

The Hon Rob Stokes MP
1725 Pittwater Road
MONA VALE NSW 2103

Via email: pittwater@parliament.nsw.gov.au

18 August 2020

Dear Rob,

Urgent clarification regarding misleading information provided by NSW Planning, Industry and Investment to the IPC on Narrabri Gas

I am writing on behalf of Northern Beaches Climate Action Network which is comprised of many of your constituent, to ask you to ensure that your Department urgently briefs the IPC on policy initiatives of the NSW Government to *reduce* the use of fossil gas in NSW over the next 20-30 years. This is required in order to ensure that the IPC has the necessary information to determine the critical need for Narrabri Gas and whether an approval is in the public interest.

All states and territories in Australia – and for that matter in the eastern Australian gas market - have the shared policy goal of net zero emissions by 2050 or earlier (the ACT plans to get to net zero by 2045). With no policy initiatives for carbon capture and storage from fossil gas use in eastern Australia planned, the net zero goal means fossil gas use must decline to close to zero over this time.

On 14 August 2020, David Kitto wrote to the Executive Director, Office of the Independent Planning Commission of NSW in response to questions put to your Department by the IPC. In the letter, Mr Kitto stated that there “*are no express policy initiatives at present that would lend any support to calls to phase out gas use in NSW over the next 20-30 years*”.¹ The letter also makes the claim that emissions “*associated with the ongoing use of gas in NSW over the next 20-25 years by heavy industry, business and over 1.4 million households*” are “*likely to occur whether the Narrabri Gas Project is approved or not.*” These statements are quite misleading. Your government does have policy initiatives to reduce the use of fossil gas in NSW; but the IPC has not been briefed on their existence. These initiatives exist in a policy environment where NSW is committed to a 35% reduction in GHG emissions by 2030, with the policy goal of net zero by 2050.

A briefing on demand management, energy efficiency, zero emission gaseous fuels and electrification policy initiatives that are likely to impact future fossil

¹ NSW DPIE, [‘Response to Independent Planning Commission Questions’](#), provided to the Commission on 14 August 2020, pg 4

gas demand in NSW should be provided to the IPC before the final round of consultation closes this Friday, 21 August at 5pm.

The following is a summary of some of the relevant policy initiatives not mentioned at all in NSW DPIE's assessment report and subsequent correspondence with the IPC:

1. **10% hydrogen target:** the NSW Government has a goal of up to “10% hydrogen in the gas network by 2030”.² This policy initiative is not mentioned in NSW DPIE's Narrabri Gas assessment.
2. **Energy Security Safeguard:** this NSW Government scheme will “accelerate the deployment of energy efficiency technologies which reduce demand on ... gas networks”. This policy initiative is not mentioned in NSW DPIE's Narrabri Gas Assessment.
3. **Biogas, bioenergy and solar thermal potential:** “New South Wales has significant opportunities to switch to cleaner fuels. Bioenergy and solar thermal solutions can replace significant amounts of natural and liquefied petroleum gas (LPG) in industrial use across Australia (IT Power 2015) ... Much of this potential is in regional New South Wales (Energetics 2018, p. iii-iv).”³ This potential is not mentioned in NSW DPIE's Narrabri Gas assessment.
4. **Clean Technology Program:** The NSW Government will establish a substantial Clean Technology Program (with very significant funding) to develop and commercialise emissions reducing technologies. The Clean Technology Program will be supported by a review by the NSW Chief Scientist and Engineer into the commercial opportunities in New South Wales of low emissions technologies.⁴ Neither this Program, nor the NSW Chief Scientist's review (now complete and with Minister Kean) was mentioned in NSW DPIE's Narrabri Gas assessment.

We understand that there are gas use projections from AEMO and others for NSW and the eastern Australian gas market that assume flat demand for the next two decades, however it is not in the public interest to base an entire new fossil gas project assessment on *only* this scenario. This scenario assumes the failure of shared state and territory policy to reduce fossil gas use and get to net zero.

NSW DPIE has informed the IPC that the NSW Climate Change Policy Framework endorses the Paris Agreement and commits to taking action that is consistent with the level of effort to achieve Australia's commitments to the Paris Agreement and complement national action. To deliver on this commitment, it is incumbent on you as Minister to – as a minimum – ensure that the IPC is fully briefed on current and emerging policy drivers to reduce the use of fossil gas in NSW.

² NSW DPIE, Net Zero Plan Stage 1: 2020–2030, March 2020, pg 30

³ NSW DPIE, Energy Security Target and Safeguard: Consultation Paper, April 2020, pg18

⁴ NSW Department of Planning, Industry and the Environment (2020) Net Zero Plan Stage 1: 2020 – 2030, pg 29

We would be happy to meet with you to discuss any of these matters.

Thanks for considering,

yours sincerely,

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