Company Policy: Customer Support CECP0008.05

For questions regarding or permission to release this Policy, please contact Essential Energy's Chief Risk and Compliance Officer.

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1.0 POLICY STATEMENT

Essential Energy recognises that there are members of the community who experience financial stress or hardship, and as such may be unable to pay for necessary work required by Essential Energy.

2.0 PURPOSE

This policy provides guidelines for identifying, assessing, and supporting such customers and is Essential Energy's "Hardship Policy" for the *Electricity Supply Act 1995* (NSW) and other legislation that governs Essential Energy.

3.0 KEY REQUIREMENTS

Essential Energy recognises that electricity is an essential service and this policy seeks to minimise the instances of disconnections from the network and protect public safety.

4.0 ACTIONS TO ACHIEVE IMPLEMENTATION OF THIS POLICY

4.1 Necessary Work Required by Essential Energy

Necessary work can include, but is not limited to, work deemed necessary to maintain ongoing connection to the network or to ensure public safety. This can include work required on a customer's private assets which could be payable to a third party, such as trimming or removal of vegetation or repair of fault or defect on Essential Energy's assets.

4.2 Identification of Customers Eligible for Support

An individual is identified as being eligible for support when they are willing to meet their financial obligations for work required by Essential Energy, but do not have the capacity to do so as a result of financial difficulties or due to the unexpected amount or timing of the required payment.

Essential Energy recognises that customers can be in need of support due to a number of different factors. To help customers to identify as eligible of support from Essential Energy, Essential Energy has defined the following indicators. Customers may be experiencing one or more of these factors:

- reliance on government assistance or Centrelink payments including the Age Pension;
- unemployed;
- low income
- sudden loss of income or substantial reduction in income;
- suffering from a physical or mental illness, or caring for someone with an illness;
- living with a physical or intellectual disability, or caring for some with a disability;
- experiencing domestic violence;
- change in the make-up of the family unit;
- involved in legal proceedings;
- death in the family;
- impacted by a natural calamity such as fire, drought, flood or storm damage;
- the amount you are required to pay is greater than you can afford to pay.

Given Essential Energy may not have access to information about a customer's capacity to pay, customers need to seek assessment from Essential Energy and provide evidence as requested to allow Essential Energy to assess eligibility for support or assistance. Cases are assessed

individually, however the customer will not be required to seek assessment and Essential Energy will not request evidence to substantiate domestic violence.

Essential Energy may proactively identify customers as eligible for support due to specific circumstances at its discretion.

4.3 Type of Support for Eligible Customers

Once customers or individuals have provided evidence to allow Essential Energy to assess their eligibility for support, Essential Energy will provide access to meaningful and appropriate assistance tailored to the customer's individual circumstances. This can include any of the following.

4.3.1 Flexible Payment Options

Essential Energy may negotiate and agree interest free payment plans for customers, allowing them to pay off outstanding debts/damages over an agreed period of time.

When developing a payment plan, Essential Energy recognises the need for payment plans to be managed individually, requiring negotiation and flexibility. When assessing a customer's capacity to pay, we will take into consideration the amount of the debt, the customer's ability to make repayments based on their individual circumstances, and basic living costs. The health and wellbeing of the customer and their dependents will also be considered in the negotiations.

4.3.2 Writing off the debt

In some circumstances where a customer is unable to make any payment, consideration may be given to writing off the debt.

4.3.3 Assistance with payments to third parties

If Essential Energy requires connection services work to be completed on a customer's private assets and the customer needs to engage a third party (such as an electrician or accredited service provider) to complete the work, we may consider providing the customer with financial assistance to enable the works to be completed. This financial assistance may represent part or all of the cost of the work to be completed. In some circumstances, the customer may be required to repay the financial assistance over an agreed period of time.

4.3.4 Customer rights and obligations

Customer rights

- To be treated in a respectful and professional manner.
- To have confidentiality maintained at all times.
- To have options, information and support clearly explained.
- To be protected from debt recovery or legal action while complying with agreed arrangements.

Customer obligations

- To acknowledge the debt and obligation to repay.
- To provide Essential Energy any reasonable evidence, as requested, to assist with the assessment of financial hardship and capacity to pay.
- To advise Essential Energy if contact details or financial circumstances change.
- To notify Essential Energy if they are unable to meet agreed payments or terms.

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• To acknowledge that Essential Energy may need to proceed with maintenance work to address risks before a hardship ruling has been finalised.

4.4 Supply Disconnection

Essential Energy will only initiate disconnection of supply as a last resort to protect public safety or when all other remedies under this policy have been exhausted. A customer may elect to disconnect supply rather than maintain supply.

If a person is deemed to be eligible for support, Essential Energy will seek agreement of a payment plan with the person after proceeding to rectify the defect to make the supply safe, and not disconnect supply.

4.5 Financial Control and Reporting

All agreed payment plans will be recorded and monitored regularly by Essential Energy.

In establishing agreements for flexible payment options, it is expected that all parties will act in good faith. Where there is a lack of cooperation or good faith negotiations, Essential Energy reserves its lawful rights to recover the debt owed.

4.6 How to Seek Support from Essential Energy

For a confidential discussion and eligibility assessment, please call Essential Energy on 13 23 91. We will let you know which documents you need to send us in support of your request, and what support you are eligible for.

4.7 Complaint Resolution

If a customer is unsatisfied with the assessment of financial stress or hardship, they may request a review or make a complaint in accordance with <u>Essential Energy's Standard Complaint and</u> <u>Dispute Resolution Procedure</u>.

5.0 AUTHORITIES AND RESPONSIBILITIES

Position / Title	Responsibility
General Manager Customer & Network Services	Approving this policy.
Head of Customer Experience	Ensuring adequate resources are provided to manage customer support functions.
	 Ensuring there are appropriate systems is in place to meet these requirements.
	 Implementing this policy and the ongoing improvements.
Customer Contact & Resolutions	Implementing this policy.
Manager	 On-going monitoring of the effectiveness of this policy.
	Acting as the referral point for cases to be considered for customer support.

6.0 **DEFINITIONS**

Financial hardship

A person who experiences difficulties in connection with payment of the costs of maintenance works carried out by Essential Energy.

Financial stress

Individuals who may not identify as experiencing something as extreme as financial hardship but whose circumstances place them in a vulnerable position in connection with payment of the costs of maintenance works carried out by Essential Energy.

7.0 REFERENCES

Internal

<u>Company Policy - Sub-delegation of Authority by the Chief Executive Officer – CECP0001.02</u>

<u>Corporate Guidelines – Stakeholder Engagement Framework – CECG1073</u>

External

Electricity Supply Act 1995 (NSW)

National Energy Retail Rules

Australian Energy Regulator's Ring-Fencing Guideline Electricity Distribution

Electricity Supply (Safety & Network Management) Regulation 2014

8.0 **REVISIONS**

Issue No.	Section	Details of changes in this revision	Change Risk Impact?
2	4.2	Updated to aligned with current practice.	Low
3	4.2	Updated to clarify requirement to provide evidence of hardship	Low