

---

# SIMPLY ENERGY – HARDSHIP POLICY

(VICTORIA & SOUTH AUSTRALIA)

## BillAssist Scheme

---

### 1. Financial Hardship Definition

- 1.1 A customer experiencing financial hardship is defined to be a domestic customer who wishes to pay their energy bills as they fall due but does not have the financial capacity to do so within the timeframe required by the retailer's payment terms.
- 1.2 The cause of this financial incapacity may be due to either temporary or permanent factors and these two different types of hardship will generally have different characteristics and may require different treatments.
- 1.3 Temporary factors causing customer hardship include:
- Unexpected one-off expense;
  - Temporary reduction in income, e.g. a period of illness;
  - Financial overcommitment.
- 1.4 Thus a customer experiencing temporary (or short-term) hardship is such where the factors causing hardship are temporary in nature and the customer is expected to be able to return to normal customer management within 6 months.
- 1.5 Customers that are experiencing financial hardship on a more permanent basis are generally those on low or fixed incomes and have difficulty meeting their energy bills on an on-going basis. These customers may be identified by exhibiting one or more of the following indicators:
- Customer is eligible for a government concession;
  - Customer has previously applied for a Utility Relief Grant;
  - Customer's payment history suggests difficulty in adhering to standard repayment plans;
  - Customer is a tenant in public housing;
  - Customer is seeing a financial counsellor.
- 1.6 Therefore a customer experiencing permanent (or long-term) hardship is such where the customer is expected to face capacity to pay issues for longer than 6 months.

## 2. Hardship Identification

- 2.1 Customers may be identified as experiencing financial hardship from a number of sources, the most common being:
- Identified as such by an accredited financial counsellor;
  - Identified by internal staff and referred to specialist BillAssist team members based on any combination of the following factors:
    - Customer cannot afford minimum payments under an instalment plan;
    - Customer has broken a number of previous arrangements and is not eligible for another instalment plan;
    - A customer has a history of unpaid bills and/or substantial follow up by Simply Energy staff regarding late or non-payment of bills.
- 2.2 Customers may call either the general enquiries line or the BillAssist team directly and identify themselves as being in hardship.
- 2.3 After the customer has been identified by Simply Energy, an accredited financial counsellor or themselves as being in financial hardship as above, formal acceptance onto the BillAssist scheme will occur for eligible customers.

## 3. Eligibility

- 3.1 To be eligible to participate in the BillAssist scheme the customer must meet the following minimum eligibility criteria:
- Customer has an active residential account which is in arrears; and
  - Customer demonstrates a willingness to pay by agreeing to a repayment plan.

## 4. BillAssist Participation

- 4.1 It is an expectation of continued BillAssist participation that each customer shall:
- Continue to make regular payments as agreed;
  - Be prepared to increase payments over time and according to circumstances as consumption and level of arrears dictate; and
  - Respond to reasonable requests to make contact with Simply Energy if so required.
- 4.2 If the customer fails to meet any of these conditions then the customer is at risk of being removed from the Scheme.
- 4.3 Customers are eligible to remain on the BillAssist scheme as long as the eligibility criteria of clause 3 and participation criteria of clause 4.1 continue to be met.
- 4.4 If eligibility continues to be met then a customer will eventually leave the Scheme once their agreed regular payment amount reaches the minimum under a standard Simply Energy payment plan.
- 4.5 If a customer breaks any of the conditions of BillAssist participation and is therefore at risk of removal from the scheme, the customer will be attempted to be contacted on at least 2 occasions by phone and/or letter in order to allow the customer time to remedy any breach.

- 4.6 If the breach is not remedied within 14 days of the 2<sup>nd</sup> attempted contact then the customer may be ineligible for continued participation on the scheme under clauses 3.1 and 4.1.
- 4.7 If the customer breaks scheme conditions on 2 or more separate occasions within a 12-month period, Simply Energy may immediately remove such customer from the BillAssist scheme without prior warning.
- 4.8 All customers removed from the Scheme, either by a breach of participatory conditions or because conditions under clause 4.4 have been met, will be advised in writing.

## 5. Options Available Under the BillAssist Scheme.

- 5.1 Customers identified as experiencing financial hardship (either temporary or permanent) will be dealt with sensitively and on a case by case basis.
- 5.2 Every customer accepted onto the Scheme will be assigned a specially trained BillAssist team member as their primary contact point. This staff member will be responsible for:
- assisting the customer whilst they remain on the scheme;
  - advising them of eligibility for any of the Scheme options;
  - advising the customer of the terms and conditions for continued participation in the BillAssist scheme (including the circumstances that may lead to them being removed from the scheme);
  - monitoring the customers circumstances and on-going energy account;
  - contacting the customer on a periodic basis to advise of any assistance that may be available to the customer and any breaches of eligibility;
  - Working with the customer and where appropriate a financial counsellor to assess appropriate options.
- 5.3 The following options and benefits are available for customers under the BillAssist scheme:
- Advice regarding the availability of independent financial counselors;
  - Advice regarding concessions, government grants and details of or referrals to other support agencies or schemes;
  - Fair and reasonable payment plans at fair and reasonable instalment intervals;
  - Energy audits;
  - Faulty appliance replacement.
- 5.4 All customers in financial hardship will be provided with equitable access to these options, although the options applied will accommodate the particular circumstances of the customer in financial hardship and be contingent on specific option suitability.
- 5.5 All BillAssist scheme participants shall be shielded from further debt recovery action and disconnection.

## 6. Payment Plans

- 6.1 Where a customer is offered a payment plan, the payment plan will be fair and reasonable and will include fair and reasonable instalment intervals that accommodate the particular circumstances of the customer.
- 6.2 Payment plans offered will be subject to a fair and reasonable minimum payment amount.
- 6.3 Payments made will be monitored by a BillAssist team member who will also ensure that the level of repayment is matched to the customer's particular circumstances and the level of arrears on the account. The BillAssist team member may vary the customer's payment plan to accommodate payment behaviour and circumstance.

## 7. Energy Audits

- 7.1 General advice on energy efficiency is available for all Scheme participants.
- 7.2 For those BillAssist customers who have high consumption, a formal auditing process will take place.
- 7.3 High consumption customers, defined as consuming more than twice the average Simply Energy residential customer, will be eligible for a telephone audit which will attempt to identify opportunities for the customer to reduce consumption.
- 7.4 The recommendations made at the conclusion of the telephone audit will be confirmed in writing to the customer.
- 7.5 The effects of these recommendations on consumption will then be monitored over a period of not less than 2 billing periods.
- 7.6 If consumption has not been reduced in line with expectations, or if no recommendations result from a telephone audit, then the customer will be eligible for a field audit.
- 7.7 The recommendations of the field audit will be confirmed in writing to the customer.
- 7.8 A fee may be payable by the customer for a field audit. The fee payable by the customer will be determined by the following criteria:
  - For those customers with an arrears balance of more than \$1,500 the fee may be waived;
  - For those customers with an arrears balance of more than \$500 but less than \$1,500 then a portion of the fee will be payable;
  - For all other customers the full fee will be payable.
- 7.9 Prior to a customer being charged a fee agreement regarding fees payable in relation to an energy audit will be reached by discussion with the customer. The customer will be made aware of the potential benefits of such expenditure by the BillAssist team member discussing (subject to privacy obligations) results of other energy audits that Simply Energy has conducted with other customers or industry experience with energy audits.

## 8. Appliance Replacement

- 8.1 If a recommendation of a field audit is that an appliance should be replaced, then the customer will be assisted in this in the following manner:
- Advice on the availability and eligibility for a government funded capital grant;
  - The availability of local community buying groups that allow for the purchase of appliances at a discount;
  - Availability of any NILS schemes.
- 8.2 If the customer is not eligible for any of the above then Simply Energy will give advice on the sourcing of the appliance and may offer a financial contribution to aid purchase.

## 9. Policy Review

- 9.1 This hardship policy will be formally reviewed on an annual basis.
- 9.2 The aim of this review will be to reassess the existing Scheme against prevailing industry best practice, as well as changing statutory, market and customer circumstances.
- 9.3 This formal review does not preclude reviews from taking place at more regular intervals should this be deemed to be appropriate.

## 10. Communication

- 10.1 All Simply Energy staff are made aware of this policy as part of standard induction training.
- 10.2 A copy of this policy is publicly available on request by either:
- Phoning our customer service team on 138 808; or by
  - Downloading a copy directly from our website [www.simplyenergy.com.au](http://www.simplyenergy.com.au)