



25 May 2026

NSW Department of Climate Change, Energy, the Environment and Water

Email to: [energy.consult@dcceew.nsw.gov.au](mailto:energy.consult@dcceew.nsw.gov.au)

Dear Team,

**Electricity Supply (General) Regulation 2026 – 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. EWON receives and responds to complaints from customers on new energy services and products. Our comments are informed by our investigations into these complaints, and through our community outreach and stakeholder engagement activities.

We have only responded to questions relating to *3.2 Expansion of EWON's jurisdiction*.

We are very concerned about the limited scope of the proposed changes in relation to the provision of external dispute resolution (EDR) services for consumers of new energy products and services.

Energy consumers should have equal access to EDR, regardless of whether they purchase their solar, battery, VPP service, or EV charger from an authorised energy retailer or from another entity.

We therefore call on the NSW Government to use this consultation to implement Action 25 of the NSW Consumer Energy Strategy by implementing a law or regulation to bring providers of all new energy services and products into EWON membership.

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

Yours sincerely

A handwritten signature in blue ink that reads "Janine Young".

**Janine Young**  
**Ombudsman**  
**Energy & Water Ombudsman NSW**

### Electricity Supply (General) Regulation 2026 – Consultation

#### 3.2 Expansion of the Energy & Water Ombudsman of NSW’s jurisdiction

##### Summary

**Recommendation: As required under Action 25 of the NSW Consumer Energy Strategy, the NSW Government should use this consultation to draft a law or regulation requiring all solar and battery retailers and providers of new energy services - including VPPs and residential EV charging services - to join an approved External Dispute Resolution Scheme.**

The draft Electricity Supply (General) Regulation 2026 proposes only to expand EWON’s jurisdiction to emerging energy services provided by existing members of EWON.

NSW consumers need EWON’s jurisdiction to cover all providers of new energy services and products, including those not retailed by existing EWON members.

The efficacy of the National Energy Customer Framework (NECF), including access to free, fair and independent dispute resolution through EWON, has been eroded as the market for Consumer Energy Resources (CER) and emerging energy services has evolved.

EWON [case studies](#) provided at the end of this submission demonstrate that the identified consumer risks from emerging energy services are causing real harm now and that existing dispute resolution processes for consumers purchasing new energy services and products from the general market are not working. Some existing EWON members / authorised retailers are establishing affiliate organisations for different product offerings, thus excluding complaints about their retailing of new energy services from EWON’s dispute resolution service.

##### Consultation questions

**Question 1. Do you support the proposed amendments to broaden EWON’s jurisdiction to new energy services and products? Why/why not?**

EWON supports the proposed amendments to broaden EWON’s jurisdiction to new energy services and products. However, the changes are limited in scope in that they only apply to existing EWON members. The NSW Government must also take the next step to consult on, and create, a law or regulation requiring all solar and battery retailers and providers of new energy services (such as VPPs and residential EV Charging services) to join an approved EDR scheme (EWON).

Energy is an essential service. It is supported by a specific consumer protection framework beyond the general protections contained in the Australian Consumer Law (ACL). A fundamental consumer protection that is common for the consumer protection framework for any essential service, including banking and telecommunications, is access to external dispute resolution (EDR).

It is well established that EDR schemes have, and must continue, to change as the industry and market they protect also evolves. Examples of this include:

- The expansion of EWON, EWOQ, EWOSA and EWOV from 1 July 2018 to include embedded networks so that residents could access free, fair and independent dispute resolution including a flexible funding mechanism applicable to the largest and smallest embedded network



- The expansion of EWON’s jurisdiction to include renewable energy infrastructure from 1 December 2024. This came about as a result of the ECMC delegating jurisdiction for REI to each state jurisdiction in March 2024 and in turn, NSW DCCEEW calling on EWON to collaborate and co-design how this jurisdiction could be established.
- The 2012 Reform of the Telecommunications Industry Ombudsman (TIO) report<sup>1</sup> and subsequent changes to the Telecommunications (Consumer Protections and Services Standards) Act 1999, which gave the TIO strengthened powers to help more consumers with complaints.
- The passage of the Scams Prevention Framework through the Australian Parliament in 2025, making AFCA the single authority for scams complaints.

The energy transition is causing significant disruption to the energy market in the way that consumers engage with energy services and the business models of the companies supplying that energy.

EWON has actively engaged in the transition, including calling for reform of EDR for several years. We first explored the fragmentation of avenues for energy specific EDR in our [Spotlight On: Evolving National Energy Market report](#) (2020). We have followed this report with many public submissions presenting the case for expanding the remit for EDR, including:

- [Submission - AER Review of consumer protections for future energy services](#)
- [Joint EWO submission - Better Energy Customer Experience review submission](#)
- [Submission - IPART Monitoring the NSW retail energy markets 2023-24](#)
- [EWON Submission - IPART Monitoring the NSW retail energy markets 2024-25](#)
- [Joint EWO submission - ACCC re-authorisation of the NETCC](#)

The consumer protection framework for energy is contained in the NECF, and the supporting state legislation and regulations, such as the Electricity Supply (General) Act and Regulation.

The Australian Energy Regulator (AER) confirmed the case for changing the current NECF framework and how EDR applies to energy services in its final advice to the Energy and Climate Change Ministerial Council in November 2023.<sup>2</sup> The AER’s advice to energy ministers was that all energy products and services should be regulated under a single consumer protection framework. ***The AER noted that a single dispute resolution process covering all types of energy services is especially desirable, particularly given the increased ‘bundling’ of traditional energy supply with new services.***

However reform of consumer protections frameworks for energy at the national level is taking too long. The NSW Government has the opportunity to be a leader amongst all states in strengthening a fundamental consumer protection – comprehensive access to energy specific EDR. The Government has already shown itself to be willing to lead from the front by providing EWON with jurisdiction relating to renewable energy transmission, and to all embedded networks. We call on the Government to show the same initiative in relation to new energy products and services.

---

<sup>1</sup> Australian Government, Department of Broadband, Communications and the Digital Economy, Reform of the Telecommunications Industry Ombudsman, 4 May 2012

<sup>2</sup> Australian Energy Regulator, *Review of consumer protections for future energy services - Final advice*, November 2023



### **Question 2. Are there any unintended consequences that the NSW Government needs to consider in implementing these amendments?**

The proposed provision of the Electricity Supply (General) Regulation 2026 will only apply where the provider of emerging energy services is a member of EWON.

Currently, solar and battery retailers and providers of new energy services, such as Virtual Power Plants (VPPs), are not required to join EWON if they do not need a retail authorisation or exemption with the AER. This means that where energy consumers are engaged in a VPP, or purchasing bundled CER services, from a provider that is not an EWON member they do not have access to energy specific dispute resolution services.

Case studies 1 and 3, [at the end of this submission](#), illustrate the complaints EWON receives from customers engaged with VPPs operated by non-EWON members. These customers must take this aspect of their complaint to another forum where affected customers must pay fees to resolve their complaints

This situation creates an unlevel playing field for both NSW energy consumers and retailers of VPPs / other new energy products and services, and unequitable complaint costs and outcomes for consumers.

The NECF was developed to provide strong national protections for energy consumers in recognition that the supply of energy represents an essential service for the health, safety and wellbeing of all Australians. The efficacy of the NECF, including access to free, fair and independent dispute resolution through EWON, has been eroded as the market for CER and emerging energy services has evolved.

The AER's final advice in its review of consumer protections for future energy services<sup>3</sup> highlighted several significant risks that could result in consumer harm arising from new energy services – which are being increasingly bundled in with traditional energy services by retailers – and that are not adequately mitigated by the existing arrangements. The AER also considered that retaining the status quo of relying solely on the consumer protections under the ACL for new energy services is not appropriate.

Again, in the absence of progress from a national perspective, EWON is looking to the NSW Government to lead the change that is needed for all NSW consumers.

[Case studies 1 to 5](#) show that the risks predicted by the AER are real consumers harms that are impacting energy customers right now. The case studies also demonstrate that where the provider is not a member of EWON, those customers do not have the same equal access to free, fair and independent dispute resolution through an energy ombudsman.

EWON does not consider the patchwork of dispute resolution pathways available to consumers of CER and new energy services to be an adequate for addressing the risk of harm to consumers. For example:

- NSW Fair Trading does not operate as external dispute resolution for energy customers. It will not deal with the complex issues that come when energy products are bundled together

---

<sup>3</sup> Australian Energy Regulator, *Review of consumer protections for future energy services - Final advice*, November 2023



and complaints require investigation of the end-to-end journey from installation to the billing of an energy account.

- The NSW Building Commissioner has a framework for managing disputes about the work performed by electrical contractors, but not for reviewing complaints about the operation of new energy services, such as VPPs, or for assessing the harms to consumer caused by contracts that bundle together the sale of CER devices, installation, solar power purchase agreements, retail energy contracts and the operation of VPPs.
- The Clean Energy Council (CEC) receives complaints about consumer energy resource providers. However, the New Energy Tech Consumer Code (NETCC) is a voluntary framework, and CEC does not provide a dispute resolution service.
- The Clean Energy Regulator regulates the entities that participate in the Small-scale Renewable Energy Scheme but it does not provide external dispute resolution.

The NSW Government must now consider and consult on creating a requirement for all providers of emerging energy services to join an approved ombudsman scheme.

### **Question 3. Are there other changes required to the dispute resolution framework for energy products and services to close gaps in dispute resolution access and support a streamlined dispute resolution process?**

Yes.

The NSW Government must create a law or regulation requiring solar and battery retailers and providers of new and emerging energy services - such as VPPs and residential EV charging services- to join an approved ombudsman scheme (EWON).

In September 2024, the NSW Government published its NSW Consumer Energy Strategy which included committing to Action 25:

*Begin public consultation to expand the Energy and Water Ombudsman's jurisdiction to new energy services providers, such as virtual power plants and demand response services.*

This addition to the Electricity Supply (General) Regulation 2026 is crucial. However, the proposed additional provision does not adequately address Action 25 – to expand EWON's jurisdiction to new energy services providers, such as virtual power plants and demand response services.

To complete the commitment made by the NSW Government in Action 25 of the Strategy the NSW Government must also create a requirement for entities providing these services to join an approved ombudsman scheme.

For consideration of a membership requirement, we have provided some information below on the operation of our scheme.

#### Our legislative framework

EWON is approved by the Minister for Energy under s96B of the Electricity Supply Act 1995. The Act allows EWON to deal with complaints from small customers about:

- matters under the National Energy Retail Law (NSW)
- exempt entities under the National Energy Retail Law (NSW)



- retailers and distributors under the Electricity Supply Act 1995
- reticulators under the Gas Supply Act 1996
- any other disputes and complaints of such classes as are prescribed by the regulations or specified under any other Act or law.

Section 96D of the Electricity Supply Act 1995 requires retailers and exempt entities to be bound by EWON decisions relating to small customer disputes and contains a penalty provision for non-compliance.

Clause 11 of the Electricity Supply (General) Regulation 2014 allows small energy customers to complain about:

- a contract for the supply of electricity or gas (including charges for electricity or gas) or any other matter relating to the supply of electricity or gas by the exempt person to the customer
- matters arising out of the obligations of the retailer or distributors have for small customers under the Act or this Regulation
- matters arising out of the obligations of the retailer or distributors have for small customers under the Gas Supply Act 1996 or regulations under that Act
- a matter arising between the regulated offer customer and a retailer concerning regulated offer prices or a regulated pricing agreement under the Gas Supply Act 1996 or the National Energy Retail Law (NSW).

### How EWON's EDR scheme works

The Energy & Water Ombudsman NSW is established as a not-for-profit company limited by guarantee. As an industry-based Ombudsman scheme, our funding comes from fees paid by energy and water providers, which are required by law to be our members.

Each legal entity is limited to one membership of EWON. Membership does not include third party agents.

Membership fees consist of fixed fees and additional charges for complaints we receive from customers. Charging fees for individual complaints, provides an incentive for energy and water providers to improve their internal complaint handling, so that fewer customers need to come to us to resolve their complaint. Our Constitution, Charter and funding model are designed to be flexible enough to accommodate new entities and business models – both large and small.

The EWON Charter provides flexibility and discretion when managing complaints that are in jurisdiction. For example, EWON can refer a complaint, or the parts of a complaint, that is within jurisdiction to another body if we believe the dispute can be more appropriately dealt with by another forum, such as another independent or statutory complaints or conciliation procedure.

### The requirement to join EWON

Current members of EWON are required to join the scheme through a variety of regulatory levers:

- **Electricity or gas retailers:** The requirement for authorised retailers to become members of EWON is contained in s86 National Energy Retail Law (NSW).



- **Electricity or gas distributors:** The requirement for distributors to be members of EWON is contained in s86 National Energy Retail Law (NSW), s96C Electricity Supply Act 1995 (NSW), and s11A Gas Supply Act 1996 (NSW).
- **Public water providers:** Hunter Water, Sydney Water, and Water NSW are required to be members of EWON through their operating licence, set by IPART. Local government authorities that supply water may join voluntarily.
- **Private water providers:** Water providers licensed under the Water Industry Competition Act are required to be members of EWON by s50 Water Industry Competition Act 2006 (NSW).
- **Embedded network operators (including exempt retailers):** The Electricity Supply Act and Regulations allow for consumers to complain about energy services from exempt sellers and the AER retail exemption guidelines require exempt sellers with residential customers to be members of EWON. From 1 July 2026, section 96CA of the Electricity Supply Act will require embedded network operators and embedded network sellers to join EWON.



## Case studies

**Case study 1: EWON cannot investigate a complaint about the account management for a VPP because the VPP operator is a non-member. In this case, the VPP operator was also a sister company of an EWON member.**

A customer arranged for a battery installed on their home in March 2025 by a solar retailer. The solar retailer advised the customer that if he signed up to a particular energy retailers' virtual power plant (VPP) he would earn \$1 for every kWh exported from his solar and battery system.

The customer entered an energy plan with the energy retailer that included participation in a VPP. The customer was able to monitor his account through the energy retailer's app and noted that the balance of payments related to his exported energy was \$0. The customer complained to EWON that he would have exported 1,290 kWh into the grid, and therefore he should have received \$1,290 in credits from participation in the VPP.

He attempted to complain to the retailer multiple times but could not get through on their phone line and did not receive a call back as promised. The customer had also emailed the energy retailer to complain about his account and received no response from the retailer.

We provided the customer with general information and referred his matter to a senior complaint resolution team at the retailer. He returned to EWON because the energy retailer had still not responded to his complaint.

EWON's requested further information from the energy retailer. The energy retailer provided the following information:

- The Virtual Power Plant (VPP) was operated under the branding of an energy retailer that is a member of EWON. However, the VPP contract was between the customer and a third party VPP provider.
- The VPP operator is established as a sister company to an energy retailer that is a member of EWON.
- The financially responsible market participant (FRMP) for the customer's premises was unrelated to the VPP operator or its sister company that is a member of EWON.
- The VPP operator managed the VPP program and rewards through access to the data provided directly from the customer's battery.
- The customer was signed up to the VPP contract through a solar retailer that was in partnership with the VPP operator.
- The terms and conditions of the VPP contract entitled the customer to receive \$1 per kWh for energy discharged from their battery during a VPP event. A VPP event was triggered when the energy market spot prices reached a set threshold.
- The VPP operator advised EWON that it had reviewed the customer's battery data and determined that the customer had not participated in any VPP events because the conditions for an event had not occurred. On this basis, the customer had not been entitled to any reward.

EWON also identified that the customer still had a basic (type 6) electricity meter with multiple registers at the premises. This raised serious questions about the advice the customer has received from the VPP operator and solar retailer as they may not be able to fully integrate their rooftop solar and battery system into the energy retail market.



EWON could not request further information from the VPP operator, such as the battery data it had relied on, to independently verify the billing of the customer's VPP account because the third-party VPP operator was not a member of EWON.

Following investigation of this complaint, EWON invoiced the energy retailer for the cost of the complaint investigation. The energy retailer disputed payment of the invoice because the complaint was about the VPP operator that while under the same branding was a separate legal entity (a sister company). EWON met with the energy retailer and pointed out that the VPP operator provides no information to customers through its app about an appropriate dispute resolution process. The energy retailer agreed to review the information provided through the VPP operator's app to ensure customers had more information about making a complaint and provide a complaint resolution process.

### **Case study 2: A solar retailer fails to replace or repair a battery under warranty. EWON assists but is required to close the investigation after the solar retailer's membership with EWON is terminated.**

A customer advised that he had a battery installed at his home by a solar retailer in September 2022.

The solar retailer was also an authorised energy retailer and an EWON member.

In October 2024, the customer discovered that his battery was faulty and not storing energy. He called the EWON member and it sent a technician to his home to check the system. The technician advised the customer that the problem occurred because his inverter was faulty. The EWON member advised him to call his electricity distributor. The distributor advised the customer that the amount of energy being exported by his system was above the limit set for his connection point.

The customer followed up with the EWON member and was told that it had ordered new parts for his faulty inverter and was waiting for advice from the manufacturer.

The customer complained to EWON five months later that there had been no resolution to the complaint. EWON provided the customer with general information and referred his matter to a senior complaint resolution team at the EWON member.

The EWON member sent advice to EWON that it was investigating the problem with the customer's battery by engaging with:

- the battery manufacturer who was testing the system.
- the distributor who is investigating any local issues with the electricity network.

The customer returned to EWON a month later because the EWON member had not resolved the complaint. He complained that the long delay in resolving his complaint was impacting the financial benefits he should be getting from his investment in a home battery.

EWON spoke to the EWON member advised that manufacturer had accepted unit was faulty and they would compensate for any loss. The member advised EWON that it would calculate the lost



solar reimbursement for the customer based on a 100% charge and discharge of the battery, assumed at one full charge and one full discharge per day, multiplied by the number of days since the battery had stopped being operational. The EWON member noted that there was a delay it would be three months before the replacement parts arrived in Australia.

EWON closed the complaint on the basis of the actions undertaken by the EWON member.

The customer returned to EWON four months later and advised that the battery was not fixed and the compensation for lost energy generated by the system was not adequate. EWON contracted the provider who advised that it was having trouble booking a technician to visit the site and make the repairs with the replacement parts. Due to EWON contact the provider committed to finalising the repairs urgently.

At about this time the provider's membership with EWON was terminated. Soon after, EWON advised the customer that the complaint was no longer in jurisdiction and obtained the customer's permission to provide Fair Trading NSW with the details of his complaint. The customer accepted this referral.

### **Case study 3: EWON not able to investigate complaint about a solar/battery retailer as it was not required to be a member of EWON.**

A customer arranged installation of solar panels and a battery through a solar/battery retailer. It was a Solar Power Purchase Agreement, where the customer would own the solar system and battery after 12 years. The agreement included transferring the customer's energy account to a partner energy retailer. When he received his first bill from the energy retailer, the customer noticed a daily charge for Virtual Power Plant (VPP) access which he had not been informed about. The charge added over \$250 to his quarterly bill, which he was not expecting when deciding on the financial viability of entering into the agreement.

The customer made a complaint to EWON online. He wrote in his complaint that he wanted to make a complaint against the solar/battery retailer, but that he did not see them listed on EWON's website as a member. He had spoken to the energy retailer and the solar/battery retailer, and they both confirmed that the daily charge was outlined in his system services contract. However, he considered the solar/battery retailer told him verbally that there were "no hidden costs" and did not tell him about the daily access charge. The customer provided a copy of the system services contract which listed the daily charge.

When EWON followed up on the complaint and spoke to the customer on the phone, he confirmed that he wanted someone to investigate the conduct of the solar/battery retailer. As the solar/battery retailer was not a member, EWON referred the customer to NSW Fair Trading for this aspect of his complaint. EWON explained the ways we could assist with a complaint against the energy retailer. The customer advised that he did not wish to make a complaint against the energy retailer at that stage as they were not the ones that provided misleading information about costs.



### Case study 4: EWON unable to directly investigate troubling solar/battery retailer conduct toward a customer experiencing vulnerability, as it was not required to be an EWON member.

An elderly customer with complex health issues had his electricity supply disconnected for non-payment. His daughter contacted EWON on his behalf for assistance. EWON's review found that a solar/battery retailer had sold him a solar system and battery. Acting as a referral partner for an energy retailer, the solar/battery retailer created an email address to sign up to an energy account on the customer's behalf without consent. The customer did not use email or the internet, so was disconnected after not receiving bills. He was under the impression that the solar system and battery would mean he did not get energy charges, so he did not question that he was not receiving bills.

EWON's investigation of the complaint against the energy retailer resulted in reconnection, waiver of the disconnection/reconnection fees, waiver of disputed charges and goodwill credits totalling \$350 for wrongful disconnection. EWON was not able to directly investigate the conduct of the solar retailer as they were not required to be a member of EWON.

EWON raised a systemic issue investigation with the energy retailer. EWON requested that the energy retailer investigate whether other customers may have been impacted by similar conduct by the solar retailer while acting as a partner to the energy retailer. The energy retailer investigated and advised EWON that:

- the energy retailer met with the solar retailer and identified two other accounts alleging the solar retailer signed them up to an energy contract without their knowledge
- impacted customers were refunded in full
- the energy retailer wrote to the solar/battery retailer formally suspending their participation in the referral program due to its failure to provide satisfactory explanations regarding the allegations
- the suspension would apply until the energy retailer was satisfied the solar/battery retailer has:
  - provided a full and adequate explanation in response to the alleged concerns, and
  - demonstrated it has properly mitigated the risk of issues arising in future, including any improvements to its sales and compliance practices.

EWON was not able to further investigate the conduct of the solar retailer outside its partnership with the energy retailer.

### Case study 5: EWON not able to investigate complaint about a solar retailer, as it was not required to be a member of EWON.

A customer installed solar panels through a solar retailer who assured her that she would save money on her monthly bills. As part of the agreement, she transferred her energy account to an energy retailer that was partnered with the solar retailer. However, after installing the solar panels and transferring energy retailers, her bills increased from around \$700 per month to \$850-900 a month.

She contacted the energy retailer to dispute the bills and it advised her that:

- she agreed to a Solar Power Purchase Agreement, where she would own the solar system after 12 years
- she would not receive solar credits on her bills during this time



- the energy rates were higher than with her previous retailer as they were calculated to meet the requirements of the Solar Power Purchase Agreement
- she could look into options for buying out the \$20,000 solar system contract
- as the energy retailer did not manage the solar system aspect of the contract, they could not provide any further advice.

The customer told EWON that when she agreed to install solar panels, she made it clear to the solar retailer that her top priority was reducing her monthly bills. She felt she had been sold a confusing product/service that did not deliver on the solar retailer's promise of reduced bills. EWON was unable to assist with this aspect of the complaint as the solar retailer was not required to be a member of EWON. EWON referred the customer to NSW Fair Trading to discuss the solar retailer. The customer was also dissatisfied with the energy retailer, particularly their customer service. EWON referred the complaint to the energy retailer at a higher level for these aspects in the first instance.