

FOR AUSTRALIAN ELECTRICAL CONTRACTORS

The Sparky's Playbook

Everything you need to run, grow, and
sell a successful electrical business

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12 Chapters · ~30,000 words

CONTENTS

Chapter 01	State Licensing & Compliance
Chapter 02	Safety Standards & AS/NZS 3000
Chapter 03	Where the Industry Is Heading
Chapter 04	The EV Charging Opportunity
Chapter 05	Commercial Solar Systems
Chapter 06	Battery Storage Systems
Chapter 07	Cash Flow Management
Chapter 08	The Trade Tech Stack
Chapter 09	Marketing & Reputation
Chapter 10	Hiring & Managing Electricians
Chapter 11	Scaling Your Business
Chapter 12	Exit Strategy & Valuation

State Licensing & Compliance

Running an electrical contracting business in Australia means dealing with one of the most fragmented compliance landscapes of any trade profession in the country. You need a licence to operate — but unlike building or plumbing, there's no unified national electrical contractor licence. Each state runs its own system, through its own regulator, on its own renewal schedule, with its own insurance requirements.

If you work across two states, you're managing two completely different frameworks. If you let one lapse, you can't legally contract work in that state until it's reinstated. And if you're applying for the first time and pick the wrong licence category — which happens more often than most regulators will admit — you can lose weeks to a rejection and re-application.

This chapter covers what you actually need to know: how each state system works, how to keep your licence active without it becoming a monthly admin nightmare, and how to handle multi-state work legally.

Why This Matters More Than You Think

Most electricians understand they need a licence. Fewer understand the specific obligations that come with it — what triggers a renewal, what insurance clauses the regulator actually checks, and what happens when paperwork slips.

The consequences of getting it wrong aren't theoretical. A lapsed licence means:

- You cannot legally enter into new contracts for electrical work in that state
- Any insurance you hold may not respond to a claim made while unlicensed
- If a complaint is lodged with the relevant regulator, your entire compliance history becomes visible
- In some states — particularly NSW and QLD — operating without a current licence is a criminal offence, not just an administrative breach

The good news is that staying compliant is mostly a calendar problem, not a knowledge problem. The right systems make it nearly automatic.

How Each State System Works

New South Wales — NSW Fair Trading

NSW has a two-track system that most contractors — even experienced ones — don't fully understand.

Track 1: The Electrical Contractor Licence (ECL)

This is issued under the Home Building Act 1989 by NSW Fair Trading. It authorises a business entity to contract electrical work. Without it, you cannot quote or take on electrical jobs as a business in NSW.

Track 2: The Contractor Licence with Electrical Work (CCEW)

The CCEW — sometimes called the Certificate of Compliance for Electrical Work — is the compliance document you lodge after completing each job. It's issued by you as the licensed contractor. What most electricians miss is that the obligation to lodge the CCEW has a strict 7-day deadline from completion of work. Missing that deadline is the most common compliance breach in NSW — and it carries serious consequences.

Important: The CCEW 7-day rule is one of the most commonly missed obligations in NSW. [Read the full breakdown of what triggers the clock and what happens if you miss it →](#)

Licence categories in NSW:

- Qualified Supervisor Certificate (QSC) — authorises an individual to perform and supervise electrical work
- Electrical Contractor Licence (ECL) — authorises a business to contract electrical work
- Endorsed Contractor Licence — the most common for sole traders, combines both functions into a single licence

Licences are available in 1-year or 3-year terms. Insurance requirement: \$5 million public liability minimum for standard electrical work; \$20 million for specialist work including high voltage.

Victoria — Energy Safe Victoria (ESV)

Victoria's system is administered by Energy Safe Victoria. The two key credentials are:

Registration of Electrical Contractors (REC)

This is your business registration — equivalent to NSW's ECL. It allows your business entity to contract electrical work. REC registration must be renewed every 3 years.

Certificate of Electrical Safety (CES)

The CES is Victoria's version of NSW's CCEW — the compliance document you must lodge after

completing electrical installation work. The lodgement obligation is 30 days from completion (more forgiving than NSW, but still strict). CES documents are lodged through the MyESV portal.

What catches Victorian contractors out:

- The 30-day CES lodgement window — most contractors know about it, but multi-job periods in summer and late year mean lodgements accumulate and get missed
- Solar installations require a separate CES for the electrical installation component, even when a Certificate of Compliance for Electrical Work is already being issued through the CEC process

Read more: [VIC Electrical Contractor Licence Guide 2026 — REC registration, CES lodgement and Energy Safe Victoria](#)

Queensland — QBCC + Electrical Safety Office (ESQ)

Queensland has two separate licensing bodies, which means two separate licences, two separate fees, and two separate renewal schedules.

Queensland Building and Construction Commission (QBCC)

The QBCC contractor licence covers the business entity. For electrical work, you need either a Specialist Trade Contractor Licence or a Builder's Licence depending on the scope of work.

Electrical Safety Office (ESQ)

ESQ issues the electrical work licence — the individual licence that authorises you to perform electrical work. Unlike NSW, which combines contractor and supervisor credentials into the ECL/QSC structure, QLD keeps them completely separate: the QBCC licence is about contracting authority; the ESQ licence is about technical authority to do the work.

QLeave

QLD also has a portable long service leave scheme — QLeave — that applies to electrical contractors. Contributions are based on the value of building and construction work performed. This is a payroll-adjacent obligation that many interstate contractors setting up in QLD miss entirely in their first year.

Read more: [QLD Electrical Contractor Licence Guide 2026 — QBCC, ESQ and QLeave requirements](#)

South Australia — Consumer and Business Services (CBS) / Office of the Technical Regulator (OTR)

South Australia's licensing is split between two bodies:

- **CBS (Consumer and Business Services)**: issues the electrical contractor registration — the business entity authorisation
- **OTR (Office of the Technical Regulator)**: regulates technical safety standards and conducts inspections and audits

What SA contractors need to watch:

- SA has stricter random audit rates than most other states — contractors are selected for inspection of completed work without prior notice
- The OTR has been particularly active on solar and battery storage inspections in recent years as the state's penetration of household solar has grown

Read more: [SA Electrical Contractor Licence Guide 2026](#)

Western Australia — EnergySafety

WA's electrical contractor licensing is administered by EnergySafety under the Electrical Licensing Board.

Two key credentials in WA:

- **Electrical Contractor Licence**: authorises your business to contract electrical work
- **CCEI (Competency Card for Electrical Installation)**: the individual card that authorises you to perform the work — WA's equivalent of a QSC or individual electrical work licence

Responsible Supervisor requirement:

Every licensed electrical contractor in WA must nominate a Responsible Supervisor who holds a valid individual licence (REL or CCEI). If your Responsible Supervisor leaves the business, you have a limited window to appoint a replacement before your contractor licence becomes non-compliant.

Read more: [WA Electrical Contractor Licence Guide 2026 — EnergySafety, CCEI and contractor licence requirements](#)

Keeping Your Licence Active — The Systems That Work

Understanding the rules is step one. Step two is building the systems that mean you never slip.

Map Every Renewal Date

Pull out every current licence certificate — yours, your supervisors', your company registration — and write down the expiry date for each. Put them all in your calendar with a 60-day lead reminder and a 30-day follow-up. If you're using ServiceM8, you can create a recurring task or note against your company record.

The 60-day lead time matters because:

1. Some renewals require updated insurance certificates which take time to obtain
2. State portals go down, forms change, and lodgement processing times vary seasonally
3. If anything is rejected, you need buffer time to fix it before the expiry date

Insurance: What the Regulator Actually Checks

Every state requires current public liability insurance, but the way they check it creates traps for contractors.

The certificate of currency must exactly match:

- The entity holding the licence (not your personal name if the licence is held by a company, and vice versa)
- The cover amount required by that state's licensing body
- The specific activity — a general commercial policy that excludes "electrical work" or "trade work" will not satisfy the requirement

When you renew your policy each year, request a certificate of currency specific to each state licensing body you need to satisfy. Your broker should know to do this — if they don't, it's worth having the conversation proactively rather than at renewal time.

Wrong Category Applications

The single most common cause of application delays — particularly for contractors setting up in a new state — is applying under the wrong licence category.

The practical fix: before lodging any new application, call the relevant state licensing body and confirm the exact category for a contractor with your specific scope of work. A 10-minute phone call can save you 4 weeks of back-and-forth.

Working Across State Lines — Mutual Recognition

If you do regular work in multiple states, you need to understand how mutual recognition actually works — because the common understanding among contractors is often wrong.

What mutual recognition covers:

The Mutual Recognition Act 1992 allows holders of licences in one state to apply for equivalent registration in another state, without going through the full assessment process. This significantly simplifies multi-state licensing.

What it does NOT do:

Mutual recognition does not automatically permit you to work in another state on the basis of your home state licence. You must formally invoke mutual recognition by:

1. Notifying the receiving state's licensing body in writing before commencing work
2. Providing a copy of your current home state licence
3. In some cases, paying the relevant fee for the receiving state registration

Some states have carve-outs — NSW, for example, has specific provisions for high-risk electrical work that requires full separate assessment rather than mutual recognition.

Practical guidance:

If you're setting up regular work in a second state, it's worth applying for a separate contractor licence in that state rather than relying on mutual recognition notifications for each project. The annual cost is modest and removes any uncertainty about your status.

The Compliance Calendar: What a Well-Run Business Tracks

Here's what a properly maintained licensing compliance calendar includes for a business operating in two states (NSW + QLD as an example):

Item	Frequency	Lead Time	Owner
NSW ECL renewal	Annual or 3-year	60 days	Business owner
QLD QBCC licence renewal	Annual	60 days	Business owner
QLD ESQ electrical licence	Annual	60 days	Business owner / supervisor
Public liability insurance renewal	Annual	45 days	Admin / bookkeeper
CCEW lodgement (NSW)	Per job	7 days from completion	Site supervisor
QLeave levy contribution	Monthly (per project)	Monthly	Bookkeeper

Item	Frequency	Lead Time	Owner
Individual supervisor licence check	Annual	60 days	Business owner

Note that your supervisor's individual licence is a separate compliance obligation from your contractor licence — if their licence lapses, your business's compliance status is affected even if your contractor licence is current.

The Most Expensive Compliance Mistake

The most expensive licensing mistake isn't the fine — it's the loss of a contract.

Larger commercial clients — particularly government departments, commercial builders, and large solar developers — require you to submit a copy of your current contractor licence as part of pre-qualification. If you can't produce a current certificate, you're off the shortlist. No appeal process. No exception for "it just expired last week."

The businesses that win those contracts aren't necessarily more skilled than their competitors. They're just better at paperwork. And paperwork is a system problem, not a character problem.

Summary: What to Do This Week

You don't need to rebuild your compliance system today. But three actions this week will significantly reduce your exposure:

Action 1: Pull out every licence certificate in your business — yours, your supervisors', your company registration across all states — and write down every expiry date. Check which ones expire in the next 6 months.

Action 2: Get your insurance certificate of currency and check it against the specific requirements of each state licensing body you're registered with. Does the entity name, cover amount, and activity description match exactly?

Action 3: If you do work in more than one state, confirm whether you're operating under a valid separate licence in each state, or whether you're relying on mutual recognition — and if the latter, confirm that you've actually invoked it in writing for the relevant state.

These three actions won't take more than two hours. They'll eliminate the most common compliance traps that catch experienced operators.

Quick Wins

3 actions you can take this week:

1. **Map your renewal dates** — pull every current licence certificate and put expiry dates in your calendar with 60-day lead reminders. Include your supervisors' individual licences.
2. **Audit your insurance certificate** — check that the entity name, cover amount, and activity description exactly match what each state licensing body requires. One mismatch = non-compliant.
3. **Confirm your multi-state status** — if you work across state lines, verify you're operating under a valid separate licence or have formally invoked mutual recognition in writing before your next job.

Read More on TradieAutomate.com

- [NSW Electrical Contractor Licence Guide 2026](#)
- [QLD Electrical Contractor Licence Guide 2026](#)
- [VIC Electrical Contractor Licence Guide 2026](#)
- [WA Electrical Contractor Licence Guide 2026](#)
- [SA Electrical Contractor Licence Guide 2026](#)
- [NSW CCEW 7-Day Deadline Rule — The Compliance Trap Most Electricians Miss](#)

Want the full Sparky's Playbook?

This is Chapter 1 of a free 12-chapter guide covering licensing, EV charging, commercial solar, cash flow, tech stack, marketing, and building a business worth selling. No fluff — just practical frameworks from the people behind TradieAutomate.com.

[Download The Sparky's Playbook free →](#)

Safety Standards & AS/NZS 3000

AS/NZS 3000 — the Wiring Rules — is the foundation document of your trade. Every electrician knows it exists. Fewer have read it thoroughly. And many run into trouble not because they're doing deliberately unsafe work, but because the standard has evolved and their practices haven't kept pace.

This chapter covers the areas of the Wiring Rules that generate the most compliance issues in practice: RCD requirements, switchboard obligations, inspection and testing procedures, defect notice obligations, and how to handle an audit without losing your licence.

What AS/NZS 3000 Actually Is

AS/NZS 3000 is a joint Australian and New Zealand standard, maintained by Standards Australia. It's not legislation — it's a technical standard that sets minimum requirements for the design, installation, inspection, testing, and verification of electrical installations.

It becomes legally enforceable through state and territory regulations that adopt it by reference. This matters because:

1. **Amendments take time to be adopted.** The standard is updated periodically (the current version is AS/NZS 3000:2018, with subsequent amendments), but state adoption of new editions and amendments varies. Check which version and amendments your state's regulations reference.
2. **State regulations can add to the standard.** A state can impose requirements beyond AS/NZS 3000 — Queensland and WA have historically done this for RCD requirements.
3. **The standard applies to new work, not necessarily existing installations.** You're not required to upgrade everything in an existing building every time you attend, but any new work must comply with the current version of the standard.

The practical implication: when you pick up a job, identify the work scope, determine which parts of the standard apply, and check any state-specific additions. This should be habitual, not occasional.

RCD Requirements — Where Most Electricians Get Caught

RCD (residual current device) requirements have expanded significantly with each revision of AS/NZS 3000. The current standard (2018 + amendments) requires RCD protection for all final subcircuits in domestic and residential installations, including lighting circuits.

What this means in practice:

For any new domestic installation or addition to an existing installation, every final subcircuit must have RCD protection. No exceptions.

For existing residential installations, you're not automatically required to retrofit RCDs across the entire board just because you attend. But:

- Any new circuit you add must have RCD protection
- If you identify that the absence of RCDs on existing circuits creates a specific hazard condition, you may have a defect notice obligation (see below)
- Some states have broader retrofit obligations — check your state's specific requirements

Non-domestic installations:

Requirements are more nuanced. Circuits supplying socket outlets in areas accessible to the public, outdoor circuits, and circuits in wet areas typically require RCD protection. The specific trigger conditions are in Section 2.6 of AS/NZS 3000:2018 — read it and don't rely on memory.

Types of RCD protection:

Type	Description	Common use
Type S	Standard, 30mA trip current	General residential
Type A	Detects pulsating DC faults	Circuits with electronics
Type F	Frequency-selective	Variable speed drives
Type B	Detects smooth DC residual current	EV chargers, solar inverters

For EV charger installations, Type B RCDs are required where the charger can produce smooth DC fault currents. This catches many electricians who default to Type S RCDs on EV circuits.

Switchboard Obligations

Switchboards are the most common source of compliance disputes — primarily because installers arrive at a job with an existing board in an uncertain compliance state, and the obligation to upgrade is often unclear.

When you must upgrade or modify a switchboard:

1. **New work that exceeds existing capacity.** If you're adding circuits that push the board beyond its rated capacity, or that require RCD protection that the existing board can't accommodate, an upgrade is required.
2. **Hazardous switchboard types.** Asbestos-backed switchboards (common in homes built before the mid-1980s) must be replaced if disturbed. Old rewirable fuse boards without circuit breakers are not automatically required to be replaced, but are a defect notification trigger in many circumstances.
3. **Double-adapters inside the board.** An existing board that's been modified with non-compliant components creates a defect condition.
4. **Labelling requirements.** All circuits must be clearly labelled. An unlabelled circuit is not automatically a defect, but it's a documentation obligation on completion.

What you're not obligated to do:

You are not required to upgrade an entire switchboard simply because you attend a property to do unrelated work. The "trigger" obligation applies to the scope of work you're doing and any defects you identify — not to the entire installation by virtue of your presence.

This is a nuanced area and state-specific. WA has historically had broader mandatory upgrade provisions than other states. Know your state's specific requirements.

Inspection, Testing, and Verification

AS/NZS 3000 Section 8 sets out the testing and verification requirements that must be completed before an installation is energised or returned to service. This is a compliance area where shortcuts create direct liability.

The required tests for a new installation:

Test	Purpose	Tool
	Verify earth path integrity	

Test	Purpose	Tool
Continuity of protective conductors		Low-resistance ohmmeter
Insulation resistance	Detect insulation breakdown	Insulation resistance tester
Polarity	Verify active/neutral are correctly connected	Multimeter
Earth fault loop impedance	Verify fault current path will operate protection	Loop impedance tester
RCD operation	Verify trip time and current	RCD tester
Functional testing	Verify installation operates correctly	Visual + operational

The results of these tests must be recorded. A Certificate of Compliance (or state equivalent) must be provided to the owner.

Common shortcuts that create liability:

- Skipping insulation resistance testing on an extension to an existing circuit ("it was fine when I last checked")
- Not testing earth fault loop impedance after board modifications
- Issuing a Certificate of Compliance before all tests are complete
- Recording test results without actually performing the tests

Any of these shortcuts, if discovered during an audit or incident investigation, can result in licence suspension, prosecution, and civil liability.

Testing equipment calibration:

Your test equipment must be in calibration and fit for purpose. Calibration certificates should be current (typically 12-month intervals). Document the serial number and calibration status of your test equipment on the Certificate of Compliance.

Defect Notices — Your Obligations

When you identify an electrical defect during work, you have a formal obligation to document and notify. This is where many electricians create unintended liability — either by not issuing a notice when they should, or by leaving a site without making it safe.

Categories of defect:

Immediate danger — The defect creates a present risk of electric shock, fire, or explosion. Examples: exposed live conductors, arcing faults, failed earth protection on metalwork that can be touched.

Your obligation: Isolate the hazard before leaving (disconnect circuits, secure access, make it physically impossible for the hazard to harm someone). Issue a written defect notice to the owner before leaving. In most states, you cannot leave a site with an immediate danger unaddressed without creating serious liability.

Non-immediate defect — The installation doesn't comply with the applicable standard but doesn't present an immediate risk. Examples: missing RCDs on a circuit that triggers the requirement, undersized cabling, improper labelling.

Your obligation: Provide written notice to the owner identifying the defect and recommending rectification. Document it in your job records.

The documentation standard:

Your defect notice should include:

- Date and site address
- Description of the defect identified
- The applicable standard or regulation it breaches
- Whether it constitutes an immediate danger
- Recommended rectification action
- Your name, licence number, and signature

Most job management software includes defect notice templates. Use them — a handwritten note on the back of an invoice is not adequate documentation.

Dealing with Unlicensed Work

One of the most common problems electricians encounter when working on existing properties is discovering unlicensed work — electrical installation done by the owner or a non-licensed person.

What you cannot do:

You cannot connect to, extend, or make safe unlicensed work without addressing the compliance issue. Connecting new work to a non-compliant existing installation makes you responsible for the combined outcome.

What you should do:

1. Stop work on any component that connects to or depends on the unlicensed work

2. Document what you've found with photos
3. Issue a defect notice identifying the unlicensed work and its compliance status
4. Advise the owner that the unlicensed work must be assessed and brought to compliance before you can proceed

The conversation:

Frame it professionally, not accusatorially. "I've identified some previous work that wasn't done to current standards — before I can connect to it, we need to assess what's needed to bring it up to code." Most property owners would rather fix it than have a liability issue.

Surviving an Audit

State electrical safety regulators conduct inspections and audits of electrical work — either proactively (new installations notified by CoC lodgement) or reactively (following a complaint or incident).

What auditors look for:

- CoC lodgement compliance (in states where lodgement is required — VIC, ACT, and others)
- Test results matching the work described
- Correct RCD protection for the circuits installed
- Correct cable sizing for the load and protection
- Correct labelling and documentation
- Installation consistent with the approved scope

The preparation:

Keep complete records of every job. This includes:

- Signed Certificate of Compliance
- Test results (values, not just pass/fail)
- Photos of the switchboard before and after
- Any defect notices issued
- The quote and job description

If an auditor reviews a job and your records are incomplete, the presumption runs against you. Complete records are your primary protection.

After an audit:

If an auditor finds a non-compliance, you'll typically receive a direction to rectify. Comply promptly, provide evidence of rectification, and document the communication. Do not ignore audit notices — escalation is rapid and can result in licence action.

Quick Wins

3 compliance habits that reduce your risk this week:

1. **Add a defect notice template to your job management software** — ServiceM8 and similar platforms have this built in. If you find something, it takes 2 minutes to document formally rather than a sentence in a note.
2. **Check your test equipment calibration dates** — if any instruments are overdue, get them calibrated before your next inspection. The calibration date goes on your CoC.
3. **Take before-and-after photos of every switchboard job** — not optional. One photo set has saved multiple electricians from audit disputes.

Related Reading

- [Electrical Switchboard Upgrade Cost Guide Australia 2026](#)
 - [RCD Safety Switch Requirements AS/NZS 3000 for Electricians 2026](#)
 - [NSW Electrical Contractor Licence Guide 2026](#)
 - [QLD Electrical Contractor Licence Guide 2026](#)
 - [The Sparky's Playbook — Chapter 1: State Licensing & Compliance](#)
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Where the Industry Is Heading

A note on framing: This chapter is about where the electrical industry is heading over the next 5–10 years — the structural forces reshaping demand for skilled electricians. It's not a Monday-morning action plan. The opportunities described here require time, capability investment, and in some cases licensing that takes years to obtain. Read it as a window into the trajectory of the industry, not a pivot you execute this week.

The electrical trade is entering a decade of structural tailwinds. Energy transition, digital infrastructure investment, and the electrification of transport are all generating demand for electrical work on a scale that hasn't existed before.

This is a meaningful shift. The residential maintenance work that has sustained the trade for generations is not going away, but the growth is elsewhere — in commercial and industrial electrical, in energy infrastructure, in the systems that underpin the transition from fossil fuels to electricity as the primary energy carrier.

Understanding where the demand is growing helps you make better decisions about what to specialise in, what licences to pursue, and where to position your business for the next decade.

The Energy Transition — What It Actually Means

Australia has committed to a significant transformation of its energy system. Solar and wind generation are replacing coal and gas as the primary sources of electricity. The grid — built around large centralised generators feeding passive consumers — is being rebuilt around distributed generation, storage, and controllable loads.

This transformation is expensive, slow, and technically complex. It also creates enormous amounts of electrical work.

The three main vectors:

1. Generation — solar and wind installations

Large-scale solar farms and wind farms require extensive electrical infrastructure. The work includes HV switchgear, transformer connections, inverter installations, cable management across large sites, and ongoing O&M. This is specialist work that requires HV licences and experience, but the volume of projects is substantial.

2. Storage — grid-scale and distributed batteries

Battery storage is the mechanism that makes variable renewable generation workable. Grid-scale batteries (the Big Battery model pioneered in SA) are now being deployed across all states. The electrical work involved is significant — HV connection, site fit-out, protection systems, monitoring infrastructure. Below grid scale, commercial and industrial battery storage is growing rapidly as the economics become compelling for businesses with high daytime solar generation.

3. Transmission — new poles, wires, and substations

The Australian Energy Market Operator (AEMO) Integrated System Plan identifies billions of dollars of transmission investment required to connect new generation and move power across the grid. This is largely contractor work — civil and electrical firms building new lines and substations. The scale is generational.

Data Centres — Structural, Not Cyclical

AI doesn't create electrical work directly. The facilities that run AI — data centres — do.

Data centres are extraordinarily power-intensive. A modern hyperscale data centre can draw 50–100+ megawatts of power, the equivalent of a small city. They require:

- Large HV incoming supplies and on-site transformers
- Extensive low-voltage distribution infrastructure
- Redundant UPS and backup generator systems
- Precision cooling infrastructure (which is itself electrically intensive)
- Sophisticated monitoring and building management systems
- Ongoing maintenance and expansion as capacity is added

Australia's data centre market is growing significantly. Sydney and Melbourne have mature markets; Perth, Brisbane, and increasingly regional areas are seeing new investment. The drivers include:

- Global technology companies investing in Australian infrastructure for data sovereignty and latency reasons
- Australian government cloud adoption requiring domestic hosting
- AI infrastructure investment flowing to jurisdictions with stable power and rule of law
- Cooling economics favouring lower ambient temperature climates

The demand for electricians qualified and experienced in large commercial/industrial fit-out — the work that data centres require — is real and growing. The constraint is not the project pipeline; it's experienced labour.

The licensing implication:

Much of the HV work in data centre construction requires HV licences. These take time to obtain — the pathway varies by state but typically involves:

- Several years of work experience at LV level
- Structured training (TAFE or private RTO)
- Practical assessment and state examination
- Ongoing CPD to maintain the authorisation

If you're 5–10 years from where you want to be in the trade, the HV pathway is worth serious consideration. If you're already running a business, partnering with HV-licensed subcontractors on large projects is the realistic near-term play.

Grid-Scale Battery Storage

The Hornsdale Power Reserve in South Australia — the original "big battery" — demonstrated that grid-scale battery storage is both technically viable and economically competitive. Since then, projects have been announced or commissioned in every state.

For electricians, grid-scale battery projects are a long-term opportunity rather than an immediate one. The work is real — these are major electrical infrastructure projects. But the procurement path runs through large construction contractors, and HV licensing is typically required for connection work.

The more immediate opportunity is **commercial and industrial battery storage** — the 50kWh to 1MWh range that sits below grid scale but above the residential systems most electricians already install. This market is growing rapidly as:

- Commercial electricity prices have risen significantly, making the business case compelling
- Battery system costs have fallen to the point where payback periods are commercially acceptable
- Incentive programs in several states support uptake
- CEC accreditation for battery installation is achievable without HV licensing

A small electrical business with commercial solar experience can extend naturally into commercial battery storage. The additional training investment is manageable, and the project sizes are large enough to be worth winning on their own merits.

The Electrification of Heat

One of the less-discussed but practically significant trends is the progressive shift from gas to electric heating — both for space heating and hot water. Driven by gas price increases, state

government phase-out programs, and improving heat pump technology, this is creating a steady stream of work:

Heat pump hot water systems replacing gas storage systems in residential and commercial buildings. The electrical work involves supply upgrades (heat pumps often require a dedicated 20A circuit), timer integration, and in commercial applications, multiple unit coordination.

Reverse cycle air conditioning replacing gas ducted systems. Not primarily electrical trade work in the fitting sense, but the supply infrastructure, switchboard capacity, and in commercial applications the three-phase supply requirements create electrical work.

Commercial kitchen electrification — a significant emerging category as gas is phased out of new commercial buildings in some states. Commercial induction cooking requires substantial electrical supply upgrades (high amperage three-phase circuits) and switchboard work.

Industrial Decarbonisation

Large industrial facilities — mining, manufacturing, processing — are under significant pressure to reduce their carbon emissions. For many, this means electrifying processes that currently run on gas or diesel. Electrically-powered compressors, pumps, and processing equipment all require electrical supply upgrades.

This is primarily industrial electrical work — HV in many cases, three-phase LV in others. It's significant in scale (these projects can run to millions of dollars in electrical work), and it's sustained over a long period as industrial operators work through their decarbonisation programs.

The constraint for small electrical businesses entering this space is more about commercial relationships than technical capability. Industrial clients procure through established contractor relationships and prequalification systems. Breaking in requires demonstrating relevant experience — typically built through subcontracting to larger firms on initial projects.

What This Means for Your Business

The honest summary: most of the opportunities described in this chapter require capability investment and time. HV licensing doesn't happen overnight. Industrial client relationships take years to build. The data centre market is real but concentrated among contractors with the scale to handle the work.

What can a small to medium electrical business do with this information?

1. **Position for commercial solar, battery, and EV charging now.** These markets are large, growing, and accessible without HV licensing. Chapter 4 covers EV charging in detail; Chapters 5 and 6 cover commercial solar and battery storage.
2. **Consider the HV pathway seriously if you're early in your career.** The 5-10 year investment in HV licensing pays off in a market where every major energy infrastructure project needs HV-licensed electricians.
3. **Build experience in commercial and industrial projects now.** The jump from residential to commercial is valuable at every stage. Data centres, grid-scale projects, and industrial decarbonisation all prefer contractors with commercial experience.
4. **Don't abandon your core business in pursuit of what's next.** The residential base — maintenance, upgrades, solar, EV, batteries — is the foundation. It funds the capability investment required to access the larger opportunities.

Quick Wins

3 actions to position for the energy transition:

1. **Get your CEC Battery Accreditation if you don't have it** — the commercial battery market is large enough to justify the investment, and it's accessible without HV licensing.
2. **Look at your state's HV licensing pathway** — understand what's required and when it might make sense for your business.
3. **Talk to a commercial solar installer in your area** — subcontracting on one commercial project is the fastest way to understand whether it's a direction worth pursuing.

Related Reading

- [Commercial Solar System Compliance Australia](#)
- [EV Charger Network Installation — Business Opportunity for Electricians](#)
- [Heat Pump Hot Water Installation Guide for Electricians Australia](#)
- [SA Solar Battery Rebate 2026 — Home Battery Scheme Guide](#)
- [VIC Solar Homes Program Rebate 2026](#)

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The EV Charging Opportunity

EV adoption in Australia has crossed the point where residential and commercial EV charger installation is a meaningful, ongoing revenue stream for electrical businesses. The early adopter phase is over. The mass market is here.

This chapter covers the technical requirements, business case, and commercial strategies for building EV charging work into your electrical business — from the residential install you can price and complete in a day to the multi-site commercial projects that justify higher rates and recurring revenue.

Why EV Charging Is a Real Business Opportunity

The numbers behind EV adoption in Australia tell the story:

- EV sales exceeded 8% of new car sales in 2024, up from under 2% in 2022
- The Federal Government's New Vehicle Efficiency Standard accelerates the shift to EVs and hybrids across the fleet
- Every new EV owner is a potential charger installation job — most prefer to charge at home

Beyond the residential install, the commercial opportunity is larger:

- Apartment buildings and strata complexes face significant pressure from residents to provide charging
- Fleet operators — delivery companies, government vehicles, councils — are transitioning to electric fleets that need depot charging infrastructure
- Commercial properties (shopping centres, hotels, car parks, workplaces) are investing in charging as an amenity and revenue source

The electrician who understands EV charging technology — the charger types, the load management requirements, the metering and billing systems — is positioned to capture this work at a premium over generalists.

The Technical Landscape

Charging Levels

Level 1 — Slow (10A GPO, 1.4–2.4kW)

Using a standard 10A outlet. No installation required beyond verifying the outlet is on a dedicated or appropriately rated circuit. Adds 8-15km of range per hour — adequate for low-mileage drivers but not a recommended primary charging solution.

Level 2 — Fast AC (7.4kW to 22kW)

The bread and butter of residential and most commercial EV charger installations. A dedicated EVSE (Electric Vehicle Supply Equipment) unit installed on a dedicated circuit. Types:

- Single phase, 32A = 7.4kW — the most common residential install
- Three phase, 16A = 11kW — increasingly common where three-phase supply is available
- Three phase, 32A = 22kW — commercial and high-demand residential

DC Fast Charging (50kW–350kW)

Bypasses the vehicle's onboard charger. Requires significant electrical infrastructure — dedicated transformer feeds, large cable runs, specialist switchgear. Not typically in scope for a small electrical business without specialist experience.

AS/NZS 3000 Requirements for EV Installations

The Wiring Rules have specific requirements for EV charging installations:

- Dedicated final subcircuit (EVSE must not share a circuit with other loads)
- RCD protection on the circuit — Type A minimum for AC EVSE, Type B where the charger can produce smooth DC residual currents (most modern DC-capable EVSE requires Type B)
- Circuit rated for continuous load (EVSE draws close to rated current for extended periods — size for 125% of rated load, not 100%)
- Appropriate cable selection for the installation environment (outdoor cable for exterior runs, conduit protection where applicable)

The Type B RCD issue catches electricians who default to their standard Type A or Type S RCDs. Read the EVSE manufacturer's documentation — if it specifies Type B, that's what goes in, and it needs to be documented on the CoC.

Residential EV Charger Installations

The Standard Residential Job

A typical residential Level 2 installation:

1. **Site assessment** — switchboard capacity, available circuit space, cable run from board to garage/driveway, earthing system condition
2. **Switchboard work** — install dedicated MCB and RCD (or RCBO), label the circuit
3. **Cable run** — from switchboard to installation location, in conduit where required
4. **EVSE installation** — mount the charging unit, terminate cable connections, commission
5. **Testing** — insulation resistance, loop impedance, RCD test, functional test
6. **Documentation** — Certificate of Compliance, label circuits, provide handover to customer

Time: 3–6 hours depending on complexity. Price range: \$800–\$2,500 for a straightforward single-phase install.

When a Switchboard Upgrade Is Required

The most common complication is an existing switchboard without capacity for a new 32A circuit. Options:

- Full switchboard replacement (adds cost, but creates space for future circuits)
- Tandem breaker installation where permitted
- Smart charger with power management that limits draw to available capacity

Build switchboard assessment into your quoting process — a fixed-price quote for a "standard" install that turns out to require a board upgrade creates price disputes. Quote the board upgrade as a conditional item, assess on-site, and confirm scope before starting.

Pricing Residential EV Work

Three cost components:

1. EVSE unit cost (varies widely — \$300 for basic units to \$2,000+ for premium brands with app connectivity)
2. Labour and associated materials (cable, conduit, MCB, RCD)
3. Any switchboard work required

Decide whether you supply the EVSE or the customer supplies it. Supplying it gives you a margin on the unit and control over quality; customer-supplied removes the purchasing headache but means you lose the product margin and occasionally deal with units you'd prefer not to install.

Commercial EV Charging

Commercial installations are where the business case for specialising in EV charging becomes compelling.

The Commercial Opportunity

Segment	Typical scope	Job value range
Apartment/strata	5–50 chargers with DLM	\$15,000–\$150,000+
Commercial car park	10–100 chargers, metering/billing	\$40,000–\$500,000+
Fleet depot	10–50 chargers, 3-phase supply upgrades	\$20,000–\$200,000+
Hotel/hospitality	4–20 chargers as guest amenity	\$10,000–\$60,000+
Workplace charging	5–30 chargers, load management	\$12,000–\$80,000+

The electrical work involved — supply assessment, switchboard upgrades or new MSB installation, cable distribution, EVSE installation, load management commissioning — is substantive and complex enough to justify higher rates than residential work.

Dynamic Load Management (DLM)

DLM is critical for commercial multi-charger installations. Without it, installing 10 × 7.4kW chargers requires 74kW of dedicated supply capacity. With DLM, those same chargers can be installed on a 30–40kW supply connection, with the system automatically distributing available capacity.

How it works:

- A DLM controller monitors total site load (either via CT clamps on the main supply or via integration with the site's energy management system)
- When total load is high, the DLM reduces individual charger output
- When load is low, it increases output (up to the maximum charge rate each vehicle requests)
- The result: vehicles charge as fast as available capacity allows without overloading the site supply

Specifying DLM correctly:

- Confirm the maximum available supply capacity at the site
- Calculate peak charger demand vs. peak site demand to determine headroom
- Specify a DLM system capable of managing the number of chargers required
- Commission and test the DLM system under realistic load conditions

Metering and Billing for Commercial Sites

Commercial operators increasingly want to charge tenants or customers for the electricity they use. This requires energy metering on individual charger circuits and either:

- A third-party CPMS (Charge Point Management System) that handles billing, access control, and reporting, or
- Simple sub-metering with manual or automated billing reconciliation

Your role as the electrician: ensure the electrical infrastructure supports the metering solution chosen. This means individual metering on each charger circuit if the operator wants per-charger billing, and appropriate communication infrastructure (network connectivity) for the CPMS.

Building Recurring Revenue from EV Charging

One of the structural advantages of EV charging work over most electrical trade categories is the potential for recurring revenue through maintenance and monitoring contracts.

Commercial charging maintenance contracts:

Commercial charging operators — car parks, fleet operators, hospitality venues — want guaranteed uptime. A maintenance contract that covers:

- Regular physical inspection and cleaning
- Software/firmware updates
- Fault response and rectification
- Annual testing and compliance checks

Can generate \$1,000–\$5,000 per site per year in recurring revenue. For a business with 20–30 commercial sites under contract, that's \$20,000–\$150,000 in annual recurring revenue before any reactive work.

The key is to position this at the point of installation — when the customer is buying the install, they're also buying the ongoing relationship. A maintenance contract clause in your installation quote is easier to sell than a cold proposal 12 months later.

Getting Your First Commercial EV Jobs

Breaking into commercial EV work requires demonstrating capability before most commercial clients will engage you. Three paths:

1. Leverage residential relationships. Customers who own or manage commercial properties and have already had you do residential work are warm leads. Ask directly: "We're now doing commercial EV charging installations — do you have any commercial properties that need this?"

2. Partner with EV charger distributors. Charger manufacturers and distributors maintain installer networks and often refer customers to installers in their network. The install margin may be lower (they'll negotiate), but it's a pipeline of leads and commercial experience that builds your portfolio.

3. Approach fleet operators directly. Council fleets, delivery companies, utility vehicles — find fleet operators in your area and propose a charging infrastructure assessment. Even if they're not ready to buy immediately, you're in the conversation early.

Quick Wins

3 actions to start building EV charging revenue this month:

1. **Add EV charger installation to your website and Google Business Profile** — many homeowners search specifically for "EV charger installer [suburb]" and the first result that clearly services the area gets the call.
2. **Do one commercial EV charging site assessment for free** — a strata building, a small car park, a local business. Use it to build your quoting process and understanding of DLM requirements.
3. **Pick one EVSE brand and do their installer training** — manufacturer training is often free or low cost, gives you technical support access, and allows you to be listed as an authorised installer.

Related Reading

- [EV Charging at Commercial Premises Australia 2026](#)
- [EV Charger Installation Cost Australia 2026](#)
- [EV Charger Network Installation — Business Opportunity](#)
- [Commercial Solar System Compliance Australia](#)
- [ServiceM8 for Electrical Businesses — Review 2026](#)

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Commercial Solar Systems

Commercial solar is one of the most significant growth categories in the Australian electrical industry. Falling system costs, rising electricity prices, and genuine business demand for on-site generation have created a market where commercial solar is no longer an early-adopter decision — it's a mainstream capital investment.

For electrical businesses with CEC accreditation and the capability to navigate network approvals, commercial solar represents larger job values, higher margins, and a technical differentiation that reduces price competition.

This chapter covers the requirements, process, and business approach for commercial solar work — from the 20kW factory rooftop to the 250kW distribution centre installation.

The Commercial Solar Market in Australia

Commercial solar in Australia is driven by three factors:

Economics. A commercial solar system generating power at 5–8 cents per kWh (levelised cost) against grid prices of 25–45 cents creates a compelling return on investment. For businesses with significant daytime electricity consumption, payback periods of 3–6 years are common.

Policy. Small-scale Technology Certificates (STCs) provide an upfront incentive for systems up to 100kW. Large-scale Generation Certificates (LGCs) apply to systems above 100kW and generate ongoing revenue. State government programs add additional incentives in some jurisdictions.

Sustainability commitments. Listed companies, large corporates, and government entities are operating under sustainability targets that make on-site solar generation a genuine business priority, not just an economic decision.

The combination creates sustained, high-value demand — and it's demand for installers who can do the technical work properly, not the lowest-cost operator.

CEC Accreditation — What You Need

CEC Solar Accreditation is mandatory for installing grid-connected solar systems in Australia. Without it, you cannot:

- Legally install grid-connected solar
- Access STCs (which are how most customers offset system cost)
- Be listed on the CEC Find an Installer database (which many customers use to find installers)
- Have manufacturer warranties honoured on many inverter brands

The accreditation pathway:

- Complete an approved training course (TAFE or private RTO, typically Certificate IV in Solar Energy)
- Pass the CEC accreditation assessment
- Maintain CPD hours annually to retain accreditation
- Renew annually

For commercial systems above 100kW, the system must be designed by a CEC-accredited designer. If you're not accredited as a designer, you need to work with one — either employing a designer or contracting the design work out.

The business case for the designer accreditation:

The CEC Designer accreditation for large commercial systems is achievable and removes a dependency on external designers. If you're targeting commercial solar above 100kW seriously, the designer pathway is worth pursuing.

System Design — Getting It Right

Commercial solar design is more complex than residential. The key variables:

Load profile analysis. A commercial system is sized to match the customer's consumption pattern, not just their roof space. A business that runs Monday to Friday during daylight hours has a very different optimal system size than a 24/7 cold storage facility. Incorrect sizing — either under or over — reduces the return on investment.

Roof structure assessment. Commercial roofs — trapezoidal, corrugated iron, TPO membrane, flat — have specific racking requirements. Structural loading calculations may be required for large installations. Some roofs require structural engineer sign-off before installation.

String design and inverter selection. String configuration affects yield. Inverters must be appropriately sized for the array, compatible with the network approval requirements, and suitable for the operating environment (temperature, dust, humidity).

Protection requirements. DNSP network approvals specify protection requirements — anti-islanding, voltage and frequency limits, reactive power capability. The inverter must be capable of meeting these requirements and configured correctly during commissioning.

Shading analysis. Commercial roofs often have air conditioning units, exhaust fans, skylights, and other obstructions. A shading analysis (using software such as PVsyst or Aurora Solar) is part of a professional design.

Network Approval Process

For any system above 10kW (exact thresholds vary by DNSP), network approval is required before installation. This process is often the longest lead time item in a commercial solar project.

The process step by step:

1. **Pre-application assessment** — For larger systems (typically 30kW+), contact the DNSP before formal application to understand whether the local network has capacity for the proposed system. Some feeders are constrained; knowing this early avoids design rework.
2. **Connection application** — Submit the formal connection application with technical documentation: system design, inverter specifications, single-line diagram, protection settings.
3. **DNSP review** — The DNSP assesses the application against network standards. Timeframes range from 2–4 weeks for small commercial to 3–6 months for large systems requiring detailed power flow studies.
4. **Approval conditions** — Most approvals come with conditions: specific protection settings, export limits, metering requirements. The installed system must comply with these conditions.
5. **Install and notify** — Install per the approved design. Notify the DNSP on completion.
6. **Witness test (where required)** — Some DNSPs require a witness test before the system is energised. Schedule this in advance — it adds lead time.

Managing customer expectations around approval timelines:

Network approval delays are the most common source of commercial solar project timeline blowouts. Build realistic timeframes into your quotes, start the application as early as possible (often before contracts are signed for large systems), and communicate proactively with customers when delays occur.

Metering for Commercial Solar

Commercial solar requires revenue-grade metering that the residential install flow doesn't include. This is an area where many electricians get caught — the metering arrangements for commercial solar are more complex than the hardware installation.

What's required:

- **Import/export meter** — Measures energy imported from and exported to the grid. Required for billing purposes and for any feed-in tariff.
- **Generation meter** — Measures energy generated by the solar system. Required for STC and LGC creation.
- **Interval metering** — For systems above 100kW (LGC eligibility), 5-minute interval data is required. Most commercial properties above this threshold already have interval meters, but check.

Who installs it:

Metering is installed and programmed by a metering coordinator, not the electrical contractor. Your role is to provide the correct metering enclosure and wiring infrastructure per the metering coordinator's requirements.

The metering coordinator is engaged by the customer through their retailer. Coordinate early — metering installation is often on the critical path.

Commissioning and Handover

Commercial solar commissioning is a formal process, not just "turn it on and check it works."

Commissioning checklist:

Check	Standard
Insulation resistance testing (all strings)	AS/NZS 5033
Polarity verification (each string)	Before energising
Open circuit voltage measurement	Verify against design
String current measurement	Verify against design
Protection setting verification	Per DNSP approval conditions
Anti-islanding test	Per inverter manufacturer and DNSP requirements
Monitoring system configuration	Verify data is logging correctly
Generation meter registration	Via metering coordinator

Documentation on handover:

- Certificate of Compliance (electrical)
- CEC installation certificate
- System design documentation
- Network approval documentation
- Protection settings verification report
- Warranty documentation for all major components
- Monitoring system access credentials and instructions

Complete documentation is not optional — it's part of the product you're selling. A customer who paid \$150,000 for a commercial solar system expects to receive comprehensive documentation.

Winning Commercial Solar Work

The commercial solar market is competitive. Winning work on technical capability rather than price alone requires:

Proposal quality. A commercial solar proposal should include: a load analysis showing how the system matches the customer's consumption, a production estimate (annual kWh), a financial analysis (NPV, IRR, payback period), a system specification, a timeline including network approval, and warranty and maintenance terms. Generic quotes lose to specific, well-researched proposals.

Case studies. Commercial buyers want to see evidence that you've done this before. A portfolio of 3–5 commercial installations with customer references and performance data is worth more than any marketing spend.

Referral networks. Commercial solar is heavily referral-driven. Accountants, property managers, commercial real estate agents, and equipment financiers all work with clients who are potential commercial solar buyers. Building relationships in these networks generates warm leads.

Quick Wins

3 actions to position for commercial solar work:

1. **Get your CEC Designer accreditation** if you're doing systems above 100kW — removing the dependency on external designers increases your margin and control.

2. **Build a commercial solar proposal template** — a professional proposal document that includes load analysis, financial modelling, and clear technical specifications immediately differentiates you from quote-only competitors.
3. **Contact your local DNSP's connections team** — understand the approval process and typical timelines for your area before quoting. This avoids timeline commitments you can't meet.

Related Reading

- [Commercial Solar System Compliance Australia](#)
 - [SA Solar Battery Rebate 2026 — Home Battery Scheme Guide](#)
 - [VIC Solar Homes Program Rebate 2026](#)
 - [Solar + Battery System Cost Australia 2026](#)
 - [Solar Installer Cash Flow Management Australia](#)
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Battery Storage Systems

Battery storage has moved from a niche premium product to a mainstream addition to residential and commercial solar systems. The combination of improving economics, state government rebate programs, and growing customer interest in energy independence has created sustained demand for electricians who can install battery systems correctly.

This chapter covers the technical requirements under AS/NZS 5139, the accreditation needed, installation requirements by battery type, and the after-sales opportunity that most installers leave on the table.

The Battery Storage Market

Battery storage installations in Australia are driven by three distinct motivations:

Economic. For customers with solar, a battery allows them to use more of their own generation rather than exporting at low feed-in tariff rates and importing at high retail rates. The economics vary by electricity prices, solar generation profile, and battery cost — but in most states the economics are now close to compelling, particularly for customers with high evening consumption.

Resilience. Blackout protection is an increasingly valued feature. Customers in areas prone to outages — coastal and rural areas, bushfire-prone regions — are willing to pay a premium for backup capability. This shifts the buying decision from pure economics to risk management.

Environmental. A smaller but real segment of the market is motivated primarily by sustainability goals. This segment is price-insensitive relative to the others and responds to the right framing.

Understanding which motivation is driving a customer's interest in battery storage helps you recommend the right system and close the sale more effectively.

The Standards Framework

Battery storage installations are governed by a stack of standards:

AS/NZS 5139:2019 — Battery Energy Storage Systems. The primary standard covering design, installation, commissioning, and maintenance of BESS. Introduced in 2019, it replaced a patchwork of manufacturer guidelines with a coherent national standard.

AS/NZS 3000:2018 — The Wiring Rules. Applies to all electrical installation work including battery systems.

AS/NZS 4777.2:2020 — Grid Connection of Energy Systems via Inverters. Applies to battery inverters (hybrid inverters or AC-coupled battery inverters) connected to the grid.

Manufacturer installation requirements. Battery manufacturers publish installation manuals that include requirements beyond the standard — specific clearances, environmental conditions, commissioning procedures. The manufacturer's requirements must be followed for the warranty to remain valid.

In practice: AS/NZS 5139 sets the floor; the manufacturer's requirements often set a higher bar.

AS/NZS 5139 — What It Requires

The key requirements under AS/NZS 5139 that affect installation decisions:

Location Requirements

Where a battery can be installed is more restricted than most electricians initially expect.

Prohibited locations:

- Occupied sleeping areas
- Means of egress (hallways, stairways used as escape routes)
- Above electrical switchboards (specifically for lithium-ion systems)

Separation distances:

- Minimum distances from ignition sources (hot water systems, gas appliances, electrical equipment)
- Minimum distances from windows, doors, and air intakes
- The exact distances depend on the battery chemistry, total energy capacity, and whether the battery is in an enclosed or open location

Residential installation options (most common):

- Garage (attached or detached) — the most common installation location, generally straightforward for AS/NZS 5139 compliance
- External wall mounting — acceptable for most lithium-iron phosphate (LFP) batteries, subject to IP rating and manufacturer requirements
- Utility room or laundry — possible but more restrictions apply (separation from hot water systems, ventilation)
- Under the house (subfloor) — possible for some chemistries and configurations, with specific requirements

Ventilation

Batteries that can off-gas (primarily some lithium-ion chemistries under fault conditions) require ventilation. The required ventilation area is calculated based on the battery energy capacity and chemistry.

In practice, most current LFP batteries have minimal off-gassing requirements. NMC (nickel manganese cobalt) batteries have more stringent ventilation requirements. Read the standard and the manufacturer's manual.

Labelling

AS/NZS 5139 requires specific signage at the battery installation location:

- Battery system identification label
- Warning labels as specified in the standard
- Emergency isolation labeling

These are not optional. An audit that finds missing labels is a non-compliance.

Lithium Iron Phosphate vs NMC

Most battery systems installed in Australia are lithium-ion, but there are two dominant chemistries:

Characteristic	Lithium Iron Phosphate (LFP)	Nickel Manganese Cobalt (NMC)
Energy density	Lower	Higher (smaller form factor)
Cycle life	Very high (3,000–6,000+ cycles)	Moderate (1,500–3,000 cycles)
Thermal stability	Very high — safer	Higher thermal runaway risk
Installation restrictions	Less restrictive	More restrictive (ventilation, separation)
Cost	Lower per kWh	Higher per kWh
Common brands	BYD, Sungrow, Growatt	Some LG, Samsung legacy products

For most residential installations, LFP is now the dominant chemistry and the safer and more practical choice. If you're quoting a battery system, understand what chemistry is involved and whether the manufacturer's requirements and AS/NZS 5139 requirements for that chemistry are achievable at the proposed installation location.

CEC Battery Accreditation

CEC Battery Accreditation is required to install battery systems under the STC scheme and to access state government rebate programs (SA Home Battery Scheme, VIC Solar Homes battery rebate).

If you hold CEC Solar Accreditation, you need to complete an additional training unit to add battery accreditation to your CEC profile. The training covers:

- AS/NZS 5139 requirements
- Battery chemistries and safety considerations
- Battery installation and commissioning procedures
- Documentation and certification requirements

The training is available through TAFE and private RTOs. Without battery accreditation, you're leaving rebate-eligible work to competitors who have it.

Battery Installation Certificate

AS/NZS 5139 requires the installer to complete a Battery Installation Certificate on completion of every battery installation. This is separate from the electrical Certificate of Compliance.

The Battery Installation Certificate records:

- Battery system details (manufacturer, model, serial number, energy capacity)
- Installation location and compliance with location requirements
- Ventilation provisions (if applicable)
- Separation distances verified
- Commissioning checks completed
- Installer details and accreditation number

Keep a copy. This is your primary defence if a battery system is later involved in an incident and the installation is questioned.

Commercial Battery Storage

Commercial battery storage — the 50kWh to 1MWh range — is growing rapidly and the installations are substantially larger than residential.

Common commercial applications:

Demand management. Commercial electricity tariffs include a demand charge — a fee based on the peak kW demand in each billing period. A battery system that reduces peak demand can generate

significant savings. This requires accurate demand profiling and battery control systems that can predict and manage peak events.

Solar self-consumption maximisation. Same principle as residential but at scale. A commercial building with a 200kW solar system and a 500kWh battery can shift a significant proportion of excess daytime generation to evening peak periods.

Backup power. Critical facilities — data centres, cold storage, medical facilities — use large battery systems for power continuity. These are often combined with generator systems and require careful integration design.

Technical differences from residential:

- Three-phase supply and three-phase battery inverters
- Battery management system (BMS) integration with building energy management systems
- Protection co-ordination with the site's existing switchgear
- Network approval (larger systems may require DNSP approval for battery connection)
- Commissioning is more complex — demand management programming requires data from the customer's historical energy bills

The Monitoring and Maintenance Opportunity

Most battery installers install the system, issue the documentation, and move on to the next job. This leaves a significant recurring revenue opportunity untouched.

What customers want after installation:

1. Confirmation the battery is performing as expected
2. Reassurance that issues will be caught before they become problems
3. Someone to call when they have questions about the system

The monitoring contract:

Battery systems generate performance data — daily cycles, state of charge, charge/discharge rates, any fault codes. Most inverter manufacturers provide cloud monitoring platforms. An annual monitoring and maintenance contract can include:

- Monthly performance report (automated from the monitoring platform)
- Annual site inspection (connections, cabling, ventilation)
- Firmware update service
- Priority response for any faults or alarms

- Phone support for system questions

Pricing: \$200–\$500 per year for residential systems; \$500–\$3,000 for commercial. For a business with 100 battery installations under monitoring contracts, that's \$20,000–\$50,000 in predictable annual revenue.

The sales approach: offer it at installation, not later. "We include 12 months of monitoring in the installation price — after that it's \$299 per year to continue. Most customers renew."

Quick Wins

3 actions to improve your battery installation business:

1. **Get CEC Battery Accreditation if you don't have it** — you're leaving rebate-eligible work to competitors who do.
2. **Add a monitoring contract offer to every battery quote** — one page, clear pricing, automatic renewal. Many customers say yes at point of sale who would decline later.
3. **Review your last 5 battery installations against AS/NZS 5139 location requirements** — if you've been installing before reading the standard thoroughly, it's worth a quick self-audit.

Related Reading

- [SA Solar Battery Rebate 2026 — Home Battery Scheme Guide](#)
- [VIC Solar Homes Program Rebate 2026](#)
- [Solar + Battery System Cost Australia 2026](#)
- [Commercial Solar System Compliance Australia](#)
- [Solar Warranty Claim Process Australia 2026](#)

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Cash Flow Management

The most common reason good electrical businesses fail isn't a lack of work, a pricing problem, or poor workmanship. It's cash flow.

A business can be fully booked, billing at healthy margins, and still find itself unable to make payroll because three commercial invoices are sitting unpaid at 45 days. That's not a revenue problem. That's a systems problem — and it's fixable.

This chapter is about understanding the specific cash flow dynamics that affect electrical contractors, and building the systems that mean you're never caught short.

Why Electrical Contractors Have Cash Flow Problems

Most trades businesses have a structural cash flow challenge built into how they operate:

You pay first. Materials — switchboards, cable, conduit, fixtures — are often paid upfront or on account with relatively short credit terms. On a large commercial job, your materials cost can land before you've done a day of billable work.

You get paid last. Residential clients expect to pay on completion. Commercial clients run 30-60 day payment terms as standard. Some government and large corporate clients have 60-90 day payment cycles baked into their accounts payable process.

The gap in between is your problem. If you're running multiple jobs simultaneously, that gap compounds. You're funding several jobs in progress at the same time, waiting on payment for work completed weeks ago.

Understanding this dynamic is step one. The goal of every cash flow system in this chapter is to close that gap — getting paid faster, reducing the amount of cash you're fronting, and making sure slow-paying clients don't threaten the viability of your business.

The Progress Billing Standard

For any job that spans more than a week, waiting until completion to invoice is a cash flow mistake.

Progress billing — invoicing in stages tied to project milestones — is the standard commercial practice in construction and should be standard in your electrical business too. Here's why:

Example: A commercial fitout worth \$85,000

- Without progress billing: you fund materials (\$35,000+), labour, and overhead for 6-8 weeks, then invoice on completion and wait another 30-45 days for payment. You could be \$40,000+ out of pocket for 10-12 weeks.
- With progress billing: you collect at 3 milestones (deposit, mid-point, completion), keeping your cash position roughly neutral throughout the job.

A standard progress billing structure:

Stage	Trigger	Percentage
Deposit	Before mobilisation / material ordering	30–40%
Mid-point	Rough-in complete / agreed milestone	30–40%
Completion	Practical completion sign-off	20–30%

The exact percentages can flex based on the job profile, but the structure is non-negotiable for any job above a threshold you define (typically \$5,000–\$10,000).

Getting clients to accept progress billing:

Most clients understand progress billing — it's standard in construction. Frame it clearly in your quote: "Our payment schedule for this project is..." rather than asking for permission. For residential clients who push back, explain that you order materials specifically for their job and require a deposit before ordering.

Very few clients will walk away from a well-presented quote over reasonable progress billing terms. The ones who do tend to be the ones who would have been slow to pay anyway.

Deposit Requirements

For every job that requires significant materials, a deposit before mobilisation is non-negotiable.

The deposit serves two functions:

1. It funds your material purchase without using your own cash
2. It signals that the client is committed — people who won't pay a deposit often aren't serious buyers

Residential solar: 30-40% deposit is industry standard before equipment ordering. CEC accreditation requirements also specify that certain documentation must be completed before installation — your deposit process should align with this.

Electrical upgrades and fitouts: 30% deposit for jobs over your threshold. Adjust the percentage based on the materials-to-labour ratio — material-heavy jobs warrant higher deposits.

Emergency and reactive work: full payment on completion (same day) is normal for call-out work. Carry a card terminal. Cash and card on the day is the standard for residential reactive jobs.

Retention — What to Watch For

On larger commercial jobs, you'll encounter retention clauses — contractual provisions where the client withholds a percentage of each progress payment until certain conditions are met.

A typical retention structure:

- **5-10% withheld** from each progress payment until practical completion
- **Half released** at practical completion
- **Balance held** until end of a defects liability period (commonly 12 months)

The practical impact: on a \$200,000 commercial job with 5% retention and a 12-month defects liability period, you could have \$10,000 in retention outstanding for over a year after the job is complete.

What to negotiate before signing:

1. **The retention percentage.** 5% is standard; anything above that warrants negotiation
2. **The defects liability period.** 12 months is common; push for 6 months where possible for straightforward electrical work
3. **Release conditions.** Are they clearly defined? "At the client's discretion" is not acceptable — get specific trigger events in writing
4. **Security deposit alternative.** Some contracts allow you to substitute a bank guarantee for retention — this keeps the cash in your account and may be worth the bank fee for large jobs

Track retention separately. It's not a bad debt — it's money owed to you with specific release conditions. Keep a retention receivables register so nothing falls through the cracks. Many contractors forget to chase retention releases until months after they're due.

Payment Terms — Setting and Enforcing Them

Your payment terms only work if they're:

1. Written into your quote
2. On every invoice
3. Followed up consistently when not met

Setting terms by client type:

Client type	Recommended terms
Residential (new client)	Payment on completion
Residential (established)	7-day net
Small commercial	14-day net
Commercial / corporate	30-day net
Government	30-day net (some pay 60 — assess case by case)

Agree to longer terms than these only when the job size and client quality justify it — and price accordingly. Longer payment terms have a cost; if a large client is going to sit on your invoice for 60 days, that's cash you're effectively lending them.

The credit application. For any commercial client you expect to be doing regular work for, use a formal credit application — business name, ABN, contact details, director names. It signals you're running a proper business, creates a paper trail, and gives you the information you'd need if you ever had to pursue a debt.

The Debtor Follow-Up System

The single most impactful change most electrical businesses can make to their cash flow is implementing a consistent debtor follow-up process.

Here's the truth: most overdue invoices are not disputed. They're just not being prioritised. Your invoice is in a stack of things to process. The client who is going to pay you will pay you faster if you prompt them. The client who is going to be difficult will reveal themselves quickly if you follow up consistently.

A simple follow-up sequence:

Day 0 — Invoice issued. Clear terms on the invoice. Reference the job and quote number.

Day 7 (if overdue) — Automated reminder from your job management software. Friendly tone: "Just a reminder that invoice #XXX for \$X,XXX is due today. Please let us know if you have any questions."

Day 14 (if overdue) — Second reminder, slightly firmer. Reference your payment terms. If your quote included a late payment clause (see below), mention it: "As per our terms, a late payment fee applies to overdue balances."

Day 21 (if overdue) — Phone call. Not an email. A direct conversation with the person who can authorise payment. Keep it process-driven: "I'm calling about invoice #XXX — can you confirm when we can expect payment?"

Day 30 (if still unpaid) — Formal written notice. State that you'll be escalating to a debt recovery process if payment isn't received within 7 days. Mean it.

ServiceM8 and Xero both have automated reminder capabilities — set them up once and they run without you. The follow-up sequence above should be largely automatic; your manual intervention only kicks in at Day 21 and beyond.

Late Payment Clauses

Include a late payment clause in your quotes and contracts. Standard commercial practice allows you to charge interest on overdue balances — typically the RBA cash rate plus 8-12%.

More valuable than the interest itself: the clause signals that you track your receivables, you know the invoice is overdue, and there are consequences for not paying. This alone accelerates payment from clients who are managing cash themselves.

A simple clause:

Invoices not paid by the due date will accrue interest at [RBA cash rate + 10% per annum], calculated daily on the outstanding balance.

Check with your accountant on the specific rate and wording for your business. The key is that it's in your quote and in your terms of trade — not added after the fact.

Seasonal Cash Flow Patterns

Electrical contracting has predictable seasonal cash flow patterns. Understanding them lets you plan rather than react.

High-demand periods (more work, but also more cash tied up in jobs in progress):

- Pre-Christmas (October–November) — commercial fitouts, residential upgrades before summer
- Late financial year (April–June) — businesses spending capital budget before June 30

Low-demand periods (slower work, easier to collect, but lower revenue):

- January — the post-Christmas slump. Many commercial clients don't process invoices until mid-January
- Easter period — short window but noticeable

The pre-Christmas trap. The October–November surge is when many electrical businesses stretch their cash the most. Work is flooding in, materials costs are high, and clients are also managing their own end-of-year pressures. Make sure you're billing progress milestones aggressively during this period — don't let work accumulate waiting for a year-end invoice.

Carrying costs into January. Make sure you collect as much outstanding receivables as possible before Christmas. Clients are in a good mood, budgets are being spent, and the alternative is chasing invoices from mid-January when they're back in "next year" mode.

Cash Flow Forecasting — The Practical Version

You don't need a complex spreadsheet. You need a simple forward view of cash in and cash out for the next 8 weeks.

Weekly cash flow forecast:

Week	Expected in (confirmed jobs, progress milestones, outstanding invoices)	Expected out (wages, materials, super, other)	Net position
This week	\$18,500	\$14,200	+\$4,300
+1 week	\$12,000	\$11,800	+\$200
+2 weeks	\$22,000	\$8,500	+\$13,500
...	...	...	...

It takes 20 minutes a week to maintain once it's set up. The value is early warning — you can see a potential cash shortfall 4-6 weeks out when there's still time to do something about it (accelerate billing, chase debtors, arrange a short-term facility).

When to get a line of credit: Before you need it, not when you're in trouble. A business overdraft or trade finance facility from your bank is cheap insurance against the inevitable cash gap. Apply when your accounts are looking healthy — lenders are much more willing then. The facility cost is negligible compared to the cost of turning down a big job because you can't fund the materials.

The Five Numbers Every Electrical Contractor Should Track

You don't need to be a finance person. You need to watch five numbers:

1. **Days Sales Outstanding (DSO):** Average days between invoicing and payment. Target: under 30 days. Above 45 days means your follow-up system needs work.
2. **Outstanding receivables by age:** What's 0-30 days, 31-60 days, 60+ days. The 60+ number is where cash goes to die.
3. **Cash on hand vs. upcoming payroll:** How many weeks of payroll is sitting in your account right now? Under 2 weeks is danger zone.
4. **Retention balance:** Total retention held across all active jobs. This is real money owed to you.
5. **Monthly billings trend:** Are you billing more or less than the same month last year? Revenue momentum tells you whether your pipeline is healthy.

Your accounting software (Xero, MYOB) can surface all of these. Set aside 30 minutes at the start of each month to review them.

Summary: What to Do This Month

Three actions that will have an immediate impact on your cash position:

Action 1: Review your current outstanding invoices. Pull every invoice over 14 days old and make a phone call this week. Don't email — call. You'll collect faster than you expect.

Action 2: Update your quote template to include a clear payment schedule with progress milestones for any job over your threshold. Make it a standard part of every proposal.

Action 3: Set up automated invoice reminders in ServiceM8 or Xero if you haven't already. A 7-day and 14-day reminder sequence that runs without you is worth more than any other cash flow intervention.

Quick Wins

3 actions you can take this week:

1. **Call every invoice over 14 days old** — not email, phone. Most will pay within the week.
2. **Add a progress billing schedule to your quote template** — deposit + mid-point + completion for any job over \$5,000.
3. **Turn on automated invoice reminders** in ServiceM8 or Xero — 7-day and 14-day. Set it once, runs forever.

Related Reading

- [Solar Installer Cash Flow Management Australia](#)
- [ServiceM8 Review 2026 — Is It Worth It for Electricians?](#)
- [Xero vs MYOB for Australian Tradies 2026](#)
- [5 Hidden Costs Killing Your Profit as a Solar Installer or Electrician](#)
- [How to Handle Negative Google Reviews — Tradie Guide](#)

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The Trade Tech Stack

Most electricians underinvest in their business systems. They have professional tools in their van, a quality multimeter, and calibrated test equipment — but their business runs on a notepad, group texts, and a spreadsheet someone built years ago.

The cost is invisible: jobs that fall through the cracks, invoices that go out late, follow-ups that don't happen, hours spent on admin that the right software does automatically. The right tech stack doesn't just save time — it changes what's possible.

This chapter covers the core software tools that run a modern electrical business: job management, accounting, and the automation layer that connects them.

The Core Stack

An electrical business needs three software layers:

1. Job Management / Field Service Management (FSM)

The operational hub. Manages quotes, jobs, scheduling, dispatch, on-site work orders, photos, materials, and invoice generation.

2. Accounting

Financial records, bank reconciliation, payroll, BAS, reporting. Integrates with job management to receive invoices and match payments.

3. Automation layer

Communications and workflows that run without manual intervention — invoice reminders, customer follow-ups, quote nudges, document delivery.

Get these three working together and you have a business that runs more like a system than a person.

Job Management Software

ServiceM8 — The Category Leader for Small Trades

ServiceM8 is the most widely used job management platform among small-to-medium Australian electrical businesses. Built by an Australian company, designed specifically for trades and field service.

What it does well:

- Quote and job management from first contact to invoice
- Scheduling and dispatch (drag-and-drop calendar, staff location view)
- Mobile app for field staff — jobs, job notes, photos, materials, signatures
- Client communication — automated SMS updates, quote and invoice delivery
- Forms and checklists — custom forms for compliance documents, defect notices, CoC workflows
- Integrations — native Xero and MYOB integrations, plus third-party connections

Where it has limits:

- Multi-stage project management (it handles it, but it's not purpose-built for complex project tracking)
- Detailed job costing and margin reporting (functional, but limited compared to simPRO)
- Inventory management (add-on, not core strength)

ServiceM8 pricing (approximate, check current pricing):

Plan	Staff	Price/month
Starter	Up to 15 jobs/month	~\$29
Growing	Unlimited jobs	~\$109
Established	Unlimited + advanced features	~\$199
Premium	Unlimited + all features	~\$349

For most electrical businesses, the Growing or Established plan covers what's needed.

Try ServiceM8 free for 14 days

Tradify — The Alternative

Tradify is a strong alternative to ServiceM8, particularly popular with Kiwi tradies and growing in Australia. Clean interface, easy to learn, good mobile experience. Less feature-rich than ServiceM8 in some areas (forms, automation) but simpler to set up and some users prefer the UI.

Best fit: smaller operations (1–5 staff) who want simplicity over features.

simPRO — For Complex Commercial Work

simPRO is enterprise-grade field service management built for contractors doing complex project management — multi-stage commercial jobs, subcontractor management, detailed job costing. It's significantly more expensive and more complex to implement than ServiceM8.

Best fit: electrical businesses with 10+ staff doing primarily commercial project work where detailed job costing and project management matter.

AroFlo — The Project Management Specialist

AroFlo is strong on project management and compliance documentation — particularly popular with larger electrical and mechanical contractors. More complex than ServiceM8, better for multi-site commercial projects.

The Verdict

For most Australian electrical businesses with 1–15 staff doing residential, commercial maintenance, solar, and EV work: **ServiceM8** is the right choice. The ecosystem, Australian support, and integrations make it the default recommendation.

Accounting Software

Xero — The Modern Choice

Xero is the accounting platform of choice for most modern small businesses in Australia. Cloud-native, clean interface, strong bank feeds, excellent app ecosystem.

Why electricians use Xero:

- Bank feeds that actually work (auto-categorisation of transactions)
- Native ServiceM8 integration (invoices sync automatically)
- Quotes and invoices with professional templates
- Payroll (handles Single Touch Payroll, superannuation, award rate updates)
- BAS preparation
- Strong reporting (P&L, cash flow, debtor aging)
- Large accountant community — most bookkeepers and accountants are proficient in Xero

Xero pricing:

Plan	Features	Price/month
Starter	20 invoices/month, basic	~\$35
Standard	Unlimited invoices, full payroll	~\$65

Plan	Features	Price/month
Premium	Multi-currency + premium features	~\$85+

For most electrical businesses: Standard at ~\$65/month.

MYOB — The Established Alternative

MYOB AccountRight is the incumbent Australian accounting platform — deeply integrated with many Australian accountants' workflows, particularly in trade businesses and construction.

When MYOB makes sense:

- Your existing accountant uses MYOB and is expert in it
- You need advanced payroll features (MYOB's payroll module is comprehensive)
- You need detailed inventory management (MYOB's inventory is stronger than Xero's)
- You're doing commercial contracting and need more complex job costing than Xero provides

MYOB drawbacks:

- Interface is dated compared to Xero
- Bank feeds less reliable than Xero
- App ecosystem smaller than Xero
- ServiceM8 integration works but is less seamless than the Xero integration

The practical answer: If you're starting fresh or switching, Xero. If your accountant is expert in MYOB and the relationship is working, don't switch for the sake of it — the accountant relationship matters more than the software.

The Automation Layer

This is where most trades businesses underinvest. The automation available in ServiceM8 + Xero, when properly configured, saves 3–5 hours per week for a typical electrical business.

Invoice Reminders (Xero or ServiceM8)

The single most impactful automation. Set once, runs forever.

Xero reminder sequence:

- 7 days overdue: friendly automated email reminder
- 14 days overdue: firmer reminder referencing your payment terms
- 30 days overdue: formal notice

In ServiceM8, you can set up SMS reminders which have dramatically higher open rates than email.

The result: you chase fewer invoices manually, cash flow improves, and the follow-up is consistent regardless of how busy you are.

Google Review Requests (ServiceM8)

ServiceM8 allows you to send an automated message to customers after job completion. The highest-value use of this: a review request.

Set up a template that goes out 24–48 hours after the job is marked complete: "Hi [Name], thanks for having us out yesterday. If you're happy with the work, we'd really appreciate a Google review — it helps other tradies find us. [direct review link]"

For electricians running 10+ jobs per week, this automation generates a steady stream of reviews that compounds into a 4.8+ star rating over time.

Quote Follow-Ups (ServiceM8)

ServiceM8 can automatically send a follow-up message to a customer if their quote hasn't been accepted after a set period (typically 3–5 days). This alone converts quotes that would otherwise go unanswered.

Certificate of Compliance Delivery

ServiceM8 forms allow you to complete your compliance documentation on-site and automatically deliver a copy to the customer by email. No printing, no manual sending, no certificates left in the van.

Scheduling Notifications (ServiceM8)

Automated SMS to customers confirming their appointment time — reduces no-shows, sets expectations, and presents your business professionally.

Connecting It All

The full stack working together:

1. **Lead comes in** → ServiceM8 creates a contact and job, sends a booking confirmation SMS
2. **Quote issued** → ServiceM8 generates professional PDF quote, follows up automatically if not accepted
3. **Job scheduled** → Appointment confirmation SMS sent to customer
4. **Job completed** → Tech completes CoC form on phone, photos attached, invoice generated
5. **Invoice issued** → Syncs to Xero automatically
6. **Invoice unpaid** → Xero sends automated reminders at 7, 14, 30 days

7. **Invoice paid** → Bank feed reconciles payment in Xero automatically
8. **Follow-up** → ServiceM8 sends review request 24 hours after job completion

This flow runs with minimal manual intervention. The technician focuses on the work; the system handles the admin.

Implementation: Getting Started

The biggest mistake is buying the software and not setting it up properly. Most businesses that don't get value from their software investment never completed setup.

ServiceM8 setup priorities (in order):

1. Import your customer list
2. Set up your quote and invoice templates
3. Configure your job types and pricing
4. Set up your form templates (CoC, defect notice, inspection)
5. Connect to Xero
6. Set up automated reminders and follow-ups

Allocate a full day to setup. Watch the ServiceM8 tutorial library (it's good). If you want hands-on help, there are ServiceM8 implementation consultants who can set up your account for a flat fee.

Quick Wins

3 tech stack actions this week:

1. **Turn on automated invoice reminders** in Xero or ServiceM8 if they're not already running — this one change improves cash flow more than almost anything else.
2. **Set up a Google review request automation** in ServiceM8 — 30 minutes to configure, generates reviews indefinitely.
3. **Check your ServiceM8-Xero integration is working** — open a recent job, verify the invoice synced to Xero correctly. If it hasn't been set up, do it today.

Related Reading

- [ServiceM8 Review 2026 — Is It Worth It for Electricians?](#)

- [ServiceM8 vs simPRO — Which Is Right for Your Electrical Business?](#)
 - [Xero vs MYOB for Australian Tradies 2026](#)
 - [Best Electrical Job Management Software Australia 2026](#)
 - [The Sparky's Playbook — Chapter 7: Cash Flow Management](#)
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Marketing & Reputation

Most electricians get their first clients through personal networks — friends, family, a former employer's overflow work. That's fine for year one. But building a business that grows predictably requires a marketing system that generates leads independent of who you know.

This chapter covers the marketing channels that work for Australian electrical businesses: Google reviews and reputation, local SEO, and the referral systems that compound over time — without wasting money on marketing that doesn't deliver.

Your Reputation Is Your Marketing

Before any advertising channel or SEO tactic, your online reputation determines whether a lead converts. An electrician with 4.9 stars and 80 reviews closes more enquiries at higher prices than a competitor with identical skills and 3.8 stars from 12 reviews.

Customers don't know how good your electrical work is before they hire you. Reviews are the proxy they use.

The math on reviews:

A business generating 3 reviews per week has 156 reviews after a year. A competitor getting 1 per month has 12. The first business ranks higher in local search, appears more credible, and converts more enquiries.

Three reviews per week from a business doing 15–20 jobs per week isn't hard — it requires a consistent process, not exceptional outcomes.

Getting Reviews — The System That Works

Step 1: The In-Person Ask

At the end of every job, before you pack up the van: "If you're happy with today's work, a Google review would mean a lot to us — it helps other people find us."

Delivered in person, sincerely, this converts at 20–30%. The customer just experienced your work and is in a positive state. Make it part of your closing routine, the same as handing over the invoice.

Step 2: The Automated Follow-Up

24–48 hours after job completion, send an automated SMS (via ServiceM8 or similar) with a direct link to your Google review page.

The message:

"Hi [Name], thanks for having [Business Name] out yesterday. If you're happy with the work, here's a link to leave us a Google review — it takes 2 minutes and makes a big difference: [direct link]. Appreciate your support! — [Your name]"

The direct link is critical. Customers who have to search for your business to leave a review mostly don't. A direct link removes the friction.

How to get your direct review link:

1. Search for your business on Google
2. Click "Get more reviews" in your Google Business Profile dashboard
3. Copy the short URL

Step 3: Volume and Recency

Google weights recent reviews. A business that had 50 reviews 3 years ago and has gotten 5 in the last 12 months performs worse than one with 30 reviews all from the last 12 months.

Consistency matters more than occasional bursts. Two reviews per week, every week, compounds into a dominant local presence.

Handling Negative Reviews

Negative reviews happen to every business. The way you respond shapes how the review affects your reputation — and how future customers judge you.

The Response Framework

Respond within 24 hours. Speed signals you take customer service seriously.

Stay calm and professional. Never argue, never make excuses, never attack the reviewer's credibility. Everyone reading your response is a potential customer evaluating how you handle problems.

Acknowledge and apologise for the experience.

"Hi [Name], thank you for taking the time to share your feedback. We're sorry to hear your experience didn't meet your expectations — this is not the standard we hold ourselves to."

Offer to resolve it privately.

"We'd like to make this right. Please call us on [number] or email [address] and we'll work through this together."

Keep it short. A three-paragraph defence reads as covering up. A five-sentence acknowledgement and offer to resolve it reads as accountable.

After Resolution

If you resolve the issue to the customer's satisfaction, you can gently ask:

"We're really glad we could sort that out. If you feel your experience now reflects the standard we aim for, we'd appreciate it if you considered updating your review — but there's absolutely no pressure either way."

Some customers update their review. Many don't. But you asked, and the resolution conversation itself shows you follow up.

Flagging Fake Reviews

If a review is clearly fake — no identifiable job, a name you don't recognise, part of a pattern that looks like review spam — you can flag it to Google for removal via your Google Business Profile dashboard. Google's criteria for removal are specific (spam, fake content, conflict of interest). Legitimate bad reviews from real customers cannot be removed by flagging them.

Local SEO — Showing Up When It Counts

Local SEO determines whether your business appears in the Google Local Pack (the map listing at the top of local search results). For queries like "electrician [suburb]" or "emergency electrician near me", the Local Pack captures a large share of clicks.

Google Business Profile

Your Google Business Profile (GBP) is the most important local SEO asset. Optimise it:

Completeness:

- Business name, address, phone — exactly consistent with your website and other directories

- Service areas listed (the suburbs you service, not just your registered address)
- Business hours (keep these accurate — customers call based on listed hours)
- All relevant service categories selected (Electrician + specific services like EV charger installer, solar installer)
- Description that includes your key services and location
- Photos: exterior, interior if applicable, team, completed work (aim for 20+ photos)

Activity:

- Respond to all reviews (positive and negative)
- Post updates periodically (new services, seasonal offers, project photos)
- Answer questions in the Q&A section

Reviews:

- The review volume and recency system above

On-Site SEO

Your website needs location-specific content to rank for local searches:

- A dedicated "service areas" page listing suburbs you service
- Location-specific service pages if you service multiple areas (e.g., "Electrician [Suburb]" pages)
- Consistent NAP (Name, Address, Phone) in your website footer
- Schema markup identifying your business as a local electrician

Citations

Citations are mentions of your business name, address, and phone number (NAP) across online directories. Consistent citations across major directories (Yellow Pages, True Local, hipages, HiPages, Master Electricians directory) help Google verify your business is legitimate and located where you say it is.

Check that your NAP is identical everywhere — "St" vs "Street", suite number format — inconsistencies reduce the SEO value of citations.

The Referral System

Referrals from past customers are the highest-converting lead source for most electrical businesses. A referred customer arrives with trust already established, is less price-sensitive, and has a higher lifetime value.

Building referrals isn't accidental. It requires:

Delivering quality work consistently. This is the foundation. No referral system compensates for inconsistent work.

Following up after the job. A check-in call or message 1–2 weeks after completion ("Just following up to make sure everything is working well after our visit") is rare enough in the trades that it stands out. It catches any issues before they become complaints, and it puts you front-of-mind at the moment you're most relevant.

Staying in memory. Customers who had you 3 years ago may not remember your name when a friend needs an electrician. Annual touch points — a maintenance reminder, a seasonal check-in ("coming into summer, good time to check smoke alarms and switchboards") — keep you in their contact list.

Making referring easy. A referral card or a short text template they can forward to a friend: "I use these guys, they're great — [name, number]."

What Doesn't Work

Letterbox drops. High cost, minimal return for electrical businesses. Customers choose electricians based on reputation and referral, not unsolicited physical mail.

Sponsoring local footy teams. Good community engagement; poor direct marketing return. Fine if you want to support the community, not a marketing channel.

Social media volume without strategy. Posting daily for the sake of it without a clear goal doesn't drive leads. Facebook and Instagram can work for electricians — project photos, before/after content, educational posts — but only if you're consistent and the content is quality.

Racing to the bottom on price. Price is not a sustainable competitive advantage. Customers who choose on price alone are the least loyal customers. Compete on quality, reputation, and professionalism.

Quick Wins

3 actions to build your reputation this week:

1. **Set up your automated review request SMS** in ServiceM8 — 30 minutes to configure, generates reviews indefinitely.
2. **Reply to every unanswered Google review** — older positive reviews with no response still benefit from a reply.
3. **Check your Google Business Profile service areas** include all the suburbs you actually service — this directly affects which local searches you appear in.

Related Reading

- [How to Handle Negative Google Reviews — Tradie Guide](#)
 - [ServiceM8 Review 2026 — Is It Worth It for Electricians?](#)
 - [The Sparky's Playbook — Chapter 10: Hiring & Managing Electricians](#)
 - [Solar Installer Cash Flow Management Australia](#)
 - [Best Electrical Job Management Software Australia 2026](#)
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Hiring & Managing Electricians

The transition from working alone to managing a team is the hardest growth phase for most electrical business owners. You went into business because you're good at electrical work. Running a team requires a different set of skills — hiring, managing performance, handling conflict, dealing with leave and payroll, and maintaining quality when you're not on every job.

This chapter covers what you need to know: award rates, your apprentice obligations, how to hire well, how to keep good people, and how to delegate without losing control of quality.

The Award Rate Foundation

Before hiring anyone, understand the minimum obligations under the Electrical, Electronic and Communications Contracting Award 2020 (the Electrical Award).

Key pay rates (approximate — check current rates at [fairwork.gov.au](https://www.fairwork.gov.au)):

Classification	Description	Approx. base rate (2026)
Apprentice Year 1	First-year apprentice	~\$13–\$16/hr
Apprentice Year 2	Second-year apprentice	~\$17–\$21/hr
Apprentice Year 3	Third-year apprentice	~\$22–\$26/hr
Apprentice Year 4	Fourth-year apprentice	~\$27–\$30/hr
Electrician Grade 1	Licensed electrician, base level	~\$32–\$35/hr
Electrician Grade 3	Experienced, additional responsibilities	~\$37–\$42/hr
Electrician Grade 5	Advanced/specialist/supervisor	~\$43–\$50/hr

These are minimums. Add superannuation (11.5%), leave loading (17.5% on annual leave), and allowances (tool allowance, industry allowance where applicable).

Common award allowances:

- Industry (trades) allowance — paid to all electricians, compensates for the nature of trade work

- Tool allowance — where the employee supplies their own tools
- Height allowance — for work above certain heights
- Live work allowance — for work on or near live conductors
- Distant work — accommodation and travel for work away from base

Missing allowances is a common source of underpayment claims. If you're unsure, talk to an employment lawyer or use the Fair Work Ombudsman's Pay Calculator.

Hiring Your First Electrician

Define what you actually need before advertising. A licensed electrician for residential maintenance? A CEC-accredited installer for solar? A leading hand for commercial projects? The job description determines who applies — vague ads attract everyone and waste your time.

Where to advertise:

- Seek (still the dominant platform for trade hiring in Australia)
- Indeed (strong for trades)
- Trade-specific Facebook groups (often where active job seekers are)
- Your own Google Business Profile (mention you're hiring in a post)
- Word of mouth — tell your existing network, your suppliers, your industry contacts

What to assess in an interview:

Technical competence matters, but it's verifiable. What's harder to assess and more important for a small team:

- How do they handle a problem they don't know how to solve? Ask for a real example. You want problem-solvers, not someone who freezes or covers up gaps.
- How do they communicate with customers? Your electricians represent your business on every job. A technically excellent electrician who is rude to clients will cost you more in lost reputation than their technical skills are worth.
- What do they care about? Understanding what motivates someone tells you whether they'll stay, what kind of work they'll do best, and whether your culture fits them.

The practical test: If possible, take them on a paid trial day before committing. You learn more in one day in the field than in three rounds of interviews.

Taking On an Apprentice

An electrical apprentice is a 4-year investment. Done well, it's one of the best talent strategies available to a small electrical business — you train someone exactly the way you want them to work, they're loyal, and you develop a pipeline of skilled staff.

The process:

1. Find a candidate (school leaver, career changer, existing employee who wants to go to the trades)
2. Register the training contract with your state training authority
3. Enrol them at a TAFE or private RTO for the Certificate III in Electrotechnology
4. Provide on-the-job training, mentoring, and allow time off for their off-the-job training (typically one day per week)
5. Complete competency sign-offs as they demonstrate skills
6. Pay the applicable award rates for each year of the apprenticeship

The Group Training Organisation (GTO) option:

A GTO employs the apprentice and places them with you. The GTO handles the HR and administrative obligations; you supervise the day-to-day work. You pay a hosting fee rather than direct employment costs. GTOs are useful if you're not confident in the HR administration side of employment or if your workflow is inconsistent (the GTO can redeploy the apprentice during your quiet periods).

What makes apprenticeships work:

- Consistent supervision from a patient, skilled tradesperson
- Clear expectations and standards
- Regular feedback — they need to know how they're going
- Investment in their development (don't just use them for labourer tasks; teach them)
- Patience — they will make mistakes, and handling those well determines whether they stay

Managing Performance

Most small electrical business owners avoid performance conversations. The result: underperformance persists, good staff get frustrated by carrying underperformers, and eventually you either lose good people or lose the underperformer through a messy separation.

The regular one-on-one. A 15-minute check-in every 1–2 weeks with each team member. Not a formal review — a conversation. "How are you going? Anything you need from me? Anything you're struggling with?" This surfaces problems early and makes the formal performance conversation easier because it's part of a pattern, not a sudden intervention.

Addressing underperformance promptly. When performance is not meeting expectations:

1. Have a direct, private conversation. Describe the specific behaviour or outcome, not a character judgement. "The last three jobs have gone over budget by 2+ hours — I need to understand why and fix it" rather than "You're too slow."
2. Agree on what good performance looks like and by when.
3. Follow up — check in on progress and acknowledge improvement.

Under the Fair Work Act, dismissal for poor performance requires documented warnings and opportunity to improve. Keeping brief records of conversations (date, what was discussed, what was agreed) protects you if it comes to formal action.

Keeping Good People

Good electricians have options. They can get work anywhere. Keeping them requires more than just paying the award rate.

What actually drives retention:

Pay. Being below market is the fastest route to losing good people. Know the market rate and pay it. The cost of turnover (recruitment, lost productivity, training) is far higher than a \$3–5/hour premium.

Equipment. Good electricians notice when they're given poor tools. Investing in quality equipment signals respect for their work.

Autonomy. Micromanaging skilled tradespersons is demotivating and insulting. Set clear expectations and standards, then let them do the work. Be available for questions and support, not hovering.

Recognition. Simple acknowledgement — "That was a tough job, you handled it well" — costs nothing and matters more than most managers believe.

Progression. If there's no path forward in your business, ambitious electricians leave to create their own. A career path from electrician to senior electrician to leading hand to project manager (or business partner) retains people who would otherwise leave to compete with you.

Delegating Without Losing Quality

The hardest transition for owner-operators: letting go of being on every job without letting quality slip.

The quality control system:

1. **Clear standards.** Document what good work looks like. A one-page standard for how jobs should be completed, documented, and closed out — what photos to take, how to fill the CoC, how to interact with the customer, how to leave the site.
2. **Customer feedback.** Automated review requests tell you how customers experienced each job. Read every review and every piece of feedback. Patterns reveal quality issues before they compound.
3. **Random audits.** Occasionally revisit completed jobs unannounced — not to check up suspiciously, but as a standard quality process. Normalise it from the start: "I periodically check our work — it's how we maintain the standard."
4. **Morning debrief rhythm.** A 10-minute start-of-day check-in keeps you across what each technician is doing, surfaces blockers early, and lets you spot scheduling or resource issues before they become problems.

Quick Wins

3 actions this week:

1. **Check your current employee pay rates against the updated Electrical Award** — Fair Work updates minimums every July. If you're behind, rectify it proactively rather than having it discovered.
2. **Schedule a one-on-one with each team member** — even a 10-minute informal check-in breaks the pattern of only talking when there's a problem.
3. **Write down your job completion standard** — what should every finished job look like? One page. Share it with your team.

Related Reading

- [QLD Electrical Contractor Licence Guide 2026](#)
- [WA Electrical Contractor Licence Guide 2026](#)
- [The Sparky's Playbook — Chapter 7: Cash Flow Management](#)
- [The Sparky's Playbook — Chapter 11: Scaling Your Electrical Business](#)
- [ServiceM8 Review 2026 — Is It Worth It for Electricians?](#)

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Scaling Your Business

Most Australian electrical businesses plateau. They reach a comfortable size — the owner plus 1–3 staff — and stop growing. Not because the market isn't there, but because the business isn't structured to grow without the owner doing everything.

This chapter is about scaling deliberately: understanding your numbers, pricing for real margin, building systems that work without you, and knowing what to delegate and in what order.

Understanding Your Real Numbers

Before you can scale, you need to know what's actually happening financially. Most trades businesses have a vague sense of revenue but unclear visibility on margin, cost per job, and profitability by service type.

The metrics that matter:

Gross margin by service type. Not all electrical work is equally profitable. Residential maintenance might run at 60% gross margin; solar installation at 40%; commercial project work at 35%. Knowing this lets you make decisions about which work to pursue and price.

Labour utilisation. What percentage of your paid field hours are billable? If you're paying 8 hours per day but billing 5–6, your effective labour cost is higher than your invoice rates assume. Target 75–85% billable utilisation.

Average job value. Higher average job value with the same overhead is direct profit improvement. If you can shift your mix toward larger jobs, you make more money for the same overhead.

Debtor days. How long does it take customers to pay? Every day of outstanding invoices is money your business is lending to customers interest-free. Industry average is 32 days; a well-run electrical business should be under 20.

Review these numbers monthly. If you're not doing this, your accounting software (Xero or MYOB) can produce the reports — schedule 30 minutes monthly to review them.

Pricing for Real Margin

Pricing is the highest-leverage decision in a small business. Getting it right creates room to grow, invest, and pay yourself properly. Getting it wrong means working harder for less.

The cost-plus pricing model:

Calculate your true hourly cost:

1. Desired annual profit/salary (what you want the business to return to you): e.g., \$120,000
2. Annual overhead (vehicle, insurance, licences, software, accounting, marketing, phone): e.g., \$80,000
3. Labour cost (employees + your labour if billable): e.g., \$200,000
4. **Total costs:** \$400,000

Divide by billable hours:

- 2 electricians × 1,600 billable hours = 3,200 billable hours/year
- $\$400,000 \div 3,200 = \$125/\text{hr}$ minimum charge-out rate (plus materials at a margin)

Materials margin. Most electrical businesses apply a 15–25% margin on materials. This compensates for the time to source, order, hold, and manage materials — it's not a rip-off, it's legitimate overhead recovery.

Where pricing breaks down:

Quoting by feel. "I reckon this job is a \$X job" without calculating actual hours and materials leads to systematic underpricing of complex jobs.

Competitor matching. Pricing to win means pricing to the cheapest competitor. The cheapest competitor is often the one not making a profit. Don't benchmark on them.

Scope creep without adjustment. Jobs that grow in complexity during execution need variation quotes. A culture where you absorb variations to avoid the awkward conversation destroys margin.

The Systems That Enable Scale

A business that scales has documented, repeatable processes that don't depend on the owner knowing how to do everything.

The six systems every electrical business needs:

1. Lead management. How does a new enquiry get captured, responded to, and followed up? This should be in ServiceM8, not in someone's head.

2. Quoting. A standard quoting process with templates, labour rates, and materials markups that anyone in your business can use to produce consistent, accurate quotes.

3. Scheduling and dispatch. A system for assigning jobs, communicating with field staff, and managing changes. ServiceM8's calendar handles this once it's properly set up.

4. Job completion and quality control. What does "job done" actually mean? What documentation must be produced? What photos? What customer interaction? A one-page checklist that every technician follows.

5. Invoicing and collections. Invoices go out the day the job closes. Automated reminders run at 7, 14, and 30 days. Someone reviews the debtor list weekly. This system, automated correctly in Xero + ServiceM8, requires minimal manual intervention.

6. Feedback and review. Automated review requests post-job, review responses managed weekly, patterns tracked monthly.

When these six systems are documented and running, you can train a new person into the business without months of tribal knowledge transfer.

What to Delegate and When

The delegation order matters. Most owner-operators try to delegate the wrong things at the wrong time.

Delegate first: administration

Admin tasks are the highest-leverage first delegation. Invoicing, scheduling updates, supplier orders, payroll data entry — these are time-consuming, learnable, and don't require your technical expertise. A good part-time admin person can free 10–15 hours per week of your time.

Delegate second: routine fieldwork

Maintenance calls, smoke alarm testing, switchboard inspections — jobs with clear scope and low complexity that an experienced electrician can complete to standard without your oversight.

Delegate third: quoting and sales

Once you have a documented quoting process and a team member with the technical knowledge and customer communication skills, quoting can be delegated. This is the leverage point that allows you to take on significantly more work.

Keep oversight on:

- Financial management and pricing strategy
- Key customer relationships (especially large commercial clients)

- Quality control systems (not quality checking every job personally, but owning the system)
- Hiring decisions

The test of real delegation:

The business should continue running if you're unavailable for a week. If it doesn't — if jobs don't go out, invoices don't get issued, customers get frustrated — you haven't delegated, you've created dependencies.

The Growth Traps

Trap 1: Scaling revenue without fixing margin

Growing from \$400K to \$800K turnover sounds good until you realise your margin dropped from 18% to 9% because you added overhead faster than you added profit. Before scaling, get your unit economics right. A business with 15%+ net margin is worth scaling. A business with 5% margin just gets more complex.

Trap 2: Hiring before systems are ready

A second or third employee amplifies what exists. If you have good systems, they amplify good work. If you have poor systems — inconsistent quality, disorganised scheduling, unpredictable invoicing — they amplify the chaos. Build the system first, then hire into it.

Trap 3: Chasing every type of work

Residential, commercial, solar, EV, maintenance, new builds, fit-outs — you can't be excellent at everything with a small team. The most profitable small electrical businesses focus. They become the go-to installer for commercial solar, or the residential specialist, or the solar and battery expert in their area. Focus lets you build expertise, reputation, and efficiency in one area rather than being average at everything.

Trap 4: The owner as bottleneck

If every quote needs your eyes, every complex job needs your presence, every supplier negotiation needs your involvement — growth is capped at your personal capacity. The escape: documented standards, trained staff, and the willingness to let things be 85% as good as you'd do it personally, rather than waiting for 100% before you let go.

The Growth Roadmap

A realistic scaling path for an electrical business:

Phase 1 — Stable solo or micro (1–3 staff, \$200K–\$500K revenue)

Focus: fix pricing, implement systems, hire the right first employee.

Phase 2 — Growing team (3–7 staff, \$500K–\$1.5M revenue)

Focus: delegate admin and routine fieldwork, formalise quoting, specialise in 1–2 high-margin service categories, hire a part-time bookkeeper.

Phase 3 — Operational independence (7–15 staff, \$1.5M–\$5M revenue)

Focus: build a management layer (leading hand or operations manager), systematise hiring and training, pursue preferred contractor relationships with commercial clients, focus the owner role on strategy and key relationships.

Each phase requires different skills and different structures. Many owners stall between Phase 1 and 2 — they've outgrown the solo model but haven't built the systems and team to enter Phase 2.

Quick Wins

3 actions this week:

1. **Calculate your real hourly cost** using the cost-plus model above — then compare it to your current charge-out rate. If you're undercharging, start increasing rates on new quotes.
2. **Identify the one task that consumes the most of your time that someone else could do** — that's your first delegation target.
3. **Pick one service category to specialise in and go deeper** — update your website, your Google Business Profile, and your quoting templates to lead with that specialisation.

Related Reading

- [Solar Installer Cash Flow Management Australia](#)
- [The Sparky's Playbook — Chapter 7: Cash Flow Management](#)
- [The Sparky's Playbook — Chapter 10: Hiring & Managing Electricians](#)
- [The Sparky's Playbook — Chapter 12: Exit Strategy & Business Valuation](#)
- [ServiceM8 Review 2026 — Is It Worth It for Electricians?](#)

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Exit Strategy & Valuation

Most electricians who start businesses don't think about exit from day one. They should. The decisions you make in the first few years — how you structure ownership, how you build (or don't build) systems, how dependent the business is on you personally — either add to or subtract from the value you'll eventually be able to sell.

This final chapter covers what an electrical business is worth, what buyers look for, how to build towards a valuable exit, and the practical process for selling when you're ready.

What Your Business Is Worth

The value of an Australian electrical business is primarily determined by its profitability, the sustainability of that profitability without the current owner, and the systems and assets that make it run.

The EBITDA Multiple

The standard valuation method for small-to-medium businesses is a multiple of EBITDA — Earnings Before Interest, Tax, Depreciation and Amortisation. In practical terms, this is your adjusted net profit: what the business earns after all genuine operating expenses but before the owner's personal tax structure, depreciation of assets, and any non-recurring items.

Typical multiples for electrical businesses:

Business profile	Multiple range	Example (\$200K EBITDA)
Owner-operator, no systems, no recurring revenue	1.0–1.5×	\$200K–\$300K
Small team, some systems, limited recurring revenue	1.5–2.5×	\$300K–\$500K
Established team, documented systems, some contracts	2.5–3.5×	\$500K–\$700K
Strong recurring revenue, owner-independent, diversified	3.5–5.0×	\$700K–\$1M

The difference between a 1.5×

 and a 4× business is not luck — it's the deliberate building of systems, recurring revenue, and team capability over years.

Normalising EBITDA

Buyers will adjust your reported EBITDA before applying a multiple. Common adjustments:

- **Owner salary.** If you're paying yourself \$80,000 but a replacement manager would cost \$120,000, the additional \$40,000 is a real cost that reduces normalised EBITDA.
- **Related party transactions.** Rent paid to yourself, contracts with family members, personal expenses run through the business — buyers will strip these out.
- **One-off items.** A large one-off contract that inflated one year's revenue will be discounted or excluded.

Work with your accountant 2–3 years before a planned sale to present your financials in the best honest light.

What Adds Value

Recurring Revenue

Recurring revenue is the single biggest value multiplier. A business with \$300,000 of annual maintenance contracts, monitoring agreements, or retainer-based work is substantially more valuable than one generating the same revenue from one-off jobs.

Why: recurring revenue is predictable, reduces the buyer's risk, and doesn't disappear when the owner leaves. It demonstrates that the business has genuine customer relationships, not just personal relationships of the owner.

Actions to build recurring revenue before selling:

- Formalise maintenance contracts for commercial clients
- Convert informal repeat customers to annual service agreements
- Build battery and solar monitoring contracts into every installation

Owner Independence

A buyer's primary fear is that the business will collapse when you leave. Demonstrating that it won't — that the team can operate, the systems handle the workflow, and customer relationships are held by the business rather than personally by you — dramatically increases both buyer interest and the price they'll pay.

Signals of owner independence:

- You can take two weeks off and the business runs normally
- Customer relationships are managed at the team level, not solely by you
- All processes are documented and followed without your oversight
- Financial management is handled (even if reviewed by you)

Diversified Customer Base

No single customer should represent more than 15–20% of revenue. Concentration in one customer is a serious buyer risk — if that customer leaves post-sale, revenue drops significantly. If you have a large single-customer dependency, diversify before going to market.

Clean Financials

Three years of clean, accurate financial records — managed by a qualified accountant, with no commingling of personal and business expenses — are table stakes for a professional sale process. Buyers and their advisors will review every line.

Transferable Licences and Accreditations

Ensure your electrical contractor licence, CEC accreditations, and any other key certifications are held by the company entity, not personally. If they're personal, the buyer needs to have their own — which is manageable but adds complexity. Some licences may need to be reapplied for by the new owner; understand this before sale.

What Destroys Value

Owner dependency — covered above. The most common value killer.

Key person risk in employees. If one employee holds critical customer relationships or the technical knowledge that makes the business function, their departure risk is a discount factor. Mitigate by cross-training, documenting, and ensuring customer relationships are held at the business level.

Undisclosed liabilities. Tax debts, underpaid entitlements, pending claims, or compliance failures discovered in due diligence kill deals or result in significant price reductions. Clean these up before going to market.

Inconsistent financial records. Gaps, unexplained transactions, or years where the records clearly don't reflect reality create buyer mistrust that no explanation fixes.

Aged receivables. A large debtor book with invoices 90+ days outstanding signals poor cash flow management and may indicate uncollectable debts. Clean the debtor book before sale.

The Sale Process

Two Years Out: Prepare

- Review your business structure with your accountant — CGT Small Business Concessions require certain conditions to be met

- Formalise maintenance contracts and service agreements
- Document your core systems
- Address any compliance, tax, or operational issues
- Begin separating your personal involvement from key customer relationships
- Set a target EBITDA figure and work toward it

Six to Twelve Months Out: Get Ready

- Three years of clean financial statements prepared by a qualified accountant
- Prepare an Information Memorandum (IM) — the document that introduces your business to potential buyers
- Brief a business broker (or accountant for smaller transactions)
- Establish your walk-away price and ideal deal structure

On Market

- The broker (or you, if selling directly) approaches potential buyers confidentially
- Interested buyers sign a Non-Disclosure Agreement before receiving the IM
- Serious buyers submit a Letter of Intent (LOI) with indicative price and terms
- You select the preferred buyer and enter exclusive due diligence

Due Diligence

The buyer and their advisors will examine:

- Financial records (3 years minimum)
- Customer contracts and concentration
- Employee contracts and any undisclosed liabilities
- Licences and accreditations
- Equipment condition and value
- Compliance history (WHS, Fair Work, tax)

This process takes 4–12 weeks. Respond promptly and completely. Delays in due diligence erode buyer confidence.

Settlement

A commercial lawyer handles the sale agreement. Key negotiation points:

- Total price and structure (upfront vs earnout)
- Restraint of trade (you'll typically be prevented from starting a competing business in the same area for 2–5 years)
- Transition period (how long you stay post-sale to hand over customer relationships and institutional knowledge — typically 3–12 months)
- Warranties and representations (what you're warranting is true about the business)

Get legal advice on every major point. The legal cost of a proper sale process is a rounding error on the sale price.

CGT and Tax — A Brief Note

The sale of a business is a CGT event. The Australian tax system includes several Small Business CGT Concessions that can significantly reduce the tax payable on sale:

- **15-Year Exemption** — if you've owned the business for 15+ years and are 55+ or retiring, you may be able to exclude the entire capital gain
- **50% Active Asset Reduction** — reduces the capital gain by 50%
- **Retirement Exemption** — up to \$500,000 of capital gain exempt (lifetime limit) if contributed to superannuation
- **Rollover** — defer tax by rolling gain into a replacement asset

Eligibility conditions apply. Talk to your accountant 2–3 years before your target exit — the concession eligibility conditions take time to engineer properly.

The Option You Might Not Have Considered

Selling to an external buyer is not the only exit. Other paths:

Management buyout (MBO). Selling to a key employee or management team. Often at a lower price than a third-party sale, but with higher certainty of completion, lower transaction cost, and a smoother transition. The employee knows the business; customers already have a relationship with them.

Family succession. Transitioning to a son, daughter, or family member. Requires careful structuring to be fair, tax-efficient, and workable. Don't assume family succession is simpler than a trade sale — it often involves more complexity, not less.

Merger or acquisition by a larger group. Electrical services consolidators and private equity-backed trade service groups exist in Australia. They typically target businesses with \$1M+ EBITDA and strong recurring revenue. If your business fits this profile, an unsolicited approach is possible — and worth engaging with even if you're not immediately ready to sell.

Quick Wins

3 actions to start building exit value today — regardless of when you plan to sell:

1. **Formalise your top 5 customer relationships as signed service contracts** — recurring revenue adds more to your valuation than almost anything else.
2. **Document your three most critical processes** — quoting, job completion, invoicing — so they can run without you.
3. **Ask your accountant whether your current business structure is CGT-concession eligible** — the answer affects how you should structure ownership from now.

Related Reading

- [The Sparky's Playbook — Chapter 11: Scaling Your Electrical Business](#)
- [The Sparky's Playbook — Chapter 7: Cash Flow Management](#)
- [Solar Installer Cash Flow Management Australia](#)
- [ServiceM8 Review 2026 — Is It Worth It for Electricians?](#)
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