



The Place To Be

# Media release

From the Minister for the Environment

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Monday July 17, 2006

## EFFICIENCY BOOST FOR BUSINESS ENERGY AND WATER USERS

The Bracks Government today announced that mandatory resource efficiency plans would help the State's top 250 users of energy and water to reduce their impact on the environment and save money.

The initiative is part of the Government's Environmental Sustainability Action Statement, *Our Environment, Our Future*, released by Premier Steve Bracks today.

Environment Minister John Thwaites said the Government expected that compulsory Environment and Resource Efficiency Plans (EREPs) would lead to huge reductions in industrial energy and water use.

"It is expected that this program will reduce greenhouse gas emissions by more than 1 million tonnes per year, the equivalent of taking 230,000 cars off the road," Mr Thwaites said.

The companies will be required to implement EREPs that include energy, water and waste reduction actions with a three year or better payback period.

"The fact that initiatives with a pay back period of three-years or less must be implemented means that this will lead to companies saving money in the long run.

"In combination with the other business-assistance measures in *Our Environment, Our Future*, these resource efficiency plans will mean that big business is making a big contribution to making Victoria a sustainable state."

*Our Environment, Our Future* includes total funding of at least **\$36 million** to assist business and industry to make its contribution to securing a sustainable future for Victoria.

Key initiatives include:

- \$12 million in funding for research into renewable energy technology such as solar power;
- \$9 million in grants to business from the EPA, which will work in partnership with the Victorian Economic Chamber of Commerce and Industry, the Australian Industry Group and the Plastic and Chemicals Industry Association to support improvements across the lifecycle of products and services in key industries. This will be funded from hazardous waste levies;
- \$4 million to support the dairy industry to save water and reduce trade waste costs;
- \$3.5 million to encourage companies investing in Victoria to adopt sustainability best practice by providing matched funding for investment in water, energy and waste saving in investment projects;
- \$2.5m for the *Resource Smart Business Program* for grants and support for businesses which generate substantial quantities of hazardous and other waste;

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- \$2.5 million for energy efficiency best practice demonstration projects to show business and retailers how they can save money and reduce greenhouse gas emissions by being a lot smarter with energy;
- \$1.5 million for an Eco-Innovation Hub to link the smartest brains in our universities with real-world applications for large sustainability improvements;
- \$1.4 million in Sustainability Fund grants to companies like Orica Australia, which has been awarded \$440,000 to develop a program for elimination of hazardous paint waste in the auto industry;
- Using funding under the EPA's Sustainability Covenant with the Australian Industry Group, an Environmental Code of Practice for Manufacturing will be developed to help businesses move 'beyond compliance' and generate savings through reduced waste;
- Recognising Business Leaders – by way of a 5 Star voluntary certification program to recognise resource efficient business leaders;
- Cutting Environmental Red Tape by a minimum of 15 per cent over the next three years – by reviewing all building, planning and environment regulation;
- Streamlined industry licensing and annual performance reporting – by giving EPA-licensed companies an option to amalgamate multi-premise licenses into a single corporate license and to standardise and streamline their annual reporting obligations.

In addition to the mandatory program for the 250 biggest energy and water users, there will be a voluntary program for other large users delivered through industry associations.

Mr Thwaites said he expected up to another 1000 businesses to voluntarily participate in the program.

“It makes good business sense to reduce energy, waste and water use because it saves money and helps the environment.” Mr Thwaites said.