

Energy Bill Relief Fund Extension– Tasmania

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule	
Parties	Commonwealth Tasmania
Duration	This Schedule is expected to expire on 30 June 2026, or when the final payment adjustments are made (if applicable), whichever is later.
Purpose	<p>This Schedule will support the delivery of energy bill assistance extension (bill relief) to all households and eligible small businesses in Tasmania from the Energy Bill Relief Fund (the Fund) over the period 1 July 2024 to 30 June 2025.</p> <p>Bill relief will be provided to all Tasmanian households for the EBRF extension and to eligible small business customers of electricity retailers, as defined by Tasmania’s application of the National Energy Retail Law. Further details of the eligibility criteria for the bill relief are detailed at Appendix A.</p> <p>This agreement will not impact the ongoing administration of the existing EBRF federal funding agreement and payments from the existing fund in 2024-25.</p>
Governance	<p>Tasmania will utilise existing processes and implement appropriate processes to ensure the integrity of payments from the Fund.</p> <p>For household and small business customers this will require participating electricity retailers and the Tasmanian Department of State Growth to confirm eligibility as outlined in Appendix A.</p> <p>For small businesses, eligibility will be administered using Tasmania’s definition of small businesses under the National Energy Retail Law and as outlined in Appendix A.</p> <p>Tasmania will ensure that there are appropriate risk and governance frameworks for the extension, similar to those that are used in administering the existing fund.</p> <p>The Commonwealth will work with Tasmania to identify shared risk and manage and appropriately mitigate shared risks.</p>
Reporting arrangements	<p>Tasmania will provide the Commonwealth with statements of assurance in relation to bill relief that satisfies the requirements outlined in the Schedule. The reporting requirements are set out in Appendix B.</p> <p>Tasmania will provide additional information, where possible, if requested by the Commonwealth for the purposes of approving the statements of</p>

	assurance and for the Commonwealth's assurance activities where relevant.
Estimated financial contributions	<p>Through the extension to the Fund, the Commonwealth will contribute an estimate of \$3.5 billion in aggregate to all states to provide for bill relief.</p> <p>The final resulting allocations to all states will depend on the actual number of households, embedded networks and small business customers in each jurisdiction over the period of the program. The Commonwealth's estimated contributions for bill relief in Tasmania are set out in Table 2.</p> <p>The Commonwealth will pay Tasmania in arrears based on statements of assurance confirming reports are an accurate representation of monies disbursed by retailers.</p>
Additional terms	<p>Any changes to the key parameters outlined in Appendix A will need to be agreed by Tasmanian and Commonwealth Treasurers.</p> <p>Any changes to data reporting requirements outlined in Appendix B will need to be agreed by relevant Tasmanian and Commonwealth officials.</p> <p>Payments made outside the agreed scheme parameters will not be funded by the Commonwealth.</p> <p>Where Tasmania recoups payments made to ineligible entities, Tasmania will repay the Commonwealth's financial contributions.</p> <p>Rebates will not be refundable for active accounts. Where rebates from the Fund remain as unused credit upon the closure of an account, upon request the remaining credit should be refunded to the customer in line with existing concessions.</p> <p>Repayments may be managed by either the Commonwealth amending a future payment to Tasmania under this Schedule by the relevant amount, or by the Commonwealth invoicing Tasmania for the relevant amount.</p> <p>Tasmania will require retailers to report quarterly on the number of customers receiving rebates and provide breakdowns of the type of customers split between residential, embedded network and small business customers, who have received rebates.</p> <p>Tasmania will require retailers to assist residential customers who wish to check their eligibility for bill relief.</p> <p>Tasmania will require retailers to check that eligible customers have an active residential or small business electricity account on the defined census dates.</p> <p>Tasmania will check eligibility of embedded network customers.</p> <p>Any retailer requests for funding to support program administration and rollout are matters for the Commonwealth to resolve and, if necessary,</p>

fund. Tasmania will not be required to co-fund administration costs requested from retailers.

Table 2: Tasmania – Performance requirements, reporting and payment summary

1. The Commonwealth will reimburse Tasmania for the bill relief provided to all households and 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 \$87 million for the 2024-25 bill relief.
2. Any costs for bill relief that exceed the above 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. This new schedule for the extension operates entirely separately to the original *Energy Bill Relief Fund- Tasmania FFA schedule*.
4. The Commonwealth's bill relief under the extension will be provided quarterly in 2024-25 and will not be considered as part of the reconciliation adjustment payment under the original Energy Bill Relief Fund agreement.
5. Eligibility criteria for the extension are detailed in Appendix A.
6. Eligibility for bill relief to households and small businesses in embedded networks will be administered by Tasmania's Department of State Growth.
7. Eligibility for bill relief to small businesses will be administered by retailers using Tasmania's definition of small businesses under the National Energy Retail Law.
8. To mitigate fraud, retailers will use existing mechanisms in place for providing concessions and annual statements/reports. All claims will be reviewed for irregularities and additional information may be requested from retailers if there are any variabilities in claims.
9. Payment to Tasmania will be made as soon as practicable following the provision of a statement of assurance in relation to 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.
10. 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 contributions made by the Commonwealth.
11. Tasmania will encourage electricity retailers to comply with the Australian Energy Regulator's Better Bills Guideline as soon as practicable.

Payment arrangements

Household Rebates

As per the original agreement:

1. Eligible households will receive a total bill credit through their retailers of \$250 per annum for two years (\$500 in total, funded by the Commonwealth for 2023-24 and Tasmania for 2024-25).
2. Credits of \$125 will be applied to the bills of those eligible households in the September and June quarters of each financial year, or as soon as possible thereafter.
3. In the case of embedded networks, a grant payment of \$250 will be made to eligible customers as a

one-off payment for each of 2023-24 and 2024-25.

In addition, under the extension

4. All households will receive a bill credit through their retailers of up to \$300 per annum funded by the Commonwealth in 2024-25.
5. Credits of \$75 will be applied to the bills of all households in each quarterly census date of 2024-25, or as soon as possible thereafter.
6. In the case of household embedded networks, a grant payment of \$300 will be made to eligible customers for 2024-25.

Small Business Payment

As per the original Energy Bill Relief Fund agreement:

7. Eligible small businesses will receive a total bill credit of \$650 for 2023-24.
8. This will be provided as bill relief through eligible small businesses' retailers.
9. Credits of \$325 will be applied to the bills of those eligible small businesses in the September 2023 and June 2024 quarters.

In addition, under the extension

10. Eligible small businesses will receive a total bill credit of up to \$325 for 2024-25.
11. Credits of \$81.25 will be applied to the bills of those eligible small businesses in each quarter for 2024-25, or as soon as practicable thereafter.
12. In the case of small business embedded networks, a grant payment of \$325 will be made to eligible customers as a one-off payment for 2024-25.

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

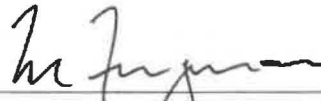
Signed for and on behalf of the
Commonwealth of Australia by



The Honourable Dr Jim Chalmers MP
Treasurer

3 July 2024

Signed for and on behalf of the
State of Tasmania by



The Honourable Michael Ferguson MP
Treasurer and Deputy Premier

[Day] [Month] [Year]

5 July 2024

27

Appendix A: Key scheme parameters

1. This appendix to the *Energy Bill Relief Fund Extension – Tasmania 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 the ongoing cost of living pressures.
2. The Commonwealth will reimburse Tasmania for bill relief provided under the extension to all households and eligible small businesses at a rate of up to \$300 per household and \$325 per eligible small business quarterly, in 2024-25.
3. Payments made under this agreement will not affect payments or terms made under the original Energy Bill Relief Fund agreement.
 - a. The Commonwealth will continue to fully fund bill relief provided to eligible households for 2023-24 and Tasmania will continue to fully fund bill relief applied to households eligible under the original Energy Bill Relief Fund agreement for Q1 and Q4 2024-25.
 - b. As per the original Energy Bill Relief Fund agreement, reconciliation of the relief payments made by both parties will be undertaken following the end of the original relief arrangement.
 - i. If applicable, a reconciliation adjustment payment will be made between parties to ensure both parties each contribute 50 per cent of the bill relief provided to eligible households for the period 1 July 2023 to 30 June 2025 under the original agreement.
 - ii. Payments under the extension will not be considered in this reconciliation.
4. Payments to Tasmania will be made in accordance with the requirements outlined in the Schedule.
5. In agreeing to this appendix, Tasmania agrees to implement this package in accordance with the eligibility criteria detailed below.
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 period

Census Dates

7. The census dates for each quarter are:
 - a. Quarter 1: 31 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 census dates for each quarter:
 - a. Residential retail customers holding an active electricity account 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 Tasmania will only need to apply once and be able 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 1 April 2025 will not be able to access bill relief.

Small business eligibility criteria

12. Eligibility and payments for small businesses will use the 'small customer' definition below and be based on the census dates for each quarter:
 - a. Small business retail customers holding an active electricity account at the census date of each quarter in 2024-25 will be eligible to receive that quarter's rebate on the account.
 - b. Small businesses in embedded networks will only need to apply once and be able to receive the full rebate in a once-off payment.
13. 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 Tasmania, this definition is an annual electricity consumption of 150 MWh.
14. Tasmania 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. Tasmania will report to the Commonwealth on the provision of bill relief via statements of assurance confirming retailers 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 Tasmania's existing energy concessions and with Tasmania'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 relevant quarter.
3. The statement of assurance will include summary statistics on the take-up of the bill relief for the relevant quarter, including:
 - a. total value of the bill relief provided split between households and small businesses;
 - b. total number of entities that received the bill relief split between households and small businesses;
 - c. total number and value of payments made to customers in embedded networks;
 - d. details of any bill relief provided to households or small businesses subsequently found to have been ineligible for support and funding recovered, including de-identified invoices upon request.
4. The statement of assurance for the last quarter for the Extension must also include summary statistics on the take-up of bill relief over the period 1 July 2024 to 30 June 2025 for the Extension only, including information outlined in clause 3 of Appendix B, to inform an end of program reconciliation and if required, any payment adjustments.
5. Where Tasmania identifies any instances of fraud or misconduct relating to payments made under the Fund, Tasmania will notify the Commonwealth in writing, including details of action taken to remedy this where appropriate.
6. Where any audits or other assurance activities are undertaken to ensure the integrity of payments made under the Fund, Tasmania will write to the Commonwealth to summarise the findings and advise the Commonwealth of the outcomes of these processes.
7. 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.