

Media Release

The Hon Lily D'Ambrosio MP
Minister for Climate Action
Minister for Energy and Resources
Minister for the State Electricity Commission



Wednesday, 25 June 2025

POWERING INDUSTRY WITH SKILLS AND CHEAPER ENERGY

The Allan Labor Government is backing Victorian industries to lower their energy bills, protect local jobs and expand Victorian businesses.

Minister for Energy and Resources Lily D'Ambrosio and Minister for Industry and Advanced Manufacturing Colin Brooks today announced \$10 million in grants for the food and beverage processing and manufacturing sector to upgrade to efficient electric alternatives as part of the Round 3 of the Energy Innovation Fund.

Victoria is Australia's largest food and beverage manufacturer, with the industry valued at \$45 billion and employs more than 76,000 Victorians – it's also one of the most energy intensive sectors in the state.

That's why we're making grants of up to \$2 million per business to help those that can swap their gas equipment and machinery to efficient electric alternatives, lowering their operating costs and make them more competitive and future ready.

The grants will also encourage innovation in technology, with the funds to help identify new and cutting-edge technologies to meet the needs of the sector.

MainStream Aquaculture conducted a feasibility study on replacing their gas boilers with electric heat pumps as part of the VEU Large Energy User Electrification Support Program.

It showed that MainStream Aquaculture could replace two legacy 650kw gas boilers with a 550kW water sourced heat pump using readily available geothermal water at its Werribee site, reducing the site's annual gas usage by 70 per cent, savings them approximately \$113,000 a year with a five-year payback period.

Industrial electrification across the Victorian economy will reduce the pressure on Victoria's dwindling gas supply and lower energy cost for Victorian manufacturers that are unable to transition away from gas.

This builds on the Government's *Gas Security Statement*, which outlines the steps we're taking to reduce demand and bring online new gas supply to avoid the gas shortfalls forecast by the Australian Energy Market Operator (AEMO) for south-eastern states by 2029.

We are not just making sure Victoria has the gas it needs – we are reserving it for industry.

To make sure our tradies are ready to take on new opportunities in electric appliances we're investing \$5 million in free training initiatives for plumbers, electricians and construction workers.

This will include training for plumbers to install and maintain heat pumps, training for the construction industry in building 7 star all electric homes and specific mentoring for electricians and solar installations.

This builds on the \$12 million the Labor Government has invested to train over 6,000 workers in renewable energy and electric appliance installation. This includes 5,000 electricians, 1,200 plumbers, and 1,500 building practitioners and trades.

For more information on the Energy Innovation Fund visit, energy.vic.gov.au/grants/energy-innovation-fund.

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Quote attributable to Minister for Energy and Resources Lily D'Ambrosio

"Industrial electrification is a critical step towards cutting down energy bills for Victorian manufacturing and helping to get the next generation of renewable energy projects off the ground."

Quote attributable to Minister for Industry and Advanced Manufacturing Colin Brooks

"We're helping manufacturers improve their processes to be more energy efficient, reducing their running costs and future proofing their business."

Quote attributable to Member for Werribee John Lister

"It's great to see a local business like Mainstream Aquaculture take the lead in energy efficiency which will help them grow their operations."