



Customer Hardship Policy

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Customer Hardship Policy

1. INTRODUCTION

PURPOSE

At Starcorp Energy, we understand our customers can experience financial hardship from time-to-time and may need additional assistance and flexibility. Our Hardship Policy has been created to assist customers to manage their energy usage and costs where and when it may be required.

OBJECTIVE

A consistent and reliable source of electricity is essential for our customers. At Starcorp Energy we believe that financial hardship should not preclude customers from supply if they are willing to pay their bills but require some payment flexibility. Aim is to empower our customers to support themselves in a sustainable fashion.

We have an engaging and consultative approach to hardship. We will undertake to educate our customers in ways that can conserve and limit energy usage.

To that end we will handle each case with respect and take time to understand our customers' needs in the instance of financial hardship. We will:

- Treat customers with sensitivity and empathy
- Ensure payment arrangements are fair, flexible and affordable
- Review agreements regularly
- Provide customers with information about relevant government grants and concessions
- Provide customers with information energy efficiency practise
- Maintain strong relationships with customers and other interested parties
- Provide ongoing training for our staff in dealing with hardship matters

2. WHAT IS HARDSHIP?

We consider hardship as customers who are willing to meet their contractual obligations, but do not have the financial capacity to do so. In this document, we have defined two types of customer hardship: short- and long-term hardship.

SHORT-TERM HARDSHIP

Customers experiencing short-term hardship are undergoing a sudden change in circumstance, which has resulted in temporary financial difficulty. These customers generally require flexibility and temporary assistance, such as an extension of time to pay, or flexible payment arrangements.

LONG-TERM HARDSHIP

Customers experiencing long-term hardship have generally resulted from a combination of a change in circumstances or an unforeseen event, and may require a more formalised account management approach and additional assistance under which a customers payment plan may be revised over a longer period.

3. FAIR ACCESS AND TRANSPARENCY

Starcorp Energy is committed to fair access to our Hardship Policy. Our policy is transparent and applied consistently. At no cost, a copy of our Hardship Policy is available on request by either phoning our customer service team on 1300 337 827 or by downloading directly from our website www.starcorpenergy.com.au

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4. CUSTOMER'S RIGHTS AND OBLIGATIONS

Starcorp Energy's Team will inform customers entering our hardship arrangements of their rights and obligations by letter and or email.

Starcorp Energy considers the following as customer rights:

- To be treated with sensitivity and empathy
- To negotiate an affordable payment plan
- To renegotiate instalment payments
- To receive information on relevant grants and concessions
- To receive information on efficient energy use
- To not be disconnected whilst actively participating in an agreed arrangement
- To pay for their energy consumption in advance or in arrears by instalment payments
- To use Centrepay as a payment option
- To use Centrepay with any new or altered contract

Starcorp Energy's considers the following as customer obligations:

- To contact Starcorp Energy when experiencing a change in circumstance before going into arrears
- To contact Starcorp Energy when unable to make payments according to the agreed arrangements before going into arrears
- To stay in touch with our team as per agreement between Starcorp Energy and customer

5. HARDSHIP PROGRAM

Starcorp Energy approaches hardship with sensitivity and flexibility. We treat our customers as individuals, recognising that circumstances differ from case to case, and therefore our responses reflect the multitude of stresses that result in hardship.

We work to identify customers in hardship and we respond with flexible payment options, and information on grants and other assistance programs. While participating in agreed arrangement, our customers' participation are reviewed regularly.

Starcorp Energy's approach to hardship is to ensure that customers who make agreements are protected from further credit and collection activity while they adhere to the agreement. We will advise customers in writing and or email at the commencement of this agreement what the terms of the agreement are and what will happen should they not adhere to the agreement. Starcorp Energy will not disconnect any customer while they are actively participating in our hardship program.

WHO IS ELIGIBLE?

Starcorp Energy customers who are experiencing temporary or long-term financial difficulty and having trouble paying their bills. We know that there are a number of reasons why you may be finding it difficult to pay your energy bills. These may include but not limited to:

- loss of or change in income
- serious illness, disability or death in the family
- separation, divorce or other family crisis, or
- other personal reasons.

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In these situations Starcorp Energy may be able to help, Call our account management team to discuss.

INITIAL IDENTIFICATION OF HARDSHIP

Starcorp Energy actively encourages customers, financial counsellors and or welfare agencies of our customers who are subject to financial duress to contact us personally on 1300 337 827.

We understand some customers may feel uncomfortable discussing their financial problems, therefore, we also employ strategies to assist in identifying vulnerable customers.

Our strategies include using active account management to engage with customers where these and other potential issues can be resolved readily together with reviewing credit cycles designed to alert the Starcorp Team of poor payment history and a pattern. Our team members are trained to pose questions designed to invite customers to disclose hardship. We provide hardship information to all customers to ensure that they are aware of the policy.

ACTIVE ACCOUNT MANAGEMENT OF HARDSHIP

If a customer has voluntarily contacted us, or has been identified as experiencing hardship, Starcorp Energy's active response is as follows:

- The customer will be referred to a team member or account manager within 24 hours of initial contact
- The team member or account manager will review the appropriateness of the customer's contract
- The case manager will advise the customer of the following
 - Assistance options
 - Energy efficiency information
 - Payment plans
- Our customer will be sent a letter confirming their entering into an arrangement.

ASSESSING CAPACITY TO PAY

Starcorp Energy establishes reasonable and manageable payment agreements. When we are assessing 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. We 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.

We will take into consideration a financial counsellor's statements about a customer's capacity to pay.

6. REVIEWING CUSTOMER CONTRACTS

The customer's account manager will review the appropriateness of a customer's contract upon entry into an agreement. Our staff will discuss the range of contracts available, and will bear in mind:

- Cost effectiveness
- Previous tariff (including network charge)

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- Overall power usage
- Previous bills (if applicable)
- Other relevant information provided by the customer

7. HARDSHIP ASSISTANCE ARRANGEMENTS

Starcorp Energy is committed to working together with customers to establish payment plans that are flexible, affordable and sustainable. We will discuss all payment options including the use of Centrepay with any new or altered contract outlining their advantages and disadvantages, thereby allowing customers to make informed decisions.

A. 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. In these instances, 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.

B. STARCORP ENERGY INSTALMENT PLAN

Starcorp Energy 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 given period. The aim is to assist manage ongoing power supply without disruption. Based on our billing model, customers can pay for their annual fees in equal instalments either fortnightly or monthly.

In setting up the instalment plan, Starcorp Energy will discuss with the customer the circumstances surrounding entry into the Hardship Program, other financial commitments they may have and any support they are entitled to under government funded schemes, concessions and rebates.

When considering a customer's capacity to pay Starcorp Energy will review:

- Any income they are receiving
- Any support they are receiving or are entitled to
- Their various personal, household and other expenses
- Any dependents that rely on them for either income or any other form of support
- Any likely change to their income and expenditure over the next twelve months
- Any other financial commitments
- Any report from a financial counsellor or other authorised third party on capacity to pay

PAYMENT PLANS

To ensure an appropriate payment plan is calculated, Starcorp Energy will take into account the estimated usage and amount needed to clear arrears over an agreed amount of time period. The length of the payment plan will be dependent on the nature of the hardship, the level of debt and the customer's capacity to pay. Starcorp Energy will have regard to a customer's expected energy consumption over the following 12 months when establishing a payment arrangement. Starcorp Energy will support customers who are actively participating in the Hardship Program by not

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imposing further debt in these circumstances. This includes, no security deposits or early exit fee's will be taken or requested from the customer.

Customers will receive by letter and or email;

- Duration of payment plan
- Amounts to be paid
- Frequency of payments
- Number of instalment payments
- Payment method
- How plan was calculated
- Contact details of account consultant

Under this payment plan a customer's account will be reviewed monthly at no cost to the customer by the Account Consultant in charge of that account. The Account Consultant will contact the customer if an arrangement becomes unsuitable. At Starcorp Energy we want to ensure that customers are treated with respect and courtesy. A customer may contact the Account Consultants supervisor at any time if they are unhappy with the way the Account Consultant is managing the account under the Hardship Program.

8. MONITORING AND REVIEWING PAYMENT PLANS

Starcorp Energy will review a payment arrangement if informed by a customer that circumstances have changed. We recognise not all customers will contact us directly and our staff will contact each customer on payment arrangement at least once every three months to confirm their payment continues to be appropriate, affordable and sustainable.

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

9. LATE PAYMENT FEES

Customers under a payment arrangement will not be charged late payment fees.

10. DISCONNECTION

At Starcorp Energy, our aim is to avoid disconnection and we will not disconnect any customer while they are actively participating in an agreement arrangement.

While every effort is made to assist customers on the hardship program and maintain supply, there are circumstances where a customer may be returned to regular debt management.

Customers on the Hardship program will not be disconnected for debt; however, a customer that does not fulfil their obligations may be returned to regular debt management and can potentially be disconnected under the guidelines of the National Energy Retail Law. Disconnection of a customer due to their inability to pay energy bills will be an absolute last resort option. The success of the program is dependent on the co-operation of both parties and this includes a

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willingness to keep to the payment arrangement as agreed with the Account Consultant. Should a customer fail to participate in the program as agreed for two consecutive months and does not show intent to keep minimum payments or contact us for two consecutive months to discuss other options, the customer will be advised in writing of their referral out of the program.

11. NON-COMPLIANCE WITH PAYMENT ARRANGEMENTS

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).

12. EXITING HARDSHIP AGREEMENTS

Customers who complete payment agreements will be returned to normal billing cycle. Customers who choose to change retailer will be removed from the hardship program. Should a customer fail to participate in the program as agreed for two consecutive months and does not show intent to keep minimum payments or contact us for two consecutive months to discuss other options, the customer will be advised in writing of their referral out of the program.

13. CUSTOMERS NOT ELIGIBLE FOR THE HARDSHIP AGREEMENT

Customers who don't have an active account, are not willing to enter into an agreed payment schedule, who don't provide relative information regarding their ability to fulfil their repayment obligations and a willingness to engage with Starcorp Energy.

14. ENERGY EFFICIENCY

As a part of ongoing account management, Starcorp Energy's staff can work with customers to identify energy consumption trends and can provide customers advice about simple strategies to reduce potential energy use.

Information provided to customers over the phone or in person and is supported by reporting and advice supplied via Starcorp Energy.

15. COMMUNICATING WITH CUSTOMERS IN HARDSHIP

As part of Starcorp Energy's initial identification of customers undergoing hardship/difficulties, we communicate our approach to customers who have not paid their energy bills on time and have been sent reminders.

Starcorp Energy communicates information to customers about hardship assistance options, including their rights and obligations, via phone calls, face to face and via our web site.

- When a customer enters an agreement
- 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

Customers participating in an agreed arrangement are obliged to communicate with Starcorp Energy to ensure appropriate account management or risk removal from an agreement.

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16. CULTURALLY AND LINGUISTICALLY DIVERSE BACKGROUNDS

Starcorp Energy is committed to providing services to people from culturally and linguistically diverse backgrounds, and to provide access to our hardship program. We will work with community organisations to provide resources and bilingual training in efficient energy use for people from non-English-speaking backgrounds.

If a customer has difficulty with English, an interpreter service is available, at no cost to the customer, on 1300 622 718.

17. LITERACY

Starcorp Energy recognises that some customers may have trouble with literacy. Starcorp Energy is committed to providing energy efficiency resources for customers with literacy issues.

18. TRAINING

STAFF

Starcorp Energy 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. We provide ongoing refresher training as required and when we learn new information related to our service delivery.

19. REPORTING

Starcorp Energy will report to relevant government licensing agencies on agreed hardship assistance performance indicators.

20. COMPLAINTS

Starcorp Energy works to resolve complaints at a customer's first point of contact. If this is not possible, it will be escalated to our Senior Management Team. To make a complaint, customers can phone 1300 337 827 or via our website at www.starcorpenergy.com.au

Customers who are unhappy with the outcome of the enquiry into their complaint can contact their state Energy Ombudsman, an independent, free service.

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

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21. GOVERNMENT PROGRAMS

Government Programs and Assistance

If you meet certain criteria you may be eligible for government programs which provide financial assistance to people having difficulty paying their energy accounts. We can discuss these options with you. In QLD and NSW a range of assistance is available, please see below for details;

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

OTHER SUPPORT SERVICES

We can provide you with information on support services that may be able to assist you in overcoming financial hardship issues e.g. (Centrelink, Department of Veterans Affairs, free independent financial counselling advisory services, and relevant community based groups). Our team would be happy to conduct a three way call to the relevant authority depending on your eligibility and jurisdiction.

22. PRIVACY

Starcorp Energy is committed to respecting 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 Starcorp Energy's Privacy Policy can be accessed at www.starcorpenergy.com.au

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23. CONTACT DETAILS

Customers experiencing hardship can contact Starcorp Energy's team from:

- 9.00am to 4.30pm Monday to Friday on 1300 337 827

A copy of Starcorp Energy's Hardship Policy can be downloaded from www.starcorpenergy.com.au

Alternatively, a free copy can be posted upon request by contacting Starcorp Energy on 1300 337 827

24. REVIEW

The Policy will be formally reviewed annually in accordance with changing business and or legal requirements.