South Australia’s air-conditioning rebate in 2026: who the ‘priority’ rules actually help — and what ‘free’ really means

‘Free government air conditioner’ ads are circulating across South Australia again. Here’s a plain-English guide to what the state’s REPS scheme really offers in 2026, who gets the most help, and how to spot the operators giving it a bad name.

Every South Australian summer brings a fresh wave of “free government air conditioner” advertising — and most of it leaves households more confused than informed. Behind the marketing sits a real state scheme, the Retailer Energy Productivity Scheme (REPS), that can take a serious chunk off the cost of a new reverse-cycle system. But it isn’t a cash handout, it comes with conditions, and in 2026 the question of who qualifies matters more than it has in years.

How REPS actually works

REPS is not a rebate you apply for and claim back. The South Australian Government sets annual energy-productivity targets that large energy retailers are obliged to meet, and they meet them by funding approved efficiency upgrades — efficient reverse-cycle air conditioning among them — delivered through accredited providers. The value is applied as a discount on the installed price, not paid to you afterwards, and you don’t have to be a customer of the retailer funding the work. Because a reverse-cycle system heats and cools efficiently from one unit, it’s exactly the kind of upgrade the scheme is built to reward — which is also why only high-efficiency models qualify. There is no single dollar figure that applies to every home; the amount depends on the system, the provider’s current offer and your circumstances.

Why ‘priority’ is the word that matters in 2026

REPS rolled into a new five-year period on 1 January 2026, and the reset has been bumpy. Targets were cut and the rules tightened over December and January, before the State Government moved in February to reinstate “transition factors” for Priority Group households — in plain terms, a multiplier that lifts the contribution toward the up-front cost of upgrades like air conditioning and insulation. The scheme also runs separate targets for Priority and General (non-priority) households, and industry providers expect the General target to be used up comparatively early in the year, while Priority Group activity is likely to remain available for longer. With cost-of-living pressure still biting, the practical upshot is blunt: in 2026, priority households have both the larger benefit and the better chance of actually securing it before the year’s funding runs out.

Who counts as a priority household?

A household generally falls into the Priority Group if at least one resident holds a Commonwealth pensioner concession card, a Health Care Card or Low Income Health Care Card, or an eligible veterans’ card — or has been referred by a registered member of the

South Australian Financial Counsellors Association (SAFCA). Hardship and low income are the common thread. Renters can qualify too, depending on the activity and with the property owner's consent. Priority households are also exempt from the one-off $33 REPS site fee that other customers pay — a small but telling marker of where the scheme points its help.

What 'free' actually means

For some priority households, a qualifying upgrade may carry little or no out-of-pocket cost; for everyone else it's a genuine discount rather than a giveaway. Either way, you may be asked to show one current piece of proof — typically a concession card, a concession shown on a recent energy bill, evidence of a hardship or payment arrangement, or an eligible lease. What you should not be asked to do is hand over a large sum upfront for a unit that's been advertised as "free."

The part the ads skip

This is where a little caution pays off. Only accredited providers can deliver REPS activities. Anyone offering one at your door must show identification, and must give you a written information statement once the work is done, listing the provider's name and contact details. Treat "today only" pressure, vague paperwork and requests for big upfront payments as red flags. Only reverse-cycle models listed on the federal GEMS register qualify, so a legitimate quote will name the exact system going in. If something goes wrong, raise it with the provider first, then escalate to the Essential Services Commission of South Australia (ESCOSA), which oversees the scheme.

> *"There's a lot of 'free air conditioner' noise in South Australia, and it lets households down," says Joshua Liptak, Managing Director of Efficient Energy Group, which partners with an accredited provider under the South Australian scheme. "REPS is genuinely generous for priority families, but it's an efficiency upgrade with rules — people deserve a straight answer on what they actually qualify for, and they deserve to know the priority funding can run out."*

How to check where you stand

The honest first step costs nothing: work out whether your household sits in the Priority or General group, then confirm what's currently available before you sign anything. Concession-card holders in particular should flag their status early, because it can change both the price and the odds of getting in this year. South Australians can check their position through a free, no-obligation eligibility checker such as Aircon Rebate — which connects households with an accredited provider — and get the details in writing before committing.