

ESIA Media Release

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VEU new deemed solar activity for commercial and industrial enterprises helps plug policy gap to meet emissions reduction targets

Today the Victorian government announced a new activity (47) under the Victorian Energy Upgrades (VEU) program. Eligible commercial and industrial (C&I) enterprises will now have access to upfront deemed incentives of up to \$34,000 to install solar systems from 30 to 200kW. This helps plug a policy gap and is supported by the Energy Savings Industry Association (ESIA).

“The ESIA has been advocating to have the emissions reductions attributable to solar to be fully recognised through the VEU with a streamlined behind-the-meter measurement and verification (M&V) method. We believe it is important for Victoria to fully embrace the emissions potential in the C&I space to help meet the State’s ambitious emissions reduction targets of 75-80%. We are delighted with this breakthrough news to complement traditional M&V methods under the VEU,” said ESIA President Ric Brazzale.

“We should now see reasonable uptake over the coming year in this significant niche market. This is crucial given large-scale generation and transmission projects generally have longer lead times and more challenges prior to being commissioned.

“As the Commonwealth government’s renewable energy target scheme progressively reduces incentives to 2030, it makes sense for the Victorian government to help plug that gap with activity 47.

“There are lots of C&I rooftops state-wide presenting significant untapped opportunity. This activity 47 is a great way to harness the opportunities for businesses to take control of their own energy supply and reduce their energy bills.

“We look forward to engaging with the Victorian government and the scheme regulator, the Essential Services Commission (ESC), to finesse the activity in the coming days and months,” said Mr Brazzale.

VEU Activity 47 was gazetted on 23 September 2025. The Specifications were published on 30 September. Due to the nature of these projects, certificate creation won’t commence immediately even though it is a deemed activity, with more information anticipated soon.

... Ends

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References:

- Victorian Government Gazette, 23 September 2025
- VEU Specifications 2018 Version 21.0, effective from 29 September 2025,
<https://www.energy.vic.gov.au/victorian-energy-upgrades/installers/industry-specifications:>
 - p2: Amendments: Added new Part 47 activity – commercial and industrial solar photovoltaic system. Amended end date of June 2026 for Part 46. Added minimum co-payments for Part 31. Amended Part 31 to include an IE3 efficiency level for category 31B products. Introduced minor amendments on incentive calculations for Part 31.
 - p135-38 ...
 - 47A: A solar photovoltaic system that has a solar photovoltaic module capacity of more than or equal to 30 kW and less than or equal to 100 kW ...
 - 47B: A solar photovoltaic system that has a solar photovoltaic module capacity of more than 100 kW and less than or equal to 200 kW ...

The systems must be:

- a. installed in compliance with the relevant Distribution Network Service Provider's negotiated connection contract; and
- b. can be either a new connection or a connection alteration; and
- c. uses solar photovoltaic modules (solar panels) listed on the Clean Energy Council approved modules list; and
- d. uses inverters listed on the Clean Energy Council approved inverters list.