
From: [REDACTED]
Sent: Monday, 15 June 2020 4:51 PM
To: Adjudication
Cc: [REDACTED]
Subject: Re-Authourising+the+CEC+Code

Dear Sir / Madam,

We are [REDACTED]. We are one of the major players in solar retail industry.

While we do not want to advise ACCC what to do with this CEC Code, we would like to explain briefly what we have been through because of this CEC approved retailer scheme.

Solar systems normally are eligible for federal govt solar rebate under SRES throughout the country. On top of this, Victorian govt has introduced a state govt rebate for households that buy solar. The scheme ran for a while with not much problem, but after a while it declared that for households to be eligible, the solar installation company must be CEC approved retailer and have signed the CEC code of conduct, and it allowed for about 9 months for the industry to implement.

However, we were sent a letter personally from Solar Victoria mentioning that we had been doing large number of jobs in Victoria, therefore we are required to sign CEC code of conduct much earlier than other small retailers, which is unfair on us and forced us to stop doing business in VIC.

when we were doing business in VIC we were selling a standard 6.6kw system installed by CEC accredited installers for only \$3200 after stcs while the same system used to be sold by a different company for a lot more, but there was a lot of competition.

Few months back we wanted to see how much a CEC approved retailers sells a system to consumers. We have found that a standard 6.6kw system was being sold after stc for 4800\$ minus state govt rebate of 1800.00 resulting an end user paying \$3000.00. This means there is no competition.

This has proved that the consumers are actually paying a lot more money from before, just because they are able to use the CEC Approved retailer Badge.

Moreover, the industry is capped at the number of rebates that the local govt is offering. Only solar retailers that can flash a badge of CEC approved retailers are allowed to do business there even after meeting all the required licensing and registrations and they can only do limited number of jobs because of limited rebates available for the month.

While it is still possible to sell solar in VIC without being CEC code signer, it is not a viable business plan for anybody as there is no fair competition. If this CEC Approved retailer program is scrapped or made optional in a true sense, then we will be able to re-open our VIC business section again in near future.

Luckily we are still operational as a solar retailer as we rely on other states as well. I am sure there are many companies that had to close down or liquidate due to this CEC code of practice program stopping their business like us in VIC.

This proves that the program is not optional, it has been misused to say it is Mandatory as that's what it looks like in real life.

Our honest opinion is that we do not believe it is necessary for this CEC code of conducts to be renewed as it is being misused by CEC, by Local Govt and politicians, by retailers who are approved retailer.

The consumers are overly confused and think that this CEC approved retailer program is some sort of govt license which is only given to companies who are good, some sort of quality assurance like ISO Certification or to the list some sort of long term assurance that consumers have peace of mind. This indirectly gives a false assurance to consumers that they are somehow protected by govt or CEC in case a solar company decides to liquidate or close the business. We have been able to realise this as we deal with thousands of customers every month and are told this by many consumers. When we know it is incorrect, but it is beyond our capacity to make consumers understand this.

The electrical industry on its own is very highly regulated. We don't need more regulations to already highly regulated industry.

A solar job can't be done without a CEC Accrediated Installer, designer, and a licensed electrician. Solar companies need to have an electrical contractors licence like any other electrical contractors.

Fed govt Solar rebate can't be claimed without cec accredited installer being on site and it is currently confirmed by mobile GPS location captures and selfie of cec installers with the property. Serial numbers are verified electronically by apps. These are very strict requirements to meet.

Local electrical authority inspects jobs and issues defects and fines to installers. Clean Energy Regulator inspects, issues defects and rectification orders to defective works. Fair trading also does inspections at time to time.

To make the industry more competitive and simpler for customers to understand, this CEC code of Practice approved by ACCC should be discontinued and put measures in place so companies can not charge thousands of dollars more from consumers just because they are CEC approved Retailers.

If you need any clarifications or any further information, please do not hesitate to contact me on [REDACTED].

Regards

[REDACTED]