



MEDIA RELEASE
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Call for the federal government to fund a universal household electrification loans scheme to reduce bills by up to \$5000 per year permanently

Australia has the highest solar radiation of any continent and rooftop solar is the cheapest energy in the world. An investment from the government now will make Australia more energy-resilient and self-sufficient and save Australians from increasing power bills.

If the federal government offers flexible, low-cost loans for all Australian residences to install solar panels, batteries, efficient electric appliances, and an EV, households could save up to \$5,000 annually on energy and petrol bills.

The Electrify Everything Loan Scheme (EELS) proposal is designed to maximise the cost-of-living relief. It was developed by Francis Vierboom, Market Transformation Manager at Rewiring Australia. It forms the centrepiece of the [2024-2025 Pre-Budget Submission to the Australian Government](#) released today by Rewiring Australia.

Loans would be secured on the property title, indexed to inflation, and repaid on the sale of the property, giving every property owner a simple and attractive way to unlock the cost-of-living savings offered by electrification. EELS is an efficient finance model for Australian Government investment to maximise permanent cost-of-living relief for all households regardless of income status. The government would raise the funds with inflation-indexed green bonds.

"If the government makes an investment like HECS, it will deliver permanent cost-of-living relief, solve the problem of light vehicle pollution and propel Australia to the top of the class in climate action. The national investment case for universal electrification finance is undeniable; if we move aggressively to electrify homes and vehicles, consumers will save \$1.1 trillion by 2050, and if funded by flexible finance like EELS, the real cost to the budget will be just one-twentieth of the consumer savings," said Dr Saul Griffith, Rewiring Australia's Chief Scientist.

"Electrification is anti-inflationary. When you buy solar cells, you purchase 20 years of zero-emission energy up-front. The cost to the taxpayer of financing household electrification is roughly the same as providing temporary energy bill relief each time there is an energy price crisis. The benefit of household electrification is a permanent reduction in energy costs, not a temporary subsidy to fossil fuel companies.

“One-third of households have already invested in rooftop solar, which generates at 5 cents per kilowatt hour, which makes it the world’s cheapest energy. Australia can go from being the world’s leading rooftop solar nation to becoming number 1 in electrification, which is the most powerful climate solution available,” said Dr Griffith.

Rewiring Australia Executive Director, Dan Cass said: “Past Labor governments created universal primary health care through Medicare and universal access to tertiary education through HECS. This Labor government can create universal access for all Australian households to the world’s cheapest energy, rooftop solar. Electrification is primary health care for the planet.

“Every Australian, regardless of their financial status, should contribute to and benefit from the green energy transition. We look forward to working closely with the government to implement these initiatives and hope all parties will back the cost-of-living relief to all struggling households through electrification finance,” Cass said.

Rewiring Australia’s *2024-2025 Pre-Budget Submission to the Australian Government* calls for a \$2.8 billion expenditure on budget over the next three years to establish EELS and deliver complementary policies to reduce the costs of electrification for consumers and maximise public benefits:

- \$300 million to establish EELS administration
- \$2 billion to make provision for loan concessions
- \$340 million to demonstrate intensified electrification in 17 Zero Emission Communities across representative climate zones and in urban and regional areas
- \$95 million to build networks of medium-speed level 2 EV chargers to provide low-cost charging and soak up rooftop solar in communities
- \$10 million to review and rewrite the National Electricity Market around households-centred rules that allow electric households to compete against fossil fuel generators and retailers

The paper notes that between now and 2050, Australians will spend around \$2 trillion dollars on the purchase of cars and appliances regardless of government interventions. The *Electrify Everything Loan Scheme* would entail a relatively modest public investment, potentially as small as 1.6%, of the total car and appliance spend to shape consumer purchasing decisions, locking in permanent bill relief and eliminating energy emissions in line with national and global targets.

Electrification of households and vehicles paired with grid decarbonisation will eliminate 25% of Australia’s emissions. The full emissions benefit relies on continued investment in large-scale renewable energy and storage to drive coal and then gas off the grid. Rewiring Australia has modelled a base case that assumes full adoption of electrification over a 15-year period.

Energy Consumers Australia has contributed to the funding of this project as part of its grants process for consumer advocacy projects and research projects for the benefit of consumers of electricity and gas. The views expressed in this document do not necessarily reflect the views of Energy Consumers Australia.

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