

Energy Bill Relief Fund Extension – Western Australia

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule	
Parties	Commonwealth Western Australia (WA)
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 (bill relief) to all households and eligible small businesses in Western Australia from the 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 all WA households, and to small businesses, in line with the limits and definitions set out in the WA Household and Small Business Electricity Credits 2024 terms and conditions.</p> <p>This bill relief will be provided to all households, in addition to WA's Household Electricity Credit.</p> <p>Further details of the eligibility criteria for the bill relief are detailed at Appendix A.</p>
Governance	<p>WA will utilise existing processes and implement appropriate processes to ensure the integrity of payments under the Fund.</p> <p>For household customers, this will require electricity retailers to verify the eligibility for retail customers for bill relief (consistent with current WA energy rebates) as outlined in Appendix A. WA will verify eligibility for households in embedded networks.</p> <p>For small businesses, eligibility will be administered using the limits and definitions set out in the WA Small Business Electricity Credit 2024 terms and conditions for small businesses and as outlined in Appendix A.</p> <p>WA 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 WA to identify, manage and appropriately mitigate shared risks.</p>
Reporting arrangements	WA will provide the Commonwealth with statements of assurance in relation to bill relief that satisfies the reporting requirements set out in Appendix B of this Schedule.

	<p>WA 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>
<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 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 program and the number of electricity customers and households in embedded networks. The Commonwealth's estimated contributions for bill relief in WA are set out in Table 2.</p> <p>The Commonwealth will pay WA 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 Western Australian and Commonwealth Treasurers.</p> <p>WA 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 WA and Commonwealth officials.</p> <p>Payments made outside the agreed scheme parameters will not be funded by the Commonwealth.</p> <p>Where WA recoups payments made to ineligible entities, WA will repay the Commonwealth's financial contributions relating to these entities.</p> <p>Bill relief will not be refundable for active accounts. Where bill relief from the Fund remain as unused credit upon the closure of an account, the remaining credit should be transferred to a new account in line with existing processes in WA. Where the credit cannot be transferred, WA will request data establishing the remaining credit from retailers and repay the Commonwealth's financial contributions relating to these bill relief.</p> <p>Repayments may be managed by either the Commonwealth amending a future payment to WA under this Schedule by the relevant amount, or by the Commonwealth invoicing WA for the relevant amount.</p> <p>WA is required to report within two months after each Payment Date on the number of customers receiving bill relief and provide breakdowns of the type of customers split between residential, embedded network and small business customers, who have received bill relief.</p> <p>WA will require retailers to assist residential customers who wish to check their eligibility for bill relief.</p>

WA is required to check that eligible customers have an active residential or small business electricity account on the defined census dates. WA will check eligibility of embedded network customers.

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

1. The Commonwealth will reimburse WA 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 \$347.7 million for the 2024-25 bill relief.**
2. Any costs for bill relief that exceed the estimated total cost (e.g. due to take-up being higher than forecast) will be borne by the Commonwealth as set out in this schedule 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 by WA for households in embedded networks.
5. Eligibility for bill relief to small businesses will be administered by retailers and the Small Business Development Corporation using the limits and definitions set out in the WA Small Business Electricity Credit 2024 terms and conditions for small businesses.
6. 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 is any variability in claims.
7. Payment to WA will be made as soon as practicable following the provision of a statement of assurance.
 - 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 each payment.
8. A line item will be included on energy bills regarding the Fund, with details to be determined in discussion with the Commonwealth, WA and retailers, that acknowledges the contributions made by the Commonwealth.
9. WA will take necessary steps to ensure that electricity retailers include a statement with bills where the rebate has been applied along the lines of *“The Australian Government and WA Government are supporting customers to reduce bills. Check the ‘understand your bill’ section to see the rebate or concession. More information at energy.gov.au”*.

Payment arrangements

WA Energy Bill Relief Fund – Household Concession

1. Households will receive a total bill credit of up to \$300 for 2024-25 under the extension, paid in two instalments.
2. Credits of **\$150** will be applied to the bills of those eligible households in July 2024 and December 2024, or as soon as practicable thereafter.
3. In the case of customers with on-supply arrangements, a grant payment of a total of up to \$300 will be made to eligible customers as a one-off payment for 2024-25.

4. Payments under the Fund will be made in addition to the WA Household Electricity Credit.

WA Energy Bill Relief Fund – Small Business Rebate

5. Eligible small businesses will receive a total bill credit of up to \$325 for 2024-25.
6. Credits of \$162.50 will be applied to the bills of eligible small businesses in July 2024 and December 2024, 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 as a one-off payment for 2024-25.
8. 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

3 July 2024

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



The Honourable Rita Saffioti MP
Treasurer

[Day] [Month] [Year]

Appendix A: Key scheme parameters

1. This appendix to the *Energy Bill Relief Fund Extension – Western Australia Extension 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 worst impacts of rising global energy prices and ongoing cost of living pressures.
2. The Commonwealth will reimburse WA 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. Payments to WA will be made in accordance with the requirements outlined in this Schedule.
4. In agreeing to this appendix, WA agrees to implement this package in accordance with the eligibility criteria detailed below.
5. 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

6. The census dates for each payment are:
 - a. Payment 1: 17 June 2024
 - b. Payment 2: 18 November 2024

Household eligibility criteria

7. Eligibility and payments for households will be based on the census dates for each payment:
 - a. Residential retail customers holding an active electricity account for their place of residence in WA at the census date of each payment in 2024-25 will be eligible to receive the associated rebate on the account.
 - b. Households in an embedded network in WA at the census date for Payment 1 will only need to apply once and be able to receive the full rebate in a once-off payment.
8. Households may be determined to be eligible as otherwise agreed between the parties, including any changes after the Schedule commences.
9. Payment is made on an account basis, not a connection basis, in accordance with the limits and definitions set out in the WA Household Electricity Credit 2024 terms and conditions for households.

Small business eligibility criteria

10. Eligibility and payments for small businesses will use the 'small customer' definition below and be based on the census dates for each payment:
 - a. Small business retail customers holding an active electricity account at the census date of each payment in 2024-25 will be eligible to receive the associated 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.
11. Bill relief will be targeted to small business customers of electricity retailers by using the definition of electricity 'small business customer' in accordance with the limits and definitions set out in the WA Small Business Electricity Credit 2024 terms and conditions for small businesses. In WA, this definition is an annual electricity consumption of less than 50 MWh.
12. 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. Customers on embedded networks who run a business from their home will not be considered as a business customer.
13. WA and retailers will 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. WA will report to the Commonwealth on the number of households and small businesses who receive bill relief in WA via statements of assurance that confirm 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 payment.
3. The statement of assurance will include summary statistics on the take-up of bill relief for each payment period, including:
 - a. total value of bill relief provided split between households and small businesses;
 - b. total number of entities that had received bill relief split between households and small businesses;
 - c. total number and value of payments made to eligible customers in embedded networks; and
 - 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. A final statement of assurance will be provided within two months after 31 March 2025, that will include summary statistics on the total bill relief provided over the period 1 July 2024 to 31 March 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 WA identifies any instances of fraud or misconduct relating to payments made under the Fund, WA 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, WA 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.