

# Energy Bill Relief Fund – Western Australia

## FEDERATION FUNDING AGREEMENT – ENVIRONMENT

<b>Table 1: Formalities and operation of schedule</b>	
Parties	Commonwealth Western Australia
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 targeted energy bill assistance (the bill relief) in Western Australia from the Energy Bill Relief Fund (the Fund).</p> <p>The bill relief will be jointly funded between the Commonwealth and Western Australia.</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 Western Australia's existing electricity rebate scheme, and to small business customers of electricity retailers, as defined by Western Australia in legislation.</p> <p>Further details of the eligibility criteria for the bill relief are detailed at Appendix A.</p>
Governance	<p>Western Australia will implement appropriate processes to ensure the integrity of payments under the Fund. For household customers, this will include requiring electricity retailers to verify the number of payments made to eligible customers for the Energy Assistance Payment (EAP) scheme consistent with existing arrangements. For small businesses, eligibility will be administered using Western Australia's definition of small businesses under legislation.</p> <p>The Commonwealth will implement appropriate processes to ensure the integrity of Commonwealth facilities used in delivering the bill relief.</p>
Reporting arrangements	Western Australia 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 allocations to all states will depend on actual take-up in each jurisdiction over the period of the</p>

	<p>program. The Commonwealth's estimated contributions for the bill relief in Western Australia 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 Western Australian and Commonwealth Treasurers.</p> <p>Western Australia will set the administrative criteria and conditions (such as evidentiary requirements, definitions of household and the application window) in line with the intent of this Schedule.</p> <p>Any changes to data reporting requirements outlined in Appendix B will need to be agreed by the relevant Western Australia and Commonwealth officials.</p> <p>Payments made outside the agreed scheme parameters will not be co-funded by the Commonwealth.</p> <p>Where Western Australia recoups payments made to ineligible entities, Western Australia will repay the Commonwealth's financial contributions relating to these entities.</p> <p>Repayments may be managed by either the Commonwealth amending a future payment to Western Australia under this Schedule by the relevant amount, or by the Commonwealth invoicing Western Australia for the relevant amount.</p>

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

1. The Commonwealth will reimburse Western Australia for bill relief provided to eligible households and small businesses as detailed in this schedule. Costs are estimated at \$221 million (\$110.5 million to the Commonwealth) for 2023-24.
2. Any eligible costs that exceed this estimated total cost (e.g. due to take-up being higher than forecast) will be shared between the Commonwealth and Western Australia as set out in this schedule.
3. Eligibility criteria are detailed in Appendix A.
4. Eligibility for bill relief to small businesses will be administered by retailers using Western Australia's definition of small businesses under its legislation.
5. Payment to Western Australia will be made as soon as practicable following the provision of a statement of assurance and the Commonwealth's calculation of eligible households not included in the EAP scheme 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 the first and second quarters of 2023-24.
  - c. The Commonwealth's payment to Western Australia for households will be determined based on the number of verified EAP households identified in Western Australia's statement of assurance and the Commonwealth's estimate of other eligible households based on the Commonwealth Department of Social Services' administrative data.
6. Western Australia will deliver the Household Electricity Credit and the EAP, as agreed with Commonwealth.
7. 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 Western Australia.
8. Western Australia will take necessary steps to ensure that electricity retailers include a statement with bills where the rebate has been applied along the lines of *"Your electricity bill has been reduced by your eligibility for a \$X rebate funded by the Commonwealth and Western Australia under the Energy Price Relief Plan"*.
9. If it becomes necessary:
  - a. The Commonwealth commits to informing relevant households not already eligible for Western Australia's existing household concession of their expected eligibility for the program, to enable efficient administration of the program for recipients and retailers.
  - b. Eligibility for bill relief to households will be checked by retailers in a manner consistent with how eligibility is checked for Western Australia's EAP.

### Payment arrangements

#### Western Australia's Household Electricity Credit

1. Western Australia will provide credits of a minimum of \$400 to all Western Australian households, distributed in two equal instalments in the first and second quarters of 2023-24, or as soon as practicable thereafter.
2. The Commonwealth will contribute \$175 of the \$400 credit (or \$500 credit for EAP recipients) to

eligible households as defined in Appendix A to this schedule.

3. In the case of customers with on-supply arrangements, a grant payment of \$400 (or \$500 for EAP-equivalent recipients) will be made to eligible households as a one-off payment for 2023-24.
4. The electricity bill does not need to be in the name of the concession card holder but households will not be entitled to multiple credits even if they have multiple eligible concession card holders.

Western Australia's Energy Assistance Payment

5. In addition to the Household Electricity Credit, Western Australia will provide a total bill credit of \$326 to households who are eligible under the Energy Assistance Payment scheme for 2023-24.

Small Business Rebate

6. Western Australia will establish a Small Business rebate.
7. Eligible small businesses will receive a total bill credit of \$650 for 2023-24 (shared equally between the Commonwealth and Western Australia).
8. Credits will be distributed to eligible recipients in two equal instalments in the first and second quarters of 2023-24, or as soon as practicable thereafter.
9. Electricity accounts will be grouped for the purpose of payments to corporate entities to ensure one entity is not eligible multiple times.

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

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



**The Honourable Dr Jim Chalmers MP**  
Treasurer

2 May 2023

*Signed for and on behalf of the  
State of Western Australia by*



**The Honourable Mark McGowan MP**  
Treasurer

5 May 2023

## Appendix A: Key scheme parameters

1. This appendix to the *Energy Bill Relief Fund – Western Australia* Schedule (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 Western Australia for bill relief provided to eligible households and small businesses.
3. Payments to Western Australia will be made in accordance with the requirements outlined in the Schedule.
4. In agreeing to this appendix, Western Australia 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 the date of announcement. Households and small businesses that become eligible after this date 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 recipients/holders of:
  - a. Pensioner Concession Card (including those issued by the Department of Veterans Affairs (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. Western Australia's Energy Assistance Payment scheme (which may include recipients above):
    - Pensioner Concession Card
    - Health Care Card
    - Commonwealth Seniors Health Card
    - Department of Veterans' Affairs Gold Card (TPI, War Widow and Dependent Child);or
  - h. As otherwise agreed between the parties, including any changes to Western Australia's Energy Assistance Payment scheme after the Schedule commences.

### Business eligibility criteria

9. 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 legislation. In Western Australia, this definition is an annual electricity consumption of less than 50 MWh.
10. Customers who run a business from their home and are on a mixed-use electricity tariff (K1/K2) will be considered as a business customer.
11. Western Australia 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. Western Australia will report to the Commonwealth on the take-up of the bill relief via statements of assurance confirming bill relief has been provided to eligible households through the Household Electricity Credit scheme that is available to all households in Western Australia.
2. The statements of assurance will confirm retailers have checked all EAP and small business recipients of the Commonwealth contributions met the relief eligibility criteria outlined in Appendix A.
3. A statement of assurance will be provided to the Commonwealth within two months, or as soon as practicable, after the first and second quarter of 2023-24.
4. The statement of assurance will include summary statistics on the take-up of the bill relief for the relevant quarter, including:
  - a. total number and value of Household Electricity Credit provided to WA households, split by EAP and non-EAP recipients;
  - b. total number and value of bill relief provided to small businesses; and
  - c. details of any bill relief provided to households eligible for the EAP scheme or small businesses subsequently found to have been ineligible for support and funding recovered.