

12 February 2025

Hon Jeremy Buckingham MLC
Chair, Joint Standing Committee on Net Zero Future
Macquarie Street
Sydney NSW 2000

Re: Inquiry into 2024 Annual Report on the Net Zero Commission

Dear Chair,

I am pleased to see the Joint Standing Committee on Net Zero Future has commenced its inquiry into 2024 Annual Report of the Net Zero Commission. I am writing to bring the Committee's attention to a recent report published by the NSW Productivity and Equality Commission ('the Commission') – *Ensuring a cost-effective transition*.

This report is the first paper in the Commission's *Achieving net zero research series*. The series will explore policy directions to help New South Wales reach its legislated targets while protecting productivity and living standards.

Paper's insights respond to a number of areas identified as requiring specific attention in the Net Zero Commission's Annual Report, such as the need to decarbonise electricity as a foundation for all sectors. Our research also offers other insights about how existing emissions pricing can be expanded and how best-practice policy evaluation can drive emissions reduction.

Future papers in the Commission's *Achieving net zero research series* will cover emissions reductions in buildings, industry, waste, agriculture, and transport, helping guide NSW's journey to a cost-effective, sustainable future. I will advise you as further papers in the series are published.

You can download the first paper from our website: <https://www.productivity.nsw.gov.au/achieving-net-zero-research-series>

The NSW Productivity and Equality Commission's purpose is to provide evidence on opportunities to improve productivity with consideration to equity and how costs and benefits are distributed across the community and over time. I note that the Commission's reports, including the *Achieving net zero research series*, do not represent NSW Government policy.

Sincerely,

Peter Achterstraat AM

NSW Productivity and Equality Commissioner