

Rental minimum energy efficiency standards

A guide for rental providers



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About this guide

This guide is for rental providers. It is designed to help you understand the new rental minimum energy efficiency standards (MEES) for rental properties and understand what the changes may mean for your property.

It explains what the standards require and when they apply. If you're short on time, start with the frequently asked questions on page 10.

This guide does not cover every detail. For more information, visit the Consumer Affairs Victoria website at consumer.vic.gov.au/mees

Overview of the standards

New minimum energy efficiency standards for residential rental properties come into effect in phases from 1 March 2027. They cover six areas:

- heating
- cooling
- hot water
- showerheads
- ceiling insulation
- draughtproofing.

These new standards will become part of Victoria's minimum standards for rental properties.

Importantly, each standard has its own trigger, a specific circumstance that activates the requirement. This means you will not need to complete all upgrades at once. However, understanding the current condition of your property and appliances will help ensure you are prepared when a trigger occurs.

For full detail on each standard, visit consumer.vic.gov.au/mees.

Working out what you may need to upgrade

Each standard on the Consumer Affairs Victoria website – heating, cooling, hot water, shower heads, ceiling insulation and draughtproofing – includes a link to find out if you need to make upgrades, based on your current system. This is a practical starting point before making any decisions.

Visit consumer.vic.gov.au/mees and select the relevant standard.

How the triggers work

Understanding the triggers is key to helping you plan. There are two main types:

Triggered by appliance or system failure

For heating and hot water systems, the standard is triggered when an existing system fails and cannot be repaired. You don't need to replace a functioning system before that point.

For cooling, if the property already has a fixed cooling system, the standard is triggered when the existing system fails and cannot be repaired. You don't need to replace a functioning system before that point.

Triggered by a new or converting rental agreement

For cooling, showerheads and ceiling insulation (from March 2027) and draughtproofing (from July 2027), the requirement activates at the start of a new rental agreement, or when an existing agreement converts to a month-to-month agreement.

Electrical and gas safety

Two standards require a safety check before work can begin:

- Ceiling insulation – an electrical safety check
- Draughtproofing – a gas safety check

See the ceiling insulation and draughtproofing standards for full requirements.

Record keeping

You must keep sufficient records to demonstrate that your property meets the standards. If your property is exempt from meeting a certain standard, you must keep records that demonstrate an exemption applies.

The standards at a glance



Heating – from 1 March 2027

Trigger: when the existing fixed heating system fails and cannot be repaired.

The standard updates the current heating requirement to a new minimum energy efficiency rating.

What is required: an energy efficient fixed heater with an outlet in the main living area. This can be either:

- an electric, non-portable, non-ducted air conditioner or heat pump capable of heating with a 2 star or above GEMS heating rating (for the climate area of the rental property).

OR

- an electric ducted heating system with a GEMS Heating Seasonal Performance Factor of 3.2 or above (for the climate area of the rental property).

Tip: A reverse-cycle air conditioner can satisfy both the heating and cooling standards. If you need to replace the existing heater, it is worth considering whether a reverse-cycle system could cover both requirements. See consumer.vic.gov.au/mees for detail.



Cooling – from 1 March 2027 (and 1 July 2030)

Trigger (Phase 1): From 1 March 2027, at the start of a new rental agreement or conversion to a month-by-month agreement.

Trigger (Phase 2): From 1 July 2030, for **all** rental properties.

What is required: a fixed, energy-efficient cooling system with an outlet in the main living area. This can be either:

- a non-ducted reverse-cycle air conditioner or heat pump with a GEMS 3-star or above cooling rating (for the climate area of the rental property)

OR

- a ducted electric air conditioner or heat pump capable of cooling, with a GEMS Total Cooling Seasonal Performance Factor of 3.8 or above (for the climate area of the rental property).

No action needed if: the property already has a functioning fixed cooling system with an outlet in the main living area. The new standard is triggered only when your existing system breaks beyond repair.

Tip: A reverse-cycle air conditioner can satisfy both the cooling and heating standards. If you need to install or replace the existing cooling, it is worth considering whether a reverse-cycle system could cover both requirements.

See consumer.vic.gov.au/mees for detail.



Hot water – from 1 March 2027

Trigger: when an existing hot water system fails and cannot be repaired.

What is required: an electric heat pump hot water system or an electric-boosted solar water heater.

Gas hot water systems cannot be replaced with another gas system after 1 March 2027 – they must be replaced with an electric heat pump system.

No action needed if: the existing system is in good working order.

Tip: Many rental properties currently have gas hot water. If your rental property has an older gas system, you should factor in that electric replacement will be required when the system eventually fails. Discounts through the Victorian Energy Upgrades program are available now for most upgrades.



Showerheads – from 1 March 2027

Trigger: at the start of a new rental agreement or conversion to a month-by-month agreement.

This updates the current requirement for a minimum 3-star showerhead.

What is required: a 4-star Water Efficiency Labelling and Standards (WELS)-rated showerhead in every shower.

This is one of the simpler and less costly upgrades.

Tip: Rental properties must already have 3-star showerheads installed. If they do not, this needs to be addressed now. Read about the current minimum standards at consumer.vic.gov.au/minimumstandards.



Ceiling insulation – from 1 March 2027

Trigger: at the start of a new rental agreement or conversion to a month-by-month agreement – but only if the ceiling space has no insulation or is only partially insulated.

What is required: ceiling insulation (minimum R5.0 rating) installed by a qualified installer in all ceiling spaces where none currently exists.

Tip: If a property already has ceiling insulation in all parts of the ceiling – even if it is old, or below the R5.0 rating – it meets the standard. The requirement only applies where insulation is absent or incomplete.

Important note on safety and ceiling insulation installation

Only a qualified installer who holds an active Certified Insulation Installer (CII) certificate issued by the Energy Efficiency Council (EEC) can do this work. Find a qualified installer through the EEC website eeccertified.org.au/ or through the VEU program.

This standard also requires a licensed electrician to complete an electrical safety checklist and rectify any electrical issues within 30 days before installing insulation. This is a legal requirement.



Draughtproofing – from 1 July 2027

Trigger: at the start of a new rental agreement or conversion to a month-by-month agreement.

Note this standard begins in **July 2027**.

What is required: Draught-sealing or weather-stripping products fitted to all gaps around external doors and windows – without affecting their normal operation – and all unsealed wall vents.

Important note on gas safety and draughtproofing

If the property has any gas appliances, a licensed gasfitter must carry out a gas safety check before any draughtproofing work begins. The check must be less than six months old at the time the draughtproofing work is completed. This is a legal requirement.

The gasfitter will advise if draughtproofing can go ahead or not, and if yes, which areas of the house can be safely draughtproofed. Flueless space heaters or open-flued gas appliances create a health and safety risks when a home is sealed.

Exemptions

Exemptions exist for each standard where compliance is not possible. Common grounds include properties where relevant utilities are supplied through centralised building systems (such as apartments), heritage or owners corporation restrictions, or where installation is not physically practicable.

Visit consumer.vic.gov.au/mees for a summary of the exemptions by standard.

Discounts

You can reduce the cost of upgrades through the Victorian Energy Upgrades (VEU) program. Every upgrade under the new standards may receive a discount through the VEU program, subject to eligibility requirements.

Most discounts are available now, with ceiling insulation discounts available through the VEU program from 1 October 2026.

Find current offers and eligibility information on the VEU website at energy.vic.gov.au/victorian-energy-upgrades

Where to find products that meet the standard

Energy efficiency ratings are displayed on products at point of sale or in product manuals, making it easy to purchase an appliance that meets the standard. You can also check the VEU Product Register to find a system that meets the standard: veu-registry.vic.gov.au

You can find the efficiency rating of your current heater by searching the GEMS registration database: energyrating.gov.au

Frequently asked questions

These FAQs answer common questions about the standards. They reflect what is confirmed at this stage.

Further information will be available regularly at consumer.vic.gov.au/mees



General

How can I work out what will need to be installed based on the current appliances in my rental property?

Each standard on the Consumer Affairs Victoria website – heating, cooling, hot water, shower heads, ceiling insulation and draughtproofing – includes a link to find out if you need to make upgrades, based on your current system. It steps through what may need to change depending on what you currently have, whether that's a gas heater, no fixed cooling, partial ceiling insulation, or anything else. This is a practical starting point before making any decisions.

Visit consumer.vic.gov.au/mees and select the relevant standard.

When do the standards start?

Most standards begin from 1 March 2027. The draughtproofing standard begins on 1 July 2027.

However, they only apply to each specific rental property when the relevant trigger happens, after the start date.

Do I need to make any upgrades before March 2027?

Only if the property does not meet the current minimum standards for heating, hot water and showerheads. These standards are already in place and must be met now. Read about current minimum standards at consumer.vic.gov.au/minimumstandards.

Do I need to upgrade everything at once?

No. Each standard has its own trigger – either a system failure or a change in rental agreement. You may not need to act on all standards at the same time, or immediately when the standards commence.

That said, it is worth understanding what your property currently has, so there are no surprises when a trigger does occur.

Are there discounts available to help with upgrade costs?

Yes. The Victorian Energy Upgrades (VEU) program offers some discounts for required upgrades. Some discounts are available now.

You can visit energy.vic.gov.au/victorian-energy-upgrades for current offers.

Are there any exemptions?

Yes. The minimum standards are mandatory but exemptions may apply where compliance is not possible – for example, in apartments with centralised utility systems, heritage-listed properties, or where owners corporation rules restrict installation.

consumer.vic.gov.au/mees.

How can I prepare before the standards start?

You can start reviewing what your rental property currently has and the upgrades you may need to make when the time comes. You should also consider the likely costs, how long installation may take, and the exemptions and discounts that may apply.

Where can I find more detail?

The Consumer Affairs Victoria website is the main source of information. Visit consumer.vic.gov.au/mees. The site includes detail on each standard, common exemptions, and links to the Victorian Energy Upgrades program.

Do I need to keep any proof that I am complying with the standards?

Yes. You will need to keep sufficient records demonstrating you are compliant with the standards and for any applicable exemptions. If you qualify for an exemption from a particular standard, you will need to keep records demonstrating an exemption applies to your property. Read more about exemptions on page 8.



Heating

The property has no fixed heating. Do I need to do anything before March 2027?

Yes. Under the current minimum standards – which apply now – all rental properties must have a fixed, energy-efficient heater in the main living area. A portable heater does not meet this standard. If the property has no fixed heating, or only portable heating, you must address this immediately.

The property has a fixed heater that works fine. Do I need to replace it?

No. The new standard is only triggered when an existing compliant system fails and cannot be repaired. There is no requirement to replace a functioning heater.

What needs to happen when the current heating system fails?

From 1 March 2027 and when the current heating system fails, you must replace it with one that meets the new standard. This new standard replaces the current minimum heating requirement with a higher energy efficiency requirement.

What is GEMS?

GEMS is the Greenhouse and Energy Minimum Standards heating rating.

Tip: A reverse-cycle air conditioner can also satisfy the cooling standard. If you are replacing the heater, it may be worth considering whether a reverse-cycle system covers both requirements.



Cooling

When does the cooling standard apply?

From 1 March 2027, at the start of a new rental agreement or when an existing agreement converts to month-to-month.

From 1 July 2030, all rental properties must meet the cooling standard regardless of rental agreement status.

The property has a portable air conditioner. Will this meet the cooling standard?

No. The standard requires a fixed system. A portable unit does not meet the requirement.

The property already has a fixed air conditioning system. Does it need to be upgraded?

No. The new standard is only triggered when the existing system fails and cannot be repaired. There is no requirement to replace a functioning fixed cooler.



Hot water

The property has a gas hot water system. Do I need to replace it?

No. You do not need to act until the system fails. When it fails and cannot be repaired, it must be replaced with a system that meets the standard. It cannot be replaced with another gas system after 1 March 2027.

If the property has an older gas system, you should factor this into your long-term planning.

What if the property already has a heat pump or solar hot water system?

No action is needed until the system fails and cannot be repaired. You must then replace it with a hot water system that meets the standard.

How can I find products that meet the standard?

Plumbers can advise on which hot water systems meet the standard. Compliant systems are also listed on the VEU product register: veu-registry.vic.gov.au



Showerheads

What rating do showerheads need to meet?

All showers will need to have a 4-star Water Efficiency Labelling and Standards (WELS)-rated showerhead. This updates the current minimum standard, which requires 3-star showerheads.

What is WELS?

WELS is the national water efficiency rating system. Star ratings appear on product packaging and are often printed on the showerhead itself.

The property already has energy-efficient showerheads, but they are not 4-star. Do they need to be upgraded?

Yes, but not before the trigger applies. At the start of a new rental agreement or conversion to a month-to-month agreement from 1 March 2027, 4-star showerheads must be installed.

What if a 4-star showerhead cannot be installed due to the property's plumbing?

An exemption may apply. Where a 4-star showerhead cannot be installed or will not operate effectively due to the age or structure of the plumbing, a 3-star showerhead may be installed instead.



Ceiling insulation

The property already has ceiling insulation, but it is old and probably not R5.0 rated. Does it need to be upgraded?

No. If there is insulation in all areas of the ceiling – even if it's older or below the R5.0 rating – the property meets the standard.

Part of the ceiling is insulated but not all of it. What happens?

Where any part of the ceiling space has no insulation, insulation must be installed in those areas, when the trigger applies – at the start of a new rental agreement or conversion to a month-to-month agreement from 1 March 2027.

Does insulation need to be in internal ceilings and external areas of the property?

No, insulation isn't required in internal ceilings – such as the ceiling above the lower floor of a double-storey room – or in external areas of the property, such as a garage.

Can I install ceiling insulation myself?

No. Only a qualified installer who holds an active Certified Insulation Installer (CII) certificate issued by the Energy Efficiency Council (EEC) can do this work. Find a qualified installer through the EEC website: <https://eeccertified.org.au/> or through the VEU program.

Additionally, a licensed electrician must complete an electrical safety check and rectify any issues before installation begins.

If installation is done through the VEU program, the mandatory electrical safety checklist will be completed as part of this service, and you will be eligible for a rebate.

Draughtproofing

When does the draughtproofing standard apply?

From 1 July 2027 – not 1 March 2027. It is triggered at the start of a new rental agreement or conversion to a month-to-month agreement.

Can I use door snakes to meet the standard?

No, non-fixed products such as door snakes do not meet the standard.

The property has gas appliances. Is there anything more to know?

Yes, you must engage a licensed or registered gasfitter to conduct a gas safety check before any draughtproofing can take place. This is a legal requirement and an important safety step. The check must be completed less than six months before the draughtproofing work is done. Draughtproofing cannot go ahead without the gas safety check and the gasfitter confirming it is safe to do so.

More information

- For full detail on each standard, exemptions and discounts:
consumer.vic.gov.au/mees
- Victorian Energy Upgrades program (discounts and product register):
energy.vic.gov.au/victorian-energy-upgrades
- Current minimum standards for rental properties:
consumer.vic.gov.au/minimumstandards

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