



Australian Government

MSS405089 Develop a business case for improved energy management

Release: 1

MSS405089 Develop a business case for improved energy management

Modification History

Release 1. New unit.

Application

This unit describes the skills and knowledge required to develop a business case from an existing energy management action plan. It includes a process of defining the scope, articulating expected benefits, and determining risk and resource requirements as the basis for developing the final business case. It includes financial modelling to support well-informed decision-making.

This unit applies to operational and technical specialists, managers or similar who combine knowledge of energy management with critical thinking, communication, and financial modelling skills to develop the business case. Energy management responsibilities may be part of a broader work role or a primary job role. In some cases, the individual may work as an external advisor.

No licensing or certification requirements exist at the time of publication. Relevant legislation, industry standards and codes of practice within Australia must be applied.

Pre-requisite Unit

Nil

Competency Field

Sustainable Operations

Elements and Performance Criteria

Elements	Performance Criteria
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Define scope	1.1 Review proposed energy management action plans and determine scope of business case requirements 1.2 Identify key stakeholders and their perspectives in influencing or improving energy management
2. Articulate expected benefits	2.1 Identify expected benefits of the proposed initiative across the life cycle 2.2 Specify types of benefits and improvements and their impact on

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	different aspects of the business
3. Determine and document resource and risk implications	3.1 Identify and categorise costs of the proposed initiative 3.2 Make substantiated estimates of all required fixed and variable costs 3.3 Include consideration of whole-of-life costing 3.4 Use financial modelling techniques to develop accurate and complete information that supports informed decision making 3.5 Identify and articulate the key business capabilities required to progress the initiative 3.6 Identify and compare the financial and broader business risks of proceeding versus not proceeding
4. Draft business case	4.1 Prepare business case that clearly articulates scope, benefits, resource and risk implications and aligns with the components of an energy management action plan and requirements of ISO 50001 Energy Management Systems 4.2 Develop recommendations based on benefits, resource and risk implications 4.2 Seek input from stakeholders and refine proposal based on feedback
5. Present and finalise business case	5.1 Select and use presentation methodology suited to the type of information being presented and audience needs 5.2 Tailor the scope and depth of technical and business energy information to audience needs 5.3 Identify and follow processes for organisational approval of business case

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance.

- Reading skills to interpret energy management action plans
- Writing skills to develop clear and substantiated arguments as part of the business case
- Oral communication skills to present and explain potentially complex and technical energy information to others
- Numeracy skills to analyse, manipulate and present mathematical information

- Technology skills to create and format financial and other business case information; use presentation software

Other foundation skills essential to performance are explicit in the performance criteria of this unit of competency.

Unit Mapping Information

No equivalent unit.

Links

MSS Sustainability Companion Volume Implementation Guides are found in VETNet - <https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=5b04f318-804f-4dc0-9463-c3fb9a3fe998>

Assessment Requirements for MSS405089 Develop a business case for improved energy management

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Performance Evidence

There must be evidence the candidate has completed the tasks outlined in the elements and performance criteria of this unit, and:

- developed a business case for improved energy management for 1 organisation, area of operation or process that includes:
 - consideration of capital, personnel, financial and time-related costs and their impact on other resources
 - the following types of financial modelling:
 - Return on Investment (ROI) (simple payback)
 - cost–benefit analysis
 - whole of life costing.

Knowledge Evidence

There must be evidence the candidate has knowledge of:

- effective business case development:
 - principles
 - process
 - format and structure
 - key components
- components of an energy management action plan and requirements of ISO 50001 Energy Management Systems
- key stakeholders involved in energy management
- operation of the energy system, including current and emerging technologies:
 - ways to procure energy
 - how energy is charged
 - electricity grids and how they work
 - relationship between equipment, processes and opportunities
- current and emerging investment decision-making technologies
- types of benefits from different initiatives
- methods of quantifying and articulating benefits across the life cycle
- concept of capital versus operational improvements
- regulatory environment and requirements

- risk considerations of action and inaction
- financial modelling for business case development, including
 - Return on Investment (ROI)
 - cost–benefit analysis
 - costing methods for capital, personnel, financial and time related costs
 - whole-of-life costing processes
- broader business capabilities required to implement energy management initiatives
- presentation methodologies and their key features
- types of approval processes required for implementation.

Assessment Conditions

Skills must have been demonstrated in the workplace or in a simulated environment that reflects workplace conditions and contingencies. The following conditions must be met for this unit:

- use of suitable facilities, equipment and resources, including:
 - action plan on which to base business case
 - information about organisation operations, including financial data
 - current and relevant information technology.

Assessors must satisfy the NVR/AQTF mandatory competency requirements for assessors.

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