

Energy Bill Relief Fund Extension – Northern Territory

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule	
Parties	Commonwealth Northern Territory (NT)
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 extension (bill relief) to all households and eligible small businesses in the NT from the Commonwealth’s 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 NT households and to small business customers, as defined in Appendix A.</p> <p>Further details of the eligibility criteria for the bill relief are detailed at Appendix A.</p>
Governance	<p>The NT will utilise existing processes and implement appropriate processes to ensure the integrity of payments from the Fund.</p> <p>For household customers this will require electricity retailers to check eligibility for retail customers as outlined in Appendix A.</p> <p>The Department of Territory Families, Housing and Communities will be responsible for confirmation of eligibility and delivery of rebates for embedded network customers (consistent with current NT energy rebates).</p> <p>For small businesses, eligibility will be administered using the definition of small businesses as outlined in Appendix A.</p> <p>The NT 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 the NT to identify shared risk and manage and appropriately mitigate shared risks.</p>
Reporting arrangements	<p>The NT will provide the Commonwealth with statements of assurance in relation to bill relief that satisfies the requirements outlined in Appendix B.</p> <p>The NT 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 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. The Commonwealth's contributions for bill relief in the NT are set out in Table 2.</p> <p>The Commonwealth will pay NT in arrears based on statements of assurance confirming reports are an accurate representation of bill relief provided.</p>
Additional terms	<p>Any changes to the key parameters outlined in Appendix A will need to be agreed by the NT and Commonwealth Treasurers.</p> <p>Any changes to data reporting requirements outlined in Appendix B will need to be agreed by the relevant NT and Commonwealth officials.</p> <p>Payments made outside the agreed scheme parameters will not be funded by the Commonwealth.</p> <p>Where the NT recoups payments made to ineligible entities, the NT 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, the NT should recoup the remaining credit from retailers in line with existing processes and repay the Commonwealth's financial contributions relating to these rebates.</p> <p>Repayments may be managed by either the Commonwealth amending a future payment to the NT under this Schedule by the relevant amount, or by the Commonwealth invoicing the NT for the relevant amount.</p> <p>NT 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>NT will require retailers to assist residential customers who wish to check their eligibility for bill relief.</p> <p>NT will require retailers to check that eligible customers have an active residential or small business electricity account on the defined census dates.</p> <p>NT will check eligibility of embedded network customers.</p>

	Any retailer requests for funding to support program administration and rollout are matters for the Commonwealth to resolve and, if necessary, fund. The NT will not be required to co-fund administration costs requested from retailers.
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Table 2: NT – Performance requirements, reporting and payment summary	
	<ol style="list-style-type: none"> 1. The Commonwealth will reimburse the NT for 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 \$30 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. Eligibility criteria are detailed in Appendix A. 4. Eligibility for bill relief to households will be checked by retailers for retail customers and the Department of Territory Families, Housing and Communities for households in embedded networks. 5. Eligibility for bill relief to small businesses will be administered by retailers using the definition of small businesses in Appendix A. 6. To mitigate fraud, the NT Government 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 is any variability in claims. 7. Payment to the NT 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. <ol style="list-style-type: none"> 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. 8. A line item will be included on energy bills regarding the Fund, with details to be determined in discussions with the Commonwealth, NT and retailers that acknowledges the contributions made by the Commonwealth.
Payment arrangements	
<u>NT Energy Bill Relief – households</u>	
	<ol style="list-style-type: none"> 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 residential customers of electricity retailers in each quarter for 2024-25, or as soon as practicable thereafter. 3. For prepayment interval meter customers, the NT will apply the bill relief to the prepaid meter in quarterly instalments of \$75 in 2024-25. 4. In the case of household embedded networks, token-based prepayment meters and other non-standard billing arrangements, a one-off grant payment of \$300 will be made to eligible customers. 5. The NT will determine the most cost effective and efficient delivery of bill relief for customers serviced by the Indigenous Essential Services (IES), such that IES customers will receive the same

level of relief as other eligible customers.

NT Energy Bill Relief Fund – small business

6. Eligible small businesses will receive a total bill credit of up to \$325 for 2024-25.
7. 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.
8. 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
Northern Territory by



The Honourable Eva Lawler MLA

Treasurer

10/ 7/24
[Day] [Month] [Year]

Appendix A: Key scheme parameters

1. This appendix to the *Energy Bill Relief Fund Extension – Northern Territory 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 businesses and help shield them from the ongoing cost of living pressures.
2. The Commonwealth will reimburse the NT for the bill relief provided to all households and small businesses at a rate of up to \$300 per household and \$325 per eligible small business.
3. Payments to the NT will be made in accordance with the requirements outlined in this Schedule.
4. In agreeing to this appendix, the NT 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 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: 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. Eligible households include:
 - a. Residential retail customers holding an active electricity account in NT.
 - b. Households in an embedded network in NT on 1 July 2024.
 - c. All prepayment meter and Indigenous Essential Services customers.
9. Households in the NT that are eligible at the census date of each quarter in 2024-25 will receive that quarter's rebate.
10. Households may be determined to be eligible as otherwise agreed between the parties, including any changes after the Schedule commences.
11. Rebates will be provided to households on meter basis.
12. New household electricity accounts created after 1 April 2025 will not be able to access bill relief.

Small business eligibility criteria

13. Eligibility and payments for small businesses will use the 'small customer' definition below and be based on the census dates for each quarter.
14. 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.
15. Small businesses in embedded networks will only need to apply once and be able to receive the full rebate in a once-off payment.
16. Bill relief will be provided to small businesses holding an account with an electricity retailer under the definition of electricity 'small customer' as applied in each state. In NT, this definition is an annual electricity consumption below 160 MWh.
17. NT and retailers will take reasonable steps to ensure bill relief payments are not made to government agencies.
18. Small business customers who have an active electricity account in each quarter of 2024-25 will be eligible to receive that quarter's rebate on their account.
19. 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. The NT will report to the Commonwealth on the provision of the 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 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 received the bill relief split between households and small businesses;
 - c. total number and value of payments made to customers in embedded networks;
 - d. breakdown by types of customer (retail household, embedded, IES etc); and
 - e. 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 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 3 of Appendix B, to inform an end of program reconciliation and if required, any payment adjustments.
5. Where the NT identifies any instances of fraud or misconduct relating to payments made under the Fund, NT officials 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, the NT 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.