

# Policy

## Victorian Hardship Policy

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## Victorian Hardship Policy

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## Victorian Hardship Policy

### 1. The purpose of this document

Disconnection can have a significant impact on our customers and their families and is considered by ZEN Energy Retail Pty Ltd (**ZE Retail**) to be a last resort action that should be avoided whenever possible.

Recognising that electricity is an essential service and that some of our residential customers may, on occasion, fall into financial hardship we will work closely with our Victorian customers to understand how we can assist to find ways to repay and manage their electricity bills. This strategy is aimed at mitigating possible disconnection and possible collection action on customer accounts. Specifically, this hardship policy is designed to:

- align with the Victorian Electricity Industry Act and the Victorian Energy Retail Code of Practice (particularly, the amendments pertaining to customers facing payment difficulties which come into effect 1 January 2019) and any other relevant hardship legislation; and
- identify customers experiencing payment difficulties due to hardship and to help them better manage their electricity bills on an on-going basis through an individually tailored, equitable and transparent program. This program includes, directing our customers to relevant support programs.

This policy comes into effect as soon as practicable, and no later than seven days, after approval by the Essential Services Commission.

This hardship policy is available on our website at [www.zenenergy.com.au](http://www.zenenergy.com.au) and free hard copies are also available on request by contacting us as follows:

Telephone: 1300 936 466  
Email: [enquiries@zenenergy.com.au](mailto:enquiries@zenenergy.com.au)  
Address: Level 10, 473 Bourke Street,  
MELBOURNE VIC 3000

If your first language is not English, interpreter services can be arranged if necessary.

### 2. Hardship

This Victorian Hardship Policy applies to all relevant Victorian ZEN Energy Retail customers who hold an active account with us.

We define hardship as being when a residential customer has the intention but not the capacity to make a payment to us within the timeframe required by the terms of their electricity agreement.

ZEN Energy Retail notes that there can be many causes of financial hardship, including:

- loss of employment;
- injury;
- disability; and
- unexpected one-off expenses or an unusual and unforeseen change in a person's circumstances.

We encourage our customers who have fallen into hardship, or think they might be at risk of hardship, to self-identify by contacting us, requesting to speak to a member of our debt management team. Your call will be handled by us in a courteous, empathetic, respectful, fair and professional way and we will work with you on how we can assist to find ways to repay and manage your electricity bill. Alternatively, customers experiencing hardship can also have their financial counsellor inform us of their hardship situation.

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ZEN Energy Retail also routinely monitors accounts and looks for early indicators that can help us identify a customer who may be experiencing hardship. Indicators of hardship can include, but are not limited to, the following:

- If the account has a history of late or missed payments;
- If there is a sudden change in payment patterns;
- If the customer routinely requests an extension of time to make payments; and
- If there is an unresolved debt on the account.

### 3. Meeting the needs of our hardship customers

ZEN Energy Retail offers flexible payment options to assist in managing your payments, avoiding getting into arrears and reducing the risk of being disconnected.

#### 3.1 Standard Assistance

The following standard assistance payment options are available to our Victorian residential customers who are not in arrears, or who have arrears of less than \$55 (including GST):

- Making payments of an equal amount over a specified period;
- Providing options for making payments at different intervals; and
- Paying for energy use in advance.

#### 3.2 Tailored Assistance

Tailored assistance is available to ZEN Energy Retail residential customers in Victoria who are in arrears to the sum of \$55 or more (including GST) and provides flexible practical assistance to pay their ongoing energy use, their arrears and to lower their total energy costs. ZEN Energy will contact our customers who are in arrears pro-actively, and within 21 business days, in order to provide assistance. Once we have details of assistance to you, you have 6 business days to consider the information, request further information and/or put forward a payment proposal.

Assistance includes:

- Repayment of your arrears – and payment of a reasonable forecast of your ongoing usage for the following 12 months – over not more than 2 years by making payments at regular intervals of up to one month;
- Advice from ZEN Energy Retail about payment options that would enable you to repay your arrears over a period of two years or less;
- Specific advice about the likely cost of your future energy use and how this cost may be lowered; and
- Specific advice about any government and non-government assistance (including Utility Relief Grants and energy concessions) that may be available and could help you meet your energy costs.

Once we confirm your inclusion in the ZEN Energy Retail hardship program, we will send you a letter confirming our agreement with you. The letter will explain all aspects of the program and include a copy of this hardship policy. Specifically, in relation to the payment proposal, we will provide you details of:

- The total number of payments to be made to pay the arrears;
- The period over which the payments will be made;
- The date by which each payment must be made; and
- The amount of each payment.

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As part of the program, we will also assign an account manager to your account. Your account manager will be responsible for ensuring that your account is managed in accordance with your hardship program, this hardship policy and your rights under your electricity agreement with us. You can ask your account manager for information about these rights. Your account manager will also review your hardship program on a regular basis, to ensure it is still suitable for you and your circumstances. We ask that you keep in contact with your account manager and keep us informed of your situation and inform us of any relevant changes to your circumstances, so we can best manage the process, and review your hardship program if you or we think it might need to change.

We will also continue to advise you as to opportunities to reduce your energy use (based on your overall pattern of usage) and on the circumstances of where you live. Further, where you are not meeting your responsibility to implement opportunities to reduce your energy use, that are identified by us, we will contact you and work with you to find an implementation time frame that works for you.

You can contact us at any stage if you wish to discuss increasing or decreasing your payments. Our team will work with you to ensure that your payments are matched to your circumstances and to the level of arrears on your account. Specifically, we will accept a revised payment proposal that conforms with the Rules including that it allows payments to be made by you in equal amounts and at regular intervals and that payments would result in all arrears being repaid in now more than 2 years after the first payment.

#### 4. Other forms of support available under this program

As a ZEN Energy hardship customer, if you cannot pay the full cost of your energy use, you are entitled to receive additional support from us which includes the following:

##### 4.1 Practical assistance

Assistance that we can offer you includes:

- Tariff resetting such that your overall cost of consumption is minimised;
- Providing information as to how you are tracking with your energy usage;
- Placing repayments on hold for a period of at least 6 months; and
- Allowing you to pay less than the full cost of your on-going energy usage;
- Providing assistance to help you for a Utility Relief Grant (if eligible) by:
  - o Completing the online application form over the phone and lodging the form online on behalf of yourself, unless you request otherwise; or
  - o If ZEN Energy are unable to complete and lodge the Utility Relief Grant application form over the phone, we will to the extent possible in completing the application form then send the application form to you with instructions on how to complete the remainder of the form and lodge that form;
- Providing assistance to help you lower your energy costs including but not limited to:
  - o A transfer to the tariff that is most likely to minimise your energy costs, based on ZEN Energy's knowledge of your pattern of energy use and payment history;
  - o Practical assistance to help you reduce your use of energy, based on your pattern of energy use and on the circumstances of where you live, provided there is a scope for action to be taken for that purpose; and
  - o Providing information about how you are progressing towards lowering their energy costs given at sufficient intervals for you to be able to adequately assess that progress.

We can also offer general advice about energy efficiency and can undertake telephone energy audits for you to assist you to identify ways to reduce electricity consumption. Energy efficiency measures which reduce your electricity consumption will also reduce your electricity bills.

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If you have been experiencing hardship for a relatively long time and have accumulated a relatively high level of debt, we may also send a representative to your home to conduct an energy efficiency field audit to identify further opportunities to reduce electricity consumption. We will share equally the cost of any field audit with you, and let you know how long it is likely to take for the cost savings from the audit to cover your share of its cost. We will also give you an indicative estimate of the ongoing savings that may be achieved by the energy efficiency measures identified in the audit.

You can ask your account manager for more information about energy audits, the savings they can achieve and how these savings can offset audit costs.

### 4.2 Energy efficient appliances

You may be able to improve your energy efficiency and reduce your electricity consumption by replacing any old, inefficient appliances you use with new, more efficient appliances.

Where appropriate, as part of your hardship program we will provide you with information about energy efficient appliances that might help you manage and reduce your electricity consumption, and where you can purchase these appliances. We may also offer to assist you to obtain finance or access concessions or other support, such as Government grants, that may be available to help you purchase such appliances, if we think that this is the best way for you to manage your bills.

You can ask your account manager for more information about this.

### 4.3 Centrepay arrangements

If you are entitled to receive and are receiving payments from Centrelink and would like to enter into a Centrepay arrangement with us, we will make this facility available to you at no extra cost.

Centrepay is a voluntary bill paying service, which is easy to use. With Centrepay, your bills are paid in manageable amounts from your Centrelink payments. This can smooth the bill payment cycle and make it easier for you to budget.

ZEN Energy Retail will work with you to find a payment arrangement that corresponds with your circumstances and needs.

### 4.4 Government concessions and financial counselling

As part of our assessment of the options available to you if you are experiencing hardship, we will advise you as to whether any assistance may be available to you from other sources including Government funding, concessions and/or financial counselling services.

If we consider that your circumstances would be best managed through assistance from another source such as a financial counsellor (in addition to, or rather than through a hardship program) we may refer you to a financial counsellor, however, ultimately it is your choice as to whether you access that financial counselling assistance.

Alternatively, you are also able to independent access financial counsellors through the National Debt Helpline (1800 007 007) which provides free and independent financial advice which considers your entire financial situation.

### 4.5 Reviewing your electricity agreement

We also commit to reviewing your electricity agreement with us, both at the time we are entering a hardship program with you and from time to time while the hardship program continues.

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We may propose amendments to the tariff or other terms of the agreement with us or potentially suggest another agreement altogether which, having regard to factors such as whether you have dedicated off peak appliances and your overall electricity consumption, may help you better manage your electricity bills on an on-going basis.

Any such agreement will also make Centrepay available as a payment option. We will not charge you for the review, for any transfer to an alternative agreement or any early termination charge or other penalty for the early termination of your previous agreement with us.

Our customers who have received assistance in line with above options, and whilst being unable to meet the costs of their energy consumption, are entitled to assistance (once they are able to pay the full cost of their on-going energy use) including; managing payments in arrears; advice as to their future energy use; and specific advice in relation to government grants and counselling.

### 5. Commitment

#### 5.1 Our Commitment

Our commitment to you is to, work with you to understand how we can assist in finding ways to repay and manage your electricity bills, on an individual basis, via a payment arrangement that corresponds with your circumstances.

Once we have confirmed your eligibility for our hardship programs, we will not:

- Charge late payment fees
- Require you to provide a security deposit
- Disconnect your supply
- Undertake any debt recovery action

#### 5.2 Your commitment

A successful outcome from a hardship program is only possible when we both work together in good faith.

Accordingly, by entering into a hardship program with us, you will be making a commitment to abide by its conditions including, if your hardship program incorporates a payment plan, by making the required regular payments under that plan.

We ask that you keep in contact with your account manager and keep us informed of your situation and inform us of any relevant changes to your circumstances (and contact details), so we can best manage your participation in the program and review your hardship program if you or we think it might need to change.

We will also continue to advise you as to opportunities to reduce your energy use (based on your overall pattern of usage) and on the circumstances of where you live. Further, where you are not meeting your responsibility to implement opportunities to reduce your energy use, that are identified by us, we will contact you and work with to find an implementation time frame that works for you.

#### 5.3 Ongoing program participation

ZEN Energy Retail notes that we can cease your participation in our hardship program if you refuse or fail to take reasonable action in relation to paying for your ongoing energy use and repaying arrears - or if you are no longer facing payment difficulties.

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However, before taking this action, we will attempt to contact you by your preferred means of contact which can include contact by telephone, postal correspondence or via email. We will do this to let you know what must be done if our hardship program with you is to continue. This includes discussing a revised payment proposal.

We will provide you 10 business days to respond to our contact. We note that, we will have to cease your continuation in our hardship program if you have not responded to our attempts to contact you via your preferred means as well as having provided you written information about your situation.

If we cease your participation in the hardship program, we will send you a letter confirming its cancellation and explaining the reasons why this action was taken.

You can also terminate your participation in our hardship program at any time by contacting us or by paying off the outstanding amount owed on your account. Otherwise, you will automatically exit the hardship program once the program is complete.

Once your hardship program ends, your account will revert to the normal billing cycle. However, you can enter another hardship program at any time after that, provided you are eligible to do so under this hardship policy.

### 6. Complaints

If you have any concerns or wish to raise a complaint about access to, or participation in, our hardship program, you should first contact us. We will provide a written response to your complaint within a reasonable time, generally within 10 business days from hearing from you.

If you are not satisfied with our attempt to resolve your issue, you can register an official complaint. We will respond to your concerns in a timely manner and in accordance with our Complaint Management Procedure, a full copy of which is available for download on our website: [www.zenenergy.com.au](http://www.zenenergy.com.au)

You can also contact us at any time if you would like a free copy of our Complaint Management Procedure.

If you remain dissatisfied with the resolution offered by us, you can have the matter reviewed by the Energy and Water Ombudsman Victoria (EWOV) which is a free service. EWOV can be contacted on 1800 500 509 or via [www.ewov.com.au](http://www.ewov.com.au)

### 7. Privacy and customer information

In the same way as for other information given to us by you, we will manage and protect all information we receive in relation to actual or potential hardship, or your hardship program with us, in accordance with privacy laws and our Privacy Policy. Our Privacy Policy is available for download on our website: [www.zenenergy.com.au](http://www.zenenergy.com.au)

You can contact us at any time if you have any questions in relation to privacy or would like a free copy of our Privacy Policy.

### 8. Training

As part of initial induction procedures and the ongoing training of our front-line staff, we cover this hardship policy and make sure that they understand how to identify and engage with customers who are in hardship and how to make sure that our debt management team becomes involved at the appropriate time and manner.



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We note that our debt management team also receives specialised training which covers the causes of financial difficulty, dealing with culturally and linguistically diverse people and engaging in empathetic and non-judgemental discussions. The team is also trained on how to identify and refer customers to other relevant agencies in order to ensure that our customers receive all relevant support available to them.

### 9. Review of this hardship policy

This hardship policy will be reviewed on a regular basis to assess its performance, and to ensure it complies with all relevant laws.

### 10. Amendment History

Author	Authorised By	Version Number	Issue Date	Amendment
Simon Camroux	John Chiodo	1.0	21/02/2019	
Bianca Bastian – Manager, Compliance	ESC	2.0	01/02/2024	<ol style="list-style-type: none"> <li>1. Updates to ZEN Energy's address due to a recent office move.</li> <li>2. Amendments to state the Victorian Energy Retail Code of Practice.</li> <li>3. Section 3.1 Standard Assistance - update the wording of the first dot point of the policy to align with the wording under clause 125(2)(a) of the ERCoP.</li> <li>4. Section 4.1 Practical Assistance - update this section of the policy to include all information in Clause 128 of the ERCoP, subclauses (1)(e) and (1)(f).</li> </ol>