Eligibility of off-grid sites under the VEU program



Information for VEU program participants

17 July 2019

Victorian energy efficiency certificates (VEECs) are only eligible to be created for installations at off-grid sites where the fuel source emits greenhouse gas emissions.

Our decision

VEECs can be created for installations at sites that are not connected to the Victorian electricity grid (off-grid sites) where:-

- the site is powered by a fuel source which emits greenhouse gas emissions
- the installation will reduce those emissions through the more efficient use of electricity and/or gas.

Where the electricity for the off-grid site is generated by means that do not produce greenhouse gas emissions (e.g. solar, hydro, wind etc.), VEECs cannot be created for installations at these sites.

Stakeholders' queries

We recently received a number of stakeholders' queries about the eligibility of off-grid sites under the Victorian Energy Upgrades (VEU) program.

Rationale for our decision

The purpose and objectives of the program as set out in the Victorian Energy Efficiency Target Act 2007 is to promote the reduction of greenhouse gas emission and to encourage the efficient use of electricity and gas. Certificates under the VEU program are created for each whole tonne of carbon dioxide equivalent of greenhouse gases to be reduced by the undertaking of an activity.

In view of the above, VEECs are only eligible to be created at a site where the energy supplied generates greenhouse gases.

Where to get help

If you have any questions with respect to matters set out in this program update, please contact VEU Support on (03) 9032 1310 or <u>veu@esc.vic.gov.au</u>.