18 July, 2019

To the Expert Panel,


ESCO Pacific are grateful for the opportunity to provide a submission to the Expert Panel that was appointed by the Victorian Government to advise on Victoria’s interim emissions reduction targets for the periods 2021-25 and 2026-30, to set Victoria on a path to achieving net zero emissions by 2050.

ESCO Pacific is an Australian owned solar farm developer and asset manager. We employ about 20 people in our Richmond office and are developing three Victorian projects and 2 VIC-NSW border projects which will create hundreds of additional contract positions. Through construction and further, inject millions of dollars in dozens of regional businesses.

Victoria’s population distribution, with relatively large regional centres and large loads, is ideal for wind and solar projects coupled with storage. Furthermore, through our experience developing 15 projects across the National Electricity Market we can see that that Victoria is an attractive market for corporates who want to enter into long term power purchase agreements with renewable energy assets. In turn, being able to offer lower priced goods, whilst Victorian retailers can offer lower electricity tariff to consumers.

We believe the most significant opportunities and technologies for reducing emissions in Victoria during the period 2021-2030, and to reach net zero emissions by 2050 are as follows:

1. Facilitating private investment in utility scale renewable energy generation

   Offsetting carbon emissions via private investment in utility scale wind, solar and hydro is one of the most affordable solutions available to the State to reduce emissions. Furthermore the transition will create an infrastructure boom, creating jobs and investment and will create opportunities to enhance Victoria’s manufacturing industry.

   The pace at which Victoria will transition to a decentralised, renewable energy network could be accelerated through:

   a. Immediate and significant investment in the transmission and distribution network, including upgrades, storage and other solutions to improve system strength.

   b. Strong, proactive and supportive state policy to encourage investment and to provide certainty and reduce angst amongst stakeholder groups due to lack of a national policy.

2. Policy incentives to encourage the rapid uptake of electric vehicles.

   A transition to an electric vehicle private transport system is inevitable and cohesive with a trend towards a share economy as well as a decentralised source of storage. An increased uptake in electric vehicles also has potential to enhance Victoria’s manufacturing industry.