

The Hon Penny Sharpe MLC

Minister for Climate Change, Minister for Energy,
Minister for the Environment, Minister for Heritage,
Leader of the Government in the Legislative Council



Net Zero Emissions and Clean Economy Board

Statement of Expectations 2024

This Statement of Expectations (SoE) sets out the Government's expectations about the roles and responsibilities of the Net Zero Emissions and Clean Economy Board (the Board).

As Minister for Climate Change, Energy, the Environment and Heritage, I am responsible for the *Energy and Utilities Administration Act 1987* (the Act) that includes provisions under section 34W for the establishment of advisory committees. The Board has been established under this section through the *Energy and Utilities Administration Regulation 2021* (the Regulation). The Regulation sets out the Board's advisory role and functions in matters related to the Net Zero Plan, emissions reduction and the transition to a net zero economy.

NSW Government objectives to reduce emissions and promote economic growth

The NSW Government is taking responsible action to reduce emissions and secure the State's economic prosperity for decades to come. We have legislated guiding principles, emissions reduction targets and an adaptation objective under the landmark *Climate Change (Net Zero Future) Act 2023* to provide certainty and opportunity to households, industry and clean energy investors as we take firm climate action.

I ask the Board to consider ways that the NSW Government can build on this progress towards achieving net zero while ensuring that communities thrive as the NSW economy decarbonises. I request that the Board consider opportunities to promote jobs and economic growth through our response to climate change.

Advising on the Net Zero Plan

The Board will advise the Department on the implementation and progress of key programs under the Net Zero Plan: the Net Zero Industry and Innovation Program, the Hydrogen Program, NSW Net Zero Primary Industries Productivity and Abatement Program, the NSW Safeguard Acceleration Program, the NSW Business Decarbonisation Program and the Electric Vehicle programs.

The Department will act as decision maker in relation to Climate Change Fund expenditure on net zero programs within parameters already approved by me. To inform its decision making, the Department will seek and consider the advice of the Board on:

- funding guidelines and merit assessment criteria for grant applications
- awarding of funding unless a funding decision is considered straightforward or lower impact and low risk consistent with a framework approved by the Board.

I request that in providing your advice on these matters, you consider the Net Zero Programs Funding Principles where applicable. The Department will make decisions under the Energy and Utilities Administration Act (Climate Change Fund) Instrument of Delegation 2024.

I may also seek your advice in relation to key matters for the broader Net Zero Plan, including program priorities, governance arrangements, recommendations on improvements to programs and other plans and strategies to achieve the emissions reduction objectives of the State.

A Net Zero Commission will build on the functions of the Board

To strengthen our action on climate change, the NSW Government is establishing an independent Net Zero Commission. It will be a strong, independent, expert body to monitor the state's progress to net zero that will report annually to ensure parliamentary transparency and accountability.

I ask the Board to provide advice on program priorities as the Commission is established.

Conclusion

I look forward to working with the Board throughout the transition to the establishment of the Net Zero Commission to help meet the State's emissions reduction objectives while supporting jobs and creating a resilient, low emissions economy.



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