



The Place To Be

# Media release

From the Minister for Energy Industries and Resources and  
the Minister for Environment

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## VICTORIA LEADS NATION ON RENEWABLE ENERGY TARGET

Victoria today became the first Australian state to create its own mandatory renewable energy target and supporting scheme, reducing the need to use fossil fuels to produce electricity in the future.

Minister for Energy Industries and Resources Theo Theophanous said Victoria's new mandatory target will save 27 million tonnes of greenhouse gas – the environmental equivalent of removing every car off Victoria's roads for a period of two years.

"The Bracks Government's Victorian Renewable Energy Target (VRET) scheme will require electricity retailers purchase a minimum of 10 per cent renewable energy by 2016, up from the current level of around 4 per cent," Mr Theophanous said.

"The extra investment in renewable energy as a result of this scheme will reduce our reliance on coal fired power stations in the future.

"This will result in an additional 3274 gigawatt hours of renewable energy above the amount we have available right now.

"It will also deliver up to \$2 billion of new investment in clean energy, as well as creating up to 2200 new jobs, most of them in provincial Victoria."

VRET is being introduced following the Federal Government's decision to wind down its Mandatory Renewable Energy Target scheme.

Legislation to create the Victorian Renewable Energy Target (VRET) will be introduced into Parliament this week and will commence on 1 January 2007.

An independent review will assess the progress of the scheme in 2011.

Mr Theophanous said the initiative would have a minimal impact on average power bills and follows a reduction of the cost of electricity of up to \$57 over 2006 and 2007 for the 1.2 million Victorian households on safety net tariffs.

"Despite speculation over the past months about the scheme's effect on power bills, this clean energy initiative will only cost the average family less than one dollar per month starting from 2008," Mr Theophanous said.

Environment Minister John Thwaites said VRET would deliver massive savings in greenhouse gases and forms part of the Victorian Government's major Environmental Sustainability Action Statement.

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“Clean, greenhouse friendly energy such as wind and solar power is critical in the fight against climate change,” Mr Thwaites said.

“In addition to VRET, we will continue to work towards our ambitious overall 10 per cent renewable energy target as early as 2010, through a range of complementary measures.

“We will further promote the voluntary purchase of Green Power by households and businesses, solar power on houses and invest in new renewable technologies.

“Research shows that to reduce the impacts of climate change we need to make significant cuts in our greenhouse gas emissions by the middle of the century.

“A recent report from ABARE economics suggested that unless there is a major change in approach, greenhouse gases levels in 2050 will be 142 per cent above levels measured in 2001.

“The report says ‘*to achieve deep cuts in emissions would require an expansion of available technologies*’.

“Well the best technology at the moment is renewable energy, which is saving greenhouse emissions right now.”