

Staying Connected

Hardship policy
and program details





1. Overview

Staying Connected is AGL's national hardship program. Launched in early 2003, the program was developed in consultation with AGL's Customer Council, which includes consumer representatives from a range of organisations, such as St Vincent de Paul, The Smith Family, the South Australian Council of Social Services and Uniting Care, with training and support provided from Kildonan Child and Family Services.

AGL is committed to offering innovative and effective solutions to customers facing bill payment difficulties. While our national credit guidelines are sufficiently flexible to meet the majority of our customers' needs, we acknowledge that, at times, customers may not be able to meet these guidelines. Therefore, residential customers who display a willingness to pay, but are genuinely prevented from doing so due to either ongoing hardship or temporary difficulties, may be eligible for AGL's Staying Connected program.

The Staying Connected team forms a core part of the national Customer Services business unit and Staying Connected Consultants are specifically trained and dedicated to the management of the program.

Within a broader policy context, Staying Connected forms part of AGL's shared responsibility model.

Under this model, energy retailers, the government, community groups and customers should all share responsibility for assisting customers in financial hardship:

- Customers should contact their energy retailer as soon as possible to inform them of any difficulty they are having paying their bill. Retailers, community groups and government agencies should all work with customers to encourage them to make this contact and discuss their circumstances openly.
- Retailers should support customers in financial hardship through offering reasonable payment plans and, where appropriate, assisting customers through a dedicated hardship program.
- Government should continue to assist customers in financial hardship through the provision of concessions and grant programs. Ultimately, where a customer has insufficient income for life's essentials, appropriate income support should be provided by Government.
- Community groups should assist in the identification of customers in financial hardship and provide information on, and assist customers access to, available support.

The purpose of this document is to highlight the key features of the Staying Connected program and to provide a detailed outline of our end-to-end processes with respect to customer management.



2. Overview Key features of the Staying Connected program

2.1. Individual case management

Staying Connected takes a holistic approach to the issue of financial hardship and works with individual customers to support them in reaching a sustainable credit position. This is achieved through a variety of measures:

- Solutions are tailored to meet the customer's individual needs and are reviewed regularly.
- Considering the customer's capacity to pay, payment plans are established to assist the customer to reduce their energy debt.
- Customers are encouraged to make their regular payments via Centrepay (where available). (Note that this is not mandatory as we recognise that some customers prefer to pay by other methods).
- Information is provided about government assistance, including concessions, as well as financial counselling and other support services that may provide assistance beyond just energy related debt.
- Information on energy conservation is offered over the phone and in writing to assist customers to reduce their consumption and future energy costs.
- Additional case management initiatives, such as home energy audits, will be offered to selected customers where energy usage and affordability cannot otherwise be aligned.
- Supply is maintained and customers are shielded from further collection action while they are actively participating in the program.
- Customers avoid incurring additional fees and charges associated with the debt while they are actively participating in the program.

Customers participating in the Staying Connected program always speak directly to a Staying Connected Consultant, who is specially trained and skilled in dealing with customers in hardship.

AGL is committed to providing customers with the highest level of service and ensures that all customers are treated individually and with respect and all information gathered is treated with sensitivity and in accordance with the requirements of the *Privacy Act 1988 (Cth)*.

2.2. Continuous improvement

AGL is committed to best practice and aims to ensure that the Staying Connected program is responsive to customer and community needs and expectations. Accordingly, we have a number of mechanisms in place, such as community forums and customer focus groups, to enable us to receive feedback from customers and other external stakeholders, such as financial counsellors. These forums and focus groups also enable customers and external organisations to better understand our program and assists customers to more easily self-identify.

From time to time, we will undertake independent reviews of Staying Connected in which all aspects of the program will be analysed, with a view to determining which initiatives are most beneficial to both AGL and our customers. We recognise that it will be particularly important to review and evaluate any new initiatives to ensure that they are effectively addressing the issue of energy hardship.



3. Staying Connected case management processes

3.1. Eligibility criteria

To be eligible to participate in the Staying Connected program, the customer must:

- have an active, residential customer account (business and farm customers, as indicated by their tariff, are ineligible)
- be experiencing short or long term financial hardship (based on indicators below)
- demonstrate a willingness to pay, and
- have a debt outstanding which cannot be paid before the next bill renders.

Financial hardship indicators might include that the customer:

- has advised that they are having difficulty paying their bill by the due date
- has experienced a loss of primary income, serious illness, death, disability, domestic violence or separation
- account history indicates that they have had payment difficulties in the past
- is actively seeking assistance from a financial counsellor, or
- has been referred to Staying Connected by an external organisation, such as a social welfare or consumer advocacy organisation.

We understand, however, that this is not an exhaustive list and that there is a range of factors, in addition to the indicators listed above, which may cause financial hardship.

Customers will not be eligible to participate in the Staying Connected program if the account is:

- currently disputed, back-billed or estimated
- 'final' – unless already on the Staying Connected program, or
- a 'dear customer' account.

Employees of AGL are also ineligible to participate in the program unless written approval is provided by a senior manager. As mentioned above, to be eligible to participate in the Staying Connected program, customers must demonstrate a willingness to pay their utility bills by actions such as:

- Making part-payments towards their account
- Contacting AGL as early as possible when experiencing payment difficulties
- Seeing a financial counsellor, or
- Attempting to make payments or maintain plans.



Once accepted onto the Staying Connected program, AGL explains the program guidelines to the customer and confirms that the customer is willing to participate within these guidelines. Essentially, this involves the customer actively working with AGL to make payment arrangements realistic to their situation, adhering to the payment arrangements negotiated and contacting us as soon as possible if this may not be possible due to a change in circumstances.

Additional support may also be provided through:

- provision of appropriate debt management advice
- referral to alternate forms of assistance (for example, financial counsellors), or
- provision of energy efficiency information to reduce consumption.

On entering the Staying Connected program, all customers are sent a welcome letter confirming their payment plan, together with brochures on community based financial counselling services, available concessions and energy saving information.

Customers are also advised that they may renegotiate their payment plans and are asked to contact Staying Connected as early as possible if there is a change in their circumstances preventing them from meeting the agreed arrangement.

Ultimately, acceptance onto the Staying Connected program is determined by the Staying Connected Consultant. In the event of any disagreement over a customer's eligibility, the final decision will rest with the Staying Connected Team Leader and/or the Customer Support Manager.

3.2. Identifying customers in energy hardship and referral to the program

Customers are referred to Staying Connected via a number of avenues, either internally (via the Customer Service Centre) or externally (via a financial counsellor, another retailer or a social welfare/ community organisation). AGL has proactive internal and external stakeholder engagement plans in place in order to promote awareness about the Staying Connected program. These strategies are outlined below at 4.

Generally, both internal and external referral sources will use the financial hardship indicators outlined above to determine that a customer may be experiencing hardship and will assess the customer against this criteria before referring them to the program. AGL also encourages customers to self-identify and let us know that they require additional support with their bills. Staying Connected prefers to communicate directly with customers via the telephone. In some cases (for example, where the customer does not have a phone) this is not possible, so communication must be in writing. Sometimes it is also not possible to communicate directly with the customer, so Staying Connected, in line with privacy guidelines, may liaise with the customer's financial counsellor or an alternate contact (where nominated) in an effort to engage the customer.

Staying Connected also has interpreting services available for customers whose first language is a language other than English, and a TTY service for customers who are hearing impaired.

Further some Staying Connected literature will be translated into other languages to improve accessibility for culturally and linguistically diverse communities.



3.3. Acceptance on to the Staying Connected Program

Once referred to the Staying Connected Program, AGL will assess the customer against the Staying Connected Eligibility criteria before accepting the customer on to the Program.

Upon establishing the customer on to the Program, the customer's rights and obligations under the Staying Connected program are fully outlined to the customer (and/or their advocate) verbally. This information is then reinforced in writing to the customer in the 'Staying Connected Confirmation Pack'.

The customer is advised that in order to remain on the program, they must actively participate within the guidelines of the program, which means:

- making regular payments in accordance with the negotiated payment plan
- keeping in regular contact with AGL's Staying Connected team, and
- working with AGL to align consumption with capacity to pay where reasonable.

3.4. Negotiating the payment plan

Our aim in Staying Connected is to, wherever possible, work with our customers to close the gap between a customer's ongoing consumption and their capacity to pay. Upon entering the program the first objective is to create a supportive environment, engage the customer and work with them to establish a regular payment plan that is affordable to them.

We recognise that there may be some customers who, on first contacting us, may have difficulty making an up-front payment. If this is the case, we will encourage the customer to make a minimal payment of whatever they can afford, in order to demonstrate their willingness to pay. We will also work with them to establish a regular payment plan that is realistic with respect to their situation and discuss with them the need to start increasing payments when they are in a position to do so. Alternatively, where appropriate, we will commence the payment plan as at the customer's next scheduled Centrelink payment.

AGL will work with the customer to establish a sustainable payment plan, in accordance with the customer's capacity to pay, that where possible will meet ongoing consumption as well as contribute to the existing debt. Where possible, it is desirable that customers are assisted in addressing their hardship issues and are able to return to normal consumption and payment arrangements within a 12 month period.

Capacity to pay is a household's ability to meet their expenses within their current level of income while maintaining a basic standard of living. AGL recognises that energy is one of life's essential requirements, and a lack of access to energy due to an incapacity to pay, can lead to and/or exacerbate health problems and social exclusion.

When assessing a customer's capacity to pay as part of establishing a sustainable payment plan, discussion will include:

- verifying the customer's current situation
- verifying if the customer is able to make a payment and how much they can afford to commit to
- the customer's level of usage
- the total amount owing
- the amount the customer has advised they can afford to pay
- other information the customer has advised regarding their capacity to pay, in line with Privacy requirements.



Questions must be asked to ensure a suitable arrangement is reached. Questioning techniques (developed with external assistance) when establishing a payment arrangement might include asking:

- “Has something changed that’s made it difficult to pay your bill?”
- “Do you have a limited income at the moment?”
- “Are seeing a financial counsellor or other Government or community worker at the moment?”
- “How much are you able to pay at the moment?”

Permission will also be sought to ask broader questions of income and expenditure to assess capacity to pay. The questions asked, and the language and tone used by the Staying Connected Consultant when dealing with the customer, will vary depending on the customer’s circumstances. At all times, we encourage the customer to be open and honest about their situation, and all customer facing staff are required to demonstrate an empathetic and respectful manner.

If a financial counsellor calls on the customer’s behalf, Staying Connected Consultants consider their advice regarding the customer’s capacity to pay and also recognise that this may suggest a willingness by the customer to pay their account.

Details of how the payment plan is reached are recorded in a notation on the customer’s account. The documentary evidence of our assessment is professional, clear and easily understood by a third party and in line with Privacy guidelines.

The primary goal of Staying Connected is to work with the customer to align energy consumption with the customer’s capacity to pay. To work with the customer to achieve this, Staying Connected Consultants provide additional support by offering information on energy efficiency, government concession entitlements and the availability of independent financial counselling services.

The fact that there is, generally, no time limit on the program enables the creation of affordable and realistic payment plans, which ultimately aim to align usage and affordability. However, while there is no time limit, a customer cannot remain on the program if they are not willing to actively participate and work with Staying Connected to align their usage with their capacity to pay.



3.5. Regular reviews

As the payment plan progresses, Staying Connected Consultants regularly liaise with customers and review their account to ensure that the plan is suitable to the customer's needs and is being adhered to. Under our case management system, reviews may be triggered for a number of reasons including:

- missed payments
- variances in consumption
- account in credit
- account finalised
- scheduled review.

Reviewing the account provides the Staying Connected Consultant with an important opportunity to discuss with the customer their progress and make any changes to the plan that might be required.

From time to time, it is necessary for the Staying Connected Consultant to discuss with the customer the possibility of increasing their regular payments in order to align payments more closely with ongoing consumption and the reduction of debt, to work towards a sustainable position. These discussions are held with careful consideration to the customer's capacity to pay.

As noted earlier, Staying Connected Consultants are well trained in communication skills and are respectful and empathic at all times, striving to support, engage and empower the customer.

3.6. Energy auditing, retrofit program and appliance replacement

In some circumstances, due to a customer's financial situation, it may not be possible to immediately align their usage to a level that they can afford. We recognise that this may be exacerbated by poor quality housing stock (whether public or private rental, or privately owned) and energy inefficient appliances which the customer cannot afford to repair or replace.

Staying Connected will work with the customer to support them in accessing other support services and entitlements where possible, including free financial counselling services and government grants, such as Utility Relief Grants and Capital Grants.

Initially, the Staying Connected Consultant will work with the customer to provide energy efficiency information over the phone and in writing (with the customer's permission). This information is provided in order to assist customers to reduce their consumption and future energy costs, and includes over the phone energy 'audits', referrals to our interactive website and sending simple written information in brochure and fact sheet formats.

Where energy usage and affordability cannot be aligned, either on a short term or a sustained basis, the Staying Connected Consultant may determine that the customer could benefit from a home energy audit.

AGL has continued relationships with community agencies throughout Australia and is establishing an ongoing partnership with Kildonan Uniting Care to offer home energy audits and advice for eligible Staying Connected customers. The free audits, funded by AGL may include a home visit, telephone advice and installation of low cost energy savings products along with energy saving information.



3.6.1 Eligibility for energy auditing and retrofit program

Generally, home energy audits will only be available to Staying Connected customers categorised as 'critical', meaning that they are in long-term hardship or have a considerably high debt.

We are of the view that the home energy audits, combined with the availability of energy efficient appliances and home improvements, will greatly assist customers experiencing hardship.

3.7. Strategies for managing situations where the customer cannot be engaged effectively

As customers are referred to the Staying Connected program by either internal or external channels, to some extent, referral to the Staying Connected program relies on the customer self-identifying to AGL or a community based support service, that they are experiencing difficulty in paying their account.

One of the requirements of active participation in the Staying Connected program, as noted earlier, is that the customer remains in contact with the Staying Connected team. Therefore, the customer's engagement with the program is fundamental if a successful outcome is to be achieved.

As outlined above, the Staying Connected team regularly reviews customer accounts in order to ensure that the customer is receiving the support that they are entitled to and complying with the guidelines of the program. If a customer is not maintaining their payment arrangement and has not been in contact with AGL, they may be removed from the program.

3.7.1 Removing a customer from the Staying Connected program

The Staying Connected team will make attempts to phone the customer on all contact telephone numbers that we have for the customer and make attempts in the morning and afternoon/evening on different days. We will also send the customer a series of letters – including a 'Please contact letter' and a 'Revoke warning letter'.

If possible, a Staying Connected Consultant will contact an alternative person such as a financial counsellor or other support person in an attempt to engage the customer before a decision is made to remove them from the program.

If a customer fails to respond to all of our attempts to contact them, they will be removed from the program. A letter will be sent to the customer advising that the account will be removed from the program, credit and collection action will resume and the customer may face disconnection.

3.7.2 Accepting a repeat Staying Connected customer

Customers removed from Staying Connected are not precluded from acceptance back onto the program at another time – however, it is imperative that they meet the eligibility criteria and the guidelines of the program, particularly if they have previously been revoked.

Before being accepted back onto Staying Connected, AGL will assess whether the customer meets the eligibility criteria and the customer must demonstrate a willingness to pay, for example, by making a payment or setting up Centrepay.



AGL will ensure that the customer is made aware of their obligations and agrees to participate in the program before accepting them back onto Staying Connected. The Consultant will then work with the customer to establish a payment plan in line with the customer's current circumstances.

The success of the Staying Connected program, both from a business and customer perspective, is the ability to manage the customer to the point where they can manage their ongoing payments and maintain supply. This requires a two-way interaction and commitment. If a customer is not in a position to do this, and decides not to engage with us, despite our best efforts, we do not consider it appropriate to manage that customer through Staying Connected.

3.7.3 Transferring from the Staying Connected program

Customers who successfully complete their payment plan and return to a sustainable credit position are contacted by telephone and also sent a letter to congratulate them and encourage them to continue their regular payments. The account is subsequently returned to the normal collection pathways. Customers are also encouraged to contact Staying Connected again should they require additional support.

3.7.4 Complaint Handling

Customers being supported under the Staying Connected program continue to have the same rights in relation to their accounts as customers outside of the program.

If there are concerns or complaints, all customers have the right to refer that complaint through to the business.

Concerns can initially be raised directly with the Staying Connected team for resolution or if required, the issue can be escalated internally.

As per the process for all escalations and complaints, AGL will attempt to resolve the complaint at the first point of contact. If it is not able to be resolved, the customer has a right to escalate their issues internally, and can also request support from the relevant state Ombudsman scheme for additional independent advice free of charge.

AGL's complaint handling process is documented in our Customer Charter.