

ESIA Media Release

10 March 2021

Yallourn closure 100 per cent offset with Energy Upgrades program, peak demand scheme will further offset electricity demand squeeze

The Victorian Energy Upgrades (VEU) program will offset 77 per cent of the electricity generation that will cease when Yallourn coal-fired power station is closed by Energy Australia in 2028, as announced today. The lights will even more assuredly stay on - particularly during peak summer demand events - if the Victorian Government introduces a peak demand reduction scheme like New South Wales is doing from 2022.

ESIA calculations are based on Yallourn's sent out 2020 electricity generation of 8,300GWh adjusted down to 7,802 GWh due to transmission and distribution losses: and the VEU 2025 targets remaining the same from 2026-2030. So, energy upgrades implemented under the VEU over the next 7.5 years (2021-2028) will offset 77 per cent of Yallourn's annual generation. By the end of 2030, the VEU will have offset 100 per cent of Yallourn's 2020 generation.

"Now is an exciting time for the demand side of the electricity sector as we see that policies and mechanisms now in place can be ramped up, like the VEU since 2009. The VEU is proven and quietly supporting a smooth transition to cleaner electricity supply," said president of the Energy Savings Industry Association (ESIA), Rod Woolley.

"VEU targets are set to 2025 and we call for bi-partisan support to strengthen those targets from 2026 to 2030, and extension of the scheme as NSW has done to 2050 in line with a net zero emissions target.

"In addition, financial incentives for households and businesses to get smarter with their energy use during peak demand events, like hot summers, will further ensure that all Victorians enjoy cheaper and more secure electricity supply all the time – not just at critical times," concluded Mr Woolley.

Energy savings schemes are a robust and internationally recognised mechanism to support the transition to renewables and supporting fuel switching from gas. We have had bi-partisan support for strengthening of the VEU for the past five years.

... Ends

Media contact: Jessica Lynch, M 0417 539 377, comns@esia.asn.au