

National Energy Bill Relief – NSW small business energy usage estimation methodology version 2.0

Updated method for National Energy Bill Relief in 2024-25

Context

This methodology document outlines the NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW) accepted methods for energy sellers to estimate small business energy consumption for the purpose of assessing eligibility for National Energy Bill Relief (Bill Relief) 2024-25 payments under the Social Programs for Energy Code Version 8.1 (the Code).

The Code sets out the requirements for Small Business eligibility, as per the table below.

Clause	Purpose
50.1.4	Defines methodology document - referring to <i>this</i> document.
53	Defines the small business eligibility criteria

This document outlines DCCEEW expectations of sellers in relation to determining if a business is an 'eligible small business customer' with respect to their energy consumption.

This document does not provide any further detail about the other eligibility criteria in the Code.

Estimation of Business Energy Consumption – Methodologies

Sellers can use either of the two methods set out in this document to determine small business customer consumption for Bill Relief purposes.

Sellers must apply the same method consistently to all business customers during 2024-25. Sellers must seek approval from DCCEEW if they want to use any other method.

Approach for both Method 1 and 2

- Business consumption should be based on the metered consumption only, that is to exclude behind-the-meter generation and consumption.
- Only the usage of the account with respect to Clause 53.1 needs to be considered in this methodology. Sellers do not aggregate usage across accounts.
- Account has the same meaning as it applies to Clause 53 of the Code.
- The seller does not need to reverse a payment if their estimate, made in good faith, is subsequently determined to be inaccurate such that the actual usage exceeded 100MWh.

Method 1

Test 1 – The seller determines if consumption data for the whole of 2023-24 is available for the account

- If this data is available, the business customer is to be considered eligible in 2024-25 if ALL the following are met:
 - The full 2023-24 financial year data is known
 - The account usage in 2023-24 was less than 100MWh
- If the business is eligible by test 1, they will be eligible to receive each quarterly payment for as long as they maintain their account with the seller.
- No further estimation or consideration of consumption is required for the duration of the financial year.
- A seller does not need to re-calculate the usage to satisfy this requirement if it previously determined that the account was eligible for Bill Relief in 2023-24 based on their usage.

Test 2 - If the data above is not available, the seller determines if there is sufficient consumption data from 2023-24 to estimate the total consumption of the account in 2024-25

- If the seller determines there is sufficient consumption data to estimate this period, the business customer is to be considered eligible if ALL the following are met:
 - The full 2023-24 financial year data can be approximated
 - The account estimated consumption in 2023-24 is less than 100MWh
- If the business is eligible by test 2, they will be eligible to receive each quarterly payment for as long as they maintain their account with the seller.
- No further estimation or consideration of consumption is required for the duration of the financial year.

Test 3 - If there is insufficient data for the estimate above, the seller must complete a rolling estimate each quarter

- On the eligibility date, the seller must estimate whether the account is likely to use less than 100MWh in 2024-25, based on all appropriate and available data.
- If the seller estimates that the account will use less than 100MWh, the customer will be eligible to receive that quarterly payment.
- The seller will need to reassess the estimate on each eligibility date for this customer.
- The eligibility outcome on each eligibility date stands alone – it is not to be adjusted with respect to subsequent estimates. This means it is possible that a business customer under this means will not receive all quarterly payments.

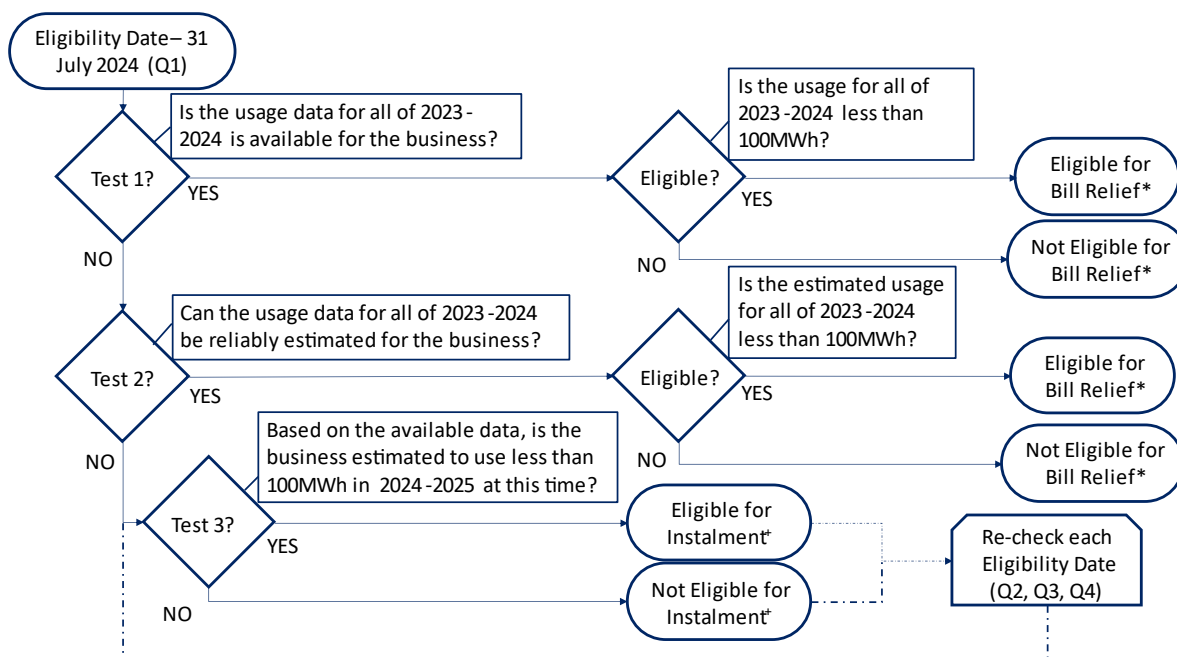


Figure 1 - Illustration of the Method 1 process.

**Accounts that are tested by Test 1 or Test 2 are assessed for the entire 2024-2025 financial year. The account does not need to be reassessed each quarter – the business should automatically receive each quarterly instalment if eligible on 31 July 2024 and no payments if not eligible on 31 July 2024.*

** Accounts tested by Test 3 must be reassessed in each subsequent quarter on the appropriate eligibility date. It is possible that these accounts may only receive some instalments, as their eligibility may change throughout the year according to their usage estimation. Previous instalments paid or unpaid are not to be changed if the eligibility outcome changes between quarters.*

Method 2

As per Test 3 above, but applied uniformly to all business customers

- On the eligibility date, the seller must estimate whether the account is likely to use less than 100MWh in 2024-25, based on all appropriate and available data.
- If the seller estimates that the account will use less than 100MWh, the business will be eligible to receive that quarterly payment.
- The seller will need to reassess the estimate on each eligibility date for this customer.
- The eligibility outcome on each eligibility date stands alone – it is not to be adjusted with respect to subsequent estimates. This means it is possible that a business customer under this means will not receive all quarterly payments.

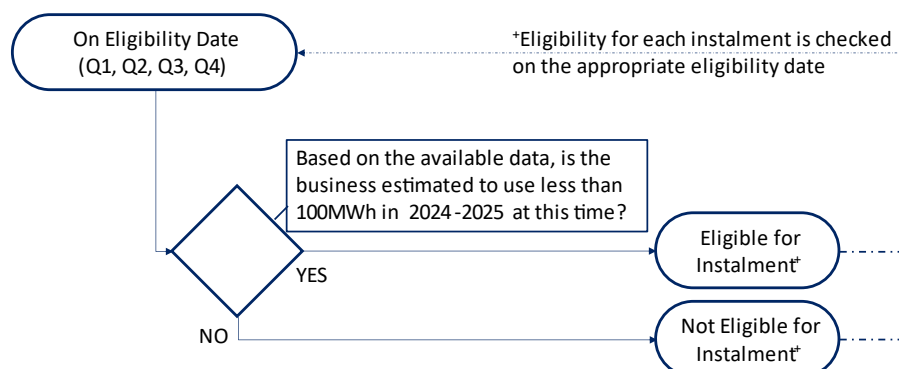


Figure 2 - Illustration of the Method 2 process.

⁺ Accounts must be assessed in each quarter on the appropriate eligibility date to determine their eligibility to receive each instalment. It is possible that accounts may only receive some instalments, as their eligibility may change throughout the year according to their usage estimation. Previous instalments paid or unpaid should not be changed if the eligibility outcome changes between quarters.

About this Document

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