27 February 2026

The Chairperson

The Inquiry into renewable and affordable energy for apartments.
Legislative Assembly Environment and Planning Committee
Parliament House, Spring St
EAST MELBOURNE VIC 3002

Dear Chairperson,

The Inquiry into renewable and affordable energy for apartments.

The Clean Energy Council (CEC) welcomes the opportunity to respond to the Inquiry into renewable and affordable energy for apartments. Apartment scale deployment of Consumer Energy Resources (CER) in Victoria requires practical pathways.

Executive Summary

Victorians living in apartments and other multi-unit dwellings face persistent structural, technical and governance barriers to accessing renewable and affordable electricity compared with detached households. Over the past decade, rapid growth CER, notably rooftop solar, batteries and virtual power plants (VPPs), and a maturing quality-assurance framework led by the Clean Energy Council (CEC) and the Clean Energy Regulator (CER) have created practical pathways for apartment-scale deployment. Targeted Victorian programs such as Solar for Apartments now provide a ready platform to accelerate uptake with appropriate reforms to strata approvals, metering/allocation rules, and consumer protections.

This submission recommends a package of six reforms:

(1) Streamline owners corporation (OC) rules for CER works;

(2) Standardised apartment solar sharing and storage allocation agreements;

(3) Scale and target Solar for Apartments, including storage and VPP enablement;

Phone: +61 3 9929 4100
Fax: +61 3 9929 4101
info@cleanenergycouncil.org.au

Level 20, 180 Lonsdale
Street, Melbourne, VIC
3000, Australia

cleanenergycouncil.org.au

ABN: 84 127 102 443

(4) Codify CEC listed products, CEC-accredited designers and installers, and the New Energy Tech Consumer Code (NETCC) protections in publicly supported projects;

(5) Adjust planning/building rules and codes to future proof wiring/risers for electrification and CER; and

(6) Create market arrangements for community batteries and VPP participation tailored to multi-unit buildings.

Together, these reforms will improve affordability and extend the benefits of CER to apartment renters and social housing tenants, consistent with Victoria's emissions reduction and renewable energy targets. We have responded in turn to each of the Inquiry Terms of Reference below.

Q1. *"Recent developments in energy supply and technology options for these dwellings over the last four years"*

CEC response:
Over the last four years, several developments have materially improved the feasibility of renewables and CER in apartments and other multi-unit dwellings:

1. There has been a rapid growth and maturation of rooftop solar with batteries, along with growth in aggregation via VPPs.
    - The CEC highlights the record surge in home batteries and the need to unlock the full value. Virtual power plants (VPPs) make it easier for scaling behind the meter flexibility in multi unit sites.
    - Policy developments such as the Commonwealth's National Consumer Energy Resources Roadmap (2024) set a national direction for enabling CER participation, interoperability and flexible demand. These three create an environment more favourable to apartment suitable models such as shared solar, common batteries, and VPP participation.
2. Product and installation quality governance has been established.
    - The CEC is the national product listing body for panels and inverters under the SRES, reinforcing quality assurance and consumer protection requirements. This confidence and assurance function is critical when body corporates procure shared systems.

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3. Apartment oriented deployment models have emerged.
    - Embedded network and shared DER solutions for multi tenant buildings supported by turnkey financing/operations models such as Energy Locals have demonstrated they can work in practice.
    - Some practical guidance and decision frameworks (e.g., Yarra Energy Foundation's Guide to Solar for Apartments) have emerged, clarifying technical pathways for shared rooftop systems, for individual metering solutions, common area PV, and options like façade solar. This guidance framework has been developed and used.
4. Targeted state program for apartments has been undertaken.
    - The Victorian Solar for Apartments program materially reduces capital barriers for owners corporations, and sets apartment specific eligibility, system and governance pathways.

Taken together, these developments mean that renewable energy and CER solutions for apartments have in this period shifted from being technically possible to increasingly practical, at a lower risk and helping to deliver at scale. Rapid advances in rooftop solar, batteries and VPP integration, stronger product and installation governance, the emergence of proven apartment specific deployment models, and targeted state programs have collectively resulted in a far more enabling environment. The challenge is to build upon these to create a clear pathway for apartments to participate meaningfully and unlock both cost savings and system wide benefits.

Q2. *"Barriers and inequities experienced by Victorians in such dwellings, including renters and social housing tenants, when accessing renewable and affordable electricity compared with other households"*

CEC response:

Key barriers and inequities do persist for multi occ sites relative to detached dwellings:

- Governance & approvals obstacles: Common property roofs require owners corporation (OC) resolutions. Often renters face dual approvals (owner and OC). Decision cycles are slower and cost thresholds higher than for detached houses.

- Roof space constraints and overshadowing imitations: Limited shared roof area constrains per-unit capacity while high(er) rise overshadowing can also reduce yield making per-unit cost/benefit parity with detached homes challenging.
- Metering complexity & cost allocation issues: Multi-meter buildings and embedded networks complicate equitable sharing, settlement and billing.
- Split incentives (renters/landlords) remain an obstacle: Capital outlay typically sits with owners, while operating savings accrue to tenants without structured sharing contracts or other incentives.
- Installation risks increase costs: Apartments may require specialised engineering (e.g., electrical risers, cranes to install, frames on flat roofs).

Together, these barriers mean that Victorians living in apartments, rental properties and social housing remain structurally disadvantaged in accessing the economic and resilience benefits of renewable energy. Where detached households can adopt solar and CER through relatively simple, low cost decisions, in comparison multi-occupancy residents face layered governance hurdles, technical constraints, complex metering arrangements and entrenched split incentive problems. These frictions increase project costs, slow uptake, and disproportionately affect renters and lower income tenants who have the least influence over capital decisions. The result is a persistent inequity: those who most need affordable, efficient energy risk becoming the least able to participate in and benefit from the transition. Addressing these systemic barriers is therefore essential to ensure the transition is not only technologically feasible, but fair and inclusive.

Q3. *"Options to increase access to renewable and affordable electricity for these dwellings, including shared rooftop solar, balcony or façade solar, community batteries and virtual power plants"*

CEC response:

A package of technical, commercial and consumer protection changes could increase access:

- Shared rooftop solar (As the OC asset): Allocate output to common areas and/or participating units via embedded networks or a retailer facilitated sharing. Establish reg framework like embedded networks to create this outcome.

- Balcony solar: Niche option suited to limited roof availability but requires technical due diligence. Should be included in OC decision frameworks for apartments.
- Community batteries / shared storage: Locally sited batteries can be easier to install in common areas. Shared PV surplus (from offsite PV potentially) to provide peak-shaving and VPP revenue sharing.
- Virtual Power Plants (VPPs): Enrolment of apartment located CER (shared PV batteries, EV chargers, Bulk HW heat pumps) into VPPs unlocks grid and wholesale value streams. Unlocking the VPP value supports the broader CER economics for Apartments.
- Program levers and finance: Expand and streamline Solar for Apartments rebates. Encourage models that provide turnkey financing, installation and billing for multi-tenant buildings.

These options all demonstrate that increasing access to renewable and affordable electricity for apartment residents is no longer a question of technology availability, but of designing the right enabling frameworks. Shared rooftop systems, community batteries and VPP participation all offer viable pathways for multi-unit dwellings provided that regulatory settings, finance arrangements and consumer protections evolve to support them. A coordinated package of technical, commercial and policy measures can create a pathway for more equitable CER access.

Q4. *"The likely impacts of those options on different groups of Victorians, including by tenure type, income, housing type and location, on the type, affordability and reliability of energy they receive"*

CEC Response:

- Owner occupiers of mid-rise strata: The most likely group to approve shared PV for common areas and agree unit allocations. Would see immediate bill reductions, potentially improved outage reliability when paired with batteries, and a potential VPP income. Still requires a standardized fair allocation framework.
- Private renters: Without targeted mechanisms, renters face split-incentive barriers. Solutions could include rent-to-own arrangements for landlords, discounts from shared systems, and a minimum energy standards style trigger at lease renewals.

- Social housing tenants: Government program deployment of rooftop PV, batteries, and efficient electrification of hot water/space heating can provide bill relief in social housing stock.
- High rise apartments: Roof area per dwelling is the lowest, so offsite PV and onsite batteries as part of VPPs are more relevant than standalone systems. They have modest per apartment unit generation but can supply meaningful peak management.
- Regional multi-occ dwellings with better sun angles and higher roof areas: Higher PV yield so shared PV and batteries will yield greater absolute bill savings, particularly with VPP participation during local network constraints. Probably the low hanging fruit with some incentive.

In summary, affordability improves with on site generation and demand flexibility. It further improves when batteries and VPPs are integrated. But these options will not affect all consumers equally, and that is why targeted design matters. Without specific mechanisms to overcome split incentives, private renters risk remaining locked out and initially will rely on some form of starter capital support. Social housing tenants stand to gain substantially through government led deployment, making this cohort one of the highest impact groups for coordinated investment.

Q5. *"Any legislative, regulatory, planning or market reforms that could support the implementation of options, consistent with Victoria's legislated emissions reduction and renewable energy targets"*

CEC response:

The CEC has a strong consumer protection stance, an accreditation regime, and a membership with national CER ambitions. The following reforms would underpin scalable, safe and equitable apartment deployment:

1. Strata law/process streamlining for renewable upgrades
    - Enable lower voting thresholds or streamlined special resolutions for CER works on common property and require consumer protection alignment via both NETCC approved sellers and CEC accredited installers in any OC procurements.
2. Metering, settlement and tariff reforms for multi-unit/occ sharing

Phone: +61 3 9929 4100
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- Standardise apartment/multi site/occ solar sharing frameworks such as allocation, billing, and dispute resolution across embedded and non-embedded networks. Encourage retailer products for apartment PV sharing and for their VPP participation, aligned with CER Roadmap principles on interoperability and flexible demand.

3. Program expansion and targeted incentives
    - Scale “Solar for Apartments” program with higher caps for complex buildings, and dedicated renter/social housing streams, and even co-funded storage and VPP enablement.
4. Planning and building code enablement
    - Clarify planning pathways for façade PV and codify for rooftop structural allowances for future PV. Make requirements for EV charging infrastructure ready wiring in new approvals, and for expanded riser capacity in new builds and major refurbishments to help future proof CER integration.
5. Consumer protection and quality assurance
    - Codify the use of CEC listed products and CEC accredited designers and installers for all publicly funded projects. Require NETCC compliance for sales and marketing within those projects and for grant funding.
6. Market enablement for community batteries and VPPs
    - Establish standard participation agreements and retailer or VPP offerings tailored to apartments.

Conclusion

Reforms show that unlocking renewable energy access for apartments is not dependent on new technology, but on modernising the rules that govern how multi-unit buildings participate in the energy system. Streamlined strata approvals, expanded government programs, future proofed planning and building codes, strengthened consumer protections, and market settings that normalise community batteries and VPPs all work towards this. By aligning these reforms with Victoria’s legislated emissions and renewable energy targets, government can create a coherent enabling environment where apartment residents, whether owners, renters or social housing tenants, can benefit from CER safely, affordably and at scale. The right regulatory and market architecture can turn difficult, case by case projects into routine, repeatable arrangements that accelerate CER deployment and more affordable energy for apartments.

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Contact

Clean Energy Council
Attn: **David Markham**
Policy Team – Retail & Distributed Energy
Email: dmarkham@cleanenergycouncil.org.au