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Aim of this Policy

Keeping up with electricity bills can at times be hard, at LPE helping our customers are the core of our business, our customers are part of our community. The LPE hardship policy is in place as a commitment to communities by way of helping customers in hardship manage their energy usage and bills.

This policy helps us do a few things to support customers, like:

- Proactively work out if somebody is in hardship and has difficulty paying their energy bills,
- Encourage customers to let us know if they are experiencing financial hardship
- Ensure that personal information is handled in a confidential and secure manner
- Teach our customers about the way they use energy, and how it affects their bills.
- Set up personal payment plans to help customers who have fallen behind get back on track.

LPE understand that electricity is an essential service and disconnection can have significant impacts on a household. We want to help our residential electricity customers so we can make debt collecting and disconnecting someone's energy supply our last resort.

What is Hardship?

A customer experiencing financial hardship has been defined as someone who has demonstrated the willingness to fulfil his or her commitments, but does not have the ability to do so.

Equitable Access and Transparency

LPE is committed to equitable access to our Hardship Policy. This policy is transparent and applied consistently to all customers.

Customer's Rights and Obligations

A big part of the LPE hardship response is to inform all customers entering our hardship program of their rights and obligations.

LPE respect the following as customer rights:

- To be treated sensitively with understanding
- To negotiate and provide an affordable payment plan
- To provide information on rebates and concessions
- To provide information to financial counsellors
- To provide information on efficient energy use
- To not be disconnected whilst actively participating in the hardship program

LPE consider the following customer obligations:

- Stay in contact and inform LPE when experiencing a change in circumstance
- Inform LPE proactively if unable to make payments according to the agreed payment plan
- To maintain agreed payment schedules.

Hardship program

At LPE we approach customer hardship with sensitivity and understanding. We treat our customers as individuals, recognising that each customer has a different set of circumstances, and will have different concerns that result from financial hardship.

LPE have proactive strategies to identify customers in hardship and we respond with personalised payment options, and information on methods of payment. Our customers are directed to other avenues of support such as financial counsellors and community groups, and may be offered a home energy audit at no cost to them.

As part of the LPE hardship program, customers who make agreements are protected from further collection activity while they maintain their obligations under the agreement. We will advise customers in writing at the commencement of their agreement, what their terms of the agreement are and what will happen should they not adhere to the agreement.

LPE will not disconnect any residential customer while they are actively participating in the hardship program.

Identifying Hardship

Sometimes customers let us know they're having difficulty paying their energy bills, but often doing that is hard – so we're always on the lookout for signs that a customer might be having trouble. Sometimes financial counsellors or advocates let us know about a problem for a customer.

We are constantly monitoring our customers' payment history for late payments or unpaid bills, and we take notice of how often people apply for government assistance or payment extensions.

We have a dedicated service desk with specifically trained team members who can tell you about our hardship program and how it can help.

Applying for hardship

The LPE Hardship program is available to any current LPE residential customer who is in financial hardship. There are many ways LPE can be informed of a customer's requirement or desire to access the hardship program. LPE do not have an onerous application process, you can access it by simply contacting LPE yourself or having a financial councillor contact LPE. We will respond as per the response process described;

Customers who have been previously excluded must be able to meet the same obligations to that of a new applicant.

Responses to Hardship

Once a customer has been identified as in hardship, LPE will respond as follows:

- The customer will be referred to a dedicated Hardship Accounts Manager via a LPE accounts manager, LPE Contact Centre, the customer, or a third party such as a financial counsellor or welfare agency
- A dedicated Hardship Accounts consultant will be assigned and the customer will be contacted within 24 hours of referral.
- The customer will be contacted by their specialist account consultant, who will review the appropriateness of the customer's energy agreement.
- The specialist account consultant will advise the customer of the following assistance:
 - payment plans
 - government rebates and/or concessions
 - Centrepay
 - assistance options
 - financial counsellors
 - energy efficiency information
 - home energy audits

The customer will be given notification in writing (email or mail) confirming their entry eligibility and the options discussed on the hardship program.

Limitations to Assistance

LPE's objective for customers experiencing hardship is to support them with their energy needs and to provide a financial pathway through our hardship assistance program.

Assessing capacity to pay

LPE aim to establish manageable payment agreements. When assessing a customer's capacity to pay, we take into account a customer's ability to maintain a minimum standard of living and we measure a customer's income against other financial commitments and basic living expenses, and take advice from a financial counsellor as to a customer's capacity to pay. We will also take into account any arrears owing and the customer's expected energy consumption over a 12-month period. We also measure a customer's capacity to pay against their energy usage, and employ strategies to help customers reduce their usage if it is unsustainable.

Reviewing Market Retail Contracts

The customer's account consultant will review the current energy agreement at no cost upon entry into our hardship program. Our staff will discuss the range of retail offers and contracts available, and will bear in mind that LPE are an embedded network retailer and will ensure that the price on offer is below the lowest available market contract. We have a company mandate to ensure we are providing a rate lower than the lowest market rate available outside of the embedded network. In comparing prices we will consider;

- Cost effectiveness
- Current tariff (including network charge)
- Overall power usage
- Previous bills (if available)
- Other relevant information provided by the customer

All LPE agreements have the ability to be paid for or contributed to through Centrepay, and will provide reviews of market retail contact free of charge, with no early termination fees.

Hardship Assistance Plans

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

Flexible Payment Arrangements

Flexible payment arrangements are short-term extensions granted when a customer advises they can't pay their current account on time. These arrangements are usually offered to customers experiencing short-term financial difficulty as a result of an unexpected but short-term change in income and/or expenditure. Payment extensions/arrangements allow the customer the flexibility to pay-off the account in either a lump sum or instalments prior to the next bill being issued.

It is not financially sustainable for a customer to accumulating debt from electricity consumption whilst actively participating in the hardship program. We will encourage customers to make payments that, at the very least, cover their usage.

Instalment Plan

An Instalment Plan is a structured payment plan designed to encourage customers to budget for the cost of their energy use and any accumulated arrears over a 12-month period. Customers can pay for their annual energy use in equal instalments either fortnightly or monthly

Assistance in Instalment Participation

In exceptional circumstances, LPE will assist customers to maintain their participation in the hardship program.

Exceptional Circumstances

LPE will consider waiving debt if a customer meets one of the following criteria:

- A customer is suffering severe hardship 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. LPE may need supporting evidence.
- LPE believes a customer will have little chance to reduce the debt without assistance.

Centrepay

Customers who receive benefits or allowances from Centrelink are eligible to use Centrepay as a bill-paying service. All LPE agreements have the ability to be paid for or contributed to through Centrepay.

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;

www.centrelink.gov.au or by phoning 1800 050 004.

Monitoring and Reviewing Payment Plans

LPE constantly (weekly) monitors customers on payment plans, understanding habit and consistency is a big part of helping customers remove themselves from debt. Review of a customer's payment plan is undertaken if we are informed by a customer or financial counsellor that a customer's circumstances have changed. LPE recognise not all customers will phone if they are in further financial difficulty, and our staff will contact each customer at least once every three months to confirm their payment plan continues to be appropriate and affordable.

LPE will review, renegotiate or revise any payment plan with a customer on the hardship program, if their personal circumstance change. If a customer is paying less than their usage and accumulating debt, we will encourage the customer to make payments that, at the very least, cover their usage. LPE will support customers who are actively participating in the Hardship Program by not imposing further debt in these circumstances.

Late Payment Fees and Security Deposits

Customers actively participating in the hardship program will not be charged late payment fees, and security deposits will not be requested of any customers.

Disconnection

Disconnection is our absolutely last resort, and we would consider it only after we have exhausted all other reasonable avenues. At all stages we will use our best endeavours to contact you to establish if your failure to pay our bill is due to genuine financial hardship.

Disconnection only occurs as a last resort, however, we will not disconnect any residential customer while they are actively participating in our hardship program

Any Disconnection Notices we send to our customers include the following statement

"LPE's Hardship Program is available to all residential customers, experiencing either short or long term financial hardship. Through this program we will aim to assist you by providing you with a payment plan, information on the availability of government concessions, Utility Relief rebates, Energy Efficiency advice and the availability of a financial counsellor. If you are experiencing difficulties we encourage you to make contact with us on 1800 040 168"

Continuation of Energy Supply

LPE will attempt through our customer accounts consultants to make written and verbal contact with you on at least three occasions (by phone [3 times], email [2 times] and Post[1 time – final]) if you do not pay our bill within 21 days. We will genuinely encourage you, if you break a payment plan, to discuss another plan or utilise other resources to help you.

If we contact you it will be in the process stage of disconnection to supply. We will make it clear to you, that we will not disconnect your supply earlier than 7 business days after receipt of the disconnection notice. If a customer refuses to provide reasonable assurance of payment, or fails to follow a scheduled payment plan, we do have the ultimate legal right to disconnect your electricity supply. We will always seek to negotiate an outcome with you rather than leave you without electricity.

Exiting Hardship Plans

Any customer may leave LPEs Hardship Program at any time, by successfully completing the program or be removed from the program on request. Any customer is then able to re-commence the program after that, provided they meet eligibility requirements.

Successful Completion

Customers who successfully complete the Hardship Program will be sent a letter confirming completion of the program. LPE will maintain notice of the customer's hardship status, the account will then return to the usual credit and collection cycles.

Customers Not Eligible for the Hardship Program

LPE Hardship support is about supporting customers and communities. NO customer is automatically non-eligible, but there are a few points that are fundamental to LPE supporting their hardship request and participation in the Hardship Program;

- We can't help a customer who is unwilling to be open and discuss their circumstances with us.
- We can't help a customer who can't support or verify their claim that they require assistance.
- We can't help those who've done the wrong thing themselves. So customers in debt due to fraudulent activity, as well as those who've been dishonest in describing their circumstances (meaning that they are not in fact in financial hardship), aren't eligible for the LPE Hardship program.

Energy Efficiency

Efficient energy use will help reduce a customer's bill. LPE have an in-depth knowledge base inherent to the company's history around energy efficiency and can provide advice about simple strategies to reduce a customer's energy use. This advice is available to all LPE customers free of charge.

Energy Auditing

LPE provide a self-assessable energy audit which contains simple tools to allow customers to undertake their own home energy assessments. With advice on how to apply the findings to reduce energy usage, this audit document is available to all customers free of charge on request and/or provided as an initial part of the hardship program assessment.

LPE also provide support in using the audit finds to refer the customer to available concessions, Grants and support programs available (see Government Concessions and Rebates in this policy)

Concessions, Grants and Support

Government Concessions and Rebates

LPE will help determine if a customer is eligible for any of these concessions and will assist a customer in applying for them.

Queensland

Queensland customers can access the following concessions and assistance:

- Electricity Concession
- Electricity Life Support Concession Scheme
- Medical Cooling and Heating Electricity Concession
- Home Energy Emergency Assistance (HEAA)
- Seniors Electricity Rebates

For further information, phone 13 74 68 or visit www.communities.qld.gov.au.

NSW

NSW customers can access the following grants and rebates:

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

For further information, visit www.trade.nsw.gov.au.

South Australia

South Australian customers can access the following rebates and concessions:

- Energy Concession
- Emergency Financial Assistance
- Residential Parks Residents Concession
- Electricity Transfer Rebate
- Medical Heating and Cooling Concession

For further information, visit www.dcsi.sa.gov.au or phone 1800 307 758.

Other Support

At times, customers in the LPE hardship program will divulge personal information about issues impacting on their lives that make it difficult for them to achieve financial security. With the customer's consent, the LPE team will refer them to appropriate organisations, professionals and community groups, including: drug and alcohol counsellors, domestic violence counsellors, mental health support groups etc. In referring customers to third parties, we will respect a customer's privacy and will only disclose information that will best assist our customers. We will take reasonable steps to ensure that these third parties are bound by privacy and confidentiality obligations in relation to our customer's personal information.

Financial Counselling Services

As consuming energy is generally not the cause of financial stress, customers experiencing hardship are often affected with multiple debts. Financial counsellors can assist customers to manage their finances more effectively, and can represent the customer in discussions with LPE.

LPE refers customers to accredited financial counselling agencies, who offer their services at no cost to the customer.

Financial counsellors can contact LPE on:
8am to 6.30pm AEST Monday to Friday on 1800 040 168

Communicating with Customers in Hardship

As part of LPE's early response to identifying customers undergoing financial difficulties, we send pamphlets on our hardship program to customers who have not paid their energy bills on time and have been sent reminder letters.

LPE communicates information to customers about hardship assistance options, including their rights and obligations, via phone calls, letters, emails, pamphlets, home audits, our web site and/or through community visits.

Letters are sent to customers in the LPE Hardship program:

- When a customer enters the program
- When a customer's account is reviewed
- When there is a change in agreed payment plan or a change in energy use
- When there is a late payment or no payment

Account managers in our Hardship team phone, text message and write to customers in the hardship program who have failed to meet their payment plan agreement. Customers participating in our hardship program are obliged to communicate with their account manager or risk being removed from the program.

Culturally and Linguistically Diverse Backgrounds

LPE is committed to providing services to people from culturally and linguistically diverse backgrounds, and to provide access to our hardship program.

If a customer has difficulty with English, an interpreter service is available, at no cost to the customer.

Training

Staff

Eligible Customer Hardship Support Program customers receive advice and support from a dedicated consultant, skilled in dealing with customers in hardship. LPE's Customer Hardship Support Program Account Consultants are provided with training in nationally recognised training modules that focus on customer interaction in areas including:

- Sensitive approaches to communicating with customers in hardship.
- Understanding the issues associated with income uncertainty.
- Financial counselling and assistance available to customers.
- Information handling and privacy

Communities

LPE are a dedicated community based retailer, our whole company is structured on community understanding and support. LPE actively promote the availability of our hardship program to all communities as part of our community consultation process, all customers receive an introduction letter and which includes the statement;

"LPE's Hardship Program is available to all residential customers, experiencing either short or long term financial hardship. Through this program we will aim to assist you by providing you with a payment plan, information on the availability of government concessions, Utility Relief rebates, Energy Efficiency advice and the availability of a financial counsellor. If you are experiencing difficulties we encourage you to make contact with us on 1800 040 168"

We pride ourselves on our electricity efficiency knowledge and actively participate in community meetings to encourage our communities to share this information.

Reporting

LPE will report all relevant and required performance indicators to the relevant agencies.

Complaints

Locality Planning Energy Pty Ltd (LPE) recognises the value of customer complaints as an important tool in managing customer expectations. In order for LPE to respond appropriately to complaints, the complaints will be properly assessed as part of an ongoing complaints management process.

Full copy of LPE's *Standard Complaints and Dispute Resolution Policy* will be made available on request by contacting 1800 040 168

Should a customer be unhappy with the way LPE handled their complaint they can contact the appropriate energy ombudsman.

Queensland

Energy and Water Ombudsman Queensland
Telephone: 1800 662 837
Website: www.ewoq.com.au

New South Wales

Energy & Water Ombudsman NSW
Telephone: 1800 246 545
Website: www.ewon.com.au

South Australia

Energy Industry Ombudsman South Australia
Telephone: 1800 665 565
Website: www.eiosa.com.au

Privacy

LPE is committed to observing to the privacy and protecting the personal information of our customers in accordance with the *Privacy Act 1988* (Cth) and the National Privacy Principles.

Full details of LPE's *Privacy Policy* can be accessed at www.localityenergy.com.au. Alternatively a full copy will be made available on request by contacting 1800 040 168

Contact Details

Customers experiencing hardship can contact LPE on:

1800 040 168 from 9am to 5.00pm AEST Monday to Friday

A copy of LPE's Hardship Policy can be downloaded from www.localityenergy.com.au. Alternatively, a free copy can be posted upon request by contacting LPE on 1800 040 168.

Review

The Policy will be reviewed annually LPE will work to ensure that this policy and associated hardship processes continue to meet company requirements as hardship management matures and improves.