



Powershop Hardship Policy

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Topic: Hardship Policy

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1. Our approach to hardship

1.1 Our Policy

Why does Powershop have a hardship policy? What does it mean, and what's it got to do with me?

Powershop applies this policy to ensure it identifies residential customers experiencing payment difficulties due to hardship and to assist those customers to better manage their energy bills on an ongoing basis.

Powershop recognises that for all of us, the safe, secure and reliable supply of electricity is critical to life and to the quality of life. We also know that when you're facing difficulties in other areas of your life, the last thing you need is for that supply to be threatened. For this reason, Powershop has developed this Policy so that we can help you, in difficult times, to minimise any risk to your electricity supply.

We often face hardship in our lives, for a number of different reasons. It may be due to: financial difficulties (such as low income, high unexpected costs or loss of employment); health issues (hospitalisation, lack of mobility, etcetera); or otherwise due to circumstances that cause you to fall behind.

Powershop's policy is to tackle difficult circumstances early and head-on, so as to avoid them snowballing into unmanageable circumstances.

Powershop will work together with you to address any difficulties you face in paying for your electricity, including helping you and us identify where payment difficulties are likely to arise, offering payment terms that suit your requirements, and assisting you to reduce your energy consumption.

The programme we have developed to assist customers facing difficult circumstances is called **ON**.

This policy is available on our website. If you require a copy to be sent to you, please advise us, and we will provide one promptly, free of charge.

1.2 Talk to us

If you want more information about **ON**, or on anything in this document, don't hesitate to contact us (www.powershop.com.au/contact-us.html). Contact us if you think you've had a change in circumstances or if you're unable to make payments in accordance with your agreement or a current payment plan.

1.3 Participating

You will be eligible to participate in **ON** if:

- you are willing to meet your payment obligations but are unable to do so;
- you are willing to work with us to address the impact of your circumstances on your ability to meet your payment obligations; and
- you are not a customer who has previously participated in **ON** and was excluded from **ON** due to a failure to meet obligations under **ON** (such customers may be eligible upon provision of additional assurances or information).

To join **ON**, contact us and answer a few simple questions about your circumstances, to demonstrate your eligibility. You may be excluded from joining **ON** if you do not meet the eligibility criteria set out above.

2. Identifying hardship and responding early

If we notice signs, or if you or someone on your behalf tells us, that you're having difficulty making payments, we will communicate with you to ensure you're aware of the various options associated with **ON**.

Factors that may lead us to invite you to **ON** include:

- failure to meet payment obligations timely on three consecutive occasions;
- an inconsistent pattern of late payment;
- outstanding payments exceeding your usual level of arrears;
- a sudden change in your historical payment habits;
- transactions being declined by your financial institution on a repeated or regular basis;
- where you advise us that you are having difficulties; and
- where someone advises us on your behalf (eg: a financial counsellor) that you may be facing financial difficulties.

As set out below we have processes in place to help us identify hardship, and to help you identify hardship yourself.

2.1 How do we identify hardship?

Processes we use to identify hardship are generally focused on one of two different sources of information – while you and discussions with you are an important source, the other important source is raw data from your account (such as how often your account falls into deficit). Behind the scenes we have automated as well as manual processes that involve assessing account data to help identify potential **ON** participants.

Our team receive internal training and mentoring to ensure we're all well equipped to assist customers in a helpful, efficient, empathetic manner. This includes making sure team members are informed about how to identify customers in potential hardship.

While we do take steps internally to identify customers who could benefit from **ON**, we encourage you to let any third party or welfare agencies you are liaising with know that they can contact us on your behalf if they feel that you may benefit from **ON**.

2.2 How can you identify hardship?

Hardship is essentially a circumstance where you want to and are willing to meet your payment obligations, but your circumstances prevent you from doing so. If you feel you are in such a circumstance, contact us. We will assist you in a respectful and fair manner, and we encourage you to be open with us if you think you could benefit from **ON**.

2.3 Early response

If we identify hardship we will promptly put a stop on our usual account reminders, flag that we should contact you about your circumstances, and try to work through a solution with you as quickly and effectively as possible. This will usually mean that following identification of hardship you will be contacted within 24 hours by email or telephone, and we will aim to work with you to develop an approach to your circumstances within 10 days. You can expect our initial contact to include provision of information relating to payment options, government grants and concessions, energy use and efficiency, and access to other support mechanisms.

3. What will we do?

If you are currently a member of **ON** we will:

- not disconnect you for non-payment;
- not commence debt-recovery proceedings against you;
- not charge late payment fees or interest;
- not require a security deposit from you;
- provide advice on how to reduce your electricity usage and expenditure;
- ensure that you are offered the most effective tariffs and products;
- advise you of any relevant government concession programmes;
- direct you to support services in your area;
- engage with you to identify what works for you;
- offer discounted products which reward your commitment to **ON**; and
- in certain extreme circumstances, waive some or all of your past debt.

3.1 Advice and counselling

We know that what we're good at is selling electricity, and that there are likely others who can provide better advice on financial matters and other difficulties. We will generally suggest that customers seek out a financial counsellor if they might benefit from further advice, and may actively contact **ON** participants to recommend financial counselling. Where possible we will identify an appropriate financial counsellor, based on your geographic location and your circumstances.

3.2 Assessing how appropriate your contract is

If you're on a contract with different terms to the contract we think would be most appropriate for you, we will recommend that you switch contracts. **ON** participants will be directed towards options with the greatest flexibility in terms of payment options, and will always be offered Centrepay as a payment option (even if no contract switch occurs).

If you are an **ON** participant, we will look at what contract and tariff that you are on, and if there's a more appropriate contract or tariff we will offer you an opportunity to switch – no strings attached, free of charge. We don't charge anything for reviewing your contract or switching you to a different contract or tariff. When considering if another tariff might be more appropriate, we'll consider your historical usage (to the extent we have visibility of it), any dedicated off-peak appliances you have (such as a hot water service which operates outside of peak hours), and your overall electricity usage – as well as any other relevant information you provide us.

3.3 Audits

Difficulty paying for electricity can be relieved if you have less electricity usage to pay for, and often it's possible to cut down on electricity usage with minimal investment. Changing habits and rectifying inefficiencies can drastically reduce electricity consumption. **ON** participants will be offered a free home auditing service where appropriate, and we are likely to offer such an audit where your electricity usage is higher than historical average without explanation, or where you or someone on your behalf expresses concern about your household's electricity efficiency.

In some circumstances where an in-home audit is not necessary, we will provide further information on basic strategies to improve electricity efficiency, and things to keep in mind.

4. Payment plans and discount products

ON participants are offered appropriate flexible payment options, flexible payment plans, and unique discounted product offerings.

4.1 Payment options

We have a lot of payment options. You can pay by BPay, credit card, direct debit, and in any other manner set out in your contract. In addition, you are welcome to pay by Centrepay. Centrepay is Centrelink's payment service and you can find out more at www.centrelink.gov.au or by calling 1800 050 004.

We will let you know the advantages of each payment option to **ON** participants to assist with agreeing what is most appropriate.

4.2 Payment plans

ON participants will be offered payment plans whereby we allow payments in advance of electricity consumption or arrears payments by instalment. We will make sure that any payment plans we offer are consistent with your rights under your contract and your rights under applicable regulations.

If we're trying to establish a payment plan for you and work out what is best for you, we will consider your capacity to pay, any arrears currently owing, and your expected consumption over the next 12 months. We will consider the information you give us or that we are given on your behalf by financial counsellors or others, in order to establish your capacity to pay.

We will make sure that the relevant details of payment plans are clearly communicated to you, and if you're offered a payment plan we will let you know in what circumstances the plan might need to be revised or cancelled, as well as how we intend to monitor and review the payment plan to make sure it remains appropriate for your circumstances.

If you are on a payment plan and your circumstances change such that you want to change the terms of that payment plan, get in touch with us. We will always consider how we can most appropriately manage your circumstances.

4.3 Discount products

You might have noticed that Powershop is different to the other guys. At Powershop, buying electricity is like walking into a shop and choosing what is right for you. We offer products and specials in our shop, and for **ON** participants we may offer unique products that assist and reward timely payment in line with obligations and any payment plans in place. It's our hope that this helps **ON** participants maintain their participation in any payment plan that has been agreed.

5. Policy operation and promotion

5.1 Review of this policy

We will review this policy and its operation periodically, to ensure that it remains appropriate and remains well placed to identify customers in difficult circumstances and assist them. If this policy changes and you are currently participating in **ON**, you will be notified promptly.

5.2 Promotion of this policy

It is our intention that this policy be promoted, and its existence made known to relevant government and welfare agencies, through the regular course of our business. Powershop will take every opportunity to discuss this policy with such stakeholders, in order to help achieve this policy's stated purpose. Increased awareness of **ON** will mean increased effectiveness of **ON**.

6. Government grants and assistance

Numerous government grant programmes operate in Australia, aimed at assisting with access to vital services like electricity. At Powershop we interface with government departments to keep up to date with what concessions and grant programmes are available, and our systems accommodate all relevant consumer grants and concessions.

The best approach to determining your eligibility for grants and concessions is to go straight to the source. For customers in:

- Victoria, visit www.dhs.vic.gov.au/for-individuals/financial-support/concessions/energy or call 1800 658 521.
- New South Wales, visit www.trade.nsw.gov.au.
- South Australia, visit www.dcsi.sa.gov.au or call 1800 307 758.
- Queensland, visit www.communities.qld.gov.au or call 13 74 68.
- ACT, visit www.acat.act.gov.au.
- Tasmania, visit www.concessions.tas.gov.au.

Victorian consumers should also visit <http://www.dhs.vic.gov.au/for-individuals/financial-support/concessions/hardship/utility-relief-and-non-mains-utility-grant-scheme> for information on the Utility Relief Grant Scheme. The Utility Relief Grant Scheme and the Non-Mains Utility Relief Grant Scheme provide assistance for domestic customers who are unable to pay their utility bills due to a temporary financial crisis.

If we become aware that you are likely entitled to a concession or grant that you do not currently receive, we will communicate details of the relevant concession or grant to you, by email or verbally. If there is information that you need from us to assist in applying for a government grant or concession we will gladly provide it (to the extent permitted by applicable regulations).

7. Electricity efficiency improvement

Most households can benefit from improving their electricity efficiency. The Australian Government has established a useful resource at www.livinggreener.gov.au which is a good starting point for information on improving your household's electricity efficiency. The Powershop website also frequently has tips on improving electricity efficiency (www.powershop.com.au). If you can't find the answers online, try calling us on 1800 IN CONTROL and we'll give you what advice we can or else try and direct you to the right information.

If a home audit identifies, or if you identify, any inefficient appliances which are contributing to excessive electricity costs, we will provide assistance and information to you to help you obtain more efficient appliances. This assistance is generally limited to essential appliances – appliances like fridges, cooking appliances, and heating appliances. These appliances will not be provided directly by Powershop, but we will nominate a third party provider as part of this process.

A No Interest Loan Scheme will often be an appropriate choice for **ON** participants. Visit www.moneysmart.gov.au/borrowing-and-credit/other-types-of-credit/no-or-low-interest-loans for information on how low cost credit works, and where it can be obtained.

Powershop will always comply with its obligations under applicable regulations, including as they relate to appliance assistance.

8. Your rights and obligations

ON participants will always be treated with respect. You also have other rights under this policy. In applying this policy we will respect those rights and ensure that you are aware of them. The first time we contact you pursuant to this policy we will ensure you have a copy of this policy and we will take the opportunity to go through our respective rights and obligations.

You have the exact same rights under this hardship policy as any other member or potential member of **ON**. We apply this policy consistently across our customer base. We also aim to make our policy and its application transparent, and we encourage you to contact us if you are unclear on how an element of this policy applies to you or how we might improve transparency.

Your rights as a Powershop customer, beyond your rights under this policy, are set out in our Customer Charter – which you can find at www.powershop.com.au/charter.html. If you want to understand your rights better, the Customer Charter is worth looking at. You might also like to contact organisations like the Consumer Action Law Centre (www.consumeraction.org.au) or Consumer Utilities Advocacy Centre (www.cuac.org.au) who can offer you advice on your rights.

8.1 Our behavioural expectations

We have the following behavioural expectations of customers participating in **ON**:

- work cooperatively with us;
- don't avoid contact with us;
- provide us with honest information about your circumstances;
- let us know early if you feel you may not be able to meet any payment or other obligation;
- keep us informed of changes to your circumstances in a timely manner; and
- understand that an open and honest approach to your circumstances is in everyone's best interests.

8.2 Leaving ON

Your participation in **ON** may cease in the following circumstances:

- you inform us that you no longer wish to participate;
- you or we are confident that you will be able to meet your future obligations without the need to participate in **ON**;
- despite repeated opportunities, you fail to meet material obligations under **ON** (such as payment obligations);
- you transfer to another retailer; or
- you demonstrate an unwillingness to continue your participation in **ON**, for example through a blatant disregard for the behavioural expectations we have set out above.

8.3 Privacy & Complaints

We have the utmost respect for your privacy, and for the importance of appropriate treatment of the information you provide us under this policy. We will always treat your information in accordance with our Privacy Policy, located at www.powershop.com.au/privacy-policy.html.

If you have a problem, complaint or just some feedback regarding this policy, we'd love to hear from you. Please see our Complaints Policy, located at www.powershop.com.au/complaints.html.