

# Media Release

**The Hon Lily D'Ambrosio MP**  
Minister for Climate Action  
Minister for Energy and Resources  
Minister for the State Electricity Commission



Friday, 8 August 2025

## HEATING UPGRADES DRIVE BIG SAVINGS FOR FAMILIES

More Victorian families are slashing their power bills by upgrading to energy-efficient heating and cooling thanks to the Allan Labor Government's Victorian Energy Upgrades (VEU) program.

Minister for Energy and Resources Lily D'Ambrosio today announced 99,000 households have used the program this year, with participation on track to exceed 170,000 by the end of 2025.

These upgrades are helping Victorians stay warm in winter, cool in summer and take control of their energy costs.

More than 41,000 households have already accessed discounted heating and cooling upgrades in 2025, saving households up to \$5,530 on the cost of upgrading appliances and more than \$1,000 on their annual energy bill.

So far this year more than 18,000 households have upgraded their inefficient gas water heating to electric, saving them up to \$330 off their energy bills annually.

Hot water systems are one of the most popular upgrades, with savings of up to \$2,030 available off the cost of installing a locally made energy-efficient hot water system when you combine a Solar Victoria rebate and a Victorian Energy Upgrades discount.

A new all-electric home with solar can save up to \$1,820 a year on energy bills. An existing home can save around \$2,000 annually by going all-electric with solar.

Last year the VEU saved households almost \$54 million off their energy bills, putting money back in the pocket of Victorian families.

Victorians can access discounts on a wide range of upgrades including reverse cycle air conditioners, heat pump hot water systems, induction cooktops, weather sealing and more.

We're also undertaking a Strategic Review of the program to make it easier for Victorians and businesses to get involved and start saving money on their energy bills, findings of the review have been submitted and the government is now considering our response.

The program also supports businesses and tradespeople delivering installations, supporting 2,700 jobs and boosting the economy. For more information, visit [energy.vic.gov.au/victorian-energy-upgrades](https://energy.vic.gov.au/victorian-energy-upgrades).

### Quotes attributable to Minister for Energy and Resources Lily D'Ambrosio

*"We're on the side of Victorian families and helping them cut their energy bills in a time where every dollar counts."*

*"The VEU program is just one way we're helping Victorians cut energy costs, with people also able to save through the Power Saving Bonus and solar homes programs."*

### Quote attributable to Member for Eltham Vicki Ward

*"The VEU program is helping to lower energy bills for families and business during this cost-of-living crisis and I encourage everyone to see what upgrades are available to them."*