



**Victorian Payment
Hardship Policy – Effective
from 01 January 2019**

Victorian Payment Hardship Policy

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A Introduction

As part of our commitment to working in the best interests of our residential customers “customers” we have developed a payment hardship framework policy to support those customers experiencing payment difficulties.

This policy sets out key principles that guide our staff in interacting with our customers and their representatives. This policy also sets out the steps we take to identify and manage payment hardship.

The key principles that underline this Policy are:

- We will deal with you empathetically, respectfully and fairly;
- We will always aim to assist you in a consistent and equitable manner;
- Your personal information will be protected under the terms of our Privacy Policy;
- We understand each customer’s circumstance is different and we will aim to take a broad view when trying to assist during a period of payment hardship;
- We will take into consideration overall circumstances and encourage customers facing payment difficulties to self-identify with us at the earliest opportunity;
- We will actively look for ways to assist you in reducing your energy usage without reducing your standard of living;
- Energy is an essential service and we are being trusted by you to supply energy as your retailer;
- Any customer in payment hardship and participating in our payment hardship programme will not be disconnected. Disconnection of energy supply has a significant impact on a customer’s life;
- Our customers are our ultimate stakeholders. Our service is integrally tied to your way of life;
- We will always look for ways to assist you with our services, our expertise and our connections; and
- We will never add to issues being experienced by you whether financial or personal by further reducing your standard of living and capacity to overcome difficulty.

This policy sets out a number of rights that you have under energy law and other related legislation. In respecting your rights, we must:

- Notify you of the existence of our payment hardship policy as soon as you or we identify that you are in payment hardship;
- Provide you with a copy of our payment hardship policy at no cost;
- Put a hold on any external collections or debt recovery action;

- Follow our payment hardship policy in managing your account;
- Waive any late payment fees applied on your account;
- Not charge any security deposit; and
- Work with you and any financial counsellors or other advisors assisting you to manage your account effectively and reduce your energy use.

The purpose of this policy is to identify residential customers experiencing payment difficulties due to hardship and to assist those customers to better manage their energy bills on an ongoing basis. This policy will be reviewed and updated from time to time. Any amendments to this policy will be approved by the Essential Services Commission and published on our website.

B Payment hardship communication

Payment hardship is a situation that a customer faces when she/he has the intention, but not the capacity, to make a payment within the timeframe required by payment terms.

We recognise that a variety of circumstances can give rise to payment hardship including, but not limited to; loss of employment, increased cost of living, personal loss, natural disaster, and temporary or permanent disability.

Therefore:

- A customer who has not paid a bill by its pay-by date and who contacts us is entitled to be given information about payment hardship assistance and how to access that assistance.
- A customer who has not paid a bill by its pay-by date and who has arrears of more than \$55 (inclusive of GST) will be contacted by us, within 21 business days after that pay-by-date and given information about the assistance to which the customer is entitled.
- We will allow the customer no less than 6 business days to consider any written communication sent by us.

You may contact us using the following details to discuss our payment hardship assistance. If you would like to participate in our payment hardship programme or discuss any difficulties that you are having with payment or account issues, please contact People Energy by:

People Energy Pty Ltd
Customer Care: 1300 788 970
Email: info@peopleenergy.com.au
Mail: Locked Bag 5757 Melbourne Victoria 3001.

We aim to make self-identification as easy as possible by opening up a variety of communication channels and by ensuring that you are supported and assisted throughout the process.

We will display our payment hardship programme on all reminder notices and disconnection notices as well as over the phone with customers showing any indication of payment hardship. Our payment hardship policy will also be made available on our website.

C Eligibility

C.1 Criteria for entry

To be eligible to enter the payment hardship programme you must meet the following criteria:

- Have a current residential customer account with us.
- Be experiencing short- or long-term payment hardship.

Note: There is no debt threshold for entry into the Hardship Programme.

Customers with payment arrears less than \$55.00 (incl. GST) will be offered standard payment hardship assistance.

Customers with payment arrears greater than \$55.00 (incl. GST) will be offered tailored assistance.

C.2 No waiver on personal information

We will not impose any condition on the provision of payment hardship assistance that requires a customer to provide personal or financial information or to waive any entitlements due.

C.3 Indicators of hardship

There is a range of indicators that we will review to determine if you are experiencing hardship. These include but are not limited to:

Factors evident from your account:

- Self-Identification.
- A history of late or missed payments.
- A sudden change in payment patterns.
- A need for extensions on payments due.
- A debt outstanding.

- Eligibility for emergency energy assistance including Utility Relief Grant Schemes (URGS) provided by the Department of Health and Human Services (DHHS).
- Eligibility for concessions, government pensions or payments or rebates including New Start, Disability Pension payments.

Environmental circumstances:

- Occurrence of natural disasters.
- Economic downturn.

Personal circumstances:

- Loss or change in employment.
- Increased cost of living.
- Personal loss.
- Other debts.
- Addiction.
- Temporary or permanent disability.

We will consider these and any other situations you consider to be relevant.

C.4 Denied access to the programme

If you do not meet the eligibility criteria listed above, we will deny you entry into the programme. We will notify you over the phone or in writing of the reasons for the denial. You may request an internal review of the decision and a manager within our payment hardship team will conduct that review.

This may be evident to us from an examination of the communication we have had with you and the payment plan offers we have made to you but have been rejected by you. We will give you an opportunity to respond to our decision to clarify any reasons that you feel are incorrect and have adversely affected our decision.

C.5 Early identification of payment difficulties

Our customer enquiries and payment hardship team will try to identify payment hardship, as early as possible, by monitoring accounts and looking for early indicators of payment hardship.

We will implement process support to identify customers who are experiencing payment hardship. Our customer enquiries and hardship team will attempt to contact a customer who is believed to be experiencing payment hardship. A payment hardship review letter will be sent to any customer who we believe may be experiencing hardship and who cannot be contacted initially by phone.

D Working with financial counsellors and community groups

We will aim to make it as easy for a financial counsellor or other authorised third party to refer a customer to our payment hardship programme. To do this, we will meet with financial counsellors, community organisations particularly those that work with communities from diverse linguistic and cultural backgrounds, and community legal centres. The purpose will be to disseminate our payment hardship programme and ensure that financial counsellors and other authorised third parties have a direct contact within our organisation to refer customers. Reports from these meetings will provide us with valuable information about the issues faced by our customers and the wider community with respect to payment hardship issues.

E Privacy of personal information

People Energy is bound by the Privacy Act 1988 (Cth) and Australian Privacy Principles, which regulate the collection, disclosure, use and storage of your personal information. Our objective is to handle information responsibly and in accordance with your instructions and the law.

Personal Information is information or opinion from which an individual's identity may be ascertained. We will collect personal information about you when you contact us to provide us with details about your energy account, eligibility, or participation in the payment hardship programme.

We will keep all information disclosed to us by you secure and will not disclose your personal information to any third party unless required to do so by law.

You request an update of personal information held by us at any time by contacting us on 1300 788 970 or by writing to us at the address provided above.

F What we will do once we identify payment hardship

As soon as payment hardship is confirmed, we will waive any late payment fee applied on your account. We will not charge a security deposit if you are in hardship. We will ensure that your account is not disconnected whilst you are on the payment hardship programme.

The date, method of identification, current arrears, estimated monthly usage, current payment plan, and estimated length of hardship will be noted clearly on your account. An account manager will be assigned to your account.

Your account manager will be responsible for ensuring that your account is managed in accordance with this policy.

We will issue a letter confirming your enrolment into our payment hardship programme within 48 hours. The letter will confirm your acceptance into the programme, contain a copy of this policy, contain the name and direct contact number and email address for your account manager and their supervisor.

G What you can expect in our hardship programme

Standard or tailored payment assistance

You have two avenues available:

- Customers with payment arrears less than \$55.00 (incl. GST) will be offered standard payment hardship assistance.

Note: standard assistance is available to all customers who by circumstance may require more time to make a payment. Instances may include medical emergency, delay in salary etc.

- Customers with payment arrears greater than \$55.00 (incl. GST) will be offered tailored payment hardship assistance.

H Standard assistance

Standard assistance is to assist our customers at an early stage in order to avoid falling into significant arrears in the future. This is available to all customers who are not yet in arrears of greater than \$55.00 (including GST).

Under Standard Assistance you will be given the options of;

- Making payments of an equal amount over a specified period;
- Making payments at different time intervals;
- Extending by a specified period the pay-by date for a bill for at least one billing cycle in a 12-month period; and/or
- Paying for energy use in advance.

We will work with you to establish the most appropriate option for you. Should you not be able to extinguish your payment difficulties under standard assistance we will offer you tailored assistance.

I Tailored assistance

Tailored assistance is to assist you with flexible and practicable assistance that will make it easier for you to pay for ongoing usage, reduce arrears and lower energy costs. There are a number of options available to our customers under tailored assistance. The option selected for you will be in consideration of your individual circumstances. The minimum assistance available by us includes.

I.1 Assistance A: Able to continue full cost of ongoing energy use

If you are able to continue paying the full cost of your energy use notwithstanding your arrears. Assistance will be provided by:

- Nominating a tailored repayment arrangement that enables you to repay arrears through regular payments over a timeframe you can afford within a two year period;
- We will provide advice about the different payment options, and how each option would help to repay arrears within a nominated timeframe;
- We will help you lower energy costs. This may include advice on energy saving, an inhouse electricity usage review of past bills and load profiles if available. Feedback on how cost savings are progressing;
- In establishing your payment arrangement, we will discuss with you, any support you are entitled to under government and non-government funded schemes, concessions and rebates;
- If you are entitled to receive payments from Centrelink and would like to enter into a Centrepay arrangement, we will ensure that this facility is made available to you. You can contact us for further information on Centrepay. All of our contracts make provision for Centrepay payments;

Assistance A - Payment arrangements

We will provide you under tailored assistance a base payment proposal that complies with the following requirements:

- provide for the making of repayments of equal amounts at regular intervals of up to one month;
- all arrears being fully paid in no more than 2 years after the first payment;
- provide for payments for energy use being made together with payments to reduce arrears; and
- that it is based on a reasonable forecast of the customer's energy use over the next 12 months.

Based on the situation of the customer we may also accept a payment proposal or revised proposal that considers any or all of the following.

- provide for payments of different amounts at different intervals;
- provide for payments for energy use being made separately from payments for arrears; and
- is based on a reasonable forecast of the customer's energy use over the next 12 months.

We will ensure that the confirmation of your arrangement will note your arrears, the date the first payment is due, a schedule of all payments including the dates that payments will be due, confirmation of the amounts of each payment, confirmation of the number of instalments under the arrangement and confirmation of your right to cancel or amend the arrangement upon request;

If you receive Assistance A as detailed herein and fail to make a payment by the date on which it was payable, we must contact you to discuss putting forward a revised proposal.

I.2 Assistance B: Not able to continue full cost of ongoing energy use

If you are not able to continue paying the full cost of your energy use notwithstanding your arrears. We

- may for a period of at least six months put
 - the “repayment of arrears on hold”; and
 - allow you to pay less than the full cost of your ongoing energy use
while working to reduce your cost of ongoing energy use;
- will provide practical assistance to effect lower energy costs during the “repayment of arrears on hold” period;
- will provide specific advice about the likely cost of your future energy use and how to lower it;
- we will discuss with you, any support you are entitled to under government and non-government funded schemes, concessions and rebates;
- we will provide advice and assistance, if you are entitled to receive payments from Centrelink and would like to enter into a Centrepay arrangement, that this facility is made available to you. You can contact us for further information on Centrepay. All of our contracts make provision for Centrepay payments;
- we will provide specific advice about any government and non-government assistance (including utility relief grants and energy concessions) available to you meet your energy costs;
- will ensure that you are placed on the best tariff option for your circumstances in a manner that does not exacerbate your circumstances nor jeopardize your arrangement with us;
- will ensure that an appropriate payment plan is calculated the estimated usage and amount needed to clear arrears over an extended period will be determined;
- will ensure that the payment arrangement we enter into, with your agreement, will take into consideration a number of factors. This will include but is not limited

to the amount outstanding on your account, the cost of your ongoing usage, your payment history and personal circumstances that we are aware of;

- will ensure that the length of the payment plan will be dependent on the nature of your circumstances, the level of debt, as well as your capacity to pay make payments. If required, we will have regard to your expected energy consumption over the following 12 months when establishing a payment arrangement with you;
- will ensure that the final payment plan that will be negotiated with you will be detailed in a schedule and confirmed over the phone and emailed or mailed to you;
- will provide practical assistance to effect lower energy;
- will assist you with an energy audit if such an audit would be beneficial to your circumstances. We may offer some financial assistance with respect to an audit on a case for case basis;
- may upon review, extend the “repayment of arrears on hold” assistance for a further period or periods if the extension would assist the customer to continue to lower the cost of their energy use;
- will continue to monitor and provide assistance throughout the tailored assistance period to rectify your payment difficulties and support energy savings initiatives;
- ensure that you will have the option of having an arrangement reviewed at any time that you are in the payment hardship programme to either decrease or increase payments at any stage;
- ensure that your account standing will be reviewed monthly by your account manager. Your account manager will contact you if an arrangement you have in place is no longer suitable;
- ensure that your account manager has a duty to ensure that they treat you with respect and courtesy at all times. You may contact their supervisor at any time if you are unhappy with the way your account manager is servicing your needs; and
- offer upon completion of your assistance under this Assistance B that you may exercise an entitlement under Assistance A above.

Assistance B: If you are unable to pay ongoing energy use.

- If you fail to make a payment towards the cost of your on-going energy use by the date on which it was payable, we will contact you to discuss varying the amount payable, or the frequency of those payments, or both, to give you more time to lower your energy costs.
- If you fail to meet your responsibility to implement our practical assistance programme afforded to you, we will work with you to identify and revise a programme timeframe.

Notwithstanding we may add any amount unpaid for energy use to your account.

J Continued provision of assistance

We will continue to provide you assistance unless:

- under Assistance A, after making contact to discuss or vary your amounts payable you have refused or failed to take reasonable action towards paying for your on-going energy use and repaying the arrears; or
- under Assistance B, after making contact to discuss or vary your amounts payable you have refused or failed to take reasonable action towards making payments of your on-going energy use; or
- you are not facing payment difficulties.

K If you fail to pay under the terms of your arrangement with us

- As described in detail herein we will work closely with you to provide a repayment programme that meets your needs. We will continue to provide you with the necessary support. However, if after, using our best endeavours you fail to make scheduled payment in a timely way or provide a revised payment plan we may consider suspending your tailored assistance programme.
- If after suspending the tailored assistance programme, your outstanding is greater than \$300.00, we will issue you in writing with a disconnection warning notice (providing a reminder notice had already been issued and the reminder notice period had lapsed).
- If you put forward a revised payment arrangement that includes payments that do not cover the likely cost of your ongoing energy use, you are entitled:
 - a) to have your arrears put on hold for up to 6 months; and
 - b) to receive practical assistance to reduce your energy costs; as long as you have not already taken liberty of that option. **Note:** practical assistance will be ongoing as long there is continued scope to manage and lower your electricity usage.

L Referral and assistance with Government rebates, concessions and grants

Your account manager will be responsible for finding every means possible of assisting you with management of your account. Your account manager will work with any existing advisers you have including financial counsellors and solicitors. With your permission, your account manager will arrange and schedule group meetings to bring all parties together to work on a plan to address your energy account management.

If you join the payment hardship programme with no external advisers, we may, at no cost to you, initiate a meeting with a financial counsellor.

Your account manager will be responsible for providing you with information on any Government rebate, concession or grant that you may be entitled to and will assist you with the application process. Your account manager will inform you about respective eligibility criteria and ask you questions to assist you in determining your entitlements, if any. It is important to understand that the final eligibility to the programme will be decided by the relevant government body or statutory body providing that assistance.

M Energy efficient products and advice

We have specific experience in the area of energy efficiency. Improved efficiency can make a significant difference to electricity consumption for a household.

Within a week of your enrolment into a payment hardship programme, we will arrange a discussion that will go through the various electrical appliances in your home and the ways that you are using those appliances. We will then analyse those results and contact you again to give you specific advice on saving energy. We will email or mail out a copy of their report.

Where we are materially concerned about the consumption load profile measured in your home, we may request that your meter be checked, in the first instance, at no cost. Should the meter require extensive testing then a fee will be charged which will be conveyed to you by us seeking your approval to proceed.

The account manager will review whether some appliances in your home may need to be replaced. The account manager will consider any entitlement you may have to capital grants for an appliance replacement including community buying groups in your area to assist you to purchase.

M.1 Supply capacity control products

We will not be able to offer supply capacity control products to you for any credit management purpose in regard to your payment difficulty programme.

N Review of appropriateness of tariff offers

Your account manager will be responsible for reviewing the appropriateness of your market contract. This review will take place within 2 weeks of your entry into the payment hardship programme and will be conducted at no cost to you.

If, on review, your account manager determines that we can provide you with an offer that is more suitable to your circumstances (i.e. with lower tariffs, different product structure or other benefits) we will ask whether or not you would like to move to the

new offer. If you provide your consent to do so, we will move you to the new offer and not charge you any fee. You will remain a participant in the payment hardship programme under the new contract.

Your account manager will, during the review, determine if your market contract prevents you from using Centrepay and, if it does, will offer you an alternative contract or offer to amend your existing contract to include Centrepay. In all cases, any alternative contract we offer will most likely have Centrepay available as a payment option.

The results of the review into the appropriateness of your current market contract will be communicated to you by phone or in writing within 3 weeks of your entry into the payment hardship programme. You will then be given as much time as you need to consider accepting an alternative offer.

O Leaving the hardship programme

You may leave the payment hardship programme at any time upon request, successfully complete the programme or be removed from the programme. In any case, you are able to re-enter the programme at any time after that provided you are eligible to do so.

P Successful completion

Upon successful completion of the payment hardship programme, you will be sent a letter confirming the status of the account and the completion of the programme.

Your account will no longer be in the credit cycle or in hardship status but will continue to be reviewed. Your account will then return to the usual credit and collection cycles unless you wish to re-enter the programme.

Q Removal from the hardship programme

Whilst you are on the payment hardship programme, you must abide by any payment plan in place unless an alternative arrangement is agreed between us.

You must also be available to remain in contact with us and notify us of any change in circumstances. If you fail to keep the arrangement and/or fail to respond to our reasonable attempts to contact you, you may be placed back into the normal collection cycle.

If you are removed from the payment hardship programme you will be sent a letter setting out the reasons for the removal from the programme and giving you the opportunity to contact us and negotiate a further payment arrangement.

If you are removed from the payment hardship programme and wish to re-enter, you will need to provide reasons for the initial failure to meet payment arrangements or maintain contact with us. We will ensure that we give you this opportunity.

R Training

Our staff will receive training on this Policy, how to identify customers in potential hardship; training on issues relating to financial hardship; regular refresher training on identification and referral processes and protocols, training in respectful communication to ensure customers experiencing hardship are dealt with in an empathetic and non-judgmental manner.

Our staff will attend meetings and training provided by financial counsellors and community organisations to assist them in understanding the issues that may be faced by our customers.

S Complaints

You have the right to lodge a complaint with us at any time and about any aspect of our services and, if you do so, we are obliged to abide by our Policy Statement on Complaints Handling.

NOTE – “The Energy Retail Code, which sets out retailers’ obligations and minimum customer entitlements, takes precedence over this hardship policy in all circumstances.”

Please contact us if you would like to lodge a complaint about access to, or participation in, the hardship programme.

End.