

Changes to the VEU program from 1 July 2023 - Key facts

From 1 July 2023, important changes to the Victorian Energy Upgrades program take effect – this includes strengthened accreditation standards, including annual renewal of accreditation, and new fees.

The commission will also have new powers, enabling it to better regulate the program, including expanded powers to direct and undertake audits, and new enforcement tools for specified breaches of the program rules.

These changes follow consultation undertaken by the Victorian Government as part of its review of the *Victorian Energy Efficiency Target Act 2007*, and are intended to enable effective regulation of the program so that it continues to deliver the best outcomes for consumers, industry, and the environment.

The Victorian Energy Upgrades program is one of the largest market-based energy efficiency schemes in Australia.

Established in 2009, the program is a state government initiative designed to deliver environmental and economic benefits to Victorians.

The program assists consumers to reduce their energy bills and emissions by offering free and discounted products and services to improve the energy efficiency of their homes or business.

This includes lighting, low flow shower heads, space heating and cooling, water heating and draft sealing.

About the changes

In 2021, the Department of Energy, Environment and Climate Action conducted a review of the Victorian Energy Efficiency Target Act 2007, including consultation with more than 80 organisations and individuals.

The resulting reforms include changes to accreditation requirements and processes, including:

- annual renewal of accreditation
- changes to program fees, and

- new and strengthened functions and powers for the commission, including increased powers to direct and undertake audits, and new enforcement tools for specified breaches.

How will these changes benefit consumers and the industry?

Since its establishment in 2009, the Victorian Energy Upgrades program — and industry more broadly — has grown significantly.

These reforms are aimed at ensuring the Victorian Energy Upgrades program has an appropriate framework and strong consumer protections as it transitions to higher targets, more installations of energy saving equipment, and greater energy savings for Victorian households and businesses.

About the new accreditation standards

From 1 July 2023, the criteria to be approved to participate in the Victorian Energy Upgrades program will be strengthened.

Under the new accreditation standards, applicants will be required to pass a fit and proper persons test, and a competent and capable test each year.

Also, accreditations will expire 12 months after the date on which they are granted, and participants will be required to apply to renew their accreditation each year. This will provide for a regular assessment of whether participants are continuing to meet the standards and the rules of the program.

About the new fees

The new fee structure from 1 July 2023 (and further revisions to fees occurring on 1 November 2023) will help resource the commission to effectively exercise its functions and provide oversight of the program.

From 1 July 2023:

	Existing fee	New Fee
Application for accreditation	\$500	\$3000
Application for renewal of accreditation	N/A	\$1000
Application for approval of a project impact report	N/A	\$500
Application to list a product on the ESC Register	N/A	\$500
Lodging an energy acquisition statement	N/A	\$3122
Request for reconsideration of a reviewable decision	N/A	\$750

About the commission's expanded powers

From 1 July 2023, the commission will have new and strengthened functions and powers to regulate the Victorian Energy Upgrades program, including greater powers to direct and undertake audits and new enforcement tools for specified breaches.

These extended powers will provide:

- stronger protections for consumers and accredited providers, helping to prevent and deter non-compliance with the program, and
- new enforcement powers to take action where required against unethical, unsafe, misleading or fraudulent activity.

The commission takes compliance with the program rules seriously and will use its new powers to uphold the integrity of the program, thereby meeting the needs and expectations of everyone engaging with the program.

What else do the program changes mean for APs?

In addition to applying for accreditation every year, accredited persons will need to take steps to ensure they can meet other additional obligations as a result of the changes, including:

- Accredited persons will be required to undertake an assurance audit at least once every two years, as directed by the commission. This will be at the accredited person's expense.
- The consequences for accredited persons who are not complying with the program rules or who are contracting with installers, lead generators and other scheme participants who are not complying with the program rules, may be more severe.

Accredited persons should review their systems and processes to be confident they are compliant with the program rules and have the resources necessary to meet the new obligations.

Supporting resources

For more information and supporting resources, visit: [Changes to the Victorian Energy Upgrades program from 1 July 2023 | Essential Services Commission](#)

Contact us

If you have any queries, please contact VEU Support on (03) 9032 1310 or email yeu@esc.vic.gov.au.