



Victorian Hardship Policy

At CovaU, we understand that from time-to-time customers experience financial hardship and may need additional assistance and flexibility. Our Hardship Policy identifies and assists vulnerable customers to manage their energy usage and costs.

Effective 1st January 2019

Table of Content

1 Objective	1
2 What is Hardship?.....	1
3 Equitable Access and Transparency	1
4 Hardship Program.....	1
5 Identifying and Early Response to Hardship	2
6 Standard Assistance	2
7 Tailored Assistance	3
8 Payment Arrangements.....	4
9 Non-payment of On-going Usage	5
9.1 Government and Non-government Assistance.....	5
9.2 Future Energy Costs	5
9.3 Practical Assistance.....	5
10 Capacity Controlled Product.....	6
11 Limitations On Assistance.....	6
12 Centrepay	6
13 Our Commitments.....	6
14 Exiting the Hardship Program.....	7
15 Re-entering Hardship Plans.....	7
16 Disconnection.....	7
17 Staff Training.....	8
18 Smart Meters	8
19 Reporting	8
20 Complaints.....	8
21 Privacy	8

1 Objective

Energy is an essential service, and CovaU believes financial hardship should not preclude customers from energy supply if they are willing to pay their bills but require some flexibility and assistance. This policy supports our customers to support themselves. We have a proactive prevention and intervention approach to hardship. We will champion intelligent prevention strategies that educate our customers and the wider community in the wise use of energy. Our intervention strategies intend to respectfully and compassionately support our customers requiring assistance. Our hardship program will:

- Treat customers respectfully and with empathy
- Ensure payment arrangements are fair, flexible and reasonable
- Review agreements regularly
- Provide information about government grants and concessions
- Provide information and practical assistance on energy efficiency practices and how to reduce energy costs
- Offer energy auditing services
- Maintain strong relationships with community stakeholders

2 What is Hardship?

CovaU defines hardship as customers who are willing to pay for their energy costs, but do not have the financial capacity to do so.

We recognise that customers requiring assistance all have different circumstances and require different levels of assistance. Our Hardship Program allows for us to tailor a ssistance to individual customers in the program, which may include short or long term payment plans, payment extensions, and dedicated account management support services.

3 Equitable Access and Transparency

CovaU is committed to equitable access to our Hardship Policy. Our policy is transparent and applied consistently. Our hardship policy is available to all residential customers who are willing but unable to pay for their energy costs through standard payment options.

A copy of our policy is available on our website and information on our assistance program is further promoted to community agencies and financial counsellors to increase awareness of our program.

4 Hardship Program

CovaU approaches hardship with sensitivity and flexibility. We treat our customers as individuals, recognizing that each customer has a distinct set of circumstances, and responds differently to the multitude of stresses that can result from hardship.

We employ intervention strategies to identify customers requiring assistance and respond with flexible payment options, information on grants, concessions and customer entitlements along with practical tools and information on how to reduce energy consumption.

While participating in the program, our customers' plans, usage and repayments are reviewed regularly.

Customers who engage in CovaU's hardship program are protected from disconnection and credit and collection activity while they adhere to the agreement. We will advise customers in writing upon entering the program of any terms and conditions that relate to our hardship policy.

5 Identifying and Early Response to Hardship

CovaU encourages customers who are experiencing payment difficulties to contact us either directly or through a third party, such as a financial counsellor or a community agency.

The more information made available to us regarding a customer's individual circumstance allows us to provide the most appropriate level of assistance to them and ensures that any decisions made in relation to payment arrangements are fair and reasonable to each customer.

We understand some customers may feel uncomfortable discussing their financial situation therefore, where we have not been advised of a customer experiencing payment difficulties but we have reason to believe that they may be experiencing payment difficulties we will contact the customer ourselves to offer assistance under this policy.

We are vigilant in our monitoring of our customers payment history for late payments and unpaid bills, and take note of customers who have reoccurring patterns of government assistance payments or payment extensions.

When a payment is not received a reminder notice is sent, in line with our regulatory obligations. All reminders notices contain information about our hardship program and encourage customers to contact us for more information on the program.

Where a residential customer fails to pay a bill by the due date, and does not respond to a reminder notice, CovaU will contact customers with arrear values greater than \$55 including GST within 21 business days of the pay by date to discuss options that may be suitable to clear any arrears.

6 Standard Assistance

Standard Assistance is available to all residential customers who are not yet in arrears of \$55 or more including GST. The aim of standard assistance is to help residential customers avoid getting into arrears, CovaU provide the following options for customers seeking standard assistance:

- Payment Extension
- Equal Payments - Payment Plan
- Interval Payments – Payment Plan
- Advance Payments – Payment Plan

Payment Extensions - allows customers to extend the pay by date of at least 1 bill within a 12 month period. Payment extensions are available for periods from 1 to 4 weeks.

Equal Payments Payment Plan – allows customer to make payments in equal instalment amounts at standard intervals approved by CovaU, standard intervals can be scheduled weekly, fortnightly or monthly.

Interval Payments Payment Plan – allows customers to make instalment payments at non-standard intervals.

Advance Payments Payment Plan – allows customers to make instalment payments towards their on-going energy costs, depending on individual circumstances customers may opt to make ad hoc advance payments or make regular payments at standard intervals.

CovaU encourages customers to contact us directly for assistance and our preference is to communicate with our customers via the telephone, in some cases this is not possible and communication must be in writing.

In the event that CovaU identifies a customer as potentially experiencing financial difficulties and cannot contact them via phone we will communicate with them in writing with offers of assistance. Due to the extended time periods required for the delivery of post, CovaU may include a scheduled equal payment plan in the initial written communication. Customers will be deemed to have accepted the offer of assistance without further communication if they meet the scheduled payments.

7 Tailored Assistance

Tailored Assistance is available to all residential customers who are in arrears of \$55 or more including GST. Tailored assistance entitles customers facing payment difficulties with practicable and flexible assistance to help make it easier for them to pay any arrears, ongoing usage and help reduce their energy costs. CovaU provides the following options for customers requiring tailored assistance.

Customers able to pay for their on-going usage costs:

- All options available under standard assistance
- Specific advice about any government and non-government assistance including Utility Relief Grants and energy concession available
- Payment plan periods with standard intervals on arrears for up to 24 months
- Advice on payment options that will enable customers to repay arrears within a 24 month period.
- Specific advice on a customer's likely cost for future energy usage and how to reduce the cost.

Customers unable to meet the costs of on-going usage:

- All options available under standard assistance
- Specific advice about any government and non-government assistance including Utility Relief Grants and energy concession available.
- Specific advice on a customer's likely cost for future energy usage and how to reduce the cost.
- Practical assistance to help a customer' lower their energy cost including:
 - Advice on the tariff most likely to help a customer reduce their energy costs based on our knowledge of the customers actual patterns of energy usage and payment history.
 - Practical assistance to help reduce their use of energy, based on the customers pattern of energy use and the circumstances of where the customer lives, provided there is scope for action to be taken for that purpose.
 - Information about how the customer is progressing towards lowering their ongoing

energy costs at regular intervals.

- An initial period of 6 months where:
 - - arrears can be placed on hold
 - - ongoing energy costs are lowered whilst a customer is working towards lowering their energy costs

Our payment difficulties team will work together with our customers to provide the most appropriate levels of assistance to help customers better manage their energy arrears, ongoing usage and costs and remain connected at all times.

CovaU may extend an initial 6 month period for a customer if the extension will assist the customer to continue to lower their energy use.

A customer who has exercised an entitlement of an initial 6 month period (where arrears were placed on hold and or their ongoing energy costs where lowered) and can now manage their ongoing usage costs, may exercise their entitlements available under Tailored Assistance/Customers able to pay for their on-going usage costs.

8 Payment Arrangements

Payment plans are applicable for customers where repayment of arrears are not on hold. CovaU understands every circumstance is different, so we will provide you with a personalised payment plan considering your capacity to pay, any other arrears owing and your expected usage over the next 12 months. A payment plan which tailors to your situation is flexible:

- You can make payments of equal amounts at regular intervals of up to one month
- Allows your arrears being fully paid within 2 years after the first payment
- Takes your estimated usage over 12 months into account and you can pay for the energy use together with your arrears

After you are in agreement with us on a payment plan, we will send you the confirmation in writing by mail with all details including:

- The duration of the payment plan
- The number of payments to be made during the payment plan
- The amount of each payment
- The due date of each payment

CovaU will monitor your payment plan over time and keep an eye on your energy consumption and usage patterns to ensure you are on the most suitable tariff. We will review the payment if you have informed us of a change in your circumstances or when we notice a significant change on your energy usage. On the other hand, if we find a failure of payment, we will contact you as soon as we can to discuss the review of your payment plan or seek alternative assistance that we can help to actively take part in the payment plan.

9 Non-payment of On-going Usage

While your repayment of arrears is on hold and you are working towards lowering your energy cost, the bill of your ongoing energy use is still required to be paid. However, if you have difficulty to do so, we understand and we are here to help.

In this situation, CovaU will contact you to discuss varying the amount payable of your energy bill, and/or the frequency of those payments, so that it allows you more time to make changes to reduce your energy use. From time to time, CovaU will monitor if you have met the obligation to lower your energy consumption. We will contact you as long as we realize that you failed to carry out the energy reduction measures. We will work with you to identify an implementation timeframe and see if there is any other assistance that we can provide to help achieve the goals – to reduce your energy costs and pay back the arrears. CovaU will add any amount unpaid for your energy use to your arrears owing to us.

9.1 Government and Non-government Assistance

Some customers may be eligible for assistance through government and non-government agencies, CovaU will provide advice on what assistance customers may be eligible for and how that assistance will help them reduce their arrears and or ongoing energy costs.

9.2 Future Energy Costs

CovaU will evaluate customer's previous usage patterns to provide an estimate on future energy costs and will work with customers on how they can best alter these patterns within reason to help reduce their future energy costs.

9.3 Practical Assistance

Practical assistance provided to customers will vary depending on individual circumstances but will consist of at least;

- A review of a customer's offer to ensure they are paying the lowest possible prices available
- A review of a customer's tariff and energy usage patterns to ensure they are on the most cost effective tariff available to them.
- Regular updates on a customer's progression towards reducing energy costs
- Where required a period of up to 6 months
 - where arrears may be placed on hold
 - partial payments towards ongoing usage costs

Practical assistance may also include any of the following;

- Over the phone energy audits
- Site energy audits for both electricity and gas – Where a site energy audit has been deemed appropriate CovaU will cover the costs of the audit.

- Energy Saving devices
- Flexible options to purchase replacement domestic appliances through CovaU or a local welfare agency.
- Advice on how to access usage data through CovaU My Account portal to monitor time of use data and help analysing and interpreting this data into useful information to identify where they may be able to reduce costs or consumption.

10 Capacity Controlled Product

CovaU will not offer any supply capacity product as the measure to assist you for reducing your energy consumption. This means your use of energy will not be restricted or controlled.

Accepting Assistance – All residential customers seeking assistance with payments directly or indirectly including where CovaU have made initial contact regarding arrears will be given no less than 6 business days to consider the information provided and to either accept or refuse our offer of assistance.

11 Limitations On Assistance

CovaU's goal for customers experiencing payment difficulties is to help them with their energy needs and to provide support through our hardship program. CovaU will continue to provide assistance to residential customers experiencing hardship except where:

- The customer has refused or failed to take reasonable action towards paying their on-going energy use and arrears; or
- The customer has refused or failed to take reasonable action towards paying their on-going energy use; or
- The customer is not facing payment difficulties

12 Centrepay

Customers who receive benefits or allowances from Centrelink are eligible to use Centrepay as a payment method. 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

13 Our Commitments

All CovaU customers entering into our hardship program can expect to

- Be treated fairly and compassionately
- Negotiate an affordable payment plan to clear arrears and manage ongoing energy costs
- Receive relevant and practical advice on concessions and grants, how to reduce energy consumption, and clear arrears

- Not be disconnected whilst actively participating in the hardship program
- Be excluded from our standard debt collection process
- Be provided with a copy of this hardship policy upon request free of charge

In return CovaU expects that customers on a hardship plan will:

- Work with us towards sustainable energy usage and repaying their energy arrears
- Make agreed upon payments
- Contact CovaU in the event they are unable to make an agreed payment
- Inform CovaU when circumstances change

CovaU will use its best endeavours to contact customers who do not adhere to arrangements to discuss varying their agreement if required. In the event that contact attempts are unsuccessful and no further information is provided by the customer, they may be removed from the program, which will result with them being subject to normal terms and conditions regarding debt collection and disconnection processes.

We strongly encourage customers to keep us advised of any changes in circumstances that may prevent them from meeting an obligation.

14 Exiting the Hardship Program

Other than reasons outlined in Limitations of Assistance, customers may exit the hardship program where;

- They no longer require assistance from our hardship program, they will be returned to a normal customer status and will be subject to all their agreements terms and conditions; or
- They choose to change retailers

15 Re-entering Hardship Plans

Customers who have completed our hardship program and find that they still require assistance can contact the CovaU team to discuss what options are available to them and where necessary re-enter the hardship program. There is no limit on how many times a person can access this program if they have successfully met the obligations of the program.

Customers will not be eligible for the hardship program if:

- They are not experiencing financial hardship
- They are not classed as a residential customer
- They refuse to take reasonable action towards paying their energy costs and refuse reasonable offers of assistance
- The account is final - unless already participating in the hardship program
- The account is identified as an occupier account or carry over customer
- Our hardship program is not available to customers in debt due to fraudulent activity

16 Disconnection

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

17 Staff Training

All CovaU staff complete comprehensive training and refresher programs to help understand and implement this policy.

18 Smart Meters

For customers with Smart Metering installed CovaU abides by the regulatory obligations with regards to billing information, metering standards, data handling and privacy.

CovaU will inform its hardship customers about tariff changes and efficient energy use and we will not remotely disconnect customers identified as potentially experiencing financial hardship but not yet participating in the hardship program until we have contacted the customer and made an offer of assistance.

Smart Meters will not be used as a credit management tool.

19 Reporting

CovaU will report to all relevant government licensing agencies on agreed hardship assistance performance indicators.

20 Complaints

CovaU works to resolve complaints upon a customer's first point of contact. If this is not possible, it will be escalated to the Customer Resolution team. To make a complaint, customers can phone 1300 689 866.

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

Energy and Water Ombudsman Victoria

Phone: 1800 500 509

Website: www.ewov.com.au

21 Privacy

CovaU 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 CovaU's Privacy Policy can be accessed at www.covau.com.au

Contact Details -CovaU Pty Ltd

Postal address: PO Box R241 Royal Exchange NSW 1225

Email: support@covau.com.au

Enquiries and Payments: 1300 689 866

Website: www.covau.com.au

Interpreter Services

Phone: 131 450

National Relay Service

TTY: 133 677

Speak & Listen: 1300 555 727

SMS: 0423 677 767

Disclaimer:

The Energy Retail Code, which sets out retailers' obligations and minimum customer entitlements, take precedence over this hardship policy in all circumstances.