MEDIA RELEASE

NSW commercial lighting pathway closes, but small and medium-sized businesses can still access LED upgrades

The Energy Savings Scheme method that supported commercial lighting upgrades at around 40,000 NSW business sites has closed, leaving many larger premises without an equivalent deemed pathway. Eligible small and medium-sized businesses can still access discounted LED lighting upgrades through the scheme.

SYDNEY, [DATE] 2026. The Energy Savings Scheme method that funded commercial LED lighting upgrades at around 40,000 New South Wales business sites has closed, and the NSW Government has acknowledged there is no simple replacement for larger premises. Eligible small and medium-sized businesses can still access discounted LED upgrades through the scheme.

The Commercial Lighting Energy Savings Formula was discontinued from 1 April 2026 after operating for 14 years. Its closure has particularly affected larger warehouses, industrial premises, apartment-building car parks and other sites above the threshold, which no longer have an equivalent straightforward deemed pathway for lighting upgrades. Around 34 per cent of upgrades under the closed method were at sites in regional New South Wales or outside Greater Sydney.

In its August 2025 position paper, the NSW Government found that the remaining measurement based method “will not drive lighting upgrades, given the complexity of these methods” compared with deemed methods.

Lighting activities remain available through the Home Energy Efficiency Retrofits method for eligible businesses using less than 100 MWh of electricity a year. This means many offices, shops, cafes, medical practices and other small and medium-sized commercial premises can still reduce the upfront cost of replacing older lighting with eligible LED products.

Businesses can check eligibility and how the upgrade process works in Efficient Energy Group's [NSW LED light replacement program guide].

The distinction is important because commercial lighting upgrades have historically been promoted broadly under the NSW Energy Savings Scheme, even though the pathway available now depends heavily on the size and energy consumption of the site.

Josh Liptak, Managing Director of Sydney-based Efficient Energy Group, said the change had left some businesses working from outdated information about what they qualify for.

> “If someone quotes you scheme value on a commercial lighting job today, ask which method they are creating certificates under, and ask for it in writing,” Liptak said. “That single question sorts out most of it.”

The discount available under the remaining method is not a fixed amount. Its value depends on the number and type of fittings being replaced and on the certificate price at the time, so any advertisement quoting a set dollar figure is describing a particular offer rather than the scheme itself.

It also cannot be claimed after the fact. Certificates must be created through the scheme framework by an accredited certificate provider, or by an installer working under one. A business cannot engage any electrician, complete the work and then claim the value afterwards.

Other changes worth knowing

Unsolicited door-knocking to market upgrades incentivised by the Energy Savings Scheme was banned from 12 September 2025. The same change applies to the Peak Demand Reduction Scheme.

The closure applies to New South Wales only. High bay lighting upgrades remain available in South Australia under the Retailer Energy Productivity Scheme, and the Victorian Energy Upgrades program continues to support commercial lighting in Victoria.

About Efficient Energy Group

Efficient Energy Group is a Sydney-based energy efficiency provider and aggregator that works with accredited providers under the NSW Energy Savings Scheme, the Victorian Energy Upgrades program and the South Australian Retailer Energy Productivity Scheme, delivering commercial lighting, air conditioning, hot water and refrigeration upgrades across New South Wales, Victoria, South Australia and Queensland.

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