

Media Release

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Victorian Government backs energy efficiency and electrification to drive down bills

Energy experts have welcomed proposed legislative changes that will ensure energy efficiency and electrification play their full role in driving down energy bills, lowering emissions, and helping address pressing issues like the looming gas supply shortfalls forecast by AEMO this week.

Since 2009 the Victorian Energy Upgrades (VEU) program has provided energy performance upgrades to hundreds of thousands of businesses and millions of households. Under the amendments passed today, the VEU has been extended to 2045, aligning the program with the state's target for achieving net zero emissions.

“This is a strong proposal. It signals the Victorian Government understands energy efficiency and electrification are critical to Victoria's energy transition, and that the VEU will continue to help households and businesses invest in the technologies that will save them money and cut emissions,” said Luke Menzel, CEO of the Energy Efficiency Council, the peak industry association for electrification and energy management.

“Electrification of homes and businesses has another benefit too – it helps us deal with gas supply shortfalls. As AEMO has noted this week, the gas Victorians have relied on from the Bass Strait is running out, and all the backup supply options are very expensive. The good news is that households and businesses switching from gas to electric appliances and equipment are already helping prevent serious gas shortages. Programs like the VEU which help build on that momentum and get even more households and businesses off gas means less money spent on pricey supply side options.”

In addition to extending the VEU until 2045, the proposed amendments provide the Essential Services Commission with powers to better protect consumers and ensure the VEU can support the rollout of complementary policies currently under consideration, such as minimum energy performance standards for rentals.

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“We are 100% behind any changes that improve customers’ experiences with the VEU – particularly vulnerable households – so expanding the ESC’s oversight of installations is a welcome improvement to the scheme.”

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About the Energy Efficiency Council

The Energy Efficiency Council is a not-for-profit membership association for businesses, universities, governments and NGOs. The EEC works to build sophisticated markets for energy management products and services that deliver a prosperous, net zero Australia with:

- Affordable, reliable energy;
- Healthy, comfortable buildings; and
- Productive, competitive businesses.

Learn more at eec.org.au