

# Energy Bill Relief Fund – Australian Capital Territory

## FEDERATION FUNDING AGREEMENT – ENVIRONMENT

<b>Table 1: Formalities and operation of schedule</b>	
Parties	Commonwealth Australian Capital Territory (ACT)
Duration	This Schedule is expected to expire on 30 June 2025, or when the final payment adjustments are made (if applicable), whichever is later.
Purpose	<p>This Schedule will support the delivery of the targeted energy bill assistance (the bill relief) in the ACT from the Energy Bill Relief Fund (the Fund).</p> <p>The bill relief will be jointly funded between the Commonwealth and the ACT.</p> <p>The bill relief will be targeted to households receiving income support, pensioners and Commonwealth Seniors Health Card holders, Family Tax Benefit A and B recipients, households eligible for the ACT's existing energy concessions, and to small business customers of electricity retailers, as defined by the ACT's application of the National Energy Retail Law.</p> <p>Further details of the eligibility criteria for the bill relief are detailed at Appendix A.</p>
Governance	<p>The ACT will implement appropriate processes to ensure the integrity of payments from the Fund. For household customers this will require participating electricity retailers or the ACT to use Commonwealth (Services Australia) facilities to confirm eligibility (consistent with current ACT household concession arrangements). For small businesses, eligibility will be administered using the ACT's definition of small businesses under the National Energy Retail Law.</p> <p>The Commonwealth will implement appropriate processes to ensure the integrity of Commonwealth facilities used in delivering the bill relief.</p>
Reporting arrangements	The ACT will provide the Commonwealth with statements of assurance in relation to the bill relief that satisfies the requirements outlined in the Schedule. The reporting requirements are set out in Appendix B.
Estimated financial contributions	<p>Through the Fund, the Commonwealth will contribute an estimate of \$1.5 billion in aggregate to all states for the bill relief.</p> <p>Given this is a demand-driven program, the final resulting allocations to all states will depend on actual take-up in each jurisdiction over the</p>

	<p>period of the program. The Commonwealth's estimated contributions for relief in the ACT are set out in Table 2.</p>
Additional terms	<p>Any changes to the key parameters outlined in Appendix A will need to be agreed by the ACT and Commonwealth Treasurers.</p> <p>Any changes to data reporting requirements outlined in Appendix B will need to be agreed by the relevant ACT and Commonwealth officials.</p> <p>Payments made outside the agreed scheme parameters will not be co-funded by the Commonwealth.</p> <p>Where the ACT recoups payments made to ineligible entities, the ACT will repay the Commonwealth's financial contributions.</p> <p>Repayments may be managed by either the Commonwealth amending a future payment to the ACT under this Schedule by the relevant amount, or by the Commonwealth invoicing the ACT for the relevant amount.</p> <p>The Commonwealth will support engagement with retailers to ensure retailers can interact effectively with Commonwealth facilities to deliver the bill relief. Any retailer requests for funding to support program administration and rollout are matters for the Commonwealth to resolve and, if necessary, fund. The ACT will not be required to co-fund administration costs requested from retailers.</p>

## Table 2: ACT – Performance requirements, reporting and payment summary

1. The Commonwealth will reimburse the ACT for the bill relief provided to eligible households and small businesses (excluding the Reasonable Costs Determination (the RCD)) as detailed in this schedule. Costs are estimated at \$14.9 million to the Commonwealth for 2023-24.
2. Any eligible costs that exceed this estimated cost set out in paragraph 1 above (e.g. due to take-up being higher than forecast) will be funded by the Commonwealth.
3. Eligibility criteria are detailed in Appendix A.
4. Eligibility for the bill relief to households will be checked by retailers or the ACT in a manner consistent with how eligibility is checked for the ACT's existing energy concessions.
5. Eligibility for the bill relief to small businesses will be administered by retailers using the ACT's definition of small businesses under the National Energy Retail Law.
6. Payment to the ACT will be made as soon as practicable following the provision of a statement of assurance in relation to the bill relief that satisfies the requirements outlined in this schedule.
  - a. The reporting requirements for the statement of assurance are detailed in Appendix B.
  - b. A statement of assurance should be provided to the Commonwealth within two months, or as soon as practicable, after the end of each quarter.
7. The ACT will deliver the RCD, as agreed with the Commonwealth.
8. A line item will be included on energy bills regarding the Fund, with details to be determined in discussion with the Commonwealth and retailers that acknowledges the shared contributions made by both the Commonwealth and the ACT.
9. The ACT will encourage electricity retailers to comply with the Australian Energy Regulator's Better Bills Guideline as soon as practicable.
10. The Commonwealth commits to informing relevant households not already eligible for the ACT's existing household concession of their expected eligibility for the program, to enable efficient administration of the program for recipients and retailers.

### Payment arrangements

#### Household Rebate

1. Eligible households will receive a total bill credit through their retailers of \$175 (in addition to any relief provided under the existing ACT Utilities Concession scheme) for 2023-24, contributed by the Commonwealth.
2. Credits of \$43.75 will be applied to the bills of those eligible households in each quarter for 2023-24, or as soon as practicable.
3. In the case of embedded networks, a grant payment of \$175 will be made to eligible customers as a one-off payment for 2023-24 or quarterly payments of \$43.75 for 2023-24, contributed by the Commonwealth.

#### Reasonable Costs Determination (RCD)

4. Under the RCD the ACT will provide \$68 million in direct bill relief to all ACT electricity consumers for 2023-24. This payment to consumers will account for the ACT's additionality.
5. The RCD will be provided on a consumption basis. A household with average electricity consumption is estimated to receive a relief of \$138 per annum and a business with an average electricity consumption is estimated to receive a relief of \$567 per annum.

Small Business Rebate

6. The ACT will establish a Small Business Rebate scheme on behalf of the Commonwealth.
7. Eligible small businesses will receive a total bill credit of \$325 for 2023-24, contributed by the Commonwealth.
8. Credits of \$81.25 will be applied to the bills of those eligible small businesses in each quarter of the financial year, or as soon as practicable.

The Parties have confirmed their commitment to this schedule as follows:

**Signed** for and on behalf of the Commonwealth  
of Australia by



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**The Honourable Dr Jim Chalmers MP**  
Treasurer

2 May 2023

**Signed** for and on behalf of the Australian  
Capital Territory by



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**Andrew Barr MLA**  
Treasurer and Chief Minister

5 May 2023

## Appendix A: Key scheme parameters

1. This appendix to the *Energy Bill Relief Fund – Australian Capital Territory* (the Schedule) supports the delivery of the Fund, announced on 9 December 2022 at National Cabinet. This package will support households and small businesses and help shield them from the worst impacts of rising global energy prices.
2. The Commonwealth will reimburse the ACT for the bill relief provided to eligible households and small businesses (excluding the RCD).
3. Payments to the ACT will be made in accordance with the requirements outlined in the Schedule.
4. In agreeing to this appendix, the ACT agrees to implement this package in accordance with the eligibility criteria detailed below.

### Commonwealth funding

5. The Commonwealth's funding contributions are outlined in Table 2 of the Schedule.
6. Eligibility for both households and small businesses will be determined based on their eligibility for the program as at 1 July 2023. Households and small businesses that become eligible after this date will not be able to access the relief.
7. Applications for the bill relief will close on 30 September 2024. Households and small businesses will not be able to apply for the bill relief after this date.
8. The delivery of the bill relief through the Fund is not intended to and will not affect any state or territory's GST allocation.

### Household eligibility criteria

9. Eligible households are recipients/holders of:
  - a. Pensioner Concession Card (including those issued by DVA);
  - b. Health Care Card (including Low Income Health Care Card);
  - c. DVA Gold Cards;
  - d. Commonwealth Seniors Health Card (including those issued by DVA);
  - e. Family Tax Benefit (FTB) A and B;
  - f. Carer Allowance; and
  - g. the ACT's Utilities Concession scheme (which may include recipients above):
    - Centrelink Pensioner Concession Card
    - Centrelink Low Income Health Care Card
    - Veteran's Affairs Pensioner Concession Card or Gold Card Holders (Prisoner of War, War Widow or Totally Permanently Incapacitated (TPI) Embossed);
    - ACT Services Access Card; or
  - h. As otherwise agreed between the parties, including any changes to the ACT's Utilities Concession scheme after the Schedule commences.

### Business eligibility criteria

10. The bill relief will be targeted to small business customers of electricity retailers by using the definition of electricity 'small customer' as applied in each state under the National Energy Retail Law. In the ACT, this definition is an annual electricity consumption below 100 MWh.
11. Small businesses in embedded networks are not eligible for relief.
12. The ACT and retailers to take reasonable steps to make appropriate carve-outs of government agencies and branches of larger businesses.

## Appendix B: Data reporting requirements

### Statement of assurance

1. The ACT will report to the Commonwealth on the take-up of the bill relief (excluding the RCD) via statements of assurance confirming retailers, or the ACT where applicable, have checked all recipients met the relief eligibility criteria outlined in Appendix A. This check will be done in a manner consistent with how eligibility is checked for the ACT's existing energy concessions and with ACT's definition of small businesses under the National Energy Retail Law.
2. A statement of assurance will be provided to the Commonwealth within two months, or as soon as practicable, after each quarter.
3. The statement of assurance will include summary statistics on the take-up of the bill relief for the quarter, including:
  - a. total value of the bill relief provided split between households and small businesses;
  - b. total number of entities that had received the bill relief split between households and small businesses; and
  - c. details of any bill relief provided to households or small businesses subsequently found to have been ineligible for support and funding recovered.