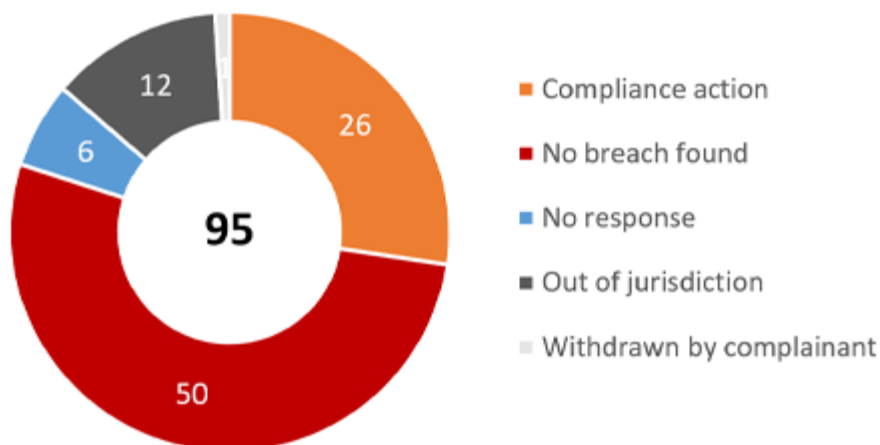


APPROVED SOLAR RETAILER QUARTERLY COMPLIANCE REPORT NOV 2021-JAN 2022

Welcome to the Clean Energy Council's quarterly compliance report, providing information about compliance activities in the Approved Solar Retailer program.

Please refer to the [compliance activity page](#) on our website for the latest information on what compliance activity has taken place in the previous quarter, including information on suspensions and cancellations.

Complaints closed

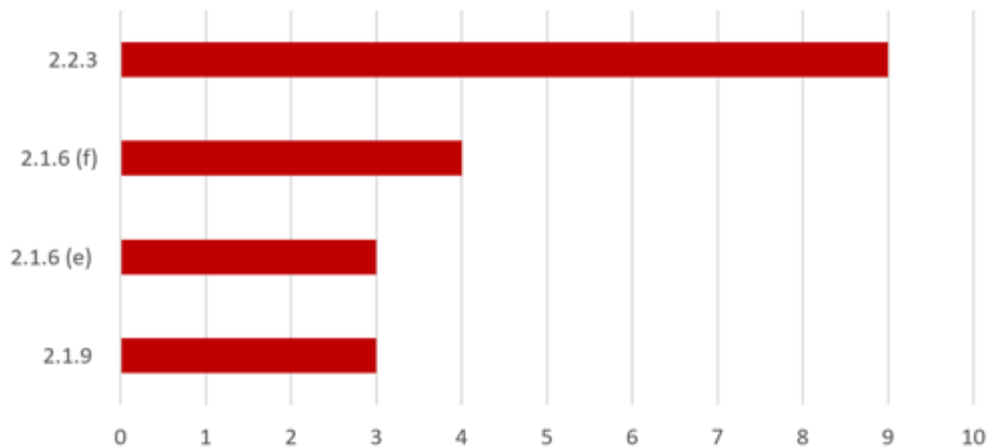


Note:

- No response refers to the complainant not responding to our queries.
- Out of jurisdiction occurs when the incident took place prior to the retailer becoming a Signatory.

The Code Administrator closed 95 complaint cases this quarter. Of these complaints, 26 resulted in compliance action against an Approved Solar Retailer.

Most common breaches



- 2.2.3 – Failing to have a variation to the system design documented and signed off prior to installation.
- 2.1.6 (f) – Failing to provide a site-specific system design to the consumer at the point of contract.
- 2.1.6 (e) – Failing to provide the full specifications of the system, including the manufacture, model, quantity and power rating of the solar modules and inverter/s.
- 2.1.9 – Failing to have both parties sign the agreement or accept the agreement using equivalent legal methods.

Note: The 2020 edition of the Code has been referenced. In some cases, the 2015 edition was applied as the contract took place prior to the 2020 edition being authorised by the ACCC.

Most common breach

Clause 2.2.3 – Failing to have a variation to the system design documented and signed off

There were nine instances this quarter of an Approved Solar Retailer failing to have a variation to the system design documented and signed off prior to installation. In addition to sanctions being recorded against the Approved Solar Retailer in accordance with the Code of Conduct, multiple consumers escalated their complaint to the state dispute resolution body for compensation.

To comply with the Code and protect your company from the financial risk associated with these disputes, you must get all variations documented and signed off prior to installation. Verbal acceptance is not sufficient and cannot be verified.

What is considered a variation to the system design?

- Substituting the products that were specified on the contract.
- Changing the panel layout/location, subsequently impacting the estimated energy yield.
- Any variation to the design that was documented on the contract including but not limited to:
 - FIT assumptions
 - estimated energy yield or shading assumptions.

The consumer must have an opportunity to exit the agreement and receive a full refund in accordance with clause 2.2.4 of the Code should a variation to the system design occur.

Responding to the Code Administrator

Clause 2.4.14 – Failing to respond to reasonable requests made by the Code Administrator for the provision of information or documentation in relation to investigation or suspected breaches of the Code

On multiple occasions, the Code Administrator has not received a response from Signatories with the requested information relating to an investigation. If you choose not to respond, the Code Administrator will issue findings based on the consumer's evidence. If you do not respond by the due date and do not request an extension for additional time to prepare your submission, we will take appropriate compliance action.

In some instances, Signatories have taken several weeks to provide basic documentation relating to a consumer's complaint including:

- the site-specific system design
- the contract of sale
- the STC form
- the Certificate of Electrical Safety.

In accordance with clause 2.4.12 (b) of the Code, this information should be readily available to support your claims when a consumer complaint is raised.

Case study

Clause 2.1.6 (f) – Failing to provide a site-specific system design to the consumer at the point of contract

The Code Administrator received a complaint from a consumer stating that the retailer increased the cost after installation without their consent and that they never received any documentation related to the system (warranties, instructions, product specifications and maintenance manuals etc).

The Code Administrator requested the following items from the retailer:

- contract of sale
- site-specific system design
- confirmation of what the variation was that caused the increase in costs.

The retailer claimed that due to the property location, an aerial image of the roof was unavailable to produce a system design on its computer software. The retailer acknowledged that a system design was not provided to the consumer. As a result, the Code Administrator alleged that a site-specific system design was not provided to the consumer at the point of contract in accordance with clause 2.1.6 (f) of the Code. Please note, there were multiple other allegations of non-compliance made in relation to this case.

Clause 2.1.6 (f) of the Code states that a sketch or diagram with measurements is acceptable to be included as part of the site-specific system design. This method should have been used given a roof image was not available.

The retailer was given 21 days to respond to the alleged breaches. The retailer did not dispute that a system design was not provided to the consumer at the point of contract. The

retailer also acknowledged that an accredited designer could have been engaged to complete a system design manually with a sketch or diagram as prescribed in the Code.

The Code Administrator required the retailer to complete an audit at their own cost with an agreed action plan to prevent the breach reoccurring. The retailer was also required to provide the consumer with a compliant site-specific system design to ensure they had a baseline performance to compare actual performance against.

As a result of the audit, the retailer implemented new business procedures to prevent a future breach of clause 2.1.6 (f). This included:

- refresher training of sales staff in relation to system designs
- an updated file system to ensure office management reviews all sales completed and confirms the required documentation is provided to consumers
- new company policies with disciplinary action if the required documentation is not provided to consumers.

Please note that in this case, the retailer breached multiple sections of the Code. They were therefore required to audit multiple other sections of their business as a result of this investigation.

Following receipt of the audit, the Code Administrator was satisfied that the retailer would comply with the Code should the new procedures be followed.

Please note the following learnings from this case:

- It is acceptable to provide a sketch or diagram for the roof panel layout if your software does not produce an aerial image of the consumer's property.
- A system design is required on all occasions. Consumers are required to receive a system design with the information required by clause 2.1.6 (f) to make an informed purchase decision.
- An accredited designer can complete a system design manually if the property cannot be viewed on computer design software.

Cancellations

The Code Administrator did not cancel any Signatories this quarter.

Suspensions

Signatory name	Start date	End date
Freedom Energy Australia	14/10/2021	10/12/2021
Clean Power Co	9/11/2021	10/12/2021

Signatories that are suspended are not permitted to promote themselves as Approved Solar Retailers, use the Code brand mark or utilise any of the benefits of being approved until remedial action imposed by the Code Administrator has been satisfactorily completed. Further information relating to suspensions can be found on the [compliance activity page on the CEC website](#).

Freedom Energy Australia

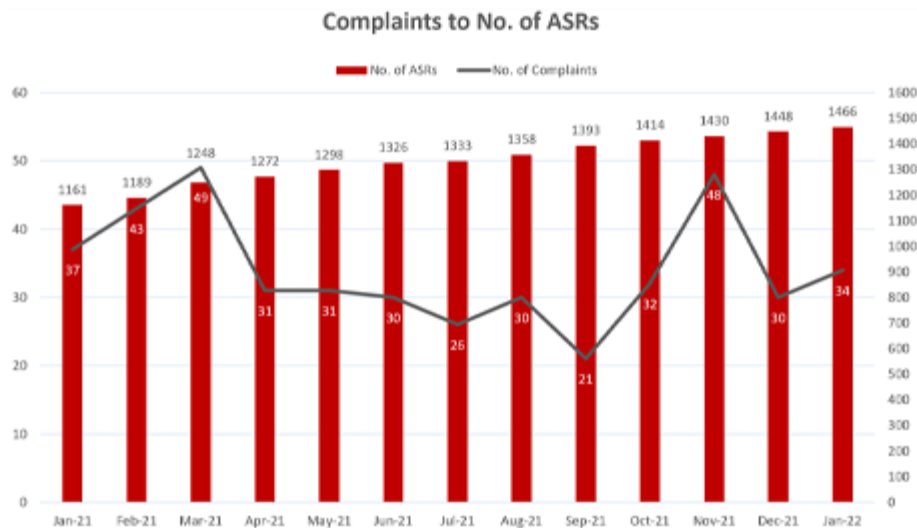
Freedom Energy Australia failed to have system design variations documented and signed off by the consumer prior to installation. It also failed to facilitate a grid connection request or respond to the Code Administrator in a reasonable timeframe to reasonable requests made in relation to the investigation

Clean Power Co

Clean Power Co failed to complete the requested remedial actions resulting from a breach of the Code within a reasonable timeframe.

Complaints received

The Code Administrator received 112 complaints this quarter (November 2021 – January 2022). This is an increase from 83 total complaints for the August – October 2021 quarter.



Appeals

There were no appeals of the Code Administrator's decisions this quarter.

Feedback

We value your input as an Approved Solar Retailer and welcome any suggested topics or issues that you would like to have covered in these reports.

Under section 2.4.11 of the Code, Signatories must undertake to inform the Code Administrator of any breaches to the Code made by other Signatory companies.

Please submit any suspected breaches of the Code via our online [Complaint Form](#).

Please contact compliance@cleanenergycouncil.org.au if you would like further information or wish to discuss this report.

Please note: the Compliance Quarterly Report will now be reported on standard financial quarters. The next report will be issued in April 2022 and cover compliance activity in January, February and March 2022.

