



Overview

- Customers signing up for electricity accounts will be able to select lower instalment amounts at the point of sign up.
- The default instalment values will not be changed, however customers will be able to input a lower monthly instalment amount.

ELECTRICITY	Default Instalment	Minimum Instalment
Residential Plans	\$130	\$50
Business Plans	\$400	\$200

Why has this changed?

- Following feedback from customers and IBOs, the option to set a lower monthly instalment amount was created to cater for low-usage customers whose average bills fall below the default values.

Recap on monthly billing

- Click Energy utilises monthly billing to help customers:
 - Spread their energy spend across the months.
 - Avoid bill shock or the burden of a large bill every 3 months.
- To help budgeting, customers pay set monthly instalments in between the quarterly meter reads.
- It is important to remember that:
 - Monthly instalments do not change customer's total spend on energy.
 - It aims to distribute the cost across the months.

During the sales process

- IBOs should not default to offering the lower instalment option with every sale.
- Customers should not be mistaken that this means their bills will automatically lower to \$50 per month.
- The total over the quarter will always be the same.



Who benefits from lower instalment options?

- Low usage customers eg single person households, retirement homes
- Reduced barrier to sales for customers who are used to paying less than \$300 per quarter.
- Key signs to offer the lower instalment
 - When doing bill comparison exercise, you notice the customer's bill is less than \$100 a month.
 - The property is not continuously occupied eg vacation property

Who should NOT be offered a lower instalment?

- Customers who spend more than \$300 per quarter.
- Reducing the instalment means increased risk of bill shock = risk of dissatisfaction and churn
- Remember:
 - **The majority of customers WILL NOT benefit from a lowering of instalments.**
 - Average energy bill per household is \$1800 p.a., so bringing down their instalments will make their energy spend unbalanced and make it more difficult to budget through the year.