

Schedule

Energy Bill Relief Fund Extension – South Australia

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule	
Parties	Commonwealth South Australia (SA)
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 households and eligible small businesses in South Australia 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 SA households and to small business customers, as defined by South Australia’s application of the National Energy Retail Law.</p> <p>Further details of the eligibility criteria for bill relief are detailed at Appendix A.</p>
Governance	<p>South Australia will utilise existing processes and implement appropriate processes where necessary to ensure the integrity of payments from the Fund.</p> <p>For household customers this will require participating electricity retailers, embedded network operators or the South Australian Government to confirm eligibility as outlined in Appendix A.</p> <p>For small businesses, eligibility will be administered in a manner consistent with South Australia’s definition of small businesses under the National Energy Retail Law and as outlined in Appendix A.</p> <p>South Australia 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 South Australia to identify shared (all) risks and manage and appropriately mitigate those risks.</p>
Reporting arrangements	<p>South Australia will provide the Commonwealth with statements of assurance in relation to bill relief that satisfies the reporting requirements outlined in Appendix B.</p> <p>South Australia will provide additional information, where possible, if requested by the Commonwealth for the purposes of approving the</p>

	<p>statements of assurance and for the Commonwealth’s assurance activities where relevant.</p>
<p>Estimated financial contributions</p>	<p>Through the Fund, the Commonwealth will contribute an estimate of \$3.5 billion in aggregate to all states 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 contributions for bill relief in South Australia are set out in Table 2.</p> <p>The Commonwealth will pay SA in arrears based on statements of assurance confirming reports are an accurate representation of bill relief provided.</p>
<p>Additional terms</p>	<p>Any changes to the key parameters outlined in Appendix A will need to be agreed by the South Australian and Commonwealth Treasurers.</p> <p>Any changes to data reporting requirements outlined in Appendix B will need to be agreed by the relevant South Australian and Commonwealth officials.</p> <p>Payments made outside the agreed scheme parameters will not be funded by the Commonwealth.</p> <p>Where South Australia recoups payments made to ineligible entities, South Australia will repay the Commonwealth’s financial contributions.</p> <p>Repayments may be managed by either the Commonwealth amending a future payment to South Australia under this Schedule by the relevant amount, or by the Commonwealth invoicing South Australia for the relevant amount.</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, the remaining credit should be refunded to the customer in line with existing processes. Accounts consistently in credit should be managed in line with retailer credit policies where appropriate.</p> <p>South Australia 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>South Australia will require retailers to assist residential customers who wish to check their eligibility for Energy Bill Relief.</p> <p>South Australia will require retailers to check that eligible customers have an active residential or small business electricity account on the defined census dates (see Appendix A).</p>

South Australia will establish a methodology to check eligibility of embedded network customers.

Any retailer requests for funding to support program administration and rollout are matters for the Commonwealth to resolve and, if necessary, fund. South Australia will not be required to co-fund administration costs requested from retailers.

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

1. The Commonwealth will reimburse South Australia for bill relief provided to eligible households and small businesses as part of the extension under this schedule, at a rate of up to \$300 per household and \$325 per eligible small business. Costs are estimated at \$267 million to the Commonwealth for bill relief provided for 2024-25.
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. 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 households in embedded networks will be administered by retailers and/or the South Australian Government.
6. Eligibility for bill relief to small businesses will be administered by retailers or embedded network operators using South Australia's definition of small businesses under the National Energy Retail Law.
7. To mitigate fraud, retailers will use existing mechanisms in place for providing concessions and annual statements/reports as appropriate. Additional information may be requested from retailers if there are any variabilities in claims.
8. Payment to South Australia 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 the 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, noting this will be impacted by the timing of reporting by retailers to South Australia.
9. A line item will be included on energy bills regarding the Fund, with details to be determined in discussions with the Commonwealth, South Australia and retailers that acknowledges the contributions made by the Commonwealth.
10. South Australia will encourage electricity retailers to comply with the AER's Better Bills Guideline as soon as practicable.

Payment arrangements

Energy Bill Relief Fund for SA households

1. Eligible households will receive a total bill credit through their retailers of up to \$300 for 2024-25.
2. Credits of \$75 will be applied to the bills of households in each quarter of the 2024-25 financial year, or as soon as practicable thereafter.
3. In the case of embedded networks, a grant payment of a total of up to \$300 will be made to eligible customers for 2024-25.
4. These arrangements may be varied where agreed to by officials from both parties, such as

to enable efficient delivery of rebates to customers in remote areas.

Small Business Rebate

5. Eligible small businesses will receive a total bill credit of up to \$325 for 2024-25.
6. 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.
7. In the case of small business embedded networks, a grant payment of \$325 will be made to eligible customers for 2024-25.
8. These arrangements may be varied where agreed to by officials from both parties, such as to enable efficient delivery of rebates to customers in remote areas.

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 August 2024

Signed for and on behalf of the
State of South Australia by



The Honourable Stephen Mullighan MP
Treasurer

7/8 / 2024

Appendix A: Key scheme parameters

1. This appendix to *Energy Bill Relief Fund Extension – South Australia 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 SA for bill relief provided to all households and eligible small businesses at a rate of up to \$300 per household and \$325 per eligible small business.
3. Payment to South Australia will be made in accordance with the requirements outlined in this Schedule.
4. In agreeing to this appendix, South Australia agrees to implement this package in accordance with the eligibility criteria detailed below.
5. The Commonwealth's funding contributions are outlined in Table 2 of the Schedule.
6. The delivery of 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: 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 for their place of residence in South Australia 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 South Australia will only need to apply once and be able to receive the full rebate in a once-off payment. Eligibility will be determined based on a fixed date.
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. Eligibility will be determined based on a fixed date.
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 SA, this definition is an annual electricity consumption up to 160 MWh.

14. Small businesses may be determined to be eligible as otherwise agreed between the parties, including any changes after the Schedule commences.
15. SA and retailers will take reasonable steps to make appropriate carve-outs of government agencies and branches of larger businesses.
16. 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. SA will report to the Commonwealth on the take-up of bill relief via statements of assurance that confirm retailers have checked the eligibility of each recipient against the criteria outlined in Appendix A.
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 relief for the quarter, including:
4. total value of bill relief provided split between households and small businesses;
 - a. total number of entities that received bill relief split between households and small businesses;
 - b. total number and value of payments made to eligible customers in embedded networks; and
 - c. 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.
5. In addition to the statement of assurance for the final quarter, SA must also provide a statement which includes summary statistics on the take-up of bill relief over the period 1 July 2024 to 30 June 2025, including information outlined in clause 3 of Appendix B, to inform an end of program reconciliation and if required, any payment adjustments.
6. Where SA identifies any instances of fraud or misconduct relating to payments made under the Fund, 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, SA 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.