

# Hardship Policy

## VIC

23 April 2024



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## Australian

## Blue NRG Hardship Policy

Blue NRG is a 100% Australian owned energy retailer. We sell energy primarily to business customers; however, we are committed to helping the small number of our existing residential customers who are not able manage their energy costs or who are experiencing financial stress. This policy applies to all residential customers living in Victoria.

We understand that some residential customers may experience either temporary or permanent financial difficulty. This policy ensures that customers experiencing financial difficulty – whether short term or long term – are treated with dignity and respect, and continue to access energy supply, regardless of their financial circumstances.

We are committed to providing assistance to our customers. Our hardship policy is based on a shared responsibility model, and we are guided by principles of fairness, understanding, compassion, dignity and privacy in dealing with our all of our customers. Disconnection of energy services is only considered as an absolute last resort.

The purpose of our customer hardship policy is to:

- Explain our objective, responsibilities and values;
- Detail the rights of residential customers in financial hardship, and what we expect from customers participating in our customer hardship policy – including providing those customers the option of ‘standard’ or ‘tailored’ assistance;
- Explain how to access our hardship program, how to contact us, and how to have disputes resolved if we are unable to resolve them, and how to access interpreter services;
- Provide guidance on how we identify customers experiencing payment difficulties, so that we can provide an early response to customers in financial hardship; and
- Provide details of the assistance that we offer customers experiencing financial hardship, including flexible payment options and concessions, for the payment of energy bills.

## Objectives

We intend to work with all customers so that they are listened to with sensitivity and respect and are offered payment arrangements which are realistic and affordable, based on their individual financial situation. Wherever possible, we also assist customers through other means, such as referral to external support, energy audits, government concessions and rebates.

## Our responsibilities and values

Energy is an essential service and disconnection can have a significant impact on customers. As an electricity retailer, we give special consideration to residential customers who are experiencing general financial pressure, and/or are having difficulty paying their energy bills. We endeavour to treat all customers with respect and take a compassionate and sensitive approach to discussing financial hardship matters.

We believe that both prevention and intervention can reduce energy related financial hardship, and particularly that early identification of customers who may be experiencing financial stress is important, so that energy debt does not become unmanageable.

Disconnection of a customer’s energy service is a last resort and will only ever occur once all other avenues have been exhausted. We believe that a customer in hardship should not be subject to the additional burden and stress of being threatened with disconnection and collection action.

## Who are customers in financial hardship?

A hardship customer is a residential customer who self identifies, or is identified either by us or an independent accredited financial counsellor (or other authorised person) as having the intention, but not the current ability, to make the required payments within the timeframes set out in our payment terms. In other words, hardship customers are residential customers who may not be able to pay their energy bills because of circumstances beyond their control.

We recognise that any customer may experience times of genuine financial hardship due to a number of factors, such as a large number of bills arriving at the same time, an unexpected one-off expense, a sudden reduction in income or unemployment, a serious illness or death in the family, disability, separation or family problems, or other personal reasons.

## Eligibility for program access

Our customer hardship policy is available to all residential customers of Blue NRG who are unable to meet our standard payment terms and conditions, within usual billing cycles. There are no eligibility criteria, and residential customers can receive support though the program as long as they continue to participate and remain in contact with us.

**Business customers are not eligible for hardship under this policy; however, we can offer businesses in financial difficulty access to a payment plan. Business customers are encouraged to contact Blue NRG on 1300 599 888 for more detail if such a situation occurs.**



## Customer rights and obligations

Whilst a customer participates as agreed in a payment plan and/or our hardship program, their energy supply will not be disconnected, and no debt collection action will commence on the energy account with us. Customers will not incur late payment fees or be subject to security deposits. Notices, telephone demands, disconnection requests and legal action (if applicable) will be suspended. Customers can also expect:

- Fair and equitable access to our hardship policy;
- To be treated with respect and courtesy, and to have personal circumstances kept confidential, in accordance with our Privacy Policy;
- To receive information about alternative, flexible payment arrangements, government concessions, financial counselling and programs that may be able to assist;
- To choose from various payment methods that are appropriate;
- To receive written confirmation of any payment arrangements made with us; and
- To have any complaints or issues handled in accordance with our dispute resolution policy and to be able to lodge a complaint with the ombudsman scheme if appropriate.

In turn, we ask that:

- Customers contact us as early as possible if they are struggling to pay their bills, or are experiencing ongoing financial hardship, so that we can assist;
- Customers meet agreed payment plans; and
- Customers contact us if circumstances change so that we can vary any payment plans as necessary.

## Signs of financial hardship

We have processes in place to identify customers experiencing difficulty early in the collection cycle. Our customer service team is trained to identify customers experiencing financial difficulty. We recognise that customers in hardship may have many financial pressures, and that it may be difficult to discuss personal circumstances. Therefore, we approach all conversations regarding hardship with sensitivity.

Some signs that a customer may be in financial hardship are:

- A customer often appears on outstanding debtor reports for late payment or non-payment;
- A customer cannot meet an existing agreed payment or instalment plan;
- An independent financial counsellor informs us that a customer is experiencing financial hardship and unable to pay their energy bill;
- A customer has applied for government concessions or rebates; or

- A customer advises us that they are having problems paying their energy bill.

If customers are struggling to pay their energy bill or identify with any of the above, we encourage them to contact as soon as possible on the details below so that we can assist.

## Providing early response for customers in financial difficulty

We are committed to early identification of customers who may be experiencing financial difficulty. So that we can provide an early response in as many cases as possible, we monitor accounts which are overdue or late as part of our normal collection cycles. This can assist in alerting us to potential payment difficulties. As part of this process, we may contact customers who appear to be struggling to check how they are managing their energy costs and offer a payment plan.

Where customers are issued with a bill and a follow up reminder notice, we contact the customer personally (via phone) to discuss their circumstances, and to offer payment plans as a matter of course.

If a customer is about to receive an unusually high bill, we also attempt to personally contact the customer to advise them in advance so that they can budget in advance.

## How do we notify customers experiencing payment difficulty about assistance options?

Our bills, reminder notices, contract terms and conditions, disconnection warnings and website provide contact details so that customers can get in touch with us, and contact details are also set out in this policy. We also monitor customer payments and outstanding balances, through internal payment reconciliation systems and processes, and use this for early identification of customers who may be struggling to pay their energy bills.

We will also communicate this policy to financial counsellors who are acting on behalf of Blue NRG customers. A copy of this policy is on our website, and we provide a copy of the policy on request and free of charge. Importantly, where a customer has missed a payment, Blue NRG will make contact within 21 business days to discuss the available options for assistance. Customers will then be given six business days to consider which option best suits their needs.

## Standard assistance

By default, all residential customers who are not yet in arrears of \$55 or more (including GST) are entitled to receive standard assistance. Standard assistance includes allowing the residential customer to:

- make payments of an equal amount at regular intervals of up to one month (or over another specified period)
- make payments at different intervals (e.g. weekly, fortnightly or monthly payment intervals);

- extend by a specified period the pay-by date for a bill; or
- pay for energy use in advance (through regular, ad-hoc or variable payments towards their account) or pays for energy use and arrears payments.

In its discretion, Blue NRG makes available standard assistance to all of its customers – residential and business. If none of the options above are practical for a residential customer, or a residential customer has arrears of \$55 or more (inclusive of GST), Blue NRG will provide that customer tailored assistance.

## Tailored assistance

The tailored assistance program is provided to residential customers whose circumstances require more flexible and practicable assistance than that offered by standard assistance. Specifically, if a residential customer has arrears of greater than \$55 (inc. GST), then the Tailored Assistance program will be triggered. This may include residential customers in situations that may include but not limited to:

- Family violence;
- Family and/or relationship breakdown;
- Death or serious medical condition of a spouse or immediate family member;
- Disability/care provider;
- Customer with no or limited English skills;
- Customer with limited access to electronic communication channels such as email or the internet;
- Serious illness or medical condition (including mental health) that impacts a customer's ability to engage or communicate (e.g. having sight or hearing impairment);
- Loss of employment or regular source of income;
- Variable income such as seasonal or casual work;
- Recipient of government assistance (Centrelink payments, particularly Newstart);
- Concession card holder;
- Unexpected and essential cost of living expenses (urgent house repairs, car repairs, medical expenses, schooling or childcare expenses, etc.);
- Being temporarily uncontactable (e.g. due to hospitalisation or disconnected telephone (including mobile) or internet services); or
- Low literacy and/or numeracy, or lack of confidence in speaking to service providers.

Blue NRG looks at a residential customer's circumstances holistically. This may include one or more of the circumstances above as well as the customer's payment history and debt in arrears. This informs our decision when providing customers with tailored assistance.

### Tailored assistance provided to customers may include one more of the following:

- Allowing repayment of arrears of up to 2 years by payments at regular intervals (at an agreed interval but at least once a month);
- Providing payment options that would enable a residential customer to repay their arrears over not more than 2 years;
- Accepting payment arrangements that provides for payment of different amounts at different intervals;
- Extending assistance, including providing a payment arrangement that is longer than 2 years or an additional period of time where the customer's arrears are on hold;
- Providing advice about the likely cost of a customer's future energy use and how this cost may be lowered;
- Providing advice about any government and non-government assistance (including Utility Relief Grants and energy concessions) available to help a residential customer meet their energy costs;
- Providing practical alternatives to help a customer lower their energy costs including, but not limited to:
  - the tariff that is most likely to minimise the residential customer's energy costs, based on our knowledge of the customer's pattern of energy use and payment history; and
  - practical assistance to help the customer reduce their use of energy, based on the customer's pattern of energy use and on the circumstances of where the customer lives, provided there is scope for action to be taken for that purpose; and
  - information about how the customer is progressing towards lowering their energy costs given at sufficient intervals for the customer to be able to adequately assess that progress;
- Providing a residential customer with an initial period of at least 6 months during which:
  - repayment of arrears is put on hold; and
  - the customer pays less than the full cost of their on-going energy use while working to lower that cost.
- Blue NRG may extend the assistance provided for further periods if the extension/s assists the customer to continue to lower the cost of their energy use
- Blue NRG will continue to assist customers who actively participate in the Tailored Assistance program, whilst they continue to pay the full cost of their on-going energy use.

## Customer obligations

- If a customer on the Tailored Assistance program fails to make a payment towards the cost of their on-going energy use by the date on which it was payable, we will make our best endeavours to contact the customer to discuss varying the amount payable, or the frequency of those payments, or both, to give the customer more time to lower their energy cost.
- If a customer on the Tailored Assistance program fails to make a payment by the date on which it was payable, we will make our best endeavours to contact the customer to discuss putting forward a revised payment plan in place.
- If a customer has any unpaid energy use, it may be added to the customer's arrears total.
- If a customer, despite the best endeavours of Blue NRG, refuses or fails to take reasonable actions towards payment for their on-going energy use and/or repaying their arrears after all reasonable contact attempts, they will be removed from protections provided in this Hardship Policy and will be advised in writing of such. Normal credit treatment shall resume as a result.

When contacting customers regarding payment difficulties, Blue NRG adheres to the requirements of the **Debt collection guideline: for collectors and creditors** – a publication by the Australian Competition and Consumer Commission (ACCC) and the Australian Securities and Investment Commission (ASIC).

## Flexible payment options

Customers in financial difficulty are offered flexible payment options to assist in managing their energy bills. We always consider flexible payment options on a case-by-case basis having regard to a customer's circumstances.

We offer a range of flexible payment options, including:

### Extension of time

We may offer customers additional time to pay energy bills. This may involve an extension of time for payment for all or part of the bill on a case by case basis, having regard to a customer's request for such as a result of an inability to make full payment by the due date.

### Payment plans

Payment plans (which allow for a bill to be paid at an agreed rate, over an agreed number of billing cycles) are available to all customers, regardless of their circumstances. Payment plans are tailored to customer's specific needs, considering in particular their request for assistance due to the inability to make full payment by the due date. We will not place a customer on a payment plan unless that customer has agreed to the instalment amounts that are due on the plan and the timeframe for the plan. If a customer is using a financial counsellor to help manage finances, we give serious weight to any advice provided to us by a financial counsellor

on the circumstances of a customer to pay and will work with them to establish a fair and realistic payment plan.

When setting a payment plan, we will also consider any arrears owing and the expected energy usage needs over the following 12-months (having regard to, for example, seasonal factors). If we enter into a payment plan, we will confirm, in writing:

- The duration of the payment plan (up to 2 years from the date of the first payment);
- The instalment amounts to be made under the payment plan (whether this includes future usage only or arrears & expected future usage payments;
- The intervals (and due dates) at which payments are due;
- How to review or vary a payment plan if needed; and
- Our commitment to avoid any disconnection action if a customer is adhering to a payment plan.

### Instalment plans

We offer interest free instalment plans to individual customers, which may include options to pay in advance if the customer chooses.

### Centrepay

Residential customers who receive Centrelink payments can pay their energy bills (and other essential services through Centrepay). Centrepay is a direct debit arrangement where bills are paid directly to service providers who are registered as Centrepay participants. This is done in agreement with the customer.

Blue NRG is not currently a Centrepay participant as we do not sell or market to residential customers. Should we enter the residential customer market, we will register for Centrepay before marketing to residential customers. We will then provide Centrepay as a payment option to all residential customers who receive Centrelink payments, regardless of the customer's current contract type.

If a customer wishes to access Centrepay, Blue NRG customer service staff will either confirm that the customer can access Centrepay on their current contract or transfer the customer to a contract which offers Centrepay. This will be free of charge. Our staff will discuss Centrepay options with all customers who identify as receiving a Centrelink payment, and will be trained to establish Centrepay arrangements for the customer for the payment of their energy bills (where we are authorised to do so).

## Appropriate market contracts

Once a customer identifies or is identified as having payment difficulties and we have established a payment plan (where necessary), our customer service team or sales team will assess the tariff and/or contract to consider whether it is appropriate (there is no cost for this service). We will then, in discussion with the customer, review this to ensure that they are accessing the best product for their

needs and may recommend a different tariff structure or contract. In doing this, we may ask, for example, about:

- Specific electricity usage patterns;
- Ability to move usage from peak to off peak usage;
- Any dedicated off peak appliances; and
- General strategies to use energy efficiently.

Based on this, we may recommend an alternative contract or tariff structure. If we do so, we will obtain a customer's explicit informed consent before transferring to the new contract and will waive any exit or termination fees for hardship customers who transfer contracts.

## Supply capacity control products

Whilst customers are actively participating and meeting the requirements of the Blue NRG Hardship Policy, we will not offer a supply capacity control product to a customer for the purposes of credit management.

## Review of payment plans and renegotiation of payment plans

Once a payment plan is established, we will endeavour to review progress against the plan with the customer, or their representative (for example, financial counsellor) at certain intervals (e.g. every three months or when a customer's circumstances change).

If the payment plan needs to be varied (e.g. the duration of the plan or the instalment amounts due under the plan) we will, in discussion with the customer, renegotiate the payment plan to ensure that it is affordable and manageable.

## Other assistance available to customers under our this policy

Residential customers who are facing financial hardship may receive additional assistance. This includes:

- Where applicable, reviewing and recommending a more appropriate tariff structure; retail rates or market contract, as noted above;
- Providing information about government energy concessions, rebates and grants which may assist and help identify which may be appropriate (see further information below) and whether or not eligibility is a factor for any such assistance;
- Referring customers to government and non-government avenues that may be able to provide support and advice, for example, financial counsellors who can provide budget management assistance. We will engage with financial counsellors, for example, by providing them with information about our hardship policy and, with permission, discuss a customer's options when setting up any payment plans;

- Refer a customer to the National Debt Helpline on 1800 007 007 for confidential and independent advice;
- Carrying out (at no charge to the residential customer) detailed telephone audits of a residential customer's home energy use when the customer has raised concern over their usage. This may identify opportunities to reduce electricity usage;
- Offering (at no charge to the residential customer) Field Energy Audits to residential customers in severe payment difficulty. Field Energy Audits aim to help improve energy efficiency and decrease energy usage. This involves a third party evaluating the energy efficiency of a residential home and providing tips to improve energy usage, for example, through heating and cooling and the use of appliances;
- If during the telephone audit or field audit recommendations are received to Blue NRG that replacement of electrical items would reduce ongoing usage for the customer, Blue NRG can provide a referral to a government grants scheme or provide the assisted purchase of energy efficient appliance through a third party supplier. In exceptional circumstances, Blue NRG may consider replacing (at no cost) a customer's electrical item if it responsible for high and unaffordable energy bills;
- Confirming in writing rights and obligations in respect of an agreement under our customers with payment difficulty plan; and/or
- When practicable, providing residential customers with an initial six-month period where repayment of arrears is put on hold.

## Government relief for hardship customers

Government concessions are provided on a jurisdictional basis and differ from state to state. Further information on concession and assistance programs is set out below.

### Victoria

The Utility Relief Grant Scheme (URGS) provides assistance to low-income households in a financial crisis who are unable to pay for a utility account. Energy retailers can organise grants, which are funded by the Department of Health & Human Services.

<https://services.dhhs.vic.gov.au/energy>

## Ending access to assistance

Access to any standard or tailored assistance may end:

- When a customer advises us that they no longer require assistance;
- When a customer successfully completes an agreed payment plan;
- If a customer continues to fail meeting a payment plan; or
- If a customer fails to actively accept assistance from Blue NRG.

This does not affect a customer's eligibility for further assistance in the future.

## Staff training to respond to financial hardship

Our Customer Service team is trained to identify customers experiencing payment difficulties. All customer service staff involved in the administration of our customer hardship policy has necessary skills to sensitively engage with residential customers about their payment difficulties and to offer assistance.

We train our customer service staff to identify and work sensitively and empathetically with customers in financial hardship. Training includes:

- All customer services and debtor management staff are provided with training in identification of financial hardship related indicators, and training in our customer hardship policy;
- Staff with direct responsibility for managing customers in financial hardship will be provided with additional training on flexible payment options and payment plans, government energy concession, rebate and grant options; and
- All customer service staff are trained in dispute resolution and complaint handling.

In addition, our customer service team:

- have the capability and skills to provide support to customers experiencing payment difficulties; and

## Blue NRG Privacy Policy

We will protect our customer's privacy at all times in accordance with the Privacy Act 1988 and will treat personal information in accordance with Blue NRG's Privacy Policy. Financial information provided to us as part of the policy will not be used for any purpose other than assessing a customer's ability to meet payment plans or assessing eligibility for other assistance (for example, government concessions). Our privacy policy can be viewed here: <https://www.bluenrg.com.au/privacy-policy>

## Complaints and disputes

All of our customers have a right to have any complaint heard, and addressed, by us. We have a **complaints handling policy** which sets out how we deal with complaints and disputes. If you feel that we cannot resolve your dispute, you can contact the relevant jurisdictional Ombudsman scheme:

### Energy and Water Ombudsman Victoria

Phone: 1800 500 509

[www.ewov.com.au](http://www.ewov.com.au)

If you have a complaint or concern, please contact us on the details below in the first instance.

## Review of Hardship Policy

We regularly review this policy in the context of our operational experience and statutory, market, customer and external feedback to ensure that we continuously improve our financial hardship responses. We welcome feedback from our customers on how our payment difficulty program is working so that we can improve over time.

## Disclaimer

With respect to Victorian residential customers, the Energy Retail Code which sets out retailers' obligations and minimum customer entitlements, takes precedence over this hardship policy in all circumstances.

## Our contact details

We provide equitable access to our hardship program to all residential customers. If you are experiencing financial difficulty and want to access our program, please contact us on the details below and one of our team will assist you.

Please call **13 14 50** for interpreter services.

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## Contact us

**Phone:** 1300 599 888 (9am to 5pm (AEST/AEDT) Mon – Fri)

**Email:** [info@bluenrg.com.au](mailto:info@bluenrg.com.au)

**Website:** [www.bluenrg.com.au](http://www.bluenrg.com.au)

**Fax:** 1300 881 903

**Post:** Blue NRG Pty Ltd. PO Box 24390, Melbourne VIC 3001