CLIMATE RESPONSE MINISTERS GROUP MEETING

27 JULY 2021

	Meeting Agenda Items
Date	**Tuesday 27 July 2021, 3pm**
Main items	Out of Scope **Agenda item 2:** Emissions Reduction Plan **Agenda item 3:** The role of the Emissions Trading Scheme in driving gross emissions reductions; and forestry removals within the ETS Out of Scope

Date	Time	Location	Attendees
Tues 27 July 2021	1500 - 1600	Room EW 2.1 and Zoom meeting	**Chair:** Rt Hon Jacinda Ardern, Prime Minister **Deputy Chair:** Hon James Shaw, Minister for Climate Change Hon. Nanaia Mahuta – Minister of Foreign Affairs; Local Government; Associate Māori Development Hon. Stuart Nash – Minister of Forestry; Minister for Economic Development Hon. Damien O'Connor – Minister of Agriculture; Minister for Biosecurity Hon. David Parker – Minister for the Environment Hon. Michael Wood – Minister of Transport Hon. Poto Williams - Minister of Building and Construction Hon. Willie Jackson – Minister for Māori Development **Apologies:** Hon. Grant Robertson – Minister of Finance; Minister of Infrastructure Hon. Megan Woods – Minister of Energy and Resources; Minister for Housing Hon. Carmel Sepuloni – Minister of Social Development and Employment

#	Time	Agenda Item	Recommendations
1	1500 - 1520	Out of Scope	

2	1520-1535	**Lead Speaker: Minister Shaw** **Emissions Reduction Plan**

This item will consider emissions reduction plan (ERP) issues ahead of consideration by Cabinet in August of the draft ERP consultation document. This item will focus on the projected shortfall between the Climate Change Commission's recommended emissions budget for 2022-2025 and quantification of existing and proposed policies.

Supporting Documents: *Emissions Reduction Plan* (slide deck)

6. ***Note*** *that public consultation on the ERP is scheduled to occur from late August to early October*
7. ***Note*** *that decisions to be made on emissions budgets are strongly linked to the ERP as the ERP must set out the policies to meet the first emissions budget*
8. ***Note*** *that policies identified and quantified by agencies, at present, fall well short of meeting the first emissions budget (as proposed by the CCC)*
9. s 9(2)(g)(i) [redacted]
10. ***Note*** *that due to revisions to the Government's official projections, including projected increases in agriculture emissions and fewer forestry removals in the first budget period, meeting the Climate Change Commission's recommended emissions budget for 2022-2025 will require 12.2 $MtCO_2e$ abatement*
11. ***Direct*** *officials within the Ministry for the Environment, Ministry of Business, Innovation and Employment, Ministry of Primary Industries, Ministry of Transport and Treasury to identify further policy options to address the shortfall and include content (including specific questions) in the emissions reduction plan consultation to enable these options to be progressed*

3	1535 - 1555	**Lead Speaker: Minister Shaw (part A) and Minister Nash (part B)** **The role of the Emissions Trading Scheme in driving gross emissions reductions; and forestry removals within the ETS**

This item will consider two inter-related topics: (a) The role of price and the NZ ETS (working with other regulatory and policy mechanisms) in driving gross emissions abatement in future emissions budgets periods – s 9(2)(f)(iv) [redacted] and (b) implications for forestry and its role within the ETS.

Supporting Documents: *(A) The role of the ETS in New Zealand's transition to a low emissions society* (slide deck)*; and (B) The role of forestry in achieving NZ's climate response goals* (slide deck)

12. ***Note*** *that the Climate Change Commission has recommended*
    a. *Amending the NZ ETS to strengthen the incentive for gross emissions reductions and to manage the amount of exotic forest planting the NZ ETS drives*
    b. *Updating NZ ETS unit supply and price control settings to:*
        - *Align unit volumes with emissions budgets, taking into account the need to reduce the NZU stockpile.*
        - *Increase the cost containment reserve trigger price to $70 at the first possible opportunity and then every year by at least 10% plus inflation.*
        - *Maintain continuity with recent prices, by increasing the auction reserve trigger price to $30 as soon as practical, followed by annual increases of 5% plus inflation per year.*
13. ***Note*** *that a coherent strategic package of policies, including price /ETS, targeted sectoral policies, and investment is needed in the emissions reduction plan (ERP) to achieve New Zealand's climate targets*
14. s 9(2)(g)(i) [redacted]

16. s 9(2)(g)(i)

17. s 9(2)(f)(iv)

18. ***Direct*** *officials to prepare consultation material on the ERP that:*

    a. *Explains why a coherent strategic package of emissions pricing, targeted sectoral policies and investment is the most effective way to achieve New Zealand's climate targets*

    b. *Explains the importance of gross emission reductions in New Zealand's transition*

    c. *Note the Commission's advice in order to directly respond to the recommendation*

    d. *Sets out the current evidence for this recommendation*

    e. *Notes the high-level regulatory, ETS, or other options which may be considered during the work programme, including the status quo*

    f. *Seeks feedback on (c) through (e)*

    g. *Notes MfE, MBIE, MoT, Treasury and MPI will assess the problem, high-level options, and feedback;*

    h. s 9(2)(f)(iv)

19. s 9(2)(f)(iv) .

4	**1555-1600**	Out of Scope

CLIMATE RESPONSE MINISTERS GROUP MEETING: MINUTES AND RECOMMENDATIONS

Tuesday 27 July 2021, 3 – 4pm

Chair: Rt Hon Jacinda Ardern, Prime Minister
Deputy Chair: Hon James Shaw, Minister of Climate Change
Hon David Parker – Minister for the Environment
Hon Michael Wood – Minister of Transport
Hon Stuart Nash – Minister of Forestry; Minister for Economic Development

Apologies:
Hon Grant Robertson – Minister of Finance; Minister of Infrastructure (Office in attendance)
Hon Megan Woods – Minister of Energy and Resources; Minister for Housing (Office in attendance)
Hon Damien O'Connor – Minister of Agriculture; Minister for Biosecurity (Office in attendance)
Hon Nanaia Mahuta – Minister of Foreign Affairs; Local Government; Associate Māori Development
Hon Poto Williams - Minister of Building and Construction
Hon Carmel Sepuloni – Minister of Social Development and Employment
Hon Willie Jackson – Minister for Māori Development

Out of Scope

Out of Scope

Out of Scope

Item 2: Emissions reduction plan

Ministers discussed the issue that the current policies in the draft Emissions Reduction Plan (ERP) are estimated to deliver only 25-50% of the abatement required to meet with Climate Change Commission's recommended budgets.

Ministers noted that the current draft was too "strategy heavy" and that more specific policy interventions were needed for inclusion in the ERP. Ministers also discussed the need to encourage private sector actors to participate in the abatement required, as well as some of the specific risks over the first budget period that, if they eventuated, would make meeting the budget difficult.

The Climate Response Ministers:

5. **Noted** that public consultation on the ERP is scheduled to occur from late August to early October
6. **Noted** that decisions to be made on emissions budgets are strongly linked to the ERP as the ERP must set out the policies to meet the first emissions budget
7. **Noted** that policies identified and quantified by agencies, at present, fall well short of meeting the first emissions budget (as proposed by the CCC)
8. **Directed** officials within the Ministry for the Environment, Ministry of Business, Innovation and Employment, the Ministry of Primary Industries, the Ministry of Transport and Treasury to work to enhance the abatement opportunities across the key sectors (transport, energy and industry, building and construction, agriculture, waste and HFCs, and forestry) in order to better meet the 8.12 Mt C02e abatement required by the Climate Change Commission's recommended emissions budget for 2022-2025
9. **Noted** that due to revisions to the Government's official projections, including projected increases in agriculture emissions and fewer forestry removals in the first budget period, meeting the Climate Change Commission's recommended emissions budget for 2022-2025 will require 12.2 MtCO2e abatement

10. **Directed** officials within the Ministry for the Environment, Ministry of Business, Innovation and Employment, Ministry of Primary Industries, Ministry of Transport and Treasury to identify further policy options to address the shortfall and include content (including specific questions) in the emissions reduction plan consultation to enable these options to be progressed

11. **Invited** the Minister of Climate Change to conduct bilateral meetings with each of the Ministers responsible for leading an Emissions Reduction Plan chapter, to ensure that each chapter was delivering sufficient concrete policies to reduce emissions to meet the Climate Change Commission's recommended emissions budgets.

Item 3: The role of the Emissions Trading Scheme in driving gross emission reductions; and forestry removes within the ETS

This item opened with Ministers noting agreement amongst agencies regarding the proposed recommendations. s 9(2)(g)(i) [redacted] Discussion also canvassed incentives for afforestation on unproductive land.

The Climate Response Ministers:

12. **Noted** that the Climate Change Commission has recommended:
    a. Amending the NZ ETS to strengthen the incentive for gross emissions reductions and to manage the amount of exotic forest planting the NZ ETS drives
    b. Updating NZ ETS unit supply and price control settings to:
        - Align unit volumes with emissions budgets, taking into account the need to reduce the NZU stockpile.
        - Increase the cost containment reserve trigger price to $70 at the first possible opportunity and then every year by at least 10% plus inflation.
        - Maintain continuity with recent prices, by increasing the auction reserve trigger price to $30 as soon as practical, followed by annual increases of 5% plus inflation per year.

13. **Noted** that a coherent strategic package of policies, including price /ETS, targeted sectoral policies, and investment is needed in the emissions reduction plan (ERP) to achieve New Zealand's climate targets

14. s 9(2)(g)(i) [redacted]

15. s 9(2)(g)(i) [redacted]

16. s 9(2)(g)(i) [redacted]

17. s 9(2)(f)(iv) [redacted]

18. **Directed** officials to prepare consultation material on the ERP that:

a. Explains why a coherent strategic package of emissions pricing, targeted sectoral policies and investment is the most effective way to achieve New Zealand's climate targets

b. Explains the importance of gross emission reductions in New Zealand's transition

c. Notes the Commission's advice in order to directly respond to the recommendation

d. Sets out the current evidence for this recommendation

e. Notes the high-level regulatory, ETS, or other options which may be considered during the work programme, including the status quo

f. Seeks feedback on (c) through (e)

g. Notes MfE, MBIE, MoT, Treasury and MPI will assess the problem, high-level options, and feedback;

h. s 9(2)(f)(iv) [redacted]

19. s 9(2)(a) [redacted]

Out of Scope [redacted]

[redacted]

ENDS

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Emissions reduction plan

For discussion by the Climate Response Ministerial Group on 27 July 2021

Purpose

The purpose of today's meeting is to discuss:

- the policies currently proposed in the Emissions Reductions Plan
- the shortfall between the Climate Change Commission's recommended emissions budget for 2022-2025 and the policies identified and quantified by agencies to date
- the relative balance between identifying work programmes and preparing strategies in the ERP and committing to specific policies in the consultation document
- how to scale up the abatement from policies for inclusion in the ERP now and over its lifetime
- communicating the consultation document.

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The Commission's recommended emissions budgets

Emissions budget 1 (2022 – 2025)

- → **Total: 290 $MtCO_2e$**
- → Annual average: 72.4 $MtCO_2e$ (AR5)

Emissions budget 2 (2026 – 2030)

- → **Total: 312 $MtCO_2e$**
- → Annual average: 62.4 $MtCO_2e$ (AR5)

Emissions budget 3 (2031 – 2035)

- → **Total: 253 $MtCO_2e$**
- → Annual average: 50.6 $MtCO_2e$ (AR5)

The emissions reduction plan must set out the policies to achieve the first emissions budget. It can also include policies to drive reductions in the second and third budget periods.

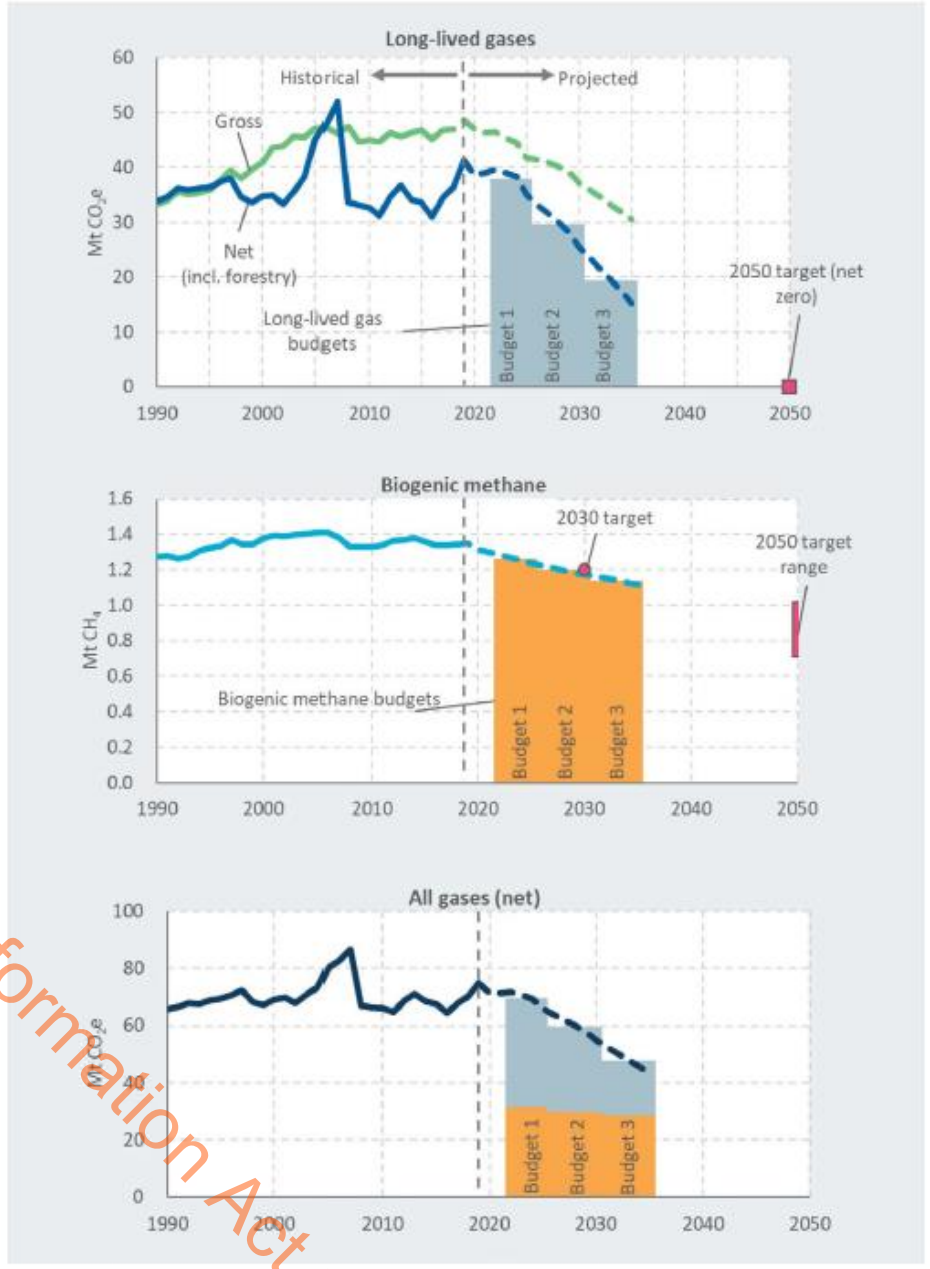

Figure 5.3: These three figures show how our proposed emissions budgets would step Aotearoa towards its emissions reduction targets. The top figure shows long-lived greenhouse gases, the middle figure shows biogenic methane, and the bottom figure shows all gases combined as CO_2-equivalent.
Source: Commission analysis.

Emissions Reduction Plan Timeline

Scheduled Climate Response Ministerial Group Meetings (CRMG) and other key dates

Climate Response Ministerial meeting # 5	**Climate Response Ministerial meeting # 6**	**Cabinet**	**Cabinet**	**Consultation starts**	**Submissions Analysis**
27 July 2021	*10 August 2021*	*12 August – ENV* *16 August 2021 - Cabinet*	*16 August – ENV* *23 August 2021 – Cabinet*	*24 August 2021 (TBC)*	*4 - 17 October 2021 (TBC)*

Key issues and decisions

Agenda: 1) Out of Scope 2) Discussion on Emissions Reduction plan's abatement potential? 3) NZ's transition pathway, discussion on gross emissions reductions, ETS price & policies	Agenda: 1) Out of Scope 2) Finalising Emissions Reduction Plan consultation (and emissions budgets if needed)	• Initial decisions on Emissions Budgets (in-principle decision over intention to accept or amend Commission's proposed budgets)	• Approval to consult on Emissions Reduction Plan (and emissions budget if needed)	• 24 August – 3 October 2021. Public consultation on New Zealand first Emissions Reduction Plan	

Scheduled Climate Response Ministerial Group Meetings (CRMG) and other key dates

Climate Response Ministerial meeting # 7	**Cabinet**	**COP26**	**Cabinet**	**Last sitting day**	**Publish Emissions Reduction Plan**
late September 2021 (TBC)	*20 October – DEV* *25 October 2021 - Cabinet*	*1 – 12 November*	*18 November - ENV* *22 November - Cabinet*	*15 Dec 2021*	*By 31 December 2021 (statutory deadline)*

Key issues and decisions

Agenda: 1) Accountability framework for the Emissions Reduction Plan (TBC)	**Decisions on:** • Part I of Emissions Reduction Plan* • Emissions budgets decisions ** The Emissions Reduction Plan will also be New Zealand's long-term low emissions development strategy*	Communicate Part I of Emissions Reduction Plan and NDC to UNFCCC for COP26	• Final decisions on Emissions Reduction Plan (and Final decisions on emissions budgets if not made in October pre-COP27) *To allow time for finalisation of documents for gazetting and publication

Government emissions projections have revised upwards, making the Commission's recommended budget for 2022-2025 more challenging

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- The counterfactual (i.e. the baseline, base case, reference case) is what we expect future emissions to be if we **do not** implement any additional policies. The counterfactual, both nationally and for given sectors, could show expected emissions rising or falling, depending on existing policies.
- The Commission's counterfactual uses its Current Policy Reference (CPR) and the Government's counterfactual uses the official projections. Initially, the **difference** between them was only approx. 0.5 Mt CO_2e in the first budget period.
- However, **after publication** of the Commission's final advice, new land use intentions survey data and a range of other factors caused the official projections to be **revised upwards.** In the first budget period this resulted in more expected emissions from agriculture and less expected removals from forestry.
- The abatement required in the first budget period differs depending on the counterfactual:
  - Based on the Commission's CPR, we need to reduce emissions by 8.1 Mt CO_2e to meet the first budget.
  - Based on the Government's projections, we need to reduce emissions by 12.2 Mt CO_2e to meet the first budget.
- This means it will be **more difficult** to achieve the first budget recommended by the Commission.
- However, it will be **easier** to achieve the second and third budgets, as the revised projections now expect emissions in those periods to be less than previously thought.
- The Government's new projections are still within the range of headwind and tailwind scenarios considered by the Commission. This means that they are not inconsistent with the Commission's view that its demonstration path is achievable, but it does increase the challenge in the first budget period.

Will our policies enable us to meet the Commission's recommended first emissions budget?

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The policies quantified to date fall well short of the reductions needed to deliver the Commission's recommended budget for 2022-2025

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- The Commission's demonstration path indicates the reductions that could be achieved in each sector.
- Significant new transport policies are being developed. While expected to meet or exceed the Commission's anticipated reductions in the first budget period, this is not the case when assessed against the Government baseline.
- Energy and industry policies make a strong contribution but may not deliver the reductions expected by the Commission – and there are inherent uncertainties around the emissions baseline (e.g. dry-year risk and Tiwai Point).
- Waste and HFCs are a small but important part of the picture where bold new policies are being rapidly developed but may not be able to deliver in time (and data uncertainties for waste are particularly high).
- Agriculture policies are not yet in place to deliver the additional reductions the Commission sees as possible in the first budget period. Farm-level emissions pricing and new technologies are likely to help in future budgets.
- For forestry, new planting rates are on the rise. In the short term, this leads to increased emissions due to soil and vegetation clearance, which may create a gap for expected removals in the first budget period.
- **There are large uncertainties around all aspects of the quantification – baselines, projections, assumptions, expected policy impacts - but, regardless, it is clear more policy impact will be needed.**

s 9(2)(g)(i)

Policies quantified to date fall well short of the Commission's recommended first emissions budget

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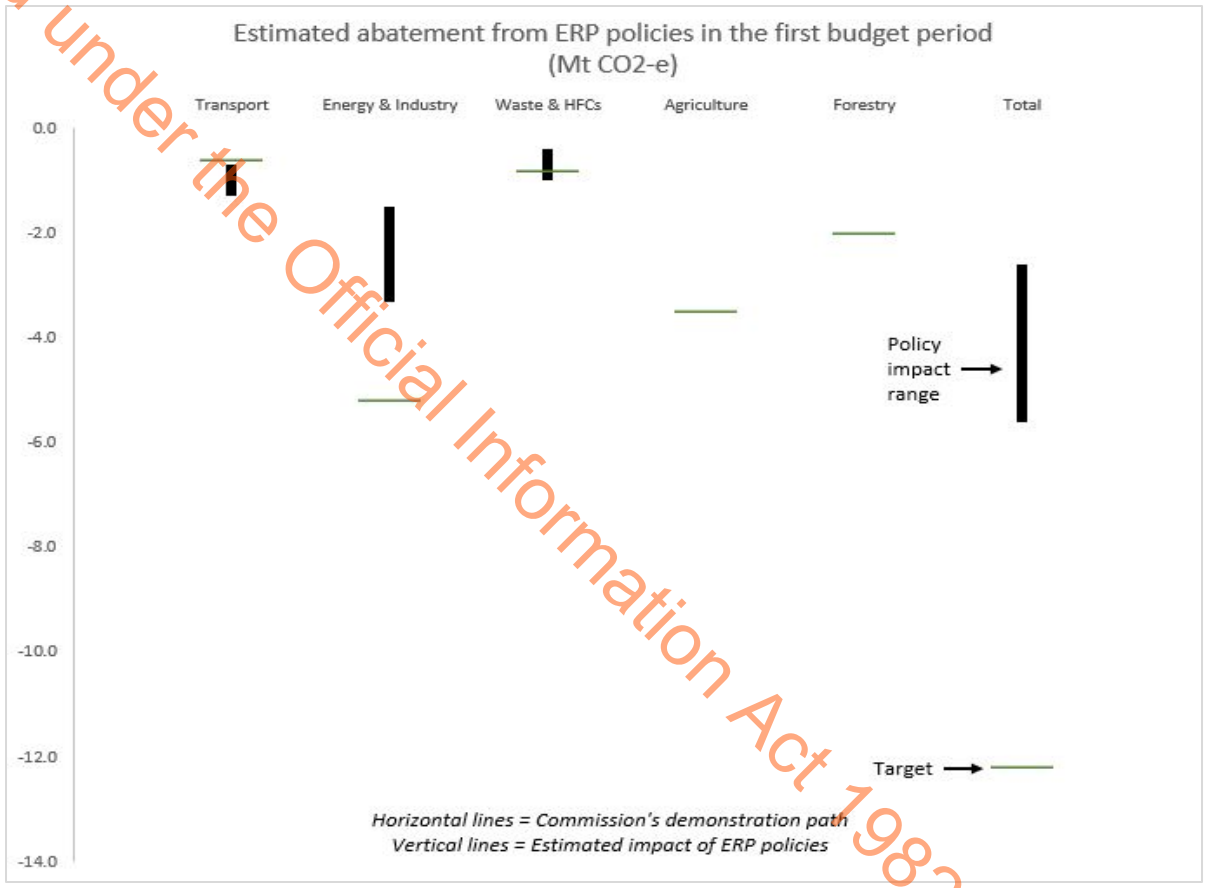
s 9(2)(g)(i)

This diagram shows the estimated abatement from each sector based on policies currently intended for inclusion in the emissions reduction plan compared to the Commission's recommended budget

The green horizontal lines show the level of abatement indicated in each sector to meet the Commission's demonstration path.

The vertical black bars show the emissions reductions estimated from policies being put forward as part of the ERP. The range indicates levels of uncertainty.

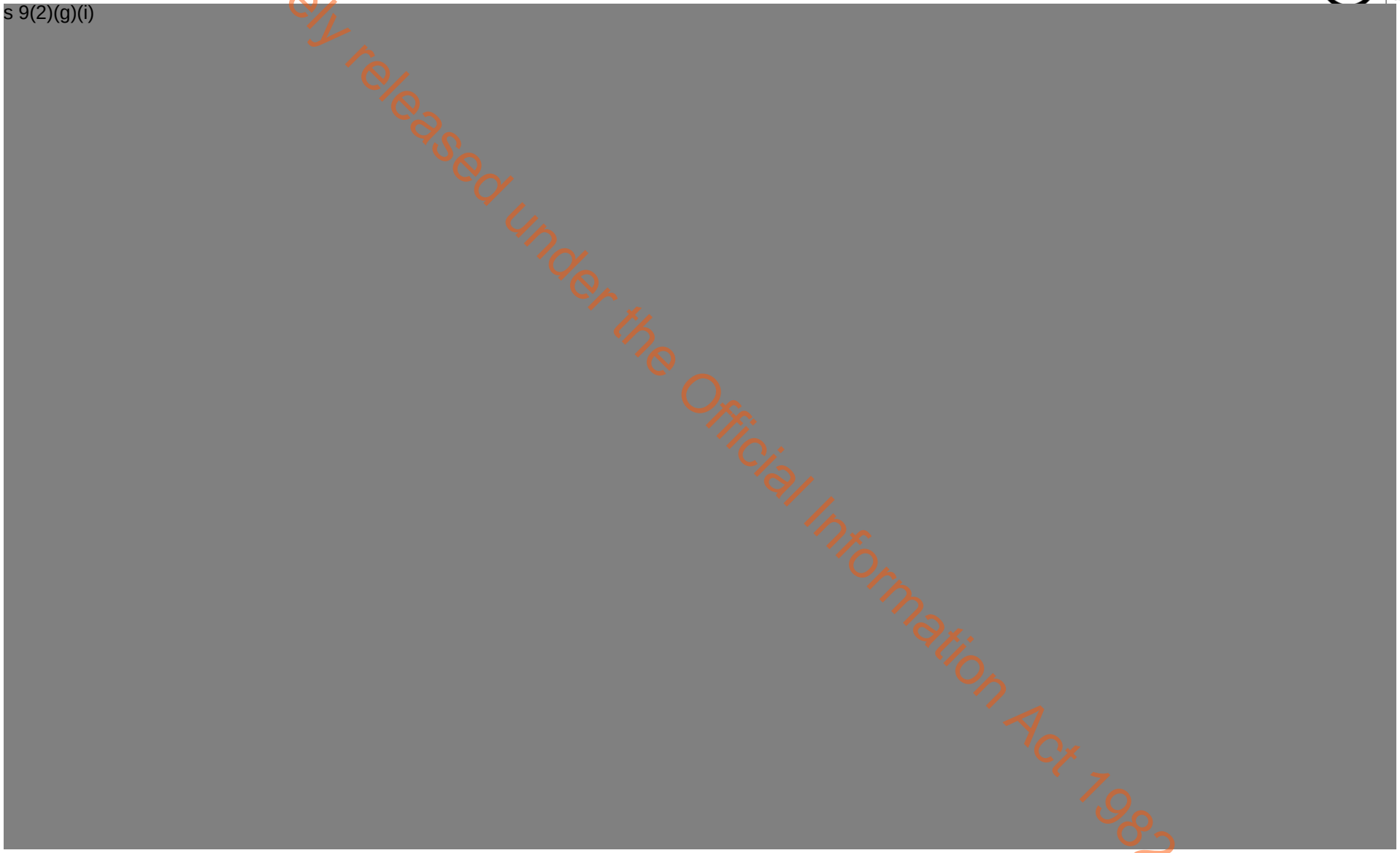
Note: Some policy impact estimates are provisional and other policies do not currently have estimates of emissions abatement that can be provided. The uncertainty of the estimates should be considered high.



Compared to the official projections.

Policies quantified to date fall well short of the Commission's recommended emissions budget for 2022 - 2025

s 9(2)(g)(i)



s 9(2)(g)(i)

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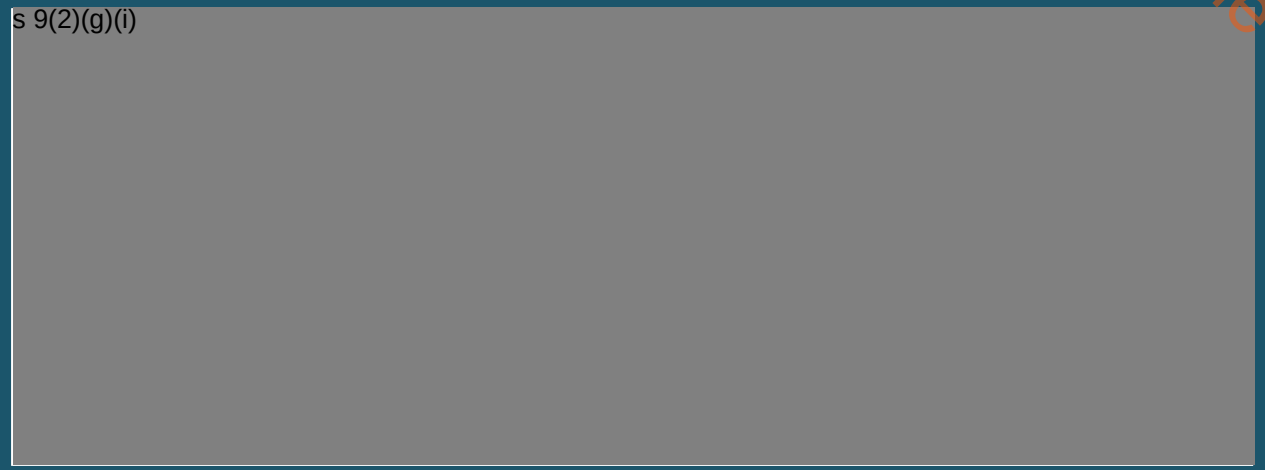
APPENDIX

s 9(2)(g)(i)



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The role of the ETS in New Zealand's transition to a low emissions society

Effectively and efficiently achieving gross emission reductions and net-zero in 2050 and beyond

Key messages

- The Climate Change Commission has recommended changes to the ETS to deliver the incentives needed to achieve emissions budgets and deliver gross emission reductions by:
  - amending the ETS to strengthen incentives for gross emissions reductions and manage the amount of exotic forest planting driven by the ETS **(focus of this presentation)**
  - Increasing the ETS price corridor as soon as possible **(Cabinet is considering this paper next week)**
- Meeting our climate change goals requires a coherent strategic package of policies including emissions pricing, sectoral policies and investment. Flexibility is needed to manage significant uncertainties.
- A rising ETS price is necessary for achieving New Zealand's first three emissions budgets, contributing up to 1/3 of the gross emission reductions required. Without this contribution, the gap between currently-identified policies and the recommended emissions budgets would be even greater.
- To ensure the ETS and supporting policy measures work as intended, ETS prices need to reach a level that is consistent with the policy efforts required. Higher ETS prices and a clear price trajectory will be important in supporting gross emissions reductions in energy, transport and industry. The expectation of a rising future emissions price path informs private investment decisions and aligns these better align with a future low-carbon economy. This influences technology choices and also the direction of future economic development.

s 9(2)(g)(i)

[redacted]

Gross and net emissions reductions are both important in New Zealand's low-carbon transition

- **New Zealand's emissions targets:**
  - Nationally Determined Contribution under the Paris Agreement (NDC) and our domestic emission budgets under the Climate Change Response Act (CCRA) are for economy-wide ***net emissions***
  - The CCRA target for biogenic methane (agriculture and waste) is a 10% reduction in ***gross emissions*** in 2030, and a 24-47% reduction in 2050.
  - The CCRA target for other gases (energy, transport, industry, agricultural nitrous oxide) is for ***net emissions*** to be at or below zero in 2050 and thereafter

- **Net emissions** reflect the full impact of our emissions and removals on the atmosphere. New Zealand's large potential for moderate-cost forestry planting reduces the cost of meeting net emissions targets. While afforestation may shift the burden of making gross reductions into the future, it can also ease the pace of the transition and avoid abrupt shifts.

- **Gross emission reductions** are important for New Zealand to keep pace with - and seize the market opportunities from - the global technology shift in energy, transport and industry; to avoid shifting the effort of making gross emission reductions to our children and future generations; and to avoid the ongoing need for land to be converted into forestry in the future. Under the Paris Agreement there is now greater focus on the transition to low-carbon economies rather than only on meeting net emissions targets.

Gross emissions includes emissions from agriculture, waste, energy, transport, industrial processes and product use (e.g. cement)

Net emissions = gross emissions combined with emissions and removals from land use and land-use change and forestry.

The Climate Change Commission has recommended greater focus on gross emission reductions

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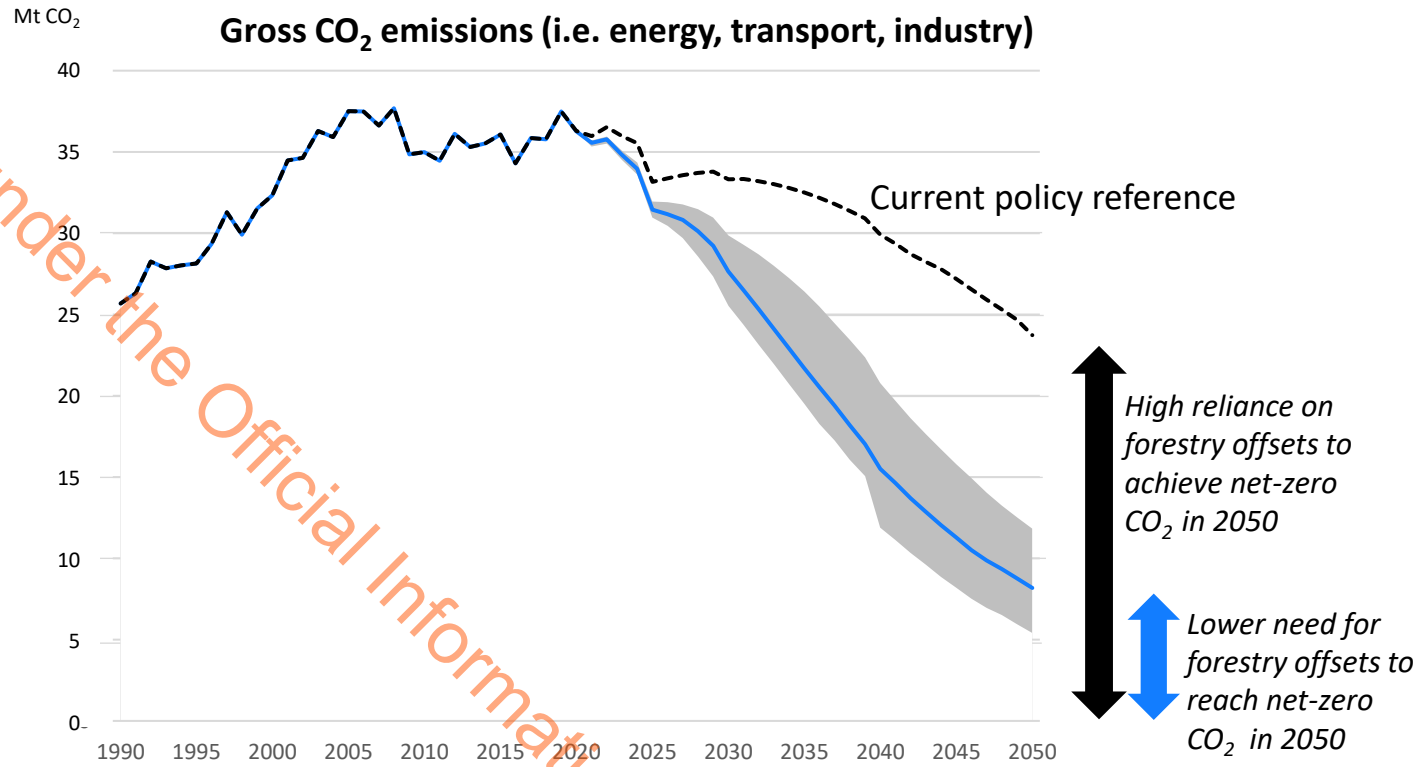
"Meeting targets in a way that locks in net zero requires rapid and sustained action to 2050. This means people need to decarbonise the sources of long-lived greenhouse gas emissions wherever possible, and only use carbon removals to offset emissions from hard-to-abate sectors."

- Gross emissions have increased by 26% since 1990. They are only projected to fall slowly under current policy settings (dashed line).
- Gross reductions in energy, transport and industry are affected by technology development internationally: in a "Headwinds" or "Tailwinds" world (grey range in graph) it will be harder/easier to make gross emission reductions.
- The Climate Change Commission's reduction pathways reduce gross CO_2 emissions more slowly than the average rate for advanced economies consistent with 1.5°C (based on International Energy Agency analysis), relying on New Zealand's moderate-cost forestry potential to avoid the most expensive international options to reduce gross emissions.



Current NZ ETS design:

- The NZ ETS has been in operation since 2008
- It is currently set up to control *net emissions*: emission reductions and forestry removals can be counted equally. The NZ ETS is unique internationally in this respect: other schemes limit gross emissions.
- 2020 major reforms to the scheme included:
  - Enabling a cap on emissions covered by the scheme
  - Government unit auctioning and auction price controls
  - Phase-down of industrial allocation
  - Putting in place a backstop to price animal and fertilizer emissions (with provision for an alternative pricing mechanism)
- Units are supplied via auctions, industrial allocations and for emissions removals, mainly from forestry
- Recently announced commitment to recycle auction revenue to achieve more emissions reductions

Climate Change Commission ETS Advice:

- *Amend the ETS to strengthen incentives for gross emissions reductions and manage amount of exotic forest incentivised by the ETS*
- *Increase CCR trigger price to $70 (from $50) increasing by 10% plus inflation, and the auction floor to $30 (from $20) increasing by 5% plus inflation*
- *Establish an effective market governance regime*
- *Review industrial allocation policy and implement phase-down*
- *Develop a plan for recycling proceeds from the ETS*
- *Provide more information about adjustments to ETS settings*
- *Clarify role and avenues for voluntary mitigation*

A rising ETS price is necessary to achieve emissions budgets

- Emissions pricing provides a financial incentive to reduce emissions in covered sectors of the economy. This helps lower the overall economic cost of achieving emissions reductions and leads to reductions from sources that targeted policies might not otherwise reach.

- The expectation of a rising future emissions price path informs private investment decisions and aligns these better with a future low-carbon economy. This influences technology choices and also the direction of future economic development.

s 9(2)(g)(i)

s 9(2)(g)(i)

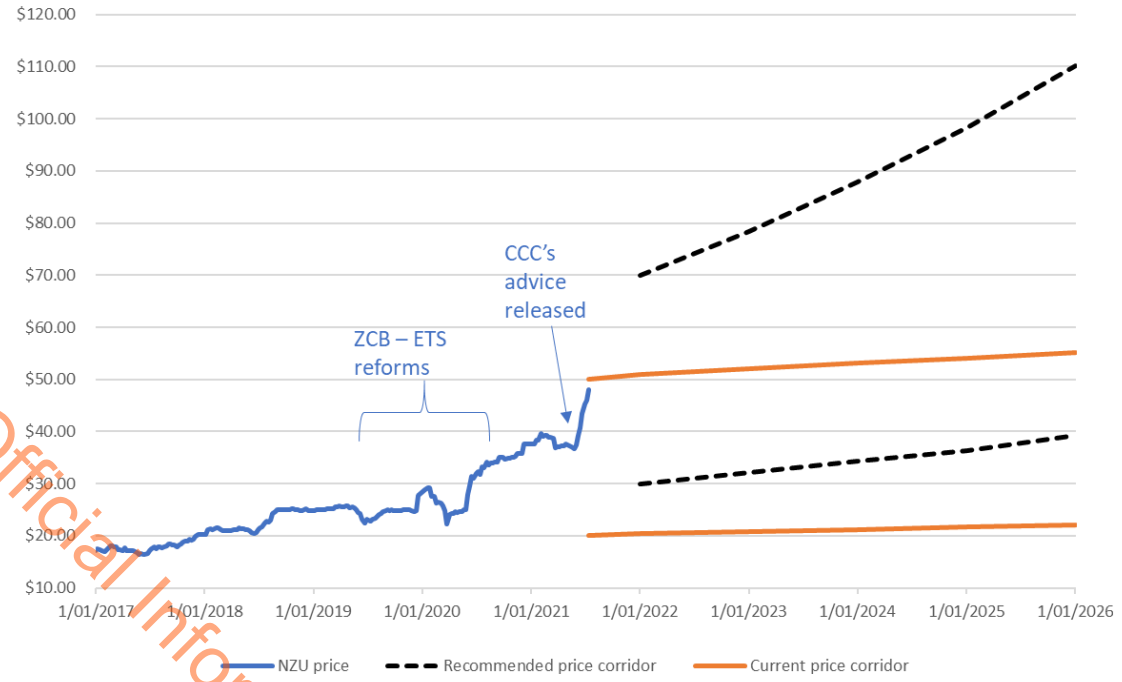
Updating the NZ ETS price corridor

- The Commission has recommended raising and widening the ETS price corridor (black dashed lines) between the auction price floor and cost-containment reserve trigger price.

s 9(2)(f)(iv)

- In the short term, the ETS market price is influenced by the stringency of the ETS cap, costs of reductions and removals, the impact of complementary policies, the stockpile of banked allowances, economic conditions, and free allocation. In the long term, the price is driven by the costs of investments to reduce or remove emissions. The price corridor does not itself set the price.
- The Commission find little impact on electricity prices in this price range. Petrol prices would rise (up to 30 cents per litre by 2035) but households which replace an ICE car with an electric one could save more than $1300 a year. Petrol price impacts can be considered in the ERP distributional impacts strategy and through transport policies.
- From 2022, the Commission will provide annual advice on ETS settings for the following five-year period, and the Minister must provide reasons for diverging from the Commission's advice.

NZU market price; and current and proposed price corridors



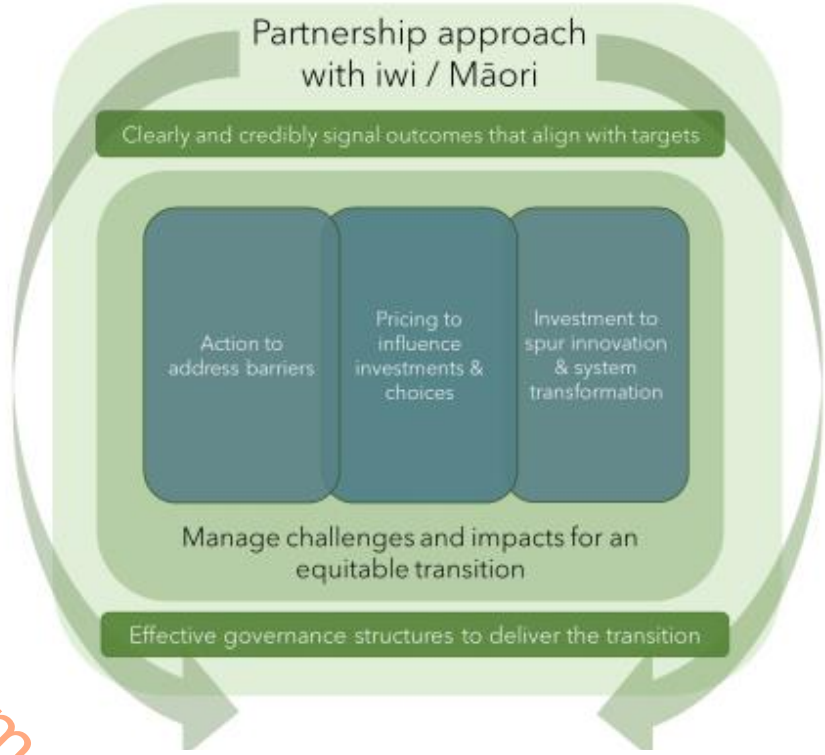
s 9(2)(f)(iv)

The ETS price works in synergy with other policies

- The ERP will explain that a coherent and strategic mix of emissions pricing, sectoral policies and investment is the most effective way to meet New Zealand's climate targets.

- International best practice in climate policy (e.g. recommended by World Bank, OECD) is to implement a combination of emissions pricing, targeted sectoral policies, and support for innovation and infrastructure.

  - Emissions pricing has economy-wide reach, affecting all production and consumption decisions.
  - However, emissions pricing alone fails to achieve many low-cost emissions reductions opportunities, because there can be other barriers to emissions reductions and investment decisions in our economy and society aren't always made by optimising costs (that is, our real world does not always look like an economics textbook).
  - These policies do not substitute for the ETS price: they work with it (e.g. the recently implemented clean car package)
  - Innovation and low-emissions infrastructure to support system transformation are essential elements of the long-term decarbonisation pathway, and will require direct investment in the short term.
  - Total reliance on emissions pricing would not lead to a cost effective transition and would create challenges for a just transition. The impacts of high emissions prices would be unequal across sectors and unfair to vulnerable groups in society.
  - For the private sector, Government assistance can help to drive and accelerate emissions reductions (e.g. reducing upfront capital cost through the Government Investment in Decarbonising Industry programme). However, broad and sustained low-emissions investments can best be delivered if energy prices align to make the investment economic



The Commission's advice positions emissions pricing, actions to address barriers, and investment in system transformation as the three "pillars" of a comprehensive climate policy package

s 9(2)(f)(iv) and s9(2)(g)(i)

ERP Consultation

s 9(2)(g)(i)

Other agency views

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s 9(2)(g)(i)