



Australian Government
Department of Finance
The Treasury

PUBLIC RELEASE OF 2022 ELECTION COMMITMENT COSTING

Name of proposal costed: Business Energy Advice Program	
Costing Identifier:	COA 018
Summary of costing:	The proposal is to provide \$17.9 million over four years from 2022-23 to continue and expand the Business Energy Advice Program to deliver energy advisory services to small and medium-sized businesses.
Ongoing or Terminating (including date)^(a)	Terminating on 30 June 2026.
Person making the request:	Prime Minister.
Date costing request received:	10 May 2022.
Date of public release of policy:	5 May 2022.
Date costing completed:	16 May 2022.
Additional information requested (including date):	Not applicable.
Additional information received (including date):	Not applicable.

(a) Ongoing policies continue indefinitely (until a decision is made to cease or alter the program). Terminating measures end on a date set out in the initial policy and a further decision is required to continue the program beyond this date.

Financial implications (outturn prices)^(b)

Impact on	2021-22	2022-23	2023-24	2024-25	2025-26
Underlying Cash Balance (UCB) (\$m)	0.0	-3.1	-6.9	-4.7	-3.2
Fiscal Balance (\$m)	0.0	-3.1	-6.9	-4.7	-3.2

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A positive number for the UCB indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.

Where relevant, state that the proposal has been costed as a defined or specified amount.

The proposal has been costed as a specified amount.

Where relevant, include separate identification of revenue and expense components.

Not applicable.

Where appropriate, include a range for the costing or sensitivity analysis.

Not applicable.

Qualifications to the costing (including reasons for the costing not being comprehensive).

The costing assumes:

- the proposal builds on and expands the 2018-19 MYEFO measure titled *Action Plan to Reduce Power Prices* which provided \$11.7 million over 5 years for the first round of the Business Energy Advice Program;
- small and medium sized businesses will be eligible to receive advisory services under the program;
- the program will deliver 15,000 energy advisory services to eligible small and medium sized businesses;
- small and medium sized businesses are assumed to be classified according to the Australian Taxation Office definition of a small business having an aggregated turnover of under \$10.0 million, and a medium business having a group turnover of between \$10.0 million and \$250.0 million; and
- a tender process would be run by the Department of Industry, Science, Energy and Resources to select energy advisory consultants for the program.

Where relevant, explain effects of departmental expenses.

The costing assumes that \$7.1 million in departmental expenses will cover the costs of:

- the ICT development and operational costs for a single web presence and centralised platform in line with the expansion of the program;
- legal costs;
- contractors responsible for the administration of the program;
- communications and advertising to promote the visibility of the program to businesses; and
- program evaluation.

Where relevant, explain the reason for any significant differences between the assumptions specified in a party costing request and those used in a Treasury or Finance costing.

Not applicable.

Other comments (including reasons for significant differences between the estimated impact on the fiscal and underlying cash balances).

Where relevant, include an explanation of the medium-term implications of the proposal.^(c)

Not applicable.

(c) Information on the medium term implications will be provided if the cost of the policy is expected to be significantly different beyond the forward estimates period. The medium term is considered to be the 7 years after the current forward estimates.

Background information

Not applicable.