

2016
V1

ENERGY BOOST PROGRAM

HARDSHIP POLICY

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1. Introduction

1.1 Purpose

In this Policy, the expression “we”, “us” and “our” are a reference to Jade Utilities Management Rights Pty Ltd (ABN: 52 610 832 776). We understand that from time-to-time customers experience financial difficulty and may need additional assistance and flexibility. This Hardship Policy identifies and assists vulnerable customers to manage their energy usage and associated costs.

1.2 Objective

Energy is an essential service for all small customers, and we believe financial hardship should not preclude customers from energy supply if they are willing to pay their bills, but require some payment flexibility. This policy supports customers to support themselves.

We have a proactive intervention approach to customers experiencing financial difficulty. We will champion strategies that provide a better understanding to our customers and the wider community in the most efficient and wise use of energy.

Our strategies intend to respectfully and compassionately support our customers once they have been identified as in financial hardship. The Energy Boost Program will:

- Treat customers with respect, fairness and sensitivity;
- Ensure payment arrangements are flexible and affordable;
- Review agreements regularly;
- Supply information regarding financial counsellors;
- Supply information about government grants and concessions;
- Supply information on up-to-date energy efficiency practice;
- Maintain strong relationships with community stakeholders; and
- Provide ongoing training to staff

2. What is Hardship?

We define hardship as a customer who is experiencing financial difficulty, who desires to pay, but due to financial circumstances is unable to pay within the timeframe set out in the standard payment terms.

There are two types of customers experiencing financial hardship; long and short term. The two classes of customers will have different characteristics, and will require different types of assistance:

1. Customers experiencing long term financial difficulty are generally those on low or fixed incomes such as pensions and allowances, and may require ongoing assistance such as that provided by an independent financial counsellor, energy conservation assistance, or an individually tailored plan; and

2. Customers experiencing short term financial difficulty may be regarded as those that have experienced a sudden change in living circumstances. These customers generally require flexibility and temporary assistance such as an extension of time to pay, a one-off grant, or an instalment payment plan. Examples include ill health, loss of employment, separation, death in the family, an accident, once-off high account or some other temporary financial difficulty.

3. Equitable Access and Transparency

We are committed to allowing eligible customers to access this Energy Boost Program.

A customer will be eligible to enter or re-enter the Energy Boost Program under the following circumstances:

- Where the customer has been, or continues to be identified as being in financial difficulty;
- Where the customer is classified in the electricity market as small and has an active connection with us;
- Where the customer has, any amount outstanding on their energy account;
- Where the customer has not been removed previously from the Energy Boost Program on two or more occasions in the past 12 months;
- Where the customer is showing a willingness to make contributions to their energy account; and
- Where the customer is showing a willingness to actively participate in the Energy Boost Program, including participation in energy audits, seeking assistance from welfare organisations and making a concerted effort to reduce usage.
- If a customer is removed from the Energy Boost Program twice in a 12-month period, they are not guaranteed re-entry. However, where a customer shows willingness to actively participate in the Energy Boost Program, we will continue to make every effort to assist the customer to regain access to the Energy Boost Program.

We will ensure that Hardship Policy is transparent and applied consistently.

4. Customers' Rights and Obligations

Our team will inform customers entering the Energy Boost Program of their rights and obligations.

We consider the following as customer rights:

- To be treated sensitively;
- To negotiate an affordable payment plan;
- To renegotiate instalment payments;
- To receive information on grants and concessions;
- To receive information on financial counsellors;
- To receive information on efficient energy use; and
- To not be disconnected while actively participating in the Energy Boost Program.

We consider the following as customer obligations:

- To make payments in line with the agreed payment plan solution;
- To make every attempt to reduce usage to a level where it is affordable;
- To contact us when experiencing a change in circumstance;
- To contact us when unable to make payments as per the agreed payment plan; and
- To stay in touch with the team.

5. Hardship Energy Boost Program

We approach situations involving financial difficulty with sensitivity and flexibility. We create tailored solutions and treat our customers as individuals. We understand that each customer faces a distinct set of circumstances that result in financial difficulty.

We employ proactive intervention strategies to identify customers experiencing financial difficulty and we respond with flexible payment options, and information on grants and the Centrepay payment option (may be available) for eligible customers. Our customers are supplied information regarding other avenues of support such as financial counsellors and community or industry groups.

While participating in the Energy Boost Program, each of our customers' circumstances is regularly reviewed, to ensure that the best possible solutions are available to them.

Customers who actively participate in the Energy Boost Program are protected from further credit and collection activity, including the disconnection of their energy connection. We will advise customers in writing at the commencement of any agreement what the terms of the agreement are and what will happen should they not adhere to the agreement.

5.1 Identifying Hardship

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.

Our staff will also ask questions, when you contact us, to enable you to have the opportunity to discuss any financial difficulty you may be experiencing. Whilst we understand some customers may feel uncomfortable discussing their financial problems, we encourage customers to use this opportunity to seek our assistance. In other words, we encourage the opportunity for us to help you so you can get a boost and help yourself.

5.2 Early Response to Hardship

Once a residential customer is identified as being in financial difficulty, we will immediately place the customer on the Energy Boost Program. The customer can expect a phone call from us within 2 business days. Commercial/business customers will be assessed in a similar manner to residential customers, considering their specific business circumstances, and they too will be provided with the benefits of the Energy Boost Program.

Initially, all customers when entering the Energy Boost Program will be required to make contributions to their outstanding debt. These contributions will be assessed as “capacity to pay” contributions, and will be for an amount nominated by the customer, considering what they can pay in the short term. The interim payment arrangement is required to allow us the time to tailor an appropriate individual Energy Boost Program for that customer, and where appropriate, the ability for the customer to attend an appointment with a welfare organisation or financial counsellor. The tailored Energy Boost Program will then replace the interim payment arrangement.

Customer can expect the following actions to be supplied to them during the initial phone call:

- Payment plans
- Government grants
- Centrepay (may be available)
- Assistance options
- Financial counsellors
- Energy efficiency information

We will make every attempt to work with the customer to reduce their usage. Usage reduction is the single biggest factor that will enable customers to be able to afford and manage their energy costs.

We will send written communication to the customer to confirm entry into the hardship program.

5.3 Limitations on Assistance

Our goal for customers experiencing financial difficulty is to offer the Energy Boost Program to assist them in being able to manage their energy costs through regular payments and the reduction of usage. It is not our policy to provide any form of income support.

5.4 Assessing Capacity to Pay

We attempt to establish payment agreements that are reasonable, but above all, affordable to the customer. When assessing affordability, we consider a customer’s ability to maintain a minimum standard of living and basic living expenses (in the case of residential customers) or particular circumstances in relation to cash-flow for a business customer. We will also consider any arrears owing, and the customer’s expected energy usage over a 12-month period. We also measure a customer’s capacity to pay against their energy usage, and employ strategies to help

consumers reduce their usage if it is unsustainable. Where available, we will also take into consideration a financial counsellor's statements about a customer's capacity to pay.

5.5 Hardship Assistance Plans

We are committed to working together with customers to establish payment plans that are flexible, affordable and sustainable. We will discuss all payment options outlining their advantages and disadvantages, thereby allowing customers to make informed decisions.

5.5.1 Short Term Payment Arrangements

Short term payment arrangements are extensions granted when a customer advises they can't pay their account on time. These arrangements are usually offered to customers experiencing short-term financial difficulty because of an unexpected, but short-term change in income.

Payment extensions/arrangement allow the customer the flexibility to pay-off the account in either a lump sum or instalments prior to the next bill being issued. For example, customers can make payments at amount they choose (minimum amount is \$10) on a date they decide. We encourage customers to make payments that at the least will cover their usage.

5.5.2 Long Term Payment Arrangements

A long-term payment plan is a structure plan designed to encourage customers to budget for the cost of their energy use and any accumulated arrears over a long-term period. This will assist them to manage the peaks of their energy use, taking into account their capacity to pay. Customers can pay in equal instalments (minimum payment amount is \$25 per instalment) either fortnightly or weekly.

5.6 Incentives for Payment Plan Participation

In exceptional circumstances, we will provide additional incentives to assist customers to stay on the Energy Boost Program and continue to manage their energy costs via a regular payment regime.

Where a customer has been identified as being in severe financial hardship, we may offer to use incentives to encourage customers to maintain consistent payment behaviour, or to create a situation that will improve the customer's ability to pay for their usage. We may consider applying a credit on a customer's account, where a customer is maintaining agreed payments, or we may waive a portion of the debt.

We may consider waiving or partially waiving a debit if a customer meets one of the following criteria:

- A customer is suffering severe financial difficulty, or a major personal crisis has occurred beyond the customer's control, such as the death of a spouse or a significant health or medical problem. We may require supporting evidence prior to auctioning such a request; or
- We assess that a customer will have little chance to reduce their debt without assistance.

5.7 Centrepay

Residential customers who receive benefits or allowances from Centrelink may be eligible to use Centrepay as a bill payment service. Centrepay automatically deducts payments of no less than \$10 from a customer's benefits to pay their energy bill. There is no cost to customers to use Centrepay, and they can halt deductions at any time by contacting Centrelink. Further information can be obtained from Centrelink at:
https://www.humanservices.gov.au/?utm_id=7.

5.8 Monitoring and Reviewing Payment Plans

We will review a payment plan if informed by a customer or a financial counsellor that a customer's circumstances have changed. We recognise not all customers will phone if they are in further financial difficulty and a team member will contact each customer at least once every three months to confirm if their payment plan continues to be appropriate and affordable.

If a customer is paying less than their usage and accumulating debt, a team member will monitor their account and make contact more frequently. We encourage customers to make payments that, at the very least, cover their usage.

5.9 Late Payment Fees, Interest and Security Deposits

Customers will not be charged late payment fees or late payment interest. A security deposit will not be requested once they enter the Energy Boost Program.

5.10 Disconnection

Disconnection will only occur as a last resort, and we will not disconnect any customer whilst they are actively participating in the Energy Boost Program.

5.11 Non-Payment of Instalments

We will attempt to contact customers who do not adhere to agreed payment plans. Where non-payment continues, or where attempts to contact are ignored, we will remove the customer from the Energy Boost Program.

Customers will receive written advice, and will be given a further period to contact us prior to removal.

5.12 Non-Compliance with Energy Boost Program Agreement

We will attempt to contact customers who do not meet their obligations under the Energy Boost Program. Where non-compliance continues, we will remove the customer from the program.

Non-compliance is defined as:

- The customer no longer has an active connection with the company;
- The customer is not actively participating in the Energy Boost Program

Customers will receive written advice of this intention, and will be given a further period to contact us prior to their removal from the program.

5.13 Successful Completion of Energy Boost Program

Where a customer has successfully completed the Energy Boost Program, they will be returned to the standard customer billing and payment cycle. Payment plans may be maintained, but incentives, fee removal and case management are removed.

Successful completion is defined as:

- The customer's account no longer has an outstanding balance and they will be returned to the normal billing cycle

Customers will receive written advice of this intention, and will be given a further period to contact Aurora Energy prior to removal. Customers who successfully complete the Energy Boost Program are welcome to seek assistance again if their circumstances change and they are found to be eligible.

6.0 Energy Efficient Audits

Wise efficient energy use will reduce a customer's bill and will help to alleviate financial burden. Many customers are unaware of the modifications that they can make around their household, or to their energy usage behaviour, which will save money. Our employees are trained to identify customers with energy usage difficulties and can discuss simple strategies to reduce their energy use. We offer customers of the Energy Boost Program the opportunity to undertake a free phone energy audit service. The team member will take customers through their usage and energy costs and will include tips on how to save.

7.0 Concessions and Rebates

Depending on the circumstance and location of the customer, they may be entitled to a government concession or rebate for their energy account. The following links provide more information for specific states.

NSW:

<http://www.resourcesandenergy.nsw.gov.au/energy-consumers/financial-assistance/rebates>

VIC:

<http://www.dhs.vic.gov.au/for-individuals/financial-support/concessions/energy>

QLD:

<https://www.qld.gov.au/community/cost-of-living-support/concessions/>

To be eligible, residents in Queensland must have one of the following:

- A current Pensioner Concession Card issued by Centrelink
- A current Department of Veterans' Affairs (DVA) Gold Card (Totally and Permanently Incapacitated (TPI) and widow/er only)
- A current Queensland Seniors Card
- A current Commonwealth Health Care Card (issued by Centrelink) (Electricity Rebate only)
- Asylum seeker status (residents will need to provide their ImmiCard details) (Electricity Rebate only)

Eligible residents must live alone or share the premises with:

- Their spouse or other eligible card holders
- Other people wholly dependent on them
- Other people who are social security recipients, and who do not pay rent
- Other people who live with the resident to provide care and assistance, and who do not pay rent

In Queensland, the proprietor/owner is responsible for submitting the application form.

ACT:

http://www.assistance.act.gov.au/adult/utilities/life_support_rebate

8.0 Financial Counselling Services

As the cost of energy is often not the only cause of financial difficulty, customers experiencing financial difficulty often have multiple competing debts. Financial counsellors can assist customers to manage their finances more effectively, and can assist the customer in their discussions with us.

Many community organisations, community legal centres, and some government agencies offer free financial counselling. To find a financial counsellor in your state, call 1800 007 007 (The National Debt Help Line), visit the government's Money Smart website at: <https://www.moneysmart.gov.au/> or visit: <https://www.financialcounsellingaustralia.org.au/Corporate/Find-a-Counsellor>.

9.0 Communicating with Customers in Hardship

We will endeavour to maintain regular contact with all customers in the Energy Boost Program to make sure that participants are meeting their requirements and so that we are informed of any changes of circumstance that they may have.

10.0 Training

We educate our staff to identify and work empathetically and non-judgmentally with customers in hardship. Our training covers issues relating to financial hardship, identification and referral processes and protocols, and respectful communication with customers.

11.0 Metering

We may operate pre-payment meters as a product. We encourage customers on prepayment to let us know if they are experiencing financial difficulty and we will change their meter to a standard meter, at no cost to the customer. We monitor customers who regularly require emergency credit on the prepayment meter to offer assistance, including providing information about government grants and financial counsellors. Customers on life support will not be eligible for this service.

12.0 Complaints

We will attempt to resolve complaints at the customer's first point of contact. If this is not possible, it will be escalated to the Customer Complaints team. To make a complaint customers can call our 1300 number on our website.

Customers who are unhappy with the outcome of their matter can contact the Ombudsman in their relevant state.

Customers in Queensland who live in rental accommodation, including caravan parks and boarding houses can call Tenants Queensland for free advice at phone: 1300 744 263 or visit <https://tenantsqld.org.au/>.

Customers in Queensland can contact Legal Aid Queensland to advise on disagreements between residents and proprietors/owners. Phone 1300 651 188 or visit <http://www.legalaid.qld.gov.au/Home>.

13.0 Privacy

We are committed to respecting the privacy and personal information of our customers. Complete details of our Privacy Policy can be accessed on our website