



MEDIA RELEASE

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New report finds electrifying homes and cars is the most efficient way to cut bills, slashing costs by over \$4000 annually

A new report demonstrates that electrifying homes and cars will create the greatest long-term energy savings. It comes as political parties race to provide cost of living relief through energy rebates and fuel excises ahead of the election, but this latest research shows there is a longer-term solution which will provide more value for money, and that's by fully electrifying households, including vehicles.

The modelling by Rewiring Australia shows Australia has reached its 'electrification tipping point': households who switch to an electric car, solar and electric appliances could save more than \$4,000 a year, even when including upfront costs.

"It's good to see Labor and the Coalition acknowledge people are hurting when it comes to energy bills, but our research shows that investing in electrifying our cars and vehicles will bring greater cost-of-living relief. We want to see investment in long-term solutions, not a battle of the band-aids," Francis Vierboom, CEO of Rewiring Australia said.

The Electrification Tipping Point report has found households using gas appliances and petrol vehicles could save \$61,500 over 15 years, or more than \$4,000 a year on average, if they upgrade their appliances and vehicles to efficient, electric ones and get their power from a combination of rooftop solar, a home battery, and the existing electricity grid.

This calculation includes the cost of buying and installing the cars and appliances, financed with repayment interest at 5.5 per cent over a 15-year appliance lifetime.

The report shows taking even small steps towards electrifying Australian homes, such as switching from a gas heater to reverse cycle air conditioning could save households hundreds of dollars in just 12 months.

- Driving an electric vehicle saves around \$1500 per year in driving costs, or \$2500 per year if that car is charged with solar.
- Upgrading from a gas hot water system to a heat pump hot water heater will save \$250 per year on energy bills.
- Installing rooftop solar to power those electric appliances and vehicles can save an additional \$2200 per year.
- The average fossil fuel-powered home that goes fully electric with solar and a battery can save \$4,100 per year.

“This tipping point shows Australians can save money on energy bills and cut emissions as soon as they electrify. This is a far better deal than what an energy bill rebate or fuel excise can offer,” Co-Founder and Chief Scientist of Rewiring Australia Dr Saul Griffith said.

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