

Fact sheet: Victorian Energy Upgrades

New targets and program expansion

Victorian Energy Upgrades is Australia's largest energy efficiency program

Victorian Energy Upgrades (VEU) is the Victorian Government's flagship energy efficiency program and the largest scheme of its kind in Australia.

The program provides households and businesses with discounted energy-efficient products and services. Every Victorian household and business is eligible to access discounts through accredited providers who operate across the state.

Since 2009, the program has:

- supported more than 1.8 million households and over 100,000 businesses in upgrading appliances and equipment
- reduced Victoria's greenhouse gas emissions by over 60 million tonnes
- saved Victoria \$4 billion in energy system costs.

The VEU program supports 2,200 jobs each year in Victoria's energy efficiency and demand-side management industry, including local trades and supply chains across the state.

How does the Victorian Energy Upgrades program work?

Households and businesses can access incentives for installing energy saving equipment – and contribute to meeting Victoria's energy efficiency targets.

Households can benefit from discounts on a range of equipment, including energy efficient lighting, space heating and cooling, water heating, and draft sealing.

Discounts are available for upgrades for businesses and include energy efficient lighting, refrigeration display cabinets, motors, water heating and heating and cooling systems.

To see what energy-saving upgrades are available, visit www.victorianenergysaver.vic.gov.au

Victorian Energy Upgrades targets for 2022-25

The Victorian Government has announced ambitious new energy savings targets for the VEU program for 2022-25, which will support significant investment in energy efficiency.

The targets are the largest ever set for the program and will increase each year, reducing Victoria's energy consumption by 7% in 2025. They will deliver 28 million tonnes of greenhouse gas emission savings by 2025 – equivalent to taking 8.5 million cars off the road.

Together, these targets will lower energy prices for all Victorians, reduce emissions and ensure VEU continues to be the nation-leading energy efficiency scheme.

Table: VEU targets for 2022-25

Year	Number of VEU certificates	Emissions savings (tonnes)
2021	6.5 million	6.5 million
2022	6.7 million	6.7 million
2023	6.9 million	6.9 million
2024	7.1 million	7.1 million
2025	7.3 million	7.3 million

Expanding energy-saving opportunities

The VEU program is set to expand following a \$17 million boost announced as part of the 2020/21 State Budget. The expanded program will include new and revised activities and increased incentives to provide households and businesses with more opportunities to carry out upgrades that save energy and lower bills.

There will be increased incentives and refreshed activity requirements to expand access to:

- energy efficient shower roses
- space heating
- water heating
- pool pumps

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- building shell upgrades, such as weather sealing and double glazing.

New subsidies will be introduced to the program for smart technology upgrades and new innovations, such as:

- smart thermostats
- home energy monitoring systems
- smart water heaters and space heaters which maximise the use of rooftop solar energy
- energy management systems for commercial buildings.

Lower energy bills for all Victorians

The expanded program and new targets will deliver savings on energy bills for all Victorians – whether they directly participate in the program or not.

The program delivers system-wide benefits lowering wholesale electricity and gas prices and negating the need for grid upgrades.

Those that undertake upgrades through the program save more. Households who participate in the program are expected to save, on average, at least \$120 a year. Businesses who participate in the program are expected to save more than \$500 a year on energy bills, on average, under new targets for the program.



Further support for energy efficiency and energy costs

Alongside VEU discounts, businesses can access the \$31 million Business Recovery Energy Efficiency Fund (BREEF) that offers grant funding to large energy-using businesses for both capital works and energy demand management technologies. Energy efficiency upgrades can support large energy users to reduce their energy use and navigate the energy transition. Details are available here:

<https://www.victorianenergysaver.vic.gov.au/energy-advice-for-business/business-recovery-energy-efficiency-fund>

From 2021, additional grants will be available to support small and medium sized businesses to participate in the VEU program and install energy saving equipment.

Low income and vulnerable households can also benefit from a new \$1,000 rebate for efficient, lower cost heating and cooling, available from 2021. This is expected to save 250,000 Victorian households over \$300 a year on energy bills. Details are available from Solar Victoria: <https://www.solar.vic.gov.au/heaters>

Find out more

To see what energy-saving upgrades are available and to find an accredited provider in your area, visit www.victorianenergyupgrades.vic.gov.au

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