

## ESIA Media Release

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### **Victoria's energy savings scheme kicking climate goals: strong targets needed post 2020 will reduce more energy bills**

Victoria's energy savings scheme continues to kick significant goals saving more than 6.4 million tonnes of greenhouse gas emissions in 2018 which brings the total to almost 52 million tonnes of abatement since the scheme started in 2009. Households that undertook approved lighting, water heating, refrigeration and other upgrades that attract a financial incentive saved an annual average of \$176 and businesses \$4,200 off their energy bills according to an annual report released today. Those savings compounding year-on-year are saving billions of dollars for energy customers.

The VEU is critical to achieving Victorian interim emission reduction targets which a recent independent report to government recommended should be 32-39% below 2005 levels in 2025 and 45-60% in 2030. (The 60% is in line with Climate Change Authority recommendations to stay within a 1.5 Degree Celsius temperature rise.)

"We commend the Victorian Government on its continued strengthening of this program over the past ten years and look forward to a further decade of commitment so significantly more savings can be achieved," said the President of the Energy Savings Industry Association (ESIA), Mr Rod Woolley.

A five-yearly review of the VEU will commence by the end of 2019 and industry is anticipating that the scheme will be easier to access for more Victorians with a greater range of upgrade opportunities.

"We want old clunker air-conditioners changed out rapidly which will require a significant financial incentive, as households and businesses don't bother otherwise - even though inefficient systems cost more to run. High volume change-outs will drive down peak demand significantly. This is especially high impact during high temperature days throughout summer when air conditioners go on simultaneously across Victoria - and in neighbouring heat-affected South Australia and New South Wales which all share power supply through massive transmission lines and interconnectors.

"The VEU is driving technology transformation locally, across Australia and even internationally. (Since 2009, more than 14,000 innovative, energy-saving products have been introduced to the market via the program.) Without these schemes, we would all still be using highly inefficient light bulbs in our homes that consume 75 Watts instead of the 7 Watts LED now being achieved. Businesses would have 420-Watt lights where now they can be changed out for 80- or 100-Watt LED lights. Even 10 years on, the lighting upgrade market is far from saturated and we need the VEU to continue to support lighting change-outs. This will ensure innovative manufacturing businesses can expand their range and deliver them directly to customers.

"We commend the Essential Services Commission on working consultatively with industry to ensure that customers are well protected and that industry standards for technology accreditation under the VEU and upgrades compliance are high, as is the case and well documented in the latest report," Mr Woolley said.

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