

Welcome to our November Compliance Update.

Canonical: <https://northmoregordon.com/news/november-compliance-update/>

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About this update

This dated news record has been reorganised for clear reading and connected to current guidance.

Publication date: November 18, 2025.

Status note: Present-tense statements, market figures, deadlines and program details in the archived record belong to its publication date. Check current official sources before making a decision.

What this article reported

This month we bring you key developments across the Victorian Energy Upgrades (VEU), NSW Energy Savings Scheme (ESS), and Small-scale Technology Certificates (STC) programs.

Highlights include the launch of the new Commercial & Industrial (C&I;) Solar PV Activity, ongoing ESC compliance actions, upcoming changes to emissions factors, co-payment requirements, and deeming periods, updates to ESS and PDRS rules, and the latest battery STC market trends in the last Quarter. We also provide important updates regarding changes to government fees that may impact future activities and certificate creation.

As always, our goal is to keep you informed, compliant, and aligned with best practice. For assistance, contact our Compliance Team via compliance@northmoregordon.com

In this Edition:

1. VEU: New C&I; Solar PV Activity Guide (Now Live) 2. Key VEU Updates & ESC Compliance Actions 3. NSW ESS & PDRS Updates - Rule Changes and Priorities 4. STC & Battery Market Update - Since 1 July 2025 5. End-of-Year Shutdown & Holiday Schedule

1. VEU - New Commercial & Industrial Solar PV Activity Guide (Now Live)

The Essential Services Commission (ESC) has released the Commercial & Industrial (C&I;) Solar PV System Activity Guide and the accompanying VEEC Assignment Form under Activity 47, marking a significant expansion of the Victorian Energy Upgrades (VEU) program.

Key Details

- Eligibility: Activities can only be undertaken from the date the relevant Accredited Person (AP) has been approved to carry out C&I; solar activities. - System Size: Eligible PV systems range from 30 kW to 200 kW (module capacity), must be grid-connected via a DNSP, and use CEC-approved PV modules and inverters. - Accreditation & Timing: Online C&I; accreditation applications and VEEC creation open on 25 November 2025. - Documentation: The new Activity 47 VEEC Assignment Form must be used for all C&I; solar PV claims.

Partners to Action

- Review and familiarise yourself with the C&I; Solar PV Activity Guide and VEEC Assignment Form before quoting or scheduling any installations. - Confirm project eligibility - including non-residential site classification, CEC product listings, and DNSP connection approval. - Update your internal compliance and documentation processes ahead of the Registry launch on 25 November 2025. - Use the Tools and Calculators section on our Northmore Gordon website to assist with estimating VEECs, assessing system eligibility, and validating technical requirements.

For more information or start the process of sales and/or onboarding please do not hesitate to contact either Madonna on m.ghajar@northmoregordon.com or Sid on s.bansal@northmoregordon.com

2. Key VEU Updates (Nov 2025)

- Minimum Co-Payment: Effective 1 Feb 2026 - Water Heating: \$200 (incl. GST) per product (for units up to 700 litres) - Space Conditioning: \$1,000 (>10 kW) or \$200 (<10 kW) - Co-payments: Must be paid before VEEC creation and cannot be reimbursed. - Electricity Emission Factor (EEF) Change

EEF reduces from 0.5334 to 0.3930 (1 Feb 2026) - adjust project forecasts and VEEC pricing accordingly. 2.1 ESC October 2025 Bulletin Highlights

- Enforcement: 3 x VEU accredited persons sanctioned for falsified information such as photo evidence, falsely claiming for works that didn't take place. ESC ordered to surrender over \$400k VEECs, placed them under suspension from participating under the scheme for 6 months for one and 3 months for the other AP. - Inspections: C&I; Heat Pump (Activity 44) audits found breaches of co-payment and telemarketing rules. - Compliance Reminder: Activity 6 (High Efficiency Air Conditioners) - ESC has conducted a review of the activity and identified some areas for improvement across installation of Activity 6 products. (Source: ESC Compliance Bulletin, Oct 2025)

2.2 VEEC Market Update: Navigating Declining Certificate Prices

VEEC prices have continued to soften in recent weeks. As of 19 November 2025, prices are trading around \$75 per certificate, reflecting a notable decline from earlier highs. In this evolving market, Northmore Gordon remains focused on supporting our partners to manage risk, optimise returns, and maintain strong project pipelines.

What Steps Can You Take? 1. Submit paperwork promptly - Complete and submit all job documentation immediately after installation, and respond quickly to RFIs to avoid delays. 2. Stay updated with market movements - Subscribe to our VEEC Spot Price Newsletter (issued every Monday and Wednesday) for current price insights. Contact us if you're not on the distribution list. 3. Review customer incentives regularly - Maintain a margin buffer to protect profitability amid market fluctuations. 4. Discuss hedging or forward-contracting options - These strategies can lock in VEEC prices and stabilise revenue. 5. Diversify your activity mix - Explore other eligible VEU activities to broaden your service offering and reduce reliance on one activity type.

3. NSW ESS & PDRS Updates

ESS Rule Changes (Oct-Nov 2025)

- New ESS Rule commenced 12 Sept 2025 with transitional updates. - Updated Fact Sheets required by 17 Nov 2025. - Partner to Action - Update all your HEER and IHEAB Factsheets accordingly to the updated versions below

Fact Sheet Name & Document hub link

HEER - upgrades IPART HEER - Heat pump hot water heaters HEER - Heat pump water heaters | IPART IHEAB - Heat pump hot water heaters IHEAB - Heat pump water heaters | IPART

- Air-conditioner lifetimes to 12 years. - \$1,000 co-payment reaffirmed for IHEAB heat pumps. - Door-knocking prohibited.

Northmore Gordon is reviewing and updating all documentation and evidence templates to ensure reporting and consumer-protection fully align with the new ESS Rule. 3.1 PDRS & PRC Updates - Effective 1 Nov 2025

- PRC registration fee: ↑ from \$0.0309 to \$0.0315 per certificate. - PDRS Target (2026-27): revised to 0.5 % to reflect market conditions.

For more information on these changes, please click [here](#)

3.2 IPART 2025-26 Compliance Priorities

- Consumer Protection: ACPs accountable for sales conduct & warranty compliance. - Deceptive Conduct: Focus on falsified evidence and manipulated baselines. - Emerging Activities: Oversight on BESS 2 and D16 methods. - Approach: Targeted audits, inspections, and enforcement.

4. STC Market Trending in the last Quarter

The battery STC market has been heating up since the Cheaper Home Batteries Program commenced on 1 July 2025. Strong uptake from consumers and installers has seen a surge in Small-scale Technology Certificate (STC) creation for battery systems up to 50 kWh. The chart below shows how Victoria performed in the STC battery amongst other states in kilowatt hours (kWh) in the last Quarter.

Source: <https://cer.gov.au/markets/reports-and-data/quarterly-carbon-market-reports>

The Clean Energy Regulator (CER) reports higher-than-expected submission volumes and is reviewing applications closely for evidence and product listing compliance. All battery systems must use CEC-approved components and be commissioned on or after 1 July 2025 to qualify.

For further updates and media releases, visit the Clean Energy Regulator website .

5. End-of-Year Shutdown & Holiday Schedule

As we close out another busy year, we thank our partners for your ongoing support and collaboration.

Shutdown Period Closing: Tue 23 Dec 2025 @ 5 pm Reopening: Mon 5 Jan 2026 @ 9 am

Submit all pending documentation early to ensure timely processing. For assistance, contact compliance@northmoregordon.com or call 03 9046 1914 .

Kind regards, Northmore Gordon Compliance Team

How to use this information now

For current use, confirm the applicable scheme rules, regulator notices, market date and reporting period. Keep historical prices or forecasts separate from present quotes and verified outcomes.

Separate source-reported facts from forecasts, targets and commentary. For a current project, retain the official source, version, effective date, assumptions and decision record in the evidence file.

Related guidance

Environmental certificates

Government schemes

Carbon advisory

Energy audits

Measurement and verification

Solar PV

Current articles and guidance

Contact Northmore Gordon

What should VEU accredited persons understand about the October 2025 ESC enforcement actions?

The ESC sanctioned three VEU accredited persons for falsifying photo evidence and falsely claiming works that did not occur. Enforcement included surrender of over \$400,000 worth of VEECs and suspensions of 6 and 3 months. This underscores that falsifying information exposes accredited persons to significant financial penalties, suspension from the scheme, and regulatory action. We assist accredited providers with compliance frameworks, proper evidence documentation, and audit-ready project files to reduce regulatory risk and maintain scheme participation.

How should project forecasts and VEEC pricing be adjusted for the February 2026 Electricity Emission Factor change?

The VEU Electricity Emission Factor is reducing from 0.5334 to 0.3930 effective 1 February 2026. This reduction will lower the number of VEECs generated per project and directly affect revenue. Accredited persons and project proponents should recalculate certificate estimates and adjust investment cases to reflect the lower factor. VEEC prices trading around \$75 per certificate as of 19 November 2025 should be modelled in funding scenarios. Our measurement and verification services include baseline modelling and savings calculation that incorporate current emission factors and scheme requirements.

What compliance risks should VEU installers be aware of regarding co-payments effective 1 February 2026?

From 1 February 2026, VEU minimum co-payments are \$200 (incl. GST) for water heating systems up to 700 litres and \$1,000 or \$200 for space conditioning depending on capacity. Co-payments must be collected before VEEC creation and cannot be reimbursed. Failure to collect appropriate co-payments can trigger scheme sanctions similar to those applied in the October 2025 enforcement actions. Our certificate support services help installers understand eligibility requirements, documentation obligations and commercial treatment of co-payments to maintain compliance.

What should businesses understand about the new C&I; Solar PV Activity opening 25 November 2025?

Activity 47, the new Commercial & Industrial Solar PV System Activity under VEU, opens for accreditation and VEEC creation on 25 November 2025. Eligible systems range from 30 kW to 200 kW module capacity, must be grid-connected through a Distribution Network Service Provider, and require CEC-approved modules and inverters. This creates a new pathway for eligible C&I; solar projects to generate VEECs. Early accreditation applications and correct technical boundary specification will be critical for project success. We provide feasibility assessment, measurement planning and certificate support for solar projects under VEU pathways.

How do the September 2025 NSW ESS rule changes affect heat pump projects and ACP obligations?

A new ESS Rule commenced 12 September 2025 with key changes including air-conditioner lifetimes extended to 12 years and confirmation of a \$1,000 co-payment for IHEAB heat pumps. Door-knocking sales conduct is now prohibited. Updated Fact Sheets were required by 17 November 2025. Accredited Certificate Providers must align project assessments, evidence gathering and customer documentation with these new requirements. Non-compliance risks sanctions and ESC enforcement. Our project support includes method-specific guidance, certificate pathways assessment, and compliance documentation aligned to current rule versions and fact sheets.

What are IPART's 2025–26 compliance priorities and how should ACPs respond?

IPART's 2025–26 ESS/PDRS compliance priorities focus on holding Accredited Certificate Providers accountable for sales conduct and warranty compliance, with particular attention to deceptive conduct such as falsified evidence and manipulated baselines. IPART will use targeted audits, inspections and enforcement. ACPs should strengthen evidence controls, audit trail documentation and baseline methodology to demonstrate compliance. We assist with compliance frameworks, evidence documentation standards, and project-file organisation to support IPART audits and maintain ACP accreditation status.

How has the Cheaper Home Batteries Program affected the battery STC market since July 2025?

The Cheaper Home Batteries Program, which commenced 1 July 2025, has driven significant growth in the battery STC market. Strong uptake from consumers and installers has accelerated Small-scale Technology Certificate creation for battery systems up to 50 kWh. This represents both opportunity and compliance complexity: battery installers must ensure systems meet STC eligibility requirements, avoid overlapping scheme claims, and properly document commissioning and registration. We provide battery project assessment, certificate pathway guidance, and measurement and verification support for battery installations claiming environmental certificates.

Why is distinguishing VEEC market price from project revenue important for investment cases?

VEEC prices as of 19 November 2025 were trading around \$75 per certificate, reflecting a softening trend. However, market price, certificate quantity, verification cost and customer proceeds are separate variables. An investment case should model unconfirmed certificate revenue separately, use a conservative price date, and identify outstanding scheme conditions. VEEC pricing sensitivity and market timing create financial risk if treated as certain. Our investment-case guidance helps clients compare scenarios with and without conditional certificate contributions, isolating certificate revenue from operational project merit.

What do the PDRS changes effective 1 November 2025 mean for PRC project economics?

Effective 1 November 2025, the PRC registration fee increased from \$0.0309 to \$0.0315 per certificate, and the PDRS Target for 2026–27 was revised down to 0.5% to reflect market conditions. The lower target may reduce PRC certificate quantities and affect PRC market prices going forward. Peak-demand projects should re-evaluate economics using current registration fees and conservative PRC price assumptions. Project timing and regulatory outlook are material to financial viability. Our project-timing guidance and feasibility services help businesses assess PDRS projects in the context of current market conditions and regulatory changes.