



Safeguarding consumer outcomes

*The Behind-the-Meter Code of Conduct
and emerging energy services*

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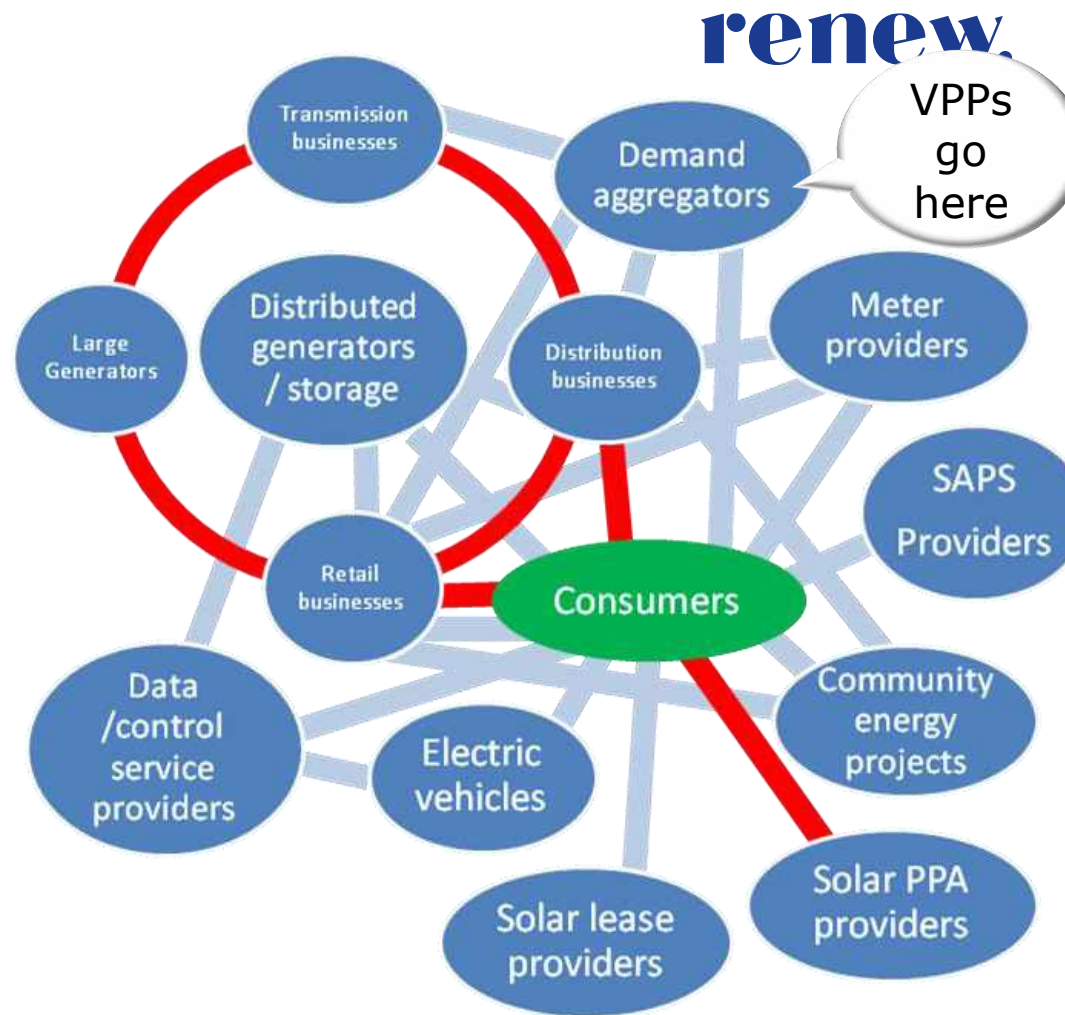
The problem

Energy consumer protections are predicated on sales of energy in the NEM.

Transactions outside this are not captured by the National Energy Consumer Framework (NECF).

Current NECF relationship

Non-NECF relationship



The solution?

2016 COAG
Energy Council
consultation on
consumer
protections for
behind-the-
meter products
and services.

Caveat
empton?

More
regulation?!?

Redefine the
scope of
NECF?!?

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2017

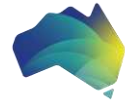
**A
voluntary
industry
code of
conduct!**



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Leading in sustainability

The BTM Code

Building on the CEC Code, but broader in scope and technology-neutral.

Expected to go live by the beginning of 2020.

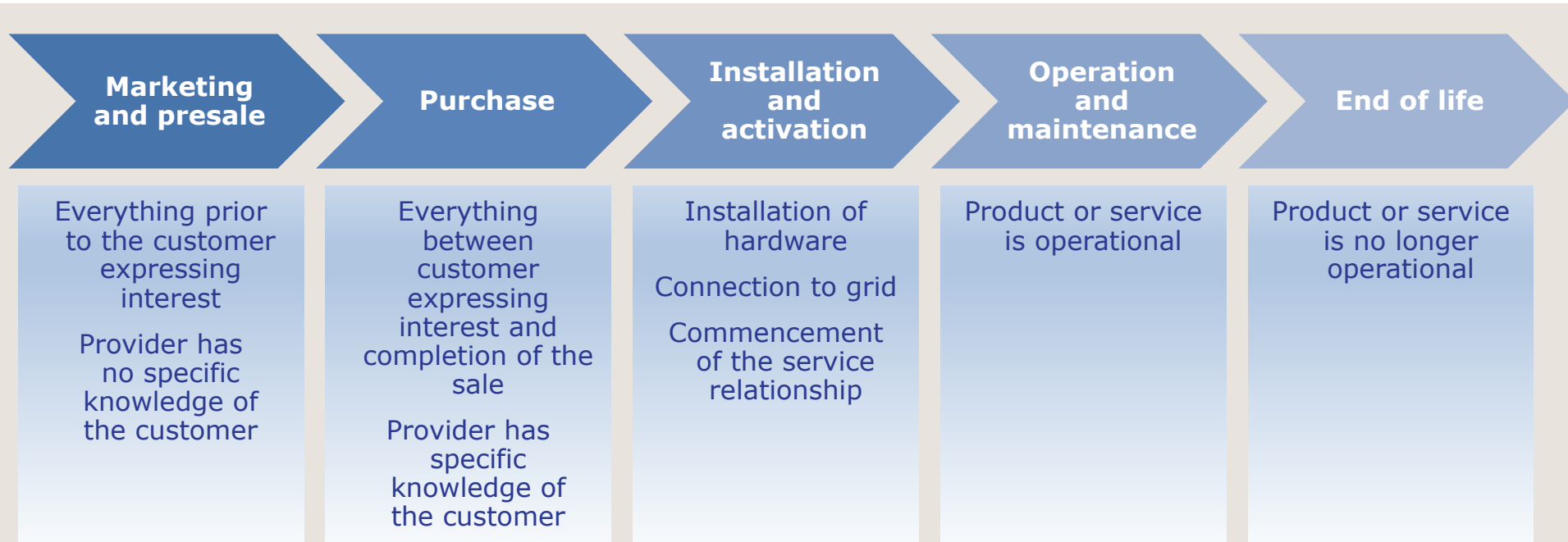


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- ✓ Initial draft
- ✓ General consultation
- ✓ Technical consultation
- Final draft
- ACCC review
- Final version
- ACCC authorisation

The customer journey

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At each stage in the customer journey there are principles that will underpin good customer outcomes.

**Marketing
practices**

**Dispute
resolution**

**Explicit
informed
consent**

Fit-for-purpose

Finance

Warranties

**Privacy and
data collection**

**Compliance and
enforcement**

The BTM Code aims to fulfil two roles:

- *Clarify the application of Australian Consumer Law*
- *Provide additional protections where necessary*

PRINCIPLE: representations of the value of a product or service must use reasonable assumptions and consider site-specific factors

Solar panels

Annual generation estimate considering:

- location
- shading
- orientation
- known DNSP restrictions

Bill savings and RoI based on:

- generation estimate
- actual or typical electricity tariff
- actual consumption patterns
- declining performance over time

Virtual Power Plant

Where paid per event, compare with BAU considering:

- approx. number of events
- clear info about payment
- impact on battery life & performance

Where paid via discount hardware, bill savings and RoI based on:

- typical electricity tariff
- actual consumption patterns
- impact on battery utilisation and health

Some issues for VPP customers

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The value proposition

- How does the customer figure out if it's a good deal?

Privacy and security

- Data usage and rights

Finance (where applicable)

- Impact of payment difficulties or defaults → use of licensed credit providers

Obligation to participate

- Ability to override remote control?
- How often and with what consequences?

Obligation to facilitate

- Customer provision of internet access?
- What if energy usage increases and battery is not sufficiently charged?

Adverse impacts

- Impact of VPP operation on battery
 - battery cycles → health → lifetime
 - warranty conditions

Change in circumstances

- What happens if house is sold?
- Exit fees?

Benefits

Ensure customer is considered

- Sometimes customer perspective is overlooked in planning and delivering innovative tech programs

Minimise adverse outcomes

- Social license can be compromised if there are poor customer outcomes

Stand out in the market

- Accreditation differentiates businesses from those who are unaccredited

Consumer confidence

- Good customer protections build consumer confidence

Risks

Compliance and enforcement

- Poor compliance and enforcement undermines the value of a code of conduct

Coverage

- Low coverage compromises consumer and industry outcomes:
 - Too many unaccredited businesses behaving poorly entrenches poor consumer outcomes
 - Low membership limits economies of scale that make membership affordable to small players

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VIRTUOUS CIRCLE

The more businesses that are accredited:

- *the more accreditation is a market advantage*
 - *the cheaper accreditation fees will be*
- *the more the code is a consumer benefit*

Thank you

More information:

cleanenergycouncil.org.au/advocacy-initiatives/behind-the-meter-code

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