

1st Energy

# Victorian Hardship Policy

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Effective 01 January 2019

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<b>Policy Owner</b>	Head of Regulatory and Compliance
<b>Endorsed by</b>	Managing Director and Head of Credit
<b>Approved by the ESC</b>	30 October 2018
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## 1st Energy's hardship policy

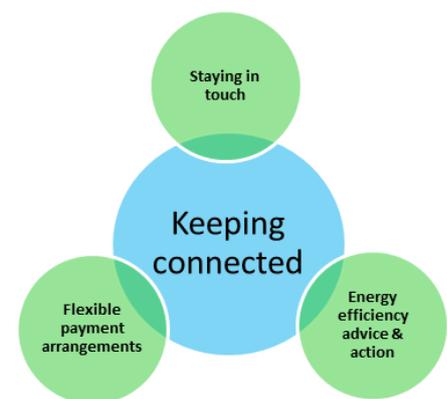
There are times when paying an energy bill becomes difficult and our residential customers (customers) experience payment difficulties and may need a little extra help from the 1st Energy team. We're committed to working to help our customers, whatever circumstances they are in.

Our hardship policy and associated programs are based on **shared responsibility** and **collaborative, customer communication**; focusing on the customer **keeping connected** and helping customers stay in control through our keeping connected strategies.

Working together we treat each other with **mutual dignity, empathy and respect** and where customers are experiencing payment difficulties this hardship policy provides a framework for how 1st Energy will provide **tailored assistance**.

**Keeping connected** strategies involve us working with our customers so they can manage and pay for their energy usage on an ongoing basis. We provide or guide them to tools and support networks which include:

1. Helping our customers with dignity, empathy and respect, treating all matters in confidence
2. Providing customers information about tailored assistance
3. Negotiating payment arrangements which are fair, flexible and affordable
4. Giving guidance on financial counsellors, government grants and concessions
5. Giving guidance on energy efficiency practice
6. Working with community groups
7. Ensuring our staff are trained to provide tailored assistance
8. Proactively reviewing our customers' accounts



## Keeping connected

At the heart of our program is our customers **keeping connected** and **two-way communication**. It's important that we stay in touch and our customers let us know if they're having trouble paying bills or their circumstances change.

We encourage customers who are struggling financially to contact us either personally or through a third party, such as a financial counsellor or a welfare agency.

We understand some customers may feel uncomfortable discussing their financial problems; therefore, we also employ strategies to assist in identifying customers with payment difficulties.



Customers can find our financial hardship policy on our website for downloading or in a printable format or they can contact us to send them a copy. We'll ensure the information about this financial hardship policy and our keeping connected strategies set out in this policy is set out in plain language, readily available and accessible to our customers.

We'll keep in contact with our customers either in writing, via telephone or electronically.

## How we can help our residential customers

### Standard assistance

All residential customers are entitled to receive **standard assistance** to help them **avoid getting into arrears** which includes:

1. Making payments of an equal amount over a specified period
2. Options for making payments at different intervals
3. Extension by a specified period the due date for a bill at least one billing cycle in an any 12-month period
4. Paying for energy use in advance

### Tailored assistance

All residential customers **with arrears** have access to **tailored assistance** which provides flexible and practicable assistance to allow them to:

- Pay for their on-going energy use
- Repay their arrears
- Lower their energy use

#### 1st Energy will:

- Tell our customers when they contact us and have arrears about tailored assistance options available to them
  - We'll allow them no less than 6 business days to consider the options, request further information or put forward a payment proposal
- Let our customers that haven't paid their bill by its due date and have arrears more than \$55.00 (GST inc) know about tailored assistance options
  - We'll do this within 21 business days after the bill due date
  - We'll allow them no less than 6 business days to consider the options, request further information or put forward a payment proposal

Where the customer **can pay for their ongoing usage** we'll offer our customers the following:

1. Advice about the ability to repay arrears over not more than 2 years by payments at regular intervals of up to one month
2. Advice about payment options available to pay off their arrears over not more than 2 years
3. Advice about the likely cost of their future energy use and how this cost may be lowered
4. Advice about any government and non-government assistance (including Utility Relief Grants and energy concessions) available to help them meet their energy costs

Where the customer is **unable to pay for the cost of their on-going energy usage** we'll:

1. Provide a keeping connected Case Manager
2. Place the customers arrears on hold for an initial period of at least 6 months
  - a. We may add any amount unpaid for energy use to their arrears
  - b. We may extend this period if the extension will assist the customer with continuing to lower the cost of their energy use

3. Advice about the likely cost of their future energy use and how this cost may be lowered
4. Advice about any government and non-government assistance (including Utility Relief Grants and energy concessions) available to help them meet their energy costs
5. Provide guidance on how to access financial counsellors
6. Practical assistance to help customers lower their energy costs including, but not limited to:
  - a. the tariff that is most likely to minimise their energy costs, based on our knowledge of the customer's pattern of energy use and payment history; and
  - b. practical assistance to help the customer reduce their use of energy, based on their pattern of energy use and on the circumstances, which may include a self-energy audit or an onsite energy audit (at no cost to the customer), provided there is scope for action to be taken for that purpose; and
  - c. 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.
7. Where a customer has had an onsite energy audit and a recommendation has been received from an auditor for an appliance to be replaced, if it is contributing to higher-than-usual energy use, then we will consider offering the following:
  - a. Referral to a governments grants scheme
  - b. Referral to a microfinance No Interest Loans Scheme (NILS)
8. Establish a payment arrangement for that period where the customer pays less than the cost of their on-going energy use
9. Monitor the account regularly to check everything is on track and let the customer know how they're tracking
10. When this assistance is completed we will provide the customer all the assistance measures available to a customer able to pay for their ongoing use
11. Let our customers know when they miss a payment arrangement and what their options are
  - a. These may include varying the amount payable, or the frequency of those payments, or both, to give the customer more time to lower their energy costs.
12. Contact our customers when they're not meeting their responsibilities to lower their energy costs and work with them to identify an implementation timeframe
13. Provide information on any capital grants schemes available to the customer such as a No Interest Loan Scheme

1st Energy does not offer supply capacity control products to customers for credit management purposes.

## Payment arrangements

For our customers on tailored assistance whose repayment of arrears is **not on hold** we'll accept a payment proposal or revised proposal that:

- Provides for making payments of equal amounts at regular intervals of up to one month; and
- Would result in the arrears being fully paid in more than 2 years after the first payment; and
- Provides for payments in energy use being made together with payments to reduce arrears; and
- Is based on a reasonable forecast of the customers' energy use over the next 12 months.

For every payment arrangement agreed to we'll provide a written schedule of payments showing:

- The total number of payments to be made to pay the arrears; and
- The period over which the payments are to be made; and
- The date by which each payment must be made; and
- The amount of each payment.

If our customer misses a payment by the due date, we'll contact the customer to discuss putting forward a revised proposal.

## When does tailored assistance finish?

- If our customer is no longer facing payment difficulties
- If our customer transfers to a new energy retailer
- If we have contacted a customer with a missed payment arrangement payment and the customer refuses or fails to take reasonable action towards paying for their on-going use and repaying their arrears
- If we have contacted a customer with arrears on hold who fails to make a payment towards the cost of ongoing use and the customer refuses or fails to take reasonable actions towards paying for their on-going use and repaying their arrears

## Disconnections for non-payment

Disconnections for non-payment of a bill will occur as a measure of last resort and our aim is to keep customers connected.

Customers who do not adhere to agreed payment arrangements or their tailored assistance program will be contacted and managed in accordance with regulatory obligations and are at risk of disconnection for non-payment.

## Disclaimer

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

## Other important information

### HOW TO CONTACT US

Email Customer Service support@1stenergy.com.au or call our Customer Service Team on **1300 426 594**, Monday to Friday 8.30am to 6pm AEST.

### CONCESSIONS, REBATES & GOVERNMENT ASSISTANCE

Victorian customers can access the following grants and concessions:

- Annual Electricity Concession
- Controlled Load Concession
- Excess Electricity Concession
- Excess Gas Concession
- Service to Property Charge Concession
- Electricity Transfer Fee Waiver
- Life Support Machine Electricity Concession
- Medical Cooling Concession
- Winter Gas Concession
- Utility Relief Grant Scheme (URGS)

<https://services.dhhs.vic.gov.au/concessions-and-benefits>

### FINANCIAL COUNSELLING SERVICES

National Debt Helpline **1800 007 007** [www.ndh.org.au](http://www.ndh.org.au)

### INTERPRETER SERVICES

Servizio Interpreti  
Servicio de interpretación  
Dịch vụ phiên dịch  
تامدخ قمچرتلا ةيروفلا  
☐ 译服务  
Υπηρεσία Διερμηνέων

Call **13 14 50**

### CENTREPAY INFORMATION

Customers receiving Centrelink benefits can apply for energy payments to be made via Centrepay. Our Centrepay reference number is 555117312V.

### COMPLAINTS

Customers can let us know if we haven't got something quite right and contact our helpful Customer Service Team on **1300 426 594**. We'll do our best to help and a customer can ask to speak to a Team Leader if we haven't sorted out the problem. Or customers can email [compliance@1stenergy.com.au](mailto:compliance@1stenergy.com.au).

### PRIVACY

Privacy is important to us and we're committed to the Australian Privacy Principles. Our privacy policy is available at [www.1stenergy.com.au](http://www.1stenergy.com.au).