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Energy Consumer Reform Team
Department of Climate Change, Energy, the Environment and Water
Commonwealth Government of Australia

Submitted online via energyconsumerpolicy@dcceew.gov.au

Clean Energy Council Submission to the Better Energy Customer Experiences Consultation Paper

The Clean Energy Council (CEC) welcomes the opportunity to provide feedback to the Federal Department of Climate Change, Energy, the Environment and Water's (DCCEEW) Better Energy Customer Experience's (BECE) Terms of Reference (TOR) and Consultation Paper.

The CEC is the peak body for the clean energy industry in Australia. We represent and work with Australia's leading renewable energy and energy storage businesses, as well as accredited designers and installers of solar and battery systems, to further the development of clean energy in Australia. The CEC has been actively involved in addressing key consumer protection issues for CER and has been appointed by the New Energy Tech Consumer Code (NETCC) Council as the administrator and steward responsible for the operations of the NETCC program. We are committed to accelerating the transformation of Australia's energy system to one that is cleaner, equal, fair and transparent for all consumers.

We support the Federal Government's approach for Better Energy Customer Experiences that seeks to ensure the frameworks that support customer engagement with the energy market is fit-for-purpose and effectively integrates new technologies. Consumer protection is a key policy priority for the CEC, as described in our CER Roadmap "Powering Homes, Empowering People" consumer protection plays an important role in building consumer's trust and therefore confidence to adopt new clean energy technologies in their homes and businesses to better manage their energy usage and costs¹.

Measures such as model contracts, product performance standards, certification of products and installers and warranties all play important roles in reducing the risk a consumer may face in purchasing CER. The speed at which consumer complaints are resolved is also an important factor. As well as mitigating the impact of any problems for customers, strong consumer protection also serves as a demonstration of the maturity and security of the market to potential

¹ [Powering-Homes-Empowering-People-CER-Roadmap.pdf](#)

customers. While problems may arise, an industry that can demonstrate quick and positive resolution of problems when they occur will more likely attract new consumers to adopt its products and services.

The National Energy Customer Framework (NECF) is out of date because it was designed for a very different energy market—one where electricity flowed in a single direction: from the grid into the home. Its development was shaped by the context of privatisation and corporatisation, aiming to support consistent retail practices and ensure basic consumer protections in a centralised, top-down energy system. NECF's focus has remained largely procedural, governing things like billing, disconnections, and retail contracts in a way that assumes consumers are passive recipients of energy.

However, the market has fundamentally shifted. With the rise of behind-the-meter technologies like solar PV, batteries, and home energy management systems, consumers are now active participants—generating, storing, and trading energy. NECF does not adequately address the complexities of this two-way, decentralised energy environment. It lacks the flexibility to regulate emerging service models like virtual power plants and dynamic/real time pricing.

As a result, NECF no longer offers sufficient protections or guidance for modern energy consumers. It must evolve from a process-based framework into one that empowers and safeguards consumers in an increasingly digital, participatory energy system—where energy flows both ways and where consumers need clearer rights, better information, and stronger protections in a more complex market.

Raising awareness of consumer protections and the NETCC

While the AEMC and the AER have attempted to outline new fit for purpose consumer protection obligations for CER² this work has been largely completed by consumer and industry groups and provides a template. This work commenced in 2017, when the COAG Energy Council requested that Energy Consumers Australia work with industry to cooperatively develop a single industry wide Code of Conduct. This was to encompass all behind-the-meter electricity supply services and products. The outcomes of this work served as a foundation for the establishment of the NETCC and greater consumer protections on CER.

One approach to leverage existing consumer protections at the national level could aim to raise consumer awareness of the NETCC and the protections it offers consumers when dealing with a NETCC signatory. Similar to the Health Star Rating System³ or Water Rating Label⁴, where consumers can confidently make decisions around food and efficient products, a well-constructed and publicly funded consumer awareness campaign for the NETCC can raise awareness of the program and provide consumers with confidence on the level of support they will have available to them when dealing with a NETCC signatory. This will mean consumers will look to only deal with NETCC signatories when making their CER decisions, ensuring that

² [AEMC's National Energy Consumer Framework](#) and the AER's [Review of consumer protections for future energy services](#)

³ [Health Star Rating - Health Star Rating](#)

⁴ [Water rating label | Water Rating](#)

CER providers not participating in the NETCC program would see a significant decline in their appeal and marketability to consumers.

Currently the Federal Government's Household Energy Upgrades Fund (HEUF) requires any CER provider to participate in their programs to be signatories of the NETCC. It is recommended a similar approach could be implemented for other Federal Government programs, such as the Small-scale Renewable Energy Scheme (SRES) that covers solar, inverter and battery installations. This is a strong example of how the Federal Government can support consumer protection through the NETCC and drive positive behavioural change in industry, without the need for a heavy-handed and restrictive new regulatory regime that will take many years to develop, implement and educate consumers of their new rights.

Further, we highlight that the NETCC is a nationally consistent and recognised code for retailers and customers, allowing easy integration into Federal Government programs. This reduces duplicative administrative requirements for CER providers operating across Australian states and territories.

Given the rapidly evolving nature of the market, the CEC reiterates the opportunity for BECE to review the scope of the NETCC by:

- a) extending its coverage to include a greater variety of new energy products (e.g. hot water heat pumps) and
- b) requiring all technology providers and installers participating in any federal or state-based incentives or program to be NETCC-certified.

Feedback on Consultation Questions

1. In your view, which issues should be priority? Which further issues should be included?

A key priority should be leveraging and adapting existing consumer protection frameworks to support both traditional energy services and emerging behind-the-meter products and services. Rather than building entirely new systems, the focus should be on integrating protections across the full customer journey—regardless of whether energy is being consumed from the grid or generated, stored, and managed within the home.

The current divide between traditional energy retail and BTM services leaves gaps in consumer understanding, recourse, and rights. The NECF no longer is fit for purpose and has not able to easily evolve to cover new technologies and business models, including solar, batteries, virtual power plants (VPPs), and energy management systems.

Priority issues include ensuring consistent information standards, clear accountability across service providers, and seamless protections that follow the customer across both grid and BTM interactions. Contract clarity, accessible support, and dispute resolution mechanisms should apply no matter how energy is sourced or managed.

Further, issues to include are the interoperability of technologies, privacy and data use standards, and ensuring fair access to both the products and services and wider system benefits for those unable to directly participate due to their financial or living circumstances, such as renters and low-income households. An integrated approach will support a smoother, more trustworthy energy transition for all consumers.

2. In light of changes occurring in the energy market, what gaps do you see in consumer protections that this process should focus on addressing?

Behind the meter products and services

As the energy market becomes more decentralised and consumer-led, key protection gaps have emerged—particularly for BTM products and services. The NETCC already provides a strong platform to address these issues, with its focus on fair design, transparency, and end-to-end customer experience. This process should consider how to leverage the NETCC's existing framework to ensure protections are extended to emerging services, enabling consistent standards, simplified communications, and accessible redress mechanisms.

Leveraging the NETCC avoids the high costs and complexity of rewriting consumer protections from scratch. It builds on existing industry understanding and frameworks, promoting consistency and reducing compliance burdens while still addressing emerging risks. This streamlined approach supports better consumer outcomes without significantly disrupting industry operations or increasing regulatory uncertainty.

Specified dispute resolution under the role of the Ombudsman

We note that the Western Australian Government has required CER providers to become a member of the Energy and Water Ombudsman, and the New South Wales Government have identified the intention to do so in the future. The CEC recommends the establishment of the Energy Ombudsman as the entity responsible for resolving disputes regarding new and emerging energy technologies, including the development of a specific process for doing so. A specified dispute resolution pathway through one trusted source will ensure consistent handling of customer complaints and reduce confusion for consumers wanting to escalate any issues they encounter.

We recommend that the costs of the Ombudsman membership should be appropriate to the size of the business, with a fee structure that additionally considers the number of complaints brought to the Ombudsman. This will ensure that CER providers that contribute to a significant share of the Ombudsman's dispute resolution resourcing will be proportionately responsible for the financing of this process. It is expected this structure will deter CER providers from repeated breaches and for NETCC signatories, encourage resolution through the NETCC complaints handling process to reduce escalation to the Ombudsman.

Cybersecurity

Considering the rapid digitisation and decentralisation of the energy market, including the proliferation of smart meters, IoT-connected devices, and consumer energy management systems, there is a growing gap in consumer protection related to cybersecurity. As

households and small businesses increasingly rely on connected devices to monitor and manage energy usage, the security posture of individual components within the energy ecosystem becomes critical.

A key gap that must be addressed is the absence of minimum cybersecurity standards at the device level, especially for consumer-facing technologies such as inverters, electric vehicle chargers, and home energy management systems. Without foundational protections in place at the device level, the broader energy ecosystem remains vulnerable, regardless of protections applied further upstream.

To mitigate this, the implementation of minimum device-level cybersecurity standards should be prioritised as an immediate and achievable step. Frameworks such as ETSI EN 303 645 provide a strong starting point. They include essential baseline measures such as:

- Eliminating default passwords
- Mandating vulnerability disclosure and breach reporting, which supports transparency and rapid incident response
- Securing software updates to ensure devices are not left exposed due to unpatched vulnerabilities
- Data protection by design, aligning with overseas regulatory frameworks.

By adopting such standards, it can provide near-term protection while building a more comprehensive suite of ecosystem-wide security measures. This staged approach ensures consumers are not left exposed during the transition to more complex, interoperable, and data-driven energy systems.

Ultimately, ensuring strong cybersecurity at the device level not only protects consumers from immediate risks like data breaches or service disruptions, but also builds the trust necessary for the wider adoption of smart energy technologies, a prerequisite for delivering a secure and modern energy system.

Product suitability

The shift to two-way energy flow and greater consumer participation has made customer suitability in purchasing behind-the-meter products and services crucial. Technologies like solar PV, battery storage, home energy management systems, and EV chargers can deliver significant benefits, but only when they are appropriately matched to the customer's energy profile, household characteristics, and financial situation. Poorly suited systems can lead to underperformance, unnecessary costs, or even safety risks, undermining consumer trust and the broader energy transition. As these products play a growing role in grid participation and energy resilience, ensuring they are fit for purpose for each individual customer is essential for delivering fair outcomes and maximising system-wide benefits.

3. Are there opportunities to consider holistic reforms that can address a number of issues simultaneously?

The CEC believes there is a clear opportunity for holistic reforms. These reforms should place customer agency at the centre of the design. The NECF primarily focuses on regulating industry practices and processes, rather than promoting customer agency or outcomes. It was designed for a centralised energy market and assumes passive consumers, limiting its ability to support today's empowered energy users who need flexible, outcome-driven protections across diverse and evolving energy services.

As consumers become active participants, reforms should empower them with clear choices, control, and protections across all energy services. By designing policy around the customer journey rather than market silos, multiple issues can be addressed simultaneously: from simplifying contracts and improving transparency to ensuring interoperability, fair pricing, and access to dispute resolution.

The NETCC, co-designed by consumer and industry groups, places customer agency at its core, focusing on the entire customer journey—from marketing to post-sale support. It emphasises informed choice, fair treatment, and accessible redress, empowering consumers to actively engage with energy services and ensuring protections align with real-world experiences, not just industry processes.

4. Are there particular views on the recommendations made by these reviews that we should consider in its assessment?

Recent reviews—including the AER's *Consumer Protections for Future Energy Services*, the AEMC's *Regulatory Frameworks for Embedded Networks*, and the ACCC's *National Electricity Market Inquiry*—consistently highlight the need to shift toward a consumer-centred approach that reflects the realities of a two-way energy system.

These reviews emphasise that consumers are no longer passive recipients of electricity but active participants generating, storing, and trading energy. This process should focus on synthesising the key findings from these reviews to support reforms that enhance customer agency. Priorities should include simplifying product information, ensuring fair access, clarifying accountability, and aligning regulations with the full customer journey—especially for behind-the-meter services.

5. Are there aspects of state-based consumer regimes that may offer benefits if applied at a national level?
6. Do you agree with the AER's risk analysis regarding new energy products and services and their conclusions that certain types of services should be captured under the NECF? Why/why not?

The CEC does not fully agree with the AER's risk analysis framing, as it places too much emphasis on the *risk of the product or service itself*, rather than on the *risk of harm to the consumer* and the potential *limiting of consumer agency*. Consumer protection should focus on the impact of services on consumers - their ability to make informed choices, understand

their rights, and seek redress - rather than on categorising services based solely on technical or business model risks.

Some low-risk products may still lead to significant harm if consumers are misled, locked into unfair contracts, or unable to resolve disputes. Conversely, some high-tech products may pose minimal harm if delivered transparently and with strong post-sale support. The emphasis should be on consumer outcomes and the overall customer journey, not just product or service type.

7. What factors should inform preliminary consideration of the potential for an overarching consumer duty?

We believe that while principles-based regulation offers important flexibility, the introduction of an overarching consumer duty—particularly one framed as a "duty of care"—may not be the most effective way to address future consumer risks in the energy market. Broad, high-level duties can introduce regulatory uncertainty, particularly for innovative or emerging business models. This can stifle innovation, increase compliance costs, and discourage smaller or new market entrants who may lack the legal or compliance resources to interpret ambiguous obligations.

Research by the UK's Centre for Competition Policy warns that general consumer duties, such as those seen in financial services, risk becoming overly paternalistic, shifting responsibility from consumers to businesses in a way that can limit choice and innovation⁵. Similarly, the Productivity Commission's 2023 report on consumer protection in a changing economy emphasised that regulation should be "targeted and proportionate," cautioning against overly broad duties that may lead to regulatory overreach and reduced market dynamism⁶.

The CEC supports an outcomes-based approach, grounded in clear, enforceable principles focused on consumer agency and experience—such as transparency, fair treatment, and ease of redress. This aligns with the National Energy and Telecommunications Consumer Commission Fair and Positive Experience Principles⁷, which balance consumer protections with flexibility for businesses to innovate while delivering measurable, meaningful outcomes.

The CEC believes the NETCC provides a least-cost approach to modernising the NECF because it builds on existing industry practices and consumer protection principles without requiring a full overhaul of regulatory structures. By leveraging voluntary, outcome-focused frameworks centred on customer experience and agency, NETCC reduces compliance complexity and implementation costs for businesses. This contrasts with rewriting the NECF,

⁵ Furman, J. et al. (2022). Principles-based Regulation and Innovation. Centre for Competition Policy, University of East Anglia.

⁶ Productivity Commission (2023). Consumer Law in the Digital Economy.

⁷ National Energy and Telecommunications Consumer Commission (NETCC). (2023). Fair and Positive Experience Principles.

which would demand extensive legislative changes, increased administrative burden, and significant industry retraining.

Additionally, NETCC's flexibility supports innovation and adaptation to emerging technologies, minimising costly disruptions. For consumers, this means faster access to improved protections and clearer information, while industry benefits from a streamlined, consistent framework that encourages competition and innovation without imposing heavy regulatory costs.

If you have any queries or would like to discuss the submission in more detail, please contact Con Hristodoulidis (christodoulidis@cleanenergycouncil.org.au).

Kind regards,

A handwritten signature in black ink, reading 'CHristodoulidis'. The 'C' is large and stylized, and the rest of the name is written in a cursive script.

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