG: On first blush, would you agree that that is the one that was released by the New South Wales Government?

TRISH HARRUP: This map is published on the EPA website. It was developed by the EPA to regulate the harvesting in the koala hubs.

The Hon. WES FANG: Okay. How was the proposed assessment area on the map decided? This might be a question for Mr Chappel.

TONY CHAPPEL: I think the EPA has the most accurate data overlays for this region in terms of the Crown estate. We used a regulatory map. Would you like to add some detail, Nancy?

NANCY CHANG: Sure. Thank you for the question. In terms of the map, that is correct—it is a regulatory map, and we use it for compliance purposes. It really is to provide both Forest Corp as well as our EPA operational offices with the detail that is required in terms of what are the areas that we will undertake proactive compliance in. We have taken a precautionary approach. Those boundaries are actually designed to not pre-empt what is the actual footprint of the Great Koala National Park but rather to take a broader area to ensure that the value—the koala habitat value of the future park—is preserved.

The Hon. WES FANG: Did the Minister agree to the areas as published—that they would be considered as Great Koala National Park assessment areas?

NANCY CHANG: This is not about the Great Koala National Park assessment area. This is about—

The Hon. WES FANG: That's what the map says.

NANCY CHANG: This is about the protection of what—this is a regulatory map in terms of where we will treat all forestry operations as high-risk operations without pre-empting the footprint of the future park.

The Hon. WES FANG: So how did the map then become published with "Great Koala National Park Assessment Area" written on it?

TRISH HARRUP: I think that is because the decision to cease harvesting in the koala hubs was related in relation to the assessment area. But the Great Koala National Park assessment area is—sorry, a copy of this map was provided to the steering committee, who are overseeing the process to develop the Great Koala National Park. The commitment from the Government is that a total area of 176,000 hectares of State forest will be assessed for potential inclusion in the Great Koala National Park. This map has been prepared for the steering committee to understand the area which will be assessed.

The Hon. WES FANG: On this map, how much area is identified?

TRISH HARRUP: It includes a larger area than 176,000 hectares. However, you can see that it hatches—there's a hatching.

The Hon. WES FANG: Yes.

TRISH HARRUP: That shows the forest management zones of 5 and 6, which are plantations. The commitment from Minister Sharpe has been that plantations will be excluded from the assessment area. So although they're indicated on the map, they won't be included in the assessment.

The Hon. WES FANG: So how did they end up being published on the map that says "Great Koala National Park Assessment Area"?

CORRECTED

TRISH HARRUP: I think it's quite difficult to publish the map without showing those plantations because they're actually within the overall footprint.

The Hon. WES FANG: Right.

ANTHONY LEAN: I think the thing I would say is the commitment is that plantations are excluded. That's documented externally as well. So even though they appear—they happen to be within the assessment area, but they will not be assessed.

The Hon. WES FANG: When the Labor Party went to the election, they obviously had a commitment around this. Do you know what the commitment was that they provided to the Parliamentary Budget Office for costing?

ANTHONY LEAN: I believe it was to assess 176,000 hectares for the Great Koala National Park.

The Hon. WES FANG: We've obviously indicated now that the area that's on this map is somewhat larger than that to be assessed. Is that correct?

ANTHONY LEAN: Can I just clarify? Excluding plantations—that has always been made clear. That, as I understand, was part of their election commitment. I can't comment on what they gave to the budget office.

The Hon. WES FANG: With this area that has been published that is actually an EPA map that's now badged with New South Wales Government and the National Parks and Wildlife Service, the area that is shown on the map—is it the commitment from the Labor Government plus the plantation area only, or is it an area that is much wider than the 170,000-odd hectares that was committed to?

TRISH HARRUP: A process to refine the map to identify only 176,000 hectares is underway and hasn't been finalised. This map was produced right at the beginning of the process. So it reflects all of the State forests that are being regulated by the EPA as part of the Government's commitments around regulation of koala hubs as part of the Great Koala National Park assessment process. But it doesn't indicate the final assessment area of 176,000 hectares. That process is underway.

The Hon. WES FANG: When do you expect that will be completed?

TRISH HARRUP: I would expect it to be completed very soon.

The Hon. JACQUI MUNRO: Mr Chappel, I wanted to ask some questions about legacy contaminant sites. I'm wondering how many unfunded legacy contaminant sites there are in New South Wales.

TONY CHAPPEL: Quite a number. I might just ask my colleague Mr Beaman, who leads our technical area, to come and give some detail.

STEPHEN BEAMAN: Have you got anything specific? Because the contamination space is actually quite a wide space.

The Hon. JACQUI MUNRO: Do you have a map or a list of sites that are considered contaminated, that need to be fixed, that are outstanding in terms of their remediation works?

STEPHEN BEAMAN: We have a public register that has a list of sites that we have assessed and/or declared. That public register is up on our website. We actually run our own proactive programs looking at various types of contamination. So, for example, we're running a program at the moment looking at UPSS, potential contamination from underground petroleum storage tank systems on groundwater-dependent communities—that's a mouthful. We're going around the State looking for these sites proactively. The question is a bit hard for me to answer.

The Hon. JACQUI MUNRO: I understand. It's like a moving feast. I guess it's about the gap between the assessed sites and ones that haven't been dealt with. Or does that happen at the same time? They're assessed and they're—

STEPHEN BEAMAN: Often the sites come in—there's a positive obligation under section 60 of the legislation. If you're the polluter or the occupier of the site and you become aware the site is contaminated, you're supposed to tell the EPA and then we do the assessment of those sites that way. We assess the sites that are known to us, but there are also sites that we proactively on our own initiative go out and look for.

The Hon. JACQUI MUNRO: How are those sites dealt with? After they're assessed and they're determined to be contaminated with certain contamination, how are they then actually remediated?

STEPHEN BEAMAN: There's a two-step process around the contaminated land management regime. We'll often declare the site first. That goes onto the—it really sets a record of contamination on that actual real

CORRECTED

property information. Any future purchasers or occupiers of the site can look up and see whether the site has actually been registered by the EPA or declared by the EPA as being contaminated. Then we will move to—there are two approaches to this. We call a voluntary management order, where the polluter or the occupier comes to us and says, "This is the plan on the remediation." Or if we're not satisfied with that, we can actually impose a management order on the site. There are two mechanisms there. Then contamination of those sites might vary depending on what the—the way we think about it, it's about exposure pathways and source. What is the contaminant and how are people and/or the environment exposed and can you cut off those exposure pathways?

The Hon. JACQUI MUNRO: Is there a record of sites that have been declared but haven't been properly remediated yet?

STEPHEN BEAMAN: They'll still be in the process. Sometimes this remediation might take many, many years.

The Hon. JACQUI MUNRO: I guess my question is: What sites that have been declared haven't been fully remediated yet? Do we have a figure on that from the list?

STEPHEN BEAMAN: No, we could get that for you on notice if that helps.

The Hon. JACQUI MUNRO: That would be super helpful, thank you very much. Perhaps you can help with this question as well. I'm wondering about the progress that has been made on securing a sustainable funding source for remediating and managing those sites.

STEPHEN BEAMAN: Typically, we operate under the polluter-pays principle, so the people that have actually caused the pollution. For example, it might be a former gasworks. We'll often chase the polluter, or the polluter who becomes the operator then. It might be one of the major gas companies. We tend to chase those as the polluter under polluter-pays. Where that isn't available to us, we often look then to the occupier or the owner of the land, so who has management of the land. There is a hierarchy in the legislation. There are, unfortunately, some sites where there is almost an innocent owner type arrangement where people weren't the polluter and they were unaware that the land was contaminated.

The Hon. JACQUI MUNRO: Do we know which ones require funding at the moment? Are there particular sites that are essentially unfunded under the polluter-pays mechanism?

STEPHEN BEAMAN: Good question. There is, yes.

The Hon. JACQUI MUNRO: Whereabouts are those?

STEPHEN BEAMAN: I'd have to take that on notice, only because there's probably a range of them across the State where that arrangement is in place.

The Hon. JACQUI MUNRO: That would be helpful. I guess the obvious question is how will they be paid for?

STEPHEN BEAMAN: In essence—and the reason I'm saying it's across the State—the real driver for site remediation typically tends to be property values. If you have a site in the greater metro area, it tends to have a higher property value and people are willing to do the remediation to get the uplift. We often find it can be in the regional areas or rural areas where there isn't that sort of financial incentive. That's the dynamic that plays out in the contaminated land space.

The Hon. JACQUI MUNRO: How do you seek funding for those perhaps more regional areas that don't have the same kind of benefit or incentive in terms of land values?

TONY CHAPPEL: We generally seek to partner with relevant government agencies—for example, with the Aboriginal Affairs agency on discrete Aboriginal communities and with our colleagues in Regional NSW on some of the other sites—and we seek to triage them as well, so to risk-assess them, as Steve laid out, in terms of the pathway and receptor, and where the risk to human health is more significant, to try to prioritise those.

The Hon. JACQUI MUNRO: Does that process take a lot of time?

STEPHEN BEAMAN: It can. They come in very large, thick technical reports. We have our experts inside the EPA review those reports. There is often a lot of technical to and fro. We're dealing with the legacy of really historical contamination. Often, too, it's a bit of a detective exercise to work out who did it, when did it happen, what happened next and who was the property owner, because some of the companies have disappeared. The bigger example of this is, say, Homebush Bay and Sydney Harbour. Those companies have long gone. Remediation can often be—I was careful with the words because technically the way we do it is about reducing exposure pathway. Sometimes it is a leave-alone. There isn't a remediation that you're actually chemically

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changing or altering. Sometimes it is a case of making sure that the site is left undisturbed and there are appropriate precautions put around it.

The Hon. JACQUI MUNRO: Do you have a record of how long some of those are taking?

STEPHEN BEAMAN: In terms of?

The Hon. JACQUI MUNRO: In terms of trying to source funding arrangements and trying to find out either who is responsible or, where there is no information found about pinpointing somebody responsible, dealing with the different agencies to find funding.

STEPHEN BEAMAN: Yes.

The Hon. JACQUI MUNRO: Are you able to take on notice that time period for different projects?

STEPHEN BEAMAN: Yes.

The Hon. JACQUI MUNRO: How much do you expect your response rate for assessing contaminated sites to improve this year, noting it was at 35 per cent of sites being done in four months in the 2022-23 financial year?

STEPHEN BEAMAN: The backlog of that really came through the staff being redirected through things like the bushfires and the flood period and coming out of COVID, so now we're moving back into a much more normal operational regime where we set our targets to be up around the 95 per cent rate.

The Hon. JACQUI MUNRO: Okay, 95 per cent. I understand this kind of links into some of the asbestos work. Contaminated sites are obviously part of the 2023-24 regulatory priorities. Has responding to the asbestos crisis meant that the EPA has had to divert resources away from this kind of contamination work that you would usually do?

STEPHEN BEAMAN: No, not at the moment. This asbestos work has really been fairly intense over the last eight weeks or so. But like I was saying, we've run these, I think, really innovative programs. For example, to your question around old legacy sites where there mightn't be a particular polluter anymore to identify, the Committee might be interested to know there are 119 old landfills in Sydney. I remember as a kid almost every suburb in Sydney had its own tip. Those tips generate things we call hazardous ground gases—methane—and so we have a project specifically identifying those old landfills because they become parks or they become a bit of bushland. People forget that they were actually a former tip. So we're reassessing those and have identified 46 of those for a high-priority assessment. We've undertaken 23 site surveys already with the relevant property owner, which is typically council. We're still running these sort of quite proactive, quite innovative projects to look at land contamination proactively so we can protect the community and the environment.

The Hon. JACQUI MUNRO: Are those 46 sites mapped out publicly?

STEPHEN BEAMAN: I don't think so but we can give you a list of those sites.

The CHAIR: Can I go back to something we discussed earlier this morning and see whether you have any more information around the Narramine project and the EPA's position on that.

TONY CHAPPEL: Certainly. Our understanding is all based on early engagement with the proponent, none of which is definitive, but I think what was most likely referenced in the Minister's correspondence to you, Chair, would be our understanding that this is an anaerobic digestion proposal. Perhaps my colleague Ms Chang can add a bit more detail.

NANCY CHANG: The EPA met with the proponent, or proposed proponent, back in September of 2023, and from very early conversations certainly it was indicated to us that this would be more of a composting facility rather than energy from waste. Based on that preliminary conversation, our advice is that if it is a composting facility or an anaerobic digester, it would not fall within the parameters of the Energy from Waste regulation. We do understand that there is community concern in terms of the nature of this project and exactly what it is, and without pre-empting what the final proposal will be because we haven't seen a proposal being lodged in the planning system.

The CHAIR: If the proposal, in fact, involved what I understand it to involve and what I've seen, which I think is not what the proponent probably disclosed to the EPA by the sounds of it, and it did involve gasification, then your view would be different—that rather than just an anaerobic facility, it involved a process of waste to energy through gasification, then you would have a different view?

NANCY CHANG: We would. I don't want to speculate in terms of what the proposal actually is, but certainly we will assess based on the actual proposal and whether it does or does not fit within the Energy from

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Waste framework. If it does, then it must meet both the Energy from Waste technical policy as well as it fitting in within the Energy from Waste Infrastructure Plan and the regulation.

The CHAIR: And that currently prohibits anyone from doing a waste-to-energy or gasification waste-to-energy plant in Narromine now?

NANCY CHANG: Energy from waste should only occur in the four precincts that are currently listed in the Energy from Waste Infrastructure Plan or by exception as listed in the regulation.

The CHAIR: Narromine's not one of those precincts.

NANCY CHANG: Narromine is not one of those precincts.

The CHAIR: And gasification is not an exemption?

NANCY CHANG: That is not a carve-out, no. The exceptional pathway is that it must basically be replacing a dirtier fuel and not be fitting into the grid and be fielding its own, basically, operations, and then that can be considered an exception.³

The CHAIR: Last time I checked, that wasn't happening on this site in Narromine. Thank you very much, Ms Chang, that's very helpful. Somebody has asked me to ask about Yanga National Park. There is concern that there are areas within the national park that are in desperate need of upkeep. Is that something that you've been made aware of or you are familiar with?

ANTHONY LEAN: Rob Smith is probably best placed to answer that.

ROBERT SMITH: Hopefully you can hear me this time.

The CHAIR: I can hear you perfectly well, Mr Smith.

ROBERT SMITH: Excellent. Do you have any specifics, particularly? I'm not aware of anything specifically.

The CHAIR: I was just asked to inquire about the condition of the facilities there and that the park was not being managed in a way that might be expected that it should be managed. It's not something I have firsthand knowledge of; it's something that I've been asked to ask about.

ROBERT SMITH: I'm happy to take it on notice and I'll go and check.

The CHAIR: Can I ask how the platypus program in the Royal National Park is going?

NAOMI STEPHENS: By all accounts, it's going well. You're probably aware that it's a partnership with the University of New South Wales, but I have had the material come through my office just recently. The account in that material, which was on its way elsewhere, was that things are going particularly well. We're very happy with the results. We're exceeding the results we were hoping to achieve.

The CHAIR: That's very positive. There was the rogue platypus that disappeared off the tracking mechanism. Did that one return? Do we have a lens on that one?

NAOMI STEPHENS: I can certainly get advice for you on that. What I am aware of is that this does happen—they do come and go.

The CHAIR: One of the inquiries around that was—and this may have come up previously—about the ethics involved in that project in terms of what is the process that the Government assures in relation to releasing in these trial programs about the animal ethics.

NAOMI STEPHENS: That's something I can't comment on. But we can certainly get you that information and provide it on notice.

The CHAIR: That would be great. In terms of the Government's renewable energy rooftop solar and household batteries, I'm curious as to what programs are currently in the pipeline to further roll out any programs or to further assist the incredible uptake that we've already had in New South Wales?

³ In [correspondence](#) to the committee received on 2 April 2024, Ms Nancy Chang, Executive Director, Strategy and Policy NSW Environment Protection Authority requested a clarification to the evidence given during the hearing for Climate Change, Energy, the Environment, Heritage portfolio on 7 March 2024.

CORRECTED

LIAM RYAN: I might take that. The Minister this morning referred to some work around the Consumer Energy Strategy. That's been a commitment that the Government made in response to the *Electricity Supply and Reliability Check Up* in September last year. That strategy is still being developed and will be considered by Government, but there are things that the department is rolling out already. Another commitment in the check-up was to reform an existing program called the Peak Demand Reduction Scheme, which is a white certificate scheme like the kind of program that supports rooftop solar. That's been in place since 2022 in New South Wales. The commitment there is to reform the rules for that scheme so that home batteries can participate in it. There was some consultation the department put out at the end of last year around those rule changes and we're working through those changes now. That's probably going to be the most significant program to support batteries.

There's also a number of other programs, though, that have either been announced or are already underway to support residential solar, including things like our rebate swap for solar program that supports those households that are currently eligible for an energy rebate—for the low-income household rebate—to opt in to have a free solar system on their home. There's more work that has been going on now to develop new programs with the Commonwealth Government for solar on social housing and community housing. That was announced, I think, in January—I could be wrong there. So there's quite a lot happening. I guess there are some programs that were announced under the former Government that have supported regional communities to install batteries. There's community energy—community batteries that are rolling out as well. So there's a fair bit happening. I guess the big commitment from the Government is to have this overarching strategy to coordinate all those things together.

The CHAIR: That's great. I'm not sure who might have familiarity with this, but the Oven Mountain pumped hydro project, which I think is possibly in early stages—I think it's around the Kempsey area on the Macleay River. I'm just curious about what the assessment framework is; what we are looking at in terms of between stored energy, environment and cultural heritage; and whether we're looking at that project as something early, whether it's getting Government support or it's a private project.

JAMES HAY: I'll start on that one. Oven Mountain, now being—the main proponent is Alinta, and it has been a recipient of the pumped hydro renewable grants scheme from the New South Wales Government, which is a feasibility scheme. These are recoverable grants if the project ever does proceed—the funding has proceeded. My colleagues will be looking up the amount of that, as we speak, but those grants were issued in round 2021, from memory. So they get a contribution to bring the project forward through feasibility study.

The CHAIR: Can I just ask on that? I should know; I should remember, but what was the criteria to satisfy in terms of being successful for that?

JAMES HAY: We will give you the full details but, broadly speaking, they need to show that the proponent is credible, that the technology looks like it has got a chance in terms of—the key thing to think about with pumped hydro is that it's the opposite of a battery. It's highly bespoke to its geography, its elevation, its hydrology and its geology and also its location relative to the transmission network. Each pumped hydro project has to be looked at quite in detail as to whether it's going to work in the system and how long the storage, what duration of storage it can provide, whether it's in a river or out of river, how much tunnelling it needs or whether it needs penstocks.

We ran an open process for parties who were proponents of pumped hydro to seek the feasibility funding, and the criteria really was "Were they of a certain size and would they have a prospect of being ready for construction and production by 2030?" This was in relation to the targets under the Electricity Infrastructure Investment Act, which has a target of two gigawatts of long-duration storage—so that's over eight hours or more of storage. They needed to show that they had a potential to be ready for construction by 2030. That was one of the main criteria for that. That grant—I think, from memory, there were six projects that qualified around the State, and my colleagues will pick up with the detail of that in a moment. I administered those grant schemes at that stage, but it's now run—

The CHAIR: I think the answer to this is no, but was there any sort of "That environmentally constrained area is too high for this project to be considered"? Was there any of that kind of criteria at the time?

JAMES HAY: One of the criteria was "Does it have a pathway to planning approval?", which, of course, factors in "Is it likely to get a planning approval?" So that does look at the nature of where it has been developed and if it was—

The CHAIR: My experience as an environmental lawyer would tell me that means anything is on the table. Sorry, that's probably being a bit too facetious there. So it was about whether there was a planning pathway?

JAMES HAY: There were some projects that didn't get through on that criteria.

CORRECTED

The CHAIR: Really? And how would we learn of those?

JAMES HAY: I think we could look at that. But it was things with land access or land tenure or the ability to get through. It's just about that pathway to planning approval—all those criteria that you have to establish.

ALISON PEPPER: I was going to say we're happy to take on notice the specific criteria to give to you.

The CHAIR: Thank you.

ANTHONY LEAN: It's a grant, though, to do with feasibility studies, so those issues will keep getting tested through the feasibility stage. Notwithstanding your comments, obviously, if any of them get through that, those issues would then be tested through the normal planning assessment process.

The CHAIR: With Oven Mountain, what is your understanding at the moment about where that project is in terms of its ongoing feasibility?

JAMES HAY: I haven't had an update on that for a little while, so we would have to come back to you on that, I think.

ALISON PEPPER: We can take that on notice.

The CHAIR: Thank you. With Snowy 2.0, what is happening? Has the project updated its reporting mechanism so that it is compliant? What sort of work has occurred to resolve any pollution incidents around that?

TONY CHAPPEL: I might invite my colleague, Mr Gordon, to give some detailed commentary, but there have been a number of concerns raised about nitrate pollution coming from the spoil emplacement, and the EPA has worked with Snowy on some new conditions to ensure that future spoil is above the high water mark and that they have an appropriate nitrate pollution management plan and can mitigate that pollution.

The CHAIR: Was that done as a mechanism under the condition, or is that being—

TONY CHAPPEL: I might defer to my colleague, Mr Gordon.

JASON GORDON: It's an ongoing investigation, so not everything I can go through. There are a number of actions happening. The spoil is in a number of different locations that had been found to be quite high in nitrate, which we believe is a by-product of the explosive process. We're working with Snowy Hydro to deal with that now and the levels have reduced significantly. But it leads to the bigger issue of the spoil that was proposed to be part of an above water line and below high water line. We're in that discussion, as Mr Chappel said, with our co-regulators—with Planning and National Parks—with a view to trying to move that above, given it is a foreseeable risk moving forward. The main thing, besides trying to correct the issue that's there at the moment, is we've asked Snowy Hydro for a nitrate management plan moving forward and they're working on that at the moment.

The CHAIR: What sort of things are they going to do? Is it about containment or bunds and buffers? What would we physically see different in what's happened?

JASON GORDON: All of the above. It's not just a single solution. It's looking at the type of explosives that are used and the conditions they're under, is part of it—the type of bunding that's been done and the treatment of that. And then where there are issues at the moment, where they move the spoil, dewater and a number of other different treatments. There is no silver bullet, so to speak. There are a lot of different aspects that come to dealing with it.

The CHAIR: Does the Government provide any funding through the environment department to WIRES?

TRISH HARRUP: We have provided funding through specific grant programs. For example, at the moment there is a program for treatment of wombat mange and WIRES are one of the funding recipients through that program. That's to reimburse for the costs of applying that treatment and the equipment required to apply that treatment. There has been a number of other programs funded, where WIRES would be eligible to seek funding—one of the bushfire recovery programs. Both of those have been administered through the foundation for national parks, but the funding has come from the department.

The CHAIR: Just going back to the recovered fines, would EPA records regarding procedures of recovered fines and testing labs—is that material or information commercial in confidence?

TONY CHAPPEL: Some of it may be. I understand some years ago, after detecting that retesting issue, the EPA intervened across all of the labs to ensure that that practice didn't exist and now requires labs to report any exceedance. Mr Beaman, do you want to add—

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STEPHEN BEAMAN: What was the question again?

The CHAIR: Would EPA records—the records that you hold regarding the procedures of recovered fines and testing labs from those investigations that you've undertaken.

STEPHEN BEAMAN: Some may if they're holding commercial information and/or trade secrets. We'd actually have to look at each document on its merits. We would need to do that assessment document by document, but we may hold information on our records that would be of that nature of commercially sensitive and/or a trade secret. There is an actual provision in the Protection of the Environment Operations Act that makes it an offence for an EPA officer to release confidential information. So we just have to be careful of that. But I think you asked a question earlier about would we be able to provide you with a list of facilities. That list is publicly—that list would be company X Pty Ltd, company Y Pty Ltd. We're just giving out information that's clearly publicly available.

The Hon. JACQUI MUNRO: Mr Beaman, I'm wondering what the risk is from contaminated petrol station sites to groundwater-dependent communities.

STEPHEN BEAMAN: Yes, it is a risk, particularly for those people that have—that's why we've mapped. That's why I think it's a really clever piece of work. We've identified every—I'll give you the basis. Often the small villages you see in rural and regional areas—the general store is the post office, the bread shop and some of them historically have sold fuel. More and more you're seeing less of those.

The Hon. JACQUI MUNRO: My family's farm is located in such a town.

STEPHEN BEAMAN: Exactly. What we've done as an exercise is mapped all those small villages and those general shops and then mapped where the groundwater is of a quality that you're able to use domestically, because not all groundwater, as you know, you can use. Then we've looked at the distances from those sites, so particularly—hydrocarbon contamination typically abates at about 250 metres from the source site, so it doesn't travel that far. Then we've done the mapping exercise and then we keep narrowing it down to a smaller set so that—by memory, there are a couple of thousand sites and we've identified as high-risk ones or ones that need further investigation probably about 80. And then we're starting the field exercise where we go out into the community with the councils—because the councils are the regulators of underground petroleum storage tanks. But we go out to those communities, do some doorknocking and offer people to test their bores for them for hydrocarbon contamination.

The Hon. JACQUI MUNRO: Is that map public?

STEPHEN BEAMAN: I don't think so, no.

The Hon. JACQUI MUNRO: Will it be made public?

STEPHEN BEAMAN: I think when we get to the end of the project, yes. The idea is to have a project report and explain what we've done, where we've been to and it'll be part of that exercise.

The Hon. JACQUI MUNRO: When is that due?

STEPHEN BEAMAN: I might take that one on notice. The team is actually out doing the field work over the last couple of months.

The Hon. JACQUI MUNRO: It sounds very extensive.

STEPHEN BEAMAN: Yes. It's a pretty big piece of work. I'll take that one on notice for you.

The Hon. SCOTT FARLOW: Mr Lean, I'll direct this question to you and then you can either answer it or direct it to whomever you may see fit. It's just with respect to the orderly exit mechanism being negotiated with Origin. Is there going to be a capacity payment envisaged to Origin with the orderly exit mechanism?

ANTHONY LEAN: Can I just clarify? You're referring to the specific negotiations around Eraring?

The Hon. SCOTT FARLOW: Yes, indeed—apologies.

ANTHONY LEAN: I think, as we've said a number of times today, we're not able to discuss the specifics of that.

The Hon. SCOTT FARLOW: I'll move on to the next line, then:

... Nexa Advisory argues that the NSW government is ignoring opportunities to use demand side management to relieve market pressures.

... the NSW government needs to do more to take advantage of the opportunities that exist to effectively manage the state's electricity system ...

CORRECTED

Their proposition is:

The NSW Government is failing to take advantage of opportunities to cut energy costs and manage peak electricity demand pressures through inadequate policies and incentives to support 'demand side' (DSP) participation of big energy users ...

With respect to this, what are the initiatives that the Government is taking in terms of demand side participation?

ANTHONY LEAN: I think we've already touched on the Consumer Energy Strategy earlier today. That's being developed at the moment. In terms of large users, I might defer to Liam or Ms Pepper.

LIAM RYAN: The Consumer Energy Strategy that I mentioned before is the new initiative that the Government has committed to, which we're still working on, and will be considered by Government later this year. But there are existing initiatives underway. The Peak Demand Reduction Scheme that I mentioned before where there's rule changes to enable household batteries—that scheme can already support, and is being designed to further support, commercial and industrial customers to implement activities that can lead to demand savings during peak time. That's another mechanism that's in place.

There's another program that's similar to that called the Energy Savings Scheme that's been in operation in New South Wales since 2009, which provides incentives for households and businesses to save energy generally across the year. That scheme is basically the biggest energy efficiency program in the State—longest running except, I think, for one other—and has helped big businesses like, for example, Tomago Aluminium, to reduce their energy consumption, and that also has a demand saving. They're probably the really big things that the Government is either still doing or has committed to do this year. There are more emergency management type programs that we have in place in New South Wales as well. In my role as jurisdictional system security coordinator—sorry, it's a bit technical—under the National Electricity Rules, I coordinate a program called Voluntary Demand Response, which works with State-owned water utilities, primarily, to shift their pumping loads when the energy system is under stress.

There's also something called the Reliability and Emergency Reserve Trader program, which the market operator administers as well. Under that program, there's contracts with large industrial customers to basically be able to turn off equipment, should there be a low reserve condition in the electricity market. It's a sort of emergency intervention. So there are quite a number of different things the State's doing but, again, the Government has committed to doing more.

The Hon. SCOTT FARLOW: Why were there no desirable sites identified for wind energy developments in the updated Wind Energy Guideline?

LIAM RYAN: I think that might be a matter for the—

ALISON PEPPER: Planning department.

ANTHONY LEAN: That's correct. That's a matter that is more appropriately directed to the department of planning.

The Hon. SCOTT FARLOW: Do you agree with the Clean Energy Investor Group that the New South Wales Government can fast-track major clean energy project assessments by using the existing critical State significant infrastructure process more effectively, rather than the changes that are being proposed at present?

ANTHONY LEAN: I haven't seen that report. We obviously have the energy infrastructure plan in New South Wales, which is focused on the REZs. Within that there's mechanisms for planning approval. But I might hand over to Mr Hay to talk a bit more about the processes?

JAMES HAY: Using the CSSI process for generation is, first, almost a matter for the planning department, but what we see in what we're doing is transmission projects of critical State significant infrastructure, clearly, and that really suits the linear nature of them. Generation is a much more stationary kind of asset that doesn't have, as we've seen, many landowners over a long period of space, and so CSSI is a very important part of the tool book. Would we say that it's worth thinking about for generation? Yes, and it has been used for some generation, including, from memory, Kurri Kurri as well as Snowy 2.0.

The Hon. SCOTT FARLOW: The Clean Energy Investor Group have said that there's a real risk that investors will look elsewhere and New South Wales won't meet its emission reduction targets. Is this something that the department has concerns about as well?

ANTHONY LEAN: We are actually addressing a number of the issues that have been raised that are of concern to the industry. Probably foremost with that is the review of guidelines that the Department of Planning, Housing and Infrastructure is doing at the moment. That was a recommendation from the O'Reilly check-up. My understanding is that they've been consulting publicly on that. Submissions closed, I think, at the end of January

CORRECTED

and they're now working through those submissions, but the hope is that the guidelines, once they're released, will address some of the concerns that have been raised by industry.

The Hon. SCOTT FARLOW: With respect to that O'Reilly report, how many of the 54 recommendations in that report have been completed to date?

ALISON PEPPER: I don't know that I've got the exact numbers on the full number of those recommendations that have been completed. I can take that on notice. But there is a range of recommendations that are underway and close to completion.

The Hon. SCOTT FARLOW: If on notice you could take all of the recommendations and their current status, that would be appreciated.

ALISON PEPPER: No problem.

The Hon. SCOTT FARLOW: Where is the Responsible Generator Exit Policy up to?

ANTHONY LEAN: That is being developed through the national energy Ministers council; I hope I've got the name of that right.

ALISON PEPPER: The Energy and Climate Change Ministerial Council.

ANTHONY LEAN: Sorry. My understanding is that some initial work was considered at its meeting at the end of last year and it's due to come back at a future meeting later in the year.

ALISON PEPPER: There has been a period of consultation that has now closed and those responses from that consultation are now being assessed.

The Hon. SCOTT FARLOW: Is there anything that has been drafted at present or is it all just consultation?

ALISON PEPPER: The information that's on the Federal Department of Climate Change, Energy, the Environment and Water has the most up-to-date information on where that's up to, and more information will be available in due course. But we're still in a period of assessing those submissions from the consultation.

The Hon. SCOTT FARLOW: When do you anticipate it will be completed?

ALISON PEPPER: I don't have an exact date in mind but I can come back to you in a moment.

The Hon. SCOTT FARLOW: In a moment? Sure, great.

LIAM RYAN: I know what the department is working towards, Mr Farlow, and that's for energy and climate Ministers to consider a final policy around that in midyear, so it isn't far away. One thing I just wanted to clarify from Mr Lean is that the Electricity Supply and Reliability Check Up made two recommendations. One is that the New South Wales Government continue to progress an Orderly Exit Management Framework through national Ministers. The other is, if those efforts aren't successful, to prepare a New South Wales responsible exit policy, which is the phrasing that you used, Mr Farlow. The Government's commitment in its response is to continue to progress with the national energy Ministers' approach and to only progress a New South Wales policy if those national efforts are inadequate in some way.

The Hon. SCOTT FARLOW: So if there's not a resolution in that national meeting in the middle of the year, then you will be undertaking your own policy development?

LIAM RYAN: That's the commitment from the response, yes.

ALISON PEPPER: And I can update you that the next milestone for us is that there will be a legislative and rules exposure draft bill that will be released for consultation in April.

The Hon. WES FANG: Mr Lean, earlier you told me that the commitment from the current Government at the election was to provide 176,000 hectares for the Great Koala National Park. Are you sure that that was the commitment that the now Government made?

ANTHONY LEAN: To the best of my recollection.

TRISH HARRUP: The commitment was to assess 176,000 hectares.

The Hon. WES FANG: Do you know where that was actually published and if that was given to the Parliamentary Budget Office? Because my understanding is that they'd only committed to an area between Port Macquarie and Coffs Harbour to be assessed for a Great Koala National Park. There was no indication of the 176,000 hectares, so I'd appreciate if you could perhaps take on notice where that was provided and where the 176,000 hectares came from, because that's not my understanding.

CORRECTED

ANTHONY LEAN: Yes, we'll take that on notice. If I could just say, generally, departments are not involved in the development of election commitments. But we'll take that on notice.

The Hon. WES FANG: No, I appreciate that, but obviously there's a translation from the election commitment and what was given to the Parliamentary Budget Office into what is now policy. The Minister has asked you to work on something that was an election commitment. What we're trying to understand is what the election commitment was and what is currently before us now. Because, as I said, my understanding was that it was an area between Port Macquarie and Coffs Harbour that was to be assessed. What we've seen now is a map that has 50 per cent north of the proposed area identified on the map that I tabled earlier. There's a lot of concern amongst the community as to what is actually going to be finally locked up in relation to a Great Koala National Park. Moving on, in relation to the Great Koala National Park, who are the individuals that are on the advisory panel, Mr Lean?

ANTHONY LEAN: I don't have the names in front of me, but there's a range of organisations represented.

The Hon. WES FANG: Would you be able to provide those on notice, perhaps?

TRISH HARRUP: The organisations that are members of the panels, that's published on our department website.

The Hon. WES FANG: But the actual members themselves?

TRISH HARRUP: The individuals' names aren't published on the website. The organisations that they represent—

The Hon. WES FANG: I appreciate that. What I'm asking is who the—

ANTHONY LEAN: We'll take that on notice and just consider whether there are any issues with that.

The Hon. WES FANG: How did you go about choosing those representatives? Is it the fact that you have the same representative from the organisations, or is the organisation permitted to send a representative and that can vary over time?

ANTHONY LEAN: My experience, where we establish these sorts of committees, is that we invite organisations to nominate people, but I'll defer to Ms Harrup in terms of what was the actual process here.

TRISH HARRUP: In terms of the latter part of your question, generally the individuals are members, but they can provide an alternative if they're not able to attend a particular meeting.

The Hon. WES FANG: What qualifications, professional backgrounds or activist group members prompted you to select the members that you have and the groups that you have?

TRISH HARRUP: The membership of the panels was discussed amongst Ministers, and we were given advice on who should be included on the panels. It was also discussed at the steering committee, which is a representative of the agencies.

The Hon. WES FANG: Do you believe that there's equal representation from all of the stakeholder groups on that panel?

TRISH HARRUP: There are three panels. Is there a particular panel that you're referring to?

The Hon. WES FANG: The advisory panel.

TRISH HARRUP: There are three advisory panels. There's a community advisory panel, an industry advisory panel and an Aboriginal advisory panel.

The Hon. WES FANG: On the industry advisory panel, do you believe that there's proportionate representation of all the stakeholders?

TRISH HARRUP: Yes, that is—I guess I could answer the question that the representation includes unions, it includes industry stakeholder or peak groups, and it includes a number of companies involved in it.

The Hon. WES FANG: You obviously included New South Wales Forestry Corporation, right?

TRISH HARRUP: No, the State owned corporation is not included on the industry panel.

ANTHONY LEAN: But I would—

The Hon. WES FANG: So New South Wales Forestry Corp doesn't have a voice?

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ANTHONY LEAN: No, I disagree with that. On the steering committee the area of government that looks after forestry policy is represented there. Whenever advice is required from Forestry Corporation, we would seek that advice either directly or through Regional NSW, which provides forestry policy advice.

The Hon. WES FANG: Did Forestry Corp express an opinion about their inclusion?

ANTHONY LEAN: I've only been here for six weeks, so I don't know.

TRISH HARRUP: I'm not aware that they've expressed an opinion about their inclusion.

The Hon. WES FANG: If they did, would they be included?

TRISH HARRUP: I'll just add that also the part of Treasury that looks after the shareholder Minister's interests in the State owned corporation is also part of the steering committee.

The Hon. WES FANG: Mr Lean, were you asked by the Minister or the Premier to provide options for a transition out of native forestry ahead of the Federal Court decision on the North East Regional Forest Agreement?

ANTHONY LEAN: I'm pretty confident I wasn't because I didn't start with the department until 22 January.

The Hon. WES FANG: Let me rephrase: Was the department, in either guise—obviously, the one that it is in now or in a previous iteration—asked by the Minister or the Premier to work on that policy?

ANTHONY LEAN: I think we'll take that one on notice so we can get you an answer.

The Hon. WES FANG: Which stakeholders did the EPA consult before it backflipped on a decision made on 2 February this year on changes to the coastal IFOA regarding habitat protection for gliders?

TONY CHAPPEL: I take it that one's for me?

The Hon. WES FANG: I was about to say, Mr Chappel, I think that is to you.

TONY CHAPPEL: I think the categorisation is not one I could agree with. What the EPA did was, having noted the glider was uplisted as a critically endangered species—and the NSW Threatened Species Scientific Committee made that determination in 2022 under the IFOA—we can review the settings and their adequacy and determined that they weren't adequate to protect the glider. Consulting a range of experts across government and externally and then working with Forestry Corp to understand any potential impacts on them, we came to a landing that the protocol should be replaced with a site-specific biodiversity condition that required additional hollow-bearing trees to be retained. We published that ahead of its implementation and then we received a number of submissions from quite eminent glider experts with decades of expertise on the additional value of returning surveys.

The Hon. WES FANG: Just on that, Mr Chappel, is it the case that the EPA, under overwhelming pressure from activist stakeholders—and you say glider experts—actually made those changes to the CIFOA?

TONY CHAPPEL: No, that's not correct. The EPA made an independent decision. In its decision, which has all been public, you can see that the only refinement to that decision was to codify the nocturnal surveys, which had previously been required under the threatened species licence that operated up until 2018. A number of glider experts came forward and said, whilst they're not determinative and they're only a point in time, they do have additional value. They were codified in the condition. The protection of the additional trees and those other arrangements did not change. But we did that additional consultation over one additional week, following a number of experts coming forward to raise concerns that that nocturnal survey had additional value.

The Hon. WES FANG: Experts, thank you.

ANTHONY LEAN: Could I just clarify or provide further information for the Committee that was asked about earlier? A question from Mr Fang was around whether there have been any welfare issues from the aerial shooting activities that have been undertaken this week. There have been no issues.

TONY CHAPPEL: Perhaps if I could add to my last answer, given Mr Fang's last comment, there are a number of published academic experts that came forward with unpublished work and additional fieldwork. That was the basis of the adjustment.

NAOMI STEPHENS: I can also provide an update on the platypus, just to let you know that the animal ethics approval was through the University of New South Wales committee because they're the lead. In terms of our missing female, she hasn't been recorded moving back from Engadine Creek in the sensor array. She was out

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of observation for several months at this location previously, so she's coming and going. Time lapse cameras have been deployed by Friends of Royal at likely spots along the creek to catch a view. This is currently underway.

The CHAIR: Fantastic.

NAOMI STEPHENS: So we're keeping an eye out for her.

The CHAIR: She sounds like a wild thing, doesn't she?

The Hon. WES FANG: What's the plural of platypus?

The Hon. SCOTT FARLOW: Platypi.

The CHAIR: Platypi.

The Hon. WES FANG: Can we say platypi instead of platypus? It makes it sound like there is only one and I hope there are so many more than that.

ANTHONY LEAN: We were only talking about one.

The CHAIR: This was about a wild, rogue female.

The Hon. WES FANG: Okay. Well then, yes, singular is appropriate.

NAOMI STEPHENS: They call her F5, apparently.

The CHAIR: Thank you. I think somebody said that the emissions dashboard will be updated. Is that correct? And will that happen soon? Or has it?

ANTHONY LEAN: No, it will be updated shortly. This is the emissions trajectory?

The CHAIR: Yes.

ANTHONY LEAN: That's the work that's being peer-reviewed at the moment. Once that's complete, a decision will be taken to release then. That's correct, isn't it, Mr Bruce?

BRENDAN BRUCE: That's right, yes.

The CHAIR: So that's the work that's being peer reviewed by Arup, is that right?

BRENDAN BRUCE: Yes.

The CHAIR: I misunderstood you earlier. So the work that is being undertaken around the carbon in forests methodology—that's not being peer-reviewed by Arup?

ANTHONY LEAN: No.

The CHAIR: I really misunderstood that earlier. Sorry, that's totally on me.

ANTHONY LEAN: The carbon methodology—we're currently in procurement for that at the moment. As far as I'm aware, we haven't yet selected a firm to do that work. Arup is doing the emissions work.

The CHAIR: Thank you. I was about to blurt off all sorts of wrong information.

The Hon. WES FANG: Why stop now, Sue? You normally do it.

The CHAIR: If you're in a position—obviously we've got the State legally binding target now to reduce emissions by 50 per cent by 2030. What are we looking like? What is that looking like in terms of what is available to you, in terms of putting that into the system?

ALISON PEPPER: I can pass to Mr Bruce in a moment, but in terms of the current advice that we have on those emissions reduction targets—that was work that was done in 2021—that modelling showed that we were on track for 56 per cent reduction.⁴ But as a number of us have said today, that work is currently underway. The updating work is underway and is being peer-reviewed, and we're expecting to hear that, the results of that, in the coming months, and that will update that information.

⁴ In [correspondence](#) to the committee received on 2 April 2024, Ms Alison Pepper, A/Deputy Secretary, Energy, Climate Change and Sustainability Department of Climate Change, Energy, the Environment and Water requested a clarification to the evidence given during the hearing for Climate Change, Energy, the Environment, Heritage portfolio on 7 March 2024.

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The CHAIR: Are you in a position to indicate whether there is any concern about whether—are we in a position where we're achieving those targets well, or we're not?

ANTHONY LEAN: We can't give that indication today. You'll need to wait for the peer review to be completed.

The CHAIR: Okay. Mr Chappel, how is the implementation of the EPA's climate change policy going, particularly in relation to how the EPA's work with hard-to-abate industries is going? Are they running to you telling you how they're reducing their emissions early and they're doing it?

TONY CHAPPEL: Some of them are, Chair. That work is continuing along well. We've got two expert advisory groups established now, one for agriculture and one for mining, with a broad range of stakeholders on both groups. We're also progressing our methane monitoring and abatement work, both in Greater Sydney and in the mining provinces. There are a number of other actions underway as well. I think the big piece of work over the summer was the mandatory survey of 2,500 or so of our largest emitting licensees. I expect shortly we'll be able to share that work publicly. It's got a range of useful insights just into—we asked licensees to articulate how they are currently planning to adjust their own operations to meet a net zero outcome by 2050, but also how they are considering improving their resilience of their operations and adaptation as it might apply to them. There's certainly a very broad range of, I guess, levels of maturity, as you might expect. So I think there's going to be some really useful learning for a number of sectors out of that.

The CHAIR: From that, are you in a position to say—other than what we can already establish, were there any clear, identified areas where we are really going to struggle in terms of that emissions reduction?

TONY CHAPPEL: A number of sectors, I think, are globally acknowledged as being harder to abate. I think one of the important issues there is how we work with those sectors to work through that hierarchy of avoidance and then mitigation and then, ultimately, offsets and the quality of the offsets that they might require. That's very much a live consideration now as well.

The CHAIR: Which ones in particular—in terms of here in New South Wales, who are really the ones that we're looking at that are going to require offsets rather than reductions?

TONY CHAPPEL: We have, over time, hard-to-abate sectors like, for example, the mining sector, where, if you had to snap your fingers today and switch to a net zero outcome, you'd be overwhelmingly relying on offsets. But a number of technologies are very promising there, over time. In the mining space, I think additional opportunities to degasify mines to mitigate the methane emission, but also to look at electrification or other fuel alternatives for vehicles are on the horizon. A lot of that is not at the stage where it's deployable today. Would you like to add, Nancy?

NANCY CHANG: I'm the chair of the two statutory advisory committees for mining and intensive agriculture. Those two committees have certainly provided some very insightful knowledge and experience. One of the key things that has come out, particularly from the agriculture committee, is that adaptation is something that they would really like assistance from government—and particularly guidance from the EPA. The information that we get from those committees, we are bound by in-confidence. They are confidential, so I can't share specific advice that we have received in relation to that. But we did make a commitment that, after the meeting of each of those two committees, we will put out a communique in terms of the key issues that we discussed in each of those.

The CHAIR: Where might we see that communique?

NANCY CHANG: On the EPA website.

TONY CHAPPEL: On our website. We've already published the first set.

The CHAIR: It's there?

NANCY CHANG: Yes. I'm very pleased to advise the Committee that on the EPA website we also have a webpage where we track how we are going on each of our actions under our climate change action plan. It is with full transparency that we are tracking against that plan.

The CHAIR: Just back to the topic of greater gliders, is there any work that's happening within the departments around the conservation status? Obviously they've been uplisted—or downlisted, I think we should really say—to endangered.

TONY CHAPPEL: Yes.

The CHAIR: But is there anything we're doing to ascertain what their actual status is?

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TONY CHAPPEL: There's an ongoing monitoring program that the NRC is leading but also my colleague Mr Bruce—I think his area is leading the recovery plan. Sharon?

SHARON MOLLOY: I can answer that, Mr Bruce, if that's okay.

The CHAIR: Thank you.

SHARON MOLLOY: Greater gliders were listed on 25 November 2022. There is a requirement under the BC Act to develop a conservation strategy for them within two years of listing. We're in the process of doing that now. That sits under the Saving our Species framework. That will hopefully—definitely, it's due by November, but we're hoping to get it out sooner than that. We're doing that through expert consultation, both internally and also with our colleagues in the EPA, in local government, universities—wherever we have expertise. So that will be a conservation strategy.

The CHAIR: Okay. Just going back to the Koala Strategy, of the I think it was the \$181 million allocated by the previous Government, how much of that has been actually spent, and then how much is contractually committed?

SHARON MOLLOY: I think I might have to take some of that on notice.

The CHAIR: It is quite specific.

SHARON MOLLOY: There's quite a bit of moving parts in that. I can take that on notice.

The CHAIR: It's hard to know where the money's gone—not entirely; there's some tracking. I think what we're interested in is how much is being spent; what has been contractually committed; how much has been spent within the assessment boundary of the Great Koala National Park; and are there any unallocated funds. I know we're moving into the new consultation around the new strategy, but looking at what any unallocated funds might be.

SHARON MOLLOY: Yes.

ANTHONY LEAN: Could I just clarify on that? There was separate funding made available for the Great Koala National Park of \$80 million. It's quite separate from what the former Government committed.

The CHAIR: Yes, but the question is quite specific. I want to know, in addition to the State, what proportion of that money has been allocated within the assessment boundary of the Great Koala National Park. And then, of course, there is the new commitment and the new money that goes into the assessment.

SHARON MOLLOY: Yes.

The CHAIR: Thank you. Just jumping on to the Aboriginal cultural heritage impact permits, are the assessments for those permits continuing like they always have been, or has there been a change in the approach to the assessment of the permits under the new Government? "New Government"—it's old now. It's a year old. Has there been any kind of internal change around the way we're assessing those permits? I know the law hasn't changed yet.

MATTHEW CLARK: The law hasn't changed. The permits are assessed in the department on the merits of the applications.

The CHAIR: I know the Minister didn't have those numbers in front of her, but have the numbers of permits in this year to date, since March, increased or decreased since the same period over the last year?

MATTHEW CLARK: The Minister took it on notice, and I'll have to take it on notice as well.

The CHAIR: Just roughly, in terms of that, does it look like it's ordinary? Is there any kind of notable increase/decrease, or it just looks like it's a normal year of granting permits? You don't know?

MATTHEW CLARK: I'm sorry, I just can't answer that here.

The CHAIR: All right, thank you. In relation to the agricultural chemical program and the EPA, is the program that the EPA is undertaking going to escalate in terms of the rollout of that program? What can we expect?

TONY CHAPPEL: Yes, we're working on a multi-year project plan for this as a priority area. I might ask my colleague Jason to give some more comments as well. Essentially, we're looking to ramp up our monitoring and surveillance and our engagement with the community. We've got a series of actions underway now. But this is, I think, a particular focus for us given some of the weaknesses that have been exposed in the Federal regulator. We're very keen to get to a more granular set of data that the community can then have confidence in about any public health risk that is of concern today.

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JASON GORDON: I think Mr Chappel has almost answered it. Generally, as he said, it's a multi-year project; it's not just a one-year project. There's a number of different regulatory actions that we've got, which is everything from going out, engaging with the community—which is a big part at the moment—to voluntary inspections and follow-up to that; and then, from that, where we issue PINs or other actions in that space. There are two quite significant pieces of work that have happened recently, which has been out around the Narromine area and then up around the Coffs Harbour area. They've been the main, I'd say, field-type actions, engaging with the community. Then we're using that to come back and refine the strategy as we develop it. That's pretty much where it is at the moment. Any number of different types of actions that we've taken—and a lot of that has been from cautionary letters to actual fines, and then gone back and checked the corrective actions have been taken as well.

The CHAIR: Is there any contemplation around developing some kind of centralised record keeping system around chemical application and use? I recently became aware that records in the Northern Rivers, for example, through the floods had been lost, farmers keeping data, et cetera—and also how unreliable that system really is. Is that something that the agency is contemplating?

JASON GORDON: In short, the answer is yes. We're looking at different ways in line with that too to make it easier for people, so apps and all that different stuff is part of the strategy that we're working through at the moment. But in short the answer is yes. When that might be on the horizon, I don't know, but we are working through the ability to be able to do that and have a much easier but centralised record as well.

The CHAIR: Earlier with the Minister I was asking about the protected area network and the strategy around understanding the impacts of the fires from 2019-20. Obviously, the NRC had done some work in relation to the forest estate and made recommendations that the Forestry Corporation didn't actually implement. But, more broadly, what is the State doing to really understand the needs of the protected area network as we are going to face more extreme and more significant weather events, particularly fire, floods, landslips, et cetera?

ANTHONY LEAN: Probably the most significant thing that I think has come out of that is the work that's been done around assets of intergenerational significance. Essentially, they've been mapped and they're now starting to inform fire management plans and things like that. I might hand over to Ms Harrup to provide some more information more generally about the assessment work that's been done.

TRISH HARRUP: You're probably aware that the department published two response plans around recovery following the bushfires, an immediate-term and then a medium-term plan, and then amended the National Parks and Wildlife Act to create the assets of intergenerational significance. There's also been work undertaken—and this is Mr Bruce's area—to do fire refugia mapping, which is also informing our approach to fire management.

The CHAIR: Is that happening now—the mapping?

NAOMI STEPHENS: No, that mapping has been done previously. But now it's being used as data to inform National Parks in its hazard reduction program planning to ensure that those areas that are critical to providing refugia for species post 2019-20 aren't being impacted by a hazard reduction program. Also, we're using that data in terms of our bushfire response planning, along with, obviously, the AIS material.

The CHAIR: Is there any work that has been done in terms of the analysis of what did burn, how it burned and whether it was necessary that it burnt, or that fire could have or should have been avoided, particularly in relation to the protected area network?

NAOMI STEPHENS: I don't have any information about that, but we'll take that question on notice if that's all right and provide you with anything we have.

TONY CHAPPEL: The Minister has also asked the NRC to update their work on the State forest estate as well.

The CHAIR: Does that work only involve the public forest estate or is that the whole—

TONY CHAPPEL: I understand so. Actually, I might take that on notice to make sure it's accurate.

The CHAIR: It would be so good if we could just do the bigger work rather than keep compartmentalising.

The Hon. WES FANG: Mr Chappel, what can you do to allay the fears of industry that activists aren't driving the change in forestry laws in the New South Wales Government?

TONY CHAPPEL: Mr Fang, I can only speak for the EPA, not the New South Wales Government, but I can assure industry and the community that the EPA takes its independent role extremely seriously. I mentioned

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before the uplisting of the glider. There are a number of other species—squirrel glider, yellow-bellied glider, koalas, glossy black cockatoos and swift parrot—that have all faced an escalating threat from fires and climate impacts and have had their status decline in terms of being uplisted in recent years. So the EPA will be working on potential protocol adjustments for all of those species and we'll be consulting publicly on those.

The Hon. WES FANG: And including industry in that?

TONY CHAPPEL: And obviously engaging with the Forestry Corporation. I think that there is an important thing to clear up here. The EPA regulates one entity. There is one entity that is authorised to conduct forestry operations on Crown estate, and that is the Forestry Corporation. Forestry Corp engages subcontractors and obviously has other contractual arrangements with mills and so on. We're not going to duplicate the engagement they do with those parties. Essentially, it's up Forestry Corp to manage any of those relationships and give us that feedback.

The Hon. WES FANG: This might be a question for Mr Lean. The Minister said a new carbon methodology is being developed for the Great Koala National Park, presumably to account for the conservation of areas from State forests to national parks. Given the Government has already committed to the Great Koala National Park, which precludes any additionality in the process, isn't the method set up to fail?

ANTHONY LEAN: No. I think the idea behind the methodology is to understand whether that would generate carbon credits, essentially, as a result of the change in management of the forest. I don't necessarily accept the premise of your question.

The Hon. WES FANG: But the Federal Government said that you can't actually repurpose it. Is that not right?

ANTHONY LEAN: Sorry, could you repeat the question?

The Hon. WES FANG: As more of a clarifying part, the Federal Government has said you can't repurpose the area once it's, I guess—

NAOMI STEPHENS: Because it's reserved?

The Hon. WES FANG: Yes, reserved.

TRISH HARRUP: The commitment in relation to the Great Koala National Park is to create a park, but the final boundaries of that park have not been determined. The Government has said that the potential for generation of carbon credits will be part of the consideration in determining the final boundary. I would also add that whatever method is proposed, it needs to go through an assessment process. There's an independent body established under the Commonwealth Act who would assess and determine whether or not the method could be adopted.

The CHAIR: Ms Harrup, I can't table it because I've just written all over it, but are you aware of a study from last May that found that the industry's top registries consistently allowed developers to claim far more carbon saving benefits than were justified? The report is the *Comprehensive review of carbon quantification by improved forest management offset protocols*. I think it was Berkeley university and published last May. It was really a bit of a groundbreaking piece. It analysed the existing projects that do look at carbon in forests and it found the creation of serious bogus credits and all sorts of areas for corruption. I am just wondering if the department is cognisant of that work and, if not, whether it would take it on board in this project that is looking at the Great Koala National Park carbon forest.

TRISH HARRUP: Yes, we would definitely take it into account. Whether or not the department has a copy of the report, I can confirm.

ANTHONY LEAN: I think the important thing there, though, is with this methodology we would need to submit it to the entity under the Commonwealth legislation, and that entity, as I understand it, is designed to bring certainty and credibility to the market. We would need to get through their process, essentially, which hopefully would address the risks that are identified in that study.

The CHAIR: Just on a final note, is National Parks or the environment department looking at or interested in or have any role in the land audit results that are happening across government now for potential conservation opportunities?

ANTHONY LEAN: Do you mean the land audit that's being undertaken to identify housing?

The CHAIR: Yes. It seems like it's the first time a government has ever done such a large audit of lands.

The Hon. WES FANG: Just what we need.

CORRECTED

The CHAIR: It's going through a lens that identifies government lands that might be of high conservation value, and it's doing that process. I am just wondering whether you're looking at the opportunities there.

ANTHONY LEAN: I think, given the focus of that particular audit, which is to identify opportunities for housing, I think it's inevitably narrowed to particular types of property. I don't think it has a broader focus that's looking for land that, for example, might be better off managed within the protected area network.

The CHAIR: My understanding of the audit is that's precisely what it does. It says, "All of this government land, Crown land, is not appropriate for housing but because of these constraints", and it's already identifying all of those other constraints, as we call them—let's call them assets—such as they have good environmental values or they're undevelopable land. I'm just curious as to whether you would see that as an opportunity to identify biodiversity improvements in urban, metropolitan, regional areas for your agency.

ANTHONY LEAN: We could certainly talk to the agency that's leading that, which I'm pretty sure is the Department of Planning, Housing and Infrastructure.

The CHAIR: There's a team there. It has some very strange acronym. Thank you. Government time.

The Hon. ANTHONY D'ADAM: No questions from the Government.

The CHAIR: The estimates process this time around has been a marathon for everybody. Thank you very much, all of you government officers, for your attendance today. Please know we deeply appreciate how much effort it takes for you to be here and the work that goes into being here, and your time that I know is very valuable.

ALISON PEPPER: Before we go, I can clarify some questions that we took on notice about Oven Mountain. There were three merit criteria for the grants program that Mr Hay spoke about. The first of those was commercial and technical viability and attractiveness; the second was demonstrated pathway to establishing project feasibility; and the third was economic impact, regional development—including First Nations community outcomes—and achieving community support. There are full details in the guidelines, and we're happy to provide those details to you so you can see them. The project is currently in the process of seeking planning approval.

STEPHEN BEAMAN: I've just got one clarification for Ms Munro. The UPSS groundwater project, we started looking at 7,559 sites; 16 have been prioritised for inspection. To date we've done 10; there are six to do.

The Hon. JACQUI MUNRO: How many were prioritised?

STEPHEN BEAMAN: Sixteen, and we've inspected 10 and there are six outstanding. But we started from 7,559.

The Hon. JACQUI MUNRO: Are you able to provide the locations of those on notice, please?

STEPHEN BEAMAN: Yes.

The CHAIR: The Committee secretariat will be in touch in the very near future regarding any questions taken on notice and supplementary questions.

(The witnesses withdrew.)

The Committee proceeded to deliberate.