

Video transcript:

Managing the Transition to Renewable Energy

About this audit

Victoria is transitioning to renewable energy to generate its electricity.

Managing an orderly transition is vital to reduce emissions, while avoiding economic and community disruptions.

The government has targets for:

- 40 per cent of Victoria's electricity to be from renewable sources by 2025
- 65 per cent by 2030
- and 95 per cent by 2035.

We did this audit to see if Victoria is on track to meet these targets, while meeting electricity needs.

Some background

The Department of Energy, Environment and Climate Action is leading Victoria's renewable energy transition. And SEC Victoria – a government-owned renewable energy company – is delivering new energy infrastructure.

The Victorian Government also makes investments and sets policies to encourage private companies to develop renewable energy projects.

What we concluded

We found that Victoria is on track to achieve its 2025 target. But meeting future targets while maintaining a reliable electricity supply will be more difficult.

We found 3 key reasons for this.

Key reason 1

Accelerated private and government investment are needed to meet the 2030 target.

Key reason 2

Key projects are behind schedule, including Victoria's offshore wind program and projects providing access to electricity from interstate.

Key reason 3

Victoria's electricity reliability outlook to 2030 has improved. But more investment and risk management are needed as Victoria's coal-fired power stations close.

What we recommended

We made 4 recommendations, including:

- 3 to the Department of Energy, Environment and Climate Action about:
 - facilitating enough transmission projects to help Victoria achieve its 2030 target
 - monitoring if Victoria will have enough electricity to meet daily needs
 - and factoring risks and uncertainties into Victoria's energy planning
- and one to the department and SEC Victoria about taking steps to maintain a reliable electricity supply as Victoria's coal-fired power stations close.

More information

For more information, or to read our full report, go to audit.vic.gov.au