MEDIA RELEASE

The number NSW small businesses should check before paying full price for an LED upgrade

SYDNEY, 12 August 2026: NSW small businesses considering an LED lighting upgrade are being urged to check their annual electricity consumption before assuming government-supported lighting upgrades are no longer available.

The number to look for is 100 megawatt hours a year.

The NSW Government says small and medium sized businesses using less than 100 MWh of electricity annually may be eligible for energy saving upgrade incentives available to households and small businesses.

In the units shown on electricity bills, that is 100,000 kilowatt hours a year, or roughly 270 kilowatt hours a day on average. A business can estimate its annual figure by adding up the kilowatt hours on 12 months of electricity bills.

IPART, which administers the NSW Energy Savings Scheme, continues to list high efficiency and LED lighting among eligible upgrades for households and small businesses under the scheme.

Businesses wanting to understand the current lighting pathway, eligible replacements and how an upgrade is assessed can view Efficient Energy Group's NSW LED Light Replacement Program guide at
https://www.efficientenergygroup.com.au/energy-savings/led-light-replacement-program-nsw/

Efficient Energy Group Managing Director Joshua Liptak said many small business owners were aware that commercial lighting rules had changed but did not realise that smaller businesses could still have access to a separate pathway.

"Business owners have heard that the commercial lighting scheme closed and quite reasonably assumed that means LED incentives are finished for everyone," Mr Liptak said.

"That is not necessarily the case.

"If you run a shop, cafe, office, medical practice, salon or another smaller business, one of the first things worth checking is how much electricity the site actually uses each year.

"If it is below 100 megawatt hours, do not automatically assume you have to pay the full cost of an LED upgrade. Check your eligibility first."

The distinction has become more important since the former Commercial Lighting Energy Savings Formula closed to new implementations at the end of March 2026.

Lighting upgrades remain available under the Home Energy Efficiency Retrofits method for households and small businesses, subject to the scheme requirements, product eligibility and assessment by an Accredited Certificate Provider. Eligible activities include the replacement of halogen downlights and older fluorescent fittings with efficient LED products.

Mr Liptak said the 100 MWh threshold was particularly relevant to businesses that might not think of themselves as small energy users.

"A busy cafe or retail store can have a decent sized electricity bill and still fall below the annual threshold," he said.

"The dollar amount on the bill is not the important number for this test. It is the amount of electricity being consumed over the year."

He said businesses should have their eligibility confirmed before agreeing to an installation.

"The incentive is not simply a coupon that every business can claim," Mr Liptak said.

"The existing lights, replacement products, site energy use and scheme requirements all matter, and the Accredited Certificate Provider needs to be involved before the work begins."

IPART says an Accredited Certificate Provider must be engaged before an eligible installation takes place, and the availability and value of incentives can depend on the energy savings generated by the upgrade.

The potential energy savings from lighting can still be significant even where an incentive is modest.

NSW Government guidance says some businesses use as much as 50 per cent of their overall energy consumption on lighting, while its small business advice says LEDs use around 75 per cent less energy than halogen lighting and can last up to 10 times longer.

A NSW Government small business example estimates that a Newcastle cafe could save around $250 a year from switching its lighting to LEDs, alongside additional savings from other energy efficiency measures.

Mr Liptak said businesses should look at both the available incentive and the longer term electricity savings when comparing quotes.

"The rebate gets attention because it reduces the upfront price, but the real reason to replace inefficient lighting is that the new lights can keep reducing electricity and maintenance costs for years," he said.

"My advice is simple. Before paying full price, check the site's annual electricity use, check whether the existing lights are eligible and get the available incentive confirmed in writing."

About Efficient Energy Group

Efficient Energy Group is an Accredited Certificate Provider under the NSW Energy Savings Scheme, and is also accredited under Victorian Energy Upgrades and the South Australian Retailer Energy Productivity Scheme. The company delivers lighting, air conditioning, hot water and refrigeration upgrades for businesses, with installations carried out by licensed electricians and all scheme paperwork managed on the customer's behalf.

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