

Media Release

The Hon Lily D'Ambrosio MP
Minister for Climate Action
Minister for Energy and Resources
Minister for the State Electricity Commission



Wednesday, 21 August 2024

A CHEAPER, CLEANER, RENEWABLE FUTURE FOR VICTORIA

The Allan Labor Government has laid the groundwork to transition Victoria to a cheaper and more reliable renewable energy future while ensuring that communities and businesses will benefit from an orderly transition.

Minister for Energy and Resources Lily D'Ambrosio today released *Cheaper, cleaner, renewable: Our plan for Victoria's Electricity Future* – which sets out the plan for delivering Victoria's future energy system and reaching the target of 95 per cent renewable generation by 2035.

By 2035, Victoria's electricity system will be fundamentally transformed. Electricity use will have increased by about 50 per cent or more, driven by homes and businesses switching to electricity, and population growth. At the same time, all of Victoria's ageing coal-fired power plants will have closed.

To ensure that we keep the lights on and reach our 95 per cent renewable energy target, Victoria will unlock around 25 gigawatts of new rooftop solar, offshore wind, onshore renewables and energy storage over the next decade.

This plan outlines the policies and programs that are in place to deliver this new capacity and highlights the investment and job opportunities available. An estimated \$35 billion in capital investment will be required and 59,000 jobs will be created to 2035. The expansion of training and apprenticeship programs will create a pipeline of skilled workers.

Victoria has already led the country, more than tripling the share of renewable energy since 2014 and is now generating 39 per cent of our power from renewables. That means renewables are now producing more electricity per annum than any of the three remaining coal fired generators.

Victoria's target of 95 per cent renewable generation by 2035 includes a role for gas fired electricity generation to support grid reliability and security. On average, gas provides around 2-5 per cent of total electricity generation each year in Victoria.

Households and businesses will continue to be empowered to lower their energy bills by installing solar through Solar Victoria, and increasing energy efficiency through programs such as Victorian Energy Upgrades.

To ensure that the benefits of this massive investment in Victoria are shared equitably VicGrid is collaborating with landowners, local communities and Traditional Owners on the way renewable energy infrastructure – including transmission – is planned and developed.

An orderly transition is critical to keeping the lights on and energy prices down as Victoria moves towards its world leading climate target of net zero by 2045. Although this transition is complex, the plan demonstrates that Victoria is well prepared for a future that is cleaner, cheaper and renewable.

To view the statement visit, energy.vic.gov.au/industry/victorias-electricity-future.

Quotes attributable to Minister for Energy and Resources Lily D'Ambrosio

"We will deliver an affordable, reliable and secure electricity system for all Victorians and this consolidated plan will ensure community and industry are at the centre of our orderly transition."

"We mean business. We're powering ahead with our big renewable energy build and creating and maintaining the right conditions for renewables investment."

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