

22 August 2025

Ms Carmel Donnelly Chair Independent Pricing and Regulatory Tribunal PO Box K35 Haymarket Post Shop NSW 1240

Dear Ms Donnelly

Monitoring the Retail Electricity and Gas markets in NSW 2024-25 - Consultation Paper

Thank you for the opportunity to comment on this consultation paper.

The Energy & Water Ombudsman NSW (EWON) investigates and resolves complaints from customers of electricity and gas providers in NSW, and some water providers. Our comments are informed by our investigations into these complaints, and through our community outreach and stakeholder engagement activities.

We have only responded to those questions in the consultation paper that align with issues customers raise with EWON, or with our organisation's operations as they relate to this review.

If you would like to discuss this matter further, please contact Rory Campbell, Manager Policy & Systemic Issues, on (02) 8218 5266.

Yours sincerely

Janine Young Ombudsman

Energy & Water Ombudsman NSW



Monitoring the Retail Electricity and Gas Markets in NSW

Overview

EWON welcomes the opportunity to provide information about the experience of energy consumers who are using new energy products and services, including virtual power plants and demand response programs, and the rollout of smart metering. This includes highlighting that many consumers share with EWON that, in hindsight they were not provided with sufficient information to inform their decisions about taking up these products and services. This submission is focused on what customers have raised with us in complaints over the past year (noting that many of them were also evident in past years).

Virtual power plants

Customers continue to raise five key complaints issues involving virtual power plants (VPPs):

- 1. Lack of explicit customer consent and information disclosure by energy retailers
- 2. Lack of understanding the benefits they can receive from complex services like VPPs
- 3. Lack of understanding how or when their appliances will be controlled remotely
- 4. Difficulty navigating multiple sources of energy data
- 5. The high risks of bundled services that include installation of consumer energy resource (CER) products, financing and VPPs.

Having recommended to the NSW Government that it consider these issues when implementing the NSW Consumer Energy Strategy, we also recommend IPART monitor these issues.

Metering

Complaints to EWON identify that many customers are not receiving smart meter roll out benefits, and instead are experiencing a range of issues including:

- estimated bills
- billing delays
- back-bills
- tariffs
- issues accessing data
- delayed disputed bill reviews by their energy retailer.

We strongly encourage IPART's monitoring of smart metering to include consideration of how these issues can be systemically addressed, including whether:

- 1. changes are needed to the commercial relationships between energy retailers and MSPs so that all customers receive equitable and beneficial smart metering outcomes
- 2. changes should occur so that MSPs are brought into the National Energy Consumer Framework, including key protections, such as development of a deemed customer contract, and MSPs being required to join an external dispute resolution scheme.

EWON released a report in March 2025 Spotlight On: Electricity metering competition — who benefits?¹ which focuses on the issues consumers are experiencing. In an effort to have them explored and addressed, following on from presenting these issues at our 1 May 2025 Consultative Council Meeting, we are now in the process of facilitating a series of workshops with attendees including retailers, networks, metering providers, regulators and energy department representatives to develop and implement solutions to address these issues and prevent future complaints. We explore metering issues further in our answer to Consumer Issue 4 below.

https://www.ewon.com.au/page/publications-and-submissions/reports/spotlight-on/metering-services





Detailed responses to IPART's questions

- 2. What has been the experience of households and small businesses who have joined or participated in virtual power plants and demand response programs?
- 3. Do you consider consumers have sufficient information on virtual power plants and demand response programs to make informed decisions about the costs, benefits and whether they should participate?

It is increasingly difficult for EWON to identify that a complaint is related to the operation of a VPP until information is provided from the retailer. The reasons for this are explored under Consumer issue 1 below, and can include:

- the customer not being aware they are participating in a VPP, potentially due to issues with the effectiveness of retailer communications
- the customer not understanding the connection between the VPP with their complaint.
- The complexity of the operation of VPPs and as a result, the difficulty customers experience in trying to understand how they operate.

For example, some retailers are taking over operation of their customer's-controlled load service and managing this energy consumption through a VPP without customers understanding this is going to occur. This is evidenced in complaints from customers which at not presented as an issue concerning a VPP, but rather a complaint about the loss of off-peak hot water, or a complaint about the customer's hot water thermostat no longer operating as programmed.

This means it is difficult to fully report the number of VPP complaints received by EWON, as this information might only be captured after EWON investigates rather than referring it back to the retailer because the customer has not raised their complaint with the retailer.

Consumer issue 1: customer consent and information disclosure by energy retailers

Energy consumers face a significant challenge due to the lack of information about VPPs and how they operate. Retailers often reserve the right to place customers on a VPP through the terms and conditions agreed in their market retail contract, but this is not explicitly shared with their customers / or shared in a way that customers do not understand what they have signed up for. Complaints to EWON indicate that customers often do not understand these terms and conditions and they do not receive adequate notice and information when placed on VPPs.

This issue is not new. EWON and other energy ombudsman from Queensland, South Australia, and Victoria raised concerns about contracts, consumer information, and consent related to new energy services including VPPs in our joint submission to the AEMC's draft determination of the Unlocking CER benefits through flexible trading rule change in April 2024.² Case study 1 and case study 2 from this 2024 submission illustrate the challenge customers encounter if information about their participation in a VPP is not made accessible.

The case studies highlight that some customers are unaware they are participating in the VPP despite receiving a notice from the retailer about changes to their energy supply, which they may not have understood despite it being a condition of their retail market contract. Additionally, not all eligible customers benefit from the VPP, such as those with underfloor heating, solar hot water, or

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²https://www.ewon.com.au/content/Document/Publications%20and%20submissions/Submissions/2024/Energy%20%26% 20Water%20Ombudsman%20Submission%20Unlocking%20CER%20benefits%20through%20flexible%20trading%20April%2 02024 0.pdf



pool pumps. Customers must determine if participation benefits them and proactively request removal from the program if it does not.

<u>Case study 3</u> provides a recent example of a customer impacted by this issue. In this case study the customer is compensated for spending money on electrical services to find out that his hot water service was heating at different times due to a retailer's VPP.

Consumer issue 2: understanding the benefits customers receive from complex services like VPPs

Energy consumers need simple and clear information about how a VPP service works. Consumers should be provided with this information at each stage of their consumer journey - before investing in CER, before entering a new market retail contract, and while participating in the VPP.

Complaints to EWON indicate that customers have different expectations about how a VPP operates and how it interacts with their ability to control their own energy assets, such as batteries and inverters.

<u>Case study 4</u> provides a recent example of a customer not understanding what aspects of his battery he could still control when participating in his energy retailer's VPP.

The information provided to customers should include (but not be limited to):

Clearly defined benefits: the VPP energy plan must clearly define the benefits customers receive from participation. For example, if the VPP:

- provides a direct financial benefit then customers must know how to check that they are receiving this benefit on their energy bill.
- allows the retailer to offer cheaper overall energy rates the retailer should provide a clear indicator on the bill showing what customers would pay without participation in the VPP.
- offers an indirect benefit, such as a more resilient and secure electricity supply or a low carbon footprint – then this must be made very clear in the marketing material. There may also be other benefits that are conditional on the customer entering into a VPP plan, such as the NSW battery rebate announced in June 2025.

Information on how the VPP operates: Customers participating in a VPP must receive clear and easy-to-understand information about how the VPP operates. This information should include which large electric appliances, such as hot water systems, home batteries, or EV charging infrastructure, will be impacted by the VPP. It should also explain how the VPP will affect the use of these large electrical appliances. For example, for a home battery, this means explaining the time periods when the battery will be charged and discharged. Customers must know what to monitor at home and whether the battery is expected to be fully charged and at what times of the day.

Information about how appliances will be remotely controlled: Energy retailers must be required to provide customers with easy-to-understand information explaining which aspects of their electrical appliances will be controlled. For example, customers must know what changes they can still make to their inverter or battery. Retailers must inform customers in advance if they can no longer adjust the settings on their home battery, such as preventing it from discharging below 20% of its capacity.

Consumer issue 3: the remote control of consumer appliances

The issue of consumers relinquishing control of their appliances to energy retailers and VPPs is not new but is becoming more significant.

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Energy consumers are making a significant investment in their energy services. These technologies allow owners to adjust how the battery operates to suit the local environment and gives them flexibility to tailor their operation to optimize energy usage for their household. Complaints to EWON indicate that customers do not always understand that when they join a VPP, they give up some, or all of their ability, to adjust the functionality of their devices, such as inverters, batteries, and thermostats.

Again, energy consumers need simple and clear information that explains which aspects of their electrical appliances will be controlled by their energy retailer and how the VPP will operate. EWON first raised the emerging issue of the remote control of appliances (such as batteries, hot water, inverters, and EV chargers) in our June 2022 submission to the AER's review of consumer protections for future energy services³. At that time, we had received multiple complaints relating to the remote control of appliances and the challenges consumers faced in regaining control of their devices from a retailer after switching away from the VPP energy plan.

<u>Case study 5</u> highlights how these issues have continued to impact on customers since we first raised concerns back in 2022.

Consumer issue 4: navigating multiple sources of energy data

Most consumer groups and industry participants would agree that improving access to consumer energy data is a key part of the energy transition.

Improved accessibility and integrity of energy data is also critical for ensuring that consumers are receiving the benefits they are promised for investing in consumer energy resources (CER).

However, the increased volume of energy data and the increased number of sources of energy data also carries risks for consumers and energy providers. These risks hinge on consumers now having three main separate sources of energy data.

<u>Case study 4</u> highlights the major concern about having multiple sources of energy data and shows how customers might lose trust in their energy providers simply because the different sets of data they have access to show different levels of energy generation, usage and export.

Meter data and energy billing information

The main source of energy data for consumers is their electricity meter and the bill they receive from their energy retailer.

The relationship between the energy customers, their electricity meter and their energy bill has come under renewed focus in recent years as the retailer-led rollout of smart meters progresses.

The Australian Energy Market Commission (AEMC) is currently considering a rule change to introduce real-time data for energy consumers. EWON is strongly supportive of taking steps to improve the accessibility of consumer energy data. However, we are also concerned that there are systemic issues impacting on the current electricity metering framework that, if unresolved, are likely to stifle future steps taken to improve the accessibility and integrity of meter data.

EWON has outlined the existing systemic problems with the current electricity metering framework in our report, *Spotlight On: Electricity metering competition – who benefits*?⁴. We have detailed the issues identified in this report in more detail under IPART's consultation question 4 below.

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https://www.ewon.com.au/content/Document/Publications%20 and %20 submissions/Submissions/2022/EWON%20 submission%20-%20 AER%20 authorisation%20 and %20 exemption%20 review%20-%20 June%202022.pdf

⁴ https://www.ewon.com.au/page/publications-and-submissions/reports/spotlight-on/metering-services



Energy data obtained directly from CER

Consumers with rooftop solar, batteries and EV charging infrastructure at their home now have direct access to energy data collected directly by their own appliances. Consumers often access this data via third-party apps and platforms designed to log and analyse the amount of energy that their CER devices have generated, and how much has been used by the household versus how much has been exported to the electricity grid.

This means that many customers are now being required to navigate at least two sets of separate data streams – the data collected by their electricity meter, and the data collected by their CER devices and software. And that, of course, will only occur:

- if the retailer has advised them to do that
- if the retailer makes the data available for customer review
- if the customer wishes to and has the time and capability to review this data.

Our experience is that most customers just want to know and be assured that they are getting what they signed up for.

Data complexity also means that disputes about energy billing have become more complicated – particularly where energy data produced by customer CER devices contradicts energy billing data sourced from their electricity meter as provided by their energy retailer. These disputes and conflicts significantly impact consumer trust in the energy market. This was also an issue we initially raised though the AER's review of consumer protections for future energy services in June 2022.⁵

Energy data supplied through energy retailer mobile apps and online customer portals

More and more consumers contacting EWON report that they use their energy retailer's mobile app (or online customer portal) when making complaints. This trend is especially notable among customers who have invested in rooftop solar and battery systems.

Digital platforms, like mobile apps, offer a range of benefits and can potentially engage energy consumers more effectively than traditional methods, including:

- improved access to energy data and billing information
- increased customer control over energy account settings
- improved tools for supporting customers at risk of vulnerability
- new communication channels.

There are also risks involved with delivering digital customer service platforms. When things go wrong, and the digital platform does not work as promised, customers may feel they have been misled by a retailer. Complaints we receive about these platforms include:

- customers complaining that their retailer's mobile app or online portal is not functioning as promised – such as when their energy app is missing usage or solar export data, no longer giving them access to bills, or the is simply not working.
- customers complaining that the mobile app or online portal has provided unreliable information or energy data provided, for example:
 - where the app data shows different levels of usage, export and generation than the data provided by the customer's own battery or inverter.

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https://www.ewon.com.au/content/Document/Publications%20and%20submissions/Submissions/2022/EWON%20submission%20-%20AER%20authorisation%20and%20exemption%20review%20-%20June%202022.pdf

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- where app data is based on estimations and the customer does not think this was communicated clearly.
- o unexplained delays updating the usage or solar export data in the app.
- where usage or solar export data provided by the app does not match the information provided on the customer's bill.
- o if tools provided within the app providing customers with forecasts or predictions for their upcoming bills are significantly inaccurate.

Consumer issue 5: the high risks of bundled services that include installation of CER products, financing and VPPs

In last year's submission to IPART's consultation for the *Monitoring the Retail Electricity and Gas markets in NSW Report 2024*, we noted that complaints about VPPs and battery storage were often complex because these complaints often involve the sale and installation of devices which are bundled together with VPP energy retail contracts.⁶

We also noted that our external dispute resolution (EDR) model is based on service providers being members of our scheme. We cannot deal with complaints about third party sales and installation, but can assist all customers with their retail billing issues. Where customers have purchased systems directly from an energy retailer, but the energy providers structure their business so that energy and CER services are provided by different legal entities, EWON cannot always address the part of a customer's complaint that involves the sale of devices and the services behind the meter – even if these services have been provided together with retail services under a single energy brand.

Our 2022 report, *Spotlight On: Dispute resolution in the Evolving Energy Market*, outlines how this can translate into consumer risks.⁷

<u>Case study 7</u> provides an example of EWON resolving a complaint about a bundled CER product. <u>Case study 8</u> provides an example of a complaint where our legal jurisdiction may be challenged or limited.

We are currently working with the NSW government on implementing Action 25 of its Consumer Energy Strategy "Begin public consultation to expand EWON's jurisdiction to new energy services providers, such as VPPs and demand response services." We are also working with the Federal Government and our peer ombudsman services in other jurisdictions on Federal workstreams such as the Better Energy Customer Experiences review.⁸

4. Are there emerging issues in the NSW retail electricity and gas markets that IPART should explore as part of our Energy Market Monitoring Reports?

Metering services

EWON has outlined existing systemic problems with the current electricity metering framework in our report, *Spotlight On: Electricity metering competition – who benefits*?⁹.

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 $[\]frac{6 \text{ https://www.ewon.com.au/content/Document/Publications\%20and\%20submissions/Submissions/2024/Submission\%20-}{\%20 \text{IPART\%20 Monitoring\%20 the\%20 NSW\%20 retail\%20 energy\%20 markets\%202023-24.pdf}}$

 $^{^{7}\,\}underline{\text{https://www.ewon.com.au/page/publications-and-submissions/reports/spotlight-on/dispute-resolution-in-the-evolving-energy-market}$

⁸ More time to have your say on Better Energy Customer Experiences - DCCEEW

⁹ https://www.ewon.com.au/page/publications-and-submissions/reports/spotlight-on/metering-services



Complaints to EWON strongly suggest that customers are not receiving the predicted benefits of the smart meter rollout. Customers with smart meters continue to complain to EWON about:

- estimated bills
- billing delays
- backbills
- tariffs
- issues accessing data
- delayed disputed bill reviews by their energy retailer.

The report outlines that a disconnect between energy retailers, customers and Meter Service Providers (MSPs) is contributing to these issues and impacting consumer trust in the smart meter rollout – which in turn impacts consumer trust in VPPs, CER and the energy transition overall.

We strongly encourage IPART's review to include the following metering rollout issues:

- complaints to EWON show that the expected benefits of smart meters are not being realised for consumers - for example, estimated bills are increasing rather than decreasing as should occur as a result of smart metering
- 2. What changes are needed to the commercial relationships between energy retailers and MSPs so that all customers receive equitable and beneficial smart metering outcomes
- 3. What changes should occur so that MSPs are brought into the NECF, including key protections, such as development of a deemed customer contract, and MSPs being required to join an external dispute resolution scheme.

We consider IPART is well positioned to look at how competition is working in metering services.

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Case study 1: Customer receives higher than expected bills after purchasing rooftop solar system from retailer and being placed on VPP.¹⁰

A customer purchased a rooftop solar system directly from their energy retailer. The customer stated that they had spent approximately \$20,000. After the installation was complete, the customer made multiple high bill complaints, as his energy costs had increased on a quarterly basis, rather than reducing with the benefit of solar. The complaint was escalated to EWON because the customer was dissatisfied with the retailer's response to his high bill complaints. EWON referred the matter to a specialist team at the retailer in the first instance. The complaint returned to EWON as it remained unresolved.

EWON's review of billing information and meter data found that the billing was accurate based on the data. The EWON investigation also revealed that the customer's controlled load electricity supply was now being managed through the retailer's VPP. The customer was receiving a \$20 credit each month for participation in the VPP. This means the retailer had taken over the customer's controlled load service and was focused on shifting the customer's energy consumption to times of the day when there is excess solar generated power being feed into the grid. The customer was sent a letter advising them that their controlled load hot water was now being managed by the retailer rather than the network. The letter advised the customer to email the retailer if they had other services connected to the controlled load. The customer had not investigated this issue. The customer was prompted by the EWON investigation to check their installation and was advised by an electrician that their pool pump was also connected to the controlled load circuit. The customer had assumed that their hot water/pool pump usage was being offset by the energy generated by newly installed rooftop solar system.

EWON advised the customer that they had been billed correctly based on the meter data provided, and that the retailer had offered a \$200 credit as a goodwill gesture. The customer did not respond to the retailer's offer. EWON made no assessment of whether the customer was financially disadvantaged by their participation in the VPP due to the fact that the retailer was unaware of the pool pump connected to the controlled load circuit – or from the advice the customer had received from the retailer about the installation of the solar system.

Case study 2: Customer experiences a loss of hot water after connection to the retailer's VPP. 11

A customer's meter was upgraded to a smart meter at the end of August 2023. The customer complained that since this time they were running out of hot water around late afternoon. She did shift work and therefore it was important for her to have access to hot water at nighttime. The customer made a complaint to their retailer and was advised that it would cost \$200 to have their electricity meter checked. She considered they did not have any issues in the past and the retailer should fix the problem without charging a fee.

EWON checked the national metering database and advised the customer that their hot water appeared to be connected to a controlled load circuit which was controlled by their network. EWON provided the customer with information on the operation of the network's controlled load service.

¹⁰ EWON, EWOSA, EWOQ and EWOV, Submission to AEMC draft determination, ERC0346 – Unlocking CER benefits through flexible trading rule change, 19 April 2024

¹¹ EWON, EWOSA, EWOQ and EWOV, Submission to AEMC draft determination, ERC0346 – Unlocking CER benefits through flexible trading rule change, 19 April 2024



EWON also contacted the retailer to obtain information about the billing of the controlled load account.

The retailer advised EWON that it had taken over the customer's hot water controlled load service through its VPP after the smart meter was installed. Through the VPP the retailer controlled the times that the hot water system could heat up. Initially the retailer advised that the controlled load appeared to be heating at random times that were outside the network's defined hours for controlled load. Later the retailer advised by email that the VPP was programmed to emulate the network's timing until they had a profile of the customer's hot water usage. The retailer made adjustments to the VPP program to boost the customer's hot water usage to ensure she would have hot water at the time she needed it. The retailer offered to apply a customer service credit of \$200 for the inconvenience.

Case study 3: A customer is not provided with adequate information from his energy retailer about being placed on a VPP that controlled the times of day his hot water service would be heated.

A customer contacted EWON to complain that his hot water had not been working for a week. The company that installed his hot water system had visited the property twice, initially adjusting the thermostat and then replacing the heating element in the hot water system. As the system was still not working the customers arranged for an electrician to check the system. The electrician advised the customer that the issue was caused by his smart meter. His electrician called his energy retailer to advise that the controlled load service was not working as expected, and the energy retailer advised that there was no problem, and the meter was working correctly.

After the complaint was escalated to EWON, the issue was reviewed, and the energy retailer removed the customer from its virtual power plant (VPP) program that controlled what times of the day the customer's hot water system was heating. The retailer placed the customer's hot water service back on the standard heating times set by the local electricity network.

Once resolved, the customer complained to EWON that he had arranged multiple visits by technicians and electricians to solve this issue. He noted that his energy retailer had not helped resolve the problem and repeatedly told him that there was no issue with his hot water service. The customer asked EWON for the energy retailer to pay for the cost of the electrician's work solving this issue. The energy retailer agreed to provide the customer with a credit to his energy account that covered the cost of the electrical services.

Case study 4: a customer complains to EWON about the operation of a VPP managed by his energy retailer

A customer contacted EWON to complain that he was participating in a virtual power plant that exported any unused electricity to the grid between 9am to 1pm rather than allowing his home battery to charge during that time. This meant that his home battery was not being charged more that 40% of its capacity each day, forcing his household to use more energy imported from the grid at nighttime. He had complained directly to his energy retailer who responded by advising him that his solar and battery installer may not have adequately explained to him how a virtual power plant worked.

EWON provided general information and referred the matter to a senior team at the retailer with the advice that the customer could return to EWON if the matter remained unresolved.

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Case study 5: a customer experiences difficulty exiting a VPP program after switching energy retailers

A customer contacted EWON to complain that she had recently switched retailers and transferred away from a market retail contract that included participation in a VPP. The VPP was managed and operated by a third-party battery provider. She contacted her previous retailer and requested that she be removed from the VPP program. The energy retailer advised her that it had requested the battery provider remove her from the VPP and that the battery provider actioned these removals only once a week. When she had not been removed from the VPP a week later, the customer contacted the battery provider directly and it confirmed that it had not received a cancellation request from the energy retailer. The battery provider also explained that it could remove her immediately from the VPP but only if the request came directly from the energy retailer.

EWON provided general information and referred the matter to a senior team at the retailer with the advice that the customer could return to EWON if the matter remained unresolved.

Case study 6: a customer struggles to navigate the multiple sources of energy data

A customer contacted EWON to complain that he had agreed to five-year energy contract with his energy retailer that included participation in a virtual power plant. The customer's energy plan included an interest free loan to finance the rooftop solar and battery system at his property.

The customer advised that he has three different mobile apps he has been given to use to monitor the energy generated by the system. He complained that the energy retailer's own mobile app has conflicting information and charges that do not make sense. The customers' CER apps showed 80% of the energy generated by his system was being exported to the grid but did not explain why his is still using so much energy imported through his electricity meter. The customer called his energy retailer to find out why the data was confusing and was unable to obtain a call back after multiple attempts.

EWON provided general information and referred the matter to a senior team at the retailer with the advice that the customer could return to EWON if the matter remained unresolved.

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Case study 7: EWON helps resolve a complaint about a complex product including solar and battery installation, solar power purchase agreement and participation in a VPP

A customer contacted EWON to complain that she had been misled by her energy retailer when she agreed to a bundled energy plan that included:

- a market retail energy contract
- installation of a rooftop solar and battery system, with the ownership of the system transferring to the customer after seven years on the bundled energy plan.
- a solar power purchase agreement for the energy generated by the system and used by the customer for seven years
- participation in a VPP program.

The bundled energy plan

The bundled energy plan included two contracts: (1) the market retail contract terms, and (2) a contract for the installation of a rooftop solar and battery system. The first contract contained the standard retail terms and conditions for energy customers, as well as terms for the customer to pay for all the energy generated by the solar and battery system installed by the energy retailer. The second contract included terms for transferring the ownership of the solar and battery system to the customer after seven years, at which time the customer would no longer be required to pay the retailer for the energy generated by the system. The second contract also required the customer to enrol in the energy retailers VPP program. The bundled energy plan included an early exit fee calculated based on the cost of the system (\$14,000) versus the amount of time the customer had spent on the plan.

The customer complains about misleading marketing by the retailer's sales representative

The customer said she had agreed to the bundled plan because the sales consultant had explained she would receive a solar rebate (feed-in tariff) and she would pay the difference of her usage passed the solar usage at a higher Energy Rate for seven years. The customer considered she was not advised that she was required to pay the full amount of electricity, generated and imported, receiving no solar rebates for seven years. She had complained directly to the energy retailer who admitted that the plan was not explained correctly.

The complaint remained unresolved due to the large exit fee based on the cost of the system

The retailer had offered to:

- reduce the exit fee for the bundled energy plan from \$12,400 to \$10,000, and then ownership of the rooftop solar and battery system would transfer to the customer, or
- wave all electricity accounts to date, equalling a credit of \$3,400.

The customer did not accept the retailer's offer to resolve her complaint and offered instead to pay \$7,000 and accept the retailer's additional offer wavier all electricity accounts to date. The retailer did not accept the customer's request. The customer had advised EWON that although they had rejected the retailers offer to resolve the complaint, they would not be able to pursue the matter through the

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NSW Civil and Administrative Tribunal (NCAT) as this would be to hard due to their child having a serious illness.

EWON's investigation and resolution of the complaint

The energy retailer was unable to provide EWON with records of the sales representative's discussions with the customer. However, the retailer reviewed the sales call and admitted that their representative did avoid answering direct questions from the customer.

The customer had advised EWON that although they had rejected the retailers offer to resolve the complaint, they would not be able to pursue the matter through the NSW Civil and Administrative Tribunal (NCAT) as this would be too difficult due to their child having a serious illness.

EWON obtained advice from a technical consultant on the customer's bundled energy plan, the performance of the system, and what the financial benefits would have been for the customer if they had also received a feed-in tariff though the energy plan as they had expected via the sales calls.

After further discussions with EWON, the energy retailer offered to reduce the customer's exit fee from \$12,400 to \$6,900. After paying the exit fee, the ownership of the solar and battery system would be transferred to the customer. The customer accepted this offer as resolution of the complaint.

Case study 8: EWON receives a complaint involving a third-party VPP program.

A customer contacted EWON to complain about the billing of his energy account as he was not seeing the benefit promised to him of having a rooftop solar and battery system installed at his home.

The bundled energy plan delivered via a partnership with a battery provider

He had recently agreed to the installation of a rooftop solar and battery system at no upfront cost through a program offered by his energy retailer. The rooftop solar and battery system were installed, owned and maintained by a third-party battery provider that was in partnership with the customer's energy retailer. The program also included participation in a VPP managed by the battery provider.

The battery provider specialised in installing rooftop solar and battery systems at people's homes at no upfront cost. Through partnerships with energy retailers, customers were billed for the energy generated by the system and used by their household. The customer would not necessarily receive specific credits (such as a feed-in tariff) for solar energy exported to the grid during the day. The agreement also allowed the solar and battery system to be controlled through the battery provider's VPP. The system, network and installation costs were recovered by the battery provider through a daily access fee via the customer's energy bill and the usage charges set by the partner energy retailer.

The program required the customer to enter into separate agreements with both his energy retailer and the battery provider.

The customer complained that he was not receiving the expected benefits from the VPP program

The customer complained to EWON that the battery provider led him to believe that he would see a 20-40% reduction in energy costs after he entered the program. He was also advised that surplus electricity generated by the solar and battery system would be resold to a separate entity. He

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complained that he has not received any benefits from the solar being generated since joining the program and his billing had in fact increased.

EWON provided general information and referred the matter to a senior team at the retailer with the advice that the customer could return to EWON if the matter remained unresolved.

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