

**Submission  
No 82**

## **INQUIRY INTO 2024 ANNUAL REPORT OF THE NET ZERO COMMISSION**

**Organisation:** Australian Conservation Foundation

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17 FEBRUARY 2025

## Submission to the NSW Joint Standing Committee on Net Zero Future – 2024 Annual Report of the Net Zero Commission

1. The Australian Conservation Foundation (ACF) welcomes the opportunity to make a submission to the New South Wales Joint Standing Committee on Net Zero Future's inquiry into the 2024 Annual Report (**the annual report**) of the Net Zero Commission (**the Commission**).
2. ACF is Australia's national environmental organisation. We represent a community of more than 600,000 people who are committed to achieving a healthy environment for all Australians. For more than 50 years, ACF has been a strong advocate for Australia's forests, rivers, people and wildlife. ACF is proudly independent, non-partisan and funded by donations from our community.
3. It is noted from the outset that in 2023 the *Climate Change (Net Zero Future) Act 2023* (**the Act**) was passed in NSW Parliament, legislating emission reduction targets of 50%, 70% and net zero from 2005 levels in 2030, 2035 and 2050, respectively.
4. It is also noted that the annual report of the Commission states that the most recent NSW emissions projections "show NSW barely reaching its targets for 2030 and 2035, but only under the most optimistic assumptions modelled. Otherwise, the projections show NSW falling short of the targets, especially in 2030."<sup>1</sup>
5. ACF makes the following recommendations to get NSW back on track to meeting its emissions targets:
6. **The NSW Government does not approve any coal or gas expansions or extensions.**
  - a. The annual report notes that the Commission is concerned specifically about the risks that coal and gas extensions and expansions pose to NSW achieving its legislated emissions

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<sup>1</sup> Page 10



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targets, citing “pressures for increased emissions associated with new coal mining projects (extensions and expansion of existing mines), with a sizeable pipeline of projects that have been submitted for consideration and determination through the planning process”;<sup>2</sup>

- b. By far the largest of these new coal mining projects is Yancoal and Glencore’s proposed Hunter Valley Operation (HVO) expansion, the largest coal project ever proposed in NSW’s history. If approved HVO would emit lifecycle emissions of 1.2 billion tonnes CO<sub>2</sub>-e, over 35 million tonnes of which would be direct emissions in NSW that would count against the state’s remaining emissions budget. The direct emissions from HVO alone would be equivalent to almost three times the total annual emissions from NSW’s entire resources sector<sup>3</sup> and make achieving NSW’s emissions targets even more challenging;
  - c. As stated in the annual report, failure for the coal and gas projects to ratchet down emissions in line with the NSW’s emissions targets will require other sectors of the state’s economy having to make even steeper emissions cuts by 2030, 2035 and 2050.<sup>4</sup>
7. **That a regulation under the Act be developed which creates a mandatory consideration for relevant planning decision makers to meet NSW’s 2030 and 2035 targets and consider direct and lifetime emissions of coal and gas proposals in the context of the temperature goals outlined in the Paris Agreement.**
- a. Relevant planning decision makers should be defined to include: the Minister for Planning, the Department of Planning and Environment, and the Independent Planning Commission;
  - b. Such a regulation would be in accordance with both Article 2 of the Paris Agreement and the purpose of the Act outlined in section (3.1 [a] and [b]): “...To give effect to the international commitment established through the 2015 Paris Agreement to hold the increase in the global average temperature to well below 2°C above pre-industrial levels, and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels.”

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<sup>2</sup> Page 12

<sup>3</sup> NSW Net Zero Emissions Dashboard

<sup>4</sup> Page 43



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8. **That the EP&A Act regulations be amended to require relevant planning decision makers to consult with the Net Zero Commission for all proposed coal and gas expansions or extensions.**
- a. Such a regulation would be in accordance with two key functions of the Act set out in section (15.1 [c] and [d]), which stipulates that the Commission is “to monitor and review action currently being taken in NSW to address climate change” and “to identify and recommend action that should be taken by the Government of NSW”;
  - b. As noted in point (6) of this submission, the Commission is concerned about the risks that the numerous new coal projects in the planning pipeline pose to NSW achieving its legislated emissions reduction targets. NSW is already not on track to meet these targets, particularly in 2030, and any further coal or gas extensions or expansions will make their achievement even more challenging;
  - c. A moratorium on all coal and gas approvals decisions in NSW should be applied while these regulations are developed.
9. **That the NSW Government legislate a requirement that the Net Zero Commission produce a periodic report on the risks that coal and gas expansions and extensions pose to NSW achieving its emissions reduction targets.**
- a. This report should be published annually, with the Commission’s first interim report published by 30 June 2025;
  - b. As noted in section (6) of this submission, the Commission specifically cited new coal project approvals as a risk to NSW achieving its legislated emissions reduction targets. To address this threat, the Commission should advise on a resources sector emissions target, including a methane target to drive down actual emissions at NSW’s gassy coal mines;
  - c. A moratorium on all coal and gas approval decisions in NSW should be applied while this advice is developed.

