



DRAFT AER Customer Hardship Policy Guideline

Version 1

February 2019

© Commonwealth of Australia 2019

This work is copyright. In addition to any use permitted under the Copyright Act 1968, all material contained within this work is provided under a Creative Commons Attributions 3.0 Australia licence, with the exception of:

- the Commonwealth Coat of Arms
- the ACCC and AER logos
- any illustration, diagram, photograph or graphic over which the Australian Competition and Consumer Commission does not hold copyright, but which may be part of or contained within this publication. The details of the relevant licence conditions are available on the Creative Commons website, as is the full legal code for the CC BY 3.0 AU licence.

Requests and inquiries concerning reproduction and rights should be addressed to the Director, Corporate Communications, Australian Competition and Consumer Commission, GPO Box 3131, Canberra ACT 2601 or publishing.unit@acc.gov.au.

Inquiries about this publication should be addressed to:

Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Tel: 1300 585 165

Email: AERInquiry@aer.gov.au

AER reference: 64604

Amendment Record

Version	Date	Pages
1 - Draft AER Customer Hardship Policy Guideline	February 2019	24

Table of Contents

1	Overview	5
1.1	AER enforcement of the National Energy Retail Rules and National Energy Retail Law	6
1.2	Definitions and interpretation	7
1.3	Application of this Guideline	7
1.4	Processes for revision and version history	8
2	Retailer hardship policy responsibilities: identification, training and information	9
2.1	Retailers' overarching responsibilities	9
2.2	Steps used to identify customers experiencing payment difficulty due to hardship	9
2.3	Training	10
2.4	Information about a retailer's hardship program	10
2.5	Accessibility of customer information	11
2.6	Payment plans and options	12
3	Communication of customer rights	13
3.1	Accessibility of information provided to customers	13
3.2	Provision of information to customers	13
4	Processes and timeframes	15
4.1	Approval of a customer hardship policy	15
4.2	Reviewing or varying customer hardship policies	15
4.3	AER approval of variations	16
4.4	Timeframes for the submission and approval of a customer hardship policy or variation	17
4.5	Contact details	18
5	Standardised statements	19
5.1	Inclusion of standardised statements in a customer hardship policy	19
5.2	Wording of statements	20
6	Glossary	25

1 Overview

- 1 Under the National Energy Retail Rules (Retail Rules), rule 75A(1) requires the AER to develop, maintain and publish a binding Customer Hardship Policy Guideline (Guideline).
- 2 The purpose of this Guideline is to create binding, enforceable obligations on retailers to strengthen protections for customers experiencing payment difficulties due to hardship.
- 3 Section 2 of Part 1 of the National Energy Retail Law (Retail Law) defines the term 'hardship customer' as 'a residential customer of a retailer who is identified as a customer experiencing financial payment difficulties due to hardship in accordance with the retailer's customer hardship policy'.
- 4 The Retail Law requires a retailer to maintain and implement an AER-approved customer hardship policy.¹
- 5 The purpose of a retailer's customer hardship policy is to identify residential customers experiencing payment difficulties due to hardship and to assist those customers to better manage their energy bills on an ongoing basis.²
- 6 Under the Retail Law, a retailer's customer hardship policy must comply with this Guideline and other relevant requirements including rule 75B(1) of the Retail Rules.³
- 7 New rules 75A and 75B relating to this Guideline and customer hardship policies were made on 15 November 2018. Retailers must comply with these new rules from 2 April 2019.
- 8 This Guideline will address key areas of customer detriment and bring about important improvements to address concerning trends being reported to the AER under its retail performance monitoring regime. These include addressing:
 - increasingly high levels of customer energy debt noted in recent AER retail performance data⁴, by requiring retailers take active steps to identify customers experiencing hardship as early as possible (section 2.2 and 2.3)
 - a fall in the number of customers successfully existing hardship programs, by requiring retailers to have steps in place to help customers manage debt, actively engage with customers throughout their hardship program experience; provide clear, consistent and transparent information to customers about their rights and retailers' responsibilities (section 2, 3 and 5), and
 - higher overall electricity disconnections, including by requiring retailers to communicate standardised statements 1 and 2 with customers, which set out retailer actions for early identification and response, and providing clear guidance and information to customers about their rights (section 5).

¹ Section 43(2)(c) of the National Energy Retail Law

² Section 43(1) of the National Energy Retail Law

³ Rule 75B(1) of the National Energy Retail Rules

⁴ AER, *Annual report on compliance and performance of the retail energy market 2017–18*, December 2018.

- 9 Giving effect to rule 75A(2) of the Retail Rules, this Guideline sets out:⁵
- the processes, timeframes and requirements to be complied with by retailers in connection with the approval or variation of their customer hardship policies by the AER,⁶ and
 - the standardised statements that retailers must include in their customer hardship policies that:
 - inform their customers of how the retailer must comply with the minimum requirements as set out in section 44 of the Retail Law; and
 - provide guidance to customers on their rights, and retailer obligations, with respect to Part 2, Division 6 of the Retail Law.⁷
- 10 The AER has developed the Guideline in accordance with the retail consultation procedure.⁸
- 11 In addition to the specific requirements in this Guideline, the AER expects retailers to consider and adopt best practice approaches to meet customer needs when implementing this Guideline.
- 12 In addition to the protections for customers experiencing hardship, the Retail Law and Rules also provide protections for customers experiencing payment difficulties, such as the requirement for retailers to offer payment plans. The AER has also developed its Sustainable Payment Plans framework⁹ which aims to improve the quality of conversations between energy retailers and customers who are experiencing payment difficulties, providing guiding good practice principles and actions to assist retailers set up payment plans that are affordable and sustainable.

1.1 AER enforcement of the National Energy Retail Rules and National Energy Retail Law

- 13 The Retail Law gives the AER power to monitor, investigate, enforce and report.¹⁰ In particular, the AER's functions and powers include:
- monitoring compliance with obligations under the national energy laws
 - investigating and making enquiries regarding breaches or possible breaches of the national energy laws
 - taking appropriate enforcement action, including:
 - issuing infringement notices

⁵ Rule 75A(2) of the National Energy Retail Rules

⁶ Rule 75B(2)(a) of the National Energy Retail Rules

⁷ Rule 75B(2)(b) of the National Energy Retail Rules

⁸ Rule 173 of the National Energy Retail Rules

⁹ <https://www.aer.gov.au/retail-markets/retail-guidelines-reviews/aer-sustainable-payment-plans-framework>

¹⁰ Section 204(b) of the National Energy Retail Law

- accepting voluntary or court enforceable undertakings
 - instituting proceedings in relation to breaches of obligations under national energy laws
 - where appropriate, revoking retailer authorisations
 - reporting on compliance with obligations under the Retail Law.
- 14 The AER’s enforcement response to breaches of the Retail Law or Retail Rules can generally be categorised as either administrative resolution (such as voluntary undertakings, revisions to internal processes or improved compliance training) or statutory enforcement action.
- 15 Statutory enforcement action can include issuing infringement notices, accepting enforceable undertakings and commencing court proceedings.¹¹ The AER also has the power, in limited circumstances, to revoke a retailer authorisation.
- 16 Businesses that operate under the Retail Law also have obligations under the Australian Consumer Law, which applies to their relationships with energy customers. The Australian Consumer Law and the national energy laws operate together to provide a framework for businesses to operate within.

1.2 Definitions and interpretation

- 17 In this Guideline, words and phrases have the meaning given to them in the Glossary, or if not defined in the Glossary, the Retail Law or Retail Rules.

1.3 Application of this Guideline

- 18 This Guideline applies to all retailers developing a customer hardship policy or variation under section 43 of the Retail Law to submit to the AER for approval.¹²
- 19 Under section 43(2) of the Retail Law, a retailer must, within three months of being granted a retailer authorisation, develop a customer hardship policy and submit it to the AER for approval.
- 20 A retailer with an existing customer hardship policy is required to develop a new customer hardship policy and submit it to the AER for approval within two months of the AER publishing the first Guideline.
- 21 Retailers are required to comply with the Guideline from 2 April 2019.¹³
- 22 Retailers operating multiple brands should ensure their customer hardship policy is consistent across all their brands.

¹¹ Section 279 of the National Gas Law

¹² For the purposes of this Guideline, ‘retailer’ has the meaning of ‘retailer’ as defined in section 2 of the National Energy Retail Law—that is, a person who is the holder of a retailer authorisation.

¹³ Schedule 3, Part 11, rule 3(1) of the National Energy Retail Rules

- 23 The requirements for a retailer to maintain and implement its customer hardship policy are subject to civil penalties.¹⁴
- 24 The Australian Energy Market Commission has recommended that rules 75B(1) and 75B(2) be classified as civil penalty provisions.¹⁵

1.4 Processes for revision and version history

- 25 The AER may amend the Guideline in accordance with the retail consultation procedure.¹⁶

¹⁴ Sections 43(2)(c) and 43(3)(b)(iv) of the National Energy Retail Law and Schedule 1 of the National Energy Retail Regulations.

¹⁵ Australian Energy Market Commission, *Strengthening protections for customers in hardship*, Rule Determination, 15 November 2018, page iv.

¹⁶ Rule 75A(3) of the National Energy Retail Rules

2 Retailer hardship policy responsibilities: identification, training and information

26 This section of the Guideline sets out the requirements to be included in a customer hardship policy with regards to identifying customers experiencing payment difficulties due to hardship and assisting those customers to better manage their bills on an ongoing basis.

2.1 Retailers' overarching responsibilities

27 A retailer's customer hardship policy must specify that a retailer will:

- in dealing with a customer who is experiencing payment difficulties due to hardship, take into account all of the circumstances of the customer of which they are aware and, having regard to those circumstances, act fairly and reasonably, and
- in a timely manner when it is relevant to do so, including on being contacted by a customer, give a customer clear information about the assistance available to the customer under the retailer's customer hardship policy, and
- as soon as practicable, provide a customer who is entitled to receive assistance under the retailer's customer hardship policy with that assistance.

2.2 Steps used to identify customers experiencing payment difficulty due to hardship

28 A retailer's customer hardship policy must:

- set out the steps a retailer will use to identify early the customers experiencing payment difficulties due to hardship, and the steps the retailer will take to assist a customer for the duration of the time that the customer is a hardship customer, and
- state that the retailer has systems in place to enable the retailer to meet its obligations with respect to customer hardship in the:
 - (a) Retail Law, and
 - (b) Retail Rules, and
 - (c) this Guideline, and
 - (d) the retailer's customer hardship policy, and
- set out the retailer's procedures for handling hardship customer complaints and disputes.

Note: for clarity, this clause does not require a retailer to set out in its customer hardship policy a description of its IT or similar back-of-house systems. It is designed to ensure that a customer has transparency over and a good understanding of how the customer interacts with the retailer about hardship issues, and that the retailer has put appropriate measures in place.

29 Some stakeholders have indicated an interest in applying a quantified ‘debt trigger’ amount in retailer customer hardship policies. The AER encourages retailers to apply in their customer hardship policies, measures that will identify customers experiencing payment difficulties due to hardship and assist those customers to better manage their energy bills on an ongoing basis. However, the AER notes that such measures must be consistent with this Guideline, the Retail Law and the Retail Rules.¹⁷

2.3 Training

30 A retailer’s customer hardship policy must:

- confirm that the retailer’s staff have undergone training to understand hardship issues to:
 - (i) answer customer queries about the retailer’s customer hardship policy and its hardship program, and
 - (ii) identify customers experiencing payment difficulties due to hardship, and
 - (iii) assist customers experiencing payment difficulties due to hardship, and
- confirm that the retailer regularly reviews and updates the training referred to in this clause.

2.4 Information about a retailer’s hardship program

31 A retailer’s customer hardship policy must include a brief description of its process for assessing the eligibility of a customer for its hardship program. A retailer may use visual tools such as graphics, tables or flow charts to illustrate the steps involved to assist customers to readily understand this.

Note: *In satisfying this clause, a retailer does not have to provide, within its hardship policy, a list of its criteria for working out a customer’s eligibility for its hardship program. However, a retailer should provide a clear and reasonable explanation of eligibility.*

32 A retailer’s hardship policy must not include unreasonable conditions that exclude a customer experiencing payment difficulties due to hardship from entry or re-entry to a retailer’s hardship program. Specifically, a retailer’s hardship policy must not include unreasonable conditions:

¹⁷ The AER acknowledges that retailers operating in jurisdictions that do not apply the Retail Law can implement different types of measures to assist customers experiencing payment difficulty due to hardship. One such measure is the use of a ‘debt trigger’ for identifying whether a customer may require assistance. For example, under the Victorian Essential Services Commission’s *Payment Difficulty Framework*, a retailer is required to provide to a customer who has missed payment of a bill and owes in excess of \$55, timely, clear and unambiguous advice on the assistance the customer is entitled to. More information about the *Payment Difficulty Framework* is at <https://www.esc.vic.gov.au/sites/default/files/documents/payment-difficulty-framework-final-decision-20171009.pdf>.

In the 12 months following the publication of this Guideline, the AER will seek to understand the impact that customer hardship measures outside the Retail Law have on customers experiencing hardship. If we consider these measures are benefiting customers, we may consult on amending the Guideline to incorporate these measures.

- to entry to the retailer’s hardship program that are reliant on a customer meeting an obligation set by the retailer or a third party, in addition to experiencing payment difficulties due to hardship, and
 - to re-entry to the retailer’s hardship program that are reliant on a customer meeting an obligation set by the retailer or a third party, in addition to experiencing payment difficulties due to hardship.
- 33 For the purposes of clause 32, an unreasonable condition may include, but is not limited to, the following:
- that the customer must attend financial counselling,
 - that the customer must be represented by a third party such as a financial counsellor,
 - that the customer must submit to an energy audit,
 - that the customer must make a one off payment or make a certain number of instalments towards their debt,
 - that the customer accepts an payment extension or extensions before being placed on a hardship program, or
 - that the customer must fail to pay their bills on time.
- 34 A retailer’s customer hardship policy must state the steps the retailer will take to support customers to successfully complete the retailer’s hardship program.
- 35 A retailer may offer a range of additional programs, initiatives and services to assist customers while they are participating in hardship programs. While a retailer may opt to outline these in their hardship policy, they should only operate to the extent they are consistent with this Guideline and are not a substitute for the retailer meeting its responsibilities under this Guideline.

2.5 Accessibility of customer information

- 36 A retailer must include in its customer hardship policy, the telephone number and other contact details to access retailer staff specifically trained to handle enquires about the retailer’s customer hardship policy and its hardship program.
- 37 A retailer must include in its hardship policy how it will effectively communicate about its hardship policy with customers with diverse communications and other needs, including (but not limited to):
- customers with low English literacy, including customers from culturally and linguistically diverse backgrounds, and
 - customers without internet access
 - customers with disability, and
 - customers in remote areas.

38 A retailer must include in its customer hardship policy that, where a customer has elected a representative to act on their behalf, the retailer will engage with the customer's representative as they would the customer and consistent with the customer's consent and instruction to the retailer. Alongside this, the retailer should include information about how a customer can provide this consent and instructions.

Note: the objective of clause 38 is to ensure that customers who wish to have another person act on their behalf can readily do so. For example, customers may have particular needs in this regard if they are experiencing mental health issues, or have an intellectual or other disability.

2.6 Payment plans and options

39 A retailer should consider including in its customer hardship policy:

- where applicable, that it has adopted the AER's Sustainable Payment Plans Framework as a good practice framework for assessing customers' capacity to pay,¹⁸ and
- in offering flexible payment options to hardship customers, it will consider whether debt waivers or payment matching are appropriate.

¹⁸ The AER's Sustainable Payments Plan Framework is intended to improve the quality of conversations retailers have with their customers about payment plans, while still allowing flexibility and encouraging retailers to offer extra assistance to customers. Its aim is to achieve better outcomes by helping customers and retailers agree to payment plans that are affordable and sustainable. More information is at <https://www.aer.gov.au/retail-markets/retail-guidelines-reviews/aersustainable-payment-plans-framework>.

3 Communication of customer rights

40 This section of the Guideline sets out the requirements to be included in a customer hardship policy with regard to customers having equitable access to a retailer's hardship policy.

3.1 Accessibility of information provided to customers

41 A retailer must ensure that its customer hardship policy is easily accessible on its website via an appropriately named and clearly marked URL/hyperlink from the retailer's homepage, and is in a printable format.

42 A retailer must ensure that its customer hardship policy is easily accessible to customers experiencing payment difficulties due to hardship who are unable to access the retailer's website, for example by posting the customer a copy.

43 A retailer's customer hardship policy must:

- use language that is clear, simple and widely understood, and
- be designed for ease of readability through the use of white space, high contrast colours or other visual tools such as graphics, tables or flow charts.

44 Alongside its customer hardship policy, it is good practice for a retailer to provide to a customer a shorter, more accessible document outlining key information regarding its customer hardship policy that includes (but is not limited to):

- the purpose and aim of the customer hardship policy
- how to access the retailer's hardship program and the assistance available
- the retailer's responsibilities to customers experiencing hardship, and the customer's rights, and
- relevant contact details, information on how the retailer will meet its privacy obligations and where customers can access the full details of the customer hardship policy.

45 Any statements a retailer opts to include in their hardship policy about customer obligations and responsibilities must be fair, reasonable and transparent, and consistent with this Guideline, the Retail Law and Retail Rules.

3.2 Provision of information to customers

46 The Retail Law and Retail Rules provide the circumstances in which a retailer must provide its customer hardship policy to a customer.¹⁹

47 In conjunction with a retailer's standardised statements, when requested by a customer, the retailer must send a copy of its customer hardship policy to:

¹⁹ Rule 71(2) of the National Energy Retail Rules and section 46 of the National Energy Retail Law.

- any customer who requests to be sent a copy, and
 - a customer without charge. This includes any administrative fees associated with sending the customer hardship policy to a customer in a hard copy format.
- 48 The customer hardship policy must be sent to the customer in accordance with the customer's preferred method of receiving written communication from the retailer.
- 49 If a customer has not indicated a preference for how they wish to receive written communication, the retailer must send the customer hardship policy to a customer via post.

4 Processes and timeframes

- 51 This section of the Guideline outlines the processes and timeframes a retailer must comply with when applying to the AER for approval of its customer hardship policy or hardship policy variation.
- 52 This section also sets out the general approach the AER will take when considering the approval of a customer hardship policy or variation.

4.1 Approval of a customer hardship policy

- 53 Section 45 of the Retail Law provides the circumstances in which the AER must approve a retailer's customer hardship policy. It also sets out the principles the AER must have regard to in considering whether to approve a customer hardship policy.
- 54 When submitting a customer hardship policy for approval, a retailer may submit supporting information that is not part of the customer hardship policy, where the retailer considers this supporting information will assist in satisfying the AER that the relevant requirements in the Retail Law and Retail Rules are met.
- 55 When submitting a customer hardship policy to the AER for approval, a retailer should not submit detailed operational and procedural documents. Rather, the retailer's customer hardship policy should detail the relevant requirements and processes the Retail Law obliges a retailer to have in place as part of its customer hardship policy.
- 56 For a retailer operating in more than one jurisdiction, the approval of its policy will be considered for all jurisdictions where the Retail Law is in effect, unless:
- jurisdictional obligations vary. For example, where a local legislative instrument requires a customer hardship policy to include programs or processes to assist customers with strategies to improve their energy efficiency, or
 - a retailer advises that certain elements of its policy differ across jurisdictions.
- 57 In the cases referred to in clause 56, a retailer should provide further details to the AER of any jurisdictional variations in its customer hardship policy when submitting to the AER for approval.
- 58 The AER will notify a retailer in writing when its customer hardship policy has been approved. Once approved, the hardship policy must be published on the retailer's website.²⁰

4.2 Reviewing or varying customer hardship policies

- 59 Where the AER is not satisfied that a retailer's customer hardship policy satisfies the requirements in section 45(1) of the Retail Law, the AER may:²¹

²⁰ Section 43(4) of the National Energy Retail Law

²¹ Section 45(2) of the National Energy Retail Law

- indicate to the retailer in what respects it considers the customer hardship policy (or variation), as submitted, to be deficient and request the retailer to submit another customer hardship policy (or variation), or
- approve the customer hardship policy (or variation) with alterations agreed to by the retailer so that the AER is satisfied that the customer hardship policy will contain the minimum requirements and will (or is likely to) contribute to the achievement of the purpose of a customer hardship policy.

60 Section 43(3) of the Retail Law also states that if the AER forms the view that a retailer's customer hardship policy requires review, the AER may direct the retailer to review the policy and make variations in accordance with any requirements set out by the AER. The retailer must then vary the policy in accordance with the AER's requirements and submit it to the AER for approval.²²

61 In the instances referred to in clauses 59 and 60, the AER will contact the retailer to:

- advise that a review or amendment of its customer hardship policy is required,
- explain the reasons for the review and in what respects the AER considers the customer hardship policy to be deficient,
- advise of the timeframes within which the retailer must complete the review and resubmit an amended customer hardship policy to the AER for approval,
- where applicable, advise of any directions, requirements or variations that the AER has specified must be incorporated into the amended customer hardship policy (as provided for under sections 45(2) and 43(3) of the Retail Law),
- where applicable, advise that the AER will approve the customer hardship policy with alterations where the retailer agrees to the alterations (as provided for under section 45(2)(b) of the Retail Law) so that the AER is satisfied that the relevant requirements are met, and
- explain whether the retailer is required to resubmit their entire customer hardship policy or just the amendment(s) or sections that have been varied.

4.3 AER approval of variations

62 A retailer may vary its customer hardship policy independently of the circumstances described in clauses 59 and 60. In the event that a retailer chooses to vary, or amend, all or part of its customer hardship policy, the retailer will be required to resubmit its policy to the AER for approval.²³ The Retail Law specifies that varying a customer hardship policy extends to replacing a policy with another customer hardship policy.²⁴

63 When submitting a variation to the AER for approval, retailers should follow the process outlined in clauses 53 to 58. A retailer should also clearly indicate the sections of the

²² Section 43(3)(b) of the National Energy Retail Law

²³ Section 43(4) of the National Energy Retail Law

²⁴ Section 43(5) of the National Energy Retail Law

customer hardship policy that have been varied or amended from the previously approved policy and set out the reasons for the proposed change(s).

- 64 Variations are not to be implemented until the retailer has received approval from the AER. The AER will contact the retailer should further information or clarification be required.
- 65 The AER will notify the retailer in writing when the variation has been approved. Once approved, the variation must be published on the retailer's website.²⁵
- 66 Where the AER is not satisfied that a retailer's proposed variation or amended customer hardship policy contains the minimum requirements or that it will achieve the purpose prescribed in the Retail Law,²⁶ the AER may:²⁷
- indicate to the retailer in what respects it considers the customer hardship policy (or variation), as submitted, to be deficient and request the retailer to submit another customer hardship policy (or variation), or
 - approve the customer hardship policy (or variation) with alterations agreed to by the retailer so that the AER is satisfied that the customer hardship policy will contain the minimum requirements and will (or is likely to) contribute to the achievement of the purpose of a customer hardship policy.
- 67 The AER considers that not all changes to a retailer's customer hardship policy will constitute a variation for the purposes of section 43(4) of the Retail Law. The AER considers that its approval for a variation to a customer hardship policy may not be necessary where a proposed variation does not affect the treatment of customers. Examples of changes that will not require AER approval include:
- (a) changes to a retailer's contact details, or
 - (b) updates to information contained in the customer hardship policy to reflect changes to jurisdictional energy concessions and/or energy efficiency schemes.
- 68 Retailers should check with the AER whether a proposed change to their customer hardship policy may require AER approval. Queries should be directed to the contact details provided at section 4.5 of this Guideline.

4.4 Timeframes for the submission and approval of a customer hardship policy or variation

- 69 Section 43(2) of the Retail Law and rule 75B(2) of the Retail Rules set out the timeframes a retailer must comply with in submitting a customer hardship policy (or variation) to the AER for approval.

²⁵ Section 43(4) of the National Energy Retail Law

²⁶ Section 45(1) of the National Energy Retail Law

²⁷ Section 45(2) of the National Energy Retail Law

- 70 Rule 75B(3) of the Retail Rules sets out the timeframes for when the AER must approve a retailer's customer hardship policy once submitted to the AER, if the submitted customer hardship policy complies with rule 75B(1) of the Retail Rules.

4.5 Contact details

- 71 Customer hardship policies and any variations should be sent to the AER for approval either electronically to AERInquiry@aer.gov.au, or by mail addressed to:

General Manager
Consumer and Markets Branch
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

- 72 If sent electronically, the subject of the email should state "Customer Hardship Policy Approval".
- 73 Any queries regarding the approval of a customer hardship policy or the AER's process for approving a customer hardship policy should be directed to AERInquiry@aer.gov.au.

5 Standardised statements

- 74 This section of the Guideline specifies the statements a retailer must include in its customer hardship policy.²⁸ Table 1 of clause 83 below sets out the wording of statements retailers must use.
- 75 Standardised statements are to inform customers of how the retailer must comply with the minimum requirements as set out in section 44 of the Retail Law, and provide guidance to customers on their rights, and retailer obligations, with respect to Part 2, Division 6 of the Retail Law.²⁹
- 76 Retailers are encouraged to include protections for customers experiencing payment difficulties due to hardship in addition to the minimum requirements in section 44 of the Retail Law, where a retailer considers this appropriate.

5.1 Inclusion of standardised statements in a customer hardship policy

- 77 Subject to clause 78 of this Guideline, a retailer must include in its customer hardship policy the exact wording of the statements under the headings 'General statement' (general statement) and 'Standardised statements' (standardised statements) in Table 1 of clause 83 of this Guideline, below.
- 78 A retailer must populate the sections denoted in square brackets within the statements with the retailer-specific information stated in italics within the brackets.
- 79 The general statement must precede the standardised statements in a retailer's customer hardship policy.
- 80 Subject to clause 79, a retailer has discretion as to how the standardised statements are ordered within its customer hardship policy however each statement must be included.
- 81 A retailer may include additional information before or after the general statement or any of the standardised statements to:
- include information to meet the purpose of a customer hardship policy as set out in section 43(1) of the Retail Law,
 - include additional information to meet the minimum requirements set out in section 44 of the Retail Law,
 - comply with rule 75B(1)(c) of the Retail Rules, and
 - any other additional information to further assist customers, provided it is consistent with rule 75B(1)(a)-(c) of the Retail Rules.

²⁸ Rule 75B(1)(b) of the National Energy Retail Rules

²⁹ Rule 75A(2)(b) of the National Energy Retail Rules

82 If a retailer includes the additional information referred to in clause 81 in its customer hardship policy, this additional information must not change the substantive effect of the general statement or standardised statements.

5.2 Wording of statements

83 **Table 1: General and standardised statements for inclusion in a retailer’s customer hardship policy**

General statement		
<p>This policy applies to all residential customers residing in [<i>retailer to add state/territory</i>] experiencing difficulties paying their energy bills due to hardship.</p> <p>This policy:</p> <ol style="list-style-type: none"> 1. Explains what we will do to help you manage your energy bills. 2. Explains how we will take your circumstances and needs into account when working out how we can assist you; and 3. Explains your rights as a customer in our hardship program. <p>If you have a financial counsellor or other person who is helping you, you can ask them to contact us on your behalf. We need your permission to speak to them on your behalf.³⁰</p>		
#	Retail Law minimum requirement	Standardised statement
1 & 2	<p>Processes to identify residential customers experiencing payment difficulties due to hardship, including identification by the retailer and self-identification by a residential customer.</p> <p>Processes for the early response by the retailer in the</p>	<p>What we will do:</p> <p>We will tell you about our hardship program and how it can help you if:</p> <ul style="list-style-type: none"> • you tell us you are having trouble paying your bill; or • you are referred to our hardship program by a financial counsellor or other community worker; or • we are concerned that you may be experiencing financial hardship. <p>We will recommend that you speak to a staff member who handles enquires about how you might join our hardship program if:</p>

³⁰ This general statement should be read in conjunction with clause 32 of this Guideline.

	<p>case of residential customers identified as experiencing payment difficulties due to hardship.</p>	<ul style="list-style-type: none"> • we see that your payment patterns show late payments, broken payment plans and/or requests for payment extensions; or • we have sent you a disconnection warning notice or you have been disconnected for non-payment; or • you let us know you may be eligible to use a relief grant or other emergency assistance to pay your bills; or • you mention personal circumstances (eg. death, household illness, family violence, unemployment or reduction in income) or any other circumstances that suggests hardship support may help. <p>Our specially trained staff members will ask you a few questions about your circumstances and let you know if you might be able to join the hardship program.</p> <p><i>[Retailer can insert its timeframes for assessing a customer's application for hardship assistance]³¹</i></p> <p>We will let you know if you are accepted onto our hardship program within <i>[retailer to insert timeframe to advise customer, eg. x business days]</i>.</p> <p>If you are accepted onto our hardship program, we will:</p> <ul style="list-style-type: none"> • let you know if you are on the most suitable plan for your circumstances or if there is a plan that may better suit your needs • talk to you about government concessions, relief schemes or energy rebates you may be able to receive • give you ideas on how you might be able to reduce your future energy use • talk to you about a payment amount that takes into consideration your circumstances. <p>We will offer to send you a copy of our hardship policy at no cost.</p>
--	---	--

³¹ For the purposes of clause 78, square brackets indicate where a retailer needs to populate its own content in its customer hardship policy when applying these standardised statements.

3	Flexible payment options (including a payment plan and Centrepay) for the payment of energy bills by hardship customers	<p>There are different payment options available to hardship customers, including:</p> <ul style="list-style-type: none"> • payment plans • the use of Centrepay <p><i>[Retailer to add additional payment options].</i></p> <p>What we will do:</p> <p>When you are in our hardship program, we will offer you flexible payment options, based on your individual circumstances.</p> <p>When discussing a payment plan with you, we will take into account:</p> <ul style="list-style-type: none"> • how much you are able to pay • how much you owe; and • how much energy we expect you will use in the next 12 months. This will be used as a guide to help us figure out a suitable payment plan. <p>We will offer you a payment plan best suited to your situation. This will include instalments which cover what you owe, and an amount that aims to cover your future energy use.</p> <p>Once we agree to a payment plan that is right for you, we will send details including:</p> <ul style="list-style-type: none"> • contact details if you need further assistance • how long it will run • the amount of each payment, how many payments you need to make, and when you need to make them (that is, the frequency of the payments), and • how we calculated your payments (in advance or in arrears). <p>If you are eligible and would like to use Centrepay, we will make this available.</p> <p>In addition, we will review your energy plan to determine whether there is another energy plan that you may be better suited for. If there is, with your consent we will</p>
---	---	---

		<p>transfer you to that plan at no cost.</p> <p>We may waive any debt, fees or charges in accordance with this hardship policy.</p> <p>If we notice you have missed a payment, we will contact you to see if your current payment plan is still suitable for you. <i>[Retailer must set out contact process when a hardship customer misses a payment plan instalment.]</i></p> <p>What we need you to do:</p> <ul style="list-style-type: none"> • If your circumstances change and you may not be able to make the payments agreed to under your payment plan, please contact us. We can then review your payment arrangements. • You also need to let us know if you have new contact details. <p>If you cannot meet the payments agreed to under your payment plan and cannot be contacted, we may not be able to continue to offer you assistance. If that happens, you will be at risk of disconnection.</p> <p>If you have had two payment plans cancelled, due to non-payment in the last 12 months, we do not have to offer you another payment plan.</p>
4	Processes to identify appropriate government concession programs and appropriate financial counselling services and to notify hardship customers of those programs and services	<p>Depending which state or territory you live in, you may have access to Government schemes, concessions and rebates that are designed to help with your energy bills.</p> <p>What we will do:</p> <p>We will tell you about government relief schemes, energy rebates, concession programs and financial counselling services that may be available to you.</p> <p>What we need you to do:</p> <p>If you find out you are eligible for these programs, please let us know as soon as possible so that we can help you.</p>
5	An outline of a range of programs that the retailer may use to assist hardship customers	<p>We have a range of programs and services to assist you whilst you are participating in the hardship program: <i>[insert other services/products offered to hardship customers]</i>.</p> <p>What we will do:</p> <p>We will take into account your individual circumstances to find the programs (e.g. including concessional programs) or services that can best help you.</p>

6	Processes to review the appropriateness of a hardship customer's market retail contract in accordance with the purpose of the customer hardship policy	<p>What we will do:</p> <p>When you join our hardship program, we will discuss your energy usage and whether you are on the most suitable plan for your circumstances.</p> <p>If we think changing to a new energy plan might better suit your needs, we will explain it to you and ask if you'd like to transfer to the new plan at no cost. We will only ask you about plans that our business offers.</p>
7	Processes or programs to assist customers with strategies to improve their energy efficiency, where such processes or programs are required by a local instrument	<p>What we will do:</p> <p>When you join our hardship program, we will let you know about ways you may be able to improve your energy efficiency (how much energy you use). This may vary according to what state or territory you live in.</p>
8	Any variations specified or of a kind specified by the AER	[Not applicable]
9	Any other matters required by the Rules.	<p>For customers on our hardship program, we will not:</p> <ul style="list-style-type: none"> • charge late payment fees; • require a security deposit; or • put you on a shortened collection cycle without your consent.

6 Glossary

General statement means the wording referred to in section 5 of this Guideline under the heading 'General statement'.

Hardship program means a program outlined in a customer hardship policy (as referred to in section 44(e) of the National Energy Retail Law).

National energy laws means the National Energy Retail Law, National Energy Retail Rules and the National Energy Retail Regulations.

Standardised statements means the wording referred to in section 5 of this Guideline under the heading 'Standardised statements'.