## **OFFICIAL**



Ms Clare Savage Chair Australian Energy Regulator

Dear Ms Savage,

On the 14 May 2024, the Australian Government announced the extension of the Energy Bill Relief Fund (EBRF). This extension will provide an additional \$3.5 billion for electricity bill relief to all Australian households, and eligible small businesses. Australian households will receive a \$300 rebate, and eligible small businesses will receive a \$325 rebate, to be paid in instalments on electricity bills automatically through 2024-25.

This initiative builds on the success of the 2023-24 EBRF that formed part of the Australian Government's broader Energy Price Relief Plan (EPRP). Since commencing in July 2023, the EBRF has eased cost of living pressures felt by Australian household and businesses due to volatile energy prices, which increased significantly at the start of 2022 due to international pressures such as the war in Ukraine.

It is essential that Australian households and eligible small business customers are made aware of the bill relief available to them through the Australian Government's extension to the EBRF rebates. Bill relief will be applied to electricity customers' bills from 1 July 2024. As you are aware, I wrote to the Australian Energy Regulator in both March and June 2023 seeking its consideration to make a section 37 decision under the Better Bills Guideline to include a bill statement as Tier 1 information on the front page of electricity customer bills. Subsequently, the AER made a decision for four separate statements to appear as Tier 1 information, depending on the specific arrangement for each jurisdiction.

To reflect the recent announcement by the Australian Government, I am requesting that the AER consider exercising its powers under section 37 of the Betters Bills Guideline to improve the accuracy of the existing bill statement. As the extension to the EBRF no longer requires an equal contribution by states and territories, I request that the four existing bill statements are amended to the single following statement:

The Australian Government is supporting customers to reduce bills. Check the understand your bill section to see if you have received a rebate. More information on the Energy Bill Relief Fund at energy.gov.au.

The proposed statement would apply to both residential and small business customers.

As with the previous 2023-24 bill statement, the revised statement above is consistent with the objectives and principles of the Better Bills Guideline. From 1 July 2024 the above statement will be a more accurate reflection of the extension to the EBRF rebates.

Separately, I note that in Tasmania the 2023-24 EBRF bill relief payments are over a period of two financial years and the 2023-24 EBRF bill relief payments will be made alongside the extension to the EBRF rebates. As a result, there may be less of an imperative to amend the bill statement that currently applies in Tasmania as it remains both consistent with the objectives and principles of the Better Bills Guideline, and accurate.

The department considers that the revised bill statement minimally revises the text, and is done so in such a way as to enhance the accuracy of the statement. The department also acknowledges that there are a range of rebates and concessions available to eligible households across all jurisdictions, however, the nature of the EBRF extension is to address acute cost of living pressures being experienced by all households nationally.

I would ask that the AER consider the materiality of this revision in its deliberations, and acknowledge that the AER may require further consultation prior to making a decision on this matter. If this is the case, I welcome further feedback.

Given that rebates will be applied to household bills from 1 July 2024, I request that the AER consider making a decision in relation to the above proposal and notify retailers of its decision as soon as possible. This will support retailers to implement these proposed changes prior to the extension of EBRF coming into effect from 1 July 2024, facilitating a smoother transition and supporting timely compliance.

Yours sincerely,



Kirsty Gowans Head of Electricity Division

Commonwealth Department of Climate Change, Energy, Environment and Water

5 June 2024