

10 March 2025

Stan Krpan
CEO, Solar Victoria
Department of Energy, Environment and Climate Action

Submitted online: <https://engage.vic.gov.au/>

Dear Stan,

Re: Victorian Energy Upgrades (VEU) Strategic Review Discussion Paper

On behalf of our members, the Victorian Greenhouse Alliances (VGAs) are pleased to provide this response to the *VEU Strategic Review Discussion Paper*.

The VGAs are formal partnerships of local governments and statutory agencies driving climate change action across Victoria. We deliver regional mitigation and adaptation programs that provide economies of scale and enable projects typically beyond the reach of individual members. Our project work is complemented by targeted advocacy, capacity building and regional partnerships.

The energy transition must be socially inclusive, equitable and appropriately managed to ensure that the benefits are shared by all users and costs are not unduly borne by vulnerable communities and those least able to afford it. As stated in the review discussion paper, groups such as people on lower incomes, culturally and linguistically diverse households, rural communities and renters face barriers to accessing VEU.

We consequently urge the strategic review team to consider the following recommendations which focus on increasing the scheme's accessibility and equity:

- Introduce an ambitious sub-target that incentivises additional upgrades for eligible low-income and vulnerable households. This should be accompanied by enhanced consumer protections to address any resulting risks of aggressive sales tactics.
- Require the Essential Services Commission to recover an additional fee from each Victorian Energy Efficiency Certificate (VEEC, e.g. 50c per certificate) to create a funding mechanism for trusted intermediaries to facilitate upgrades for low-income and vulnerable households. This will complement the implementation of the sub-target by driving additional certificate creation and putting downward pressure on the VEEC price.¹
- Establish partnerships with trusted intermediaries (such as councils and community energy groups) who provide facilitation and outreach services that bridge the gap between households and VEU activities as well as other government programs such as Solar Homes. Funding for placed-based activities should include (but not be limited to):
 - Independent and tailored information regarding electrification, improved energy performance, consumer energy resource deployment, and beneficial operation of resources,
 - demonstration of benefits of various upgrades,
 - home energy assessments,
 - planning of upgrades, including finding reliable and vetted service providers and obtaining quotes,

¹ This recommendation builds on [the discussion paper](#) developed by Eastern Alliance for Greenhouse Action and Environment Victoria



- support to access government and industry assistance schemes, and
- evaluation and monitoring of impact and effectiveness.
- Introduce an additional separate sub-target and VEEC fee (as per above) for Small to Medium sized enterprises (SME). This approach should support intermediaries to engage with SMEs through a variety of methods, such as networking events, site tours and industry specific advice.
- Remove the requirement for minimum customer co-payments (for activities such as water and space heating) for priority groups engaged through partner intermediaries.
- Fast-track the introduction of insulation within the scheme for upgrades facilitated by intermediaries. This approach can assist in addressing safety risks by ensuring pre-installation electrical safety inspections and post-installation compliance audits.
- Update VEU's code of conduct to provide explicit exemptions for council outreach and facilitation services which could be considered as 'lead generation' under the current VEET legislation.
- Establish a fee subsidy and/or rewards program specifically to enrol regionally based Accredited Providers and ensure the cost-benefit of becoming an Accredited Provider is a worthwhile and valued component of the regional business model.²
- Overhaul the program's communications through a User-Centred Design (UCD) approach that puts people at the centre of service design and delivery. This should focus on online formats in the first instance and seek to enhance access, transparency and trust in the scheme.
- Provide additional support for households to transition away from wood-fired heaters, particularly in regional and remote areas where space heating needs are met with zero-cost fuel, and households are locked-in to using free wood.

We would welcome the opportunity to speak with you directly regarding this submission to discuss how we can leverage the respective capabilities and resources of all levels of government to ensure the best outcomes for Victorian communities.

Greenhouse Alliances and contacts

- Barwon South-West Climate Alliance (BSWCA), Sue Phillips, Executive Officer, sue.phillips@bswca.org
 - City of Greater Geelong
 - Golden Plains Shire
 - Surf Coast Shire
 - Borough of Queenscliffe
 - Colac Otway Shire
 - Warrnambool City Council
- Central Victorian Greenhouse Alliance (CVGA), Annika Kearton, Chief Executive Officer, ceo@cvga.org.au
 - Ararat Rural City Council
 - Ballarat City Council
 - Buloke Shire Council
 - Central Goldfields Shire Council
 - Gannawarra Shire Council
 - Greater Bendigo City Council
 - Hepburn Shire Council
 - Loddon Shire Council
 - Macedon Ranges Shire Council

² Refer to VGA's submission to the [VEU Targets Review \(Jan 2025\)](#) or further information.



- o Mildura Rural City Council
- o Mount Alexander Shire Council
- o Pyrenees Shire Council
- o Swan Hill Rural City Council

- Eastern Alliance for Greenhouse Action (EAGA), Scott McKenry, Executive Officer, scott.mckenry@maroondah.vic.gov.au
 - o City of Boroondara
 - o Glen Eira City Council
 - o Knox City Council
 - o Maroondah City Council
 - o Monash City Council
 - o Stonnington City Council
 - o Whitehorse City Council
 - o Yarra Ranges Council

- Gippsland Alliance for Climate Action (GACA), Tiffany Harrison, Coordinator, tiffany.harrison@gccn.org.au
 - o Baw Baw Shire Council
 - o East Gippsland Shire Council
 - o Latrobe City Council
 - o South Gippsland Shire Council
 - o Wellington Shire Council

- Goulburn Murray Climate Alliance (GMCA), Carole Hammond, Executive Officer, eo@gmca.org.au
 - o Alpine Shire Council
 - o Benalla Rural City Council
 - o Campaspe Shire Council
 - o Greater Shepparton City Council
 - o Indigo Shire Council
 - o Mansfield Shire Council
 - o Mitchell Shire Council
 - o Moira Shire Council
 - o Murrindindi Shire Council
 - o Towong Shire Council
 - o Strathbogie Shire Council
 - o Wangaratta Rural City Council
 - o Wodonga City Council
 - o Alpine Resorts Victoria
 - o Goulburn Broken Catchment Management Authority
 - o North East Catchment Management Authority

- Northern Alliance for Greenhouse Action (NAGA), Dean Thompson, Executive Officer, dean@naga.org.au
 - o Banyule City Council
 - o City of Darebin
 - o Hume City Council
 - o Manningham City Council
 - o City of Melbourne
 - o Merri-bek City Council
 - o Nillumbik Shire Council
 - o City of Whittlesea
 - o City of Yarra



- South East Councils Climate Change Alliance (SECCCA), Helen Steel, Chief Executive Officer, hsteel@seccca.org.au
 - Bass Coast Shire Council
 - Bayside City Council
 - Cardinia Shire Council
 - City of Casey
 - Greater Dandenong City Council
 - Mornington Peninsula Shire Council
 - City of Kingston
 - City of Port Phillip

- Western Alliance for Greenhouse Action (WAGA) Fran MacDonald, Executive Officer, franm@brimbank.vic.gov.au
 - Brimbank City Council
 - Maribyrnong City Council
 - Hobsons Bay City Council
 - Melton City Council
 - Moonee Valley City Council
 - Moorabool Shire Council
 - Wyndham City Council

This submission has been approved through the Greenhouse Alliances governance structures but may not have been formally considered by individual members. The submission does not necessarily represent the views of all members.