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Solar Citizens welcomes the opportunity to provide input to the Australian Energy Regulator's Better Energy Customer Experiences consultation. We are a national community organisation that advocates for the rights and interests of solar owners, and those who wish to be solar owners and their interests in adjacent technologies. We recognise the critical role that Consumer Energy Resources (CER)—including rooftop solar, batteries, electric vehicles (EVs), and demand management technologies—play in transforming Australia's energy system into one that is cleaner, more affordable, and more resilient.

Our submission focuses on ensuring that the National Energy Customer Framework (NECF) is updated to reflect the rapidly growing participation of households and small businesses as active energy market participants. Rooftop solar is now on around 4 million homes, and the uptake of home batteries and EVs is accelerating. However, the consumer energy protection framework has failed to adapt to both the new home energy technologies as well as the energy services that they enable.

As the energy system transitions to accommodate a higher density of behind-the-meter and orchestrated energy appliances, customer protection frameworks must be redesigned with CER at the centre. This is essential to unlocking the full value of distributed energy resources for all Australians while safeguarding affordability, reliability, and fairness.

Regards,

Heidi Lee Douglas

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CEO

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Please contact Solar Citizens' National Campaign Director Joel Pringle (<u>joel@solarcitizens.org.au</u> 0406 435 290) with any questions about this submission.

## The National Energy Customer Framework must be updated to reflect today's energy technologies and services.

The National Energy Customer Framework (NECF) is a suite of legal instruments that regulate the sale and supply of electricity and gas to retail customers. The Framework seeks to provide a level of consumer protections commensurate with the important role that energy plays as an essential service, the absence of which has a significant negative impact on safety, welfare and wellbeing.

The Framework covers basic energy technologies required for affordable access to energy (i.e. metering and connections), as well as energy services (including load management). As new technologies have developed, become affordable and more commonplace (including solar panels, smart metering, solar batteries), the range of energy services available has become much more diverse, to include examples such as Virtual Power Plants, expanded load control options and even peer-to-peer trading.

By 2013, when the National Energy Customer Framework was being progressively adopted, Australian rooftop solar installations hit a cumulative total of one million rooftop solar installations and 3GW of capacity. This was still a niche market at the time, but installations have continued to increase exponentially, with 3GW capacity installed in the single year of 2024 alone. In this same year rooftop solar contributed over 12% of the electricity consumed through the National Energy Market grid (not including self-consumption) from a total of over 25GW capacity. New technologies and services available today, such as **household batteries**, **Virtual Power Plants** and **energy storage services in network-owned community batteries**, were not envisioned in the drafting of the Framework.

**Orchestration of vehicle-to-grid charging** for demand management, emergency load control and ancillary services are examples of the range of energy services that are only emerging even today. **Local and peer-to-peer energy trading** are other emerging services that will need to be captured in reforms to the Framework.

The **New Technology Consumer Code**<sup>2</sup> is a starting point for consumer protections in new home energy technologies and services, however the Code is no longer fit-for-purpose given the core role that 'new energy services' are playing in our energy systems today. Consumer protections for new energy technologies and services should no longer be voluntary, as they currently are under the Code. Our energy systems have progressed to the point where 'new' energy technologies and services can no longer be considered as 'bolted on' to our energy systems, but instead as a key and core feature, and so should also be regulated as essential services.

The consumer protections available in the Code need to be reviewed and updated to reflect the increasingly core role of energy services, and then made compulsory for all new retail technology

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<sup>&</sup>lt;sup>1</sup> https://www.solarchoice.net.au/blog/news/2013-the-australian-solar-year-in-review-311213

<sup>&</sup>lt;sup>2</sup> https://www.newenergytech.org.au/netcc-standards

and service providers. This is best achieved by incorporating these protections into the National Energy Customer Framework.

Solar Citizens is aware of a gap in consumer protections in the case of effective recourse for inadequate service or even unscrupulous behaviour in relation to the installation of home energy equipment. Currently, complaints are the responsibility of State and Territory fair trading agencies as a general consumer trade issue, and the level of recourse available to consumers through these schemes is not equal to the importance of maintaining energy as an essential service.

Solar Citizens supports the extension of the powers of utilities Ombudsman schemes to cover home energy equipment installation complaints, given the critical role that this equipment plays in the continuous, reliable supply of affordable electricity.

Whilst the principle of customer choice is central to ensuring the uptake of new energy services and of overcoming the risk of barriers being introduced by existing market participants, it is critical that energy continues to be recognised as an essential service. Continuous and affordable energy provision remains as critical to household welfare today as it was in 2013, and adoption of new home energy technologies and energy services should not come with a risk of market exploitation or hardship.

This means that the levels of protection afforded to consumers in the historically 'one-direction energy supply' system need to now be applied to new home energy technologies and services as well. Consumers should be empowered to invest in new energy services without fear of being cut off from energy supply due to unfair and inadequate contracting arrangements.

These protections should be extended to the marketing, sales, installation and post-sales support of new technologies and energy services, and in particular should apply to the guardianship and consumer control of consumer energy data.<sup>3</sup>

A continued and accelerating uptake in new energy products and services requires consumers to be able to trust the market. Trust in these products is critical to ensuring that consumers are willing to invest in these products and services. This does not only extend to product certification, which lies outside of the National Energy Customer Framework, but also to the marketing, sales, installation and post-sales support. If customers are not confident that they are enjoying fair contract terms, or that those terms will be upheld, or that they will have reliable recourse in the face of unscrupulous and predatory marketing behaviour, then they will not participate in the CER transition.

## Conclusion

<sup>3</sup> 

https://assets.nationbuilder.com/solarcitizens/pages/4697/attachments/original/1738884602/Solar Citizens submission NEM review FINAL 6Feb.pdf?1738884602 pg 23

Australians are embracing renewable energy in record numbers, but our energy systems must evolve to match this ambition. Consumer Energy Resources are a cornerstone of a clean, affordable, and reliable energy future. Reforms must focus on enabling participation, ensuring fairness, and building trust.

Solar Citizens looks forward to continuing to work with government and industry to ensure all Australians can benefit from—and contribute to—the renewable energy transition.