

# Victorian Energy Upgrades Bulletin

Supporting accredited persons' scheme participation and compliance



October 2025

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## **Updates and insights**

 The Department of Energy, Environment and Climate Action (department) has confirmed <u>revised</u> <u>Victorian Energy Upgrades (VEU) program fees for 2026 and 2027</u>, which will apply from 1 January 2026.

## Latest program updates

 Release of legislative amendments introducing a new commercial and industrial solar photovoltaic (PV) system activity, revision to high efficiency motors activity and other amendments | Essential Services Commission

## **Compliance matters**

Compliance Alert: Suspension and restrictions imposed on three VEU accredited providers for using falsified information

The Essential Services Commission (commission) has suspended the VEU accreditation of A.K. Alvi Enterprises Pty Ltd (Zerowatt), and imposed restrictions on the accreditation of MYOM Australia Pty Ltd (MYOM) and Phenix Pty Ltd (LEDSaves) for providing falsified information about VEU upgrades.

Where accredited persons breach program rules, the commission can take swift action to stop future misconduct. Accredited persons must not provide false or misleading information or evidence to the commission and must ensure that the information provided by their scheme participants is accurate.

Recently, the commission has used its powers to prevent further breaches by:

- Refusing and ordering the surrender of non-compliant certificates valued at over \$400,000.
- Temporarily prohibiting accredited persons from continuing to undertake the activity concerned.
- Suspending participation in the program temporarily.



As program regulator, one of our key goals is to safeguard the integrity of the VEU program and protect consumers by supporting good industry practice. We monitor conduct in the program and take strong enforcement action for breaches of the program rules.

The commission will continue to assess these matters and consider further enforcement action if appropriate. Providing falsified evidence is a serious breach of the VEU rules and compromises market integrity. Addressing this conduct is one of our current <u>compliance and enforcement priorities</u>.

# MYOM Australia restricted for using falsified photos as evidence of energy efficient upgrades - investigation continues

The commission has placed a six-month restriction on MYOM's VEU accreditation, for allegedly using falsified photo evidence for its energy efficiency projects.

After receiving a community tip-off about potential misconduct, the commission investigated 180 of MYOM's non-building based lighting activities.

The investigation identified that the same lights appeared in photos submitted by MYOM as evidence of decommissioned lighting across multiple projects. The commission is not satisfied the certificates MYOM claimed are compliant.

MYOM is restricted from undertaking non-building-based lighting upgrades and creating certificates for this activity for six months. This puts an immediate stop to the alleged non-compliance so we can investigate all MYOM's pending and registered certificates and consider additional enforcement action.

# Zerowatt suspended and LEDSaves restricted for claiming certificates for upgrades that didn't occur

We recently suspended A.K. Alvi Enterprises Pty Ltd's (Zerowatt) VEU accreditation for three months and restricted Phenix Pty Ltd's (LEDSaves) accreditation for six months for allegedly claiming Victorian energy efficiency certificates for work that didn't take place.

We also refused and ordered the surrender of non-compliant certificates valued at over \$400,000 and required Zerowatt and LEDSaves to have their quality assurance processes independently audited.

Contractors working for Zerowatt and LEDSaves allegedly falsely claimed to have completed weather sealing and low-flow shower rose installations.

While the alleged conduct was carried out by contractors, accredited persons must have safeguards in place to ensure their contractors and the activities they create certificates for comply with VEU program rules.

LEDSaves self-reported the breach, which informed our decision to restrict them from the activity of concern, rather than imposing a full suspension from all activities or other sanctions.

# Unannounced site inspections in regional Victoria – commercial and industrial heat pump compliance

As part of our proactive compliance work, commission staff recently conducted site inspections to assess the compliance of VEU commercial and industrial heat pump (activity 44) installations in regional Victoria.



The unannounced inspections included engaging with consumers and inspecting the installations for compliance with VEU program rules, including co-payment and decommissioning requirements. This identified several instances of potential non-compliance with the VEU program rules, including breaches of:

- · the doorknocking and telemarketing bans
- · co-payment requirements
- · existing water heater decommissioning requirements
- requirements to provide relevant documents and compliance certificates to energy consumers.

These matters are currently under investigation.

### Industry obligations and further inspections

Accredited persons and scheme participants must ensure all activities comply with the program rules. We strongly urge all accredited persons to maintain robust inspection programs to verify compliance with program requirements.

We will continue to undertake site inspections alongside our other compliance and enforcement activities to protect consumers and VEU program integrity. This includes:

- assessing certificates created by accredited persons for upgrades
- · surveying consumers
- · requiring accredited persons to undergo assurance and compliance audits
- investigating consumer and industry tip-offs and other suspected non-compliance.

The commission will take strong enforcement action where breaches are identified.

# Compliance reminder – Space heating and cooling – high efficiency air conditioner (activity 6) requirements

The commission has undertaken a compliance review of certificate claims submitted under the space heating and cooling activity – high efficiency air conditioners (activity 6) and identified several instances of non-compliance.

The review identified some areas for improvement across the installation of Activity 6 products.



### What you need to look out for

Before installing a high efficiency air conditioner under the space heating and cooling activity (activity 6), accredited persons and scheme participants must:

- Provide a copy of the VEU Space Heating and Cooling Consumer fact sheet to the consumer, and ensure the consumer is properly advised of the suitability of the product for their premises and their heating and cooling needs.
- **Provide clear and accurate information** to the consumer based on relevant information, such as product specifications, household requirements, and installation conditions.
- Clearly explain any product limitations, or circumstances where the product may not perform as intended, to the consumer.
- Explain the decommissioning requirement, if an existing appliance is being decommissioned. Ensure that the consumer understands that the existing appliance will be rendered permanently inoperable and, where it is safe to do so, removed from the premises.

Accredited persons and scheme participants must be aware of their obligations under the Victorian Energy Upgrades (VEU) program, including the specific requirements for each activity, including the accuracy of data recorded in the Registry.

Compliance with these requirements helps ensure the program operates in the best interests of consumers and achieves genuine greenhouse gas reductions.

As an accredited person, you are responsible for ensuring that any certificates you create comply with the VEET Act and the VEET Regulations.

## Why am I receiving this?

You're receiving this because you are an Accredited Person under the Victorian Energy Upgrades program.

#### Contact us

If you have any questions about the contents of this bulletin or the VEU program, please contact our VEU Support team on (03) 9032 1310 or via email at <a href="mailto:veu@esc.vic.gov.au">veu@esc.vic.gov.au</a>.



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