

ESIA Media Release

24 June 2025

Victorian gas appliance bans will help homes and businesses save money and emissions sooner

Bans on various gas appliances in homes and businesses will have a staggered commencement from 1 March 2027 along with new minimum standards for rental properties for gas appliances at end of life or lease, the Victorian government announced today. The Victorian Energy Upgrades (VEU) program and other financial support will help consumers and landlords make the switch.

“The Energy Savings Industry Association (ESIA) welcomes the bans and new requirements. We are advocating for more support under the VEU for upgrades to get consumers off gas to further reduce energy bills and greenhouse gas emissions and support the clean energy transition.

“Today’s 18-month lead times at earliest provide industry time to gear up for the changes. We commend the Victorian government on its leadership in taking the tough steps to deliver real action on climate change by committing to key pillars of its gas substitution roadmap,” said ESIA President, Ric Brazzale.

Three key tranches of the gas appliance bans and energy efficiency requirements include:

- from 1 January 2027, all new homes and commercial buildings will be required to be electric, excluding industrial, manufacturing and agricultural buildings.
- from 1 March 2027, all existing home hot water appliances must be replaced with efficient electric systems at end of life.
- from 1 March 2027, new minimum energy efficiency standards will apply to rental properties and public housing, triggered by end of life of the appliance or end of lease. This includes efficient hot water heat pumps at end of life, reverse cycle air conditioners to replace gas heaters at end of life, 4-star efficiency shower heads at start of lease, ceiling insulation R5.0 rated at start of lease where there is no ceiling insulation, draught sealing including weather seals on all external doors, windows and wall vents at the start of a new lease. If these upgrades haven’t been triggered, then they will be required at the backstop date of 1 July 2030. Main living areas must also have an efficient electric cooling system at the start of a new lease (they are already required to have heating). Installing a reverse-cycle air conditioner will acquit both the heating and cooling requirements.
- no changes to heating for owner occupiers, gas cooking in existing homes, rules regarding end-of-life replacement for gas appliances in all existing commercial buildings, or the use of LPG for households or businesses.

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References: Victorian government media release: Securing Victoria’s gas supply while slashing energy bills, and <https://www.energy.vic.gov.au/households/electric-and-efficiency-standards-for-buildings>, 24 June 2025