

# Utility Shop National Hardship Policy



**UTILITY**  

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**SHOP**

## **Background**

At Utility Shop, we understand that at various times and for a whole variety of reasons customers can experience financial hardship and may need additional assistance and flexibility to pay their energy bills.

If you find yourself in a position that you are struggling to pay an energy bill the best thing to do is contact Utility Shop as soon as possible and ideally before the bill due date so that we can do our best to help you.

The earlier the issue is addressed, the easier it is to manage and help you to avoid any additional stress, inconvenience, application of late fees or even having your services disconnected. While you may find it difficult to discuss your personal circumstances with Utility Shop, remember that it will be much more stressful to do so after your electricity has been disconnected.

Our Hardship policy is based on a focus of shared responsibility where Utility Shop and customers all share responsibility for assisting customers in financial hardship. Government concessions and/or grants, other community assistance programs and free financial counselling are additional services available to you at any time.

This policy is freely available by contacting us directly by phone or mail, or on our web site.

Customer financial hardship is legally recognised within the National Energy Retail Law Act 2011. All authorised energy retailers are governed by this Act and as such must comply with the minimum requirements prescribed for customers in financial hardship.

For the purposes of this hardship policy, we define residential customers who purchase electricity or gas principally for personal, household or domestic use at the address specified in the contract for supply of energy.

## **Objectives and approach**

Our hardship policy is in place to help and support you during a financial hardship. If you are having a hard time paying your bill, Utility Shop's hardship program can help you pay off your debt through a number of affordable payment arrangement.

We identify people who may be in need of assistance by reviewing their payment history, direct contact with the clients and/or contact directly from our clients. In the event that Utility Shop identifies a customer who may be in need of assistance we will endeavour to contact them within 10 business days. Once we have this contact we are then in a position to assist with reducing their debt by offering them various payment options including:

- Ensure payment arrangements are tailored, fair, flexible and affordable and reviewed regularly;
- Promote access to financial counselling services and other support services that may provide assistance beyond just energy related debt;
- Communicate information about government assistance and concessions that may apply to you;
- Information on energy conservation is offered over the phone and in writing to assist customers to reduce their consumption and future energy costs;
- Additional case management may include the offer of home energy auditing services to help you reduce your consumption.
- If you are not able to pay your utility bill by the due date then we strongly recommend that you contact us immediately to save you any further increase in your debt.

We recognise energy is an essential service and Utility Shop will assist customers if they are willing to pay their bills but require some payment flexibility. Utility Shop will support our customers once they have been identified as in financial hardship.

### **What is Financial Hardship?**

Utility Shop defines a customer in financial hardship as one who is willing but unable to meet their financial obligations because of unexpected events or unforeseen changes that have impacted income or expenditure. We understand that there are a range of factors that need to be taken into account and we identify financial hardship as:

- where you tell us you are experiencing difficulty paying your bill, or
- where your payment history suggests that you are having difficulties with payments, or
- where your financial counsellor or welfare agency (acting with your approval) tells us that you are having problems paying your energy bill due to financial hardship.

In general, situations of financial hardship can be characterised as either being short-term and others longer-term.

Customers can experience a short-term hardship as a result of a temporary financial difficulty. Generally customers will only require short term flexibility, such as flexible payment arrangements and/or temporary assistance, such as an extension in the due date.

Customers experiencing longer-term hardship generally result from a combination of low income and a change in circumstances or an unforeseen event. We will work with you to provide a range of options, which include a formalised case management approach, additional advice and assistance in energy efficiency and existing market contract reviews and referral to financial counselling services.

### **Eligibility criteria**

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

- have an active, residential customer account;
- be experiencing short or long term financial hardship;
- demonstrate a willingness to pay; and
- have a debt outstanding that cannot be paid before the next bill due date.

Customers will not be eligible if the account is:

- “final” – unless already in the hardship program; or
- a “dear occupant” account.

### **Customer’s Rights and Obligations**

Utility Shop’s team will ensure that you are fully informed of your rights and obligations under this hardship policy. Utility Shop will explain the program guidelines to the customer and confirm that the customer is willing to participate within these guidelines.

Utility Shop considers 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 not be disconnected whilst actively participating in the hardship program

Utility Shop considers the following as customer obligations:

- To contact Utility Shop when experiencing a change in circumstance
- To contact Utility Shop when unable to make payments according to the agreed payment plan
- To stay in touch with our team

Additional support may also be provided through:

- Referral to alternate forms of assistance (e.g. financial counsellors); or
- Provision of energy efficiency information to reduce consumption.

### **Hardship Program**

Utility Shop encourages customers who are struggling financially to contact us personally. We also understand some customers may feel uncomfortable discussing their financial problems with us directly. Therefore, we actively recommend you go through a third party, such as a financial counsellor or a welfare agency.

Our aim is to, wherever possible, work with our customers or their representative to close the gap between a customer's energy consumption and their capacity to pay, thus establishing a sustainable usage and payment pathway within 20 business days of being contacted.

We will advise customers in writing at the commencement of this agreement what the terms of the agreement are and what will happen should they not adhere to the agreement.

We will ask you to demonstrate your willingness to participate with us in managing your energy-related debt. You will be asked to agree to a payment instalment plan that offers temporary or ongoing relief, without accumulating more debt.

Utility Shop will not disconnect any residential customer while they are actively participating in our hardship program. While participating in the program, our customers' financial plans are reviewed regularly.

Once a customer has been identified as in hardship, Utility Shop's response is as follows:

- payment plans
- government grants
- Centrepay will be made available for any alternative offer made to the hardship customer
- assistance options
- financial counsellors
- energy efficiency information
- home energy audits

The customer will be sent a letter confirming their entry into the hardship program within 10 business days of an agreement being reached with a customer.

We will establish milestones and actively monitor performance to ensure that everything remains on track.

Where problems emerge, we will contact customers promptly to resolve them. If payment instalment plans' commitments are not being met, depending on circumstances, they may be revised or cancelled at this point.

### **Payment capacity**

When a customer is considering payment arrangements and being on a hardship programs they should consider the following:

- Consider what amount that you can afford to pay immediately, no matter how big or small.
- Consider what amount you are able to pay at a later date, and the date you will be able to pay it.
- A regular amount that you will be able to pay as part of a payment arrangement whether weekly, fortnightly or monthly.
- The time frame around the frequency of payments you can easily manage.

Utility Shop establishes reasonable and manageable payment agreements which are tailored to each individual case by a case manager and in discussion with the client and/or financial counsellors. When we are assessing a customer's capacity to pay, we take into account a customer's income against other financial commitments and basic living expenses. The discussion will include:

- understanding the customer's current situation
- verifying if the customer is able to make a payment and how much they can afford to commit to
- the customer's expected energy consumption over a 12-month period
- the total arrears owing
- the amount the customer has advised they can afford to pay
- other information the customer has advised regarding their capacity to pay, in line with privacy requirements
- Offering the services of a financial counsellor if we believe it would assist the clients long term ability to pay the accounts
- remind the client that we have centrepay options available and can assist in applications
- May be as a suggestion to assist in the reduction of energy we could conduct an energy audit for the client to assist them in knowing why their energy usage is high

We will take into consideration a financial counsellor's statements about a customer's capacity to pay and also employ strategies to help customers reduce their usage if it is unsustainable. With the assistance of financial planners we can arrange ongoing direct debits which will assist the clients future payments.

### **Reviews**

Regular liaison with customers is important as circumstances can change. Conducting regular reviews of their account ensures that the repayment plan is suitable to the customer's needs and is being adhered to. Reviews may also be triggered for a number of reasons including:

- Missed payments
- Increases in consumption
- Account in credit
- Account finalised
- Scheduled review

Reviewing the account provides the customer an important opportunity to discuss their progress and make any changes to the plan that might be required. It may also be necessary for Utility Shop to discuss with the customer or financial counsellor the possibility of increasing their regular payments in order to align payments more closely with ongoing consumption and the reduction of debt, in order to work towards a sustainable position.

Utility Shop will also review the customer's existing market contract upon entry into our hardship program and recommend the most appropriate tariff applicable to your circumstances, where we will take into consideration:

- Cost effectiveness;
- Any dedicated off-peak appliances you have;
- Overall power usage and billing patterns;
- Previous bills (if available);
- Other relevant information.

The review will be conducted at no cost to the customer. We will monitor payments closely to ensure that debt is reduced and does not accumulate further.

We encourage our customers to contact us immediately should they have any issues in any payments. If they are unable to make a payment they must immediately contact us so that we can then make alternative arrangements and then allow the client to stay on the Hardship Program. If the amount of the payment is the issue then we will work with the clients to ensure that a new payment plan is considered and also remind them of financial counselling service.

### **Payment or instalment plans**

A payment or instalment plan allows you to pay an agreed amount regularly towards your bill.

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.

We encourage customers to make payments that at the least will cover their usage.

Utility Shop Instalment Plan is a structured payment plan designed to budget for the cost of energy use, manage peaks in energy use and any accumulated debits over a 12-month period. Customers can pay for their annual energy use in equal instalments either fortnightly or monthly.

Remember, only agree to an amount you can realistically afford because if you break the payment plan your energy supply can be disconnected. Utility Shop will only refuse a payment plan if you have failed to meet previously agreed arrangements. If a customer is not maintaining their payment arrangement and has not been in contact, they may be removed from the program. A customer's engagement with the payment or instalment plan is fundamental if a successful outcome is to be achieved.

If Utility Shop and a customer cannot agree on the amount of your payment plan, we suggest contacting a local financial advisor, welfare agency or ombudsman.

### **Reviewing Payment Plans**

Utility Shop will review a payment plan if informed by a customer or financial counsellor that a customer's circumstances have changed. The Instalment Plan amount and length forms part of this review. Our staff will attempt to contact each customer within each quarterly billing cycle to confirm their payment plan continues to be appropriate and affordable.

If a customer is paying less than their usage and accumulating debt, our staff will monitor the customer's account and make contact more frequently. At this stage we would offer the client a review of energy by conducting an energy audit at no cost to the client. We encourage customers to make payments that at least cover their average daily usage over the last 12 months to smooth out peaks and avoid seasonal pricing shocks. Customers will not be charged late payment fees during participation in the payment plans.

While you meet all your agreed commitments in managing your energy-related debt we will continue to apply this policy. If you fail to meet your commitments twice within 12 months, or fail to agree and fulfil revised arrangements, normal credit treatment may be commenced. Opportunities to re-enter the Financial Hardship Program will depend on the circumstances that led to previous failures.

If you have complaints or concerns about our actions under the program, such as your removal or exclusion from participating in the hardship program you may raise the issue with our customer helpline. If the matter cannot be resolved within that timeframe we will advise you and agree on a new target date.

If you feel that the matter has not been resolved adequately you are entitled to raise your complaint or concern through the energy ombudsman scheme in your State.

### **Shortened collection cycles**

Under the National Energy Retail Law, if you receive a reminder or disconnection warning notice from your retailer for two consecutive bills, Utility Shop may place you on a shortened collection cycle. Utility Shop must tell you before you receive the second notice, that this would result in you being placed on a shortened collection cycle.

When you are on a shortened collection cycle, you will not receive reminder notices when you don't pay your bill on time. Instead, you will receive a disconnection warning notice. If you don't pay your bill by the date on the disconnection warning notice, or contact your retailer to make arrangements to pay your bill, you may be disconnected.

If Utility Shop places you on a shortened collection cycle, we will inform you of this. To be removed from the shortened collection cycle, you will have to pay three bills in a row by the pay-by date.

If you are experiencing payment difficulties or are having trouble paying your energy bills, call us. In these instances, your retailer cannot put you on a shortened collection cycle.

### **Disconnection**

At Utility Shop, disconnection only occurs as a last resort. We will not disconnect any residential customer while they are actively participating in our hardship program. We will attempt to make both written and verbal contact with you on at least three occasions if you do not pay your bill.

We will always seek to negotiate an outcome with you rather than leave you without electricity. Disconnection is our absolutely last resort, and we would consider it only after we have exhausted all other reasonable avenues.

A reminder notice is your cue to contact your electricity retailer as soon as possible. You may still be able to negotiate a payment arrangement and avoid disconnection.

Utility Shop must use our best endeavours to contact you by phone, mail, email or other approved methods prior to disconnection. If you have not paid your bill after receiving a reminder notice, you will receive a disconnection warning advising that your supply may be disconnected in five business days unless payment is made.

You should always contact Utility Shop as soon as possible to discuss your circumstances.

Your electricity cannot be disconnected:

- After 3pm on a business day.
- On a Friday or the day before a public holiday (except in the case of a planned interruption).
- On a weekend or public holiday.
- If you have lodged a complaint with us in relation to the disconnection.
- For non-payment where the amount outstanding is less than the amount prescribed by the Australian Energy Regulator.
- Between 20 and 31 December (inclusive).
- In extreme weather conditions (such as a heatwave).

### **Non-compliance with Agreements**

Customers who do not adhere to agreed payment plans will be contacted and managed in accordance with regulatory obligations under the National Energy Customer Framework (NECF).

Customers who graduate from our hardship program will be returned to normal billing cycles.

Customers who choose to change retailer will be removed from the hardship program.

Customers who fail to adhere to their payment plan agreement will be removed from the hardship program.

Customers who are not in financial hardship or who are not willing to meet their financial obligations are not eligible for entry into our hardship program.

### **Energy efficiency**

The efficient use of energy in your home will help to reduce your energy consumption by alleviating some of their financial burden from over-consumption. By making simple modifications around the house or to energy consumption behaviour, customers will be able to save money.

In recognition of the importance of energy conservation, we can institute an energy advisory service for our customers that aims to achieve cost savings by reducing electricity consumption by pinpointing energy wastage.



Utility Shop will firstly offer to undertake a desktop review using our detailed modelling program to estimate how your current home energy use occurs. If we are unable to explain or account for a significant amount of energy consumption, a home energy auditing service may then be provided to customers who are a part of our hardship program. Home energy audits will only be available to customers categorised as 'critical', meaning that they are in long-term hardship or have a considerably high debt.

Once a review has been made by an auditor, our team will consider offering the following:

- Referral to a government grants scheme;
- Assisted purchase of energy efficient appliances through a third-party supplier.

Where possible, Utility Shop recommends customers use free home energy audits or self assessment kits.

In South Australia, low income households for example may be eligible for a free home energy audit through the [Retailer Energy Efficiency Scheme \(REES\)](#). Utility Shop may contact one of the [third party contractors](#) delivering audits through REES to see if they can assist you.

The Government of South Australia's [Energy Advisory Service \(EAS\)](#) provides free, independent information on a range of energy topics, including:

- help saving energy at home
- understanding your energy bills and meters
- how to calculate appliance running costs
- links to services that can help you if you have trouble paying bills
- general information about energy efficient home design and renewable energy technology, like solar photovoltaic systems.

EAS are available Monday to Friday, between 9am and 5pm.

Phone: 8204 1888 or 1800 671 907 (free call from fixed lines)

Email: [energyadvice@sa.gov.au](mailto:energyadvice@sa.gov.au)

Visit: Level 8, 11 Waymouth Street, Adelaide SA 5000

Home Energy Toolkits contain equipment and information to help you find out how energy is used in your home and what you can do to make savings.

The Home Energy Toolkit is available from all metropolitan libraries and most regional libraries in South Australia. Contact your local library to check availability.

If your Home Energy Toolkit has run out of worksheets, you can [download a copy of the worksheet](#) and print them yourself or contact the Energy Advisory Service for more.

### **Concessions and allowances**

Customers who receive benefits or allowances from Centrelink are eligible to use Centrepay as a bill-paying 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 [www.centrelink.gov.au](http://www.centrelink.gov.au) or by phoning 1800 050 004.

Utility Shop will inform customers experiencing hardship about other government concessions, grants, rebates and capital goods assistance programs. A list of state based concession schemes is provided below.

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](http://www.dcsi.sa.gov.au) or phone 1800 307 758.

For information on ACT grants and concessions visit

[www.concessions.act.gov.au](http://www.concessions.act.gov.au) and [www.grants.act.gov.au](http://www.grants.act.gov.au).

For information about the ACT Civil and Administrative Tribunal's debt waiver initiative, visit

[www.acat.act.gov.au](http://www.acat.act.gov.au).

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](http://www.trade.nsw.gov.au).

Queensland customers can access the following concessions and assistance:

Electricity Concession

Reticulated Natural Gas

Electricity Life Support Concession Scheme

Medical Cooling and Heating Electricity Concession

Home Energy Emergency Assistance (HEAA)

Seniors Electricity and Gas Rebates

For further information, phone 13 74 68 or visit [www.communities.qld.gov.au](http://www.communities.qld.gov.au).

Tasmanian customers can access the following grants and concessions:

Electricity Concession

Heating Allowance

Life Support Machine Rebate

For further information, visit [www.concessions.tas.gov.au](http://www.concessions.tas.gov.au).

Victorian customers can access the following grants and concessions:

Annual Electricity Concession

Winter Energy Concession

Off-Peak Concession

Service to Property Charge Concession

Electricity Transfer Fee Waiver

Life Support Machine Electricity Concession

Medical Cooling Concession

Group Homes Winter Energy Concession

Homewise: Appliance and Infrastructure Grant

Utility Relief Grant Scheme (URGS)

For further information, visit [www.dhs.vic.gov.au](http://www.dhs.vic.gov.au) or phone 1800 658 521.

## **Other support**

Where call centre staff are able to identify if a hardship program customer is calling from a mobile phone we will offer a call back service.

Financial counselling services help people who are in financial difficulty and can help you manage a short-term crisis and plan to prevent a future one. Financial counsellors can help you take full control of your own financial affairs and can:

- help you organise your financial information;
- design a personal budget and suggest ways to change and improve your financial situation;
- assess your eligibility for government assistance;
- negotiate with your creditors;
- explain debt recovery procedures, bankruptcy and other alternatives;
- refer you to other services, for example, gambling support, family support or personal counselling or community legal aid.

Utility Shop may refer vulnerable customers to the Financial Counsellors Helpline on 1800 007 007 or visit the website to find the nearest advisor  
<https://www.financialcounselingaustralia.org.au/Home>

Financial counsellors can contact Utility Shop's EnergyAssist team directly from 9am to 5pm Monday to Friday on 08 7200 1030.

## **Communicating with Customers in Financial Hardship**

As part of Utility Shop'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.

Utility Shop communicates information to customers about hardship assistance options, including their rights and obligations, via phone calls, letters, emails, pamphlets, home audits and our web site. Letters are sent to customers in the 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

Utility shop team members will 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 case manager or risk removal from the program.

If a customer has difficulty with English, an interpreter service is available through the Translating and Interpreting Service (TIS National) on 131 450. For further information please also refer to the TIS website. <https://www.tisnational.gov.au/en/Help-using-TIS-National-services/Contact-TIS-National>

For Interpreter service for languages other than English please call Translating and Interpreting Service (TIS National) on 131 450

**Arabic:** إذا كنت بحاجة إلى مترجم إتصل بالرقم: 13 14 50

**Chinese:** 如果您需要翻譯，請致電： 13 14 50

**Croatian:** Ako trebate tumača, nazovite: 13 14 50

**Greek:** Αν χρειάζεστε διερμηνέα, τηλεφωνήστε: 13 14 50

**Italian:** Se hai bisogno di un interprete, chiamate: 13 14 50

**Persian:** اگر شما لازم است، فراخوان 131 450

**Polish:** Jeżeli potrzebujesz tłumacza, zadzwoń: 13 14 50

**Portuguese:** Se você precisar de um intérprete, ligue para: 13 14 50

**Serbian:** Ако треба тумача, назовите: 13 14 50

**Spanish:** Si usted necesita un intérprete, llame al: 13 14 50

**Turkish:** Eğer bir tercümana ihtiyacınız Arama: 13 14 50

**Vietnamese:** Nếu bạn cần một thông dịch viên, xin gọi: 13 14 50

When you call TIS National you will be greeted by an English-speaking TIS National operator who will ask what language interpreter you need. After you have requested a language, you will be placed on hold while the operator searches for an available interpreter. Please stay on the line even if there is no hold music.

If an interpreter in your language is available, the operator will connect you with the interpreter and ask you which organisation you need to contact. Please have the name of the organisation, their contact phone number and your client or account number with the organisation (if any) ready when you call TIS National.

The interpreter will tell the TIS National operator who you need to contact and the operator will proceed to call and connect you and the interpreter to the organisation requested.

Utility Shop is an online energy retailer, which means that emails are the most efficient way of communicating with you. If you do not already have an email address you will find that having an email address useful also to receive bills.

To get a free email address, visit:

- [Gmail](#)
- [Outlook.com](#)
- [Yahoo!](#)

Need computer access? Contact your State Government, local library or community agencies to see how they can help you.

### **Staff training**

Utility Shop educates our staff to identify and work empathetically and non-judgementally with customers in hardship. Our training covers issues relating to financial hardship,

identification and referral processes and protocols, and respectful communication with customers.

### **Complaints**

Customers under a hardship program continue to have the same rights in relation to their accounts as customers outside of the program. If there are concerns or complaints, all customers have the right to refer that complaint to Utility Shop.

If you have a complaint, Utility Shop will resolve the matter in accordance with its complaints and dispute resolution policy.

[View Utility Shop's Complaints Process](#)

In short, Utility Shop works to resolve complaints at the customer's first point of contact. If this is not possible, it will be escalated to the Customer Team Leader. If Utility Shop have been unable to resolve your complaint directly or if you are unhappy with the outcome of the enquiry into your complaint, customers can approach their state Energy Ombudsman scheme, which offers an independent free service to assist in dispute resolution.

### **Your privacy**

Utility Shop is committed to respecting the privacy and protecting the personal information of our customers in accordance with the Privacy Act 1988 at all times. Full details of Utility Shop's Privacy Policy can be accessed at [www.utilityshop.com.au](http://www.utilityshop.com.au).

### **Contact details**

Customers experiencing hardship can contact Utility Shop's team from:  
9am to 5pm Monday to Friday on 08 7200 1030.

A copy of Utility Shop's Hardship Policy can be downloaded from [www.utilityshop.com.au](http://www.utilityshop.com.au). Alternatively, a free copy can be posted upon request by contacting Utility Shop on 08 7200 1030.