

Northmore Gordon Works To Improve Energy Stability in Victoria

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Significant problems often require a fresh perspective. Such is the case for the dilemma around the declining gas supply in the state of Victoria, an issue toward which Northmore Gordon has provided significant research to help strengthen the state's energy security and advance its net-zero targets.

Rising energy demand and diminishing gas supply have led to growing concern about a near-future shortfall of gas in Victoria. Over the past several years, many headlines have stressed the need to develop more gas fields. But that approach caters to an old way of thinking that simply prolongs the inevitable - gas will need to be phased out to meet the state's net zero commitments.

Instead, it is time to embrace the future and steer Victoria - and the nation - toward energy security and sustainable alternatives. This can be achieved through proven and reliable strategies that leverage energy efficiency techniques and accelerate renewable energy adoption. Implementation of the Victorian Renewable Energy Target (VRET) has promoted strong growth in renewable energy sources throughout the state. To support this initiative, the state should also pursue measures that decarbonise gas usage.

A couple of significant reports have been published recently that examine the role of gas infrastructure in reaching the state's current Victorian emissions targets. One of the reports came from Infrastructure Victoria, an independent advisory body that provides research and advice on net-zero strategy for the Victorian government. To support the scope of research needed for its report, Infrastructure Victoria asked Northmore Gordon to conduct modeling and analysis on the contribution of energy efficiency measures toward impacting gas demand. Headed by principal consultant Trent Hawkins, Northmore Gordon (in partnership with Energeia) produced a Cost Benefit Analysis of Energy Efficiency Activities in the Gas Sector.

This analysis report by Northmore Gordon represents the culmination of a multi-year examination on the potential impact of improving gas demand-side measures. For the work- supporting Infrastructure Victoria and other recent studies into demand side measures, Northmore Gordon and project partners Energeia has assessed two key elements. First, Northmore Gordon took a data-driven approach to assess how much gas could feasibly be removed from the market, including residential, commercial,

and industrial sectors. This involved energy efficiency measures such as improved insulation as well as electrification of processes like space heating and hot water generation. Second, Northmore Gordon identified programs and policy levers that could be utilized to support and incentivize the undertaking of those activities. This effort identified shortcomings within the Victorian energy upgrades program that, if amended, could strengthen the state's decarbonisation efforts.

Northmore Gordon's research and policy advocacy work revealed that reducing gas demand is a cost-effective way to progress toward Victoria's net-zero targets and address the state's pending gas shortfall crisis. While there will undoubtedly be a need for ongoing research, assessment, and modification, the availability of proven technologies and strategies transforms Victoria's energy dilemma from an engineering challenge to a matter of political and public will. Northmore Gordon will continue to support the households, businesses, and industries of Victoria through technical analysis and policy advisory initiatives and efforts to advance corporations' net-zero strategies.

By making itself available to public and private sector needs, Northmore Gordon applies its engineering knowledge and strategic expertise to help advance Victoria, and Australia at large, toward a healthier and more secure future.

Using this guidance

Check the site's operating conditions, data quality, project stage and current program settings before turning the dated discussion into a scope or investment decision.

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What was the scope of Northmore Gordon's Cost Benefit Analysis for Infrastructure Victoria's gas sector work?

Northmore Gordon, led by principal consultant Trent Hawkins in partnership with Energeia, assessed two key elements: first, a data-driven evaluation of how much gas could feasibly be removed across residential, commercial, and industrial sectors through measures like improved insulation and process electrification for space heating and hot water. Second, they identified programs and policy levers to support these activities, revealing gaps in the Victorian Energy Upgrades program that could be strengthened to accelerate decarbonisation and address Victoria's pending gas shortfall crisis.

Why is reducing gas demand considered cost-effective for Victoria's net-zero transition?

Our research concluded that reducing gas demand is a cost-effective pathway to Victoria's net-zero targets while addressing the state's gas shortfall challenge. By transforming the issue from an engineering problem into one of policy implementation and public commitment, the work demonstrated that existing technologies and economic measures can deliver decarbonisation outcomes. This positions gas demand reduction as a practical complement to renewable energy growth supported by initiatives like the Victorian Renewable Energy Target, creating a comprehensive energy transition strategy rather than relying on a single decarbonisation lever.

How did Northmore Gordon support the regional Victorian water corporation's energy management?

We delivered an organisation-wide energy management system covering over 250 sites serving 300,000 residents. The firm assessed the 14 highest-energy sites and identified more than 65 energy

efficiency opportunities. The corporation reported 10% organisation-wide energy savings, over \$500,000 in annual savings opportunities, and over \$120,000 from projects already underway. This case demonstrates our capability to coordinate multi-site energy assessments, develop structured management systems, and translate opportunity identification into measurable operational and financial improvements across complex utility operations.

What is the scope of GMMWater's integrated energy strategy supported by Northmore Gordon?

We provided scope and services for GMMWater's integrated energy strategy across 343 regional Victorian facilities serving 72,000 customers. The strategy coordinates a 6.5 MW solar facility, 6.5 MWh battery storage, behind-the-meter systems, and SCADA-enabled load optimisation with wholesale-market participation. The statement reports approximately \$1.3 million in annual savings. This work illustrates our expertise in coordinating supply-side generation, energy storage, operational controls, and commercial market engagement to optimize costs and performance across large utility portfolios.

What distinguishes Northmore Gordon's approach to energy improvements in the water sector?

Our water sector work emphasises balancing energy efficiency with operational requirements like treatment performance, pumping duty, and system reliability. Rather than pursuing energy reduction alone, we assess pumping and distribution systems, aeration and treatment processes, biogas utilisation, and renewable integration within the constraints of service obligations. The approach includes staged emissions roadmaps, funding and certificate assessment, and governance support. This operationally-focused methodology ensures that efficiency improvements sustain service quality while delivering measurable energy, cost, and emissions outcomes.

How does Northmore Gordon's six-stage delivery approach support energy projects from assessment through performance?

Our framework connects technical assessment to commercial decisions and ongoing operational results: Assess (identify opportunities and evidence gaps); Build the Case (evaluate technical and commercial viability); Capture Value (secure grants, certificates, or financing); Deliver (implement and verify); Procure (purchase energy and environmental attributes); and Perform (sustain outcomes and enable expansion). The approach recognises that energy projects require aligned decisions about measurement, funding eligibility, procurement strategy, and performance tracking. Starting at the appropriate stage—audits with opportunity registers, metering plans for data gaps, or feasibility briefs for specific upgrade options—ensures proportionate scoping and avoids repeating early-stage work.

What evidence supports using energy audits as a starting point for identifying Victoria's energy improvement opportunities?

Our published work with businesses across Victoria demonstrates how structured energy audits identify cost-effective improvement pathways. For example, audits at Nomad Coffee in Richmond and assessments across the regional water corporation's 250+ sites revealed opportunities ranging from operating adjustments to equipment upgrades. Government guidance emphasises that audits should match real decisions—finding avoidable waste, ranking investments, or examining systems before replacement. By combining audit findings with financial analysis and compliance with Victorian Energy Upgrades or other scheme requirements, organisations can prioritise improvements that deliver both operational and environmental benefits.

How do Northmore Gordon's moreData platform and Net Zero Platform support energy management and decarbonisation tracking?

Our moreData platform collects energy and water data from meters, bills, and control systems, providing energy/water balance views, performance indicator tracking, opportunity analysis with cost curves, solar generation and emissions accounting, procurement analysis with tariff comparison, and

NGER reporting functionality. When integrated with the Net Zero Platform, these tools enable portfolio-level transition planning and site management. Capabilities such as SCADA integration (currently in pilot) and planned IPMVP-standard measurement and verification with automated certificate generation support organisations tracking progress toward net-zero targets while managing multi-site operations and identifying cost-effective improvement pathways.

What role does measurement and verification play in realising and proving energy savings in Victoria?

Our measurement and verification services establish what changed following an energy improvement by comparing actual post-project consumption against a counterfactual baseline under comparable operating conditions. This is essential for Victorian Energy Upgrades projects using measurement and verification methodology, for substantiating insurance and investment contract claims, and for reporting progress toward net-zero commitments. By defining project boundaries, documenting baseline conditions and implementation dates, specifying operating variables, and ensuring quality data collection, M&V; transforms energy audit estimates into credible outcomes. This evidence also supports funding applications, certificate claims, and stakeholder reporting on actual operational and financial benefits.

How can organisations determine whether energy improvements are eligible under Victorian Energy Upgrades or other programmes?

Eligibility under Victorian Energy Upgrades depends on specific activity, premises conditions, equipment, and scheme requirements—not simply on technical merit. We recommend preparing a screening file documenting site address, existing and proposed equipment, project stage and dates, available energy data, prior incentives or certificate arrangements, and nominated practitioners. Our environmental certificate services include assessing activity eligibility, engineering and commercial terms, and evidence requirements. Before relying on certificate contributions in an investment case, organisations should confirm the applicable activity method and version, main eligibility assumptions, calculation basis, and commercial treatment of proceeds. Starting with a project brief and early scheme assessment prevents costly misalignment between project design and programme rules.