

Dear Ministers and team involved in the Victorian Energy Upgrades,

Firstly, congratulations for initiating a scheme to help households and businesses upgrade their premises to reduce emissions and save money. Both saving the planet and saving money is a win /win.

Its great to see that:

*“The initiatives in the Climate Change Strategy will support communities and businesses to make the changes we need to reduce the impacts of climate change and continue to support our economy to grow.”*

And that:

*“VEU supports households and businesses to install energy efficient equipment or switch to appliances that create less emissions.”*

However, this opportunity is lost if this system provides incentives for upgrades to gas [a methane producing fossil fuel]

The incentive to install more gas fueled appliances encourages both the use and production of these appliances thereby entrenching and enhancing this industry rather than supporting the transition to renewable industry. All these appliances will become stranded assets once fuels such as Gas are phased out. Generally the scheme you have created needs to be looked at and upgraded in line with the IEAs latest Road map for the energy sector where they state

*“ We are approaching a decisive moment for international efforts to tackle the climate crisis a great challenge of our times. The IEA’s pathway to this brighter future brings a historic surge in clean energy investment that creates millions of new jobs and lifts global economic growth. It sets out a cost-effective and economically productive pathway, resulting in a clean, dynamic and resilient energy economy dominated by renewables like solar and wind instead of fossil fuels.”*

Gas, as we know, is a non-renewable resource; a fossil fuel. Even before it is burned to create energy, gas production processes release vast quantities of carbon dioxide and methane into the atmosphere at every stage of its supply chain. In the short-term, one tonne of methane warms the atmosphere much more carbon dioxide; it is around 86 times more harmful.

It should not be considered in a program that counts towards the lowering of Victorian State emissions. Simply put, it is tricky accounting.