

Victorian households face \$2,000 jump in minimum air conditioning upgrade cost from 30 September

MELBOURNE, 11 August 2026 - Victorian households planning a ducted or large multi-head reverse cycle air conditioning upgrade face a \$2,000 increase in the minimum amount they must pay from 30 September.

Under changes announced for the Victorian Energy Upgrades program, the mandatory minimum customer contribution for ducted reverse cycle systems and multi-split systems with a cooling capacity of 10kW or more will rise from \$1,000 to \$3,000 including GST.

The change takes effect from 30 September 2026.

Multi-split systems below 10kW will retain the existing \$1,000 minimum contribution, while smaller non-ducted reverse cycle systems below 10kW remain subject to a \$200 minimum contribution.

Victorian households can check the current rebate amounts, eligibility requirements and which systems are affected by the September changes through the Air Conditioning Rebate Victorian guide at <https://airconditioningrebate.com.au/vic>

The Victorian Government is also introducing a cap on incentives available for large multi-split systems as part of changes aimed at improving system sizing and reducing incentives for oversized installations.

"For anyone whose ducted or large multi-head installation would have come close to the current minimum contribution, this is effectively a \$2,000 increase overnight," Efficient Energy Group Managing Director Joshua Liptak said.

"The rebate is not disappearing, and there are sensible reasons behind the changes, particularly around system sizing and quality.

"But if a whole-of-home reverse cycle upgrade was already something you intended to do this year, there is now a very real financial difference between completing it before and after 30 September."

The Victorian Energy Upgrades program currently offers households discounts of up to \$5,530 when replacing ducted gas heating with an efficient ducted reverse cycle air conditioner.

Households replacing a non-ducted gas heater can access discounts of up to \$1,610, depending on the system installed and other eligibility factors.

Mr Liptak said households should not allow the deadline to push them into making a rushed purchase.

"There will inevitably be a lot of advertising telling people they need to sign immediately before the rules change," he said.

"Get your quotes now, absolutely, but do not rush a major home upgrade just because somebody puts a countdown clock in front of you.

"A ducted system can be a significant investment. There is still enough time to obtain two or three quotes, check the proposed system size and compare what is actually included before making a decision."

He said the change would primarily affect households considering larger whole-of-home systems.

"If you are replacing a small split system or installing a smaller non-ducted unit, this particular \$3,000 minimum does not apply," Mr Liptak said.

"And if you do miss the September deadline, the Victorian Energy Upgrades program itself is not ending. The scheme has been legislated to continue until 2045 and substantial heating and cooling discounts will remain available."

A full breakdown of current Victorian air conditioning discounts, eligibility requirements and the 30 September changes is also available at:

<https://airconditioningrebate.com.au/vic>

Media enquiries:

Joshua Liptak

Managing Director