



Compliance Quarterly Report

Financial year – 2024-2025

Quarter 3: 1 January 2025 to 31 March 2025



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Introduction

The New Energy Tech Consumer Code (NETCC) protects the integrity of the program and consumers through three actions:

- Rejecting applications from retailers that do not meet the NETCC requirements.
- Investigating complaints against Signatories and sanctioning those found in breach of the NETCC. Suspending, expelling, and resigning Sellers from the program where serious, repeated, or wilful violations of the NETCC are identified.
- Conducting compliance audits of Signatories to assess their Code knowledge and investigate their sales activities

This report covers the third quarter of the 2024/25 financial year (January to March 2025) and provides insight into the NETCC program trends, including applications, consumer complaints, audits and compliance actions. It also offers case studies to help Code Signatories stay informed and enable ongoing compliance.

The mandate of the NETCC program recently expanded with the adoption of the NETCC by the New South Wales’ ‘Solar for Apartment Residents’ (SoAR) Grant Program.

This program is designed to support access to the cost benefits of solar power for apartments and multi-dwelling residents in New South Wales. The program has its own eligibility requirements in addition to the retailer holding status as a NETCC Approved Seller. This mandate reflects the steady growth of the NETCC’s compliance program and the number of Signatories, which stands at over 1,700 businesses ensuring that new energy technologies are supplied to consumers in line with the Code’s minimum standards.

NETCC application trends

The Administrator is observing a steady uptake of the NETCC Program.

The trend continued that majority of new applicants are retailers based in Victoria, New South Wales. Increases have been seen from WA, SA and ACT.

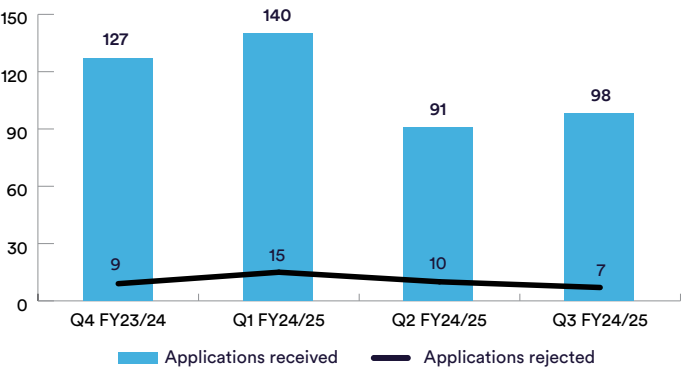
	Q4 FY23/24 Apr – Jun 2024	Q1 FY24/25 Jul – Sep 2024	Q2 FY24/25 Oct – Dec 2024	Q3 FY24/25 Jan – Mar 2025
New Applications received	127	140	91	98
Applications approved	101	118	101	78
% of applications approved	(79%)	(84%)	(90%)	(90%)

The Administrator guides applicants through the various stages of the application process and may request amendments to documents and processes.

NETCC applications received and rejected

This quarter the Administrator received 98 new applications which is an increase compared to the previous quarter.

7 applications were rejected this quarter. Rejections may occur when an applicant withdraws their application or is unable to provide the requested documents in time, and they may recommence the application later. In other cases the applicant may fail to demonstrate sufficient understanding of the Code across multiple reviews, support, and submissions.



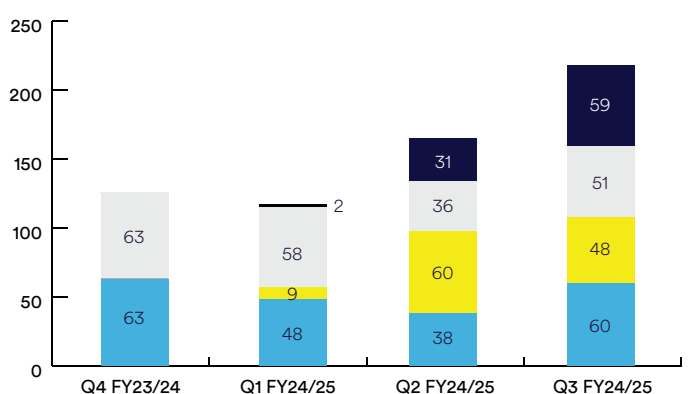
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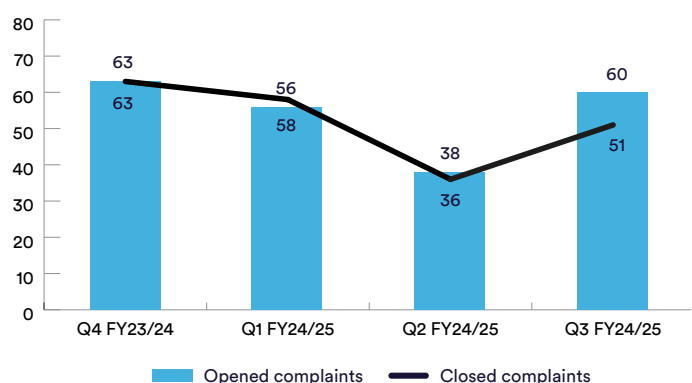
NETCC compliance cases opened and closed

This quarter, the Administrator opened 108 cases and closed 110 cases following a complaint or audit investigation. Of these, the Administrator opened 60 cases following a complaint and closed 51 cases following a complaint investigation.



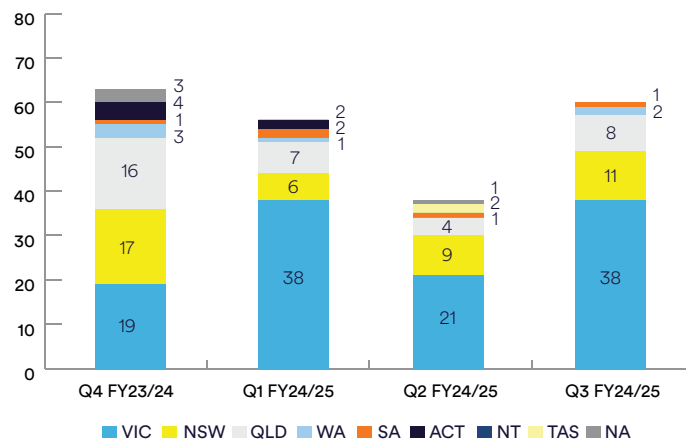
■ Opened complaints ■ Opened audits ■ Closed complaints ■ Closed audits

*Audits started in Q1 FY 24/25



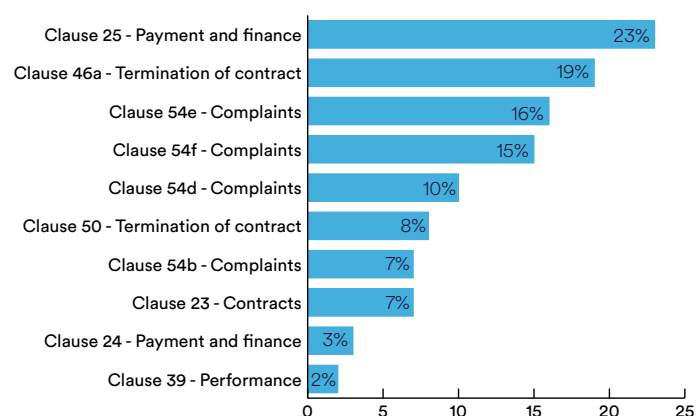
NETCC complaints received by Origin of Case (state / territory)

63% of complaints received over the last quarter originated from Victoria. For each of the prior four quarters, Victoria had the largest number of complaints by origin of case compared with other states and territories.



NETCC compliance audits opened and closed

88 competency audit questionnaires were completed this quarter to test Signatories by examining their knowledge of the Code. An analysis of the questionnaire results indicates that questions relating to the Code's requirements for 'Termination of contract' were answered incorrectly 23% and 8% of the time in relation to clause 46a and clause 50 (respectively).



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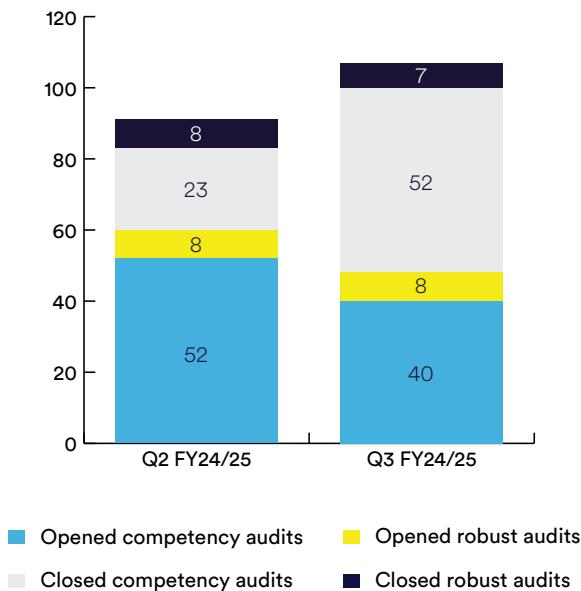


Of the 48 audit cases opened this quarter, 40 were opened after Signatories failed to pass or complete a competency audit, and 8 were opened to investigate recent sales activity under robust audits. Of the 59 audit cases closed this quarter, 52 were cases related to competency audits, and 7 were robust audit cases.

Clauses 45 to 50 of the NETCC sets out various requirements relating to the ‘Termination of contract’. Listed below are key requirements relating to this section of the NETCC where breaches are commonly identified with Competency Audits.

- Clause 46(a) outlines that a consumer is entitled to terminate their contract and be provided with a full refund if a Signatory proposes a significant amendment to the installation design and the consumer is not willing to accept it.
- Clause 50 outlines that if the sale of the new energy tech was unsolicited and the consumer is a residential consumer, then under Australian Consumer Law (ACL), they are entitled to a cooling-off period of ten business days to cancel the contract without penalty.

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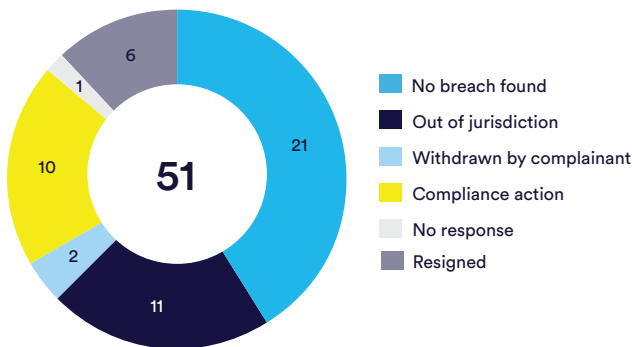
Closed complaint case outcomes

This quarter, the Administrator closed 51 complaint-based compliance cases. Of these cases, 12% were closed as the signatory resigned their NETCC status before the investigation was finalised. These unresolved cases are considered when

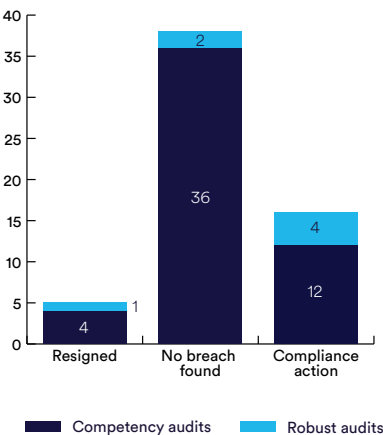
businesses or associated individuals reapply to enter the program. Re-entry into the NETCC is not permitted where applicants cannot demonstrate they have resolved a case that was closed due to resignation.

20% of closed complaint cases resulted in compliance action against Signatories. Compliance action is recorded against the Signatory as a Support to Comply (STC) or a breach. Breaches generally require the Signatory to deliver more corrective actions to resolve the breach, while an STC acts as a formal warning and does not require extensive remedial actions.

1 case was closed following no response, which means the Administrator was unable to progress the investigation as the complainant failed to provide further information.



27% of the closed audit cases resulted in compliance action. 75% of the closed audit cases that resulted in compliance action were competency audit cases. This quarter, 8% of the closed audits cases were as a result of the Signatories resigning from the program. The Administrator attributes this finding to the expiry of many NETCC Signatories’ status coinciding with the NETCC’s February anniversary.

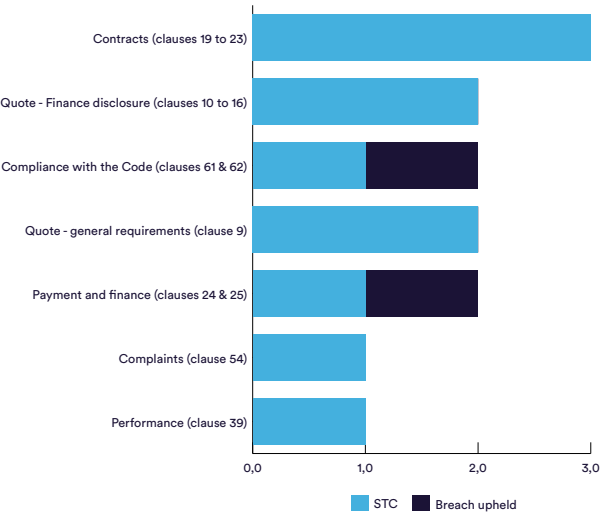


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Breaches and support to comply (STC) notices issued



For a full description of the clauses, please refer to the New Energy Tech Consumer Code itself [New-Energy-Tech-Consumer-Code.pdf](#)

Of the 51 closed compliance cases that originated from complaints, 13 instances of non-compliance were recorded this quarter where a Signatory failed to comply with a requirement of the Code. Of the 51 instances, 11 were issued under support to comply notice, which acts as a formal warning, and 2 were recorded as breaches. All 13 instances of non-compliance with the Code's requirements require the Signatory to complete remedial actions with recorded breaches demanding more substantial actions.

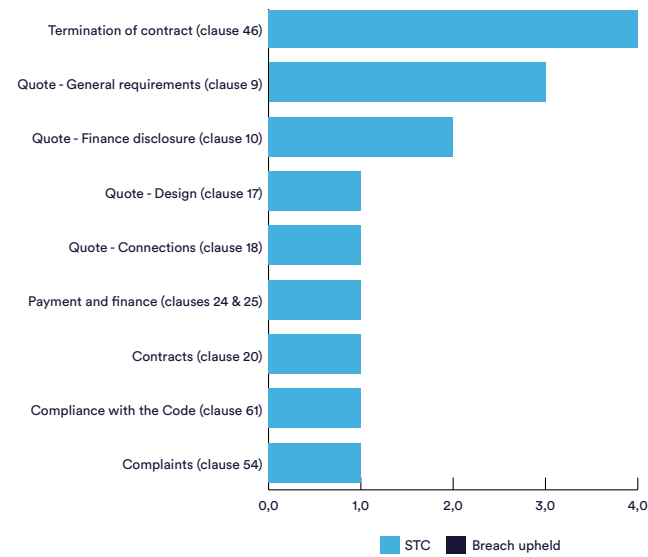
Following this quarter's complaint investigations, the Administrator found that some of the most common breaches of the Code were in relation to:

- Contracts (clauses 19 to 23) – 3 STCs
- Payment & Finance (clauses 24 & 25) - 1 STC & 1 Breach

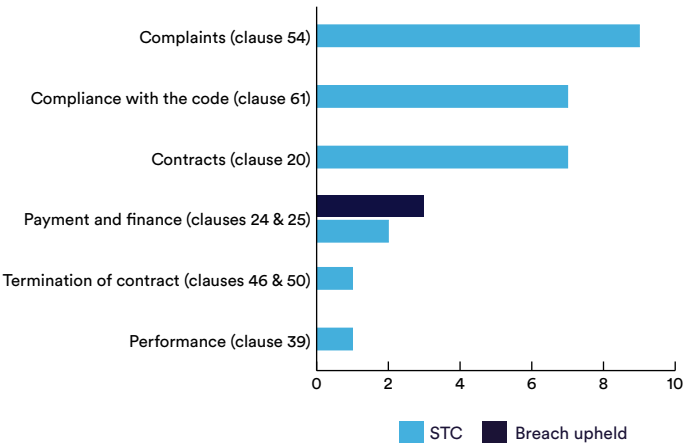
Clauses 19 to 23 of the Code set out the contract requirement that Signatories must meet once the consumer accepts the quote for new energy tech. The contract must be legally accepted by the consumer prior to the installation or supply of the new energy tech and must clearly provide the information as stipulated under this section of the Code. Activities relating to third-line forcing are not permitted, and additional steps must be taken to explain payment processes relating to government incentives and any terms and conditions that may lead to disagreement, such as termination clauses (which must comply with Code clauses 45 to 50).

Clauses 24 & 25 of the Code set out some of the Payment & Finance requirements that must be met. All consumers must be issued a receipt for any deposit or other payment made under the contract.

Additionally, Signatories may only offer deferred payment arrangements through a credit provider that is licensed under the National Consumer Credit Protection Act (2009))(Cth) ("NCCPA") and deferred payment arrangement is regulated by the NCCPA and the National Credit Code (NCC) Or has had its deferred payment contract and internal policies approved by the Administrator in accordance with section A7 of the Code.



15 instances of non-compliance with the Code were recorded as an STC following the 4 robust audit cases that resulted in compliance action. These audits are designed to investigate pre-sales activities with a focus on the online presence of Signatories and the quotes and contracts they have supplied under recent sales. The audits are designed to proactively monitor the presales activity of NETCC Signatories with the aim of educating businesses to better comply with the Code. However, repeated instances of non-compliance will result in breaches upheld. If breaches are upheld, signatories will be required to undertake appropriate remedial actions to retain their status as a NETCC Signatory.



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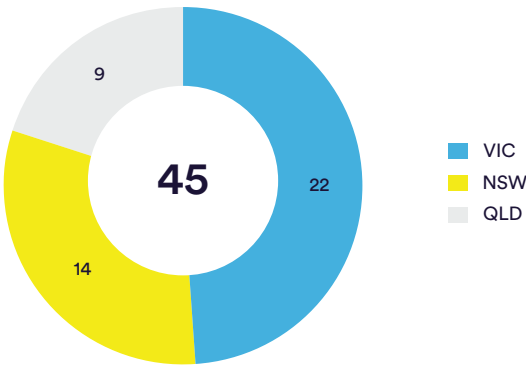
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30 instances of non-compliance with the Code were recorded as STCs and breaches following 12 competency audit cases that were finalised under compliance action in the last quarter. These audit cases were raised in response to the Signatories failing to pass the competency audit questionnaire by scoring less than 80%. Signatories who fail to attempt the questionnaire audit are suspended and expelled if they do not complete the audit within a reasonable timeframe. Most instances of non-compliance with the Code were due to complaints handling, compliance with the Code and contract requirements, all of which were recorded as STCs.

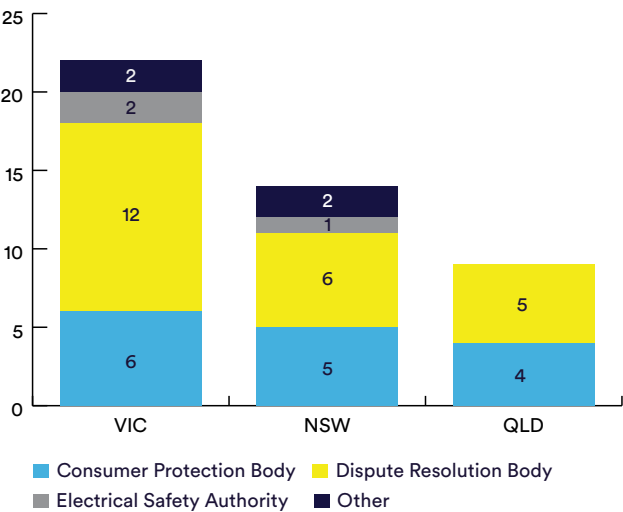
Referrals by region

Referrals are made where incidents are outside NETCC jurisdiction and cannot be investigated. In these situations, the complainant is provided the contact information for their relevant consumer protection authority, dispute resolution body or regulator, depending on the nature of the issue. The Administrator cannot act as a dispute resolution body and does not have the jurisdiction to settle commercial, civil, or financial disputes under the Code. This quarter, 45 instances have been reported in which referral advice was provided to complainants to escalate their matter to external regulatory service bodies.



- Of the 45 referral advice notices sent to consumers:
- 15 were for consumer state or territory consumer protection authorities
 - 23 were for state or territory dispute resolution bodies
 - 3 were for state electrical safety authorities
 - 4 other referral notices were sent to other external bodies, including Solar Accreditation Australia and the Australian Communications and Media Authority.

Referrals by state and territory



The highest percentage of referral advice was provided to complainants from Victoria at 49% followed by New South Wales at 31%.

Compliance actions

One Signatory was suspended from the NETCC program this quarter.

For more information on current NETCC suspension and expulsion findings, please visit newenergytech.org.au/compliance-activity.

Connect with us

Report a breach

Help us find Approved Sellers who are in breach of the Code and protect the integrity of the program and consumers. You can anonymously report any suspected breaches of the Code via our online Complaint Form. To learn more about the evidential requirements and supporting documentation: newenergytech.org.au/make-a-complaint

Feedback

The NETCC team welcomes feedback, including how this report can be more effective for you. Please email us at compliance@newenergytech.org.au



Case study – Performance (clause 39)

The Breach

A consumer lodged a complaint with the NETCC Administrator after a retailer (the Signatory) failed to promptly fix their solar system after it was identified that it had been incorrectly wired.

The consumer engaged a retailer for the sale and installation of a solar PV system. After installation, the consumer notified the retailer that their inverter was faulty, prompting the retailer to arrange a subcontractor to undertake an on-site assessment. The subcontractor identified that the system was a fire risk after finding the wrong-sized cabling & circuit breaker installed. The subcontractor did not receive approval from the retailer to rectify the issue on-site. As a result, the subcontractor turned off the system and locked the circuit breaker. The issue was not rectified for over a month, leaving the consumer without a functioning system during this time.

The retailer informed the Administrator that they did not authorise the subcontractor to remedy the unsafe system due to assigning the job to their full-time installer. The retailer also stated that due to scheduling and timing coinciding with the holiday season, the job was postponed longer than initially intended, for which these circumstances were reportedly unavoidable.

NETCC Requirements

Clause 39 of the NETCC states if we (the Signatory) become aware that New Energy Tech that we have supplied to you (the consumer) is defective or unsafe, we will promptly tell you and offer to fix the problem if this is possible or otherwise remove the product or system from your premises and provide reasonable compensation to you.

Compliance Action

The Administrator found that the retailer failed to promptly fix the unsafe system breaching the requirements of clause 39 of the NETCC. The Administrator acknowledges that the retailer can choose the appropriately licensed electrician to undertake a job. However, the Administrator did not accept that the combination of circumstances that led to the delay in rectifying the issue for the consumer was unforeseen. When the circumstances leading to the delay became apparent and ongoing, the retailer should have explored other avenues to rectify the issue. The consumer was unnecessarily left without a functioning system for over one month.

As a result of the identified non-compliance of clause 39, the Administrator's preference was to issue a Support to Comply Letter to assist the Signatory to comply with clause 39 of the NETCC, with a view to ensuring that no further breaches occur. The Signatory remained cooperative throughout the investigation and confirmed their understanding of the requirements of clause 39 of the NETCC. The retailer also acknowledged that they could have acted more promptly to address the matter.

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Recommendations

- NETCC Signatories must ensure they understand the requirements of clause 39 of the NETCC.
- If the consumer's system is found to be defective or unsafe, then Signatories must explore other reasonable avenues to ensure they promptly fix or remove a product or system and provide reasonable compensation.
- If Signatories experience delays when attempting to promptly fix or remove a defective or unsafe product or system, then they must be able to demonstrate that they have explored other reasonable avenues to meet the requirements of clause 39.
- The consumer should be kept informed about the progress towards resolving the issue, including any potential delays that arise.
- Under no circumstances can Signatories permit the continued operation of new energy tech once they become aware that a system is unsafe. Signatories must ensure that either they or an appropriately qualified third party can resolve the safety hazard until a remedy can be provided.

Consumer Information Products

The NETCC website contains various [Consumer Information Products](#) to assist consumers with the installation and use of their new energy tech.

These products inform consumers how to research their options before purchasing and can help consumers get the most value from their energy system. These free Consumer Information Products were developed in collaboration with Energy Consumers Australia to explain key information to help consumers make informed purchased decision. The guides cover:

- Solar
- Battery Storage
- Home Energy Monitoring
- Going off Grid
- Electrical Vehicles.

Technical Guidance Documents

The NETCC website contains [NETCC Technical Guidance Documents](#) to help support businesses comply with the Code. We encourage NETCC Signatories to familiarise themselves with these documents to ensure ongoing compliance. The available technical guidance documents are listed below:

- Photovoltaic Systems
- Battery Energy Storage Systems
- New Energy Tech - General





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