

Energy Bill Relief Fund Extension - Queensland

FEDERATION FUNDING AGREEMENT - ENVIRONMENT

Table 1: Formalities and operation of schedule

Parties	Commonwealth Queensland
Duration	This Schedule is expected to expire on 30 June 2026, or when the final payment adjustments are made (if applicable), whichever occurs later.
Purpose	<p>This Schedule will support the delivery of energy bill assistance (bill relief) to all eligible households and small businesses in Queensland from the Commonwealth's Energy Bill Relief Fund (the Fund) over the period 1 July 2024 to 30 June 2025.</p> <p>The bill relief will be provided to Queensland households and small business customers of electricity retailers, as defined by Queensland's application of the National Energy Retail Law, and that meet the agreed eligibility criteria.</p> <p>This bill relief will be provided to all eligible households and small businesses in addition to Queensland's broader 'Cost-of-Living Rebate'.</p> <p>Further details of the eligibility criteria for the bill relief are detailed at Appendix A.</p>
Governance	<p>Queensland will utilise existing processes and implement appropriate processes where necessary to ensure the integrity of payments under the extension of the Fund.</p> <p>For household customers, this will require electricity retailers to verify household eligibility for bill relief for retail customers and for on-suppliers to check eligibility for households in embedded networks, in accordance with current practices.</p> <p>On-suppliers will be required to apply to their retailer for the rebate on behalf of their eligible residents, in accordance with processes for the 2024-25 Cost of Living rebate.</p> <p>For small businesses, among other requirements, eligibility will need to be administered in a manner consistent with Queensland's definition of small business customer under the National Energy Retail Law.</p> <p>Queensland will ensure that there are appropriate risk and governance frameworks in place for the extension, similar to those that are used in administering the existing fund.</p>

	<p>The Commonwealth will work with Queensland to identify, manage and appropriately mitigate shared risks.</p>
Reporting arrangements	<p>Queensland will provide the Commonwealth with statements of assurance in relation to the bill relief that satisfies the reporting requirements outlined in Appendix B.</p> <p>Queensland will provide additional information, where possible, if requested by the Commonwealth for the purposes of approving the statements of assurance and for the Commonwealth's assurance activities where relevant.</p>
Estimated financial contributions	<p>Through the Fund, the Commonwealth will contribute an estimate of \$3.5 billion in aggregate to all states for the bill relief.</p> <p>The final resulting allocations to all states will depend on actual take-up in each jurisdiction over the period of the program and the number of electricity customers in embedded networks. The Commonwealth's estimated contributions for bill relief in Queensland are set out in Table 2.</p> <p>The Commonwealth will pay Queensland in arrears based on statements of assurance confirming reports are an accurate representation of bill relief provided.</p>
Additional terms	<p>Any changes to this schedule or the key parameters outlined in Appendix A will need to be agreed by the Queensland and Commonwealth Treasurers, in writing by both parties.</p> <p>Any changes to data reporting requirements outlined in Appendix B will need to be agreed by relevant Queensland and Commonwealth officials.</p> <p>Payments made outside the agreed scheme parameters will not be co-funded by the Commonwealth.</p> <p>Bill relief will be provided to all households and small businesses on a quarterly basis, and in addition to Queensland's broader Cost-of-Living Rebate, which will provide a rebate of \$1,000 to all eligible Queensland households and a \$325 rebate to eligible small businesses.</p> <p>Queensland advises retailers and on-suppliers that rebates may only be refunded in accordance with retailer credit policies.</p> <p>Repayments may be managed by either the Commonwealth amending a future payment to Queensland under this Schedule by the relevant amount, or by the Commonwealth invoicing Queensland for the relevant amount.</p> <p>Queensland will require retailers to report quarterly on the number of customers receiving rebates and provide breakdowns of the type of</p>

	<p>customers split between residential, embedded network and small business customers, who have received rebates.</p> <p>Queensland will require retailers to assist residential or small business customers who wish to check their eligibility for the rebate payments.</p> <p>Any retailer requests for funding to support program administration and rollout are matters for the Commonwealth to resolve and, if necessary, fund. Queensland will not be required to co-fund administration costs requested from retailers.</p>
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Table 2: Queensland – Performance requirements, reporting and payment summary

1. The Commonwealth will reimburse Queensland for the bill relief provided to all households and eligible small businesses as part of the extension as detailed in this Schedule, at a rate of up to \$300 per household and \$325 per eligible small business. The total cost to the Commonwealth is estimated to be \$698 million for the 2024-25 bill relief.
2. Any costs that exceed this estimated total cost (e.g. due to take-up being higher than forecast) will be borne by the Commonwealth subject to appropriate data and fraud controls.
3. Eligibility criteria are detailed in Appendix A.
4. Eligibility for bill relief to household retail customers will be administered by retailers.
5. Eligibility for bill relief to small businesses will be administered by retailers using Queensland's definition of small business customer under the National Energy Retail Law.
6. Eligibility for bill relief to households and small businesses in embedded networks will be administered by on-suppliers, with on-suppliers applying to their retailer on behalf of eligible residents/tenants in accordance with the processes in place for the Cost-of-Living Rebate.
7. Queensland will assess claims for reimbursement by retailers and on-suppliers, with reference to Retailer Performance Data reported by the Australian Energy Regulator and/or historical payment information.
8. Payment to Queensland will be made as soon as practicable following the provision of a statement of assurance, based on the number of payments provided to households and small businesses.
 - 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.
9. Queensland will deliver the Energy Bill Relief household and small business rebates in addition to the Queensland Government's 'Cost-of-Living Rebates' which will be provided automatically to all eligible Queensland households and small businesses.
10. QLD will encourage electricity retailers to comply with the Australian Energy Regulator's Better Bills Guideline as soon as practicable.
11. A line item will be included on energy bills regarding the Fund.

Payment arrangements

Household Electricity Rebate

1. Eligible households will receive a total bill credit through their retailer of up to \$300 for 2024-25.
2. Credits totaling \$75 will be applied to the bills of those eligible households in each quarter of the 2024-25 financial year, or as soon as practicable thereafter, as appropriate with the existing billing cycles.
3. In the case of households in embedded networks, a grant payment of \$300 will be made to eligible households as a one-off payment for 2024-25.

Small Business Rebate

4. Eligible small businesses will receive a total bill credit through their retailer of up to \$325 for 2024-25.
5. Credits totaling \$81.25 will be applied to the bills of those eligible small businesses in each quarter of the 2024-25 financial year, or as soon as practicable thereafter, as appropriate with the existing billing cycles.
6. In the case of small businesses in embedded networks, a grant payment of \$325 will be made to eligible small businesses as a one-off payment for 2024-25.

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

3 July 2024

Signed for and on behalf of the
State of Queensland by



The Honourable Cameron Dick MP

Treasurer

[Day] [Month] [Year]

31 / 7 / 24

Appendix A: Key scheme parameters

1. This appendix to the *Energy Bill Relief Fund Extension – Queensland Schedule* (the Schedule) supports the delivery of an extension to the Fund. The extension was announced in the Commonwealth's 2024-25 Budget. This package will support households and small businesses and help shield them from ongoing cost of living pressures.
2. The Commonwealth will reimburse Queensland for the bill relief provided to all eligible households and small businesses at a rate of up to \$300 per eligible household and \$325 per eligible small business.
3. Payments to Queensland will be made in accordance with the requirements outlined in the Schedule.
4. In agreeing to this appendix, Queensland agrees to work with the Commonwealth to implement this package.
5. The Commonwealth's funding contributions are outlined in Table 2 of the Schedule.
6. The delivery of the bill relief through the Fund is not intended to and will not affect any state or territory's GST allocation.

Eligibility

Census Dates

7. The census dates for each quarter are:
 - a. Quarter 1: 1 July 2024
 - b. Quarter 2: 1 October 2024
 - c. Quarter 3: 1 January 2025
 - d. Quarter 4: 1 April 2025

Household eligibility criteria

8. Eligibility and payments for households will be based on the relevant census date/s for each quarter:
 - a. Residential retail customers that are separately metered and hold an active electricity account with an authorised retailer for their place of residence in Queensland at the census date of each quarter in 2024-25 will be eligible to receive that quarter's rebate on the account.
 - b. Households in an embedded network in Queensland that are separately metered and hold an active electricity account with an authorised on-supplier for their place of residence on 1 July 2024 will be eligible to receive the full rebate in a once-off payment.
9. Households may be determined to be eligible as otherwise agreed between the parties, including any changes after the Schedule commences.
10. Rebates will be provided to households on an account basis where possible.
11. New household electricity accounts created after 30 June 2025 will not be able to access bill relief.

Small business eligibility criteria

12. Eligibility and payments for small businesses will use the 'small business customer' definition below and be based on the relevant census date/s for each quarter:
 - a. Eligible small business retail customers that are separately metered and hold an active electricity account with an authorised retailer for their place of business in Queensland at the census date of each quarter in 2024-25 will be eligible to receive that quarter's rebate on the account.
 - b. Eligible small businesses in embedded networks in Queensland that are separately metered and hold an active electricity account with an authorised on-supplier for their place of business on 1 July 2024 will be eligible to receive the full rebate in a once-off payment.

13. The bill relief will be targeted to small business customers of electricity retailers by using the definition of electricity 'small business customer' as applied in each state under the National Energy Retail Law. In Queensland, this definition is an annual electricity consumption of less than 100 MWh.
14. Queensland and retailers will take reasonable steps to make appropriate carve-outs of government agencies and branches of larger businesses.
15. New small business electricity accounts created after 1 April 2025 will not be able to access bill relief.

Appendix B: Data reporting requirements

Statement of assurance

1. Queensland will report to the Commonwealth on the number of households and small businesses who receive bill relief in Queensland.
2. Retailers will verify eligibility for bill relief in line with Appendix A.
3. A statement of assurance will be provided to the Commonwealth within two months, or as soon as practicable, after each quarter.
4. The statement of assurance will include summary statistics on the take-up of the relief for each quarter, including the:
 - a. total number and value of payments made to households who are receiving bill relief
 - b. total number and value of payments made to eligible customers in embedded networks for bill relief; and
 - c. total number and value of payments made to small businesses who are receiving bill relief.
5. The statement of assurance for the last quarter of 2024-25 must also include summary statistics on the take-up of bill relief over the period 1 July 2024 to 30 June 2025, including information outlined in clause 4 of Appendix B, to inform an end of program reconciliation, and if required payment adjustments.
6. Where Queensland identifies any instances of fraud or misconduct relating to payments made under the Fund, Queensland officials will notify the Commonwealth in writing, including details of action taken to remedy this where appropriate.
7. Where any audits or other assurance activities are undertaken to ensure the integrity of payments made under the Fund, Queensland will write to the Commonwealth to summarise the findings and advise the Commonwealth of the outcomes of these processes.
8. The parties must in good faith negotiate to resolve any disagreement or dispute arising between them in relation to the statements of assurance. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.