

APPROVED SOLAR RETAILER QUARTERLY COMPLIANCE REPORT APR-JUN 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.

Applications

To give greater context to how we administer the program we will be including application activity alongside compliance activity in this report.

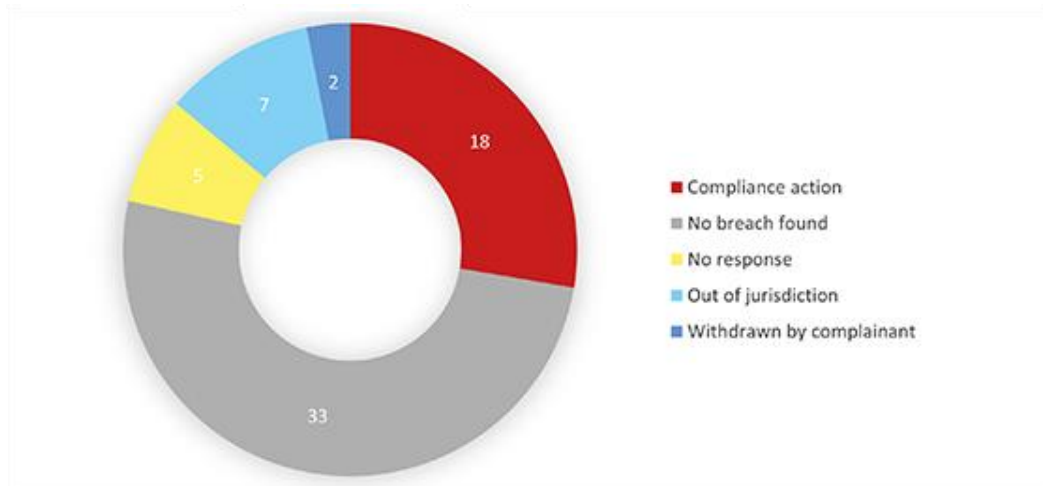
Last quarter we rejected 15% of applications processed for failing to demonstrate they meet the requirements of the Code.

Type	Total
Applications received	69
Applications approved	76
Applications rejected	13
Signatories resigned or removed	11

Complaints

Complaints Closed

The Code Administrator closed 65 complaint cases between 1 April 2022 and 30 June 2022. 18 of those complaints resulted in compliance action against an Approved Solar Retailer.

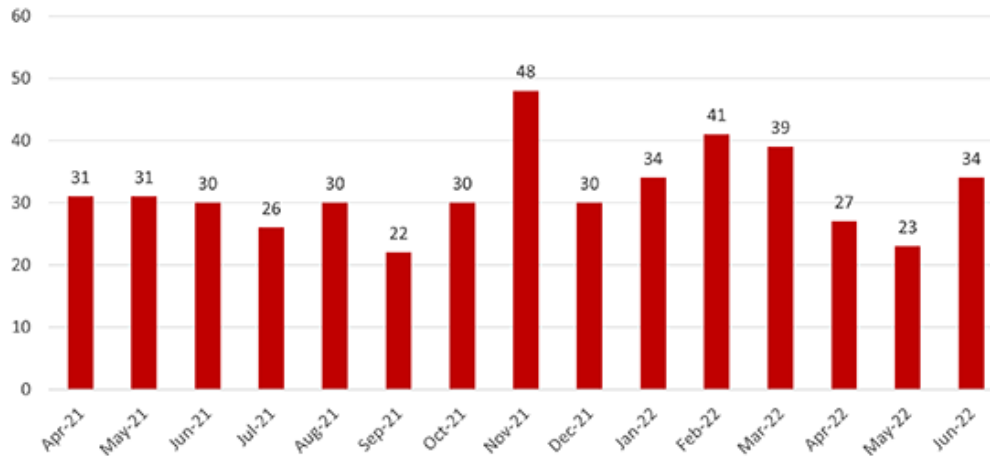


Note:

- 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.

Complaints Received

The Code Administrator received 84 complaints this quarter (April 2022 – June 2022).



Suspensions and removals

Signatories that are removed are not permitted to promote themselves as Approved Solar Retailers, use the Code brand mark or utilise any of the benefits of being approved. They may also be prevented from taking part in state or federal government schemes. These consequences also apply to signatories that are suspended until remedial action imposed by the Code Administrator has been satisfactorily completed.

Suspensions

The Code Administrator did not suspend any Approved Solar Retailers for this quarter.

Removals

Signatory name	Start date
Simply Solar & Storage	30/05/2022

Simply Solar & Storage were found to have engaged in wilful, systemic and repetitive non-compliance which is detrimental to consumers. It was further found that they engaged in conduct that may bring the Solar Retailer Code of Conduct into disrepute.

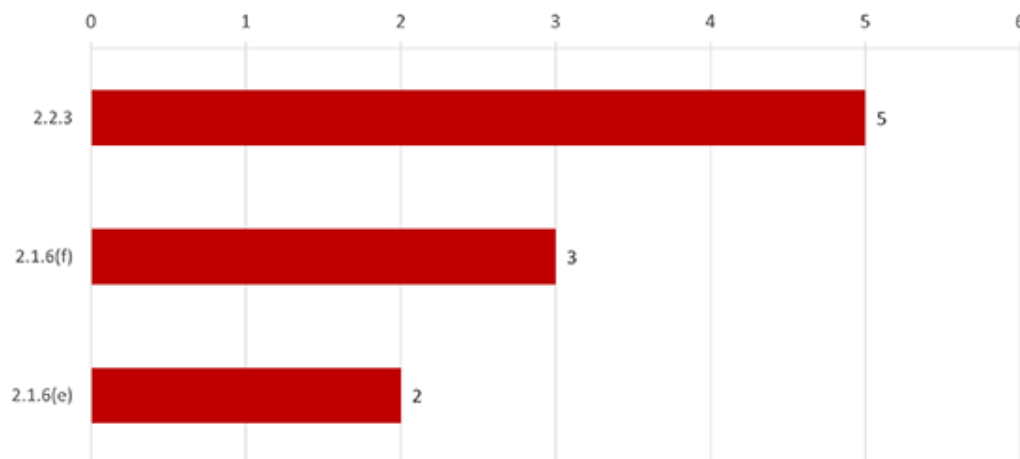
Appeals

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

Please refer to our [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.

Breaches

Most common breaches of the Solar Retailer Code of Conduct



- 2.2.3 – Failing to have a variation to the system design documented and signed off prior to installation.
- 2.2.1.6(f) – Failing to provide the consumer a compliant site-specific system design at the point of contract.
- 2.1.6(e) - Failing to provide the consumer a compliant contract with full specifications of the system, including the manufacture, model, quantity and power rating of the solar modules and the inverter/s.

Most Common Breach

Clause 2.2.3: Once the consumer has signed the contract, any variations to the system design must be documented and signed off by the consumer prior to installation

There were 5 instances this quarter where an Approved Solar Retailer failed to have variations to the system design documented and signed off by the consumer prior to installation.

Ensuring the consumer has been informed and agrees in writing to any variations to the system design before installation not only confirms the consumer has made a fully informed decision on the system installed, but it is also crucial (when a system variation has occurred) to evidence correct procedures were followed.

There have been instances where the Retailer advised the Code Administrator that there had been discussions with the consumer regarding the variation and the consumer had verbally agreed. However, verbal acceptance is not a compliant form of acceptance to variations, this is because there is no record the consumer agreed to the changes. As such,

Retailers must ensure they have documented evidence that the consumer agreed to the variations.

Please note, acceptance via email is sufficient, however, the variations and impacts of the variations on the system performance must be explained to the consumer to adequately constitute compliance with clause 2.2.3.

Case Studies

Clause 2.2.4(c): Not providing the consumer a full refund for estimated installation completion delays

The Code Administrator received multiple complaints within the space of 3 months, whereby consumers alleged extensive delays in the completion of their solar PV system installations. 3 consumers advised they had requested a refund, which the Retailer had agreed to, but they had not received any refunds back from the Retailer.

Clause 2.2.4(c) of the Code states that Signatories must provide the consumer with a full refund upon request when the estimated delivery timeframe for installation completion that was agreed upon at the point of contract is not honoured, for reasons reasonably within the Signatory's control, and the consumer does not consent to a revised time frame.

The allegations were substantiated by the Code Administrator, and it soon became clear that it was a systemic issue within the company. Due to the substantial noncompliance with the Code, the Retailer was removed as an Approved Solar Retailer of the Clean Energy Council.

Please note the below learnings from this case:

- It is important to set out a delivery timeframe to ensure expectations are set.
- If you cannot meet the delivery timeframe for installation, the consumer must be informed to allow them to exit the agreement and obtain a full refund.
- The consumer must be offered a remedy (such as a refund) if the installation timeframe is not met and/or retailers should be proactive in their management of communications with consumers to ensure their expectations are managed.
- Not only is it a breach of clause 2.2.4(c), but it may also amount to a breach of the Australian Consumer Law.
- The Code Administrator will take serious compliance action whenever noncompliant activity such as this occurs, especially when the consumer's money has been withheld.

Clause 2.1.1(b): Providing false or misleading claims

The Code Administrator received a complaint from a consumer that their system was underperforming and the financial benefits the consumer was receiving from the system was significantly less than expected.

Clause 2.1.1(b) of the Code states that any advertisements, promotions, quotations and statements produced must be legal, truthful, and comply with all relevant legislation. Signatories must not provide any false or misleading claims relating to the company, product or services being offered including system performance, stocks and substitution of products.

It is important to note that this clause not only applies to advertisements, but it also applies to the information contained in solar proposals, contracts and quotes provided to consumers.

When comparing the system performance estimates from the consumer's solar proposal with the system performance data, it was found that the system was significantly underperforming. The investigation uncovered that the system installed was incapable of performing at the standard outlined in the consumer's solar proposal because the Retailer had used incorrect values resulting in overestimated system estimates, such as the system efficiency.

Furthermore, the financial benefits of installing a system outlined in the solar proposal (e.g., the projected monetary savings) were found to be significantly overvalued. The Code Administrator acknowledged that there was a disclaimer stating the amounts were "only estimates", however the estimates provided were not reasonably achievable and found to be exaggerated. This amounted to misleading information.

The allegations were substantiated by the Code Administrator and the Retailer was required to complete an audit at their own cost. The audit involved reviewing their business procedures and implementing strategies/procedures to prevent non-compliance in future.

Please note the below learnings from this case:

- Clause 2.1.1(b) requires information contained in solar proposals, contracts and/or quotes to contain information that is not false or misleading. That is, consumers must be provided with a genuine expectation of how the system will perform, and estimates/values provided in the solar proposal must be realistic and not embellished.
- Clause 2.1.1(b) not only applies to advertising practices but also information contained in pre-sale documentation, for example solar proposals.
- Consumers rely on the information contained in the contract documentation to make a fully informed decision when purchasing a solar PV system. Estimates provided must still be reasonably achievable.
- Disclaimers included in the solar proposal declaring the information are only estimates will not discount the Retailer's liability to provide accurate and reliable information to consumers.

Report a breach

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 be aware of what is needed for evidence of a breach.

[REPORT A BREACH](#)

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

New consumer protection standards for small-scale solar, battery storage, EV chargers and more

The New Energy Tech Consumer Code (NETCC) program will expand on the standards of the Approved Solar Retailer program to cover new and emerging energy tech.

Arriving February 2023

[Find out more](#)

