### **Questions on Notice**

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The Hon. JACQUI MUNRO: Can I just clarify, how often does the Climate Change Network meet? Are you involved in every meeting of that group?

WILL RAYWARD-SMITH: The Climate Change Network meets on a relatively frequent basis. I'd have to take on notice in terms of confirming the exact frequency. As part of the Climate Change Network, there are also specific working groups that meet outside of that, really to drive things forward across the government.

The Hon. JACQUI MUNRO: Do you go to every one of those heads of department meetings?

WILL RAYWARD-SMITH: Yes

#### **RESPONSE:**

The Climate Change Network is scheduled to meet every 6 weeks.

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**The Hon. JACQUI MUNRO:** There's a New South Wales Draft Energy Policy Framework. I'm wondering, are you feeding into the final policy framework?

WILL RAYWARD-SMITH: I think as a commission we'll be working to feed into all sorts of similar policymaking, so I would have to take that on notice, in terms of our involvement with that specific.

The Hon. JACQUI MUNRO: I understand there was some Federal legislation that was supposed to be coming through and we were going to have some State legislation that might fall in underneath that, but that hasn't emerged yet, I don't think.

#### RESPONSE:

The Renewable Energy Planning Framework was released by the NSW Department of Planning, Housing and Infrastructure in November 2024.

The Office of the Net Zero Commission met with the Department of Planning, Housing and Infrastructure to discuss the framework.

The Net Zero Commission understands that in November 2024, the Australian Government announced a review of the National Electricity Market (NEM) wholesale market settings by an independent expert panel.

The review's Terms of Reference can be found at Terms of Reference.

The Commission may consider opportunities to participate in future consultation for the review.

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Ms SUE HIGGINSON: Can we get some indication in terms of your work—and obviously we can see things in the report. Questioning the data that we do have, the assumptions that are in the modelling and what we've got, we have been led to believe—I chaired the inquiry into the introduction of the legislation that we've got. There was quite a high degree of confidence around some of the data that we do have. There is this compounding fact about the suggestion that we're a long way off and that we're in a bit of a problem zone and undershooting for our 2030 objective and target.

If that's the case based on the data that we have got, should we not be—I suppose I'm trying to learn to what extent do you not have the confidence in the data that we are all relying on and working on? Because if we're not making particular decisions in waiting for better evidence, I am very concerned. I imagine everybody is very concerned, based on the lens we do have on who's doing the lifting and who's not doing the lifting and who is preparing their emissions reductions. I'm curious to try and understand that a little bit more if that's possible.

KATERINA KIMMORLEY: Getting complete clarity on the data and all of the assumptions that underpin the New South Wales data and the Federal data is, I would say, one of the number one priorities of the commission. It is very complex and we are only now really getting under the hood of that. That is why, in our first annual report, we did not rely heavily on the New South Wales data, because we didn't want to rely heavily on the data until we felt supremely confident in it and we could give that confidence to you. That will be a key focus of this year, and the data that is used in our next annual report will be too, but it won't stop us from continuing to do our work.

What we have already discovered in the sector that you mentioned, the resource sector, as you have seen from our report, is that it is one of the considerable sectors that is increasing its emissions, and that is, from what we understand so far, only considering current mines. It is a conservative estimate in itself. A lot more work is going to be needed to be done to get full confidence in both the current modelling but, critically—and this was the area that caused the most concern for the commissioners—the projections. The art of projections is very difficult, so before we put projections forward that we will stand behind, we're going to be doing considerable work.

Ms SUE HIGGINSON: I think this is one of the sectors that concerns a lot of people in a big way. You state in the report: In line with the Commission's statutory responsibility under the Climate Change (Net Zero Future) Act 2023, the Commission intends to closely examine developments in the resources sector because of the impact the sector has on the NSW's primary emissions reduction targets ...

In keeping with that statement, would you consider the use of your powers under section 15 (3) of the Act to provide advice and recommendations to the Planning secretary or the Independent Planning Commission for all of these projects going forward? Do you see that there is a role for the commission at this point in utilising that power, particularly in this period where we just don't necessarily have great visibility on how we do this work in getting to the 2030 target?

**KATERINA KIMMORLEY:** We don't want to front-run our recommendations because they're recommendations that we'll be making as a collective commission. I think what we can confirm, as we have in the report—and in the submissions that we've received to this hearing—is that the resource sector is a very big concern to us as well, and we will be doing considerable work to get under the hood of the data and the situation and provide recommendations this year.

Ms SUE HIGGINSON: To round that off, what do you see in terms of the timing? Obviously you've now lifted the hood; you've got an idea. I note you say it'll be this year. What do you suspect in terms of the real time when you might be able to say, "These are the assumptions that we can rely on. This is the data. This is the best we're going to get at this point in time"? When do you think we might be in that position? You can take it on notice. If there's more consideration, I'm happy for you to come back. The intention is not to be putting anybody on the spot. I accept that these answers are sometimes not black and white in the moment.

MEG McDONALD: We will take it on notice. I don't think there is a single date in mind, in the sense that we do intend to start an engagement process by actually putting out an issues paper, which will canvass some of these issues. I don't expect it will have the answer that we have, but we will be really starting to actually have full engagement and more transparency around what some of the numbers are, what the assumptions are, and what some of the implications are for other sectors as well. We're actually beginning that process. How long it will take us then to arrive at a set of recommendations around that — certainly by the end of the year. But whether there'll be something in between will depend on the nature of how those proceedings go and what we find.

**KATERINA KIMMORLEY:** I would say that this has already begun. I know meetings have been happening even this week on that very topic of getting underneath the data, particularly for resources. It has already begun and it will continue, but we don't have an exact date for you now. We can take that on notice.

#### **RESPONSE:**

The Net Zero Commission is in the process of reviewing currently available data on greenhouse gas emissions; including data from the National Greenhouse Gas Inventory, and NSW Government-developed historical data and projections of future emissions.

Analysis and availability of this data is a priority for the Net Zero Commission and will be foundational for the Commission's next Annual Report, along with other advice it may provide.

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ANDREW PITMAN: Those are included in the climate projections. When you look at the various climate projections the Intergovernmental Panel on Climate Change use—or indeed are used by New South Wales Government for the NARCliM project—those include changes in population, changes in technology and so forth, so population is actually in there. The data are not the fault of climate scientists. They come from demographers and, in fact, from governments on their projected evolution of population numbers in time.

The CHAIR: That's the SSP. Who's feeding the population data into the NARCliM?

**ANDREW PITMAN:** I'd have to take on notice who actually provides the data that is incorporated into those emissions scenarios — probably national governments, but I'd have to check.

#### RESPONSE:

The NSW and Australian Regional Climate Modelling (NARCliM) projections are designed to account for uncertainty in global population change. Quantitative estimates of human population are factored into the shared socio-economic pathways (SSPs) used for NARCliM2.0 climate projections. Each SSP makes different assumptions about human population. The SSPs used in NARCliM2.0 are SSP1-2.6, SSP2-4.5, SSP3-7.0.

The SSPs translate population estimates into future greenhouse gas emissions through Integrated Assessment Models (IAMs), which link demographic trends with factors like economic growth, energy demand, and land use. These were developed in a collaborative effort by the Integrated Assessment Modelling community.

Quantitative population assumptions in the SSPs used by NARCliM2.0 include:

- SSP1 ("Sustainability"): Assumes low population growth, peaking around 8.5 billion before declining to around 7 billion in 2100.
- SSP2 ("Middle of the Road"): Follows a medium growth trajectory, stabilizing around 9.5 billion by 2100.
- SSP3 ("Regional Rivalry"): Assumes high population growth, reaching close to 13 billion by 2100 due to slow socioeconomic progress.

See the <u>Summary for Policymakers in Climate Change and Land</u> from IPCC AR6 for an outline of the SSP scenarios.

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The Hon. JACQUI MUNRO: You note in the report that every year that Eraring continues operations beyond 2025 means the State's emissions will be significantly higher than with an earlier closure. Is there a pathway, and will you be recommending to Government that they take that pathway to close Eraring earlier than the 2027 that they have extended it to?

**KATERINA KIMMORLEY:** Again, I don't want to front-run our recommendations on that sector but in our report we did also indicate that the extension of Eraring was an evidence point, that that sector is not on track, and that we will be providing recommendations to get that sector back on track.

The Hon. JACQUI MUNRO: Part of that is related to the fact that only 17 per cent of the road map target capacity had been commissioned by 2023-24. Do you have an update, now that we're into 2025, about an increase in the commissioned target capacity fulfilment?

KATERINA KIMMORLEY: I think we'll have to take that on notice, unless you —

**WILL RAYWARD-SMITH:** Within an upcoming call for input, we do provide some of the latest information with regards to the developments in the electricity transition. That will be within that document.

The Hon. JACQUI MUNRO: When will that be released?

WILL RAYWARD-SMITH: That will be released very shortly.

The Hon. JACQUI MUNRO: In the coming weeks or coming months?

WILL RAYWARD-SMITH: Coming months.

The Hon. JACQUI MUNRO: Not that shortly, then, I would suggest.

WILL RAYWARD-SMITH: A month or two.

The Hon. JACQUI MUNRO: But you can't just give me a figure now, which you have?

WILL RAYWARD-SMITH: I'd have to take the exact number on notice.

The Hon. JACQUI MUNRO: Yes, that would be helpful. I think one of the really big problems is that, if we're not creating an investment environment for generation to come on board, that's a massive barrier.

#### **RESPONSE:**

Questions about the latest status of the delivery of the Roadmap are best addressed to the NSW Department of Climate Change, Energy, the Environment and Water.

According to the latest information provided to the commission by the department on 4 March 2025, 3.03 gigawatts (GW), equivalent to 25% of the 12 GW generation capacity target of the Roadmap, have been commissioned. A further 3.91 GW (33%) are considered as 'committed' projects that are relatively likely to proceed. The remaining approx. 5 GW (42%) of the targeted generation capacity has not yet been commissioned and is not considered 'committed' at this stage.

Construction has started on 6.4 gigawatt hours (GWh), equivalent to 40% of the 16 GWh 2030 long-duration storage capacity target, however none has been commissioned to date. An additional target of 12 GWh of long-duration storage capacity by 2034 was legislated in November 2024.

The call for input is the commission's first public consultation and is scheduled to be published in the coming months. It is designed to invite stakeholder feedback to help inform our future work and ensure the commission develops balanced, robust advice on NSW's transition to a net-zero, climate-resilient future.