



Hon Lily D'Ambrosio MP

Minister for Climate Action
Minister for Energy and Resources
Minister for the State Electricity Commission

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Robert McDonald
Clerk of the Legislative Council
Legislative Council

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Dear Robert McDonald

Thank you for your correspondence of 28 October 2025 on behalf of the Hon. David Limbrick, who submitted a petition on behalf of his constituents regarding building electrification.

The Victorian Government is taking strong action to accelerate the transition to net zero emissions and continues to invest heavily in Victoria's renewable energy future. Victoria has set ambitious emissions reduction targets of 45-50 per cent below 2005 levels by 2030, a 75 to 80 per cent reduction by 2035 and net zero by 2045. Victoria also has committed to reach 95 per cent renewable electricity by 2035.

For decades, Victoria produced most of Eastern Australia's gas and uses more gas in the residential and commercial sector than every other state and territory combined. However, with gas no longer the cheap and abundant resource it once was, legacy gas fields in Bass Strait depleting rapidly, and with gas from elsewhere more expensive than Victoria's past supplies, decisive action is needed. The Victorian Government's Gas Substitution Roadmap and yearly Updates lay out a pragmatic and comprehensive response which combines a gradual reduction in household demand for gas with new supply and storage, all with a strong emphasis on ensuring supply for the businesses and industry that require gas.

<https://www.energy.vic.gov.au/renewable-energy/victorias-gas-substitution-roadmap/gas-substitution-roadmap-update-2024.pdf>

Going more electric helps Victorians save money. Cost-effective electric alternatives exist for most of Victoria's gas use – i.e. heating, hot water and cooking in our buildings. Converting an existing home with solar panels from gas to electricity can save around \$2,000 a year on energy bills. This is in addition to around \$740 of savings each year from an existing 6.6 kW solar system. Going all-electric puts around \$880 per year back in the pockets of new-homeowners, or approximately \$1,820 with solar installed. Fact sheets outlining these savings are available online at:

<https://www.energy.vic.gov.au/households/save-with-all-electric-home>

The Australian Energy Market Operator (AEMO) forecasts a growing risk of peak day supply shortfalls in the east-coast gas market with more significant risks from 2028. Victoria is also working with AEMO, the Commonwealth and other relevant states to ensure a national, integrated response to this supply risk – that delivers certainty of supply to industry at a price that ensures businesses remain competitive. Several options to secure new supply are being considered, including import terminals, pipelines, and storage proposals.

Victoria has 33,600 licensed plumbers, of which 20,000 are gasfitters. There will continue to be strong demand for these plumbers over the next 10 to 15 years as Victorian households and businesses progressively replace their gas appliances as they approach end-of-life.

In 2025, the Government announced \$10 million investment along with the Commonwealth Government and the Plumbing Industry Climate Action Centre (PICAC) to develop the National Training Centre in New Energy Skills. The training would include best practice for energy upgrade technologies like heat pumps. The facility will significantly expand training pathways for plumbers and gasfitters, upskilling 2,000 tradespeople including plumbers, gas and refrigeration workers, and train 200 apprentices each year.



The Victorian Government has also announced a \$9.5 million Industry Diversification Program to support gas appliance manufacturers and their supply chains to diversify and plan. The IDP will assist Victorian manufacturers to capitalise on the continued growth in demand for efficient electric appliances, by supporting plant and equipment upgrades and workforce reskilling.

I trust this information is of assistance.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Lily D'Ambrosio', with a large loop at the start and a wavy tail.

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20/11/2025