

Energy efficiency grants up to \$25,000 to improve practices and technologies for medium-sized businesses

Canonical: <https://northmoregordon.com/grants-and-programs/energy-efficiency-grant-australia-march-2023/>

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Funding program archive

This page preserves a dated funding-program record and links it to current project-planning guidance.

Publication date: 6 March 2023.

Status note: This archive does not confirm that applications are open, funds remain available or the earlier eligibility and co-funding settings still apply. Verify the current administrator page and guidelines.

What this article reported

This federal program offers grants of up to \$25,000 to SME's (with up to 199 employees) to improve energy efficiency practices and technologies, and better manage energy consumption and costs. More details below.

The program can provide grants towards energy efficiency projects, including:

- energy audits to identify opportunities
- compressed air system audits
- developing an energy management plan
- feasibility assessments of energy projects

Who is this for?

The grant opportunity is for small and medium-sized businesses in Australia, with less than 199 employees.

Qualifying Costs

The grant amount will be up to 100 per cent of eligible project expenditure (grant percentage).

The minimum grant amount is \$10,000. The maximum grant amount is \$25,000.

You will only need to contribute to costs if your project costs more than the maximum grant amount of \$25,000 or if your project includes expenditure that is not eligible for funding.

Eligibility

You can apply if you:

- are an eligible entity
- have an eligible project

have eligible expenditure

The rules can be found here in the grant opportunity guidelines. You must also:

have an Australian Business Number (ABN)

and are one of the following entity types: an entity incorporated in Australia a sole trader a partnership

You must also:

be a small or medium-sized business with an employee headcount from 1 to 199 employees averaged over any consecutive 12-month period since 1 July 2019

have consent from the owner of the project location to undertake the project

Eligible Projects

Your project must:

be aimed at reducing the energy consumption of your business in Australia

have at least \$10,000 in eligible expenditure

Your project may include the following activities:

an energy audit of your site or part of your site

the design, and installation of energy-efficient equipment, including any necessary wiring or other electrical work

measuring, monitoring and recording energy usage

the decommissioning or tuning of equipment installed

Eligible Expenditure

You can use this grant funding for:

consultant fees

purchase of equipment to replace existing equipment, where the new equipment is higher energy efficiency

costs to decommission, remove and dispose of the old equipment that is replaced

purchase of equipment or components to help an existing system run more efficiently in regard to energy

building permits or approval costs to install equipment, where required

the cost of suppliers and contracted labor undertaking eligible project activities

Finding a suitable grant opportunity is just the start of the process of getting funding. Let us help you! The application for each grant is different and the process can take time and effort. Contact us to walk you through everything from, processes, eligibility criteria and the grants, funding and financial assistance available at the moment.

How to use this information now

Before relying on a grant, confirm the current round, applicant and project eligibility, eligible expenditure, co-contribution, assessment process, closing date and evidence obligations. Build the technical case so the project remains understandable with grant support shown separately.

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.

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What is the maximum grant amount available under this energy efficiency grant for medium-sized businesses in Australia?

The maximum grant amount is \$25,000, with a minimum of \$10,000. This means eligible projects must have at least \$10,000 in project expenditure to qualify. The grant can cover up to 100 per cent of eligible costs if the project stays within the \$25,000 cap. If your project costs more than \$25,000, you would need to contribute the additional amount yourself. We can help scope projects to align with this funding envelope and identify which costs are eligible under the scheme guidelines.

Who is eligible to apply for this energy efficiency grant?

The grant targets small and medium-sized businesses with 1 to 199 employees (averaged over any consecutive 12-month period since 1 July 2019). Applicants must hold an Australian Business Number (ABN) and be incorporated in Australia, be a sole trader, or operate as a partnership. You must also have consent from the project location owner to undertake the work. This employee threshold and entity structure are the key screening criteria before considering project and expenditure eligibility.

What types of energy projects can this grant fund?

The grant supports energy efficiency projects including energy audits to identify improvement opportunities, compressed air system audits, energy management plan development, and feasibility assessments. Eligible activities cover energy audits of your site, design and installation of higher-efficiency equipment with associated electrical work, measurement and monitoring of energy use, and decommissioning of replaced equipment. The project must aim to reduce your business's energy consumption. We offer audit services and feasibility work that align directly with these fundable activities.

What eligible costs can this grant funding cover?

Eligible expenditure includes consultant fees for assessments, purchase of energy-efficient replacement equipment, costs to remove and dispose of old equipment, components to improve existing system efficiency, building permits or approvals for installation, and labour costs for suppliers and contractors performing eligible activities. The key distinction is that funding must support identifiable energy-efficiency improvements. Costs such as general maintenance or equipment operating beyond its useful life typically fall outside eligibility. We can help scope projects to clarify which cost categories the administering body recognises as eligible under the current round.

What should I verify before committing to rely on this grant for my project funding?

Before treating this grant as committed funding, confirm that your business meets applicant eligibility criteria, verify the current application round is actually open (since a grant page remaining online does not guarantee applications are being accepted), confirm the specific closing deadline, understand which project costs the scheme recognises as eligible, and clarify any conditions attached to approval and payment timing. Check the administering body's current programme guidelines for the specific round. We recommend building a funding-pathway assessment early to distinguish confirmed support

from unverified possibilities, preserving the option to proceed without the grant if timing or eligibility becomes uncertain.

How can I build a credible investment case if grant funding is conditional?

Present your project with and without the conditional grant contribution. Show the base case economics using only committed funding, then display a separate scenario showing the impact if the grant is approved. This approach protects your decision-making: if the grant is delayed, reduced, or unavailable, management understands the project's standalone merit and the point at which the decision would need to be revisited. Our investment case guidance recommends identifying the moment when unresolved conditions must be resolved before proceeding. This discipline prevents an old grant listing from becoming an unsupported promise in your business case.

How does an energy audit from this grant connect to identifying future investment opportunities?

An energy audit funded under this grant investigates how your site uses energy and identifies improvement opportunities matched to real decisions: finding avoidable waste, ranking investments by return, or examining systems before replacement. The audit produces an opportunity register documenting proposed measures with their boundary, estimated energy effect, assumptions, dependencies, and evidence quality. This register then informs your investment case for larger capital projects that may qualify for other support mechanisms or internal capital approval. We offer Type 1, 2, and 3 audit depths; the grant scope should match the decision your business needs to make rather than simply commissioning the largest report available.

What is the significance of the \$10,000 minimum expenditure requirement?

The \$10,000 minimum ensures that projects have sufficient scale to justify the assessment and implementation effort. Projects below this threshold fall outside the grant's scope. This minimum also implies that eligible expenditure must be clearly identifiable and defensible; vague or miscategorised costs risk reducing your claimed eligible amount below the threshold. When scoping your project, confirm with suppliers that quoted costs align with the scheme's definition of eligible expenditure. We can advise whether proposed project scope and cost structure meet the minimum and fall within eligible categories before you submit an application.

How should I document and distinguish actual dates in my project chronology for grant application purposes?

Create a dated list of key project milestones: feasibility approval, final investment decision, binding commitments (such as purchase orders), installation commencement, commissioning, and the beginning of normal operation. Use separate dates rather than general labels like "project started." This precision matters because some grant programmes or related schemes have timing rules—for example, whether certain commitments made before application affect eligibility. We recommend capturing the actual chronology early and keeping it visible throughout your project file. This approach prevents disputes about when the project really began and protects your eligibility record if the grant administering body or a related programme audits your submission.