

Energy Bill Relief Fund – New South Wales

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule	
Parties	Commonwealth New South Wales
Duration	This Schedule is expected to expire on 30 June 2025, or until the final payment adjustments were made (if applicable), whichever is later.
Purpose	<p>This Schedule will support the delivery of targeted energy bill assistance (the bill relief) in New South Wales from the Commonwealth's Energy Bill Relief Fund (the Fund).</p> <p>The bill relief will be jointly funded between the Commonwealth and New South Wales.</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 NSW's existing electricity rebate programs, and to small business customers, as defined by New South Wales' 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>New South Wales will utilise existing processes and implement appropriate processes where necessary to ensure the integrity of payments from the Fund. For household customers this will require participating electricity retailers, the Office of Energy and Climate Change and Service NSW to use Commonwealth (Services Australia) facilities to confirm eligibility (consistent with current NSW energy rebates). For small businesses, eligibility will be administered using New South Wales' 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	New South Wales will provide the Commonwealth with statements of assurance in relation to the bill relief that satisfies the reporting requirements outlined in the Appendix B.
Estimated financial contributions	<p>Through the Fund, the Commonwealth will contribute an estimate of \$1.5 billion in aggregate to all states to provide as on-bill rebates.</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 period of</p>

	<p>the program. The Commonwealth's contributions for the bill relief in New South Wales are set out in Table 2.</p>
<p>Additional terms</p>	<p>Any changes to the key parameters outlined in Appendix A will need to be agreed by the New South Wales and Commonwealth Treasurers.</p> <p>Any changes to the key parameters outlined in Appendix A will need to be agreed by the New South Wales and Commonwealth Treasurers.</p> <p>Any changes to data reporting requirements outlined in Appendix B will need to be agreed by relevant New South Wales and Commonwealth officials.</p> <p>Payments made outside the agreed scheme parameters will not be co-funded by the Commonwealth.</p> <p>Where New South Wales recoups payments made to ineligible entities, New South Wales will repay the Commonwealth's financial contributions.</p> <p>Repayments may be managed by either the Commonwealth amending a future payment to New South Wales under this Schedule by the relevant amount, or by the Commonwealth invoicing New South Wales 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. New South Wales will not be required to co-fund administration costs requested from retailers.</p>

Table 2: New South Wales – Performance requirements, reporting and payment summary

1. The Commonwealth will reimburse New South Wales 50 per cent of all bill relief provided to eligible households and small businesses as detailed in this schedule. Costs are estimated at \$481.0 million to the Commonwealth and \$481.0 million to New South Wales for 2023-24.
2. Any costs for bill relief that exceed this estimated total cost (e.g. due to take-up being higher than forecast) will be shared equally between the Commonwealth and New South Wales.
3. Eligibility criteria are detailed in Appendix A.
4. Eligibility for the bill relief to eligible persons will be checked by retailers, OECC or Service NSW in a manner consistent with how eligibility is checked for New South Wales' existing energy concessions consistent with NSW legislation.
5. Eligibility for bill relief to small businesses will be administered by retailers, OECC or Service NSW consistent with NSW legislation and using New South Wales' definition of small businesses under the National Energy Retail Law.
6. Payment to New South Wales 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. A line item will be included on energy bills regarding the Fund, with details to be determined in discussion with the Commonwealth, New South Wales and retailers that acknowledges the shared contributions made by both the Commonwealth and New South Wales.
 - a. New South Wales will encourage electricity retailers to comply with the Australian Energy Regulator's Better Bills Guideline as soon as practicable.
8. The Commonwealth commits to informing relevant households not already eligible for New South Wales' existing household concessions of their expected eligibility for the program, to enable efficient administration of the program for recipients and retailers.

Payment arrangements

NSW Energy Bill Relief Fund – Household Concession

1. Eligible households will receive a bill credit through their retailers of \$500 for 2023-24 (shared equally between the Commonwealth and New South Wales).
2. Credits of \$125 will be applied to the bills of those eligible households in each quarter of the 2023-24 financial year, or as soon as practicable thereafter.
3. In the case of households eligible for the Family Tax Benefit, credits will be applied to bills as a single lump sum payment of \$500 for 2023-24.
4. In the case of households eligible for the Commonwealth Seniors Health Card, a grant payment of \$500 will be made to eligible customers as a one-off payment for 2023-24.

5. In the case of eligible households not eligible for other existing NSW concessions, credits will be applied to bills as either:
 - a. \$125 on a quarterly basis, noting some customers may receive multiple \$125 payments in a quarter to accommodate the launch of the Services Australia portal potentially occurring after at least the first quarterly payment date; or
 - b. As a single lump sum one-off payment of \$500 for 2023-24.
6. In the case of households in embedded networks, a grant payment of \$500 will be made to eligible customers as a one-off payment for 2023-24 (shared equally between the Commonwealth and New South Wales).
7. In the case of Energy Accounts Payment Assistance, eligible households will receive payments of up to \$500 per application during 2023-24. The \$200 component increase in EAPA payments will be shared equally between the Commonwealth and New South Wales. Eligible households will receive this payment as a bill credit through their energy retailer.

Small Business Payment

1. Eligible small businesses will receive a total bill credit of \$650 for 2023-24 (shared equally between the Commonwealth and New South Wales).
2. Credits will be applied to the bills of those eligible small businesses as either:
 - a. Credits of \$162.50 in each quarter for 2023-24, or as soon as practicable thereafter; or
 - b. As a single lump sum one-off payment of \$650 for 2023-24.
3. In the case of small businesses in embedded networks, a grant payment of \$650 will be made to eligible customers as a one-off payment for 2023-24 (shared equally between the Commonwealth and New South Wales).

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

Signed for and on behalf of the Commonwealth
of Australia by



The Honourable Jim Chalmers MP
Treasurer

04 August 2023

Signed for and on behalf of the
State of New South Wales by



The Honourable Daniel Moohkey MP
Treasurer

~~August 2023~~

29/10/23

Appendix A: Key scheme parameters

1. This appendix to the *Energy Bill Relief Fund – New South Wales* Schedule (the Schedule) supports the delivery of the Energy Bill Relief Fund, announced on 9 December 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 New South Wales 50 per cent of the bill relief provided to eligible households and small businesses.
3. Payments to New South Wales will be made in accordance with the requirements outlined in the Schedule.
4. In agreeing to this appendix, New South Wales 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 for retail customers receiving an existing energy rebate, or at the time the customers application is processed for retail customers, on-supply customers and small business customers. Households and small businesses that become eligible or apply after 30 June 2024 will not be able to access the bill relief.
7. 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

8. Eligible households are:
 - a. A resident of NSW, and
 - b. Hold an electricity account for their primary place of residence in NSW, and
 - c. are recipients/holders of:
 - 8.c.1. Pensioner Concession Card (including those issued by DVA);
 - 8.c.2. Health Care Card (including Low Income Health Care Card);
 - 8.c.3. DVA Gold Card;
 - 8.c.4. Commonwealth Seniors Health Card (including those issued by DVA);
 - 8.c.5. Family Tax Benefit (FTB) A and B; and
 - 8.c.6. Carer Allowance; and
 - 8.c.7. Eligible under New South Wales' existing household concessions (which may include recipients above):
 - (i) Life Support Rebate recipients
 - (ii) Embedded network households
 - d. People that meet multiple eligibility criteria will receive one energy bill relief payment.
 - e. As otherwise agreed between the parties, including any changes to New South Wales' existing household concessions after the Schedule commences.
9. NSW Energy Accounts Payment Assistance recipients will receive up to \$500 for electricity in financial year 2023-24 and may receive EAPA multiple times.

Business eligibility criteria

10. 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 New South Wales, this definition is an annual electricity consumption of 100 MWh.
11. New South Wales and retailers will take reasonable steps to make appropriate carve-outs for government agencies and branches of larger businesses.

Appendix B: Data reporting requirements

Statement of assurance

1. New South Wales will report to the Commonwealth on the take-up of the bill relief via statements of assurance confirming retailers have checked all recipients met the bill relief eligibility criteria outlined in Appendix A. This check will be done in a manner consistent with how eligibility is checked for New South Wales' existing energy concessions and with New South Wales' 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.