

The Hon Lily D'Ambrosio MP Minister for the State Electricity Commission

Public Accounts and Estimates Committee
2024-25 Budget Estimates Hearing
23 May 2024



We have brought back the SEC to accelerate the energy transition, drive down emissions and power bills and create thousands of jobs

The SEC is needed to accelerate Victoria's energy transition

- Government has bold ambitions for the energy transition – including a target of 95% renewable generation by 2035 and net zero emissions by 2045
- Rates of construction of new onshore renewables and storage assets need to increase to meet future energy demand
- The SEC is needed to accelerate the pace of investment in renewable energy and storage projects for Victoria

To achieve this, it will invest, support consumers and build workforce

SEC vision:

Accelerate Victoria's transition to an affordable, reliable, equitable and zero-emissions electricity system that enables decarbonisation across the economy, in partnership with Traditional Owners, the private sector and in coordination with government initiatives.

SEC strategic pillars:



Invest to accelerate the energy transition



Support the switch to all-electric households



Build a renewable energy workforce

This Government has invested an initial \$1b in the SEC

There are no 2024-25 Budget initiatives in the State Electricity Commission portfolio.

The Government made an initial investment of \$1billion in the SEC in 2023-24.

This will allow the SEC to accelerate the energy transition - pushing more renewable energy into the system, driving down emissions and power bills and creating thousands of jobs.

The SEC's first project, the Melbourne Renewable Energy Hub, will be one of the biggest batteries in the world

With 0.6GW of energy storage capacity, the MREH will be one of the biggest batteries in the world...

- The MREH will be the first four-hour battery in Australia, with enough energy storage to power 200,000 homes during peak times
- Expected to be operational by the end of 2025, its three battery components will deliver 1.6 gigawatt hours of renewable energy storage
- A public entity, SEC owns 100% dispatch rights over the four-hour component of the battery, putting power back into the hands of Victorians



- Construction of the facility will directly create up to 155 jobs, including 14 apprentice and traineeships

...and the SEC will continue to deliver industry-leading projects, with public interest at heart

- The SEC is currently engaging directly with market participants on prospective ownership opportunities
- SEC's projects are assessed against the following criteria:
 - **Public purpose:** extent to which local jobs are created, impact on cost of energy to consumers, extent to which SEC promotes equitable access to renewable energy
 - **Market enablement:** projects support a reliable, renewable system, projects are additional to what market would otherwise provide; scale of renewable generation and/or storage capacity
 - **Sustainable financial returns:** projects deliver sustainable risk-adjusted financial returns

The SEC will help households go all-electric and slash bills by up to \$2.7k

Our Vision

We will support households, including renters, to go electric by providing products and services that remove some of the barriers to switching.

Key activities

1. Electrify Victoria's homes

Educate and engage industry and households on the options and benefits of home electrification

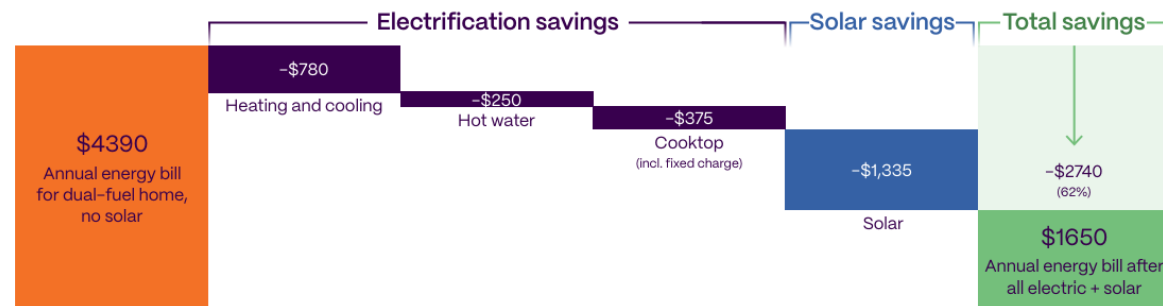
2. Deliver a One-Stop-Shop

Provide Victorians a trusted source of quality information, products, and services to electrify their homes.

3. Pilot household solutions

Pilot to commence in 2024, scaling up over time

Indicative annual savings for average Victorian home from electrification*



* based on an average existing detached dwelling



The SEC will support the attraction and training of the 59,000 jobs created by the energy transition

Our Vision

We will support the attraction and training of a skilled renewable energy workforce.

Key activities

SEC Centre of Training Excellence

Engage with industry and Traditional Owners on the design of the SEC Centre of Training Excellence

Complete the business case for SEC Centre of Training Excellence and begin implementation

School engagement

Build awareness of career opportunities in renewable energy through ongoing engagement with students by attending careers events and visiting government schools

Victorian Energy Jobs Plan

Contribute to the Victoria Energy Jobs Plan (led by DEECA) to be released in 2024

VEJP will support Victoria to develop the workforce required to deliver our energy transition

SEC Energy Jobs and Skills Forum

Brought together more than 300 experts including the renewable energy industry, workers, Traditional Owner groups, TAFEs, universities, and peak bodies – to help shape Victoria's renewable energy workforce.

