

Essential Updates

Victorian Energy Upgrades program
December 2025

[Home](#) · [VEU program](#) · [Contact](#)

Welcome to the December edition of *Essential Updates: Victorian Energy Upgrades*, our industry newsletter with the latest updates on the Victorian Energy Upgrades (VEU) program.

This is our last edition for 2025, we wish you a safe and happy festive season and look forward to engaging with you more in 2026.

Annual VEU Forum on 27 November 2025

We held our annual VEU Forum online on 27 November 2025, with hundreds of VEU industry participants and other stakeholders attending to hear updates about:

- key VEU program data and trends
- our VEU compliance and enforcement priorities, including the commission's evolving regulatory role, expectations of industry, and 2025 highlights
- VEU policy changes and future plans
- new VEU Registry system and continued improvements
- new developments in the VEU program, including recent Energy Upgrades for the future Act and quality assurance expectations.

Presentations were followed by a question and answer segment, with a range of questions posed to a panel of commission and Solar Victoria representatives.

Missed the forum? View the forum video recording and presentation slides on [our website](#).

New Industry Reference Group

Following an expression of interest process, we recently established a new Industry Reference Group (IRG) for the VEU program. The reference group will enhance the way we listen and communicate with industry, providing a new way for industry to provide feedback.

We will provide a further industry update following the IRG's inaugural meeting on 11 December 2025. We will continue to provide opportunities for all VEU industry participants to give feedback, including via surveys, consultation papers and forums. Read more on [our website](#).

2024 VEU energy acquisition process outcomes

The VEU energy acquisition process for energy retailers recently wrapped up for the 2024 compliance year. There were 30 energy retailers with liabilities under the VEU program in 2024, who surrendered over 6.5 million energy efficiency certificates to meet energy efficiency obligations.

Energy retailers delivered 99 per cent of the total certificate surrenders required across all energy retailers for 2024, an improvement on compliance for 2023. One energy retailer paid \$3.4 million in penalties after failing to meet their 2024 energy liability. Read more on [our website](#).

Program updates and changes

Industry survey on VEU commercial and industrial heat pump water heater activity and 2026 greenhouse gas reduction rates

The Department of Energy, Environment and Climate Action (the department) is seeking industry feedback on the VEU commercial and industrial heat pump water heater activity and has confirmed 2026 VEU Greenhouse gas reduction rates. For more information, please view the [department's update](#).

New commercial and industrial solar photovoltaic system activity, changes to the high efficiency motor activity, VEU Registry changes and more

A new VEU commercial and industrial solar photovoltaic system (C&I solar) activity commenced on 29 September 2025. Informed by consultation with program participants and industry, program guides and forms for this activity are now available on [our website](#).

Updated guides and forms for the high efficiency motor activity have also been released to reflect changes to the activity, including an additional IE3 efficiency level and \$200 co-payment requirement per product installed. Read more on [our website](#).

Read more about updates to the VEU Registry to support the new C&I solar activity and other improvements, and updated guides and forms for multiple activities on [our website](#).

Revised VEU program fees for 2026 and 2027

The department has confirmed VEU program fees for 2026 and 2027, which will apply from 1 January 2026. While most fees will remain the same, the following fees will change to better reflect the cost to administer and regulate the VEU program, and to align with VEU targets:

- certificate creation fee will increase from \$2.33 to \$4.35
- lodging an energy acquisition statement fee will increase from \$3,122 to \$4,829
- late lodgement of accreditation renewal fee will decrease from \$13,814 to \$7,376.

Read more [in our email update](#).

Updated activity guides to reflect co-payment and pricing record keeping requirements, and other updates

We have updated guides for multiple VEU activities to:

- Amend the invoice or proof of payment record keeping requirement to require pricing and co-payment information be listed per product.
- Update guidance on co-payment and pricing information to be recorded when submitting an activity for activities 1, 3, 6, 32, 44 and 46.
- Reflect changes to the scheme participant registration process in the VEU Registry system for activities 13, 15, 17, 26 and 45.
- Make other minor updates to relevant activity guides.

Read more on [our website](#).

VEU project-based activity regulations changes

Changes took effect on 26 August 2025 to support and extend recent changes to the project-based activities specifications. These changes streamline and simplify the methods available, and encourage growth and uptake of project-based activities. Read more on our website.

[View all commission program updates](#).

[View all industry news from the Department of Energy, Environment and Climate Action](#).

New VEU insulation activity: training and certification package for insulation installers

The Victorian Government is funding a training and certification package to support the safe introduction of retrofit ceiling insulation in the VEU program in early 2026.

This will be delivered in partnership with the Energy Efficiency Council and registered training organisations, to educate, train, certify and expand the Victorian insulation workforce to ensure safe and quality insulation installations. Read more on the [department's website](#).

Compliance and enforcement

Latest enforcement action and 2025 highlights

In recent months, we have taken enforcement action against 11 accredited persons and a scheme participant for allegedly breaching the VEU rules, with multiple instances where false information was provided about upgrades, and breaches of consumer protections.

This, combined with the other significant action we have taken in 2025 to protect consumers and program integrity, includes:

- Restricting, suspending or cancelling the VEU accreditation of over 15 accredited businesses.
- Issuing four penalties to an accredited business and scheme participant, totalling over \$92,000.
- Requiring 150,000+ certificates to be refused or surrendered, valued at around \$16 million.
- Requiring six accredited persons to complete compliance audits.
- Issuing formal warnings to 11 accredited businesses.

Read more about our compliance and enforcement action on [our website](#).

Increased site inspections and other activity to identify and address non-compliance

Our enforcement action is the result of our efforts to proactively monitor and enforce industry compliance with the VEU rules, to protect consumers and program integrity. This includes additional activity to complement our existing compliance monitoring, such as certificate assessments, audits, consumer surveys, and investigating tip-offs, including:

- more site inspections
- deeper monitoring and analysis of program data
- mobilising resources to address emerging risks, such as the VEU Fraud Taskforce
- information sharing and collaboration with other regulators and agencies where issues arise.

Industry whistleblower reporting

Reports of non-compliance from industry and consumers play a critical role in monitoring industry compliance and ensuring a level playing field. If you're aware of someone is breaking the rules, you can tell us by calling 03 9032 1310 or emailing veu@esc.vic.gov.au.

Program statistics and data

Updated VEU Public Registers are now available in the VEU Registry, which allow users to filter information, access the data they need, and export it into Microsoft Excel. This includes information about certificates, activities, accredited persons, products, projects and Scheduled Activity Premises.

Access the [Public Registers](#) via the new VEU Registry system.

More information

Read more about the VEU program, how to participate and industry obligations on [our website](#).

Check out the monthly VEU Bulletins on [our website](#) for more information to support accredited persons' participation and compliance in the program.

Contact us

VEU support: (03) 9032 1310 or veu@esc.vic.gov.au

Why am I receiving this?

You're receiving this because you have subscribed to our newsletter.

You can [edit or unsubscribe](#) at any time.



This email was sent by Essential Services Commission, Level 8, 570 Bourke Street, Melbourne, Victoria 3000, Australia to heidi.wearne@esc.vic.gov.au

[Unsubscribe](#)

Powered by
Vision⁶