

Energy Resources Corporation Hardship Policy and Program Details

1. Program Overview

Sometimes, our customers experience difficulty in being able to make their bill payments. In recognition of this, Energy Resources Corporation (ERC) has developed a Hardship policy to assist eligible customers manage their energy usage and costs.

As energy is an essential service for residential customers, ERC is committed to offering proactive strategies and solutions to ensure that financial hardship does not prevent customers from accessing energy supply if they demonstrate a willingness to pay their bills but require more flexible options around making these payments. All customers are treated individually and with respect. Any information gathered during the hardship program is done so in accordance with the requirements of the *Privacy Act 1998* (Cth).

The purpose of this document is to outline the requirements and processes around ERC's Hardship program from beginning to end to ensure that our policy provides equitable access for all ERC customers in a transparent and consistent manner.

2. What is hardship?

Hardship is when a customer is willing and wanting to meet their financial obligations but do not have the financial capacity to do so whether it be for short term or long term reasons.

3. Customers Rights and Obligations

The customer has the right to following:

- To be treated with respect and sensitivity
- To be supported by being offered a reasonable payment plan or renegotiate instalment plans if required
- To be provided with avenues for obtaining information about government concessions / grants; financial counsellors and efficient use of energy strategies
- Not to be disconnected whilst they are actively partaking in the hardship program

The Customer is obligated to:

- Contact ERC as soon as possible to inform them of any difficulty they are having in paying their bills or experiencing a change in circumstances
- Contact ERC if they are not able to meet the agreed payment plan
- Maintain contact with ERC for the duration of the Hardship program.
- Taken steps to reduce their energy consumption with the support of ERC
- Initiated assistance with budgeting (where required) from a financial counsellor

4. Case management Process

4.1 Eligibility criteria

To be eligible to participate in ERC's hardship program, the customer must:

- Must be an active residential customer of ERC
- Have informed ERC or a recognised external party where the customer is uncomfortable about approaching ERC themselves (who in turn inform ERC) that they are experiencing financial difficulties (see indicators below)
- Be able to demonstrate a willingness/have attempted to make payments; and
- Cannot pay the outstanding debt before the next billing period.

4.2 Identifying hardship and acceptance into the program

Financial difficulties are determined by the following (but limited to) customer indicators:

- Advised that they are experiencing difficulty in meeting the required bill payments by the nominated due date on their invoice
- They have had a loss of primary income, serious illness / accident, death of an immediate family member, disability, domestic violence or separation.
- Account history indicates a difficulty with meeting payment obligations
- Referred to the ERC hardship program by an external organisation eg social welfare.

Each case will be assessed based on whether they meet both the eligibility criteria and financial hardship indicators. Upon acceptance into the program, ERC will confirm the customer is willing to accept the customer obligations and parameters of the program, including an agreed payment plan in the first instance. It is expected that should customers circumstances change again and they are no longer able to meet the agreed payment plan, they are to notify ERC immediately to renegotiate.

At ERC's discretion, additional support may be provided in the form of provision of energy reducing strategies (see section 5), appropriate debt management advice or referral to a financial counsellor.

The decision to accept a customer into the hardship program is determined by an ERC customer service consultant. Should there be a conflict over the eligibility, the final decision lies with the ERC Managing Director.

4.3 Referral to the program

Referral into the hardship program is via three avenues:

- Internally through the customer service centre.
- Externally through a financial counsellor / community organisation or
- Self referral by the customer themselves.

Irrespective of the avenue of the referral, the criteria remains the same. Should a third party refer; the customer must provide consent for ERC to liaise with the nominated alternate contact, in line with privacy guidelines, to appropriately assess the customer's case. '

4.4 Initiating a payment strategy

ERC is dedicated to working with its customers to initiate payment plans that are flexible, affordable and works towards bringing together a customer's energy consumption with their capacity to pay.

Capacity to pay is a household's ability to meet their expenses within their current level of income and maintain a basic standard of living. ERC will need to assess a customer's capacity to pay in order to determine which payment option is best suited to their need and will take the following into consideration:

- Verification of their current financial situation
- Verification of their ability to make a payment of a nominated amount

- Energy consumption
- Total outstanding debt amount'
- Any other information the customer has provided regarding the capacity to pay

There are two payment plans available for ERC customers:

- Flexible payment plans
 - Short term plans for outstanding current accounts. It allows customers to pay-off the outstanding amount in either a lump sum or instalments prior to the next invoice being issued.
- Instalment plans
 - A more structured longer term payment plan where a nominated amount is paid in regular instalments to pay for their annual energy usage.
- Centrepay where applicable

Both options will be discussed with the customer including the advantages and disadvantages to allow an informed decision to be made about a sustainable payment plan.

4.5 Monitoring and reviewing

All payment plans will undergo regular review ? quarterly to ensure the plan remains sustainable for the customer. Additionally, a review will also be conducted if there is a missed payment, significant variances in energy consumption, changes to the account – in credit or finalised.

Post review, any suggested modifications to the plan (either increases or decreases) will be discussed with and agreed to by the customer taking into account the customer's capacity to pay.

4.6 Fees / Security deposits / Disconnections

Any customers actively participating in the hardship program will not be charged late payment fees or need to provide a security deposit

No customer actively participating in the hardship program will be disconnected.

4.7 Non-compliance

If a customer is not adhering to their payment plan and has not been in contact with ERC, they will be managed in accordance with regulatory obligations under the National Energy Customer Framework (NECF) and may be removed from the program.

4.8 Exiting the program

A customer can be removed from the program for non-compliance as above, paying the outstanding amount in full.

5 Energy Efficiency

Staff within the ERC customer service centre can assist customers with strategies to reduce their energy use. The advice provided is supported by Energy Champions, an ERC initiative to assist its customers in reducing their energy costs via a monthly

newsletter and further information provided on ERC's website:
www.energyresources.com.au

6 Alternative support available

Customers experiencing financial hardships may be eligible for government concessions, grants, rebates and capital goods assistance programs.

Each state is different. The following schemes apply to each nominated state:

NSW

- NSW Low Income Household Rebate
- Life Support Rebates
- Medical Energy Rebates
- Energy Accounts Payment Assistance

Further information can be found at: www.trade.nsw.gov.au

Queensland

- Electricity Concession
- Reticulated Natural Gas
- Electricity Life Support Concession Scheme
- Medical Cooling and Heating Electricity Concession
- Home Energy Emergency Assistance (HEEA)
- Seniors Electricity and Gas Rebates

Further information can be found at www.communities.qld.gov.au or ph:13 74 68

7 Complaints Handling

Customers participating in the hardship program have the same rights in relation to their account as those customers outside the program. ERC always attempts to resolve complaints at the first point of contact. If this is not possible, the customer has the right to request that the complaint be escalated internally.

Customers who are dissatisfied with the outcome of a complaint enquiry can gain additional support from the relevant state Ombudsman scheme or DEpartmetn of Energy and Water Supply for independent advice free of charge.

8 Communication Strategies

Customers experiencing hardship are not always aware of their entitlements. As such ERC has employed multiple communication strategies to promote its hardship program to ensure its customers who may require additional assistance are aware and informed of avenues available to them to ease the financial burden they may be experiencing.

Information about the ERC hardship program is available on our website:
www.energyresources.com.au

9 Contact details

ERC customers who are experiencing financial hardship can contact our customer service centre from 8:30am – 4:30pm on 07 5437 8188. Alternatively, a copy of ERC's Hardship Policy can be downloaded from www.energyresources.com.au or a copy can be posted upon request.