# Blanch, Belinda

From: Guy, Julie

Sent: Wednesday, 30 January 2013 10:59 AM

To: Adjudication

Cc: Hartcher-O'Brien, Imogen; Rasmussen, Grant; Nunn, Rebecca

**Subject:** FW: N96232 - Jasmin Solar Pty Ltd - exclusive dealing notification - request for

submission

Importance: High

Categories: Submission

#### **Good morning**

Please find below, Queensland Office of Fair Trading's submission in response to your letter.

Apologies for the delay in response but as you will realise things have been busy up here in Queensland.

If you have any questions in relation to our submission, please contact me as below.

Regards
Julie Guy
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# QLD Background:

Diamond Energy Pty Ltd was subject to a compliance check in 2011 concerning unsolicited consumer agreements. There were no issues detected with the agreements.

With regard to the specific questions asked by the ACCC, it is Queensland's view:

### 1. public benefits that are likely to arise from the conduct notified by Jasmin Solar

A main benefit is to consumers who may have otherwise not been able to afford solar energy being able to enter that market. The group being particularly marketed to may not be able to access cash or a loan for the purchase and installation of solar energy and may not even be eligible for credit. Additionally, the consumer for a small outlay may actually see a decrease in power bills.

# 2. harm to competition likely to arise from the notified conduct

Enquiries indicate another group, Sanctuary Energy, (<a href="http://sanctuaryenergy.com.au/Offers/Feed-In-Tariff-Is-Back-Queensland.aspx">http://sanctuaryenergy.com.au/Offers/Feed-In-Tariff-Is-Back-Queensland.aspx</a>) already market directly to consumers in this group (retirees living in retirement villages, however, the price is different. This group offers finance from \$95/month.

### 3. other public detriment, including consumer harm, that is likely to arise from the notified conduct.

Some issues with the type of advertising will be lock in contracts and any potential issues with unfair contract terms. The fact they are marketing to a vulnerable group of consumers who may lack skill with dealing with these type of offer or contract. Additionally, there are concerns about ongoing maintenance of the system and who will maintain (ie will it be Jasmin Solar or Diamond Energy). Further, these types of consumers may

have different needs and expectations about customer service so we would be interested to know what customer service systems are in place and where Jasmin Solar will direct problems.

In any event, the company is seeking to be exempt from competition provisions (which are not administered by the OFT) so any other types of conduct and issues would still be covered by the ACL.

Rebecca Nunn

A/Principal Compliance Officer
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