

MAY 2026

# Bridging the divide: Solutions to ensure every Victorian benefits from clean energy

This briefer draws on polling, survey data and conversations with hundreds of Victorians about energy costs and electrification, alongside the barriers households face. It outlines what communities need to ensure everyone can access cheaper, safer and more comfortable homes powered by clean energy.



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The transition to clean energy is helping households. Energy from the sun and wind now powers almost half our grid, and it keeps flowing uninterrupted by global conflict. It is keeping Victorian bills lower even as gas prices spike. Victorians who have added household solar and batteries, switched off gas or upgraded their insulation are more protected still.

But that protection is out of reach for too many Victorians - particularly the one in three who rent, and the nearly one in five who live in strata-titled homes: apartments, units and townhouses. <sup>[1]</sup>

Even among homeowners, the benefits are not evenly spread, and at least 38% of Victorian homes are still too hot in summer and too cold in winter. For lower-income households, the upfront costs remain the biggest barrier to clean energy upgrades that would lower their bills and make their homes safer and more comfortable. <sup>[2]</sup>

Slashing our use of polluting coal and methane gas is also Victoria's most powerful response to climate change. Every household that gets off gas is part of that story. The goal now is to make sure no one is left behind.

This briefer makes the case for what comes next.

It draws on conversations with hundreds of Victorians about their experiences with energy costs and electrification, a survey of renters and apartment residents about the specific barriers they face, and polling on what Victorians want parties to commit to at the November 2026 election.

The demand is real and the solutions exist.

**The programs already working for homeowners can go further – and we're calling on every party and candidate to commit to six actions to make that happen:**

1. Accelerate the roll out of wind, solar, batteries and transmission to drive electricity prices down for every household
2. Improve rental standards
3. Revitalise and extend the Solar Homes Program
4. Update the Owners Corporations Act (2006)
5. Make the Victorian Energy Upgrades (VEU) program work for apartments
6. Actively reform embedded gas and electricity networks

You can read more about the policy solutions at the end of this briefer.

## The benefits of breaking free from polluting energy

When global conflicts disrupt fossil fuel markets, Australian households pay – at the petrol pump and on their power bills. After Russia invaded Ukraine in 2022, average electricity bills jumped by around \$400 a year because of the sky-high cost of gas that we still use to generate some of our electricity. <sup>[3]</sup> We are now experiencing our second price shock in four years and more will follow.

**As long as our energy system relies on polluting fossil fuels, every international price spike will make life more unaffordable for Victorians.**

Renewable energy changes that equation. Solar and wind power are generated and consumed here, from abundant local resources. Renewable power, backed by storage like big batteries, now provides about 45% of electricity in Australia's main grid, and counting. In the last three months of 2025, it exceeded 50% for the first time, cutting wholesale power prices almost in half.

**The wind, solar and storage that is already in our grid lowered average household electricity bills by up to \$417 in 2024 compared to what they would have been otherwise.**

Switching to efficient electric appliances can save households between **\$500** and **\$1,900** every year.

Power prices are projected to fall further over the next five years as more renewable power comes online. <sup>[4]</sup> Victorians already understand this: 72% say more renewables and storage will lower power prices faster than nuclear or gas. <sup>[5]</sup>

For households, savings are boosted even further when people can switch off gas and access solar and batteries. Just switching to efficient electric appliances can save households between \$500 and \$1,900 every year. Victorian households with solar, batteries and efficient electric appliances can cut their total energy bills by 80–90%, saving thousands of dollars a year. <sup>[6]</sup>

**EVERY VICTORIAN DESERVES ACCESS TO THESE SAVINGS - AND TO THE PROTECTION FROM GLOBAL PRICE SHOCKS THAT CLEAN ENERGY PROVIDES. RIGHT NOW, TOO MANY ARE MISSING OUT.**

The renewable energy in our grid is keeping prices down, but unreliable coal and expensive gas still make up half our electricity mix and are pushing prices higher. Even before the latest fuel crisis, 79% of Victorians reported their bills had increased in the past twelve months. Nearly a quarter have cut back on non-essential spending – like eating out, entertainment and travel – to cope, and 14% have cut into everyday essentials like food and healthcare.<sup>[7]</sup>

It has hit even harder for renters, with one in three cutting back on non-essential spending and 18% cutting back on food, healthcare and everyday essentials to pay their energy bills.<sup>[8]</sup>

In this context, it makes sense that 65% of Victorians say cost-of-living is their top voting issue, and 69% say government holds the most responsibility for bringing prices down.<sup>[9]</sup>

# 72%

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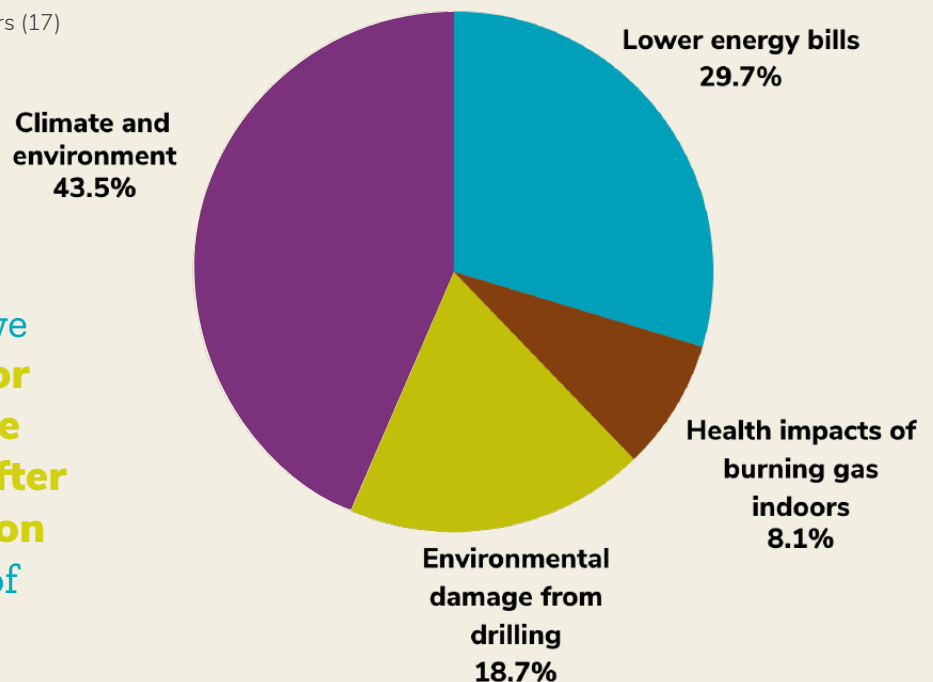
## Why Victorians want to get off gas

Over summer, Environment Victoria volunteers were out in their communities having in-depth conversations with people about the switch away from gas. They surveyed 261 Victorians around the suburbs of Melbourne and asked them what would motivate them to switch away from gas. The answers were clear — and as they explained what was possible, support for getting off gas increased.

The top reason people gave for wanting to make the switch:

- Climate and the environment (91 respondents chose this as their top reason)
- Lower energy bills (62 respondents)
- Environmental damage from drilling (39)
- Health impacts of burning gas indoors (17)

Among the people we spoke to **support for electrification rose from 73% to 80% after a single conversation about the benefits of going electric.**<sup>[10]</sup>



# How renters and apartment residents are being left behind

Victorian households are already moving. More than 342,000 rooftop solar systems have been installed through the Solar Homes program, with over \$785 million in rebates approved.<sup>[11]</sup>

The Victorian Energy Upgrades program has similar momentum. In just the first half of 2025, 99,000 Victorian households had already used the VEU program including more than 41,000 who accessed discounted heating and cooling upgrades, saving up to \$1,000 a year on their energy bills.

Victorians are replacing outdated gas appliances with efficient electric alternatives, installing rooftop solar and adding batteries. One in four Victorians have taken action to improve the energy efficiency of their home in the past year - but among renters that figure drops to one in five, reflecting not a lack of desire but a lack of access.<sup>[12]</sup>

When we talk to Victorians about what's possible, even more say they want in. Support for household electrification rises significantly after a single conversation – from 73% to 80% across all respondents.<sup>[13]</sup>

But two large and growing groups of Victorians are missing out: the one in three who rent, and the nearly one in five who live in strata-titled homes.

These Victorians want clean energy too - and many of them are trying to access it. But they're finding that existing programs are best suited to homeowners and to detached houses. The next stage needs to go further, building the solutions that will bring everyone along.



Surveying the local community on their attitudes about household electrification

## WHAT APARTMENT RESIDENTS TOLD US THEY WANT

We heard from 132 apartment residents - 45 renters and 87 owners - across 69 postcodes, from Brunswick to Bendigo, from St Kilda to Shepparton. Their wish lists were consistent and practical.

- Rooftop solar - by far the most common request from owners and renters alike
- Efficient electric appliances: heat pump hot water, induction cooking, efficient heating and cooling
- Building envelope improvements: insulation, double glazing, external shading and ventilation
- An all-electric home - many said simply that they wanted to pay one energy bill, not two.

*No gas. Electrical only. It's cleaner, means only having to pay one service fee, is less harmful for the environment and better for your health.*

— Apartment renter

*I live in an all-electric apartment with induction cooktop. Solar rooftop panels would be a good addition.* — Apartment owner

*In the 15-plus years I have lived in my apartment, I have never turned on my reverse-cycle air conditioner because I cannot afford high electricity bills. Every winter I put a blanket over my legs to stay warm.* — Apartment renter

# What's getting in the way?

For Victorians who want to make the switch to efficient electric homes, the upfront cost, information gaps, and access to trusted tradespeople are big barriers. For renters and apartment residents, the barriers run deeper - they're built into the rules, the incentive structures and the buildings themselves.

Whichever party forms government after the next election must keep investing in the programs that address these barriers.

## 1. Voting thresholds for Owners Corporation decisions are a barrier

For the more than 600,000 Victorians living in strata-titled properties, owners corporations are the gatekeepers of change. And the threshold is set extraordinarily high: any sustainability upgrade that involves common areas or the building facade currently requires a 75% supermajority to pass as a special resolution.

This means that for everything from solar panels to heat pump hot water, a motivated majority can be overruled by a small number of unwilling or disengaged members, including investor-owners who do not live in the building and have no personal stake in its running costs. Even very reasonable, low-impact proposals - like a glazing upgrade paid for by the owner-occupier - can be voted down.

*Our owners corporation obtained three quotes for rooftop solar installation; however the vote failed at first base because the majority of owners are non-resident investors. What might have helped is information for landlords on how the outlay might actually benefit them financially if their properties are more attractive to tenants due to lower energy bills.*

— Apartment owner

## 2. Split incentives keep renters' costs high

When a landlord upgrades a rental property by installing a heat pump, improving insulation, or switching away from gas, it's the tenant who benefits through lower bills - but the landlord who bears the cost of the upgrade. This fundamental mismatch stacks the odds against clean energy upgrades that would otherwise be common sense.

A similar dynamic applies more broadly in apartment buildings: where non-resident members of owners corporations vote down upgrades they will not personally benefit from.

*I am too scared to ask them to properly insulate my home (upgrade bathroom 'ventilation' that is basically just holes in the wall; install double-glazed windows) or provide air conditioning, for fear of retaliation.*

— Apartment renter

## 3. Infrastructure traps people

Across Victoria, many apartment buildings are locked into embedded gas and electricity networks. Residents in these buildings cannot choose their energy provider, cannot escape bills for gas they are no longer using, and in many cases cannot access solar savings even when panels are installed on their roof.

Solar installed on an apartment building frequently supplies common areas only: the lift, the corridor lighting, the lobby. The residents paying their own electricity bills see no benefit. Some owners have tried to switch off gas within their unit, only to find they are still required to pay for gas connection as part of their owners corporation fees.

*Tried and tried to get rid of the gas meter! Turned off gas years ago and switched to electricity but for some crazy reason no-one can take the meter and supply away.*

— Apartment owner

*We can't install anything in our own apartment or even change our power company because we're locked into whole building contracts.*

— Apartment owner

## 4. Information is wrong, absent or ignored

Across our surveys a pattern emerged: people were regularly given incorrect information and often gave up as a result. Solar proposals were rejected on the grounds that the roof was "too windy" - a concern relevant in cyclone-affected north Queensland, but not in Victoria. Renters were told they were not eligible for VEU incentives when they were. A buyer was advised they could not install EV charging in their off-the-plan apartment, when another buyer in the same development had done exactly that.

Different tenure types, different ownership structures, and centralised versus individual services all require different answers, and without this information many people simply stopped trying after being faced with persistent dead ends.

*To be honest, I'm not even sure if he was just making that up to put me off or if it's genuinely required. Some clear information about the process needed to switch to induction in an apartment would be a huge help.*

— Apartment owner

**NONE OF THESE BARRIERS ARE INSURMOUNTABLE. EACH HAS A CLEAR POLICY SOLUTION.**

# What Victorians told us they need

Victorians know what would fix this. The solutions they are asking for are practical and commonsense; they are the natural next step for programs and policies that are already working elsewhere in the system.

## 1. Make owners corporations work for residents

The most consistent ask from apartment owners across our survey was simple: lower the threshold for sustainability votes. A majority should be enough to proceed with solar, heat pump hot water, or building envelope improvements; the current requirement for a 75% supermajority often hands veto power to a small number of disengaged investors.

Beyond the voting threshold, OCs would benefit from better support, information and proactive engagement from programs like VEU that could act as a trusted guide through the process.

From July 2025, NSW Owners Corporations have been required to consider sustainability at every AGM, including reviewing the building's energy and water use and planning for upgrades. This is a practical way to turn OCs from blockers to drivers of change.

*We need legislation to enable body corporate to do more in electrification. — Apartment owner*

## 2. Raise conditions for renters

Without solving the wicked problem of split incentives, the most direct way to benefit renters is by raising standards. Minimum rental energy efficiency standards, already legislated to commence in March 2027, will require rental homes to have efficient heating and cooling, ceiling insulation, draught-proofing, and efficient hot water. These standards will stop gas being replaced with gas. They will stop inefficient gas hot water systems and heaters being swapped like-for-like when better alternatives exist. They will, for the first time, give renters a legal right to an insulated home.

59% of all Victorians support minimum rental energy efficiency standards — and so do 66% of renters and, notably, 64% of Victorians who own an investment property. These measures are popular and Victorians want to see them rolled out.<sup>[14]</sup>

With implementation set for March 2027 - after the election - every party must commit to seeing them through - and to extending them to public and community housing, where many of Victoria's most vulnerable renters currently live outside their scope.

## 3. Give everyone a choice about their energy provider

People trapped in 'embedded' networks can't switch gas and electricity providers, can't escape bills for gas they're no longer using, and can't access solar savings. An embedded network is where electricity is sold to an apartment building, or another type of complex, in bulk and then on-sold to residents. This means residents can't shop around for the best energy prices and can end up paying disproportionately high costs – and can be locked in to paying for a gas connection they don't use.

Victoria banned some new embedded networks in 2023, but for residents in existing apartment buildings little has changed. Only those in buildings with embedded gas networks established after February 2025 have the right to request removal of their gas connection. The vast majority of strata buildings are still locked out, leaving residents without choice about their energy provider – and missing out on savings from solar and switching off the gas.

The Victorian Government has committed to a second phase of reforms to fix this, but the work is not complete. In the meantime NSW has led the way by introducing price caps, contract limits, and stronger consumer protections in 2025.

## 4. Tailored information and programs

The VEU program has already demonstrated it can work for apartments: common area lighting upgrades have been popular, low-cost and widely adopted. This shows the potential for VEU to help enable uptake of shared rooftop solar and central heat pump hot water in buildings of different sizes and ages.

To ensure fit-for-purpose solutions, coordinate across the programs like VEU and Solar and provide trusted guidance to owners corporations navigating sustainability proposals, Victoria needs a dedicated body – a Strata Commissioner. A long-term communications campaign and accessible information tailored to the variety of strata types would also greatly assist those trying to access clean energy solutions.

*I have no idea who to approach. It seems nobody is that interested. It'd help if councils provided contacts that could help. I simply don't know who to turn to for any guidance. — Apartment owner*

# Six steps to clean energy for every Victorian home

Every Victorian is already benefiting from the renewable energy in our grid. But the additional benefits that come from household solar, batteries, energy efficiency and electric appliances are still only reaching some. For the next stage of the transition to benefit every home, the next Victorian Government must:

## 1. Accelerate the roll out of wind, solar, batteries and transmission to drive electricity prices down for every household.

## 2. Improve rental standards

- Commit to seeing the 2027 rental standards through and lifting them over time.
- Strengthen compliance and enforcement so the standards are actually applied.
- Extend them to cover public and community housing, which is currently exempt.

## 3. Revitalise and extend the Solar Homes Program

- Revitalise and extend the Solar Homes program beyond its current ten-year scope.
- Dedicate specific funding streams so the program reaches the households it has so far missed — including a stream for apartments and strata buildings., renters, and low-income households.

## 4. Update the Owners Corporations Act (2006)

- Change the rules so that sustainability upgrades can proceed on a standard majority resolution — not a special 75% supermajority.
- Establish a Strata Commissioner for Victoria to lift governance standards coordinate information and support owners corporations navigating sustainability proposals.
- Require owners corporations to carry out energy audits and maintain electrification roadmaps.

## 5. Make the Victorian Energy Upgrades (VEU) program work for apartments — not just detached homes.

- Develop new VEU activities designed for shared rooftop solar, central heat pump hot water, and other building-wide upgrades in strata properties of all sizes and ages.

## 6. Actively reform embedded gas and electricity networks

- Allow residents to switch providers, exit gas contracts, and access the solar savings their building generates.

## About Environment Victoria

Environment Victoria is the leading not-for-profit environmental advocacy organisation in Victoria. With more than 40 grassroots member groups and over 200,000 individual supporters, we have been representing Victorian communities on environmental matters for over 55 years.

Join thousands of Victorians calling for a fair energy transition at: [envict.org/clean-energy](https://envict.org/clean-energy)

## Endnotes

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