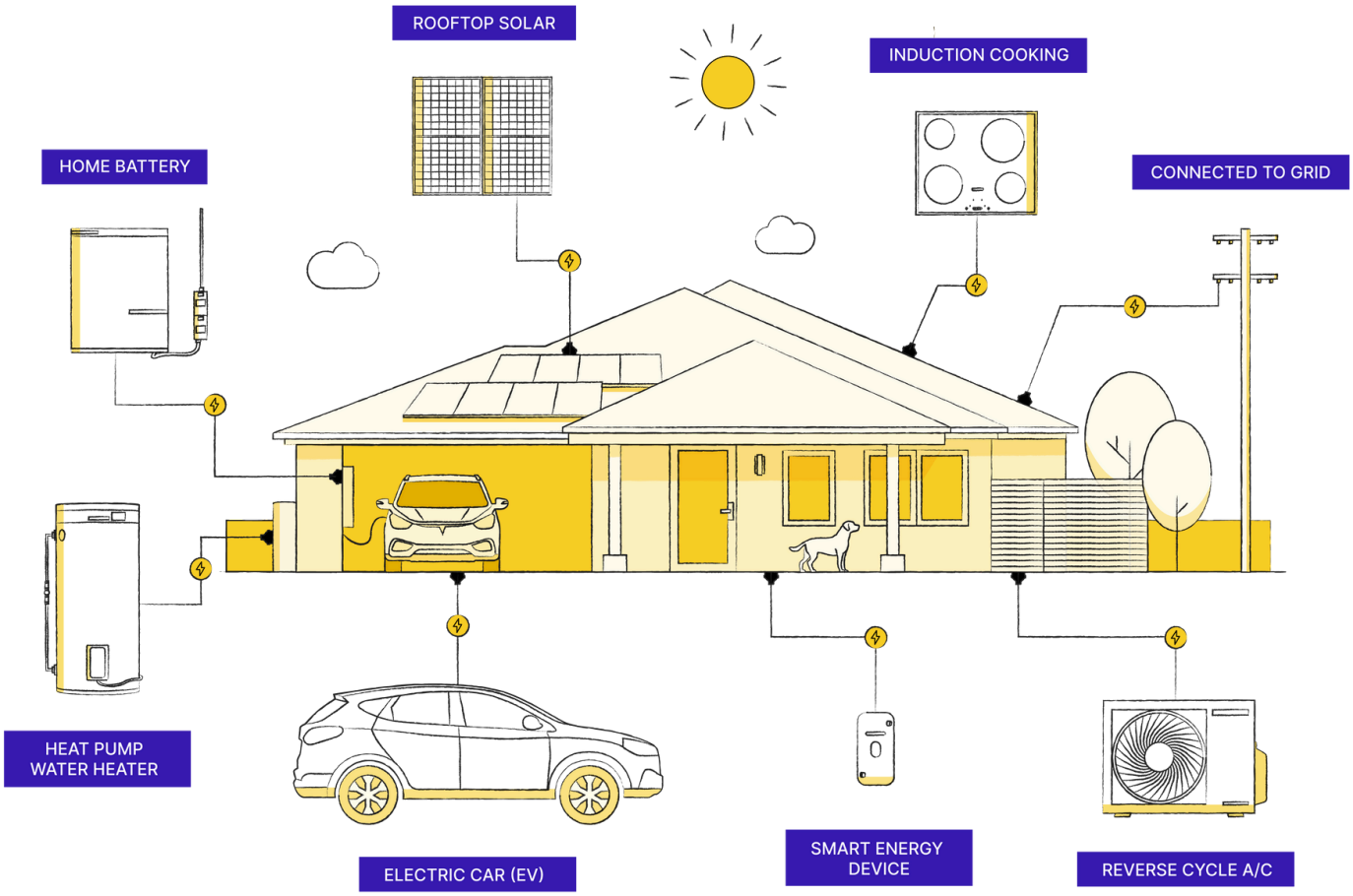
Rewiring Australia

Switch on savings: Your guide to creating an electric home



What is an electric home?

- **Space Heating:** Upgrading gas heaters to reverse cycle a/c
- **Water Heating:** Upgrading from gas to heat pump systems
- **Cooking**: Upgrading gas stovetops to induction cooktops
- **Vehicles**: Transitioning to electric vehicles (with home charging)
- **Solar Panels**: Installing rooftop solar systems
- **Battery Storage:** Adding home batteries to store solar energy

Why it’s time to make the switch

Energy provider Solstice Energy has announced it will shut down its gas supply to 10 regional Victorian towns, affecting more than 1,100 households in Heathcote, Maldon, Marong, Swan Hill, Kerang, Nathalia, Robinvale, Terang, Lakes Entrance and Orbost.

Decommissioning will begin in February 2025 and continue town by town until the end of 2026. That means many families will need to replace gas appliances in the coming months, choosing either to convert to LPG or upgrade to efficient, electric alternatives.

Rewiring Australia’s modelling shows households in regional Victoria could save $4000 per year in energy costs by going all-electric.

What is an electric home?

An electric home runs entirely on electricity, with no gas, wood, or other fossil fuels. Heating, cooling, hot water, cooking, and even cars are powered by efficient electric appliances: induction stoves, reverse-cycle air conditioners, and EVs.

Paired with rooftop solar and a battery, an all-electric home can supply most of its own energy, slash bills, and cut emissions close to zero. It’s quieter, safer, healthier, and future-proof as the grid gets cleaner.

Rewiring Australia’s modelling shows households in regional Victoria could save $4000 per year in energy costs by going all-electric.

Why you’ll love it

Lower Bills
Modern electric appliances like heat pumps are far more efficient than gas, delivering big savings on energy bills.

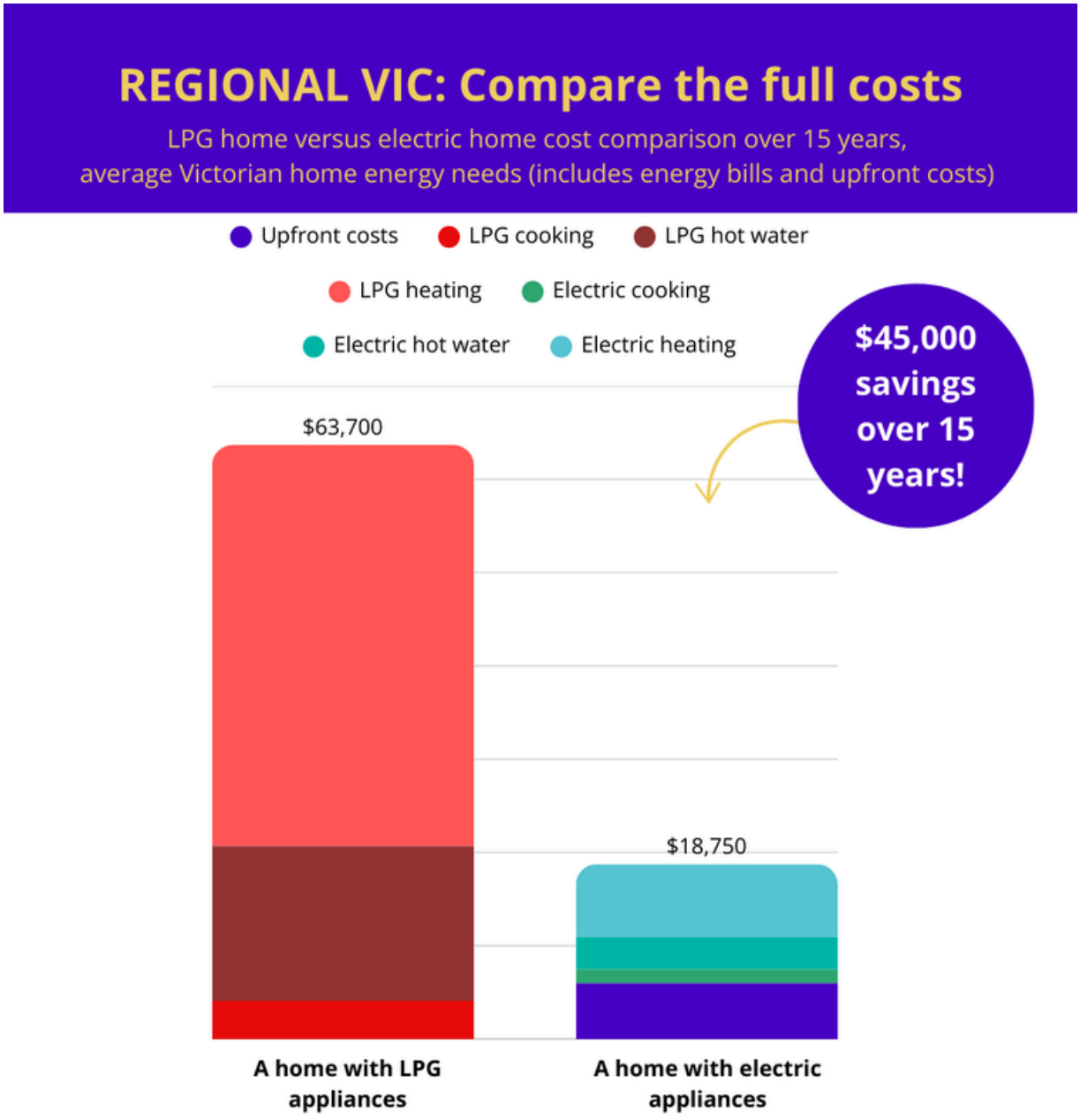
Healthier Home
Electric appliances eliminate indoor air pollution from gas, creating safer and healthier spaces for families.

Better Performance
Electric systems often outperform gas, heating water faster and offering precise temperature control.

Future-Proof Investment
All-electric homes are rising in value as states phase out gas, while solar and batteries cut reliance on the grid.

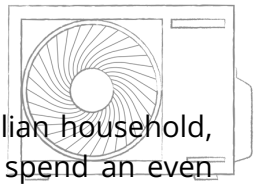
Compare the full costs

In regional Victoria, going electric will save households around $4000 per year. Looking forward over 15 years, the average lifetime of an appliance, a typical household in regional Victoria using LPG will spend $63,700. An electric home will spend $18,750 over 15 years. As illustrated in the graph below when the upfront costs are accounted for, the electrified household will save $45,000 over 15 years.

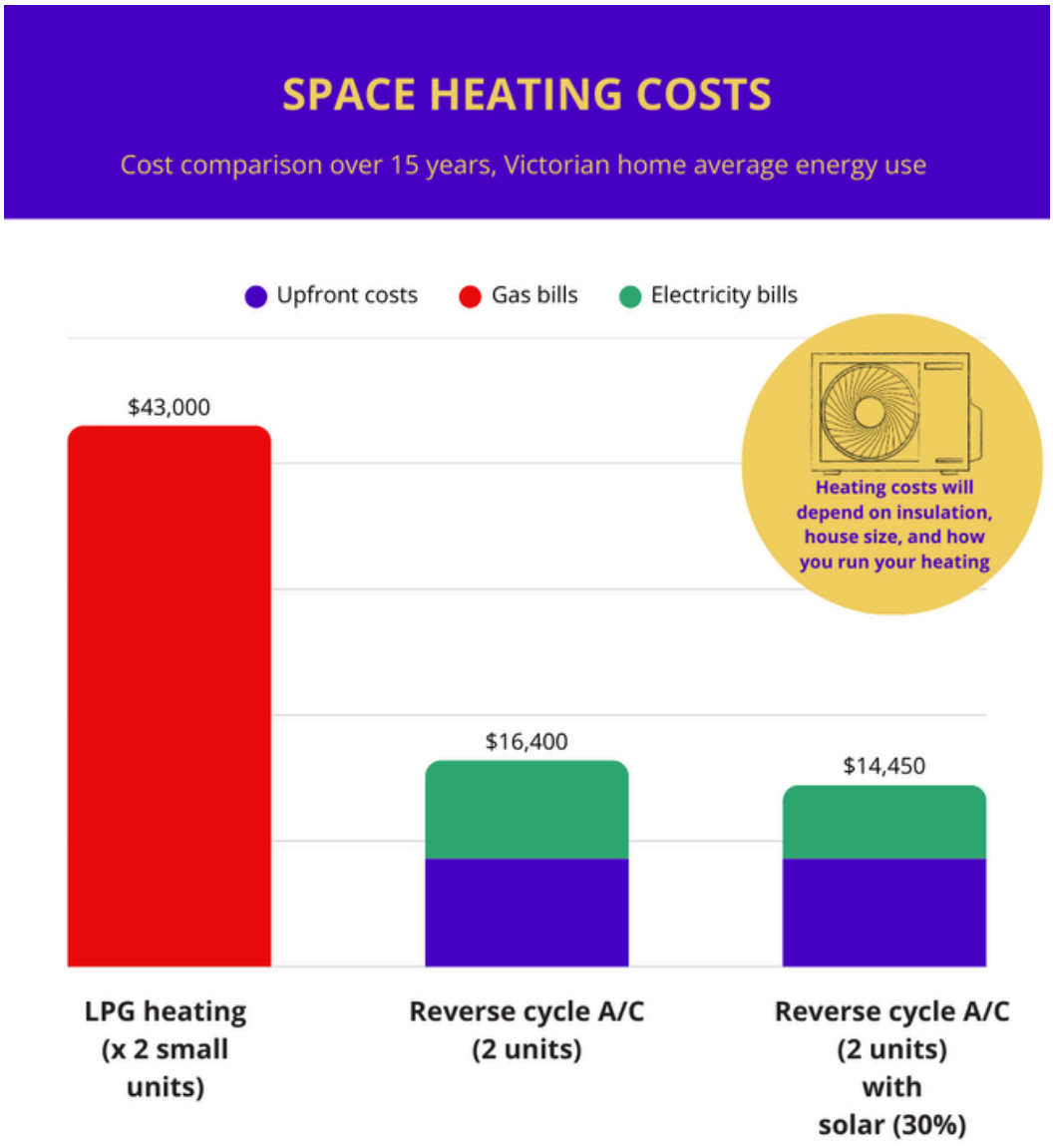


Sources: Rewiring Australia analysis. Residential Baseline Study 2021 average home energy needs. 2025 energy prices adjusted for future years based on historic real inflation of each energy type from the Consumer Price Index. $2025.

1. Space Heating



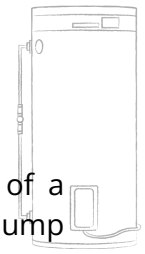
Space heating and cooling is one of the largest energy uses in the average Australian household, accounting for 37% of energy use (excluding vehicles). Colder states like Victoria spend an even greater share of their energy bills on heating their homes. Reverse cycle air conditioners are 3-4 times more efficient than gas heaters, and 2-3 times more efficient than standard electric resistance heaters, such as oil-column heaters, fan heaters, and radiant-electric panel heaters, resulting in significant energy and bill reductions.



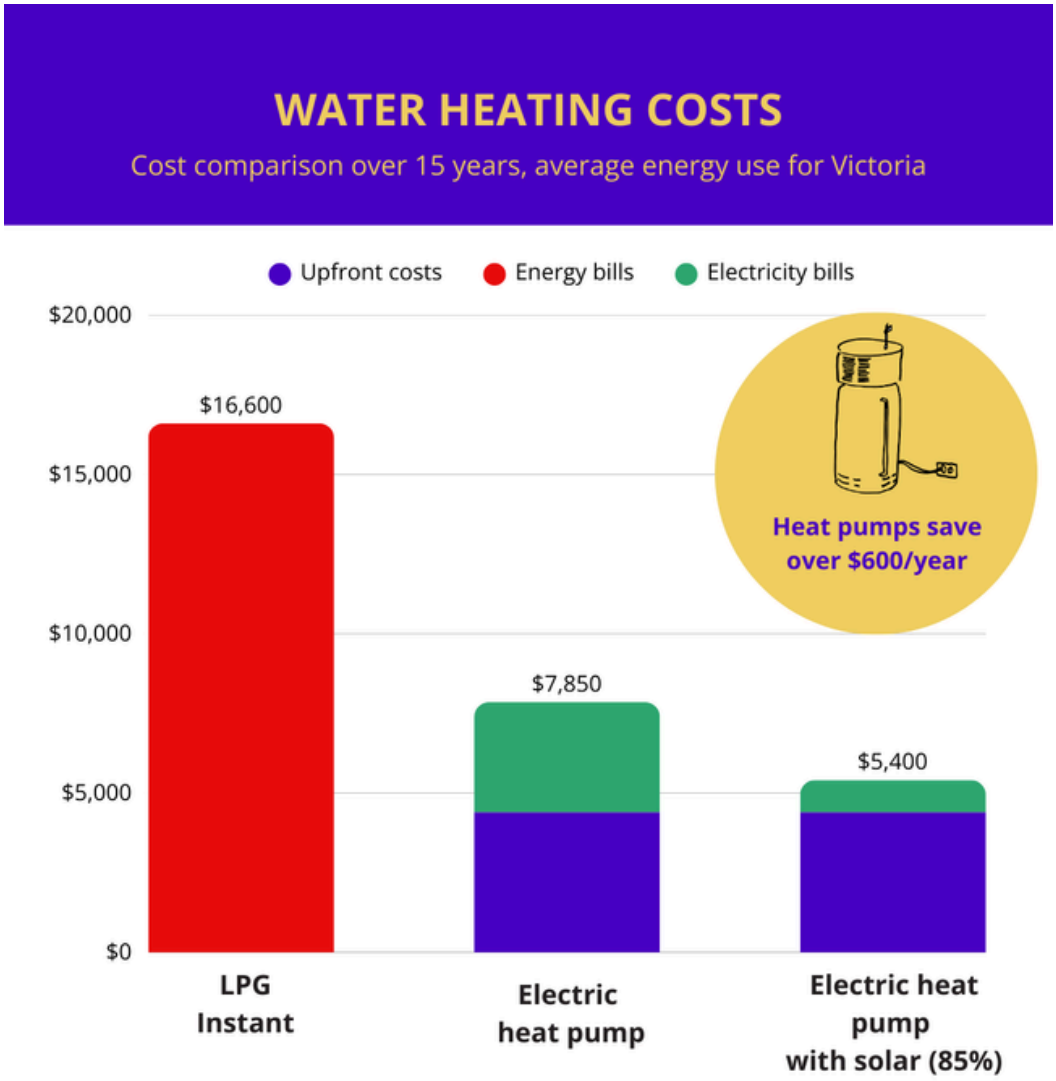
Sources: Rewiring Australia analysis. Residential Baseline Study 2021, heat pump COP 3.9, resistance 1.0, LPG 0.8. Energy prices based on 2025 prices adjusted with the associated historic real inflation rate from the ABS Consumer Price Index. Electricity $0.31/kWh, LPG $0.35/kWh. Solar $866/kW financed at 5.5% over 30 years with one replacement inverter. 2025 appliance costs.

Emissions Saved	High
Potential bill savings (with solar)*	$29,100 over 15 years
Potential bill savings (without solar)*	$28,850 over 15 years

2. Water Heating



Water heating is one of the biggest household energy loads, using on average 24% of a home's energy use, making it one of the key appliances to electrify. It is the electric heat pump that will bring the most energy bill savings as it uses 65-76% less energy. While heat pumps may seem expensive to buy, they are incredibly cheap to run, resulting in savings over the long term, especially when compared to LPG.

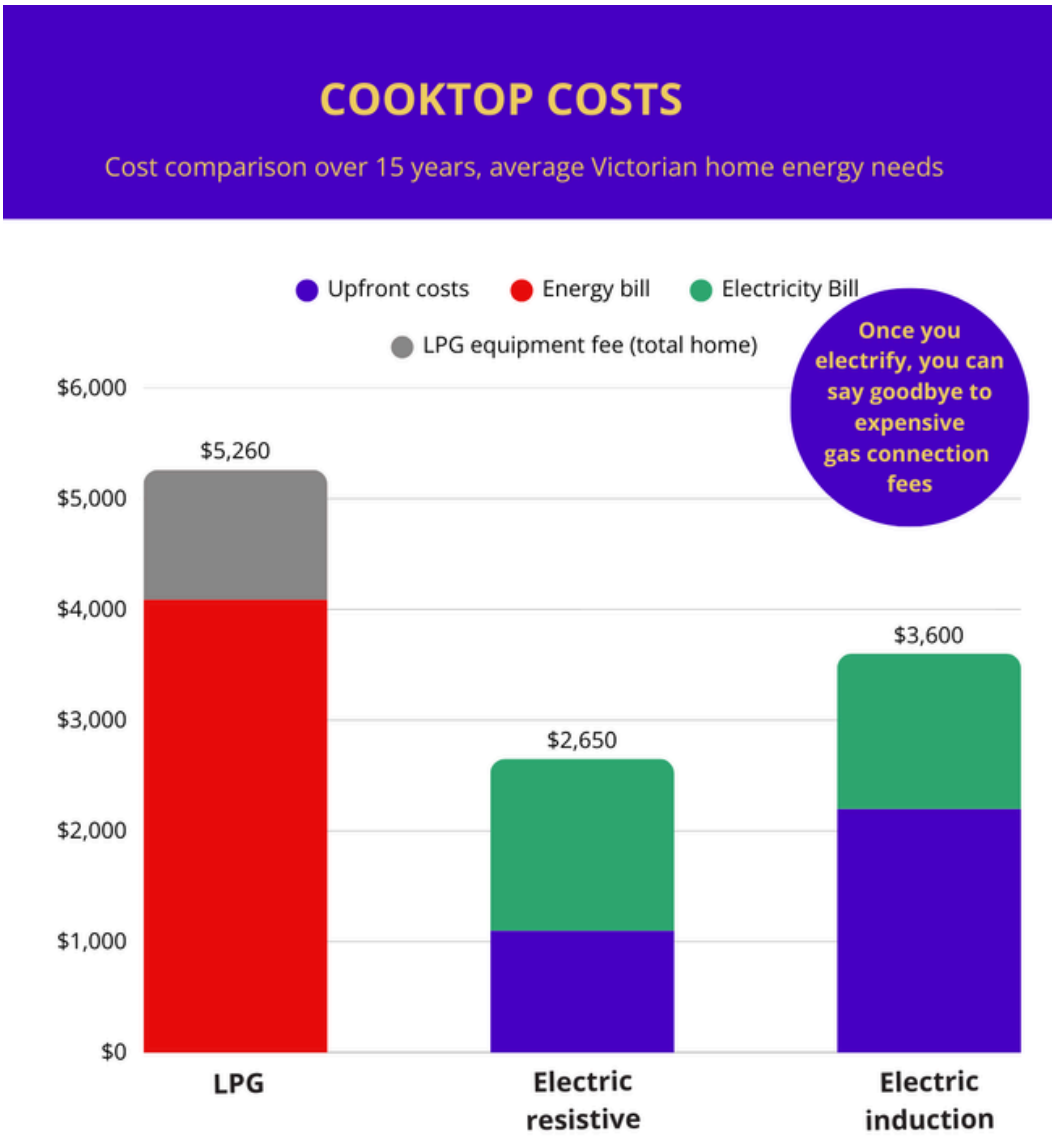


Sources: Rewiring Australia analysis. Residential Baseline Study 2021, heat pump COP 3.5, resistance 1.0, LPG 0.8. Energy prices based on 2025 prices adjusted with the associated historic real inflation rate from the ABS Consumer Price Index. Electricity $0.31/kWh, LPG $0.35/kWh. Solar $866/kW financed at 5.5% over 30 years with one replacement inverter. 2025 appliance costs.

Emissions Saved	High
Potential bill savings (without solar)	$8,750 over 15 years
Potential bill savings (with solar)	$11,200 over 15 years

3. Cooking

Energy for stove top cooking makes up approximately 6% of appliance energy use in the average Australian household, and is one of the three main appliances that uses gas in a home (alongside water heaters and space heaters). While it's the smallest of the three gas users, it has the most direct impact on our health. Electric induction cooktops are more efficient, safer, cleaner and faster than cooking with gas or an electric resistance cooktop, which is why even renowned professional chefs are making the switch to induction.

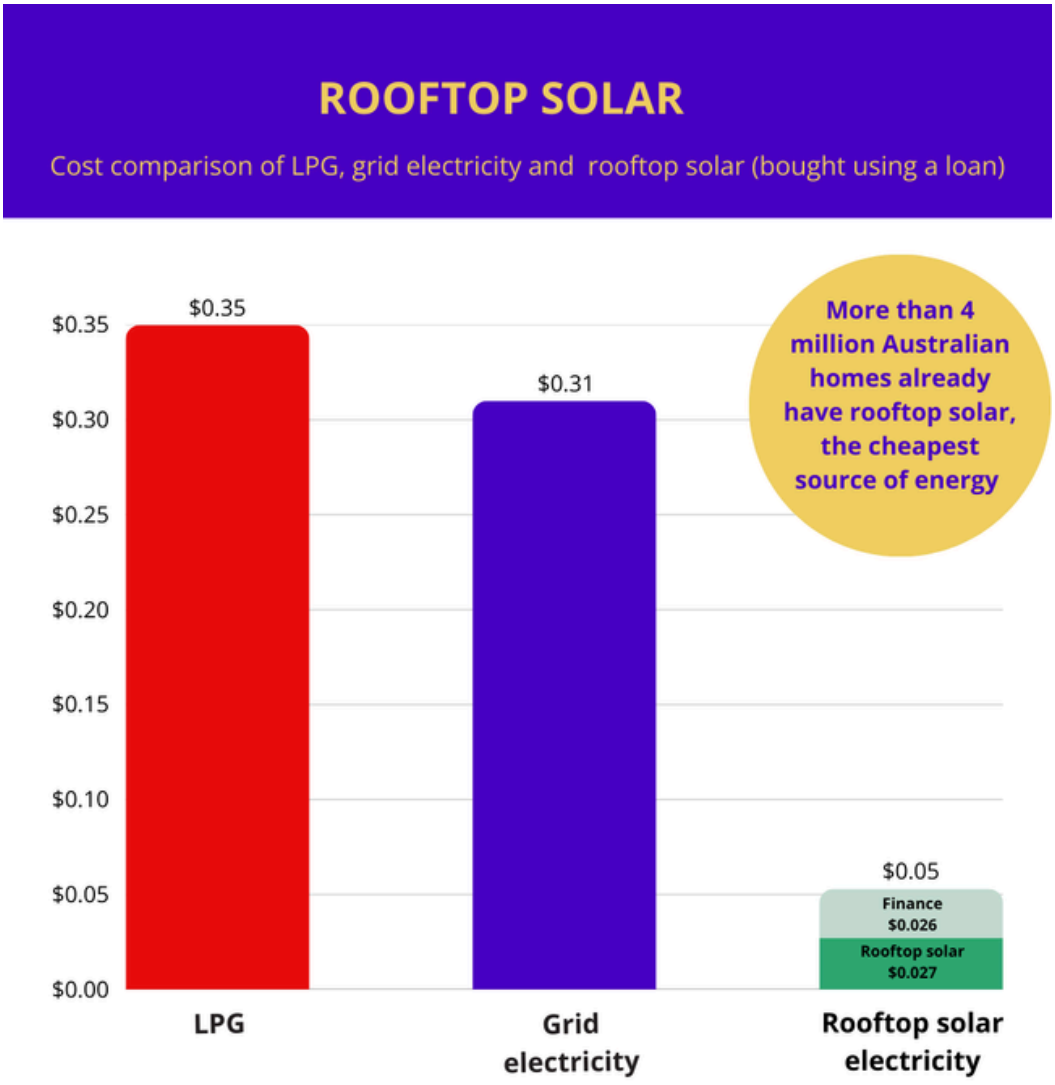


Sources: Rewiring Australia analysis. Residential Baseline Study 2021, induction cooktop efficiency 0.79, resistance cooktop 0.71, LPG cooktop 0.30. Energy prices based on 2025 prices adjusted with the associated historic real inflation rate from the ABS Consumer Price Index. Electricity $0.31/kWh, LPG $0.35/kWh. 2025 appliance costs.

Emissions Saved	Moderate
Potential bill savings (without solar)*	$1660 over 15 years

4. Rooftop Solar

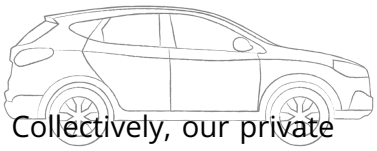
The best way to make the most out of your electric appliances is to power them with rooftop solar. Australia truly is the lucky country having the world's cheapest source of energy delivered to homes with our rooftop solar. Over 4 million Aussie households now have rooftop solar, which together accounts for over 11% of our nation's electricity supply. Households can enjoy cheap and clean energy, and use this to power their efficient electric appliances and cars, unlocking a lifetime of savings and low emissions living.



Sources: Solar pricing based on an 8 kW system with a capacity factor of 17.15%, 30 year operational lifetime, 0.5% degradation per year and one replacement inverter. $866/kW financed at 5.5% over 30 years.

Emissions Saved	Very High
Potential bill savings	$42,900 over 15 years

5. Vehicles

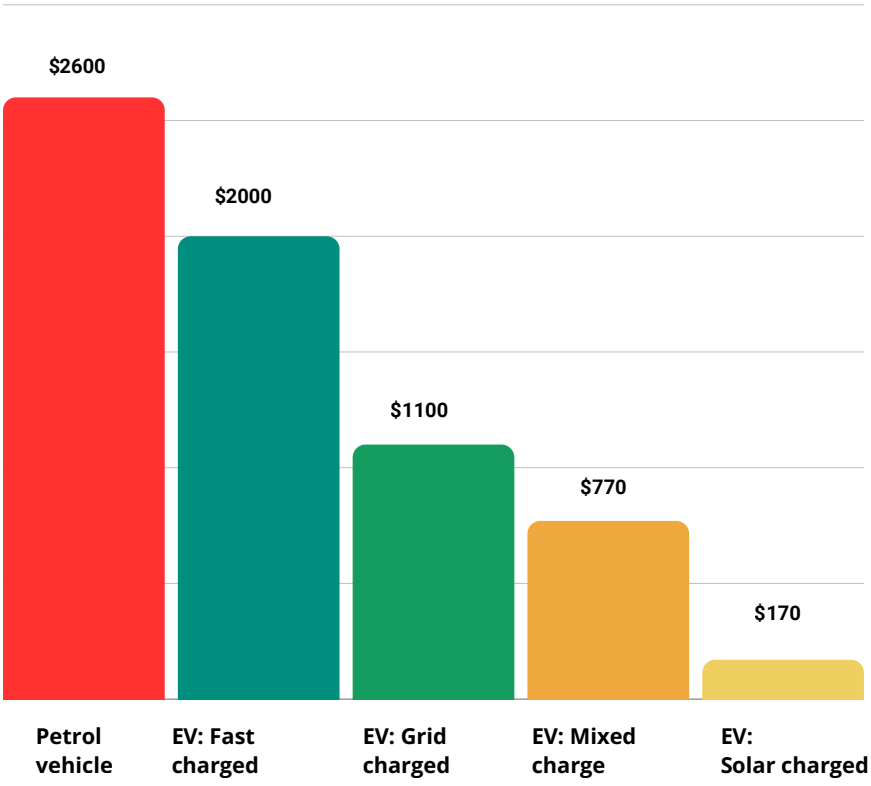


The average Aussie home spends up to $2700 every year filling them up. Collectively, our private cars are responsible for 16% of Australia's domestic emissions and 60% of a household's energy costs. So if you're going all-electric, it makes sense to upgrade your car too.

Electrifying our vehicles is the single biggest impact a household can make from both a bill savings and emissions savings perspective. With prices dropping rapidly, it won't be long until EVs are also cheaper to buy. (By 2030, EV prices are expected to drop to around 80% of the price of their petrol counterparts).

RUNNING COSTS: VEHICLES

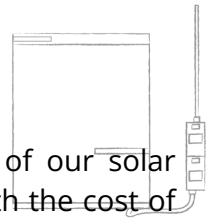
Yearly driving cost comparison, average Australian driving, 2025 prices



Sources: Rewiring Australia analysis. ABS Motor vehicle survey 2018. 2025 electricity, petrol and solar prices. 2025 new vehicle prices. Charge mix 50% solar, 35% grid, 15% public charging.

Emissions Saved	Extremely High
Potential bill savings (with solar)*	$43,900 over 15 years
Potential bill savings (without solar)*	$23, 300 over 15 years

6. Home battery



Battery storage is a game changer in the energy transition. To get the full value of our solar resources, we need to capture and store it to be used when the sun isn't shining. With the cost of batteries falling thanks to the Federal government's Cheaper Home Batteries program, now is the time to consider investing in a home battery.

Emissions Saved	High
Average upfront cost (before rebates)	$7,000 - $10,500
Potential bill savings (with solar)*	$16,900 over 15 years

Assumptions: Battery price $1,200 kWh installed. Lifetime 15 years with accelerating degradation to 60%. Finance at 5.5% over 15 years. Assumes home has solar that can feed into the battery, in that these savings are additional savings that can be provided from a battery to a home that has solar. Assumes 50% of grid energy taken comes at a lower rate (e.g. nightly) which is 33% lower than average volume electricity rate. Does not account for the battery doing other services, peak exporting, or arbitrage on the market, which we would expect to increase savings further.

Rebates for Solstice customers

Solar Victoria will temporarily remove the income eligibility cap for Solstice customers in the affected towns. This change makes it easier for more households to access discounts on solar PV systems and efficient electric hot water units.
Find more information at www.energy.vic.gov.au.

Eligible households can receive up to $4,200 in upfront support, including:

- $1,400 rebate for rooftop solar PV
- $1,400 rebate for Australian-made hot water systems
- Optional $1,400 interest-free loan for solar PV

Solstice will provide a payment of $1000 to each affected household that decides to upgrade to electric, plus an additional amount for replacing each individual appliance.

- **Gas Cooktop -** $250
- **Gas Hot Water (instant) -** $300
- **Gas Boosted Solar Hot Water (Instant) -** $300
- **Gas Hot Water (storage) -** $600
- **Gas Heating (fire flame) -** $400
- **Gas Heating (space flued) -** $600
- **Gas Heating (ducted furnace) -** $600

Getting started

1

Check the rebates.

While there is an upfront cost to going all-electric, Solstice is offering a $1000 fee, no questions asked, to make the upgrade, plus the additional rebates for each appliance.

2

Research.

Contact your local installers to get some quotes for the best option and sized systems for your house.

You can head to websites such as Solar Quotes, energy.vic.gov.au or the Solstice website to find more information.

There are also trusted community groups in your local area that can provide advice.

Find your local community group here:

3

Get quotes.

Check your home's electrical needs in case you need a wiring upgrade, and contact local suppliers. For heat pump hot water systems, not all plumbers are equipped to install them, so they may subcontract to an electrician. Others will be licensed to complete the works themselves.

4

Install.

Lock in your preferred installer and enjoy the energy and bill savings in your all-electric home.

About Rewiring Australia

Rewiring Australia is a non-profit, independent, non-partisan organisation dedicated to representing the people, households and communities in the energy system.

rewiringaustralia.org

Rewiring Australia

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