

GLOBIRD ENERGY PTY LTD

HARDSHIP POLICY

1. OVERVIEW

1.1 INTRODUCTION

1.1.1. This is GloBird Energy's policy for dealing with Victorian domestic customers experiencing financial hardship (**Policy**).

1.1.2. Customers can see this hardship policy on our website at www.globirdenergy.com.au and can request a free copy by contacting us as follows:

Telephone: 13 3456 or 1300 516 888 (中文)

Email: customerservice@globirdenergy.com.au

Address: PO Box 398, Ringwood Vic 3134

1.1.3. If your first language is not English, interpreter services can be arranged if necessary. We use TIS – the Translating and Interpreting Service – which is a free service. Their number is 131450 for most languages, or 1300 516 888 for Chinese (中文).

1.2 ASSISTANCE OBJECTIVE

1.2.1. The objective of this Policy is to set out the minimum standards of assistance to which residential customers anticipating or facing payment difficulties are entitled, so that disconnection of a residential customer for not paying a bill is a measure of last resort (**Policy Objective**).

1.3 CUSTOMERS' ENTITLEMENT TO ASSISTANCE

1.3.1. All residential customers anticipating or facing payment difficulty are entitled to our assistance. We will work with customers to identify the most appropriate assistance, and ensure they receive at least their minimum entitlements.

1.4 OUTCOMES CUSTOMERS CAN EXPECT

1.4.1. Customers anticipating or facing payment difficulty and receiving assistance from us can expect to:

- (a) fall into payment difficulty (arrears) less frequently;
- (b) receive timely assistance from us that responds flexibly to their individual circumstances;
- (c) be provided with information about the cost of their energy use, and practical assistance to better manage their energy costs;
- (d) be able to arrange to pay for their energy use in a way that helps them manage their finances;
- (e) be able to propose how they will repay any arrears in a timely and sustainable way;
- (f) be provided with information and advice about how to access government and non- government support services;
- (g) be treated with respect by us; and
- (h) only be disconnected for non-payment of a bill as a last resort.

1.5 SCOPE

- 1.5.1. This Policy applies to residential customers, being customers who purchase energy principally for personal, household or domestic use.¹

1.6 COMMENCEMENT

- 1.6.1. This Policy takes effect on 1 January 2019.

2. STANDARD ASSISTANCE

2.2 OVERVIEW

- 2.2.1. The objective of the assistance contemplated by this paragraph 2 (**Standard Assistance**) is to give customers an entitlement to minimum standard forms of assistance, to help them avoid getting into arrears with us (**Standard Assistance Objective**).
- 2.2.2. Standard Assistance is available to all customers who are not yet in arrears of \$55 or more (including GST).
- 2.2.3. By providing Standard Assistance, we aim to encourage customers to take early action to manage their payments and avoid getting into arrears, therefore reducing the risk of disconnection.
- 2.2.4. We provide four forms of Standard Assistance, detailed below.
- 2.2.5. Our Standard Assistance payment arrangements are not billing options. We will continue to bill customers receiving Standard Assistance on their existing billing cycle.
- 2.2.6. A customer is entitled to all of our Standard Assistance, to the extent that these forms of assistance are compatible and are able to be combined into a single payment arrangement for the customer.²

2.3 ACCESSING STANDARD ASSISTANCE

- 2.3.1. Customers wishing to receive Standard Assistance from us will need to contact us before the pay-by date of their bill has passed.
- 2.3.2. Our contact details are as follows:

Telephone: 13 3456 or 1300 516 888 (中文)
Email: customerservice@globirdenergy.com.au
Address: PO Box 398, Ringwood Vic 3134

- 2.3.3. For customers whose first language is not English, interpreter services can be arranged. We use TIS – the Translating and Interpreting Service – which is a free service. Their number is 131450 for most languages, or 1300 516 888 for Chinese (中文).

¹ Any reference in this Policy to a customer or to customers is to a residential customer or residential customers only.

² To illustrate, assistance that allows a customer to make equal payment over a specified period and assistance that provides the customer with a shorter payment interval should be fully compatible in most instances. However, extending the pay-by-date for a bill and paying for energy use in advance may not be compatible.

2.4 FORMS OF STANDARD ASSISTANCE

Equal payments

- 2.4.1. This form of Standard Assistance allows the customer to make equal payments at a standard interval determined by us. To illustrate, we may provide a customer with the option to pay \$50 per fortnight to cover the cost of ongoing energy usage. Another example is where we provide a customer with monthly payments of \$150 over a three-month period to pay a quarterly electricity bill of \$450.
- 2.4.2. If we provide the option of equal payments for a period of 12 months or longer to a customer on a standard retail contract, we must do so consistent with the minimum requirements applicable to bill smoothing under the Energy Retail Code.

Payment intervals

- 2.4.3. This form of Standard Assistance allows the customer to select a payment interval from the standard [monthly, fortnightly and weekly] payment options we provide. We provide options that enable all customers to be able to access at least one payment interval that is shorter than their usual payment cycle.

Extension of the bill pay-by date

- 2.4.4. This option entitles the customer to extend the pay-by date of their bill by a standard amount of 14 days.
- 2.4.5. We provide all customers with the option to extend the pay-by date of one bill within a twelve-month period. The standard extension period of 14 days is available to all customers.

Payment in advance

- 2.4.6. This option entitles the customer to make payments towards their account in advance.
- 2.4.7. We allow customers to make regular or ad hoc, equal or variable, payments (i.e. not a consistent amount) towards their account.

2.5 INTERACTION BETWEEN STANDARD AND TAILORED ASSISTANCE

Equal payments and Tailored Assistance

- 2.5.1. If a customer has an equal payments arrangement and misses an instalment, and the customer has arrears of more than \$55 (inclusive of GST), we will contact the customer within 21 business days after the pay-by date to provide the customer with the customer's entitlement to the tailored assistance contemplated by paragraph 3 (**Tailored Assistance**).

Payment intervals and Tailored Assistance

- 2.5.2. If we have provided a customer with options to pay at different intervals, such as monthly, and the customer does not pay the agreed instalment and has arrears of \$55 or more (inclusive of GST), then we will contact the customer within 21 business days after the pay-by date to provide the customer with the customer's entitlement to Tailored Assistance.

Extended pay-by date and Tailored Assistance

- 2.5.3. If we have provided a customer with a payment extension and the customer does not pay by the agreed (extended) pay-by date, then we will contact the customer within 21 business days after the pay-by date of the bill to provide the customer with the customer's entitlement to Tailored Assistance, if the customer's arrears are \$55 or more (inclusive of GST).

Payment in advance, arrears and Tailored Assistance

- 2.5.4. If a customer has a payment in advance arrangement and has an outstanding balance at the time the customer's next bill is issued, we will not need to contact the customer to provide Tailored Assistance so long as the customer maintains the payment arrangement and is projected to owe less than \$55 (inclusive of GST) at the time the next bill is issued. However, if the customer's payments in advance are not covering the cost of ongoing bills and the account balance reaches arrears of \$55 or more (inclusive of GST), then we will contact the customer within 21 business days after the pay-by date of the bill to provide the customer with the customer's entitlement to Tailored Assistance.

Customer who does not maintain a Standard Assistance payment arrangement

- 2.5.5. If a customer does not maintain a Standard Assistance payment arrangement, the customer will be in arrears. We will not proceed with the disconnection process until we have fulfilled our obligations to provide the customer with Tailored Assistance within 21 business days after the pay-by date of the bill.
- 2.5.6. If the customer rectifies a missed payment arrangement instalment (e.g., the customer pay a few days late) and the customer are no longer in arrears, then we will not contact the customer to provide Tailored Assistance.

3. TAILORED ASSISTANCE

3.2 OVERVIEW

- 3.2.1. The objective of the Tailored Assistance we provide is to give residential customers an entitlement to minimum standards of flexible and practicable assistance that makes it easier for them to pay for their on-going energy use, repay their arrears and lower their energy costs (**Tailored Assistance Objective**).
- 3.2.2. Tailored Assistance is available to all customers who are in arrears of \$55 or more (including GST).
- 3.2.3. Customers are entitled to payment arrangements that assist them to repay their arrears and pay for their ongoing usage costs. Customers are also entitled to receive assistance to support them lowering their energy costs and to access government and non-government support services.
- 3.2.4. Customers in more severe types of payment difficulty – where they cannot afford to pay for their ongoing energy use – are entitled to additional assistance, including a period of at least six months where repayment of their arrears is put on hold while they work with us to lower their ongoing usage costs. Customers are also entitled to an energy offer and tariff that, based on our knowledge of their energy use, payment history and known circumstances, would be most likely to help lower the cost of the customer's ongoing energy use.
- 3.2.5. The Tailored Assistance we provide reduces the risk of a customer having energy supply disconnected for not paying a bill.

3.3 FAIR AND REASONABLE TREATMENT

- 3.3.1. Whenever we interact with our customers, we aim to treat them fairly and reasonably.
- 3.3.2. This is especially important when a customer is in arrears and needing to discuss their payment difficulty with us. We will support customers in this situation with respect and empathy, and consistently and equitably, take into account all of the customer's circumstances including their reasonable (or unreasonable) actions and recognising that disconnection of the customer from their energy supply should be a measure of last resort.

3.4 CUSTOMER CIRCUMSTANCES

Outcomes for the customer

- 3.4.1. Because every customer's circumstances are unique, this Policy cannot be definitive of all circumstances that may arise and cannot be a substitute for the proper exercise of judgment in each customer's particular set of circumstances. However, we will always bear in mind the Policy Objective when exercising judgement in providing flexible and practical assistance that makes it easier for a customer to pay for their ongoing energy use and repay their arrears.
- 3.4.2. In relation to providing a customer with their entitlements to assistance, we will consider and have regard to the customer's circumstances that we are aware of, including:
- (a) the customer's payment history and amount of arrears with us (and not with other retailers), including for another energy account (if applicable);
 - (b) any information that the customer has volunteered in conversations with us (whether initiated by the customer or us);
 - (c) the customer's preferred contact methods and time of day; and
 - (d) any relevant information we collect through discussions and questions.
- 3.4.3. We will handle any sensitive customer information, such as health information, in line with the requirements of relevant privacy laws.
- 3.4.4. In providing Tailored Assistance to customers and considering disconnection, we will have regard to any customer circumstances that we are aware of, including:
- (a) family violence;
 - (b) family or relationship breakdown;
 - (c) whether the customer has a representative or advocate acting on their behalf;
 - (d) death or serious medical condition of a spouse or immediate family member;
 - (e) whether the customer has a disability or care provider;
 - (f) whether the customer has no or limited English skills;
 - (g) whether the customer has access to electronic communication channels such as email or the internet;
 - (h) whether the customer has a serious illness or medical condition (including mental health) that impacts the customer's ability to engage or communicate with us (e.g. having sight or hearing impairment);
 - (i) loss of employment or regular source of income;
 - (j) variable income such as seasonal or casual work;
 - (k) whether the customer is a recipient of government assistance (Centrelink payments, particularly Newstart);
 - (l) whether the customer is a concession card holder;
 - (m) unexpected and essential cost of living expenses (urgent house repairs, car repairs, medical expenses, schooling or child care expenses, etc.);
 - (n) debt on any other energy account with us;
 - (o) acute financial or personal hardship;

- (p) whether the customer is temporarily uncontactable (e.g. due to hospitalisation or disconnected telephone (including mobile) or internet services); and
- (q) low literacy and/or numeracy, or lack of confidence in speaking to service providers (often necessitating a role for community service providers).

3.4.5. The preceding list is not exhaustive.

3.4.6. We will not necessarily consider any one of the above circumstances in isolation. We will look at a customer's circumstances holistically, including their payment history, amount of arrears, ability or inability to pay ongoing usage, whether we have provided an appliance replacement or energy audit at a cost to the customer (and thereby increased the customer's level of arrears), etc. However, we may need to place a greater weight on a particular customer circumstance, such as sudden loss of employment or a serious and ongoing medical condition. These circumstances will inform all our decisions in relation to the assistance we provide the customer and any disconnection of, particularly in relation to deciding:

- (a) whether to accept a payment arrangement that provides for payment of different amounts at different intervals;
- (b) whether to extend assistance, including providing a payment arrangement that is longer than 2 years or an additional period of time where the customer's arrears are on hold;
- (c) whether to accept a payment arrangement that provides for separate payments for arrears and ongoing energy use;
- (d) whether to continue to provide assistance;
- (e) whether to provide the customer with practical assistance elements under Tailored Assistance when they are not clearly entitled to it (i.e. the customer can only just meet their ongoing energy costs);
- (f) how to fulfil our best endeavours obligations and provide assistance in a timely way;
- (g) whether we have acted fairly and reasonably in its dealings with a customer, having regard to the customer's circumstances; and
- (h) whether to disconnect a customer's energy supply as a last resort.

3.4.7. We will maintain sufficient and appropriate records of how we take an individual customer's known circumstances into account.

Non-English speaking and sensory impaired customers

3.4.8. Where we know or discover that a customer is non-English speaking or sensory impaired, we will be flexible and adaptive in determining the best way in which to engage. The strategies listed below may be appropriate depending upon the circumstances of the customer. We may:

- (a) engage through an employee who speaks the preferred language of the customer;
- (b) engage through a family member, friend or other person with legal capacity nominated by the customer;
- (c) engage with a financial counsellor or community services worker nominated by the customer;
- (d) provide free use of the Translating and Interpreting Service; and
- (e) provide free use of the National Relay Service for sensory impaired customers.

Evidence of customer circumstances

- 3.4.9. When providing Tailored Assistance to customers, we will take information provided by customers on face value and not require evidence or substantiation of a customer's circumstances, unless we have, and can evidence, a firm basis to suggest otherwise.

3.5 CONTACTING CUSTOMERS TO PROVIDE ASSISTANCE

- 3.5.1. We will be discreet in making contact with customers and have regard to known customer circumstances. We will provide customers, who may be struggling to pay a bill or to maintain a payment arrangement, with timely assistance.
- 3.5.2. When contacting customers, we will comply with the requirements of the Debt collection guideline: for collectors and creditors jointly published by the Australian Competition and Consumer Commission and the Australian Securities and Investments Commission (**ACCC/ASIC Debt collection guideline**), particularly the provisions about making contact with a debtor (section 1), contacts (section 3), privacy (section 8), and conduct towards the debtor and third parties (sections 17 and 18).

3.6 PROVIDING TAILORED ASSISTANCE IN A TIMELY MANNER

- 3.6.1. We will exercise our judgement and use the information available and known to us at a particular point in time about an individual customer – including known customer circumstances – when fulfilling our obligations to use best endeavours to contact customers and provide them with timely assistance, including:
- (a) providing Tailored Assistance within 21 business days of a missed bill pay-by date;
 - (b) revising a payment arrangement under Tailored Assistance in a timely manner once we become aware a customer has not made a payment according to the payment schedule; and
 - (c) establishing a new implementation timeframe for practical assistance in a timely manner once we become aware that the customer has not taken steps to implement the practical assistance, as agreed with us.

Preferred contact methods

- 3.6.2. We will attempt to contact customers via their preferred contact methods, if they are known to us. If the customer prefers telephone contact and we know the customer's preferred time of day for contact, then we will also rely on this information for the first contact attempt.
- 3.6.3. If we do not know, do not have a sufficient record of a customer's preferred contact method, or have not been able to successfully contact the customer via their preferred contact method, then we will make at least one contact via different methods, to provide Tailored Assistance.

Electronic communications

- 3.6.4. We may use electronic communications, including email and text message (SMS), to fulfil our best endeavours obligations.

Record keeping

- 3.6.5. We will keep records of our best endeavours efforts to provide a customer with their entitlements to Tailored Assistance, and also in relation to a customer's preferred contact method if we rely on this to fulfil our obligations.

ACCC/ASIC Debt collection guideline

- 3.6.6. We need to balance our obligations to use best endeavours and our obligations under the ACCC/ASIC Debt collection guideline. We will not be non-compliant with the ACCC/ASIC Debt collection guideline, such as contacting the customer outside of the frequency, timing or method limits and restrictions, in order to fulfil our best endeavours obligations. To illustrate, we will not contact a customer more than 3 times per week or 10 times in one month as noted in the ACCC/ASIC Debt collection guideline.

3.7 CUSTOMER-RETAILER CONVERSATIONS

- 3.7.1. We will be respectful in conversing with customers about payment difficulty and the assistance they are entitled to. We will have regard to a customer's circumstances and information they volunteer.

Customer not yet in arrears

- 3.7.2. If a customer, whose bill of \$55 or more (inclusive of GST) is not yet overdue, contacts us to discuss their payment options, we will have a conversation with the customer about the Standard Assistance options available.

Customer in arrears

- 3.7.3. We will inform the customer that we will provide practical and flexible that takes into account a customer's circumstances.
- 3.7.4. We may ask the customer, e.g., 'is there any reason, or anything we should be aware of, regarding why you have not been able to make a payment towards your energy bill?' to help elicit relevant information the customer is comfortable to share.
- 3.7.5. If a customer, whose bill of \$55 or more (inclusive of GST) is overdue, and either the customer contacts us or we contact the customer, we may discuss the Standard Assistance options available if the customer explicitly states that they are just seeking a payment extension, e.g. If the customer believes that Standard Assistance measure would assist them in paying their bill, we may activate that form of assistance. However, the payment arrangement will be provided to the customer as a form of Tailored Assistance (without all of the other additional measures).
- 3.7.6. As a safeguard, we will inform the customer of their entitlement to Tailored Assistance measures available in the event that the customer is unable to maintain the payment arrangement.
- 3.7.7. As an additional safeguard, if a customer fails to maintain a payment arrangement as described above, and has arrears of \$55 or more (inclusive of GST), then we will best endeavours to contact the customer within 21 business days and provide them with their entitlement to Tailored Assistance.
- 3.7.8. Once we begin discussing Tailored Assistance with a customer, we will provide information and advice to the customer that will assist them with:
- (a) repaying their arrears in a period of not more than two years;
 - (b) paying for their ongoing usage costs; and
 - (c) lowering their ongoing energy costs.
- 3.7.9. We may decline to accept payment arrangements for unreasonably small amounts that are disproportionate to the customer's arrears, in the absence of circumstances that warrant doing so. In this situation we will refer the customer to a financial counselling service.

3.8 CUSTOMERS WITH LEGACY DEBT AND ON EXISTING HARDSHIP

- 3.8.1. This Policy takes effect on 1 January 2019.

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- 3.8.2. If a customer is carrying any legacy debt on 1 January 2019, we will take this circumstance into account and act fairly and reasonably to ensure that the customer is not disadvantaged when transitioning to new entitlements the customer. No customer will be worse off. We will have regard to individual circumstances, including the quantum of the customer's arrears that would require the provision of extended periods for customers to repay their arrears and/or lower their energy costs.
- 3.8.3. If a customer is on a pre-existing payment arrangement and misses payments that result in the cancellation of the payment arrangement, then before we consider disconnection, we will comply with the requirements of this Policy, including using our best endeavours to provide the customer with their entitlement to Tailored Assistance in a timely manner.
- 3.8.4. In providing Tailored Assistance, we will not factor in the time that a customer was on the previous payment arrangement in any relevant period, unless we have sufficient records to demonstrate that we have provided the customer with assistance consistent with the new minimum Tailored Assistance requirements. In this situation, we will backdate the Tailored Assistance from the date we provided the consistent assistance, but in no event can this be prior to 10 October 2017.
- 3.8.5. If we have not provided assistance to a customer consistent with the new minimum Tailored Assistance requirements, then we will not factor in any previous assistance provided to a customer from 1 January 2019. To illustrate, if the customer had a pre-existing payment arrangement for six months prior to 1 January 2019, that six-month period will not be counted for the purposes of a payment arrangement under the new Tailored Assistance requirements.

3.9 OVERVIEW OF MINIMUM ASSISTANCE

- 3.9.1. Our Tailored Assistance consists of the following measures:
- (a) repayment of arrears over not more than 2 years by payments at regular intervals of up to one month;
 - (b) advice from us about payment options that would enable a customer to repay their arrears over not more than 2 years;
 - (c) specific advice about the likely cost of a customer's future energy use and how this cost may be lowered;
 - (d) specific advice about any government and non-government assistance (including Utility Relief Grants and energy concessions) available to help a customer meet their energy costs;
 - (e) practical assistance to help a customer lower their energy costs including:
 - (i) the tariff that is most likely to minimise the customer's energy costs, based on the retailer's knowledge of the customer's pattern of energy use and payment history; and
 - (ii) practical assistance to help the customer reduce their use of energy, based on the customer's pattern of energy use and on the circumstances of where the customer lives, provided there is scope for action to be taken for that purpose; and
 - (iii) information about how the customer is progressing towards lowering their energy costs given at sufficient intervals for the customer to be able to adequately assess that progress; and
 - (f) an initial period of at least 6 months during which:
 - (i) repayment of the customer's arrears is put on hold; and

- (ii) the customer pays less than the full cost of their on-going energy use while working to lower that cost.
- 3.9.2. In this Policy, we refer to the assistance set out in paragraphs 3.9.1(a) to (d) as **Class A Tailored Assistance** and to the assistance set out in paragraphs 3.9.1(c) to (f) as **Class B Tailored Assistance**.
- 3.9.3. Customers in arrears who can pay the cost of their ongoing usage are entitled to Class A Tailored Assistance.
- 3.9.4. Customers who cannot pay for their ongoing energy use are entitled to Class B Tailored Assistance.
- 3.9.5. If a customer in arrears is not able to pay the ongoing cost of their energy use and their repayment of arrears is on hold under their Class B Tailored Assistance, they may enter into a payment arrangement that involves payments that are less than the ongoing cost of their energy use. We will offer customers regular payments intervals, e.g. fortnightly payments, to encourage customers into a regular payment frequency.

3.10 CUSTOMER ADVICE ENTITLEMENT

- 3.10.1. The focus of our relationship with a customer in arrears is on helping the customer to lower the cost of their energy use, pay for their ongoing energy use and repay their arrears. We will provide information and advice to the customer about their payment options, likely future energy use (based on historical consumption where available) and its cost, along with timely information about government and non- government assistance that is available to the customer in their particular circumstances.
- 3.10.2. In order to encourage customers to repay their arrears as soon as practicable, we will provide advice that would enable customers to repay their arrears in a period of not more than two years.
- 3.10.3. In assisting customers to propose a payment arrangement, or to propose a revised payment arrangement, we will provide customers with concise and relevant information regarding different payment options. Most notably, we will give customers details of different 'time and payment' options. This will include examples of different dollar amounts that could be paid each month (or more frequently) and the consequential length of those arrangements (e.g., in months for a monthly payment arrangement or fortnights for a fortnightly payment arrangement).
- 3.10.4. Customers are expected to take reasonable action towards paying their energy use and repaying their arrears. We expect a customer to work with us towards the shortest payment arrangement period that the customer believes is affordable and sustainable.
- 3.10.5. What is affordable and sustainable will be different for each customer, depending on their circumstances, to which we will have regard in providing Tailored Assistance. We will not automatically advise the customer of an option of two years to repay their arrears (although this may be appropriate in particular circumstances).
- 3.10.6. Customers who propose payment arrangements of less than two years effectively have 'time in reserve', which they are able to use in the event that they need to revise their payment arrangement.
- 3.10.7. We will also assist customers with understanding their eligibility for the full suite of energy concessions available, and we will apply all relevant concessions to the customer's account including retrospectively within the Department of Health and Human Services' guidelines. We will retrospectively apply missed concessions to the customer's account prior to any payment arrangement being established, wherever possible.

Information and referrals to government and non-government assistance

- 3.10.8. Examples of government assistance include the Utility Relief Grant Scheme (URGS), relevant energy concessions, energy efficiency programs and information, budgeting assistance, etc.
- 3.10.9. Examples of non-government assistance may include services including in-person and telephone financial counselling, emergency relief services, family violence support services, etc.
- 3.10.10. Information provided and referrals made by us will be done in a manner that takes into account we know about the customer, e.g. family violence, vision impairment, etc.
- 3.10.11. Having regard to their circumstances, we will provide customers with unambiguous information in sufficient detail to enable the customer to understand how the assistance will help them repay their arrears, pay for ongoing energy use and lower their energy costs.
- 3.10.12. This may involve us:
 - (a) explaining to a customer the nature of the government and/or non-government assistance available and providing the customer with the details of the assistance, including contact information, so the customer can easily access it;
 - (b) providing information about government and non-government assistance to a customer at the time of providing Tailored Assistance or discussing revised Tailored Assistance; and
 - (c) providing specific advice about the customer's potential eligibility for an URGS application and payment.
- 3.10.13. We do not track and automatically advise customers of their eligibility for URGS. Rather, we will check (or re-check) a customer's URGS eligibility and inform the customer of this when in contact with them when providing or revising Tailored Assistance.

3.11 FINDING THE MOST APPROPRIATE ENERGY OFFER

- 3.11.1. It is not possible to guarantee that a particular energy offer and tariff will in fact reduce the cost of an individual customer's energy consumption. However, at a particular point in time, taking into account a customer's pattern of energy use and payment history, we should be able to objectively determine the energy offer and tariff that are most likely to minimise the customer's ongoing energy costs.
- 3.11.2. In advising the customer of their energy offer and tariff options, we will take into account any customer circumstances that are known and are likely to affect their future energy consumption, and the likelihood that payments will be made as agreed based on our knowledge of the customer's payment history.
- 3.11.3. We will consider the overall appropriateness of the offer, including the tariff design (flat or time-of-use), discounts (conditional or non-conditional), fixed-benefit periods, fixed supply charges, and whether any of these elements will result in an offer most likely to minimise the cost of ongoing energy use for the customer.
- 3.11.4. We will analyse a customer's historical data (including electricity interval meter data, where available) to assist in finding the energy offer and tariff that is most likely to reduce their energy costs.
- 3.11.5. We will apply a change in tariff in line with any other relevant obligations in the Energy Retail Code.

- 3.11.6. If we provide one gas offer per distribution area only, we will record this on the customer's account for record keeping purposes.

3.12 PRACTICAL ASSISTANCE AND SUSPENSION OF ARREARS

Practical assistance

- 3.12.1. There is no single, prescribed way as to how we are to provide practical assistance to customers to lower their energy costs. However, we will always seek to ensure that the assistance we provide is capable of making a meaningful reduction in a customer's energy use in their circumstances, and as welcome discipline we will keep records that demonstrate this.
- 3.12.2. Some customers facing payment difficulty may have limited capacity to reduce their energy use in a meaningful way, e.g., due to the poor energy performance of some accommodation, or a medical condition that requires particular levels of heating or cooling. With these customers, at a minimum we will have a conversation with the customer to ascertain what practical assistance can or cannot be implemented and keep records of this discussion. If we believe that there is no scope for action, those record will demonstrate why there was no scope for action in the particular case.
- 3.12.3. We also recognise that energy price increases and other unforeseen customer circumstances may reduce or negate the effect of a customer's and our efforts to reduce the cost of ongoing energy usage.
- 3.12.4. When working with a customer to reduce their energy use, we will not promote reductions in energy use to a level that may put the health and wellbeing of a customer or people in their household at risk.
- 3.12.5. The following contains a non-exhaustive list of the practical assistance measures that we may consider providing one or more of to customers receiving Class B Tailored Assistance under paragraph 3.9.1(e)(ii):
- (a) an in-home energy audit. If a customer has been experiencing hardship for a relatively long time and has accumulated a relatively high level of debt or this is otherwise appropriate, we may offer to send a representative to the customer's premises to in-home energy audit to identify opportunities to reduce energy use. We would only do this with the customer's consent. We would share equally the cost of in-home energy audit with the customer, and would let the customer know how long it is likely to take for the cost savings from the audit to cover the customer's share of its cost. We would also give the customer an indicative estimate of the ongoing savings that may be achieved by the energy efficiency measures identified in the audit;
 - (b) an over-the-phone energy audit;
 - (c) for electricity customers, advice about how to access the customer's interval meter data from either our or the distributor's internet self-service facility (where available). This may also include analysis of the customer's interval meter data to identify appliances and/or times of day where the customer is using noticeably more electricity and the provision of advice to the customer about where there may be opportunities to save energy;
 - (d) provision of energy saving devices such as draught stoppers (commonly known as 'door snakes'), thermostats, high-efficiency light globes, and stand-by power controllers;
 - (e) for electricity customers, an in-home energy display or energy monitor, including advice on how to connect it to the customer's smart meter and understand the information the in-home display provides;

- (f) provision of water saving devices that can also save on energy used to heat water, such as low-flow shower heads, thermostats and thermometers, water temperature control devices, time switches and timers;
- (g) flexible options for customers to buy from us or a third party nominated by us replacements for household electrical and/or gas appliances items such as heaters, air conditioning, hot water services, fridges, dishwashers, stoves, etc.
- (h) installation of renewable energy technology, such as solar PV panels and/or battery storage; and
- (i) insulation for roofs, floors, and walls.

Information on progress

- 3.12.6. When we decide what information to provide, and when, about a customer's progress to lower their energy costs, we will ensure the information is fit for the purpose of enabling the customer to objectively assess the progress of their actions to reduce their energy costs. To illustrate, we may provide the customer with comparative information about the amount of energy units (kWh or MJ) used in a billing period and the cost of that energy compared with previous billing periods.

Suspension of repayment of arrears

- 3.12.7. At a minimum, we will provide customers with an initial six-month period where the repayment of their arrears is on hold.
- 3.12.8. We will inform a customer that payments below the cost of ongoing energy will be added to their arrears, and assist the customer to propose a payment arrangement which limits this increase in arrears, while we work to assist the customer to reduce the cost of their ongoing energy use.

3.13 ENTITLEMENT TO MINIMUM ASSISTANCE

Class A Tailored Assistance and Class B Tailored Assistance

- 3.13.1. While continuing to pay the full cost of their ongoing usage, a customer is entitled to Class A Tailored Assistance.
- 3.13.2. If a customer cannot pay the full cost of their ongoing usage, the customer is entitled to Class B Tailored Assistance.

Customers who may not be able to consistently pay ongoing usage costs – interaction between Class A Tailored Assistance and Class B Tailored Assistance

- 3.13.3. Whether a customer can pay for their ongoing energy use is a matter of judgement, both for the customer and us. We will help the customer to understand the cost of their current energy use and to accept what the customer tells it about whether they can pay for their ongoing energy use.
- 3.13.4. However, situations may arise in which a customer is able or largely able to pay for their forecast usage and arrears), but may anticipate or demonstrate an occasional inability to make a payment. Whether a customer in this situation is entitled to Class B Tailored Assistance is also a matter of judgement for us. We will exercise that judgement having regard to the Tailored Assistance and the customer's circumstances.
- 3.13.5. If a customer continuing to pay the full cost of their ongoing usage has a payment arrangement in place and misses payments, we will contact the customer in a timely manner to revise the payment arrangement. If the revised payment arrangement will result in the customer repaying their arrears in a period of less than two years (from the date of the first payment under the original payment arrangement), then the customer will still only be entitled to Class A Tailored Assistance.

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- 3.13.6. If the customer's revised payment arrangement will result in customer paying below the cost of their energy use then we will provide the customer with Class B Tailored Assistance.

Extending assistance

- 3.13.7. When deciding whether to extend an arrears on-hold period, we will consider the customer's circumstances including:
- (a) the quantum of their arrears (including for another energy account with us);
 - (b) their ongoing usage costs (including for another energy account with us);
 - (c) the level of previous assistance provided (or not provided) by us;
 - (d) the timeliness of previous support provided and whether any delay in providing assistance has contributed to the customer's payment difficulty;
 - (e) the level of engagement by the customer with previous support provided; and
 - (f) adherence to payment arrangements and their efforts to reduce ongoing energy costs where there is scope to do so.
- 3.13.8. We will maintain records that support any decision we make to extend or not extend the assistance.

Customer entitlement to further assistance after end of assistance

- 3.13.9. We will provide a customer, who has successfully reduced the cost of their usage to a level they can afford to pay on an ongoing basis, with Class A Tailored Assistance.
- 3.13.10. The repayment period for the arrears under Class A Tailored Assistance (no more than two years) cannot include the period of time when the customer was receiving Class B Tailored Assistance.
- 3.13.11. To illustrate, a customer who had their arrears on hold for six months, and had reduced their usage costs to an affordable level, is entitled to propose a payment arrangement to repay their arrears over a period of no more than two years under Class A Tailored Assistance.

3.14 INFORMATION ABOUT ASSISTANCE AVAILABLE

- 3.14.1. We will provide Tailored Assistance to a customer who has not paid a bill by its pay-by date and has arrears of \$55 or more (inclusive of GST) when the customer directly contacts us through our call centre, website or email customer service channels.
- 3.14.2. We will wait at least one business day, and no longer than 21 business days, after the pay-by date of an unpaid bill where the customer has arrears of \$55 (inclusive of GST) or more, before commencing our best endeavours efforts to provide a customer with their Tailored Assistance.
- 3.14.3. When sending a customer information about Tailored Assistance in writing, we will do so in a way that clearly and unambiguously gives information about the assistance available in plain language, including the form of that assistance and the steps both we and customer must take to implement the assistance.

3.15 TIME FOR CUSTOMERS TO CONSIDER ASSISTANCE

- 3.15.1. We will advise a customer of, and provide a customer with, no less than six business days for the customer to consider the information we have provided about Tailored Assistance, which aligns with the minimum reminder notice period.

Unsuccessful contact for best endeavours

- 3.15.2. If we cannot successfully contact a customer by telephone or other means, we will still provide written information to the customer about Tailored Assistance to meet our best endeavours obligations.

Successful contact for best endeavours

- 3.15.3. If we do successfully contact the customer by telephone, we may still need to provide the customer with written information about their entitlement to assistance, depending on how comprehensive the discussion with the customer is.

Counting the six-business day period

- 3.15.4. The provision of assistance is considered to be received by a customer when either:
- (a) we provides the customer with the information about their entitlement to assistance over the telephone and have sufficient records of the conversation; or
 - (b) if we post the information to the customer, according to the ordinary course of post; or
 - (c) we have successfully sent the customer the information electronically.

Customer refusal of assistance

- 3.15.5. If a customer declines our provision of Tailored Assistance, we will clearly document the conversation, and/or retain the call recording, and refusal of assistance. We will still provide information (electronically or otherwise) to the customer about their entitlement to Tailored Assistance and will retain these records. If the customer seeks to access their entitlement to assistance at a later date (assuming the customer is still in arrears for \$55 (inclusive of GST) or more), we will provide the Tailored Assistance to the customer at that time.

3.16 PAYMENT ARRANGEMENTS

- 3.16.1. Payment arrangements are provided for in clause 81 of the Energy Retail Code, as follows:

81

Payment arrangements

- (1) *This clause applies to a residential customer whose repayment of arrears is not on hold under clause 79(1)(f)(i).*
- (2) *The retailer must accept a payment proposal or revised proposal put forward under this clause by the residential customer that complies with subclause (3).*
- (3) *A payment proposal or revised proposal complies with this subclause if it:*
 - (a) *provides for the making of payments of equal amounts at regular intervals of up to one month; and*
 - (b) *would result in the residential customer's arrears being fully paid in no more than 2 years after the first payment; and*
 - (c) *provides for payments for energy use being made together with payments to reduce arrears; and*

- (d) *is based on a reasonable forecast of the customer's energy use over the next 12 months.*
- (4) *However, the retailer may accept a payment proposal or revised proposal that does any or all of the following:*
 - (a) *provides for payments of different amounts at different intervals;*
 - (b) *would result in the arrears being fully paid by a date later than 2 years after the first payment;*
 - (c) *provides for payments for energy use being made separately from payments for arrears.*
- (5) *On accepting a payment proposal or a revised proposal, the retailer must give the customer a written schedule of payments showing:*
 - (a) *the total number of payments to be made to pay the arrears; and*
 - (b) *the period over which the payments are to be made; and*
 - (c) *the date by which each payment must be made; and*
 - (d) *the amount of each payment.*
- (6) *If a residential customer receiving assistance under this Division fails to make a payment by the date on which it was payable, the retailer must contact the customer to discuss their putting forward a revised proposal under this clause.*

Application of clause 81

- 3.16.2. Although clause 81 does not apply to customers receiving Class B Tailored Assistance who have their arrears on hold, we will discuss various payment arrangement options with these customers, including more frequent payments, such as fortnightly payments that may align with fortnightly income. This may assist both the customer and us to avoid an accrual of arrears to an unmanageable level.

Retailer acceptance of payment proposals

- 3.16.3. We will accept payment arrangements proposed by a customer that are fair and reasonable having regards to the customer's circumstances.
- 3.16.4. We need not accept payment arrangements for amounts that are incompatible with our payment methods. To illustrate, some bank, BPay, credit card, Australia Post, and other transactions have minimum payment amounts for each transaction.

Minimum specifications for payment arrangements

- 3.16.5. We will accept a customer's payment proposal or revised payment proposal that comprises equal payments at regular intervals of up to one month, which would result in the arrears being repaid in no more than two years, and includes a reasonable forecast of the customer's energy use over the next 12 months.
- 3.16.6. To illustrate, a customer with \$500 of arrears and who is using \$150 of energy per month, could propose a payment arrangement of \$200 per month to repay their arrears in 10 months and cover the cost of their ongoing usage. In this scenario, we will accept the customer's proposed payment arrangement. The customer would still have 14 months 'time in reserve' if they needed to revise their payment arrangement.

- 3.16.7. We will also have regard to the Policy Objective with respect to payment arrangements that include a reasonable forecast of the customer's usage. In this instance, that is to assist the customer to repay their arrears and pay their ongoing usage costs in a period of not more than two years.
- 3.16.8. If a customer's payment arrangement exceeds 12 months, then at a minimum, once every 12 months, we will re-assess the reasonable forecast cost of the customer's ongoing use (based on their historical use, where available). We may also elect to conduct reviews more frequently. If our review finds that the customer's payments are not going to result in the customer repaying their arrears in the timeframe when Tailored Assistance was activated (due to either increasing or decreasing ongoing energy usage costs), then we will use its best endeavours to contact the customer in a timely manner and provide this specific advice to the customer so that they can propose a revised payment arrangement.
- 3.16.9. To illustrate, if our reasonable forecast of usage was \$150 per month at the beginning of the customer's 20-month payment arrangement, at the end of the 12th month, we will review the customer's previous 12 months of usage and payments to re-forecast for the next 12 months of worth of usage costs. If this review finds that the customer is paying above their ongoing usage costs (e.g. due to implementing measures to reduce energy use) or is not paying enough (e.g. due to energy price increases or energy use), then we will contact the customer to discuss a revised payment arrangement.

Our discretion about payment arrangements

- 3.16.10. We have a discretion about whether or not to accept a payment arrangement that includes any or all of the following:
- (a) payment of different amounts at different intervals, e.g., \$100 in May, \$500 in July, \$500 in September;
 - (b) payment arrangements that result in the arrears being repaid in a period longer than two years after the first payment; and
 - (c) payments for ongoing energy usage being made separately from payments towards the arrears.
- 3.16.11. When deciding whether to accept such a payment proposal, we will consider the customer's circumstances, including:
- (a) the quantum of their arrears (including another energy account with us);
 - (b) their ongoing energy costs (including another energy account with us);
 - (c) the level of previous assistance provided (or not provided) by us;
 - (d) the timeliness of previous support provided and whether any delay in providing assistance has contributed to the customer's payment difficulty;
 - (e) the level of engagement by the customer with previous support provided; and
 - (f) partial payments for previous payment arrangements.

Written schedule

- 3.16.12. We will provide a customer with a written record of the payment arrangement. We will also provide customers with their options for making the payments on the written payment schedule.

Failure to pay

- 3.16.13. We will use best endeavours to discuss a revised payment arrangement with a customer who does not make a scheduled payment, in a timely way. If after we do so, the customer does not put forward a revised payment arrangement and take reasonable action to pay, we may consider suspending assistance. We may then issue the customer with a disconnection warning notice, provided a reminder notice had already been issued and the reminder notice period had lapsed.
- 3.16.14. If a customer puts forward a revised payment arrangement that includes payments that do not cover the likely cost of their ongoing energy use, the customer is entitled to have their arrears put on hold and to receive Class B Tailored Assistance. However, for customers largely able to meet their ongoing usage costs, judgement is required regarding whether a customer should receive Class B Tailored Assistance to help them lower their energy costs. This judgement should be exercised having regard to the Policy Objective and a customer's circumstances. To illustrate, a customer with variable income (e.g. casual or seasonal work) who has difficulty paying regularly or on time may need further assistance such as a tariff that will lower their costs so they can meet the cost of their energy use.
- 3.16.15. We will allow some flexibility for occasional underpayments and late payments. We will decide when we consider it is best to contact customers to revise payment plans, knowing what we do about their payment history, but will always do so in a timely way.

3.17 NON-PAYMENT OF COST OF ONGOING ENERGY USE

Non-payment of ongoing usage and contact requirement

- 3.17.1. If a customer, who is paying below the cost of their energy use, does not make a scheduled payment, we will contact the customer in a timely manner to discuss putting forward a revised payment arrangement. If after we have used its best endeavours, the customer does not put forward a revised payment proposal or take reasonable action to pay, we may suspend assistance and issue the customer with a disconnection warning notice, provided that a reminder notice has already been issued and the reminder notice period had lapsed.

Customer responsibility to implement practical assistance

- 3.17.2. We will keep records of the steps agreed with the customer to lower their energy usage. To illustrate, if we arranged for the customer to have an energy audit completed at the customer's premises, we will record the date, time and other particulars of the energy audit. We also will record details known to us about the practical assistance that a customer has implemented, e.g., an appliance that we have replaced. We may rely upon these records in the future to demonstrate whether a customer was or was not implementing the practical assistance provided by us.
- 3.17.3. Customers are entitled to a minimum of six months to implement measures to lower their energy costs, while their arrears are also on hold.
- 3.17.4. If the customer is within the initial six-month period, we cannot suspend practical assistance if the customer fails to implement measures to lower energy costs. Instead, we will contact the customer in a timely manner to discuss a revised implementation timeframe, consistent with the Tailored Assistance Objective.

- 3.17.5. If, at the end of the initial six-month period, the customer has not implemented the practical assistance provided by us, we will contact the customer, but the hold on the repayment of the customer's arrears may be suspended at this point. However, we will still take the customer's circumstances into account when deciding whether or not to extend that hold.

Adding unpaid bills to a customer's arrears

- 3.17.6. While a customer is receiving Class B Tailored Assistance under paragraph 3.9.1(e) and (f), we may add a customer's unpaid bills, or residual amounts of bills, to their arrears.
- 3.17.7. We will advise customers at the commencement of Class B Tailored Assistance under paragraph 3.9.1(e) and (f) how their ongoing bills and unpaid amounts, residual or otherwise, will be treated (i.e. added to their arrears), in line with the specific advice requirements regarding the ongoing cost of usage. Additionally, we will explain that adding unpaid amounts will result in the customer's arrears being larger at the end of the on-hold period than when the customer first had their arrears placed on hold.

3.18 CONTINUED PROVISION OF ASSISTANCE

Missed payments

- 3.18.1. We are not required to provide continued assistance to a customer where the customer has refused or failed to take reasonable action towards paying for their ongoing energy use and repaying their arrears, or where the customer is not facing payment difficulty.
- 3.18.2. We need to use our judgement about what constitutes 'reasonable action' by a customer.
- 3.18.3. We will not regard failure to make individual payments, and occasionally underpaying or paying late, as justifying suspending assistance.
- 3.18.4. However, reasonable action does need to be taken by the customer to address their payment difficulty. Repeated consecutive failures to make payments proposed by the customer may, absent other circumstances, justify suspending assistance.
- 3.18.5. In exercising our judgment, we will consider a customer's particular circumstances, and act fairly and reasonably. To ensure this happens, we will maintain records to enable us to demonstrate clearly that we have considered the customer's particular circumstances when deciding whether or not to continue providing assistance to a customer.

Customer failure or refusal to pay for ongoing use or arrears

- 3.18.6. Particular circumstances that we may consider when deciding whether or not it is reasonable to suspend assistance until such a time when the customer takes reasonable action, in relation to the assistance provided by us, follow.

Reasonable customer action

- 3.18.7. Reasonable customer action includes:
- (a) making occasional partial payments, e.g. only, paying \$80 instead of \$100;
 - (b) making a payment a few business days late;
 - (c) occasionally missing an individual payment;
 - (d) agreeing to pay an amount to us by a reasonable date;
 - (e) proposing a payment arrangement that allows for the efficient repayment of arrears and is affordable and sustainable for the customer; and

- (f) paying the incorrect account, e.g., making a payment towards an electricity account instead of the gas account (both with us).
- 3.18.8. We will not suspend assistance due to a customer occasionally making partial payments, marginally late payments, or missing an individual payment. In these instances, we will contact the customer in a timely manner and discuss a revised payment arrangement that would make it easier for the customer to make timely payments in full.

Unreasonable customer action

- 3.18.9. Unreasonable customer action includes consistently and consecutively:
- (a) establishing payment arrangements or revised payment arrangements and not making any of the required payments;
 - (b) not responding to our attempts to contact the customer to provide Tailored Assistance, having regard to known customer circumstances;
 - (c) not agreeing to make regular payments towards the cost of the customer's energy usage while the customer's arrears are on hold.
- 3.18.10. We also consider it unreasonable for a customer with a relatively low level of arrears when compared to the cost of their energy use, to propose a payment arrangement that would use their entitlement of two years (e.g. paying \$5 per month) in the absence of customer circumstances that support repayment over the full period. However, we expect that some customers will be in circumstances that would warrant the full period. Alternatively stated, we consider it reasonable for a customer's payment proposal to be proportionate to the amount of their arrears, while taking into account their circumstances and what they can afford to pay.

Customers not facing payment difficulty

- 3.18.11. If we become aware that a customer is not facing payment difficulty, and we have clear evidence of this, we will not continue to provide Tailored Assistance.
- 3.18.12. If we suspend assistance, the onus is on us to show that a customer was not facing payment difficulty.

Notification of suspended assistance

- 3.18.13. If we suspend assistance, we will notify the customer in writing that the customer's assistance has been suspended.
- 3.18.14. This notification may be included with the disconnection warning notice, provided that the reminder notice has already been sent and the reminder notice period had lapsed. The correspondence will include details of what action the customer needs to take to avoid disconnection of supply, any further entitlements to Tailored Assistance the customer may have, and any other government and non-government assistance that may be available. Our notice will be expressed in plain language, legible and presented clearly and appropriately having regard to its nature.

4. MISCELLANEOUS

4.1 RESTRICTION ON CONDITIONS

- 4.1.1. We will not ask a customer to seek assistance from a financial counsellor or to provide personal or financial information as a condition to accessing Payment Assistance.

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- 4.1.2. This does not prevent us offering to arrange for a customer to receive assistance through a financial counsellor or other community service provider. However, we will not require the customer to provide evidence of the customer's financial circumstances in return for making these arrangements or the outcome of the assistance received.
- 4.1.3. We may ask a customer questions that help us maximise and enhance the effective delivery of our Payment Assistance. However, we will not make making provision of that information a condition to accessing our Payment Assistance. Therefore, if a customer declines to answer our questions, we will still provide the customer with their entitlement to Payment Assistance.
- 4.1.4. Personal information does not include information necessary to enable us to verify the customer's identity.
- 4.1.5. We may also ask a customer for information needed to:
- (a) assist the customer with completing an application for the Utility Relief Grant Scheme;
 - (b) assist with applying concessions to the customer's account;
 - (c) assist with a referral to government and non-government support (where the customer has consented to the referral); and
 - (d) provide the customer with Class B Tailored Assistance under paragraph 3.9.1(e).

4.2 DEBT

- 4.2.1. We will not commence or continue with proceedings for the recovery of arrears from a residential customer who is receiving assistance under this Policy.
- 4.2.2. We will not sell or otherwise dispose of the debt of a residential customer who is in arrears at any time while the customer is receiving assistance under this Policy or within 10 business days after, as a last resort, the customer has been disconnected from their energy supply for non-payment of their bills.
- 4.2.3. We will not sell or otherwise dispose of the debt of a residential customer to a third party other than in accordance with the guideline "Debt collection guideline: for collectors and creditors" jointly published by the Australian Competition and Consumer Commission and the Australian Securities and Investments Commission.

4.1 SUPPLY CAPACITY CONTROL PRODUCT

- 4.2.4. We will not offer a supply capacity control product to a residential customer for any credit management purpose.

4.2 PAYMENT BY CENTREPAY

- 4.2.5. If a customer is entitled to receive payments from Centrelink and would like to enter into a Centrepay arrangement, we will make this facility available to the customer. Centrepay is a voluntary bill paying service, which is easy to use. With Centrepay, customers' bills are paid in manageable amounts from their Centrelink payment. This can smooth the pay cycle and make it easier for the customer to budget. To be eligible, a customer must be receiving a Centrelink payment.

DISCLAIMER: The Energy Retail Code, which sets out retailers' obligations and minimum customer entitlements, takes precedence over this hardship policy in all circumstances.