



1<sup>st</sup> August 2023

**GAMAA response to the Victorian government BAN on gas in new homes.**

No consultation, no debate, no consideration of the hardship this is going to cause to Victorians and no reasonable time to readjust given to the hundreds of thousands of Victorians who will be adversely impacted.

The announcement by the Andrews Government to BAN connection for new homes to the reticulated gas network in just 5 months starting 1<sup>st</sup> January 2024, locks the Victorian community into higher gas and electricity prices in the future. It also puts Victorians at a disadvantage by removing the opportunity for the use of renewable gases in the future.

Despite the claim of saving Victorians on their energy costs, the Andrews Government continues to deny transparency on how these savings are to be achieved by not releasing the modelling. The claim that an all-electric home costs the same to build as a gas and electric home has not been reflected in the market, with all-electric homes by major builders costing between \$9,000 to \$16,000 more.

If the Victorian government's decision is about decarbonising the energy mix, then how does this announcement increasing Victoria's reliance on electricity do this, given that, in 2022, 66.1% of Victoria's electricity came from brown coal, and that as a result Victoria's electricity network is 5.84 times more carbon emissions intensive than the gas network.

This announcement will deny Victorian consumers the ability to choose the type of appliances they need for their household and the opportunity to choose the energy source fuelling the appliance.

With this ban on gas, the Andrews Government is jeopardising the reliability, security and affordability of all energy for all Victorians. Furthermore, replacing locally manufactured appliances with fully imported appliances will offshore 4,000 Victorian jobs and cost consumers more.

Why has the Government made this announcement at this time when the "Victorian Gas Substitution Roadmap" is scheduled for review before 1<sup>st</sup> January 2024? Will they not like the outcomes of this review?

The gas industry is on its own decarbonisation path, which will see renewable net zero carbon gases replace traditional fossil fuels in piped networks, allowing customers to transition to net zero appliances at the lowest capital cost compared to electric appliances. This is why GAMAA members have supported Australian Gas Infrastructure Group (AGIG) with their launch of HyHome in Wollert with cooking, hot water, home heating and a barbeque all operating on hydrogen, a gas that can be 100% renewable. The pathway to a decarbonised future must be at the lowest cost, not just any cost.

The Andrews Government is misleading consumers on cost and carbon savings that will never be achieved.

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For further comments please contact Ross Jamieson, GAMAA President on 0409 858 077