

# Policy

## Code of Practice for Debt Recovery

### Document Creation and Review

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### Document Control

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		Name	Organisation	

## 1. Context

NEV Power is a wholly owned subsidiary of Narara Eco-village Co-operative Ltd, which is developing the Narara Ecovillage (NEV), a unique community in harmony with the environment. NEV Power operates a smart grid system that utilises first-in Australia technology to reduce infrastructure costs, balance and optimise the use of solar PV and battery storage, and produce a net carbon neutral village.

The long term vision for NEV will see the village incorporate over 120 lots developed in 3 stages. Overall NEV Power is expected to grow to incorporate 1,052 kW of solar PV generation, 825 kWh of batteries. The first stage is now underway and comprises of 42 detached dwellings and 18 cluster houses. The infrastructure for stage 1 has been designed to incorporate flexibility for future stages and technology change. Stage 1 will incorporate 526 kW of solar PV generation, 460 kWh of batteries, smart solutions for system control, power quality control, systems for bidirectional energy flow, and grid interaction controls.

NEV Power is a private embedded network with R2 exemption under the National Energy Law (NEL) as administered by AER.

## 2. Aim

The purpose of this Code of Practice is to describe how NEV Power will respond to overdue customer invoices.

## 3. Scope

This Code of Practice is applicable to all NEV Power customers.

## 4. CODE OF PRACTICE

### Energy Agreement

NEV will put into place an Energy Agreement with each retail customer. Each Energy Agreement will be unique to the scheme, however each agreement will fully define all inclusions and exclusions. The cost to supply the customer will be fully detailed in the Energy Agreement.

The Energy Agreement will nominate invoicing arrangements including frequency and payment terms.

If a customer is having difficulty paying a bill or is concerned about not being able to pay on time, NEV Power will try to reach an achievable agreement with the customer to pay what is owing.

The options may include:

- a short extension of time;
- a payment plan to pay the account in regular instalments over an agreed time-frame;
- a budget plan where regular manageable amounts are debited from the customer's nominated account; or,
- access to a Payment Assistance Scheme that operates through the Ecovillage Benevolent Fund or other local welfare agencies.

## 5. Procedure

### Overdue Invoices

NEV Power will contact any customer who has not paid an invoice by the due date. Contact will typically be via telephone or by sending a reminder notice by post or email in the first instance.

NEV Power will continue to communicate and work with a customer to resolve any issue or dispute the customer may have with their invoice, and facilitate payment.

### Warning Notice:

At least 7 days prior to taking action for non-payment, NEV will send a payment warning notice that:

- provides information about help that is available to the customer, including information about NEV's payment assistance policy; and
- advises the customer that the payment is overdue and must be paid to avoid legal action or supply restriction; and
- caution that, if legal action is taken or supply restricted, the customer may incur additional costs in relation to those actions
- Advises that NEV Power may charge interest on overdue invoices.

### Financial Hardship

NEV Power is committed to supplying our customers and acknowledge that from time to time, customers may have trouble paying an invoice by the due date.

Where a customer is unable to pay in invoice due to financial hardship, NEV Power will negotiate reasonable alternate payment terms. Failure to comply with the alternate payment terms may result in restriction of supply or termination of the Energy Agreement.

### **Unpaid invoices and Restricted Supply**

As a last resort, NEV may restrict the supply of services to a customer and/or take legal action. Any action taken will be within the guidelines provided by AER (Retail) Exempt Selling Guideline – version 5 – April 2018. The relevant sections are copied in the Section 6.

This will happen if:

- more than 14 days have elapsed since the issue of the reminder notice to the customer;
- more than 7 days have elapsed since the issue of the warning notice to the customer;
- NEV Power or its agent has attempted to make contact with the customer by telephone, email or in person, about the non-payment;
- the customer has been notified of the proposed restriction or legal action and the associated costs, including the cost of removing any restriction device; and,
- the customer has;
  - been offered a flexible payment plan and has refused or failed to respond; or
  - agreed to a flexible payment plan and has failed to comply with the agreed arrangement.

NEV Power will not unreasonably restrict or terminate supply to any customer. No action will be taken where there is an active dispute.

Where a notice to restrict supply is given to a customer, the conditions under which supply will be recommenced will be clearly stated.

NEV will not take steps to restrict a customer's service due to non-payment if:

- a. it is a Friday, public holiday, weekend, day before a public holiday, or after 3pm; between Christmas and New Year or
- b. the customer is registered as medically dependant.

NEV will restore a restricted service within 24hours of becoming aware that the reason for the restriction has been resolved.

### **Contacting NEV Power**

NEV Power can be readily contacted to discuss invoicing issues via phone, email or post. Contact details are below:

Postal: 25 Research Road, Narara, NSW 2250

Phone: +61 2 4328 1588

Email: [accounts@nararaecovillage.com](mailto:accounts@nararaecovillage.com)

Web: [www.nararaecovillage.com/water](http://www.nararaecovillage.com/water)

## Disputes

Energy Agreements will include a procedure for dispute resolution. Where a customer is not satisfied with the outcome of this process, they may choose to have the process externally reviewed.

The Energy and Water Ombudsman of NSW can be contacted on 1800 246 545. Additional contact details and a description of their services can be found at [www.ewon.com.au](http://www.ewon.com.au).

## 6. AER (Retail) Exempt Selling Guideline – version 5 – April 2018

### Condition 9 - Payment difficulties and disconnection or de-energisation

- 1 Where an exempt customer informs the exempt person that they are unable to pay energy bills due to financial difficulty, the exempt person must:
  - offer the exempt customer a payment plan (subject to Condition 12) and
  - direct the exempt customer to the Australian government energy efficiency website or another information resource with energy efficiency advice and
  - ensure that the exempt customer is aware of relevant government or non- government energy rebates, concessions and relief schemes and
  - not charge the exempt customer a late payment fee and
  - not charge the exempt customer a security deposit.
- 2 Subject to Condition 10, an exempt person must not proceed with disconnection or cessation of energy supply to an exempt customer unless the following requirements have been met:
  - the exempt customer has requested disconnection or
  - continuity of supply to the premises would be unsafe or
  - the exempt customer's tenancy/residency/agreement has ended and the exempt customer is vacating the premises or
  - the exempt customer has not paid a bill by the pay-by date, and has not agreed to a payment plan, or having agreed to a payment plan has failed to adhere to the plan and:
- following non-payment by the date specified in the reminder notice, or, in the case of residential customers, the establishment of more flexible payment terms, the exempt person has given the exempt customer a disconnection warning notice informing the exempt customer that disconnection may occur if payment of the outstanding bill is not made by a date at least 6 business days from the date of issue of the warning notice and
- the exempt person has, after issuing the disconnection warning notice, used its best endeavours to contact the customer in person or by telephone in connection with the failure to pay and

- the exempt customer has, by the date specified in the disconnection warning notice, refused or failed to take any reasonable action towards settling the debt.
- 3 A reminder warning issued pursuant to condition 9(2)(d)(i) must:
  - state the date of its issue and
  - state the date on which the reminder notice period ends and
  - include details of the exempt seller's telephone number for complaints and disputes.
- 4 A disconnection warning notice issued pursuant to condition 9(2)(d)(ii) must:
  - state the date of its issue and
  - state the date on which the disconnection warning period ends and
  - inform the exempt customer of applicable re-connection procedures and (if applicable) that a charge will be imposed for reconnection and
  - include details (where applicable) of the existence and operation of the energy ombudsman, including contact details and
  - include contact details for the exempt seller.
- 5 Where an exempt customer is disconnected in accordance with paragraph 2(b) of this condition, the exempt person must use its best endeavours to notify the exempt customer in person or by telephone prior to the disconnection, and must arrange for reconnection of the premises as soon as practicable.
- 6 This condition does not apply where state or territory legislation sets out the process and requirements for the disconnection or cessation of energy supply by the exempt person on the basis that they are a landlord, body corporate or similar.
- 7 This condition does not apply to interruptions under conditions 18 and 19.

#### Condition 10 - When disconnection or de-energisation is prohibited

1 An exempt person must not disconnect or cease energy supply to an exempt customer's premises where:

a. a person residing at the exempt customer's premises requires life support equipment that depends on energy for its operation or an application has been made by or on behalf of the exempt customer for assistance to an organisation responsible for a rebate, concession or relief available under any government or non-government funded energy charge rebate, concession or relief scheme and a decision on the application has not been made or

- the exempt customer has made a complaint directly related to the proposed reason for disconnection or de-energisation to the exempt person, the energy ombudsman or another relevant external dispute resolution body and the complaint remains unresolved or
- the disconnection or de-energisation would occur on:

- i. a business day before 8am or after 3pm or
  - ii. a Friday or the day before a public holiday or
  - iii. a weekend or a public holiday or
  - iv. the days between 20 December and 31 December (inclusive) in any year.
- 2 For electricity, the exempt person must contact its distributor to ask whether disconnection of a retail customer in the relevant jurisdiction would be prohibited on that day due to extreme weather conditions. Where the distributor confirms that the disconnection of a retail customer would be prohibited on that day, the exempt person must not disconnect the exempt customer's premises.
  - 3 This condition does not apply where the exempt customer has requested disconnection.
  - 4 This condition does not apply where continuity of supply to the premises would be unsafe.
  - 5 This condition does not apply where the energy supply agreement between the exempt person and exempt customer has been terminated.

#### Condition 11 - Reconnection or re-energisation

1. Where an exempt customer is disconnected in accordance with conditions 9 and 10 and the customer makes a request for reconnection, the exempt person must reconnect the premises as soon as practicable after a request for reconnection is made. A request for reconnection may be made ten business days after disconnection, or as soon as the matter that led to the disconnection is rectified, and

- any charges for reconnection are paid and
- if the exempt customer still has outstanding amounts owed under the exempt customer's energy account, the customer agrees to enter into a payment plan with the exempt seller.<sup>47 48</sup>  
Subject to condition 11(1), the exempt person must reconnect the premises (or, where required, arrange with the distributor to reconnect the premises) as soon as practicable, and no later than two business days from when the request was made.

1. Subject to condition 11(1), the exempt person cannot refuse to supply an exempt customer on the grounds that they owe outstanding amounts on their energy account.

#### Condition 12 - Payment plans

1. An exempt person must offer flexible energy payment options to an exempt customer who has identified themselves as being in financial difficulty. Flexible payment options may include arrangements for a payment plan.
2. In establishing a payment plan the exempt seller must have regard to:
  - the exempt customer's capacity to pay and
  - any outstanding amounts owed by the exempt customer and

- the exempt customer's expected energy consumption needs over the following 12 month period or the duration of their tenancy/residency/agreement if the tenancy/residency/agreement is less than 12 months.

3. An exempt seller who offers a payment plan to an exempt customer under this condition must inform the exempt customer of:

- the duration of the plan and
- the amount of each instalment payable under the plan, the frequency of instalments and the date by which each instalment must be paid.

4 This condition does not apply where the exempt customer has:

- had two payment plans cancelled by the exempt person in the previous 12 months due to non-payment or
- been convicted of an offence involving illegal use of energy in the previous two years.