

National Hardship Policy

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1 BACKGROUND

We understand that energy is an essential service for every household, so disconnection will have significant implications. We want to avoid this wherever possible.

As part of our commitment to working in the best interests of our customers, we recognise that from time to time our customers may face financial difficulties. We understand that there can be times when our domestic customers intend to pay their energy bills but, through no fault of their own, may be struggling to pay them by the due date.

Any Disconnection Notices we send to our customers include the following statement "**People Energy's Hardship Program** is available to residential customers only, experiencing either short or long term financial hardship. Through this program we will aim to assist you by providing you with a payment plan, information on the availability of government concessions, Utility Relief Grants, Energy Efficiency advice and the availability of a financial counsellor. If you are experiencing difficulties we encourage you to make" We encourage our customers in financial difficulty to proactively contact us so that we can assist and prevent the property from being disconnected.

We accept the general principle that disconnection of an essential service will be the last resort which should only be used when all other options for payment of bills have failed.

This Financial Hardship Policy outlines the minimum standards we will adopt to;

identify domestic customers who are experiencing payment difficulties due to hardship;

assist customers to better manage their energy bills so that the risk of disconnection is reduced or eliminated.

General training in the Financial Hardship Policy is part of induction and ongoing training for all People Energy staff and contractors. More detailed training is made available for people actively involved in managing the policy.

The policy is freely available by contacting us directly by phone or mail, or on our web site.

If you are in a situation of genuine financial hardship and cannot pay your energy bill please contact us urgently on **1300 788 970** so that we can do our best to help you.

2 THE PRINCIPLES THAT UNDERLINE THIS POLICY

The principles that underline this Policy are:

- We will work with our customers empathetically, respectfully and fairly.
- We encourage our customers in hardship to self-identify if they are experiencing financial hardship.
- We will also endeavour to proactively identify a customer in financial hardship.
- We will actively look for ways to assist our customers in reducing their energy usage.
- We will ensure that personal information will be managed securely and confidentially.
- We recognise that energy is an essential service for residential customers. Any customer participating in our Hardship Program will not be disconnected.
- We will always look for ways to assist our customers with our services, our expertise and our connections.

3 DEFINITIONS

For the purposes of this policy, we define domestic customers as:

Residential customers who purchase electricity principally for personal, household or domestic use at the address specified in the contract for supply of energy.

We define financial hardship as:

- where you tell us you are experiencing difficulty paying your bill, or
- where your payment history suggests that you are having difficulties with payments, or
- where your financial counsellor or welfare agency (acting with your approval) tells us that you are having problems paying your energy bill due to financial hardship.

4 INDICATORS OF FINANCIAL HARDSHIP

- You are not paying all or part of your energy bill on an ongoing basis;
- You have broken an agreed instalment plan;
- Your independent financial counsellor or other welfare agency contacts us, with your authority and tells us that you are experiencing financial hardship and unable to pay your energy bill;
- We are advised that you have applied for a Utilities Relief Grant;
- You advise us that you have problems paying your energy bill.

5 OUR CUSTOMER VALUES

We recognise that for a whole variety of reasons you might find yourself in times of genuine financial hardship and unable to pay your energy bills.

Our hardship policy is in place to help and support you. We will try to find workable solutions to help you that are fair, equitable, effective and lasting for both you and us.

6 OUR CUSTOMER CHARTER

People Energy's Customer Charter is provided to you when you become a People Energy customer. It is also available on our website at www.peopleenergy.com.au

Our Customer Charter refers to our Hardship Policy. It also summarises assistance available to you on such matters as payment plans and Government assistance.

Our clear message to you is this:

If you find yourself in financial difficulty and you cannot pay your energy bill, please contact us for assistance as soon as you can and before the bill is due for payment. Our number is 1300 788 970.

7 OUR APPROACH

We have developed a Financial Hardship Program to ensure that our customers have access to the best possible support when faced with energy-related debt.

We have established a specialist team to manage our obligations under this policy. Members of the team have been selected for their ability to provide the best possible customer experience through simple, transparent and customer focused service. They have been trained in identifying customers in potential financial hardship and how to help them most effectively while also achieving People Energy's commercial objectives.

Part of the team's work is to establish and use processes to identify customers experiencing payment difficulties due to hardship. Their role includes making contact proactively with customers where indicators suggest that they may be experiencing financial hardship. They will have regard to customers' capacity to pay current and future energy-related debts, the amounts currently outstanding and expected energy usage in the future.

If you are our customer, our team is able to assess information about your payment history and, where appropriate, offer you an instalment plan to help manage your energy consumption debt. We can provide you with information about the full range of payment options which are available, and help you decide what option is best in your circumstance. Team members are also able to provide details of concessions, information about energy efficiency and advice about financial counselling options.

Our approach is to treat you with courtesy and respect. We understand that if you are faced with financial stress things need to be managed both with timeliness (to prevent further escalation of the situation) and with the utmost sensitivity.

We will ensure that you are fully informed of your rights and obligations under the terms of your contract, including your rights and obligations under this hardship policy, in relation to:

- additional time to pay;
- appropriate tariff for your circumstances;
- instalment plans;
- Government programs if applicable;
- financial counselling;
- waiver of late payment fees;
- energy audits; and
- payment options such as direct debit and Centrepay if applicable.

Once commitments are agreed, we will establish milestones and actively monitor performance to ensure that everything remains on track. Where problems emerge, we contact customers promptly to resolve them. Depending on circumstances, if commitments are not being met, payment instalment plans may be revised or cancelled at this point.

8 EARLY ALERT TO YOUR POTENTIAL HARDHSIP ISSUE

We monitor accounts which are overdue or late as part of our normal businessmanagement, which alerts us early to potential problems. If we identify any customer that is displaying signs of being in financial hardship we will make an effort to proactively contact that customer over the phone or through post to discuss the options available under the Hardship Program and the availability of the Hardship Program.

We also welcome early approaches by our customers experiencing financial hardship sothat this policy can be implemented.

There are several actions which can be taken to alleviate financial burdens arising from your use of electricity. It is therefore best that customers make contact with us at early stages to avoid any debt from accruing further.

We will attempt to respond to your request for hardship assistance within 48 hours of you making the request to us. The Hardship Officer will discuss with you the various options available to you to assist you in reducing your electricity. The Hardship Officer will take into consideration your capacity to pay, your arrears and ongoing usage. We will regularly monitor your account to ensure that the you do not fall into further debt with us.

The options available for customer's identified as being in financial hardship are:

- additional time to pay;
- appropriate tariff for your circumstances;
- instalment plans;
- Government programs if applicable;
- financial counselling;
- waiver of late payment fees;
- energy audits; and
- payment options such as direct debit and Centrepay if applicable.

9 OUR PROCESS

We have an even-handed equitable approach to assisting our customer's experiencing financial hardship. We also recognise that each situation may well be different to others we have experienced. In order to apply for entry into the Hardship Program you must contact People Energy on 1300 788 970 and advise us that your are experiencing either short or long term financial difficulty and need the assistance of the Hardship Program. Once you have made the request, a Hardship Officer will contact you and conduct an over the phone interview and asses your eligibility into the Hardship Program. The Hardship Officer will also discuss the terms of the Hardship Program and what options are available to assist in reducing the debt and managing your on-going usage.

Our Hardship Officer's have authority to take all circumstances into account when discussingoptions with you. We record the nature and subject matter of all calls, emails and other correspondence between us. This enables our team to have access to all relevant information when assisting you. Your privacy is protected at all times by our compliance withprivacy legislation.

One of our Hardship Officer's is assigned to each customer under our financial hardship management program, and they report regularly about cases under their care. Detailed file notes are made of all contact and commitments to ensure that they are followed through and are available for review in the future. Hardship Officers have clear delegations of authority which enable them to agree with you on the spot in most cases about payment instalment plans and associated actions under this program.

Where we are unable to assist you further under the Financial Hardship program we will communicate this clearly. Circumstances where this may apply are detailed later in this policy.

When you enter the Financial Hardship Program developed under this policy we will review your existing market contract and recommend the most appropriate tariff applicable to your circumstances, bearing in mind:

- cost effectiveness;
- any dedicated off-peak appliances you have; and
- your tariff, power usage, billing patterns and any other relevant information.

There is no charge for this review and assistance under the Financial Hardship Program.

We will monitor your energy usage during your participation in the Financial Hardship Program to ensure that you continue to benefit from the most appropriate tariff. We will monitor payments closely to ensure that debt is reduced and does not accumulate further. We are happy to work closely with you to deal with underlying issues, and will be extremely satisfied if you are able to clear outstanding debts and establish a payment history which positions you to benefit from our generous discounts for payments on or before due dates.

Our Customers can experience either short-term or longer-term financial hardship.

With the shorter-term situation we may be able to help you with a payment instalment plan. We will negotiate fair and reasonable payment levels and timeframes mutually acceptable to you and us.

With the longer-term situation we will work with you to provide a range of options that will provide a more sustainable approach. For example, this may include advice about suitable appliances or referral to financial counselling services.

In all cases, communication between us is critical. If you are suffering financial hardship which is affecting your ability to pay your energy bills it is very important to tell us as soon as possible. We can address it with you in a way best suited to your circumstances.

10 APPLICATION OF OUR FINANCIAL HARDSHIP POLICY

We will ask you to demonstrate your willingness to participate with us in managing your energy-related debt. Participation in the Hardship Program requires you to agree to a payment plan that will assist in reducing your arrears and managing the cost of your ongoing usage. Further it also requires you to participate in over the phone energy audits, participate in any referrals to financial counsellors and for eligible customers the process of applying for government funded concession schemes.

All our discussions will be in the strictest confidence.

While you meet all your commitments in managing your energy-related debt we will continue to apply this policy. If you fail to meet your commitments, normal credit action may be commenced.

While you are participating in the Financial Hardship Program you will not incur late payment fees, nor will you be required to provide a security deposit.

11 AVAILABILITY

Our Financial Hardship Program is available to you at any time that you are experiencing temporary or more permanent financial hardship, resulting in non-payment of your energy bills. We will make every effort to assist you in such circumstances.

While you meet all your agreed commitments in managing your energy-related debt we will continue to apply this policy. If you fail to meet your commitments twice within 12 months, or fail to agree and fulfil revised arrangements, normal credit treatment may be commenced. Opportunities to re-enter the Financial Hardship Program will depend on the circumstances which led to previous failures.

If you have complaints or concerns about our actions under the program, such as your removal or exclusion from participating in the hardship program, you can raise the issue through People Energy's complaints process. Initial contact should be through our Customer Care Line on 1300 788 970. We will deal with your complaints or concerns promptly, and try to resolve them within 14 business days. If the matter cannot be resolved within that timeframe we will advise you and agree on a new resolution date.

If you feel that the matter has not been resolved adequately you are entitled to raise your complaint or concern through the ombudsman scheme in your State.

12 DENIED ACCESS TO THE HARDSHIP PROGRAM

If you do not meet the eligibility criteria, we will deny you entry to the Program. 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 Hardship Team will conduct that review.

We will deny you access to the Hardship Program if we determine that you have not shown a willingness to pay. This may be evident to us from an examination of the contacts we have had with you in the past and the payment plan offers we have made but have been rejected or defaulted by you. We accept that willingness to pay will be influenced by your personal circumstances and so we will give you an opportunity to demonstrate willingness to pay if we initially deny you access to the Program on this basis.

13 ADDITIONAL TIME TO PAY

An extension of time to pay your bill may be arranged, at our discretion, for some or all the amount owed.

14 INSTALMENT PLANS

If you would like to make payments in advance of your next bill we can easily arrange this for you.

We can also provide you with the facility to pay amounts in arrears on an agreed instalment plan. When establishing an instalment plan we will have regard to your capacity to pay, any arrears owing and the expected energy consumption over the following 12 months. We will endeavour to provide a payment plan that best suits your individual personal circumstances. We will focus our efforts in order to assist you in getting ahead of their debts with People Energy. We will talk through the advantages and any disadvantages with the agreed instalment plan. Every instalment agreed on will be monitored very closely by the Hardship Officer. The aim of all instalment plans is to ensure that a customer does not fall into further arrears placing further pressure on their financial circumstances.

When assisting your capacity to pay we will take into consideration your current financial circumstances, your financial commitments, and any information provided by a financial counsellor.

In agreeing to an instalment plan with you, we will agree on the period of the plan, the amount of the instalments (reflecting your consumption needs and your capacity to pay), the number of instalments, details of the method of instalment calculation and the most appropriate payment method.

We will review progress on your plan for such situations as when supply trends are different to previously estimated, and agree with you any plan changes to adjust for this.

You can contact us to renegotiate or revise your instalment plan if there are any changes to your circumstances.

15 GOVERNMENT PROGRAMS AND ASSISTANCE

If you meet certain criteria you may be eligible for government programs which provide financial assistance to people having difficulty paying their energy accounts. We will discuss these options with you.

In Victoria, a range of assistance is available. Full details may be accessed on the Department of Human Services (DHS) web site at <http://www.dhs.vic.gov.au/concessions/entitlements/energy>

16 WORKING WITH FINANCIAL COUNSELLORS AND COMMUNITY GROUPS

We will aim to make it as easy as possible for a financial counsellor or other authorised third party to refer a customer to our Hardship Program. To do this, we will endeavour to meet with financial counsellors and community organisations. The purpose of these meetings will be to promote our Hardship Program and ensure that financial counsellors and other authorised third parties have a direct contact within our organisation to refer customers to. The purpose of these meetings will also be to obtain and act upon feedback from financial counsellors. Reports from these meetings will provide us with valuable intelligence into the issues faced by our customers and in the wider community relating to energy retail.

17 PAYMENT METHODS

We recommend the use of electronic payment options to maximise your savings. Our bills set out the electronic payment options available to our customers, including BPAY, internet, telephone, direct debit and POST billpay. If you want to pay in person, payments can be made at any branch of Australia Post or by mail.

Arrangements can also be made for payment through Centrepay for Centrelink clients. Centrepay will allow for customers to pay for their electricity usage through the fortnightly payments received from Centrelink. In this instance Centrelink will deduct an agreed amount from your fortnightly payments and provide it to People Energy instead. More information about this can be obtained from <http://www.humanservices.gov.au/customer/services/centrelink/centrepay>

18 ENERGY EFFICIENCY ADVICE

Our Hardship Team is able to provide you with Energy Efficiency advice to help you reduce the cost of your electricity usage. This can be done over the phone with you.

If we are unable to assist you with a phone audit we can make available an energy efficiency field audit service for our customers. This program aims to assist customers in reducing their electricity consumption.

The service can identify reasons for the level of electricity consumption and suggest changes to reduce the cost to you.

We can arrange a visit to site by an experienced and qualified person, who will provide you with a report on changes which you can make to your electricity usage.

If you are in financial hardship we may arrange to waive the normal contribution for personalised energy efficiency advice.

19 ADVISING YOU OF OTHER SUPPORT SERVICES

We can provide you with information on support services that may be able to assist you in overcoming financial hardship issues eg (Centrelink, Department of Veterans Affairs, free independent financial counselling advisory services, and relevant community based groups).

20 ELECTRICAL EQUIPMENT REPLACEMENT

If you are experiencing financial hardship we can provide sound and independent advice on the purchase or supply of replacement electrical equipment.

Where a field audit recommends replacement of an appliance to reduce electricity consumption, we can refer eligible customers suffering financial hardship to a panel of reputable electrical appliance retailers who are able to advise you on suitable alternative appliances.

We can also assist you by referring you to Community Organisations that can provide you with assistance to purchase the electrical appliance through a No Interest Loan Scheme (NILS)

21 CONTINUATION OF YOUR ENERGY SUPPLY

We will attempt to make both written and verbal contact with you on at least three occasions if you do not pay our bill.

We will genuinely encourage you, if you break a payment plan, to discuss another plan or utilise other resources to help you.

If we contact you at what would normally be the disconnection of supply stage, we will make it clear to you that we will not disconnect your supply earlier than 7 business days after receipt of the disconnection notice.

If you absolutely refuse to provide reasonable assurance of payment, or if you do so and then fail to follow another payment plan, we do have the ultimate legal right to disconnect your electricity supply.

We will always seek to negotiate an outcome with you rather than leave you without electricity. Disconnection is our absolutely last resort, and we would consider it only after we have exhausted all other reasonable avenues.

At all stages we will use our best endeavours to contact you to establish if your failure to pay our bill is due to genuine financial hardship.

22 LEAVING THE HARDSHIP PROGRAM

You may leave the Hardship Program at any time upon request, by successfully completing the program or be removed from the program. In any case, you are able to re-enter the program at any time after that, provided you are eligible to do so.

■ Successful Completion

Upon successful completion of the Hardship Program, you will be sent a letter confirming the status of the account and the completion of the program. Your account will no longer be in the credit cycle or in hardship status but will continue to be reviewed to ensure that any ongoing payment arrangements are based on your capacity to pay. Your account will then return to the usual credit and collection cycles unless you wish to re-enter the program.

■ Removal from the Hardship Program

Whilst you are on the Hardship Program, you must abide by the terms of the Hardship Program. This means that if we have agreed on a Payment plan you must comply with the terms of that payment plan. If we have agreed for you to seek assistance from a Financial Counsellor or from Centrelink you must cooperate in the process. You must keep regular contact with us and notify us of any change in circumstances. Failing to keep contact with us or cooperate with us will result in you being removed from the Hardship Program

If you are removed from the Hardship Program you will be sent a letter setting out the reasons for the removal from the program and giving you the opportunity to contact us and negotiate the opportunity to continue to remain on the Hardship Program.

If you are removed from the Hardship Program and wish to re-enter, you will need to demonstrate a willingness to manage your account and provide reasons for the initial failure to meet payment arrangements or maintain contact with us. We will ensure that we give you this opportunity.

23 YOUR PRIVACY IS PROTECTED

We will protect your privacy at all times in accordance with the Privacy Act 1988.

You may access and request an update to personal information held by us at any time by contacting our Customer Care Team on 1300 788 970 or by writing to us at the address provided below.

24 TRAINING

Our Team 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 endeavour to 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. A record of any training undertaken will be kept for all staff in accordance with our HR Training Procedures.

25 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.

Please contact us if you would like to lodge a complaint about access to, or participation in, the hardship program. You are entitled to have your complaint escalated within our organisation if you are not satisfied with the investigation or resolution of your complaint.

If you are not satisfied with our response or investigation into your complaint you may contact the Energy Ombudsman in your state.

26 REVIEW

This policy is reviewed annually or on in line with changing business requirements or legal requirements.

27 ACCESS TO THE HARDSHIP POLICY

A copy of the Hardship Policy is available on our website www.peopleenergy.com.au

Customer's can also contact People Energy directly and request for a copy of the policy to be provided to them. We are able to provide a copy of the Hardship Policy either electronically or in the post at no cost.

APPENDIX

Contact Details

PEOPLE ENERGY	
Telephone Enquiries and Complaints	1800 788 970
Telephone Interpreter Services	13 14 50
Facsimile	03 8692 0002
Email	info@peopleenergy.com.au
Website	www.peopleenergy.com.au

ENERGY AND WATER OMBUDSMAN VICTORIA	
Telephone	1800 500 509 or 1800 500 529 for hearing
Facsimile	1800 500 549
Interpreter Services	13 14 50
Mail	GPO Box 469D, Melbourne, VIC 3001
Website	www.ewov.com.au