

Residential Customer Hardship Policy & Charter

Our Social Responsibilities and Customer Values

As an electricity retailer, we consider that we have a responsibility to give special consideration to the interests of residential customers who are experiencing financial pressure and are having difficulty in paying their energy bills.

At Diamond Energy, we treat all customers respectfully and take a compassionate and sensitive approach to discussing a customer's financial hardship matters. We are committed to both prevention and intervention as a means of mitigating energy related financial hardship.

Diamond Energy recognises that any customer may experience times of genuine financial hardship. Customers can experience genuine financial hardship when they intend to pay, but are unable to, because of circumstances beyond their control.

Diamond Energy believes that a customer in these circumstances should not be subject to the additional burden and stress of being threatened with disconnection and collection action.

Definition of Customers in Financial Hardship

Diamond Energy defines customers in financial hardship as customers who have the intention to pay their energy bills but not the capacity.

Financial hardship can be classified as either short term or long term. Short term financial hardship is if a customer is in difficulty because of a temporary change in circumstances. Some examples of short – term financial hardship are:

- If a customer has received a number of bills at the same time.
- If the customer has incurred an unexpected or emergency one-off expense.
- If a customer has had their income drastically reduced i.e. if the customer works casually and has been forced to reduce their hours.

In these circumstances Diamond Energy offers a level of flexibility in payment terms to assist the customer in formulating a payment plan.

Long term financial hardship is classified as when the customer has difficulty meeting the cost of energy use on an ongoing basis. In these circumstances Diamond Energy will:

- Provide flexible payment arrangements for customers.
- Provide information on and recommend that the customer applies for help under a Government Assistance program. Government Assistance Program includes the Utility Relief grant Scheme (Victoria), Emergency Energy Payment Scheme (South Australia), Emergency Accounts Payment Assistance Scheme (New South Wales).
- Provide services to assist customers understand and where possible, reduce their electricity consumption.

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The components of the Hardship Program provided to short term and long term financial hardship customers are shown below.

Table 1: Components of Diamond Energy Hardship Program

Component of Hardship Program	Short Term Hardship	Long Term Hardship
Flexible Payment Options & Payment Plans	✓	✓ <i>(extended)</i>
Access to Telephone Interpreter Services	✓	✓
Review & recommend most appropriate tariff structure		✓
Individual Case Management		✓
Provision of Energy Concession & Payment Assistance Program Information	Available on request	✓
Facilitation of Centrepay Payment Option		✓
Referral to Welfare Services & Financial Counselling		✓
Energy Efficiency Advice – Phone Audits		✓
Energy Efficiency Advice - Field Energy Audits		✓
Appliance Assistance		✓

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Our Hardship Policy

Diamond Energy's Hardship Policy outlines the commitments that we give for assisting residential customers who are experiencing genuine financial hardship. Our Hardship Policy is based upon principles of fairness, understanding, compassion, dignity and privacy.

Identification of Customers with Financial Hardship

Diamond Energy assists with the early identification of customers in financial hardship by:

- Encouraging customers who are experiencing financial difficulties to contact Diamond Energy. This is done, through Diamond Energy's written communications including bills, reminder notices, newsletters, leaflets and website information which promote the company's willingness to assist and help in relation to financial difficulties.
- Encouraging customers in financial hardship to identify themselves to Diamond Energy.
- Enabling customers to be identified by financial counsellors to Diamond Energy.
- Training of frontline and debtor management staff responsible for inbound and outbound calls in the identification of financial hardship related indicators and circumstances.
- Inclusion of scripted questions designed to invite customers calling regarding late payment to self identify if experiencing financial hardship.

Diamond Energy also monitors customer payments and outstanding balances through internal payment reconciliation systems and processes. The key financial triggers for identification of potential financial hardship customers include situations where:

- A customer appears on outstanding debtor reports for Final Reminder Notice non-payment.
- A customer breaks an existing payment instalment plan.

Diamond Energy Hardship Program

Customers categorised as facing financial hardship are offered a Hardship Program which includes a range of assistance options, depending on the customer's specific circumstances and needs. The Hardship Program includes:

- Review and recommend more appropriate tariff structure, where applicable
- The offer of fair and reasonable payment Options and Payment Plans, based on an assessment of the customer's capacity to pay.
- Individual Case Management.
- Provision of Information, regarding government energy concessions, rebates and grants to which they are entitled.
- Facilitation of Centrepay Payment Option for hardship customers who are receiving a pensions or benefits.
- Access to Telephone Interpreter Services (if required).
- Referral to Welfare Services and Financial Counselling.
- Energy Efficiency Advice.
- Field Energy Audits.
- Appliance Assistance.

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Review and Recommend Most Appropriate Tariff Structure

For customers facing long term financial hardship, Diamond Energy reviews customer rate structure and recommends the most appropriate structure at the time of entry to the long term hardship program.

The customer rate review includes consideration of:

- cost effectiveness; and
- whether the customer has dedicated off peak appliances; and
- the customer's previous rate structure (including network charge); and
- the customer's overall power usage; and
- the customer's previous bills, if available; and
- any other relevant information provide by the customer

Diamond Energy also monitors customers' consumption during their participation in the financial hardship program to ensure that they continue on the most appropriate rate structure and facilitate a change if necessary.

Flexible Bill Payment Options and Payment Plans

Diamond Energy offers a range of flexible bill payment options. This can be arranged on a case by case basis through discussions with the customer and the customer service consultant with customer financial hardship responsibilities.

Our flexible payment options include interest free instalment plans to accommodate the individual customer's current financial situation. These may be payment arrangements for payment of arrears over an agreed period, with new bills being paid when due or reduced payments over an agree period with payment amounts reduced pending an expected change in the customers financial situation.

The key steps in establishing and managing the payment plan are:

- Diamond Energy averages customer bill over the past 12 months, so customer pays in equal instalments.
- Customer payment is based on the energy used in the past 12 months plus an increase in 10%, allowing for consumption growth.
- Customer chooses whether to pay monthly or fortnightly.
- Diamond Energy periodically reviews instalment payment to see if usage pattern changes significantly, and if so, adjusts customer instalment payment accordingly.
- Customer is advised of any changes.

Customer instalment payment plans shall take into account a capacity to pay assessment, where capacity to pay is assessed on a household's ability to meet their basic living expenses within their current level of income and taking into account the following factors:

- Income.
- Current financial commitments, including debt.
- Basic living expenses (accommodation, food, clothing, energy and children's basic educational expenses).
- Eligibility for government concessions and/or other assistance, including URGS and capital grants.
- Level of energy debt and consumption.

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- Availability of assistance from other sources, e.g: other community welfare organisations, No Interest Loans Scheme (NILS), etc.
- Personal circumstances that relate to short-term and long-term financial capacity, such as illness, unemployment etc.

All debt recovery action, such as notices, telephone demands, disconnection requests and legal action are suspended while a customer participates in the Diamond Energy Hardship Program.

Access to Telephone Interpreter Services

If required, Diamond Energy will offer non-English speaking customers in circumstances of financial hardship access to telephone interpreter service. Information in a number of community languages (including Arabic, Cantonese, Vietnamese, Italian, Greek and Spanish) is available through contacting Translation and Interpreter Service on 13 14 50

Documentation may not be available in all languages.

Individual Case Management

Individual Case Management includes ongoing monitoring of payments in line with the payment plan and monitoring of consumption. Monitoring is undertaken via customer contact, regular reviews and payment default notification.

Provision of Energy Concession & Payment Assistance Programs Information

Diamond Energy informs customers about government energy concessions and government energy payment assistance programs that are available and they may be eligible for.

Diamond Energy refers hardship customers to government and non-government avenues of support that are appropriate to their needs.

Diamond Energy will actively engage with these government and community agencies, welfare organisations and financial counsellors for the benefit of Hardship Program customers.

Facilitation of Centrepay Payment Option

As a component of the customer Hardship Program, if appropriate, Diamond Energy will offer to facilitate Centrepay Payment option.

Referral to Welfare Services and Financial Counselling

Diamond Energy refers customers in circumstances of financial hardship to accredited financial counselling agencies that offer a free and confidential financial counselling service. Where possible, Diamond Energy customers will also be referred to other government and non-government avenues of support that are appropriate to their needs.

Energy Efficiency Advice – Phone Audits

Diamond Energy will carry out detailed phone audits of a customer's home energy use. This may identify opportunities to reduce the customer's electricity consumption. Diamond will also seek to educate customers on energy efficiency to help them make informed decisions about their energy consumption, associated costs and ways to save.

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Energy Efficiency Advice – Field Energy Audits

Field Energy Audits are offered to customers in long term financial hardship. Field Energy Audits aim to assist the customer to improve energy efficiency and decrease energy consumption. Diamond Energy offers field audits to customers in financial hardship where:

- Information provided by the customer indicates there may be opportunities for reduction in consumption and/or improved energy efficiency within the customer's household.
- Information provided by the customer, the customer's bills or a telephone audit indicates a higher than average consumption within the customer's household with no identified reasonable cause.
- Information provided by the customer indicates there may be energy consumption issues in relation to the customer's premises or appliances
- Assessment by staff or the customer's personal self assessment indicates the customer may benefit from an audit.

Field Energy Audits may include:

- Assessment of personal finances and commitments, appliance energy efficiency, the property and physical surroundings, energy usage and efficiency.
- Minor retrofitting with CFC bulbs and draught stoppers.
- Application for URGS and/or capital grant (up to \$2000) (from the Victorian state government to assist with energy efficiency).
- Referrals to community services.
- Implementation of follow up recommendations and actions.

It is Diamond Energy's preference for Field Energy Audits to be offered to the customer at the cost of the customer. However, Diamond Energy will assess customers on a case by case basis and is open to considering subsidising costs (partially or fully) of Field Energy Audits. Circumstances that may arise that lead to Diamond Energy subsidising costs (partially or fully) of Field Energy Audits include:

- Where information from the customer indicates:
 1. They have an unusually high consumption, and
 2. Diamond Energy believes there may be opportunities for reduction in customer consumption, and
 3. Despite the customer reasonably investigating, they have not been able to identify the reason for the high consumption, and
 4. Diamond Energy believes that the potential reduction in consumption identified will support the customer transitioning from financial hardship to a non-financial hardship situation.
- Where in Diamond Energy's opinion the customer represents a "long term & valued" customer i.e. where the Customer has been a Diamond Energy customer for more than 3 years;

Any subsidies (partially or fully) offered for Field Energy Audits will require prior authorisation by General Manager Retail.

Appliance Assistance

Appliance assistance is be available for customers in financial hardship based on a needs assessment by Diamond Energy staff and/or based on information provided by a field audit.

Assistance will be considered when information provided and/or an audit indicates that the use of or efficiency of an identified appliance may be contributing significantly to high energy consumption and/or that the replacement

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or upgrade of a more effective or more energy efficient appliance may reduce the customer's consumption and costs.

If assistance with the purchase of energy efficient appliances will assist in improved energy efficiency and reduces energy consumption, Diamond Energy will consider offering one of the following options to the customer:

- Referral to the Victorian Capital Grants Scheme.
- Referral to an accredited No Interest Loans Scheme (NILS).
- Assisted purchase of energy efficient appliances.

The level of assistance will be determined on a case by case basis depending on the needs of the customer. Assistance will be offered in the form of a grant and goods will be provided by a contracted third party supplier.

Protection from Disconnection

Diamond Energy customers are protected from debt recovery action initiated by Diamond Energy while participating in the Hardship Program, provided they are meeting their payment plan.

Diamond Energy will not disconnect any residential customer while they are actively participating in our Diamond Energy Hardship Program.

Diamond Energy will outline customers' rights and obligations in respect to their agreement in relation to the Hardship Program through:

- Verbal advice provided by staff.
- Telephone calls from Diamond Energy staff.
- Written communications.

Written communications are sent to customers who enter the Hardship Program:

- At programme entry.
- When account is reviewed.
- When there is a change in agreed payment plan or change in consumption.
- When there is a late payment or non fulfilment of payments according to the agreed payment plan.

Customers are required to contact Diamond Energy when they experience a change in circumstance or are unable to make payments according to the agreed payment plan.

Ceasing of Hardship Policy

Diamond Energy's Hardship Policy will cease to apply when a customer fails to meet the payment plan or fails to actively participate in the Hardship Program and does not contact Diamond Energy to review the circumstances.

Where a customer fails to meet agreed payments plan and fails to respond to all attempts to make contact, Diamond Energy will advise the customer in writing of the customer's removal from the Hardship Program.

Our Hardship Program also ceases to apply to a customer when that customer is able to manage ongoing payments for electricity bills and/or finalises and pays the outstanding electricity debt. A customer may also choose to exit the Hardship Program at any time.

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Information about this Hardship Policy

Information about the Diamond Energy Hardship Program is available by telephoning Diamond Energy on 1300 838 009 or through Diamond Energy's website. A summarised version is available on the website and the full version will be made available by email or mail to customers on request.

Staff Training and Resourcing to respond to Financial Hardship

Diamond Energy continues to educate staff to identify and work sensitively and empathetically with customers in financial hardship. Training includes:

- All frontline and debtor management staff are provided with overview of identification of financial hardship related indicators and circumstances and an overview of the Hardship Policy and components of Hardship Programs.
- Staff with direct responsibility for managing customers in financial hardship will be provided with additional internal and / or external training, including:
 - Flexible Payment Options and Payment Plans.
 - Capacity to pay assessment.
 - Individual case management process.
 - Government energy concession, rebate and grant options.
 - Centrepay payment options.
 - Information on telephone interpreter services, welfare services and financial counselling services.
 - Energy efficiency, energy audits and appliance assistance options.

Training needs and status of training are captured in Diamond Energy's training register.

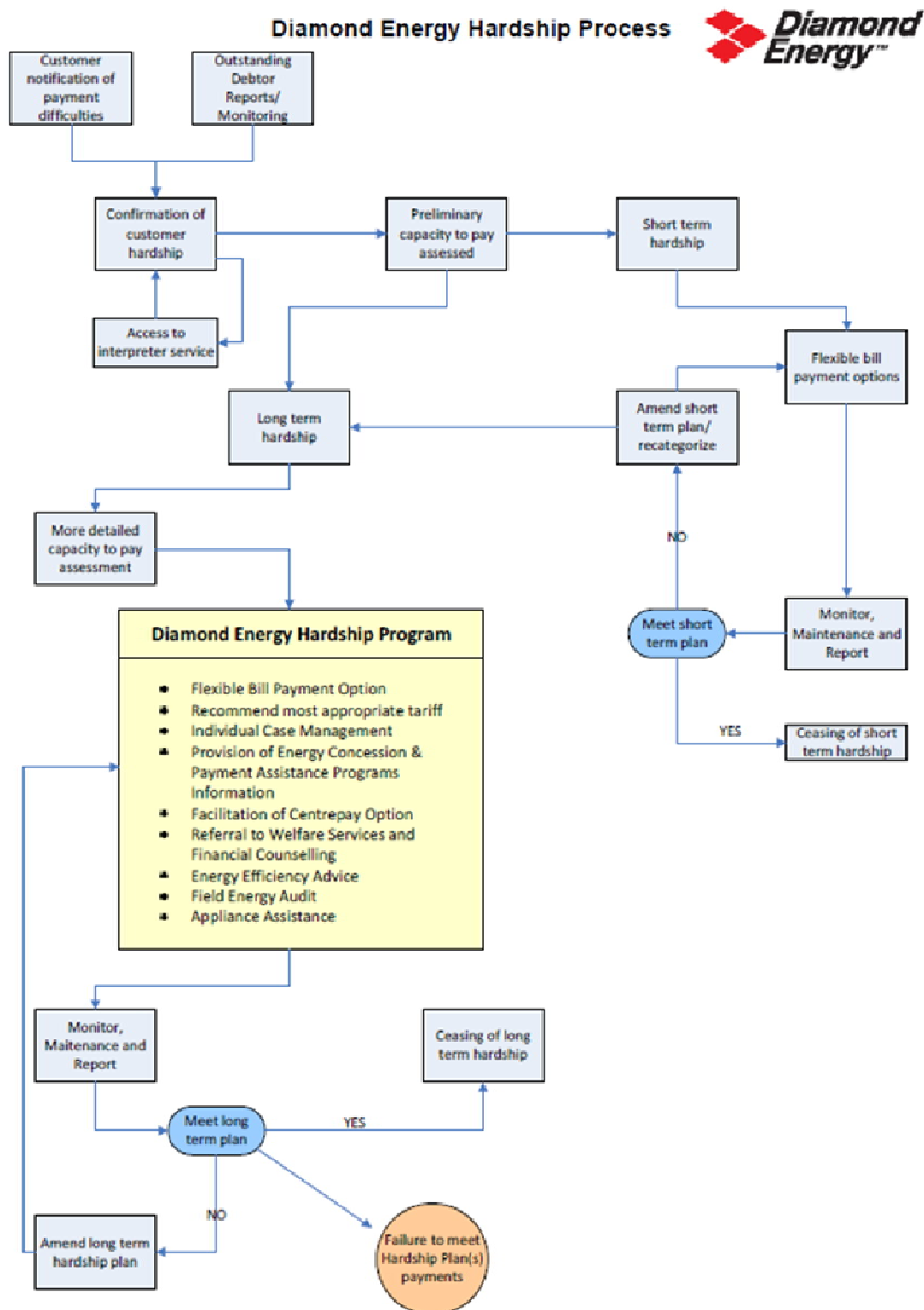
The Customer Service Centre will maintain a minimum of one representative that includes duties for managing customers in financial hardship. The associated duties are included in documented position description(s). Resourcing to adequately service customers in financial hardship is to continually monitored, with extra resources and back up staff allocated at discretion of Customer Service Manager, as required.

Diamond Energy recognises that roles dealing with financial hardship customers may be demanding and stressful. A high level of focus and ongoing support is provided by Customer Service Manager to monitor quality of service and internal stress levels associated with servicing financial hardship related customers. Where appropriate, Customer Service Manager has flexibility and discretion to provide additional work breaks, additional leave, internal / external counselling and support to these roles.

Review and Continuous Improvement of Hardship Policy, Hardship Programs and Responses

We regularly review our Hardship Policy and Hardship Programs in the context of our operational experience and statutory, market, customer and external feedback to ensure that we continuously improve our financial hardship responses.

Figure 1:



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